

AUTOMOTIVE AXLES LIMITED

24th November 2023

The BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai – 400 001

Scrip Code: 505010

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1, G- Block

Bandra (E)

Mumbai – 400 051

Symbol Code: AUTOAXLES

Dear Sir/Madam,

Sub: Notice of Postal Ballot of Automotive Axles Limited.

We enclose herewith a copy of the Postal Ballot Notice of Automotive Axles Limited (**'the Company'**) dated November 22, 2023 along with the Statement pursuant to the applicable provisions of the Companies Act, 2013 read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'Notice'**) for seeking approval of the Members of the Company on the Ordinary resolution forming part of the Notice.

In compliance with the provisions of the General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022 and 11/2022 dated December 28, 2022 and 9/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs, Government of India, this Notice is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories/ Registrar and Share Transfer Agent and whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on Friday, November 17, 2023 (**'Cut-off date'**). Accordingly, a physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope are not being sent to the Members for this Postal Ballot.

The Company has engaged the services of National Securities Depository Limited (**'NSDL'**) to provide remote e-voting facility to its members. The remote e-voting period will commence on **Sunday, November 26, 2023 from 9.00 A.M. (IST) and ends on Monday, December 25, 2023 at 5.00 P.M. (IST)**. The e-voting module shall be disabled by NSDL thereafter. The voting rights of the Members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on cut-off date. Please note that communication of assent or dissent of the Members would only take place through the remote e-voting system. The instructions for remote e-voting form part of the 'Notes' section to the Notice.

The Members whose e-mail address is not registered with the Company/Depositories, to receive the Notice, may register their e-mail address with the Company's Registrar and Share Transfer Agent, Integrated Registry Management Services Private Limited, on or before



Regd. Office & Mysuru Unit :

Hootagalli Industrial Area, Off Hunsur Road, Mysuru – 570 018, Karnataka, India

Telephone : 91-821-719 7500, Fax : 91-821-2402451

Email : sec@autoaxle.com, Website : www.autoaxle.com

CIN : L51909KA1981PLC004198

ISO 9001:2015 / IATF 16949 : 2016, EMS : ISO : 14001:2015 & OHSAS : ISO : 45001 : 2018



AUTOMOTIVE AXLES LIMITED

5:00 P.M. (IST) on Wednesday, December 13, 2023. The process for registration of e-mail address is provided in the enclosed Notice.

The Notice is also being made available on the website of the Company at https://www.autoaxle.com/Downloads/AAL_Postal%20Ballot%20Notice_2023.pdf and on the website of NSDL at www.evoting.nsdl.com.

This is for your information and records.

Thanking you

Yours Truly,

For Automotive Axles Limited

Debadas Panda
Company Secretary & Compliance Officer

Encl: as above



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Hootagalli Industrial Area, Off Hunsur Road, Mysuru – 570 018, Karnataka, India

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NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014]

Dear Members,

NOTICE is hereby given pursuant to Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013 (**‘Act’**) (including any statutory modification or re-enactment thereof for the time being in force), read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, (**‘Rules’**), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**‘Listing Regulations’**), Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (**‘SS-2’**), each as amended, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs (**‘MCA’**) for holding general meetings / conducting postal ballot process through e-voting vide General Circulars No. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022 and 11/2022 dated December 28, 2022 and 9/2023 dated September 25, 2023 issued by the MCA (hereinafter collectively referred to as **‘MCA Circulars’**), and the Listing Regulations and other applicable laws and regulations (including any statutory modification or re-enactment thereof for the time being in force) that the ordinary resolution appended below is proposed to be passed by the Members of Automotive Axles Limited (**‘Company’**) through Postal Ballot only by voting through electronic means (**‘Remote e-voting’**). Communication of assent or dissent of the Members of the Company would take place only through the Remote e-voting system. Pursuant to Sections 102 and 110 and other applicable provisions of the Act, the statement pertaining to the said resolution setting out the material facts and the reasons / rationale thereof is annexed to this notice of postal ballot (**‘Postal Ballot Notice’**) for your consideration and forms part of this Postal Ballot Notice. You are requested to peruse the proposed resolutions along with the explanatory statement and carefully read the instructions that form part of this Postal Ballot Notice.

In compliance with the aforesaid MCA Circulars, provisions of Section 108 and 110 of the Act read with the relevant rules and the Listing Regulations (including any statutory modification or re-enactment thereof for the time being in force), this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. If your e-mail address is not registered with the Company / Depositories, please follow the process provided in the **‘Notes’** section to receive this Postal Ballot Notice.

The Board of Directors of the Company (the **‘Board’**) has appointed Mrs. Pracheta M, a Practicing Company Secretary (FCS No. 9323, C.P. No. 9838) who is not in the employment of the Company and is in the opinion of the Board, capable of conducting the postal ballot process in a fair and transparent manner, as the Scrutinizer (the **‘Scrutinizer’**) for conducting the postal ballot through Remote e-voting process.

In compliance with Regulation 44 of the Listing Regulations and pursuant to Sections 108 and 110 of the Act read with the Rules, the MCA Circulars and SS-2, the Company is providing Remote e-voting facility to its Members, to enable them to cast their votes electronically instead of submitting the postal ballot form physically. Shareholders having equity shares in demat form and in physical form, can vote by way of Remote e-voting only. For the purpose of providing Remote e-voting facility to the Members of the Company, the Company has engaged

the services of National Securities Depository Limited ('NSDL'). Members of the Company are requested to read the instructions in the 'Notes' under the section 'Voting through Electronic Means'.

The Remote e-voting period will commence from 9:00 AM (IST) on Sunday, November 26, 2023 and will end at 5:00 PM (IST) on Monday, December 25, 2023. The Remote e-voting facility will be disabled by NSDL immediately thereafter. The Scrutinizer shall submit her report to the Board or such authorized person of the Company after completion of scrutiny of the votes cast through Remote e-voting. The result shall be declared by such authorized person of the Company on or before Wednesday, December 27, 2023 and shall be displayed at the Company's registered office. The results shall also be communicated on the same day to the National Stock Exchange of India Limited and BSE Limited ('Stock Exchanges'), where the shares of the Company are listed, Depositories, and the registrar and the share transfer agents ('RTA') and be displayed on the Company's website, www.autoaxle.com. In addition, the results will also be published in the newspapers for information of the Members of the Company.

The last date for remote e-voting i.e., December 25, 2023 shall be considered as the date of passing of the resolution, if required majority of the members approve the same.

SPECIAL BUSINESS:

Item No. 1 – To Approve Material Related Party Transactions of the Company with Meritor HVS (India) Limited

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

“RESOLVED THAT, pursuant to the provisions of Section 188 of the Companies Act, 2013 (**“the Act”**) read with the rules framed thereunder, Regulation 23 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**) (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company's Policy on Related Party Transactions, and other applicable provisions, and as recommended by Audit Committee and as approved by Board of Directors of the Company (hereinafter referred to as **“Board”**), approval of the Members be and is hereby accorded for the Company to enter into Material Related Party Transaction(s) / contract(s) / arrangement(s) / agreement(s) or otherwise (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement, with Meritor HVS (India) Limited (**“MHVSIL”**), a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for the Financial Year 2024-2025 i.e., the period commencing from April 1, 2024 to March 31, 2025, up to a maximum aggregated value of ₹ 40,000 million (Indian Rupees Forty Thousand Million Only) in the nature of:

- a. Sale of goods;
- b. Purchase of goods; and
- c. Availing/rendering of any kind of service(s), reimbursements received/ paid, purchase/sale/lease of products, tools and asset(s), purchase and sale of export incentive licenses or any other transaction(s) for transfer of resources, technology, or obligations,

on such terms and conditions as detailed in the explanatory statement to this Ordinary Resolution and mutually agreed to by the Company and MHVSIL, subject to such transaction(s) / contract(s) / arrangement(s) / agreement(s) being carried out in the ordinary course of business of Company and at arm's length.

RESOLVED FURTHER THAT, the Directors and Key Managerial Personnel of the Company, be and are hereby severally authorized to sign, execute, alter and/or negotiate all such deeds, agreements, contracts, transactions, applications, documents, papers, forms and writings that may be required in relation to such related party transactions and to make any material modifications to such related party transactions, for and on behalf of the Company and to do all such acts, deeds, matters and things including delegation of such authority, as they may deem fit at their absolute discretion to give effect to this Resolution and for resolving all such issues, questions, difficulties or doubts, whatsoever that may arise in this regard, without being required to seek further

consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT, all actions taken by the Directors and the Key Managerial Personnel of the Company, in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

Date: November 22, 2023
Place: Mysuru

By order of the Board of Directors
For **Automotive Axles Limited**
Sd/
Debadas Panda
Company Secretary & Compliance Officer

NOTES:

1. The explanatory statement pursuant to Section 102 of the Act for the proposed special business to be passed through ordinary resolution setting out the material facts in relation thereto is appended to the Postal Ballot Notice and forms part of this Postal Ballot Notice. The Postal Ballot Notice shall also be available on the website of the Company at www.autoaxle.com.
2. The Postal Ballot Notice is being sent only through electronic mode to all the Members of the Company whose names appear in the Register of Members / Register and Index of Beneficial Owners maintained by the depositories as on Friday, November 17, 2023 (the “Cut-off Date”). Voting rights shall be reckoned on the paid-up value of the equity shares registered in the name of the Members of the Company as on the Cut-off Date.
3. In compliance with MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to the Members whose email addresses registered with their depository participants (in case of shares held in dematerialized form) / Company’s RTA (in case of shares held in physical form).
4. For Members whose email ID’s are not registered, are requested to register on or before 5:00 P.M on Wednesday, December 13, 2023 to receive this Postal Ballot Notice by completing the process for registration of e-mail address as under:
 - a. In case shares are held in physical mode please provide duly filled Form ISR-1 along with self-attested copies of PAN Card and AADHAR card to our Registrar and the Share Transfer Agent – Integrated Registry Management Services Private Limited, No. 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore – 560003, Tel: +91-80-23460815-818, Contact Person: Mr. Harish. K, Mobile No: 9620213528. Form ISR-1 can be downloaded from https://autoaxle.com/Important_Investor_Updates.aspx under Common and Simplified Norms for Investor Service.
 - b. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
 - c. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
5. Members whose names appear on the Register of Members / Register and Index of Beneficial Owners as on the Cut-off Date will be considered for the purpose of Remote e-voting. A person who is not a Member of the Company as on the Cut-off Date should treat this Postal Ballot Notice for information purpose only.
6. Resolutions passed by Members of the Company with requisite majority through postal ballot process through Remote e-voting shall be deemed to have been passed on the last date of Remote e-voting, i.e., Monday, December 25, 2023.
7. In case a Member of the Company has not received the Postal Ballot Notice by e-mail or faces any technical issues related to login through depository may contact the helpline desk of their depository or the RTA, i.e., Integrated Registry Management Services Private Limited, No. 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore – 560003, Tel: +91-80-23460815-818(Contact Person: Mr. Harish. K, Mobile No: 9620213528. E-mail id: irg@integratedindia.in).
8. The Remote e-voting period commences on Sunday, November 26, 2023 (9:00 AM) and ends on Monday, December 25, 2023 (5:00 PM).

9. In compliance with the provisions of Sections 108 and 110 of the Act read with the rules prescribed thereunder, as amended from time to time, and Regulation 44 of the Listing) Regulations, the Company is pleased to provide Remote e-voting facility to its Members to exercise their votes electronically and to vote on the resolutions through Remote e-voting facility arranged by NSDL. The instructions for Remote e-voting are annexed to this Postal Ballot Notice.
10. The Scrutinizer will submit her report to the Board or any person authorized by the Company after completion of the scrutiny and the result of the Remote e-voting by postal ballot process will be announced by the Board or any person authorized by the Company on or before Wednesday, December 27, 2023 and the same will be displayed on the website of the Company at www.autoaxle.com and communicated to the Stock Exchanges, the depository, the RTA on the said date.
11. The Scrutinizer’s decision on validity of the votes cast through Remote e-voting shall be final.
12. All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the Company during office hours on all working days from the date of dispatch of the Postal Ballot Notice till the last date for casting of votes by postal ballot process through Remote e-voting.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. 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. Once the home page of e-Voting system is

	<p>launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p> App Store  Google Play</p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. 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 127195 then user ID is 127195001***

5. Password details for shareholders other than Individual shareholders 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, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. 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.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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 authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cscapracheta@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. 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.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Assistant Manager at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self -attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to irg@integratedindia.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to irg@integratedindia.in. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 AND STATEMENT OF ADDITIONAL INFORMATION AS REQUIRED UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (“LISTING REGULATIONS”) WITH RESPECT TO FOLLOWING ITEM OF THE POSTAL BALLOT NOTICE:

Item No. 1: To Approve Material Related Party Transactions of the Company with Meritor HVS (India) Limited

The Members of the Company had, in the 37th Annual General Meeting of the Company, held on August 13, 2018, approved a resolution for entering into related party transactions (“RPTs”) up to an annual value not exceeding ₹ 30,000 million (Indian Rupees Thirty Thousand Million Only) with Meritor HVS (India) Limited (“MHVSIL”) for a period of five Financial Years from April 1, 2019 up to March 31, 2024. Considering the market growth, the resolution for approval for entering into material RPTs with MHVSIL up to a maximum aggregated value of ₹ 40,000 million for the period commencing from April 1, 2024 to March 31, 2025 is being placed again for the approval of shareholders through this Postal Ballot Notice. The current structure and the relationship between the Company and MHVSIL exists for over 20 years. Members may importantly note that the Company has been undertaking such transactions of similar nature with MHVSIL on arms’ length basis.

Separately, in the 42nd Annual General meeting held on August 3, 2023, the Company had placed a resolution for approval of material RPTs with MHVSIL for an aggregate annual transaction value upto ₹ 40,000 million for purchase/sale of goods / services, lease, transfer, assign or otherwise etc., whether material or otherwise, for the period from April 1, 2023 to March 31, 2025. However, such resolution was rejected by the Members of the Company.

Pursuant to the provisions of Section 188 of the Companies Act, 2013 (“the Act”) and the applicable rules framed thereunder read with Regulation 23 of the Listing Regulations, all RPTs shall require prior approval of the Audit Committee and all material Related Party Transactions (“MRPT(s)”) shall also require prior approval of the Shareholders.

The Securities and Exchange Board of India (“SEBI”) vide its notification dated November 09, 2021, has notified SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021. Accordingly,

the threshold for determination of MRPTs under Regulation 23(1) of the Listing Regulations has been revised with effect from April 1, 2022. The revised materiality threshold is as follows:

“a transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand (1000) crore or ten percent of the annual consolidated turnover of the listed company as per the last Audited Financial Statements of such listed company, whichever is lower.”

Furthermore, in terms of circular no. SEBI/HO/CFD/CMD1/CIR/P/2022/47 on clarification on applicability of Regulation 23(4) read with Regulation 23(3)(e) of the Listing Regulations in relation to RPTs issued by SEBI on April 8, 2022, shareholders' approval of omnibus MRPTs approved in an Annual General Meeting (“AGM”) shall be valid up to the date of the next AGM for a period not exceeding 15 (Fifteen) months. Further, in case of omnibus approvals for MRPTs, obtained from shareholders in general meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year.

Keeping in view the above clarification, the transactions that the Company proposes to enter into with MHVSIL may exceed the threshold limit of MRPTs during Financial Year 2024-2025 as per the amended Regulation 23(1) of the Listing Regulations. Therefore, the Company proposes to seek the approval from its Members for approving the MRPTs, as stated in the resolution set out at Item No. 1, for the Financial Year 2024-2025, at an arm's length basis and in the ordinary course of business.

The audit committee and the board of directors of the Company (“**Board**”) in their respective meetings held on May 16, 2023 have accorded their approval to the proposed MRPTs and proposed the same for approval of the Members of the Company, as set out in the resolution in Item No. 1.

Background, details and benefits of the transaction

The Company has emerged as one of the leading manufacturers of axles, brakes, and other related automotive components for various automotive applications in India. Major portion of the Company's product sales are directed towards a single customer, namely MHVSIL, which is a related party to the Company.

MHVSIL is a joint venture company promoted by Meritor Heavy Vehicle Systems LLC, Troy, U.S.A., (“**MHVS U.S.A.**”) and Bharat Forge Limited, Pune (“**BFL**”). MHVSIL is engaged in new product design, application analysis, product testing, and marketing of drive axles, non-drive steer axles, drum brakes, and air disc brake assemblies for commercial, off-highway and defense applications. The company customises and optimize global products to meet rigorous regional requirements, serving major OEMs like Ashok Leyland, TATA Motors, Daimler, Mahindra & Mahindra, among others, with a robust marketing, sales, and distribution network both in India and abroad.

MHVSIL's technical and product design prowess, supported by a Technical License from MHVS U.S.A., empowers the Company to manufacture innovative products tailored to the needs of medium and heavy commercial vehicle customers in India. Leveraging these capabilities, the Company actively collaborates with MHVSIL, focusing on the export market to expand its customer base and geographical reach.

MHVS U.S.A. has a century-long history in providing innovative drivetrain products like Axles and Brakes. MHVSIL was established in 1998 (promoted by MHVS U.S.A. & BFL) to accelerate business growth in India, catering to both domestic customers and MERITOR Global markets. The partnership brings in not only the MERITOR brand but also proven technical and design capabilities and product licenses. This collaboration significantly shortens the new product design, development, and testing cycle time, enhancing the Company's chances of securing new business and expanding its market share. MHVS U.S.A., also brought in customer & technical knowhow which is key to success as a tier-I supplier.

Transactions with MHVSIL offer the Company access to global product/technical know-how and associated licenses/permits, opening up additional export opportunities to MERITOR Global customers/plants. Approval from shareholders is crucial to prevent disruptions in the customer line and safeguard the current and future

business prospects, thereby avoiding any potential loss of reputation in the market. The current structure and the relationship between the Company and MHVSIL exists for over 20 years.

To ensure the continuity and sustain Company's current operations, Company is proposing to seek approval from its Members for potential transactions with MHVSIL. These transactions will be categorized and presented to the Members for approval, as outlined below:

Therefore, in order to secure continuity of operations, the Company is proposing to seek approval of the Members for the potential quantum of transactions with MHVSIL, respectively bifurcated into indicative categories, as mentioned below:

Category of Transactions	(₹ in million)
Sale of goods	39,500
Purchase of goods	200
Other RPTs*	300
Total	40,000

*as specified in Ordinary Resolution set out as Item No. 1 of the Postal Ballot Notice.

Members may importantly note that the Company has been undertaking such transactions of similar nature with MHVSIL in the past financial years, on arms' length basis. The maximum annual value of the proposed transactions with MHVSIL is estimated on the basis of Company's current transactions with it and future business projections for the Financial Year 2024-2025. The said approval would be for the Financial Year 2024-2025. Looking at the nature of the business of the Company and the transactions, the approval of the Members would be essentially required at this point in time.

Details of the proposed transactions with MHVSIL, being a related party of the Company as per Section 188 the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date and the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

S. No.	Description	Details
1.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Meritor HVS (India) Limited is a part of the promoter group company of the listed entity, and consequently, a related party of the Company.
2.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Dr. B. N. Kalyani, Mr. Kenneth James Hogan, Mr. B. C. Prabhakar and Dr. Shalini Sarin are the common directors on the board of directors of both the companies.
3.	Type, Nature, material terms, and particulars of contracts or arrangement including tenure of the transaction	As part of regular business operations: 1. Sale of goods; 2. Purchase of goods; 3. Availing/rendering of any kind of service(s), reimbursements received/ paid, purchase/ sale/ lease of products, tools and asset(s), purchase and sale of export incentive licenses or any other transaction(s) for transfer of resources, technology, or obligations.
4.	Value of the proposed transaction	Annual transaction value up to ₹ 40,000 million.
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	Approximately 172% of annual consolidated turnover of the Company for the Financial Year 2022-2023.

6	Details about valuation/ arm's length and ordinary course of business	The RPT(s) / contract(s) / arrangement(s) has been evaluated by a reputed external independent consulting firm and the same are in line with arm's length guidelines in the past years. Company will follow the similar arm's length principle/practices for future proposed transactions. The RPT(s) /contract(s) / arrangement(s) also qualifies as contracts under ordinary course of business.
7.	Rationale, benefit/ Justification as to why the transaction with respective related parties are in the interest of the Company.	Please refer to “ Background, details and benefits of the transaction ” which forms part of the explanatory statement to the Postal Ballot Notice.
8.	If the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary.	Not Applicable for proposed transaction.
9.	Any advance paid or received for the contract or arrangement, if any.	Nil
10.	Any other information that may be relevant.	All relevant/ important information forms a part of this Explanatory statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

The RPTs carried out with MHVSIL will be reported to, and reviewed on a quarterly basis by, the Audit Committee and the Board of Directors of the Company.

The Members' approval to the above MRPTs is sought in terms of Regulation 23(4) of Listing Regulations.

The Members of the Company may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve the resolution set out at Item No. 1 of the Postal Ballot Notice.

Except as mentioned above, none of the Directors and / or Key Managerial Personnel of the Company and / or their respective relatives are, in any way, concerned or interested either directly or indirectly, financially or otherwise, in the resolution set out at Item No. 1 of the Postal Ballot Notice.

The Board recommends the ordinary resolution set out at Item No. 1 of the Postal Ballot Notice for approval by the Members of the Company.

By order of the Board
For **Automotive Axles Limited**
Sd/-

Date: November 22, 2023
Place: Mysuru

Debadas Panda
Company Secretary & Compliance Officer