



**ASHOK LEYLAND**

**February 1, 2018**

National Stock Exchange of India Limited  
Exchange Plaza  
C-1, Block G, Bandra Kurla Complex  
Bandra (E), Mumbai - 400 051

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 001

Scrip Code : ASHOKLEY

Stock Symbol : 500477

Through : NEAPS

Through: BSE Listing Centre

Dear Sirs,

**Subject: Standalone unaudited financial results for the quarter and nine months ended December 31, 2017**

This is to inform that the Board of Directors of the Company at the meeting held today at London, have approved the statement of standalone unaudited financial results for the quarter and nine months ended December 31, 2017.

A copy of the statement of standalone unaudited financial results along with Independent Auditors' Review Report and a copy of Press Release being released in this regard are attached herewith.

The meeting commenced at 11.00 a.m. (London Time) and the agenda relating to financial results were approved by the Board at 12.59 p.m. (London Time). The Board meeting continues for discussing other agenda item(s).

The above information will be made available on the Company's website [www.ashokleyland.com](http://www.ashokleyland.com).

Thanking you,

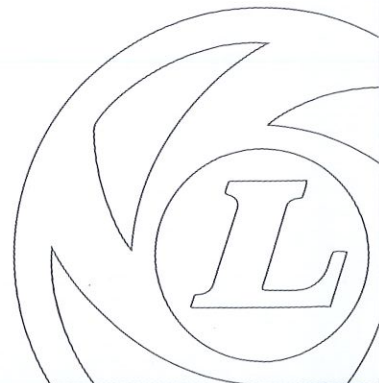
Yours truly,  
for ASHOK LEYLAND LIMITED

  
N Ramanathan  
Company Secretary

Encl. : a/a.

**ASHOK LEYLAND LIMITED**

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CIN: L34101TN1948PLC000105, www.ashokleyland.com



**HINDUJA GROUP**

**ASHOK LEYLAND LIMITED**  
 Regd. Office :1 Sardar Patel Road, Guindy, Chennai -600 032 ; CIN : L34101TN1948PLC000105 ; Email id: secretarial@ashokleyland.com  
 STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

Rs. Lakhs

S. No	Particulars	Three Months Ended		Nine Months Ended		Year Ended	
		STANDALONE		STANDALONE		STANDALONE	
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016 (Refer Note 10)	31.03.2017
		Unaudited			Audited		
	<b>Income</b>						
1	Revenue from operations	711,316.20	604,689.18	482,825.49	1,767,444.04	1,427,444.82	2,133,166.91
2	Other income	3,796.57	5,566.04	2,578.16	13,203.50	9,591.34	13,627.01
3	<b>Total Income</b>	<b>715,112.77</b>	<b>610,255.22</b>	<b>485,403.65</b>	<b>1,780,647.54</b>	<b>1,437,036.16</b>	<b>2,146,793.92</b>
4	<b>Expenses</b>						
	a. Cost of materials and services consumed	540,648.29	340,244.12	341,715.14	1,131,086.26	870,979.47	1,307,482.31
	b. Purchases of stock-in-trade	54,842.56	44,621.70	38,500.37	142,967.69	115,309.88	160,764.39
	c. Changes in inventories of finished goods, stock-in-trade and work-in-progress	(87,311.79)	46,528.04	(65,922.80)	(39,641.85)	(65,830.49)	(70,908.13)
	d. Excise duty on sale of goods			31,196.91	27,660.40	87,367.66	131,301.23
	e. Employee benefits expense	49,176.85	49,155.97	39,814.20	142,755.92	112,547.62	154,252.24
	f. Finance costs	3,352.57	4,102.43	4,533.15	11,118.12	11,307.96	15,537.87
	g. Depreciation and amortisation expense	13,503.71	14,113.54	13,133.50	40,830.45	37,841.82	51,789.39
	h. Other expenses	75,117.52	62,959.66	52,110.07	191,965.90	159,807.12	230,021.15
	<b>Total Expenses</b>	<b>649,329.71</b>	<b>561,725.46</b>	<b>455,080.54</b>	<b>1,648,762.89</b>	<b>1,329,331.04</b>	<b>1,980,240.45</b>
5	<b>Profit before exchange (loss) / gain on swap contracts, exceptional items and tax</b>	<b>65,783.06</b>	<b>48,529.76</b>	<b>30,323.11</b>	<b>131,884.65</b>	<b>107,705.12</b>	<b>166,553.47</b>
6	Exchange (loss) / gain on swap contracts (Refer Note 3)	(19.42)	(264.28)	(6,371.00)	(551.00)	(747.09)	1,539.74
7	<b>Profit before exceptional items and tax</b>	<b>65,763.64</b>	<b>48,265.48</b>	<b>23,952.11</b>	<b>131,333.65</b>	<b>106,958.03</b>	<b>168,093.21</b>
8	Exceptional items (Refer Note 4)	-	-	-	(1,256.92)	-	(35,084.59)
9	<b>Profit before tax</b>	<b>65,763.64</b>	<b>48,265.48</b>	<b>23,952.11</b>	<b>130,076.73</b>	<b>106,958.03</b>	<b>133,008.62</b>
10	Tax expense (Refer Note 6)						
	a) Current tax	23,837.24	17,959.98	7,296.44	48,418.68	35,066.95	31,371.80
	b) Deferred tax	(3,044.58)	(3,120.47)	484.07	(7,862.44)	(2,799.95)	(20,671.00)
11	<b>Profit for the period</b>	<b>44,970.98</b>	<b>33,425.97</b>	<b>16,171.80</b>	<b>89,520.49</b>	<b>74,691.03</b>	<b>122,307.72</b>
12	<b>Other Comprehensive Income</b>						
	A (i) Items that will not be reclassified to Profit or Loss	(112.50)	(112.50)	(66.41)	(337.50)	(602.49)	(184.70)
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss	38.93	38.94	59.23	116.80	217.37	63.92
	B (i) Items that will be reclassified to Profit or Loss	2,060.23	(2,544.86)	(689.47)	(912.65)	(1,025.95)	1,487.24
	(ii) Income tax relating to items that will be reclassified to Profit or Loss	(713.00)	877.57	238.61	315.85	355.06	(514.70)
	<b>Other Comprehensive Income</b>	<b>1,273.66</b>	<b>(1,740.85)</b>	<b>(458.04)</b>	<b>(817.50)</b>	<b>(1,056.01)</b>	<b>851.76</b>
13	<b>Total Comprehensive Income for the period</b>	<b>46,244.64</b>	<b>31,685.12</b>	<b>15,713.56</b>	<b>88,702.99</b>	<b>73,635.02</b>	<b>123,159.48</b>
14	Earnings per equity share						
	- Basic	1.54	1.14	0.55	3.06	2.60	4.24
	- Diluted	1.53	1.14	0.55	3.05	2.60	4.24
15	Paid-up equity share capital (Face value per share of Re. 1/- each)	29,271.08	29,265.38	28,458.80	29,271.08	28,458.80	28,458.80
16	Other equity						584,147.96
17	Capital redemption reserve						333.33
18	Debenture redemption reserve						10,000.00
19	Paid up debt capital / outstanding debt						215,031.72
20	Net worth						612,606.76
21	Debt equity ratio						0.35
22	Debt service coverage ratio						1.45
23	Interest service coverage ratio						12.89



**Notes:**

(1) The above standalone unaudited financial results for the quarter and nine months ended December 31, 2017 were reviewed by the Audit Committee at its meeting held on January 31, 2018 and then approved by the Board of Directors at its meeting held on February 1, 2018. The statutory auditors have conducted a limited review of the above standalone unaudited financial results.

(2) The Company has elected the option under Ind AS 101 'First-time Adoption of Indian Accounting Standards' and has continued the policy adopted for accounting of exchange differences arising from translation of long term foreign currency monetary items recognised in the financial statements upto March 31, 2016. Accordingly, 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 as at April 1, 2007, 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, arising effective April 1, 2011, are accumulated in "Foreign currency monetary item translation difference account" and amortized by recognition as income or expense in each year over the balance term till settlement occurs but not beyond March 31, 2020.

Accordingly,

a) Foreign exchange (gain) / loss relating to acquisition of depreciable assets, capitalised during the nine months ended December 31, 2017 aggregated Rs.(997.36) lakhs [quarter ended December 31, 2017 Rs.(1,099.91) lakhs, quarter ended September 30, 2017 Rs.399.20 lakhs, quarter ended December 31, 2016 Rs.(3,939.00) lakhs, nine months ended December 31, 2016 Rs.2,771.09 lakhs, year ended March 31, 2017 Rs.577.36 lakhs];

b) Amortised net exchange difference loss / (gain) in respect of long term foreign currency monetary items relating to other than acquisition of depreciable assets, charged to the results during the nine months ended December 31, 2017 is Rs.229.07 lakhs [quarter ended December 31, 2017 Rs.(24.66) lakhs, quarter ended September 30, 2017 Rs.152.75 lakhs, quarter ended December 31, 2016 Rs.759.82 lakhs, nine months ended December 31, 2016 Rs.1,623.30 lakhs, year ended March 31, 2017 Rs.2,029.29 lakhs]; and

c) The un-amortised net exchange difference in respect of long term monetary items relating to other than acquisition of depreciable assets, is a loss of Rs.567.62 lakhs as at December 31, 2017 [as at March 31, 2017: loss of Rs.1,149.49 lakhs, as at December 31, 2016: loss of Rs.3,496.92 lakhs]. These amounts are reflected as part of the "Other equity".

(3) The Company has currency and interest rate swap contracts in respect of certain foreign currency long-term borrowings. Net exchange differences on settlement and period end fair valuation (mark to market) have been charged / credited to profit and loss for the period and disclosed separately for better comparability and understanding of the results.

(4) Exceptional items consist of:

Description	Three Months Ended			Nine Months Ended		Year Ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
	Unaudited					Audited
Impairment reversal / (loss) in the value of equity instruments in subsidiaries and joint ventures (net)	(26,507.72)	-	-	(26,507.72)	-	17,429.49
Impairment reversal / (loss) allowance on loans (including interest) to a subsidiary (net)	25,494.07	-	-	24,237.15	-	(24,414.08)
Effect of translation difference on conversion of loan to equity instrument in subsidiary	1,013.65	-	-	1,013.65	-	-
Provision for obligations relating to a subsidiary	-	-	-	-	-	(28,100.00)
<b>Total</b>	-	-	-	<b>(1,256.92)</b>	-	<b>(35,084.59)</b>

(5) In accordance with the requirements of Ind-AS 18, Revenue from operations for the quarter ended December 31, 2017 and September 30, 2017 is shown net of Goods and Services Tax (GST). However, Revenue from operations for the quarter ended December 31, 2016, previous nine months ended and previous financial year is shown inclusive of excise duty. For comparison purposes, Revenue excluding excise duty is given below:

Description	Three Months Ended			Nine Months Ended		Year Ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
	Unaudited					Audited
Revenue from operations (excluding excise duty)	711,316.20	604,689.18	451,628.58	1,739,783.64	1,340,077.16	2,001,865.68

(6) Current tax for the nine months ended, three months ended / year ended is based on Minimum Alternate Tax (MAT), where applicable, with appropriate tax credit entitlement thereof reflected in deferred tax.

(7) The Company has adopted the formulae for computing items mentioned in Sl. No 20, 21, 22 and 23 is given below:

Sl. No Ref.	Ratio	Formulae
20	Net worth	Equity share capital + Other equity
21	Debt equity ratio	Gross total borrowings (before deducting un-amortised loan raising expense) / (Equity share capital + Other equity)
22	Debt service coverage ratio	(Profit from ordinary activities before tax + Interest charge on borrowings + Depreciation and amortisation expense – Tax expense) / (Interest expense on borrowings + Principal repayments for borrowings)
23	Interest service coverage ratio -	(Profit from ordinary activities before tax + Interest expense on borrowings + Depreciation and amortisation expense) / Interest expense on borrowings

(8) During the quarter ended December 31, 2017, the Company allotted 569,175 equity shares pursuant to the exercise of options under Employee Stock Option Scheme.

(9) Segment Information:

The Company is principally engaged in a single business segment viz. commercial vehicles and related components based on nature of products, risks, returns and the internal business reporting system and accordingly, there is no other reportable segment in terms of Ind AS 108 'Operating Segments'.

(10) Hinduja Foundries Limited (amalgamating company) merged with the Company effective October 1, 2016 pursuant to the order received from National Company Law Tribunal on April 24, 2017. Consequently, 80,658,292 equity shares of Re.1 each of the Company has been allotted on June 13, 2017 as fully paid up to the shareholders of the amalgamating company. Accordingly the results for the nine months ended December 31, 2017 includes result of Hinduja Foundries Limited for the nine months ended December 31, 2017 whereas the restated results for the nine months ended December 31, 2016 includes result of Hinduja Foundries Limited for the three months ended December 31, 2016 and hence are not comparable.

(11) The Company would be consolidating and presenting its Consolidated Financial Statements at the end of the year i.e. March 31, 2018.

(12) The figures for the previous period have been reclassified/ regrouped wherever necessary.

Place : London  
Date : February 1, 2018



*Vinod K Dasari*  
VINOD K DASARI  
CEO and Managing Director

# Price Waterhouse & Co Chartered Accountants LLP

To,  
The Board of Directors  
Ashok Leyland Limited  
No.1, Sardar Patel Road,  
Guindy, Chennai- 600032

## Independent Auditors' Review Report

1. We have reviewed the unaudited standalone financial results of Ashok Leyland Limited (the "Company") for the quarter ended December 31, 2017 and the year to date results for the period from April 1, 2017 to December 31, 2017 (including the period from April 1, 2017 to June 30, 2017 jointly reviewed by predecessor statutory auditors vide their "Independent Auditors' review report on review of Interim financial results" dated July 21, 2017 which we have relied upon) (the "financial results") which are included in the accompanying "Statement of Standalone Unaudited Financial Results for the quarter and nine months ended December 31, 2017" (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by SEBI Circulars CIR/CFD/FAC/62/2016 dated July 5, 2016 (the "Listing Regulations"), which has been initialled by us for identification purposes.

The Statement which is the responsibility of the Company's Management, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India read with our comments in paragraph 5(c) below. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Based on our review conducted as above and read with our comments in paragraph 5(c) below, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations as amended from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. (a) The standalone financial results of the Company for the quarter and nine months ended December 31, 2016 were reviewed jointly by predecessor statutory auditors who have issued an unmodified report vide their "Independent Auditors' review report on review of Interim financial results" dated January 25, 2017. The published financial results for the aforesaid periods have been restated subsequently to give effect to the merger of Hinduja Foundries Limited, with the Company with effect from October 01, 2016, pursuant to the Order of the National Company Law Tribunal dated April 24, 2017 as referred to in Note 10 to the Statement. The restated figures included in the Statement have neither been audited nor subject to review.

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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)



## **Price Waterhouse & Co Chartered Accountants LLP**

(b) The financial statements of the Company for the year ended March 31, 2017 was audited jointly by predecessor statutory auditors, who jointly issued an unmodified opinion vide their "Independent Auditors' report" dated May 25, 2017.

(c) The standalone financial results of the Company for the quarter ended June 30, 2017 was reviewed jointly by predecessor statutory auditors, who have issued an unmodified report vide their "Independent Auditors' review report on review of Interim financial results" dated July 21, 2017.

Our conclusion is not qualified in respect of these matters.

For **Price Waterhouse & Co. Chartered Accountants LLP**  
Firm Registration Number: 304026E/E-300009  
Chartered Accountants



**Subramanian Vivek**  
Partner  
Membership Number: 100332

Place: Chennai  
Date: February 1, 2018

PS

Press Release

## Ashok Leyland registers record volumes and revenue of Rs.71 bn in Q3 EBITDA @11.1 %, MHCV exports up 46%

**Chennai, February 1, 2018:** Ashok Leyland, flagship of the Hinduja Group, reported revenues of Rs. 7,113.16 Cr in Q3 FY 2017-18, against Rs. 4,516.29 Cr (excluding excise duty) during the same period last year, an increase of 58%. The export volumes grew by 46% in the quarter.

The Company achieved 11.1% EBITDA in Q3 and has registered a double-digit EBITDA in 11 out of the past 12 quarters.

**Results for Q3 FY 2017-18:**

- **Revenues** increased by 58% to Rs. 7,113.16 Cr, against Rs. 4,516.29 Cr, same period last year
- **Export volumes** increased by 46 % to 4289 numbers.
- **Net profit** stood at Rs. 449.71 Cr, against Rs. 161.72 Cr, same period last year, up by 178%.
- **EBITDA** is at Rs. 788.43 Cr, against Rs. 454.12 Cr, same period last year
- **Sales** in Medium and Heavy Commercial Vehicles (M&HCV) in Domestic market up by 41%
- **Volume** for Light Commercial Vehicles (LCV) was 10926 Nos (7554 nos), an increase of 45%

**Results for YTD Dec FY 2017-18:**

- **Revenue** increased by 30% to Rs. 17397.84 Cr as against Rs. 13400.77 Cr (excluding excise duty), same period last year.
- **Net profit** stood at Rs. 895.20 Cr as against Rs. 746.91 Cr, same period last year.

Ashok Leyland received the Global Marketing Excellence award in the Commercial Vehicle space, awarded by CMO Asia.

**Mr. Vinod K. Dasari, Managing Director, Ashok Leyland Ltd.,** said, "It has been an overwhelming performance and our robust growth exemplifies the technological leadership of Ashok Leyland. This quarter saw the successful launch of 3718 Plus, and the unitized wheel bearings, another industry-first from Ashok Leyland. With the opening of our office in Ivory Coast, we have expanded our growing global reach. We had launched the digital market place to support the rapidly growing network of customers and we have seen an excellent response from the market for this initiative."

**Mr. Gopal Mahadevan, CFO, Ashok Leyland Ltd.,** added, "This has been another quarter of consistent performance from Ashok Leyland. The thrust to introduce new products, expand network, connect with customers and deliver superior solutions should help us pursue profitable growth. Our working capital position continues to be very healthy and our focus on cost would continue".

For further information, please contact:

**Sunil Gate**

Head – Corporate Communications

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*K. M. Balaji*

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