

Reference your mail below seeking clarifications in respect of announcements made on March 30, 2015 regarding sale of stake in Ashok Leyland Wind Energy and Avia Ashok Leyland Motors s.r.o.

In this connection, please find below our response to your queries.

Ashok Leyland Wind Energy Limited (ALWEL)

1. Amount and Percentage of the Turnover or revenue or income and net worth contributed by such entity during the last financial year;

The details of turnover and net worth of Ashok Leyland Wind Energy Limited (ALWEL) are:

Turnover as on 31/3/2014 - Rs. 29.79 crore

Percentage of turnover compared with Ashok Leyland turnover - 0.3%

Net worth - Rs.38.60 crore

2. Date on which the agreement for sale has been entered into;

January 5, 2015. However the closing conditions attached to the agreement for sale was completed in all respects only on Mar 30th.

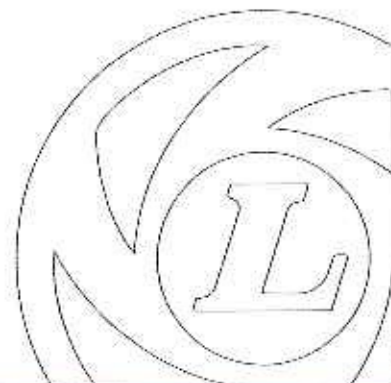
3. Consideration received from such sale;

Rs.20.08 crore towards sale of 14574250 shares of Rs.10/- each (48.5% of the share capital of ALWEL)

Rs.93 crore towards sale of windmill assets by Ashok Leyland.



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4. Brief Details of buyers and whether any of the buyers belong to the promoter/promoter group companies. If yes, details thereof;

Buyer ; Rajalakhsmi Renewables Private Limited, Chennai. Buyer does not belong to the Promoter or Promoter Group.

5. Whether transaction would fall within Related Party Transactions? If Yes, Whether the same is done at arm's length;

The transaction does not fall within the ambit of Related Party Transactions.

6. Rationale.

This transaction was as part of the Company's strategy to sell its non-core assets.

Avia Ashok Leyland Motors s.r.o.

1. Amount and Percentage of the Turnover or revenue or income and net worth contributed by such entity during the last financial year;

Avia Ashok Leyland Motors s.r.o. suspended commercial operations from July 2013.

Turnover FY 2014 (Dec) - Rs. 6.12 crore

Percentage of turnover compared with Ashok Leyland turnover – 0.06%

Net worth - Rs.90.35 crore

2. Date on which the agreement for sale has been entered into;

March 29, 2015.

3. Consideration received from such sale;

USD 10,966,500 was received towards transfer of 100% ownership interest of Ashok Leyland in Avia and repayment of loan with interest accrued.





4. Brief Details of buyers and whether any of the buyers belong to the promoter/promoter group companies. If yes, details thereof;

The buyer is Ashok Leyland (UAE) LLC (ALUAE), a company incorporated under laws of Ras Al Khaimah, United Arab Emirates in which Ashok Leyland holds 49% of the equity.

5. Whether transaction would fall within Related Party Transactions? If Yes, Whether the same is done at arm's length;

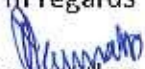
Yes. Ashok Leyland (UAE) LLC is an associate company (Related Party) of Ashok Leyland.

We have obtained prior approval of the Audit Committee and the Board at their meetings held on March 10, 2015. to compliance with Clause 49 (VII)(D) of the Listing Agreement and Section 188(1) of the Companies Act 2013.

6. Rationale.

The transaction was as part of restructuring exercise of the Company's subsidiaries.

Warm regards


N Ramanathan
Company Secretary

