

AUTOMOTIVE AXLES LIMITED

14th May, 2021

The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001

National Stock Exchange Limited
Exchange Plaza, Plot No. C/1, G- Block
Bandra (E), Mumbai - 400 051

Scrip Code: 505010

Scrip Code: AUTOAXLES

Attn: Listing Department

Dear Sir/Madam,

Sub: Outcome of Board Meeting held on 14th May, 2021 (today) and disclosure under SEBI (LODR) Regulations, 2015

We wish to inform you that Board of Directors of the Company at their meeting held on today i.e., 14th May, 2021, inter alia, have approved the following:

1. Pursuant to **Regulation 33**, we hereby submit the below:

- a) Audited Financial Results for the year ended on 31st March, 2021 which was reviewed by the Audit Committee, considered and approved by the Board at their meeting held on 14th May 2021.
- b) Audited results for the Quarter ended 31st March 2021
- c) Declaration for Unmodified Opinion in terms of Regulation 33(3)(d) as amended by SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

2. We hereby intimate that the Board has recommended a dividend of Rs. 4.50/- per share of Rs.10/- each for the Financial Year 2020-21, subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting.

The meeting commenced at 4 P.M. (IST) and concluded at 6.30 P.M. (IST).

This is for your information and record.

Thanking you,

Yours Truly,

For Automotive Axles Limited


Debadas Panda
Company Secretary



Encl : As above



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



Independent Auditor's Report on the Quarterly and Year to Date Audited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**To
The Board of Directors of
Automotive Axles Limited**

Report on the audit of the Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date financial results of Automotive Axles Limited (the "Company") for the quarter ended March 31, 2021 and for the year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive loss/ income and other financial information of the Company for the quarter ended March 31, 2021 and for the year ended March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Results

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income/ loss of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal

financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

RAJEEV
KUMAR

Digitally signed by RAJEEV
KUMAR
Date: 2021.05.14 18:27:03
+05'30'

per Rajeev Kumar

Partner

Membership No.: 213803

UDIN: 21213803AAAABM9257

Place: Bengaluru

Date: May 14, 2021

AUTOMOTIVE AXLES LIMITED

(TS 16949 Company)

Regd. Office : Hootagalli Industrial Area, Off Hunsur Road, Mysuru 570 018

CIN : L51909KA1981PLC004198

Statement of audited Financial Results for the quarter and year ended March 31, 2021

(Amount in Rupees Millions, except per share data)

	Particulars	For the three months ended			For the year ended	
		31.03.2021 (Audited) (note 6)	31.12.2020 (Unaudited)	31.03.2020 (Audited) (note 6)	31.03.2021 (Audited)	31.03.2020 (Audited)
I	Revenue from operations	4,255.56	2,719.65	1,687.57	9,055.74	9,519.58
II	Other income	11.34	17.13	24.63	70.74	77.23
III	Total income (I + II)	4,266.90	2,736.78	1,712.20	9,126.48	9,596.81
IV	Expenses					
a)	Cost of raw materials consumed	3,080.62	2,190.59	954.90	6,651.97	6,266.66
b)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	(54.18)	(330.63)	179.49	(357.89)	188.91
c)	Employee benefits expense	256.80	248.11	186.08	887.47	890.90
d)	Finance costs	6.89	7.19	4.48	29.69	18.07
e)	Depreciation and amortisation expense	90.24	91.76	96.28	360.03	372.22
f)	Other expenses	524.70	357.06	239.17	1,215.87	1,240.27
	Total Expenses	3,905.07	2,564.08	1,660.40	8,787.14	8,977.03
V	Profit before Exceptional Items and Tax (III - IV)	361.83	172.70	51.80	339.34	619.78
VI	Exceptional Items - Expense (Refer note 4)	-	-	-	(37.69)	(20.24)
VII	Profit before tax (V - VI)	361.83	172.70	51.80	301.65	599.54
VIII	Tax expense/ (credit) :					
a)	Current tax / (credit)	71.05	-	(11.38)	71.05	147.13
b)	Income tax relating to prior years	-	-	(11.82)	(17.23)	(11.82)
c)	Deferred tax charge	25.20	40.82	17.49	20.53	52.89
	Tax expense/ (credit), net	96.25	40.82	(5.71)	74.35	188.20
IX	Profit for the period / year (VII - VIII)	265.58	131.88	57.51	227.30	411.34
X	Other comprehensive income / (loss)					
a)	Items that will not be reclassified to profit or loss					
i)	Remeasurements gains/(loss) of the defined benefit plan	(4.46)	7.03	(1.86)	7.97	(6.73)
ii)	Tax on remeasurements of the defined benefit plan	1.29	(1.77)	0.14	(2.01)	1.69
	Total other comprehensive income / (loss)	(3.17)	5.26	(1.72)	5.96	(5.04)
XI	Total comprehensive income for the period /year, net of tax (IX + X)	262.41	137.14	55.79	233.26	406.30
XII	Paid up share capital (face value of Rs. 10/- each)	151.12	151.12	151.12	151.12	151.12
XII	Earnings per equity share (EPS) (Nominal value of share Rs. 10/-) (Not annualised in case of interim periods)					
	Basic / Diluted	17.57	8.73	3.81	15.04	27.22

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AUTOMOTIVE AXLES LIMITED

(TS 16949 Company)

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Statement of audited Financial Results for the quarter and year ended March 31, 2021

Audited Balance Sheet as at 31.03.2021

(Amounts in Rupees Millions)

Particulars		As at	As at
		31.03.2021	31.03.2020
A. ASSETS			
I Non-current assets			
Property, plant and equipment		2,226.79	2,307.23
Capital work in progress		323.58	240.64
Intangible assets		4.43	6.08
Right-of-use assets		221.56	240.37
Financial assets			
Loans		29.32	67.50
Other financial assets		148.92	151.11
Other non-current assets		75.79	77.28
Deferred tax assets, net		77.88	100.42
		3,108.27	3,190.63
II Current assets			
Inventories		2,005.74	1,560.03
Financial assets			
Investments		120.57	-
Loans		71.05	43.67
Trade receivables		2,820.01	1,227.33
Cash and cash equivalents		726.02	737.34
Other bank balances		2.74	2.71
Other financial assets		18.50	97.36
Other current assets		554.59	425.83
Current tax assets (net)		14.92	-
		6,334.14	4,094.27
Total assets (I + II)		9,442.41	7,284.90
B. EQUITY AND LIABILITIES			
III Equity			
Equity share capital		151.12	151.12
Other equity		5,389.43	5,168.25
Total equity		5,540.55	5,319.37
IV Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings		145.83	187.50
Lease Liabilities		88.65	107.41
Provisions		50.32	87.02
		284.80	381.93
Current liabilities			
Financial liabilities			
Lease Liabilities		18.70	16.58
Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises		101.08	34.76
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,803.77	1,110.85
Other financial liabilities		285.48	183.12
Other current liabilities		246.44	45.58
Provisions		161.59	166.59
Current tax liabilities (net)		-	26.12
		3,617.06	1,583.60
Total liabilities		3,901.86	1,965.53
Total Equity and Liabilities (III + IV)		9,442.41	7,284.90

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Statement of audited Financial Results for the quarter and year ended March 31, 2021

Statement of cash flows

(Amounts in Rupees Millions)

	Particulars	For the year ended	
		31.03.2021	31.03.2020
		(Audited)	(Audited)
I	Operating activities		
	Profit before tax	301.65	599.54
	Non-cash adjustments to reconcile profit before tax to net cash flows:		
	Depreciation of property, plant and equipment and right-of-use assets	356.16	367.59
	Amortisation of intangible assets	3.87	4.63
	Profit on sale of property, plant and equipment	(2.89)	(7.73)
	Provision for doubtful trade receivables/advances (net)	-	-
	Exceptional Items (Refer Note 4)	37.69	20.24
	Provision for warranty	37.23	38.84
	Finance costs (including fair value changes in financial instruments)	29.48	17.89
	Finance income (including fair value changes in financial instruments)	(55.48)	(56.61)
	Operating profit before working capital adjustments	707.71	984.39
	Working capital adjustments :		
	(Increase)/ decrease in trade receivables	(1,592.68)	2,235.95
	(Increase)/ decrease in loans	(0.14)	(0.58)
	(Increase)/ decrease in other financial assets	81.36	148.02
	(Increase)/ decrease in other assets	(166.50)	69.98
	(Increase)/ decrease in inventories	(445.71)	283.67
	Increase/ (decrease) in trade payables	1,759.25	(1,433.92)
	Increase/ (decrease) in other liabilities	200.86	(197.91)
	Increase/ (decrease) in other financial liabilities	108.60	67.03
	Increase/ (decrease) in provisions	(70.96)	(31.75)
	Income tax paid (net of refund)	581.79	2,124.88
	Net cash flows from operating activities	486.93	1,978.00
II	Investing activities		
	Purchase of property, plant and equipment and right-of-use assets	(347.74)	(629.40)
	Proceeds from sale of property, plant and equipment	3.09	12.88
	Purchase of current investments	(120.00)	-
	Loans given to suppliers	(52.00)	(49.68)
	Loans repaid by suppliers	62.94	23.04
	Interest received	56.11	54.03
	Net cash flows used in investing activities	(397.60)	(589.13)
III	Financing activities		
	Proceeds from borrowings	-	-
	Repayment of borrowings	(41.67)	(500.83)
	Interest paid	(30.26)	(68.54)
	Payment of principal portion of lease liabilities	(16.64)	(15.00)
	Dividend paid to equity holders	(12.08)	(385.36)
	Dividend distribution tax	-	(79.21)
	Net cash flows (used in) / from financing activities	(100.65)	(1,048.94)
IV	Net increase in cash and cash equivalents (I + II + III)	(11.32)	339.93
	Cash and cash equivalents at the beginning of the year	737.34	397.41
V	Cash and cash equivalents at the end of the year	726.02	737.34
	Components of cash and cash equivalents as at the end of the year		
	Cash on hand	0.06	0.03
	Balances with banks		
	- in current accounts	386.91	77.31
	- in deposit accounts with original maturity of less than three months	339.05	660.00
	Total cash and cash equivalents	726.02	737.34

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AUTOMOTIVE AXLES LIMITED

(TS 16949 Company)

Regd. Office : Hootagalli Industrial Area, Off Hunsur Road, Mysuru 570 018

CIN : L51909KA1981PLC004198

Statement of audited Financial Results for the quarter and year ended March 31, 2021

Notes:

- 1 The above audited financial results were reviewed by the Audit Committee and approved by the Board of Directors at the meetings held on May 14, 2021.
- 2 These financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 as amended, read with the relevant rules issued thereunder and in terms of Regulations 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
- 3 Segment information:
In line with the provisions of Ind AS 108 - Operating Segments, Chief Operating Decision Maker (CODM) reviews the operations of the Company as a manufacturer of Automotive Components, which is considered to be the only reportable segment by the management. Accordingly, no separate disclosure of segment information has been made.
- 4 Pursuant to an agreement between the Company and the Government of Madhya Pradesh ('Government'), on September 2012, the Company had taken a land on lease at Pithampur, Madhya Pradesh, for setting up a manufacturing unit and paid an upfront premium of INR 94 million (including a stamp duty of INR 20.24 million), net of amortisation. The Company has applied to the Government for surrender of the land due to non-utilisation of the land. In accordance with the Agreement, a surrender charge of 50% of upfront premium paid was applicable on surrender of the land.

During the previous year, the Company entered into another agreement with the Government for acquisition of another land for 99 years for a consideration of INR 124.86 million. As per the communication from the Government, the Company has remitted INR 88.81 million after adjusting INR 36.05 million pertaining to the amount recoverable on surrender of the existing leasehold land. During the quarter ended June 30, 2019 the Company has provided for the initial registration and stamp duty charges, paid towards acquisition of the land amounting to INR 20.24 million. Based on the outcome of final discussion with governmental authorities, the Company provided for the surrender charges of INR 37.69 million during the quarter ended June 30, 2020.
- 5 The full impact of COVID-19 still remains uncertain and could be different from the estimates considered while preparing these financial results. The Company will continue to closely monitor any material changes to future economic conditions.
- 6 The figures of last quarter of current and previous year are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures of nine months of respective year.
- 7 The Board of Directors, at its meeting held on May 14, 2021 has recommended final dividend of Rs.4.50 per equity share of Rs. 10 each (45 %).
- 8 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/ interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

For and on behalf of the Board of Directors



Kumaradevan Srinivasan
Senior Vice President & Whole time Director
DIN: 08107660

Place : Mysuru
Date : May 14, 2021

Joint Venture between



KALYANI



MERITOR

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AUTOMOTIVE AXLES LIMITED

14th May, 2021

The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001
Scrip Code: 505010

National Stock Exchange Limited
Exchange Plaza, Plot No. C/1, G- Block
Bandra (E)
Mumbai - 400 051
Scrip Code: AUTOAXLES

Dear Sirs,

Sub: Declaration pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Audit Report with Unmodified Opinion for the Financial year ended March 31, 2021 issued by the Statutory Auditor of the Company.

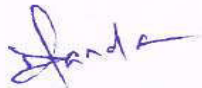
Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that the Statutory Auditors of the Company, S R Batliboi & Associates LLP, Chartered Accountants, have issued the Audit Report with Unmodified opinion on the Audited Financial Results of the Company for the year ended March 31, 2021.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Automotive Axles Limited



Debadas Panda
Company Secretary



Regd. Office & Mysuru Unit :

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

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