



ASHOK LEYLAND LIMITED

Registered Office : No. 1, Sardar Patel Road, Guindy, Chennai - 600 032

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Sixty Fourth Annual General Meeting of Ashok Leyland Limited will be held at **The Music Academy Madras, 168 TTK Road, Royapettah, Chennai 600 014** at 2.45 p.m. on Tuesday, July 16, 2013 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2013 and the Balance Sheet as at that date together with the Reports of Board of Directors and Auditors thereon.
2. To declare a dividend for the year ended March 31, 2013.
3. To appoint a Director in the place of Mr Anil Harish, who retires by rotation under Article 106 of the Articles of Association of the Company and who, being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Mr R Seshasayee, who becomes eligible for retirement by rotation, under Article 106 of the Articles of Association of the Company offers himself for re-appointment.
5. To appoint a Director in the place of Mr Sanjay K Asher, who retires by rotation under Article 106 of the Articles of Association of the Company and who, being eligible, offers himself for re-appointment.
6. To appoint a Director in the place of Mr Jean Brunol, who retires by rotation under Article 106 of the Articles of Association of the Company and who, being eligible, offers himself for re-appointment.
7. To appoint Auditors and fix their remuneration. In this connection, to consider and if thought fit, to pass the following as an Ordinary Resolution:

“RESOLVED THAT Messrs M.S. Krishnaswami & Rajan (Registration No. 01554S), Chartered Accountants, and Messrs Deloitte Haskins & Sells (Registration No. 117366W), Chartered Accountants be and are hereby appointed as Auditors of the Company to hold such office until the conclusion of the next Annual General Meeting on a remuneration of ₹ 35 lakhs (Rupees Thirty-Five Lakhs only) to each of the Auditors, in addition to reimbursement of out-of-pocket expenses incurred.”

Special Business

8. To appoint Dr Andreas H Biagosch as a Director:
To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
“RESOLVED THAT Dr Andreas H Biagosch be and is hereby appointed as a Director of the Company.”
9. To authorise the Board to mortgage and/or charge the immovable and/or movable properties of the Company in favour of
 - (i) Banks / Financial Institutions / Mutual Funds as lenders / trustees for the new Redeemable Non-Convertible Debenture (NCD) issues / term loans / External Commercial Borrowings / Perpetual Bonds
 - (ii) State Bank of India and its Consortium of BanksTo consider and if thought fit, to pass with or without modification(s), the following resolutions as Ordinary Resolution:
 - (a) “RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to mortgaging and/or

charging by the Board of Directors of the Company, of all the immovable and/or movable properties of the Company, wheresoever situate, present and future and the whole of the undertaking of the Company, together with power to take over the management of the business and concern of the Company to be exercised only on the occurrence of certain events, to or in favour of all, or any of the Banks / Financial Institutions / Mutual Funds as lenders / trustees for fresh Non-Convertible Debentures / Term Loans / External Commercial Borrowings / Perpetual Bonds up to ₹ 1,200 Crores (Rupees One thousand and two hundred Crores only) to be contracted during the financial year 2013-14 and to secure the interest payable on such loans at the respective agreed rates, compound/additional interest, commitment charges, premium on prepayment or on redemption, costs, charges, expenses and all other moneys payable by the Company to Banks / Financial Institutions / Mutual Funds as lenders / trustees in terms of their Loan Agreements / Trust Deed entered into/to be entered into by the Company in respect of the said Non-Convertible Debentures / Term Loans / External Commercial Borrowings / Perpetual Bonds.

- (b) RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to create a first charge by way of hypothecation and/pledge of the borrower's current assets, namely stocks and spares not relating to plant and machinery (consumable stores & spares), Bills receivable & Book Debts and all other movables both present and future excluding such movables as may be permitted by banks from time to time, by the Board of Directors of the Company, together with power to take over the management of the business and concern of the Company to be exercised only on

the occurrence of certain events, to or in favour of State Bank of India and the Consortium of Banks for the working capital limits of ₹ 1,650 Crores (comprising of ₹ 900 Crores in respect of fund based limits and ₹ 750 Crores in respect of non-fund based limits). The Board of Directors of the Company be and is hereby authorized to finalise with State Bank of India and the Consortium of banks for their working capital limits of ₹ 1,650 Crores, the documents for creating the aforesaid charge by way of hypothecation and pledge of the borrower's current assets, namely stocks and spares not relating to plant and machinery (consumable stores & spares), Bills receivable & Book Debts and all other movables (not specifically offered / charged to any other credit facility) both present and future excluding such movables as may be permitted by banks from time to time and to do all such acts, deeds and things as may be necessary for giving effect to the above resolution.

- (c) RESOLVED FURTHER THAT the actions already taken by the Board of Directors on this matter be and are hereby ratified / approved.”
10. To consider and, if thought fit, to pass, with or without modification(s), the following resolutions as **Special Resolution**:
- “RESOLVED THAT pursuant to Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, including any amendment thereto or statutory modification(s) or re-enactment(s) thereof for the time being in force, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (“SEBI Regulations”) and the provisions of the Foreign Exchange Management Act, 1999, and Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended from time to time, the Issue of Foreign Currency Convertible

Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended and such other statutes, notifications, clarifications, circulars, rules and regulations as may be applicable and relevant, as amended from time to time and issued by the Government of India (“GOI”), the Reserve Bank of India (“RBI”), the Foreign Investment Promotion Board (“FIPB”), the Securities and Exchange Board of India (“SEBI”), the stock exchanges where the equity shares of the Company (“Equity Shares”) are listed (“Stock Exchanges”) and any other appropriate authorities, institutions or bodies, as may be applicable in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into by the Company with each of the Stock Exchanges (“Listing Agreements”), and subject to such approvals, consents, permissions and sanctions, if any, of the GOI, RBI, FIPB, SEBI, Stock Exchanges and any other appropriate authorities, institutions or bodies, as may be necessary and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/or sanction, the consent of the shareholders be and is hereby accorded to permit the Board of Directors (hereinafter referred to as the “Board” which shall be deemed to include any Committee thereof, constituted or to be constituted to exercise its powers) in its absolute discretion, to create, offer, issue and allot from time to time, in one or more tranches, in the course of one or more domestic and/or international offerings in one or more foreign markets or domestic markets to one or more eligible investors, whether or not they are members of the Company or are residents or non-residents of India, including but not limited to Qualified Institutional Buyers (“QIBs”) as defined under the SEBI Regulations through a Qualified Institutions Placement (“QIP”) within the meaning of Chapter VIII of the SEBI Regulations of Equity Shares, non-convertible debt instruments along with warrants and convertible securities other than

warrants, or by way of an issuance of Equity Shares or American Depository Receipts (“ADRs”) or Global Depository Receipts (“GDRs”) or Foreign Currency Convertible Bonds (“FCCBs”), whether or not to be listed on any stock exchange in India or overseas, to eligible investors including foreign institutions, corporate bodies, mutual funds, banks, insurance companies, pension funds or individuals (including the Promoters or any persons or companies associated with the Promoters), whether Rupee denominated or denominated in any foreign currency (such securities, “Specified Securities”), up to 1,852 lakh Equity Shares face value of ₹ 1/- constituting 7% of the issued Equity Share capital of the Company at such price or prices, at market price(s) or at a permissible discount or premium to market price(s) in terms of applicable regulations to be determined by the Board at the time of issue, at its absolute discretion without requiring any further approval or consent from the shareholders of the Company and subject to the applicable regulations / guidelines in force.

RESOLVED FURTHER THAT in the event of a QIP or issuance of ADRs/GDRs/FCCBs as above mentioned, the relevant date for determining the price of the Specified Securities to be allotted, if any, shall mean, in case of allotment of Equity Shares, the date of the meeting in which the Board or a Committee thereof decides to open the proposed issue and in case of allotment of convertible securities, either the date of the meeting in which the Board or a committee thereof decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares, as provided under applicable law, or such other time as may be prescribed by applicable law from time to time.

RESOLVED FURTHER THAT in the event of a QIP, in terms of Chapter VIII of the SEBI Regulations, in accordance with Regulation 86(1) (a) of the SEBI Regulations, a minimum of 10% of the Specified Securities shall be

allotted to mutual funds and if the mutual funds do not subscribe to the said minimum percentage or part thereof, such minimum portion or part thereof, may be allotted to other QIBs, and that no allotment shall be made directly or indirectly to any QIB who is a promoter or any person related to promoters of the Company.

RESOLVED FURTHER THAT in case of a QIP, in terms of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Board may at its absolute discretion issue equity shares (including upon conversion of the Securities) at a discount of not more than five per cent or such other discount as may be permitted under applicable regulations to the 'floor price' as determined in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

RESOLVED FURTHER THAT the issue of Specified Securities shall be subject to the following terms and conditions:

- (i) The Equity Shares that may be issued and allotted directly or on conversion of other convertible or exchangeable securities issued as aforesaid shall rank *pari passu* with the then existing Equity Shares of the Company in all respects including dividend;
- (ii) The number and/or conversion price in relation to Equity Shares that may be issued and allotted on conversion of other convertible securities that may be issued as aforesaid shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split and consolidation of share capital, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring;
- (iii) In the event of a QIP as aforesaid, the allotment of the Specified Securities shall be completed within twelve months of the date of the passing of this

resolution under Section 81(IA) of the Companies Act, 1956;

- (iv) In case Specified Securities other than Equity Shares are issued pursuant to a QIP as aforesaid, such securities shall be converted into equity shares within sixty months from the date of allotment; and
- (v) In the event of a QIP as aforesaid, no subsequent QIP shall be made until the expiry of six months from the date of the prior QIP approved by way of this special resolution.

RESOLVED FURTHER THAT such of the Specified Securities as are not subscribed for may be disposed of by the Board in its absolute discretion in such manner as the Board may deem fit and as permissible by law.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do such acts, deeds and matters as may be necessary and also to delegate all or any of the powers conferred on its by or under this Resolution to any Committee of the Board or to any Director of the Company or to any other officer(s) or employee(s) of the Company or any professional as it may consider appropriate in order to give effect to this Resolution."

By Order of the Board

Registered Office:

1 Sardar Patel Road
Guindy, Chennai 600 032
May 10, 2013

S Venkatasubramanian
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE SCHEDULED COMMENCEMENT OF THE MEETING.**

Revenue Stamp should be affixed on the Proxy Form. Forms which are not stamped are liable to be considered invalid. It is advisable that the Proxy holder's signature may also be furnished in the Proxy Form, for identification purposes.

2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item Nos. 8 to 10 of the Notice, is furnished below.
3. Members may please bring the Admission Slip duly filled in and hand over the same at the entrance to the Meeting Hall.
4. Members who hold shares in dematerialised form, are requested to quote Depository account number (Client ID No.) for recording of attendance at the meeting.
5. In the case of Members holding shares in demat form, the Bank A/c details furnished for their demat Account will be incorporated in the dividend warrants.
6. The Register of Members and Share Transfer Books of the Company will remain closed from July 6, 2013 to July 16, 2013 (both days inclusive) for the purpose of determining the Members eligible for Dividend .
7. After the dividend is declared at the Annual General Meeting, the Dividend Warrants will be posted commencing from July 17, 2013 and to be completed before July 25, 2013. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership, details furnished for this purpose by National Securities Depository Limited and Central Depository Services (India) Limited.
8. **Pursuant to SEBI Circular No.CIR/MRD/DP/10/2013 dated 21.03.2013, it is mandatory for the investors to have their bank account details incorporated in the instrument payable to shareholders. Shareholders are requested to provide the relevant bank details to the Company's Registrar and Transfer Agent, M/s Integrated Enterprises (India) Limited, 2nd Floor, Kences Towers, 1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai 600 017 on or before June 28, 2013.**
9. Consequent to the amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999, the amount of dividends remaining unclaimed for a period of seven years is to be transferred to the Investor Education and Protection Fund. Accordingly, the dividend declared for all the financial years ended March 31, 2005 has been transferred to Investor Education and Protection Fund. The amount so transferred cannot be claimed either from the Company or from the Fund.

Members who have not encashed the dividend warrants for the financial year ended 2005-2006 and/ or any subsequent years are requested to write to the Company giving the necessary details.

Details of dividend declared for the financial years from 2005-2006 onwards are given below:

Financial year	Declared on	Dividend	Amount of dividend per share (face value: ₹ 1/- per share) ₹.P.
2005-2006	01.08.2006	120%	1.20
2006-2007	21.03.2007	150% (*)	1.50
2007-2008	30.07.2008	150%	1.50
2008-2009	28.07.2009	100%	1.00
2009-2010	27.07.2010	150%	1.50
2010-2011	19.07.2011	200%	2.00
2011-2012	24.07.2012	100%	1.00

(*) Interim Dividend. No final dividend declared.

10. Pursuant to Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amount lying with companies) Rules, 2012, the Company shall provide/host the required details of unclaimed amounts referred to under Section 205C(2) of the Companies Act, 1956, on its website and also Ministry of Corporate Affairs (MCA) website in the

relevant form every year. For the financial year ended March 31, 2012, the above information shall be filed latest by July 31, 2013.

11. Brief notes on the background and the functional expertise of the Directors proposed for re-appointment are furnished below, along with details of companies in which they are Directors and the Board Committees of which they are members:

- i) Mr Anil Harish, B.A.,LL.B and LL.M. (Miami, USA), aged about 59 years, has over three decades of experience. He is a Partner of M/s D M Harish & Co., Mumbai, a renowned firm of Advocates specialized in Real Estate, International Investments, Corporate Law and Taxation matters etc. He was the Executive Vice President of the Society of Indian Law Firms (SILF) and was a member of the Management Committee of the Income Tax Appellate Tribunal Bar Association and Managing Council of the Chamber of Income Tax Consultants. An authority on various topics related to real estate, taxation and collaboration, he has addressed various seminars, at both national as well as international levels.

Details of other Directorships/Committee Memberships held by him:

DIRECTORSHIP	COMMITTEE MEMBERSHIP
DIRECTOR	
Ador Welding Ltd.	Audit Committee (Chairman)
Advani Hotels & Resorts (India) Ltd.	Remuneration Committee
Future Ventures India Ltd.	Audit Committee
Future Retail Ltd. (Formerly Pantaloon Retail (India) Ltd.)	Remuneration Committee Corporate Governance Committee
Hinduja Global Solutions Ltd.	Audit Committee (Chairman) Compensation Committee (Chairman)

DIRECTORSHIP	COMMITTEE MEMBERSHIP
DIRECTOR	
Hinduja Leyland Finance Ltd.	
Hinduja Ventures Ltd.	Audit Committee (Chairman)
Hotel Leelaventure Ltd.	Audit Committee Committee of Directors for issue of Shares
Mahindra Lifespace Developers Ltd.	Audit Committee
Mukta Arts Ltd.	
Oberoi Realty Ltd.	Audit Committee
Unitech Ltd.	Audit Committee
Valecha Engineering Ltd.	Audit Committee
Astoria Maritime Private Ltd.	
Cenmar Maritime Agencies (India) Pvt.Ltd.	
Freight Connection (India) Pvt. Ltd.	
Helpyourngo.com (India) Pvt. Ltd.	
Mordril Properties (India) Pvt. Ltd.	
Oasis Preprint Services Pvt. Ltd.	
Trans Atlantic Consultants Pvt. Ltd.	

Mr Anil Harish does not hold any shares in the Company, as per details furnished by him.

- ii) Mr. R Seshasayee, aged 64, years, is a Chartered Accountant. He joined Ashok Leyland in January 1976 in the Internal Audit Department. Over the years, he handled Corporate Planning/Corporate Finance functions before becoming the Deputy Managing Director in 1993. He became Managing Director of the Company in 1998 and rose to become Executive Vice Chairman in 2011, which position he held at the time of his retirement in March 2013. Mr. Seshasayee

has been an active member of the Central Council of the Confederation of Indian Industry (CII), the premier Industry Association in India and was the President of CII during 2006-2007. He was also the President of the Society of Indian Automobile Manufacturers. He served as Member/Chairman of various trade and professional committees both at national and international levels.

Details of other Directorships/Committee Memberships held by him:

DIRECTORSHIP	COMMITTEE MEMBERSHIP
CHAIRMAN	
Ashley Airways Ltd. (in members voluntary winding up)	
Ashley Alteams India Ltd.	
Hinduja Foundries Ltd.	Investment Committee Remuneration Committee Capital Securities Committee
Hinduja Leyland Finance Ltd.	Credit Committee Nomination Committee Fund raising Committee
IndusInd Bank Ltd.	Committee of Directors (Loans Disbursal) (Chairman) Nomination Committee (Chairman) Finance Committee Human Resources Committee Compensation Committee
Executive Vice Chairman	
Hinduja Energy (India) Ltd.	Audit Committee (Chairman)
Director	
Hinduja Group India Ltd.	
Hinduja National Power Corporation Ltd.	Audit Committee (Chairman)
Infosys Ltd.	Audit Committee Risk Management Committee
Houghton International Inc.	

Mr R Seshasayee holds 22,472 shares in the Company, as per details furnished by him.

iii. Mr. Sanjay K Asher, aged 49 years, is a Commerce and a Law Graduate from the Bombay University. He is also a Fellow member of the Institute of Chartered Accountants of India. He has been a Practising Advocate since 1989 with M/s Crawford Bayley & Co., which is a leading law firm. He was admitted as a Solicitor in the year 1993 and is presently a Partner of M/s Crawford Bayley & Co. He was an invitee to the Committee formed by the Government of India, Department of Disinvestment for the purposes of standardising the transaction documents in relation to privatisation of the public sector enterprises of the Government of India. He is also a member of the committee in respect of Indo-US Financial Institutions Reforms and Expansion Projects - Capital Markets for the purpose of development of securities law bar and the securities law course in India.

Details of other Directorships/Committee Memberships held by him:

DIRECTORSHIP	COMMITTEE MEMBERSHIP
DIRECTOR	
Balakrishna Industries Ltd.	
Finolex Cables Ltd.	Audit Committee Share Transfer and Investor Grievance Committee Remuneration Committee
Finolex Industries Ltd.	Remuneration Committee
Innoventive Industries Ltd.	
Kryfs Power Components Ltd.	
Mandhana Industries Ltd.	Audit Committee Remuneration Committee
Repro India Ltd.	Audit Committee Remuneration Committee (Chairman)
Sanghvi Movers Ltd.	

DIRECTORSHIP	COMMITTEE MEMBERSHIP
DIRECTOR	
Sharp India Ltd.	Audit Committee Share Transfer and Investor Grievance Committee (Chairman) Remuneration Committee
Shree Renuka Sugars Ltd.	Audit Committee (Chairman) Share Transfer and Investor Grievance Committee (Chairman) Remuneration Committee
Sudarshan Chemicals Industries Ltd.	
Tribhovandas Bhimji Zaveri Ltd.	Remuneration Committee
A L Movers Private Ltd.	
A L Records Management Private Ltd.	
Allied Pickfords India Private Ltd.	
ArjoHuntleigh Healthcare India Pvt. Ltd.	
Diamant Boart Marketing Pvt. Ltd.	
Enam Infrastructure Trusteeship Services Private Ltd.	
Finolex Plasson Industries Private Ltd.	
Indian Cookery Private Ltd.	
Indofill Elastomer Private Ltd.	
Narendra Plastic Private Ltd.	
Master Voss International Project Pvt. Ltd.	
Morgan Stanley Investment Management Private Ltd.	
NV Advisory Services Private Ltd.	
Orbit Electricals Private Ltd.	
Peass Industrial Engineers Private Ltd	

DIRECTORSHIP	COMMITTEE MEMBERSHIP
DIRECTOR	
Schlafhorst Machines Private Ltd.	
Siporex India Private Ltd.	
ValueQb Consulting Private Ltd.	
Zinser Textile Systems Private Ltd.	
Varun Maritime Pvt. Ltd	
Varun Global Pvt. Ltd.	
Varun Resources Pvt. Ltd	
Arch Protection Chemical Pvt. Ltd.	
Kineco Kaman Composites - India Pvt. Ltd.	
Lonza India Pvt. Ltd.	
ALTERNATE DIRECTOR	
Hoganas India Private Ltd.	
J.B Chemicals and Pharmaceuticals Ltd.	

Mr. Sanjay K Asher does not hold any shares in the Company, as per details furnished by him.

- iv) Mr. Jean Brunol, aged 61 years, is a Graduate of the Ecole Normale Supérieure de Saint Cloud, holding the highest General Physics' degree in France (Agrégation) and a State Doctorate in Optics and Image Processing. He also holds a Master's in Business Administration from Research Center for Executive Managing Director (CRC). Mr. Jean Brunol was a Senior Vice President Business & Operations Strategy, Member of Federal Mogul Strategy Board, Federal Mogul Corporation in charge of worldwide Business and Operations Strategy as well as International Operations. Based in Paris and in Detroit he managed the restructuring of Federal Mogul Operations in Europe, development of the Company in Asia Pacific as well as South America, Mergers and Acquisitions of the corporation and Global advanced Technology reengineering. He was

previously Senior Vice President Business Strategy and International Operations at IVECO a leading Commercial Vehicle Manufacturers and based in Italy.

Before joining IVECO he was the CEO of the World Leader of high technology batteries SAFT.

He retired from Federal Moghul in October 2012 and he is now the president of EDJE Innovation.

Details of other Directorships/Committee Memberships held by him:

DIRECTORSHIP	COMMITTEE MEMBERSHIP
Hinduja Foundries Limited	Investment Committee
SHILOH Industries Inc	Compensation Committee Audit Committee
Houghton International Inc.	Remuneration Committee (Chairman)

Mr. Jean Brunol does not hold any shares in the Company, as per details furnished by him.

Mr. Anil Harish, Mr. R Seshasayee, Mr. Sanjay K Asher and Mr. Jean Brunol are interested in their respective re-appointment(s).

None of the aforesaid Directors is related to each other or to any other Director on the Board of the Company. None of the Directors is related to the Promoters of the Company.

12. Corporate Members / FIs / Financial Institutions intending to send their authorised representatives to attend the Annual General Meeting are requested to send a duly certified copy of the Board resolution / such other documents authorizing their representatives to attend and vote at the Annual General Meeting well in advance.

13. The Annual Report 2012-13 of the Company circulated to the Members of the Company, will be made available on the Company's website at www.ashokleyland.com and steps will be taken to make available on the website of the respective Stock Exchanges.

14. Nomination Form

Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under section 109A of the Companies Act, 1956 are requested to send the prescribed Form 2B to the Corporate / Registered Office of the Company. The Form 2B for the purpose would be available on demand and can be downloaded from the Company's website.

Explanatory Statement

Item No. 8

Dr. Andreas H Biagosch, aged 57 years, holds degree in Mechanical Engineering and Business Administration. He studied at the Technical University of Munich and University of Illinois, Champaign-Urbana, US.

Dr. Andreas H Biagosch retired from McKinsey & Company in July 2012 after serving 28 years with the Firm. He was a member of McKinsey's Executive Board for 12 years, serving in different roles such as chairing the Client Committee, chairing the Professional Standards Committee, and leading all of McKinsey's industry practices worldwide. He was also a member of all of the Firm's personnel committees.

Before joining McKinsey, he worked as an R&D engineer at the Motoren and Turbinen Union, Munich, supporting his doctoral degree in engineering. The thesis was about numerical optimization of the aerothermodynamic design of axial compressors for jet engines. He has done several projects for commercial vehicles in strategy, regional expansion and M&A, market segment evaluations (Asian markets), LCV concepts, product families (commonalities of bus and trucks), design to cost and value optimization for major components, complexity reduction of diesel engines as well as operational performance improvements with respect to productivity and quality.

His joining the Board will benefit the Company by virtue of his valuable contribution and is therefore recommended to the Shareholders.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member, together with necessary fee, informing his intention to propose the appointment of Dr. Andreas H Biagosch as a Director of the Company at this meeting.

Details of other Directorships/Committee Memberships held by him:

Directorship	Committee Membership
IMPACTING GmbH	Nil

Dr. Andreas H Biagosch does not hold any shares in the Company, as per details furnished by him.

None of the Directors is concerned or interested in this resolution except Dr. Andreas H Biagosch.

Dr. Andreas H Biagosch is not related to any other Director on the Board of the Company or related to the Promoters of the Company.

Item No. 9

The Company has planned to go in for issuance of new Non-Convertible Debentures / Term Loans / External Commercial Borrowings / Perpetual Bonds from Banks / Financial Institutions / Mutual Funds as lenders / trustees up to an amount not exceeding ₹ 1,200 Crores during the current financial year. The above Non-Convertible Debentures / Term Loans / External Commercial Borrowings / Perpetual Bonds to be contracted during the financial year 2013-14 are to be secured by mortgage / charge of the immovable / movable properties of the Company, present and future. Such mortgaging by the Company of its immovable and movable properties in favour of lenders / trustees may tantamount to disposal, and hence requires a resolution under Section 293(1)(a) of the Companies Act, 1956. Accordingly, the proposed resolution is placed before the shareholders for their approval. None of the Directors is interested in this resolution.

The Company has sought for an increase of Working Capital Limits up to ₹ 1,650 Crores (comprising of ₹ 900 Crores in

respect of fund based limits and ₹ 750 Crores in respect of non-fund based limits) from State Bank of India and its Consortium of Banks. The above Working Capital Limits are to be secured by a first charge by the Board of Directors by way of hypothecation and/pledge of the borrower's current assets, namely stocks and spares not relating to plant and machinery (consumable stores & spares), Bills receivable & Book Debts and all other movables both present and future excluding such movables, as may be permitted by banks from time to time. Such creation of charge by way of hypothecation and pledge of the borrower's current assets, namely stocks and spares not relating to plant and machinery (consumable stores & spares), Bills receivable & Book Debts and all other movables (not specifically offered / charged to any other credit facility) both present and future excluding such movables as may be permitted by banks from time to time, to or in favour of State Bank of India and the Consortium of Banks may tantamount to disposal, and hence requires a resolution under Section 293(1)(a) of the Companies Act, 1956. Accordingly, the proposed resolution is placed before the shareholders for their approval.

None of the Directors is interested in this resolution.

Item No. 10

The management has proposed to issue Equity Shares or non-convertible debentures with warrants or any other securities which are convertible or exchangeable for Equity Shares at a later date ("**Specified Securities**") to eligible investors including qualified institutional buyers, Foreign Institutions, Foreign Investors, Non-Residents, Corporate Bodies, Mutual Funds, Banks, Insurance Companies, Pension Funds or other eligible investors whether or not members of the Company (including the Promoters), in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as may be amended from time to time ("**SEBI Regulations**") or other applicable law.

The Specified Securities shall be issued at a price, being

not less than the price calculated in accordance with Chapter VIII of SEBI Regulations or other applicable law, and the 'Relevant Date' in this regard shall be; in case of allotment of equity shares, the date of the meeting in which the Board or a Committee thereof, decides to open the proposed issue and in case of allotment of convertible securities, either the date of the meeting in which the Board or a Committee thereof decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares, as provided under Chapter VIII of the SEBI Regulations or such other time as may be prescribed by the SEBI Regulations or other applicable law from time to time, as may be determined by the Board.

The above mentioned offering of Specified Securities is being considered for funding capital expenditure by the Company, long-term working capital requirements, investment in Joint Ventures, Associate Companies (including Overseas Companies), expansion of the existing business, development of infrastructure for future growth and other approved corporate purposes.

The detailed terms and conditions for the above mentioned issue will be determined by the Board or a Committee thereof, in consultation with the advisers, lead managers and such other authority (ies) as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The Board recommends for consent of the shareholders by passing special resolution pursuant to the provisions of Section 81(IA) and other applicable provisions of the Companies Act, 1956 and in terms of the provisions of the listing agreement executed by the Company with the stock exchanges where the equity shares of the Company are listed.

The Board believes that the proposed offering is in the interest of the Company and therefore recommends this special resolution for your approval.

None of the Directors of the Company is, in any way, concerned or interested in the resolution.

By Order of the Board

Registered Office:
1 Sardar Patel Road
Guindy, Chennai 600 032
May 10, 2013

S Venkatasubramanian
Company Secretary

Green Initiative

Attention is invited to the Green Initiative initiated by the Ministry of Corporate Affairs and the Company's efforts in implementing the same for the benefit of the shareholders.

In this connection, the Company has sent communication to the shareholders seeking their consent for sending the Annual Report and other communication from the Company by using electronic mode.

We are thankful to such of the shareholders who have accepted receiving the Annual Report through e-mail and would request other shareholders to give their consent at the earliest to enable the Company to implement and make the initiative a success.

In this connection the shareholders holding shares in demat form may please inform their e-mail IDs to their concerned Depository Participants (DPs) and shareholders holding shares in physical form may provide their e-mail id to the Company's Registrars at the following e-mail id/ address or hand it over at the AGM Venue, quoting their folio reference:-

corpserv@integratedindia.in

M/s Integrated Enterprises (India) Limited
2nd Floor, 'Kences Towers'
No.1 Ramakrishna Street
North Usman Road
T.Nagar
Chennai 600 017