ASHOK LEYLAND – PROFILE

In 1948, when independent India was one year old, Ashok Leyland was born. We were Ashok Motors then, assembling Austin cars at the first plant, at Ennore near Chennai. In 1950 started assembly of Leyland commercial vehicles and soon local manufacturing under license from British Leyland. With British Leyland participation in the equity capital, in 1954, the Company was rechristened Ashok Leyland.

Since then Ashok Leyland has been a major presence in India's commercial vehicle industry. These years have been punctuated by a number of technological innovations which went on to become industry standards. This tradition of technological leadership was achieved through tie-ups with international technology leaders and through vigorous in-house R&D.

Ashok Leyland vehicles have built a reputation for reliability and ruggedness. The 375,000 vehicles we have put on the roads have shared the additional pressure placed on road transportation in independent India.

The share of goods movement by road, rose from 12% in 1950 to 60% in 1995. In passenger transportation, the jump is equally dramatic: from 25% to 80%. At 60 million passengers a day, Ashok Leyland buses carry more people than the entire Indian rail network. In the populous Indian metros, four out of the five State Transport Undertaking (STU) buses come from Ashok Leyland. Some of them like double decker and vestibuled buses are unique models from Ashok Leyland, tailor-made for high density routes.

In 1987, the overseas holding by LRLIH (Land Rover Leyland International Holdings Limited) was taken over by a joint venture between the **Hinduja Group**, the Non-Resident Indian transnational group and **IVECO Fiat SpA,** part of the Fiat Group and Europe's leading truck manufacturer.

Global Standards, Global Markets The blue-print prepared for the future reflected the global ambitions of the Company, captured in four words: Global Standards, Global Markets (Liberalisation and globalisation were not yet in the air). Buoyed by the backing of the two international giants, Ashok Leyland embarked on a major product and process technology up-gradation to world-class standards of technology.

In the journey towards global standards of quality, Ashok Leyland reached a milestone in 1993 when it became the first in India's automobile industry to win the ISO 9002 certification. The more comprehensive ISO 9001 certification came in 1994. 1994 was also the year, when international technology changed the way India perceived trucks. The year when a new breed of world class trucks –

technologically superior and eco-friendly - rolled out on Indian roads. From our state-of the-art manufacturing Plant at Hosur, near Bangalore. They carried the name **Cargo**. Cargo brought with it, a new set of values and an unmatched basket of benefits, ushering in a change.

Ashok Leyland Bhandara Plant is Gear Box Manufacturing unit having state of the art technology machines and modern manufacturing processes. Following are some of the achievements of Bhandara Plant.

1	ISO 9001 - 1994 - Certification	12.09.1995
2	QS 9000 - 1998 + ISO 9002 - 1994	18.09.1998
3	ISO 14000 - 1996 (EMS) - Certification	18.03.2002
4	Golden Peacock Award	08.06.2002
5	ISO 9001 - 2000 - Certification	19.03.2003
6	TS 16949 Certification	06/02/2006
7	NABL's Accreditation	27/11/2006
8	Short listed in Maharashtra State Level Energy Conservation Award - 2006	23/08/2007

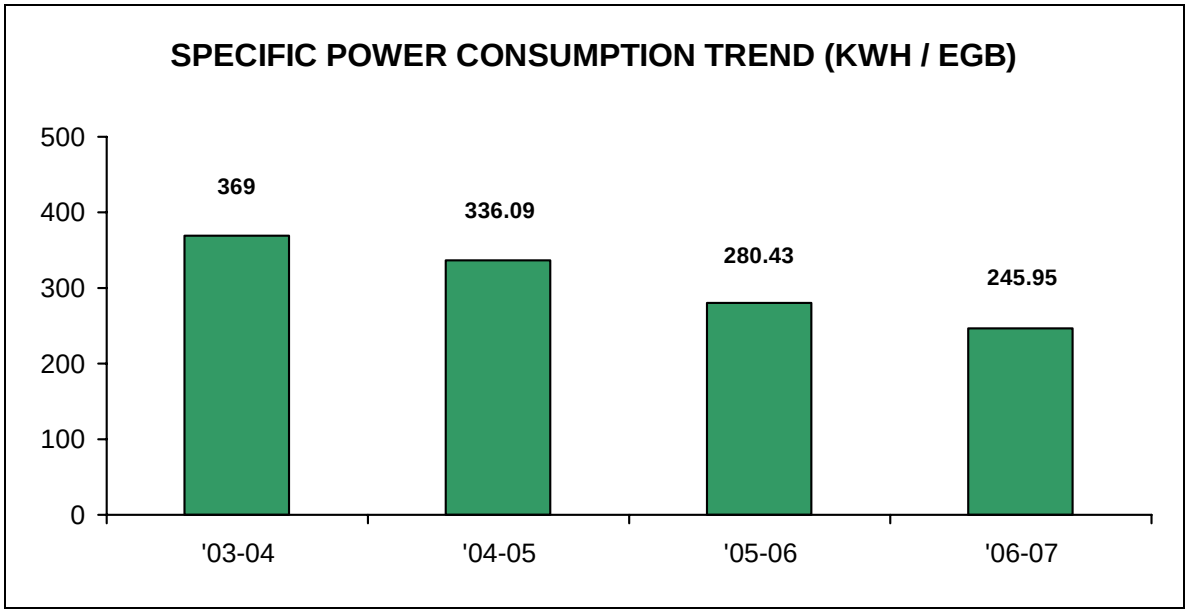
Electricity is one of the major resources having stake of 10 -15 % of total operating costs. Data related to electricity consumed during last four years is given below.

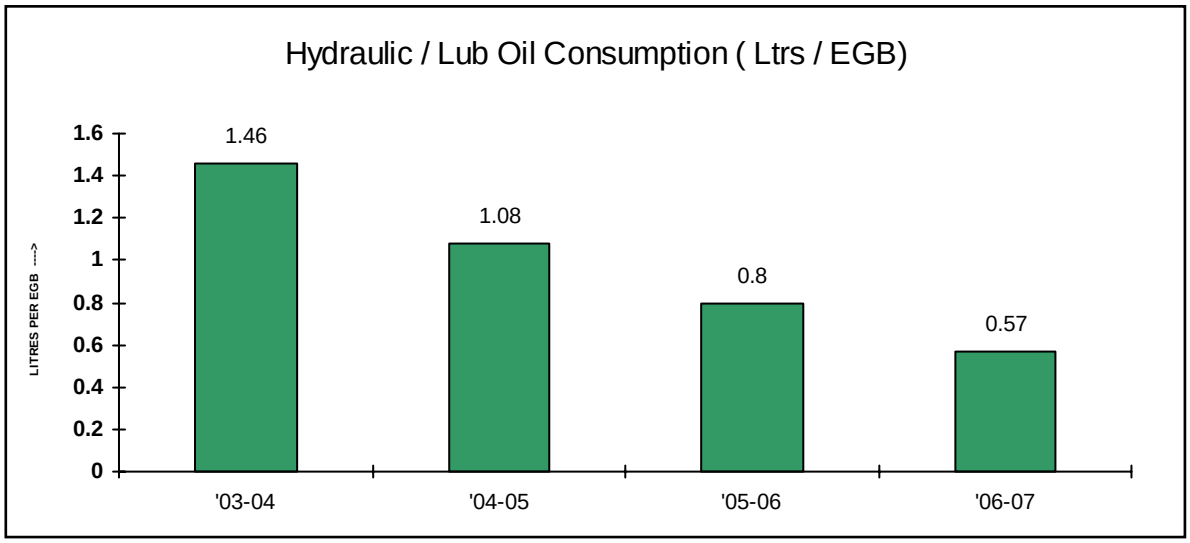
At Ashok Leyland, Bhandara; energy conservation drive has been a way of life since long. The conservation measures got boost after the Energy Conservation Act 2001. Numerous projects have been implemented and the gains sustained year on year. The same is reflected in reduction of specific energy consumption per Equivalent Gear Box. (Refer Trend chart).

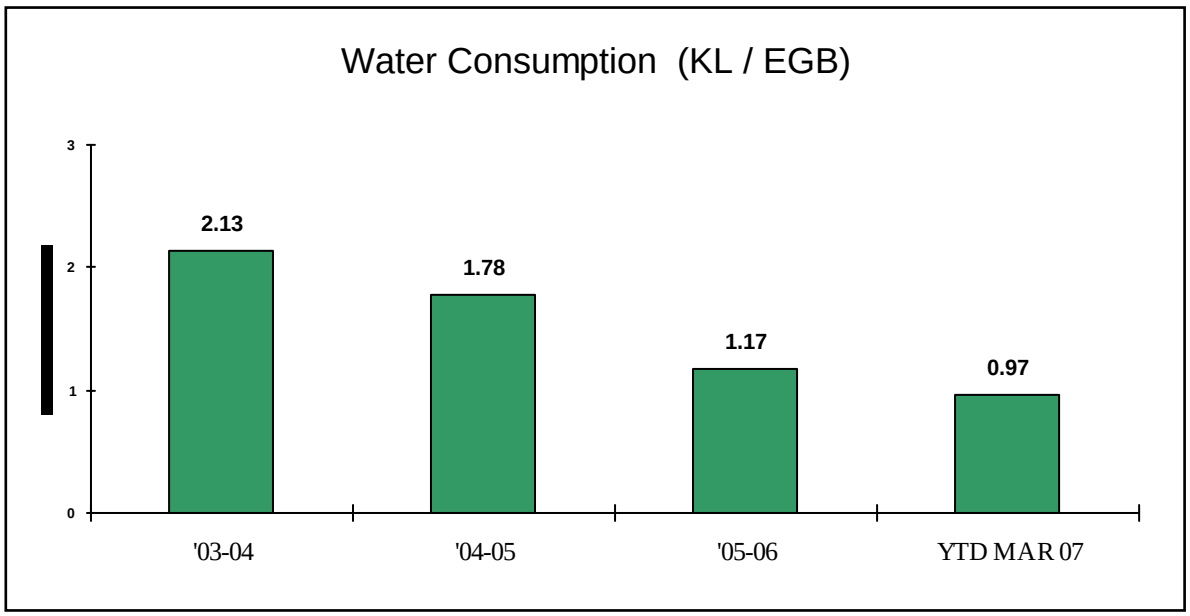
ELECTRICITY POWER DATA

SN	DESCRIPTION	2003-04	2004-05	2005-06	2006-07
1	Total Power Cost (Rs. Lacs)	619.17	636.97	827.86	1135.02
2	Total KWH Units (Lacs)	179.06	193.21	246.40	272.87
3	Equivalent Gearbox Units	48587	57487	87866	110946
4	Total KWH / EGB	369	336.09	280.43	245.95
5	Power Cost Rs./ EGB	1274	1108.02	942.18	1023.03

RESOURCE CONSERVATION PERFORMANCE







Energy Policy

We at Ashok Leyland are committed to conserve Electrical Energy through a Comprehensive Energy Policy and a Proactive Approach in Planning and Executing our Manufacturing and Service Activities.

Towards this objective our energy policy is

- To conserve electrical energy by optimizing its usage through scientific methods.
- To focus on Global energy conservation methods like Capacity Utilization, Fine Tuning and Technology up gradation.
- To create an awareness of energy conservation at all levels and encouraging them to take part in the conservation program.
- To monitor continuously through a better energy management system.