

AUTOMOTIVE AXLES LIMITED

REGISTERED OFFICE :
HOOTAGALLI INDUSTRIAL AREA, OFF HUNSUR ROAD, MYSURU - 570 018.

MINUTES OF 40th ANNUAL GENERAL MEETING OF THE MEMBERS OF AUTOMOTIVE AXLES LIMITED HELD ON TUESDAY, 10TH AUGUST 2021 THROUGH VIDEO CONFERENCING/OTHER AUDIO VISUAL MEANS (VC/OAVM) AT THE REGISTERED OFFICE OF THE COMPANY AT HOOTAGALLI INDUSTRIAL AREA, OFF HUNSUR ROAD, MYSURU-KARNATAKA STARTED AT 3.00 PM AND CONCLUDED AT 4.00 PM.

Present:

Mr. B. N. Kalyani, Chairman
Mr. B. B. Hattarki, Director
Mr. Rakesh Kalra, Director
Mr. B C Prabhakar, Director
Dr. Shalini Sarin, Director

Statutory Auditors: M/s. S R Batliboi & Associates LLP represented by Mr. Pradip Agarwal, Director

Secretarial Auditor and Scrutinizer: Ms. Pracheta M, Practicing Company Secretary

Mr. B B Hattarki being the Chairman of Audit Committee, was present in the Meeting

Mr. B C Prabhakar being the Chairman of Stakeholder Relationship Committee, Nomination & Remuneration Committee, Corporate Social Relationship Committee and Risk Management Committee was present in the Meeting

Mr. Ranganathan S, Chief Financial Officer

Mr. Debadas Panda, Company Secretary

Registrar & Share Transfer Agent: Integrated Registry Management Services Private Limited, represented by Mr. K. Harish.

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Welcome Note:

Mr. Debadas Panda, Company Secretary welcomed the members, directors & other stakeholders present in the meeting and requested Mr. Ranganathan S., Chief Financial Officer to make certain necessary announcements.

Mr. Ranganathan S. briefed on participation by Members and speaker shareholders in the Annual General Meeting (AGM) through NSDL e-Platform.

Mr. Debadas Panda, Company Secretary, informed that the requisite quorum is present in the meeting.

Chairman

Mr. B. N. Kalyani chaired the meeting.


Address by the Chairman of the Meeting:

The Chairman welcomed the members and other stakeholders. He then introduced his colleagues to the stakeholders. Then all the directors introduced themselves by telling their name and place from where they are joining this meeting.

Announcements by the Chairman of the Meeting:

- (1) Declared that the required quorum is present, and the meeting is being properly convened.

Members Present:



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Particulars	No. of Attendees	No. of Shares
Members Personally present	43	37,331
Representation of Bodies Corporate	2	1,07,35,081
Total	45	1,07,72,412
% On total holding		71.28%

Promoter Bodies Corporates' Representation:

1. B F Investment Limited represented by Mr. B. N. Kalyani
 2. Meritor Heavy Vehicle Systems, LLC represented by Mr. N P Thimmaiah
- (2) Chairman informed that due to spread of COVID-19 and social distancing norms, we are meeting through Video Conferencing or Other Audio Visual Means. This is in compliance with the directions issued by Ministry of Corporate Affairs and SEBI. Live streaming of this AGM was also webcasted through NSDL website. Further all efforts feasible under the circumstances have indeed been made by the company to enable members to participate and vote on the items being considered in the meeting.

Since this AGM was being held pursuant to the MCA Circulars through VC without physical attendance of Members, the requirement of appointing proxies by the Members is not applicable.

Statutory Registers, as required under Companies Act, 2013, are open to the Members for inspection. Members who want to inspect these registers may kindly send their request to email id provided on Company's website under the Investors Service Center.



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Chairman's Address:

The Chairman first extended the heartfelt gratitude to those who serve us day and night during these trying times.

He informed that in response to the pandemic, your company collaborated with the local government administration and healthcare organisations to provide support to communities surrounding us through our CSR initiatives by donating two numbers of "Lab Built on Wheels," enabling rural people to receive convenient healthcare services in their village or town.

As the pandemic-induced lockdowns and restricted movement halted most businesses for a considerable period of the year, the global economy witnessed a sharp decline during FY21. The economic downturn depleted international trade throughout 2020 disrupting manufacturing activities, supply chain distribution, as well as drastic reduction in demand structure.

The horrendous effect of the outbreak also had a significant impact on the Indian economy, causing a 7.3% drop in India's GDP. The Government of India and the Reserve Bank of India supported the economy with massive stimulus packages and supporting policies that aided citizens and businesses, preventing the economy from further decline. Even though some sectors experienced recovery and marginal growth following the first half of the year due to the easing of lockdown, the second wave of the pandemic in the final quarter halted progress.

He also informed that FY2021 was one of the toughest years for the Indian automotive industry, which was already dealing with pressures from a sluggish economy, and pandemic-induced restrictions aggravated the situation, resulting in a 13.6% drop in overall sales.

The Chairman informed that with this challenging industry landscape, your Company's performance suffered, but it remained



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profitable with revenues of ₹913 crore and EBITDA of ₹73 crore due to a strong revival in sales in the second half of the financial year under review. The performance offset was caused by a weak demand scenario in the first half of the year, as OEMs remain cautious in ramping up BS-VI production. The market for Medium and Heavy Commercial Vehicles fell by 21% year on year. However, we outperformed the industry due to increased market share and the introduction of new value-added products to the customers.

He also briefed about the implementation below strategies which aimed at strengthening our position to meet a diverse consumer demand and capitalising on long-term growth opportunities.

- Implementation of Industry 4.0 technology and our new CNC gear line enabled us to meet global manufacturing standards.
- Improving productivity & flexibility installing specialised equipment to meet the demands of new models and variants. We also altered our plant layouts to improve line flexibility by implementing single piece flow and cell concepts on the shop floor.
- Resource optimisation Through lean manufacturing processes.
- New Product Development.

He also informed that the vaccination drive has been undertaken and 95% of our employees has been vaccinated to date and we will continue to monitor the emerging pandemic situation while prioritizing the safety and well-being of our people and society by providing necessary support and assistance.

As an auto component manufacturer, we remain confident that our technological adoption will provide us with a competitive advantage in terms of productivity, flexibility, and cost reduction, and that our new product development will bring us a sizable market share going forward.

At last, the Chairman thanked all the stakeholders for their continued support and co-operation.



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- (3) Requested the members that the notice convening the 40th Annual General Meeting may be taken as read with their permission and was taken as read.
- (4) The Company has taken requisite steps and provided facilities to enable Members to participate and vote electronically on all four Agenda items of the Notice of this AGM.
- (5) Members who have not voted earlier through remote e-voting casted their vote during the course of the meeting through NSDL e-voting facility.
- (6) The Auditors' Report on the Financial Statements of the Company for the year ended 31st March 2021 and Secretarial Audit doesn't have any qualifications, observations, or comments on financial statements (which have any adverse effect on the functioning of the Company). Accordingly, as per section 145 of the Companies Act, 2013, there was no requirement to read out the auditors' report.
- (7) Chairman invited queries from the members who were already registered as Speaker shareholders through mail. The queries raised were answered satisfactorily.

After the same, agenda items were discussed and the meeting was concluded. E-voting facility was open on NSDL site for a minimum of 15 minutes to enable those Members who have not casted their votes and would like to cast their votes at this AGM.

Dr. B. N. Kalyani received by counter signing the consolidated Scrutinizer's Report on remote e-voting and e-voting at the AGM, for publishing the report. Accordingly, the result of the general meeting was published.

The agenda as placed at the meeting and the results are provided below:


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ORDINARY BUSINESS:

1. ADOPTION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST 2021 AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON

The Chairman placed the following motion, which was proposed to be passed as an ordinary resolution:

"RESOLVED THAT the Financial Statements of the Company for the year ended March 31, 2021, including the Audited Balance Sheet of the Company as of March 31, 2021 and Statement of Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted"

The resolution declared as passed unanimously with the following results on e-voting based on the report of the scrutinizer:

Particulars	Number of members voted in E-Voting	Number of votes cast (Shares) - E-Voting	% Of total number of valid votes cast
	Nos.	Nos.	
Votes 'in Favor'	89	1,22,76,286	100
Votes against	NIL	NIL	NIL
Not voted /invalid	NIL	NIL	NIL
Total	89	1,22,76,286	100

2. DECLARATION OF FINAL DIVIDEND ON EQUITY SHARES FOR THE YEAR ENDED 31ST MARCH 2021

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The Chairman placed the following motion, which was proposed to be passed as an ordinary resolution:

"RESOLVED THAT for the financial year ended 31st March 2021, dividend @ ₹ 4.50/- per equity share of ₹ 10/- has been recommended by the Board, be paid to the members of the Company, whose name appear in the Register of members / beneficial owners' list as on 4th August 2021 be and is hereby approved."

The resolution declared as passed unanimously with the following results on e-voting based on the report of the scrutinizer:

Particulars	Number of members voted in E-Voting	Number of votes cast (Shares) - E-Voting	% Of total number of valid votes cast
	Nos.	Nos.	
Votes 'in Favor'	89	1,22,76,276	100
Votes against	NIL	NIL	NIL
Not voted /invalid	NIL	NIL	NIL
Total	89	1,22,76,276	100

3. APPOINTMENT OF MR. B N KALYANI (DIN: 00089380) AS DIRECTOR PURSUANT TO RETIREMENT BY ROTATION

The Chairman placed the following motion, which was proposed to be passed as an ordinary resolution:

"RESOLVED THAT Mr. B N Kalyani who retires by rotation, and being eligible, offers himself for re-appointment. Hence, Mr. B N Kalyani be and is hereby appointed as a Director of the Company liable to retire by rotation."

The resolution declared as passed unanimously with the following results on e-voting based on the report of the scrutinizer:

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Particulars	Number of members voted in E-Voting	Number of votes cast (Shares) - E-Voting	% Of total number of valid votes cast
	Nos.	Nos.	
Votes 'in Favor'	83	1,22,40,919	99.71
Votes against	6	35,377	0.29
Not voted /invalid	NIL	NIL	NIL
Total	89	1,22,76,296	100

SPECIAL BUSINESS:

4. APPOINTMENT OF MR. KENNETH JAMES HOGAN (DIN: 0009161738) AS DIRECTOR OF THE COMPANY:

The Chairman placed the following motion, which was proposed to be passed as an ordinary resolution:

“RESOLVED THAT pursuant to sections 152, 160 and 161 of the Companies Act, 2013, read with other applicable provisions, Mr. Kenneth James Hogan (DIN: 0009161738) who was appointed as Additional Director of the Company by the Board of Directors and holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company.”

The resolution declared as passed unanimously with the following results on e-voting based on the report of the scrutinizer:

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Particulars	Number of members voted in E-Voting	Number of votes cast (Shares) - E-Voting	% Of total number of valid votes cast
	Nos.	Nos.	
Votes 'in Favor'	86	1,22,40,956	99.71
Votes against	3	35,350	0.29
Not voted /invalid	NIL	NIL	NIL
Total	89	1,22,76,306	100

VOTE OF THANKS

The meeting concluded with vote of thanks to the chair.

Date: 01/09/2021
Place: Pune

Entry Made on 27.08.2021

For AUTOMOTIVE AXLES LIMITED


Debadas Panda
Company Secretary & Compliance Officer

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B N KALYANI
CHAIRMAN OF THE MEETING

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