

Proxy Advisory Report (Addendum)

Wheels 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

E-BRSR Tool: Online web-based platform to create **BRSR Report** by the Company and generate **XBRL** in seamless, cost and time effective manner

Already subscribed by HUL, Maruti, TVS Motors, Kansai Nerolac, CDSL, Hero, L&T, Wipro, Bharat Forge, Reliance Group and many others. [Read More](#)

Contact for Demo – esgdata@sesgovernance.com

SES AIMS:

Designed primarily for Institutional Investors to carry out their stewardship activities in an efficient manner.

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Proxy Advisory:

Advises Investors on the matters that require shareholder approval at Listed Entities and identify Governance Issues.

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ESG Scores:

Analyze sustainability initiatives of Companies based on various environmental, social and governance factors.

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Corporate Governance Score (CGS):

CGS model measures the Company's compliance and also evaluates the Governance Practices with respect To Global Benchmarks. [Read More](#)

E-Ballot:

A web-based, one-stop vote management system to cater to the requirements of Institutional Investors.

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COMPANY INFORMATION

BSE CODE: 590073

NSE SYMBOL: WHEELS

ISIN: INE715A01015

Industry: Auto Components & Equipments

Email: investorservices@wheelsindia.com

Phone: + 91 44 2623 4311; +91 44 2625 8511

Registered Office: No.21, Patullos Road, Chennai - 600 002.

MEETING DETAILS

Meeting Type: AGM

Meeting Date: 1st July, 2026 at 10:00 AM

Venue / Mode of Meeting: Video Conference (VC) or Other Audio-Visual Means (OAVM)

Notice Date: 3rd June, 2026

Notice: [Click here](#)

Annual Report: [FY 2025-26](#)

SES PA Report (Last AGM): [Report](#)

E-VOTING DETAILS

e-Voting Platform: [CDSL](#)

Cut-off Date: 24th June, 2026

Remote E-voting:

- **Start:** 28th June, 2026
- **Ends:** 30th June, 2026

ADDENDUM REPORT RELEASE DATE: 25th June, 2026

Research Analyst: Vinod Kalbi

Conflict Disclosure: SES - No Conflict | Analyst - No Conflict



ADDENDUM

There is no change in the SES' Recommendations on any of the resolution. However, there is a change in SES' observations and rationale. Shareholders may take note of the Company's clarification and SES' comments thereon.

EXISTING RECOMMENDATION					
S. No.	Resolution	Type	SES Observation #	Rec.	Rationale
5.	Adoption of New Set of Articles of Association in conformity with the Companies Act, 2013.	S	LC TC GC	AGAINST	Amended/Draft AoA not disclosed / cannot be located.
REVISED RECOMMENDATIONS					
5.	Adoption of New Set of Articles of Association in conformity with the Companies Act, 2013.	S	LC GC	AGAINST	Provision for appointment of Alternate Director in AOA.

S - Special Resolution | Rec. - Recommendation

LC - Legally Compliant, NC - Legally Non-Compliant, TC - Disclosures & Transparency Concern, GC - Governance Concern

BACKGROUND

SES as per its policy, had emailed its PA Report ([weblink](#)) to the Company on 21st June, 2026 in respect of the AGM of the Company.

Post release of PA Report, SES received an email from the Company on 22nd June, 2026. The Company, through the email, provided its view point, which is reproduced at the last in [blue text](#).

It may be noted that the email of the Company dated 22nd June, 2026 (as per SES policy framed to comply with SEBI Circular dated 3rd August, 2020 [SEBI/HO/IMD/DF1/CIR/P/2020/147](#)) has already been forwarded to SES clients as it is, without any inputs from SES.

This Addendum provides appropriate responses of SES, wherever required.

SES COMMENTS TO COMPANY'S RESPONSE

SES Comment: SES, in its PA Report raised transparency and governance concern on the proposed resolution #5 as SES could not locate the draft of the proposed new set of articles on the website of the Company.

Now, the Company in its reply has stated that draft (New) articles of association is available on the website of the Company. ([Weblink](#))

Therefore, now SES has analysed the content of the Articles of Association (AoA) of the Company. While, majority of changes are to align with the amended provisions of the Companies Act, 2013, hence, no concern has been identified in these amendments.

However, a few of the Articles in the AoA are not considered as good governance as per SES' policy, which are analysed below:

Board Chairperson:

The AOA states that, "Subject to provisions of the Act and other regulations applicable to the Company, the *Chairman and Managing Director / Chief Executive officer of the company can be same person.*"

- **Although, there is no legal bar** on holding the position of Chairman by the Managing Director. However, SES is of the opinion that, holding both the position of Chairman and Managing Director by the same person may lead to concentration of power in the hands of single person.
- Corporate democracy and management structure envisage three layers, at the top is General Body of shareholders, which guides and approves proposal of the Board, second in line is the Board, which is directed by General body, AoA and MoA and which sets agenda for Management. The Board is headed by Chairman. The Management which is at the bottom of pyramid is headed by Executive/Managing Director(s), who are responsible for day to day management and operational issues. Combining the position of Managing / Executive Director and Chairman blurs the demarcation between Board and Management.



- Therefore, SES is of the opinion that the Company should segregate the position of Chairman from Managing / Executive position, as a good governance practice.
- However, SES has analysed the Company's performance, remuneration drawn, and overall governance practices, pursuant to which no major issues are identified as a result of the combined position, at present.
- In view of the above analysis, SES is not raising any governance concern w.r.t the combined position as Managing /Executive Chairperson.

Appointment of Alternate Directors:

- The proposed AoA states that, "*The Board **may appoint an alternate Director to act for a Director** (the "original Director") during his absence for a period of not less than three months from India. The alternate Director so appointed shall vacate office if and when the original Director returns to India. If the term of office of the original Director is determined before he / she so returns to India, any provision for the automatic re-appointment of retiring Directors, in default of another appointment, shall apply to the original Director and not to the alternate Director.*"
- **Although permitted by law**, SES, as per policy, is against the appointment of alternate directors unless the Company provides compelling reasons for the same.
- SES is of the opinion that, appointment of an alternate director is an archaic provision, from a time when communication was difficult and travel was even more difficult. SES is of the view that, now, with the law having recognised video-conferencing for conducting and attending Board meetings, the concept of alternate director has lost its relevance.
- Further, shareholders appoint the directors after examining their profile, hence, SES does not consider attending board meeting by an alternate director as a good governance practice as such a Board consists of representative of directors rather than representative of shareholders.
- SES understand that it may not be the intention of the Company to appoint any alternate director and the above provisions are merely there as in ordinary course, where the Articles were used to frame as provided in the Companies Act; however, in the opinion of SES, if the Company does not intend to do any act; then it should not be there in AoA of the Company. Hence, SES is raising concern in this regard.

Therefore, in view of the above observations, SES is raising a **governance concern** on the proposed resolution.

Conclusion: In view of the above Observation, there is no change in SES's recommendations, as the AoA contains clause related appointment of Alternate Directors, which is not as per SES' governance parameters.

Nonetheless, Shareholders may take note of the Company's clarification along with SES's comments thereon, and take an informed voting decision in this regard.

COMPANY'S EMAIL

Dear _____,

Please be informed that the draft articles of association is available on the website of the Company.

Till now, no shareholder had asked for the copy of the Articles of Association. We will also provide the hard copy of the Articles of Association to those shareholders who requests for the same.

Pl do the needful

Regards

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, Sustainability 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 with 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

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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

CIN No. -

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