

**ASHOK LEYLAND LIMITED**  
**Regd. Office :1 Sardar Patel Road, Guindy, Chennai -600 032**  
**FINANCIAL RESULTS FOR THE QUARTER ENDED 30-06-2009**

**Rs. Lakhs**

		THREE MONTHS ENDED		YEAR ENDED
		30.06.2009	30.06.2008	31.03.2009
		Unaudited	Unaudited	Audited
1.	Net Sales / Income from operations	91,245.13	188,798.50	598,107.37
2.	Expenditure			
a.	(Increase) / decrease in finished / trading goods	3,744.44	(26,100.52)	(4,879.84)
b.	Consumption of raw materials and movement in work-in-progress	57,433.12	165,183.42	429,885.65
c.	Purchase of trading goods	5,089.68	4,669.99	20,219.17
d.	Employees cost	14,409.26	16,261.28	56,617.70
e.	Depreciation	4,350.06	4,410.70	17,841.42
f.	Other expenditure	9,351.91	16,593.97	49,321.18
g.	Total	94,378.47	181,018.84	569,005.28
3.	Profit / (Loss) from operations before other income, financial expenses and exceptional item (1-2)	(3,133.34)	7,779.66	29,102.09
4.	Other income	6,062.43	741.19	4,962.28
5.	Profit before financial expenses and exceptional item (3+4)	2,929.09	8,520.85	34,064.37
6.	Financial expenses - net	2,580.29	1,069.36	11,870.87
7.	Profit / (Loss) after financial expenses but before exceptional item (5-6)	348.80	7,451.49	22,193.50
8.	Exceptional item (expense) - Voluntary retirement scheme compensation amortised	(103.59)	(327.69)	(1,348.87)
9.	Profit from ordinary activities before tax (7+8)	245.21	7,123.80	20,844.63
10.	Tax expense - Income tax	(532.00)	1,898.90	1,245.00
	- Fringe benefit tax	-	167.96	600.00
11.	Net Profit from ordinary activities after tax (9-10)	777.21	5,056.94	18,999.63
12.	Extraordinary item (net of tax)	-	-	-
13.	Net profit for the period (11-12)	777.21	5,056.94	18,999.63
14.	Paid-up equity share capital (Face value per share Re.1)	13,303.38	13,303.38	13,303.38
15.	Reserves excluding Revaluation Reserve			197,600.04
16.	Basic Earnings Per Share (EPS) (Rs.) (not annualised)	0.06	0.38	1.43
17.	Dividend Per Share (Rs.)			1.00
18.	Public shareholding			
	- Number of shares	638,008,035	638,008,035	638,008,035
	- Percentage of shareholding	47.96	47.96	47.96
19.	Promoter shareholding			
a.	Pledged / Encumbered			
	Number of shares	237,052,102		237,052,102
	- Percentage of promoter shareholding	34.95		34.95
	- Percentage of total share capital	17.82		17.82
b.	Non-encumbered			
	Number of shares	441,166,680		441,166,680
	- Percentage of promoter shareholding	65.05		65.05
	- Percentage of total share capital	33.16		33.16

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- (1) The above financial results were reviewed by the Audit committee and then approved by the Board of Directors at its meeting held on July 27, 2009.
- (2) The statutory auditors have conducted a limited review of the above results.
- (3) (i) Pursuant to the notification G.S.R.225(E) dated March 31, 2009 issued by Ministry of Corporate Affairs, the Company exercised its option, for the year ended March 31, 2009, irrevocably, to account for exchange difference on Long term monetary items in foreign currency (i.e. those items whose term of settlement exceeds twelve months from date of its origination) as directed in the said notification. Accordingly, all long term assets and liabilities outstanding in foreign currency are translated at the closing rate as on June 30, 2009.

Exchange difference on translation or settlement of long term foreign currency monetary items at rates different from those at which they were initially recorded or April 1, 2007, whichever is later, in so far as it relates to acquisition of depreciable assets are adjusted to the cost of the assets. In other cases, such exchange differences on translation are accumulated in "Foreign currency monetary item translation difference account" and amortised by recognition as income or expense in each period over the balance term till settlement occurs but not beyond March 31, 2011. As of June 30, 2009, the unamortised exchange difference on account of above adjustment is a net gain of Rs. 50.45 lakhs.

- (ii) During the quarter ended September 30, 2008, the Company had adopted the principles of Accounting standard 30 – Financial Instruments: Recognition and measurement, issued by Institute of Chartered Accountants of India, with effect from April 1, 2008, in respect of forward contracts for firm commitment and highly probable forecast transaction meeting necessary criteria as "Cash flow hedges". The gains and losses on effective cash flow hedges are recognized in Hedge reserve till the underlying forecasted transaction occurs.
  - (iii) The effect on the results for the Quarter ended June 30, 2008 on adopting (i) and (ii) above would be a higher net profit (after tax) of Rs. 4753.29 lakhs.
- (4) Out of the 1,00,000 Foreign Currency Convertible Notes (FCCN) aggregating US\$ 100 million issued in April 2004, 1,000 FCCN were outstanding as of June 30, 2008 and March 31, 2009. These notes were redeemed on April 29, 2009.
  - (5) In line with the provisions of Finance Bill (No.2), 2009, no provision has been made for Fringe benefit tax and provision for Minimum Alternate Tax (MAT) has been recognized at 15%.
  - (6) Tax expense includes deferred tax which for the quarter ended June 30, 2009 is a reversal of expense of Rs. 532.00 lakhs (against an expense of Rs. 697.90 lakhs for the quarter ended June 30, 2008); for the year ended March 31, 2009 it was an expense of Rs.1,245.00 lakhs.

There is no current tax expense for the quarter / year as the MAT for the quarter ended June 30, 2009 of Rs. 50.10 lakhs and for the year ended March 31, 2009 of Rs.2,223.66 lakhs is subject to credit under section 115JAA(1A) of the Income Tax Act, 1961 and hence recognised as an asset.

- (7) The company is principally engaged in a single business segment viz., Commercial vehicles and related components and operates in one geographical segment as per Accounting Standard 17 on 'Segment Reporting'.
- (8) Number of Investor complaints: at the beginning of the quarter – 6, received during the quarter – 45, disposed of during the quarter – 50 and unresolved at the end of the quarter – 1. The unresolved complaint was resolved by July 3, 2009.
- (9) Figures for the previous periods are regrouped wherever necessary.

Place : Chennai

**R. SESHASAYEE**