



ASHOK LEYLAND LIMITED

Registered Office: No. 1, Sardar Patel Road, Guindy, Chennai - 600 032
CIN: L34101TN1948PLC000105 T: + 91 44 2220 6000 F: + 91 44 2220 6001
Website: www.ashokleyland.com E- mail ID: secretarial@ashokleyland.com

POSTAL BALLOT NOTICE

Dear Member(s),

NOTICE is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Management and Administration) Rules, 2014, ("Rules"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and other applicable laws and regulations (including any statutory modification or re-enactment thereof for the time being in force), to transact the special business set out below and proposed to be passed by the members of Ashok Leyland Limited ("Company"), by means of a Special Resolution through the process of Postal Ballot including voting by electronic means ("e-voting").

An Explanatory Statement under Section 102(1) of the Act setting out all material facts relating to the resolution mentioned in this Postal Ballot Notice is annexed.

The Board of Directors of the Company has appointed B Chandra & Associates, Practising Company Secretaries, Chennai (Firm Reg. No.: P2017TN065700) as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

Members desiring to exercise their vote by Postal Ballot or through e-voting are requested to carefully read the instructions indicated in the Notice and return the Postal Ballot Form in original duly filled in and signed along with your vote, as Assent (FOR) or Dissent (AGAINST) for the said resolution in the enclosed postage prepaid self-addressed, Business Reply Inland Letter Card (BRILC), so as to reach the Scrutinizer on or before 5.00 p.m. (IST) on Sunday, March 24, 2019. If any Postal Ballot Form is received after 5.00 p.m. on Sunday, March 24, 2019, it will be considered that no reply from such member has been received and such Postal Ballot would not be considered. In compliance with the provision of Sections 108 and 110 of the Act, read with Rules 20 and 22 of the Rules and Regulation 44 of the SEBI Listing Regulations, the Company is also offering facility of e-voting to all its members to enable them to cast their votes electronically. Members are requested to follow the procedure as stated in the Notes to this Postal Ballot Notice for casting of votes by e-voting.

The Scrutinizer will submit her report to the Chairman of the Company or any authorised person of the Company on or before Monday, March 25, 2019 and the result of the Postal Ballot (including voting through electronic means) will be announced on Tuesday, March 26, 2019 at the Company's Registered Office. The said results would be displayed at the Registered Office of the Company, intimated to the National Stock Exchange of India Limited and BSE Limited where the shares of the Company are listed. Additionally, the results will also be uploaded on the Company's website www.ashokleyland.com and on the website of National Securities Depository Limited (NSDL) www.evoting.nsdl.com.

SPECIAL BUSINESS

1. **To consider and approve remuneration to Mr. Vinod K Dasari, Chief Executive Officer and Managing Director for the period from April 1, 2018 to March 31, 2019**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED that in partial modification to the resolutions passed by the members at the Annual General Meeting of the Company held on July 21, 2016 and pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Schedule V thereto and the Rules made thereunder including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force, as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for the payment of remuneration (more specifically

stated in the Explanatory Statement annexed to this Notice) to Mr. Vinod K Dasari, (DIN : 00345657), Chief Executive Officer and Managing Director of the Company for the period from April 1, 2018 to March 31, 2019, subject to the condition that the aggregate remuneration, including salary, perquisites, commission, other allowances and other benefits, shall not exceed the limits permissible under Section 197 of the Act and computed in the manner referred to in Section 198 of the Act.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Nomination and Remuneration Committee and/or the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company.”

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Website: www.ashokleyland.com**

February 14, 2019
Chennai

By Order of the Board of Directors

**Sd/-
N Ramanathan
Company Secretary**

Notes:

1. An explanatory statement pursuant to the provisions of Section 102 of the Act setting out the material facts concerning the business to be transacted is annexed hereto.
2. The Postal Ballot Notice is being sent to the member(s) whose names appear on the Register of Members/List of Beneficial Owners as received from the National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) as on Thursday, February 14, 2019 (cut-off date). The Postal Ballot Notice is being sent to the members who have registered their email IDs for receipt of documents in electronic form to their email addresses registered with their Depository Participants/the Company’s Registrar and Share Transfer Agent (“RTA”). For member(s) whose email IDs are not registered, physical copies of the Postal Ballot Notice along with Postal Ballot Form are being sent by permitted mode along with a postage prepaid self-addressed BRILC.
3. Member(s) whose names appear on the Register of Members/List of Beneficial Owners as on the cut-off date will be considered for the purpose of voting/e-voting. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
4. In compliance with the provisions of Section 108 and 110 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the Listing Regulations, the Company provides the members the facility to exercise their right to vote by electronic means through e-voting services provided by NSDL and the business may be transacted through such voting. The instructions for e-voting are annexed to this Notice. The e-voting period shall commence on Saturday, February 23, 2019 from 9.00 a.m. (IST) and shall end on Sunday, March 24, 2019 at 5.00 p.m. (IST). E-voting shall not be allowed beyond the said date and time.
5. Member(s) desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed self-addressed BRILC. Postage of such envelope will be borne and paid by the Company. Postal Ballot Form, if sent by courier or by registered post/speed post at the expense of the member(s) will also be accepted. The Postal Ballot Form may also be deposited personally at the address given on the self-addressed BRILC. The duly completed Postal Ballot Form should reach the Scrutinizer on or before 5.00 p.m. (IST) on Sunday, March 24, 2019 to be eligible for being considered, failing which it will be strictly considered that no reply has been received from the member.

6. Postal Ballot Form should be completed and signed by the member(s) as per the specimen signature registered with the Company/Depository Participants. In case of joint holding, this Form should be completed and signed by the first named member and in his/her absence, by the next named member.
7. The consent must be accorded by recording the assent in the column 'FOR' and dissent in the column 'AGAINST' by placing (v) in the appropriate column.
8. A Member cannot exercise his/her vote through proxy on Postal Ballot.
9. There will be only one Postal Ballot Form for every Client ID/Folio No. irrespective of the number of joint holders.
10. The Member can opt for only one mode of voting i.e., either by Postal Ballot or e-voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Postal Ballot forms will be treated as invalid.
11. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e., Thursday, February 14, 2019.
12. The resolution, if passed by the requisite majority of the members through Postal Ballot including voting by electronic means shall be deemed to have been passed as if they have been passed at a general meeting of the members convened in that behalf.
13. The Board of Directors of the Company (the Board), has appointed B Chandra & Associates, Practising Company Secretaries, Chennai (Firm Reg. No.: P2017TN065700) as the Scrutinizer, for conducting the said Postal Ballot and e-voting process in a fair and transparent manner.
14. Relevant documents referred to in the Notice and the Statement are available for inspection by the members at the Registered Office of the Company during 11.00 a.m. to 5.00 p.m. on all its working days (Monday-Friday) from the date of dispatch of the Notice till the last date for voting.
15. Members may also note that the Postal Ballot Notice and Postal Ballot Form are available on the Company's website www.ashokleyland.com and on the website of NSDL www.evoting.nsdl.com for download. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by any permissible mode free of cost. For any communication, the Members may also send requests to the Company's investor email id: secretarial@ashokleyland.com.
16. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
17. **The instructions for e-voting are as under:**
Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>
Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

- (i) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- (ii) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- (iii) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

(iv) Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

(v) Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a pdf file. Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

(vi) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

(vii) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

(viii) Now, you will have to click on "Login" button.

(ix) After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

- (i) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

- (ii) After clicking on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- (iii) Select "EVEN" of Company.
- (iv) Now you are ready for e-Voting as the Voting page opens.
- (v) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- (vi) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (vii) You can also take the printout of the vote cast by you by clicking on the print option on the confirmation page.
- (viii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- (i) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter, etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to scrutiniserbc@gmail.com with a copy marked to evoting@nsdl.co.in.
- (ii) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/ Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
- (iii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

Explanatory Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 ("Act")

As required under Section 102 read with Section 110 of the Act, the following explanatory statement sets out all the material facts relating to the Special Business mentioned in the accompanying Notice.

Item No.1:

At the Annual General Meeting (AGM) held on July 21, 2016, Mr. Vinod K Dasari was appointed as the Chief Executive Officer and Managing Director (CEO & MD) of the Company for a period of five years from April 1, 2016 to March 31, 2021 by the shareholders of the Company by means of an Ordinary Resolution. The remuneration payable to Mr. Vinod K Dasari by way of salary, perquisites, commission, other allowances and other benefits, was approved as per the limits permissible under Section 197 of the Act during the tenure of his appointment

Further, at the AGM held on July 21, 2016 and subsequently by Postal Ballot, the members of the Company approved the formulation and implementation of Ashok Leyland Employee Stock Option Plan 2016 (AL ESOP 2016) for grant of Employee Stock Options ("Options") to the eligible directors and employees of the Company as per the eligibility criteria defined/fixed by the Nomination and Remuneration Committee and the Board of Directors from time to time.

Under AL ESOP 2016, Mr. Vinod K Dasari, CEO & MD was granted Options and equity shares were allotted to him as per the vesting schedule and conditions prescribed under AL ESOP 2016. Consequent to exercise of the Options by Mr. Vinod K Dasari, CEO & MD in the financial year 2018-19, the perquisite value of Options exercised by him under AL ESOP 2016, will form part of the total remuneration payable to him for the financial year 2018-19.

As per the Income Tax Act, 1961 and the applicable Accounting Standards and such other laws and requirements as relevant for Employee Stock Options in India, the perquisite value that accrues to Mr. Vinod K Dasari, CEO & MD shall have to be added in his income for the financial year from the Company and thus will form part of total remuneration for the financial year 2018-19.

The perquisite benefit arising out of Stock Options exercised that will be added to the income of Mr. Vinod K Dasari, CEO & MD may result in his total remuneration (i.e., salary, perquisite including the perquisite value of stock options) exceeding the limit of 5% of the net profits of the Company computed in the manner referred to in Section 198 of the Act.

The Members attention is also invited to the fact that consequent to the notification of the provisions of the Companies (Amendment) Act, 2017, implemented with effect from September 12, 2018, the remuneration payable to a Managing Director exceeding 5% of the net profits as computed under Section 198 of the Act, requires the approval of the members by way of Special Resolution. As the Company has obtained the earlier approval of the shareholders by way of Ordinary Resolution only, it is now proposed to obtain the consent of the shareholders by way of Special Resolution for the remuneration payable to Mr. Vinod K Dasari, CEO & MD for the financial year 2018-19, for the reasons stated hereinabove.

The Members may please note that other than the perquisite that has accrued to Mr. Vinod K Dasari, CEO & MD consequent to the exercise of options during the financial year 2018-19, (resulting in his remuneration likely to exceed 5% of the net profits of the Company), there shall be no other changes or variation in the terms of remuneration payable to Mr. Vinod K Dasari, CEO & MD that was originally approved by the shareholders at the AGM held on July 21, 2016.

The Members may further note that basic salary, perquisites, allowances, performance bonus, commission, long term incentive plan benefits, retiral benefits, housing and others paid/payable during the financial year 2018-19 are only considered for the remuneration limits for the period from April 1, 2018 to March 31, 2019 and the performance linked bonus that Mr. Vinod K Dasari, CEO & MD is eligible, will be paid after the same is approved by the Board of Directors during May 2019, which is not part of the above remuneration.

Pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, members approval is being sought for the revised remuneration payable to Mr. Vinod K Dasari, CEO & MD for the period from April 1, 2018 to March 31, 2019.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in this resolution except Mr. Vinod K Dasari, CEO & MD.

Requisite information as per Clause 1.2.5 of Secretarial Standards-2 on General Meetings, are provided in Annexure 1.

The Board recommends the Special Resolution as set out at Item No.1 of the Notice for approval by the shareholders.

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February 14, 2019
Chennai

By Order of the Board of Directors

**Sd/-
N Ramanathan
Company Secretary**

Annexure 1

[Pursuant to Clause 1.2.5 of Secretarial Standards - 2 on General Meetings]

Name of the Director	Mr. Vinod K Dasari
DIN	00345657
Date of Birth and Age	June 28, 1966; 52 years
Date of appointment on the Board	May 8, 2008
Qualifications	BS (Engg), MEM, MBA
Experience and expertise	Over 27 years of varied experience with top companies in India and USA
Number of meetings of the Board attended during the year	All meetings
List of Directorship/ Membership/ Chairmanship of Committees of other Board	(i) Pidilite Industries Limited, Director (ii) Lynks Logistics Limited, Director (iii) Waycool Foods and Products Private Limited, Director (iv) Vishay Engineering and Holdings Private Limited, Director (v) Lanka Ashok Leyland PLC, Director
Shareholding in Ashok Leyland Limited	42,96,175
Relationship with other directors, manager and other Key Managerial Personnel of the Company	Not related
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person	<p>Mr. Vinod K Dasari was appointed as the Chief Executive Officer and Managing Director of the Company for a period of five years from April 1, 2016 to March 31, 2021. The remuneration payable to Mr. Vinod K Dasari by way of salary, perquisites, commission, other allowances and other benefits, was approved as per the limits permissible under Section 197 of the Act during the tenure of his appointment.</p> <p>The details of remuneration sought to be paid is given in the explanatory statement annexed to this Notice.</p> <p>Remuneration last drawn is Rs.1880.94 lakhs in the financial year 2017-18</p>

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