

Proxy Advisory Report (Addendum)

Redington (India) Ltd

ABOUT SES

Stakeholders Empowerment Services (SES) is a Corporate Governance research and advisory firm. SES assists investors to analyze governance practices including matters relating to sustainability, prevalent at listed entities and empower Investors to undertake meaningful engagement with Investee entities.

SES SERVICES

Proxy Advisory:

Advises investors on the matters that require shareholder approval at listed entities and identify Governance issues. [Read More](#)

ESG Scores:

Analyze sustainability initiatives of Companies based on various environmental, social and governance factors. [Read More](#)

Corporate Governance Score (CGS):

CGS model measures the Company's compliance and also evaluates the governance practices with respect to global benchmarks. [Read More](#)

Governance Research:

In-depth and robust analysis on various topic to identify governance issues relating to companies, transactions, sectors and even the broader markets. [Read More](#)

E-Ballot:

Online Vote Management System to cater to requirements of Institutional Investors. One stop solution for investors – from accessing proxy reports and voting advice to recording votes and generating customized MIS reports. [Read More](#)

SES AIMS:

Designed primarily for Institutional investors to carry out their stewardship activities in an efficient manner. [Read More](#)

BRSR: SES has developed an Online web-based platform where in the Company can fill all its BRSR related data and generate its BRSR Report seamlessly online. [Read More](#)

BRSR Guide on relevant sector: [Read more](#)

COMPANY INFORMATION

BSE CODE: 532805

NSE SYMBOL: REDINGTON

ISIN: INE891D01026

Industry: Trading & Distributors

Email: investors@redington.co.in

Phone: +91 44 4224 3353

Registered Office: Centre Point, Plot no. 11 (SP), Thiru. Vi. Ka. Industrial Estate, Guindy, Chennai 600032.

MEETING DETAILS

Meeting Type: AGM

Meeting Date: 27th July, 2022 at 11:00 AM

Venue: Video Conferencing (VC) facility or other audio visual means (OAVM)

Notice Date: 20th June, 2022

Notice: [Click here](#)

Annual Report: [FY 2021-22](#)

E-VOTING DETAILS

e-Voting Platform: [NSDL](#)

Cut-off Date: 20th July, 2022

Remote E-voting:

- **Start:** 24th July, 2022
- **Ends:** 26th July, 2022

ADDENDUM RELEASE DATE: 22nd JULY, 2022

RESEARCH ANALYST: KIRTI DHOKIYA

CONFLICT DISCLOSURE: SES - NO CONFLICT | ANALYST - NO CONFLICT

INTERACTION WITH THE COMPANY - NO INTERACTION



ADDENDUM

This Addendum is being issued based on [Addendum to explanatory statement](#) to the notice, issued at Stock exchange by the Company of the 29th AGM of the Redington Ltd ('Company') to be held on 27th July, 2022.

There is a change in SES recommendation for Resolution #5, based on clarification provided by the Company.

Resolution #	SES Recommendation	
	Previous	Revised
#5	AGAINST	FOR

Other than this there is no change in the SES Recommendations.

BACKGROUND

SES, as per its Policy, had mailed its Proxy Advisory ('PA Report') to the Company and its client relating to the AGM of the Company to be held on 27th July, 2022. However, as on 22nd July, 2022 the Company has issued Stock exchange Announcement on Addendum to explanatory statement to the notice of the 29th AGM.

Resolution #5: Appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, as the Statutory Auditors of the company for a period of 5 years from the conclusion of this Annual General Meeting., which is explained in detail below.

RESOLUTION 5: APPOINTMENT OF AUDITORS

Appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, as the Statutory Auditors of the company for a period of 5 years from the conclusion of this Annual General Meeting.	FOR
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SES RATIONALE

Compliant with law. No governance Concern has been identified.

SES VIEW

The Company is seeking shareholders' approval for appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, as Statutory Auditors of the Company to hold office for 5 Years from the conclusion of this 29th AGM of the Company, **at such remuneration as may be agreed between the Board of Directors of the Company and the Auditors.**

Regulation 36 (5) of SEBI (LODR) Regulations, 2015 states that:

"(5) The notice being sent to shareholders for an annual general meeting, where the statutory auditor(s) is/are proposed to be appointed/re-appointed shall include the following disclosures as a part of the explanatory statement to the notice:

- (a) **Proposed fees payable** to the statutory auditor(s) along with terms of appointment and in case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change.*
- (b) **Basis of recommendation for appointment including the details in relation to and credentials** of the statutory auditor(s) proposed to be appointed."*

As per above-mentioned Regulations, the Company has to disclose the proposed fees payable to the proposed Statutory Auditor as well as the credentials of the proposed auditors in the Explanatory Statement annexed to the Notice. The Company had not disclosed the same in the original Notice.

It may be noted that the Company has now provided the same through addendum to explanatory statement to the notice of the 29th AGM on the website of the Stock Exchanges as below ([Link](#)).



<p><i>Proposed Statutory Audit fees payable to the Statutory Auditors</i></p>	<p><i>The proposed audit fees to be paid to M/s. Deloitte Haskins & Sells, Chartered Accountants (Registration No.008072S) for audit services for the financial year ending March 31, 2023, is Rs. 0.85 Crs plus out of pocket expenses, certification, outlays and taxes at the applicable rates, depending on the scope of work undertaken for the purpose of audit.</i></p> <p><i>The remuneration payable to the Statutory Auditors for the remaining tenure of the proposed appointment will be subsequently determined by the Board as per the recommendations of the Audit Committee. The proposed fees is based on knowledge, expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmarks.</i></p>
<p><i>Terms of Appointment</i></p>	<p><i>The Board of Directors, on the recommendation of the Audit Committee, at the meeting held on June 20, 2022, proposed the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, as the Statutory Auditors of the Company for a period of 5 years from the conclusion of the ensuing AGM upto the conclusion of the thirty fourth Annual General Meeting, subject to approval of shareholders.</i></p>
<p><i>Basis of recommendation and Auditor credentials</i></p>	<p><i>M/s. Deloitte Haskins & Sells, Chartered Accountants, a firm of long standing and reputation, has been identified for appointment as the Statutory Auditors of the Company.</i></p>

In view of the details provided by the Company, SES is changing its recommendation from **AGAINST** to **FOR** w.r.t. **resolution #5** related to appointment of Statutory Auditors.



Disclaimer**Sources**

Only publicly available data has been used while making the report. Our data sources include Notice of Shareholders' Meeting, BSE, NSE, SEBI, Capitaline, MCA, Moneycontrol, Businessweek, Reuters, Annual Reports, IPO Documents and Company Website.

Analyst Certification

The Analyst(s) involved in development of this Report certify that no part of the Research Analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the Research Analyst(s) in this Report. The concerned Research Analyst(s) and Director(s) do not have any pecuniary relationship with the Reported Company, except that they may be holding miniscule shares in the Company which does not impact their independence in respect of this Report.

SES may be a shareholder in the Company holding equity shares as disclosed on its [website](#). The objective of SES' investment is solely to obtain Shareholders' communications from the Company as a shareholder.

CAUTIONARY STATEMENT

The recommendations made by SES are based on publicly available information and conform to SES's stated Proxy-Advisory Guidelines. SES opinion is based on SES's interpretation of law and governance benchmarks, which may differ from opinion/ benchmarks of other analysts or practitioners. Further, SES analysis is recommendatory in nature and reflects how SES would have voted if it was a shareholder. Therefore, SES expects that the clients will evaluate the effect of their vote on their investments independently and diligently and will vote accordingly. Subscribers may also carry out an impact analysis of their votes and keep the same as an addendum for their records. In our opinion, Institutional investors are positioned significantly differently from other shareholders due to their ability to engage the board and the management to bring out desired result. As a firm, it is our endeavour to improve the level of corporate governance while not causing any disruption in company's proceedings and therefore we respect the independence of investors to choose alternate methods to achieve similar results.

Disclaimer

While SES has made every effort, and has exercised due skill, care and diligence in compiling this report based on publicly available information, it neither guarantees its accuracy, completeness or usefulness, nor assumes any liability whatsoever for any consequence from its use. This report does not have any approval, express or implied, from any authority, nor is it required to have such approval. The users are strongly advised to exercise due diligence while using this report.

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All disputes shall be subject to jurisdiction of High Court of Bombay, Mumbai.

Concern terminology

NC – Compliance Concern: The Company has not met statutory compliance requirements

FC – Fairness Concern: The Company has proposed steps which may lead to undue advantage to a particular class of shareholders and can have adverse impact on non-controlling shareholders including minority shareholders

GC – Governance Concern: SES questions the governance practices of the Company. The Company may have complied with the statutory requirements in letter. However, SES finds governance issues as per its standards.

TC - Disclosures & Transparency Concern: The Company has not made adequate disclosures necessary for shareholders to make an informed decision. The Company has intentionally or unintentionally kept the shareholders in dark.

Company Information

Stakeholders Empowerment Services

SEBI Reg. No. INH000000016

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