

AUTOMOTIVE AXLES LIMITED

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

MINUTES OF PROCEEDINGS OF THE TWENTY NINTH ANNUAL GENERAL MEETING OF THE MEMBERS OF AUTOMOTIVE AXLES LIMITED HELD ON FRIDAY THE 21st JANUARY, 2011 AT 12.30 PM AT THE REGISTERED OFFICE OF THE COMPANY AT HOOTAGALLI INDUSTRIAL AREA, OFF HUNSUR ROAD, MYSORE - 570018

Present:

Mr. B B Hattarki, Director
Mr. Satish Sekhri, Director
Mr. Ashok Rao, Whole Time Director
Mr. S. Ramkumar, Company Secretary

Representation -

Under Section 187 of the Companies Act 1956

Mr. Chris Villavarayan - Meritor HVS LLC, USA
Mr. Varadaraj Padiyar - BF Investments Ltd., Pune

No. of Members present in person	12
No. of Members present by proxy	4


CHAIRMAN'S
INITIALS

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CHAIRMAN:

In the absence of Mr. B N Kalyani, Chairman of the Board, Mr. B B Hattarki, Director, was requested to Chair the meeting.

The Chairman also declared that, as required under Section 187 of the Companies Act, 1956 2 representations from bodies corporate including one representation from foreign collaborator had been received representing 10,735,081 Equity Shares.

The Chairman informed that the statutory book and Registers for inspection as required by the Companies Act, 1956 were kept for inspection during continuance of the meeting.

The Chairman announced that the quorum for the meeting was present.

NOTICE OF THE MEETING:

With the consent of the members present, the Notice convening the Meeting already circulated among the members was taken as read.

Chairman requested Mr. Suresh Ganachari, to read the Auditors' Report. Mr. Suresh Ganachari read the auditor's report.


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CHAIRMAN ADDRESS

The Chairman, in his address to the Members, shared the key issues with respect to Indian Economy and the impact of the same on the performance of the company. The Chairman also shared with the members the outlook for the Business

APPROVAL OF ACCOUNTS FOR THE YEAR ENDED 30th September, 2010

The Chairman presented to the members the Annual Accounts for the financial year ended 30th September, 2010 and invited questions from the members on the working of the Company during the year under review.

Mr. Ravi Purohit, Chief Investment Officer, Securities Investment Management Pvt. Ltd., had the following queries:

1. With respect to query that there is no great improvement of Margins compared to previous year of severe downturn, it was explained to him that this is due to rise in commodity price and the base effect is eating off the Margin.
2. With respect to the query whether the company has lost market, as the Volume has not picked up along with the picking up of the market, it was explained that the competition is rigorous and combination of mix and in-sourcing has resulted in losing the market to some extent.
3. With respect to the query on addition of New Products, it was clarified that the company has no plans of diversifying its business, but using the available core competencies the variants of the existing products would be manufactured.

M/s. Sagar and Subraya Maiya, small shareholders while thanking for the growth achieved, the dividend declared and the ambience maintained around the factory, posed the following queries:


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- Commenting on the General Reserves accumulated over a period of time, requested for issue of bonus shares. He was answered that the Reserve would be used for future Capital Expenditure and only after having a solid foundation, bonus shares would be issued.
- The Shareholder posed the question as to why the company has FOREX outgo and there are no earnings in FOREX. He was explained that our exports are routed through our sister concern Meritor HVS (India) Ltd., and the expenditure in FOREX is mainly due to expenditure on account of imports of spares, overseas travelling and Technical consultancy.
- As regards outstanding on account of Receivables and Payables, it was explained that the ups and downs in business causes such imbalances. Every effort is being made to balance the same.
- The Shareholder had the query as to why we have engaged the services of 2 Auditors. He was explained that the engagement is as per the statutory requirement.
- The other queries were with respect to increase in Building repairs & maintenance, Misc. expenses, outside processing charges. All these were satisfactorily answered

Mr. Ashok Rao, Whole Time Director satisfactorily answered the queries posed by the members and analysts before the items of business as per the notice are taken up.

Thereafter, Chairman took up the businesses as stated in the Notice as follows:

Mr. Jagannath T.M, Member moved the following resolution as an ordinary resolution:


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"RESOLVED THAT the Audited Balance Sheet as at 30th September 2010 and the Profit and Loss Account for the year ended as on that date, together with the Directors' Report and Auditors' Report thereon be and are hereby received and adopted".

Mr Varadaraj Padiyar seconded the Resolution.

The Resolution was put to vote and declared as carried unanimously.

APPROVAL OF DIVIDEND

Mr. Sagare, proposed the following Resolution as an ordinary resolution.

"RESOLVED THAT the dividend @ Rs. 8.50 per share as recommended by the Board, for the year ended 30th September 2010, be paid to the members of the Company, whose name appear in the Register of members / beneficial owners' list as on 19th January 2011, be and is hereby approved."

Mr. Krishnaiah K N seconded the Resolution.

The Resolution was put to vote and declared as carried unanimously.


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RE-APPOINTMENT OF Mr. B.C. PRABHAKAR:

Mr. Prahalada Rao moved the following resolution as an ordinary resolution.

"RESOLVED THAT Mr.B.C.Prabhakar be and is hereby appointed as a Director of the Company liable for retirement by rotation"

Mr.Swarup C seconded the Resolution.

The Resolution was put to vote and declared as carried unanimously.

APPOINTMENT OF AUDITORS:

Mr. V Prasad proposed the following resolution as an ordinary resolution:

"Resolved that M/s.Deloitte Haskins and Sells (Chennai), Chartered Accountants, Bangalore, be and are hereby, appointed as Auditors of the Company, to hold office from conclusion of this meeting until conclusion of the next Annual General Meeting and that the Board of Directors, be and is hereby authorised to fix their remuneration for the period".

Mr. Prahalada Rao seconded the resolution.

The Resolution was put to vote and declared as carried unanimously.



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SPECIAL RESOLUTION

APPOINTMENT OF Mr. P.C. BHALERAO

Mr. K.Srinivasa proposed the following resolution as a Special resolution

“Resolved that Mr. P C Bhalerao who was appointed Director, in terms of provision under section 262 of the Companies Act, 1956, in the casual vacancy created by the resignation of Mr. Larry Dowers effective 16th November 2009, he would hold office only up to the date of this Annual General Meeting, be and hereby appointed as a Director of the Company subject to retirement by rotation.”

Seconded by Mr.Chris Villavarayan, representative of Meritor Heavy Vehicle Systems, LLC.

The Resolution was put to vote and declared as carried unanimously.

APPOINTMENT OF Mr.SATISH SEKHRI AS DIRECTOR

Mr. Puttraj Sampath Kumar proposed the following resolution as a Special resolution

“Resolved that Mr.Satish Sekhri who was appointed as an Additional Director of the Company by the Board of Directors pursuant to section 260 of the Companies Act, 1956 holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company subject to retirement by rotation.”

Mr. Subraya Maiya seconded the Resolution



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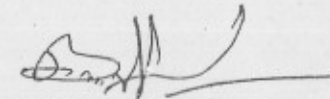
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The Resolution was put to vote and declared as carried unanimously.

VOTE OF THANKS

The meeting concluded with a vote of thanks to the Chair.

Date : 19/2/2011
Place: MYSORE 570018



B B Hattarki
CHAIRMAN OF THE MEETING

