

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 HDFC, Hero, M&M, L&T, UPL, Wipro, 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.
[Read More](#)

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](#)

E-Ballot:

One stop solution for investors – Online Vote Management System to cater to requirements of Institutional Investors. [Read More](#)

Proxy Advisory Report (Addendum)

UNO Minda Ltd

COMPANY INFORMATION

BSE CODE: 532539

NSE SYMBOL: UNOMINDA

ISIN: INE405E01023

Industry: Auto Components & Equipments

Email: csmil@unominda.com

Phone: +91 11 49373931 / +91 124 2290427 / 28

Registered Office: B-64/1, Wazirpur Industrial Area, Delhi-110052

MEETING DETAILS

Meeting Type: Postal Ballot

Voting Deadline: 25th June, 2023

Notice Date: 30th March, 2023

Notice: [Click here](#)

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

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

E-VOTING DETAILS

e-Voting Platform: [NSDL](#)

Cut-off Date: 19th May, 2023

Remote E-voting:

- **Start:** 27th May, 2023
- **Ends:** 25th June, 2023

ADDENDUM REPORT RELEASE DATE: 16th June, 2023

RESEARCH ANALYST: Shraddha Bansode

CONFLICT DISCLOSURE: SES - No Conflict | Analyst - No Conflict



ADDENDUM

This Addendum is being issued based on the e-mail dated 15th June, 2023 sent by UNO Minda Ltd ('the Company') w.r.t. Proxy Advisory Report ('[PA Report](#)') issued by SES in relation to the upcoming PB of the Company.

There is change in SES Recommendation on Resolution No. 1 from '**AGAINST**' to '**FOR**' on basis Company clarification. There are no other changes apart from the above.

AGENDA ITEMS AND RECOMMENDATIONS

S. No	Resolution	Type	SES Observation [#]	Rec.	Rationale
Existing Recommendation					
1	Appointment of Mr. Vivek Jindal as Non-Executive and Non-Independent Director of the Company.	O	LC+GC	AGAINST	<i>Holding 2 full time positions</i>
Revised Recommendation					
2	Appointment of Mr. Vivek Jindal as Non-Executive and Non-Independent Director of the Company.	O	LC	FOR	<i>No concern identified.</i>

O - Ordinary Resolution; S - Special Resolution, Rec. - Recommendation

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

BACKGROUND

SES, as per its policy, had e-mailed its [PA Report](#) to the Company on 12th June, 2023, in regard to the upcoming PB with e-voting deadline on 25th June, 2023.

Post release of the PA Report, SES received an email from the Company providing its view point, which is reproduced below in *blue text* along with the SES Response (in black).

It may be noted that the email of the Company (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 on 15th June, 2023. This Addendum provides appropriate responses of SES, wherever required.

SES COMMENTS ON THE COMPANY RESPONSE

Extract of Company's email

For item i.e. Appointment of Mr. Vivek Jindal as Non-Executive and Non-Independent Director of Uno Minda Limited ("the Company"), you have raised concerned citing that "Mr. Jindal will not fulfil his responsibilities as a Director of the Company with diligence, due to excessive time commitments as already being a Managing Director of Minda Westport Technologies Limited ("MWTL") and Minda Onkyo India Private Limited ("Minda Onkyo"), both being Joint Venture entities of the Company."

Regarding your concern over appointment of Mr. Jindal, we would like to inform you that Mr. Jindal will be appointed as Non-Executive and Non-Independent Director of the Company. The Board of Directors of the Company has recommended the appointment of Mr. Jindal considering his experience and educational qualification (details mentioned in postal ballot).

We wish to inform you that both MWTL and Minda Onkyo are part of Uno Minda Group and the Company as on March 31, 2023 holds 50% stake in both MWTL and Minda Onkyo.

Further, the scale of operations of MWTL and Minda Onkyo in which Mr. Jindal is a Managing Director, is not very large which is evident from the following key numbers:

Amount (in Crores) (in Rs.)



Sr. No	Particulars	Minda Onkyo as on March 31, 2023 (Audited)	MWTL as on March 31, 2023 (Un-Audited)
1	Net Worth	28.98	47.86
2	Turnover	92.14	181.05
3	Net Profit	8.64	11.85

As such since Mr. Jindal will be a Member of the Board in Non-Executive role and his involvement in the above joint venture companies considering their scale of operations is not as such which will disable him to perform the role of Non-Executive Director on the Board of Uno Minda Limited.

As such we understand that the concern raised regarding excessive time commitments being Managing Director of MWTL and Minda Onkyo gets addressed considering the scale of operations of the said JVs.

SES Response:

SES as a policy, normally raises concern on the Appointment or Re-appointment of Director, in case that Director holds more than 1 full time position either in Subsidiary/Holding Company with unrelated Business. SES is of the opinion that to fulfil one's responsibilities as a director with diligence, an individual should not hold more than one full-time position.

Shareholders may note that, the clarifications provided by the Company states,

- Minda Westport Technologies Limited ("MWTL") and Minda Onkyo India Private Limited ("Minda Onkyo"), both being Joint Venture entities of the Company.
- Company holds 50% stake in both MWTL and Minda Onkyo
- The scale of operations of MWTL and Minda Onkyo in which Mr. Jindal is a Managing Director, **is not very large.**

The Company has mentioned that the involvement of Director in JV's is limited, hence, indicating that the same will not be affecting his role as Non-Executive Director on the Board of UNO Minda Ltd.

Considering the above facts provided by the Company & that Mr. Jindal is being proposed for NED position in the Company, SES is changing its recommendation from '**AGAINST**' to '**FOR**' for Resolution No. 1 viz., Appointment of Mr. Vivek Jindal as Non-Executive and Non-Independent Director of the Company.



COMPANY'S EMAIL

Dear Sir/Madam,

We have perused the SES proxy advisory report prepared by you on our Postal Ballot Notice dated March 30, 2023, wherein the Company has sought the approval of the shareholders of the Company on three items as mentioned therein.

We appreciate that you have recommended investors to cast vote in favour of two matters out of total three matters.

For item i.e. Appointment of Mr. Vivek Jindal as Non-Executive and Non-Independent Director of Uno Minda Limited ("the Company"), you have raised concerned citing that "Mr. Jindal will not fulfil his responsibilities as a Director of the Company with diligence, due to excessive time commitments as already being a Managing Director of Minda Westport Technologies Limited ("MWTL") and Minda Onkyo India Private Limited ("Minda Onkyo"), both being Joint Venture entities of the Company."

Regarding your concern over appointment of Mr. Jindal, we would like to inform you that Mr. Jindal will be appointed as Non-Executive and Non-Independent Director of the Company. The Board of Directors of the Company has recommended the appointment of Mr. Jindal considering his experience and educational qualification (details mentioned in postal ballot).

We wish to inform you that both MWTL and Minda Onkyo are part of Uno Minda Group and the Company as on March 31, 2023 holds 50% stake in both MWTL and Minda Onkyo.

Further, the scale of operations of MWTL and Minda Onkyo in which Mr. Jindal is a Managing Director, is not very large which is evident from the following key numbers:

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3	Net Profit	8.64	11.85

As such since Mr. Jindal will be a Member of the Board in Non-Executive role and his involvement in the above joint venture companies considering their scale of operations is not as such which will disable him to perform the role of Non-Executive Director on the Board of Uno Minda Limited.

As such we understand that the concern raised regarding excessive time commitments being Managing Director of MWTL and Minda Onkyo gets addressed considering the scale of operations of the said JVs.

As such we firmly believed that your concerns have been addressed and you will appreciate the above prospective. Keeping above explanations in view, we request you to kindly re-look at the advisory report and guide investors accordingly.

Should you need any further clarification we are happy to discuss in this regard.

Request you to kindly share the same with the investors and we also request you to kindly advise in view of our response.

Thanks and Regards,

PROXY ADVISORY REPORT | FOR LIMITED CIRCULATION



Meeting Type: Postal Ballot

Voting Deadline: 25th June, 2023**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.

This report in no manner constitutes an offer, solicitation or advice to buy or sell securities, nor solicits votes or proxies on behalf of any party. SES, which is a not-for-profit Initiative or its staff, has no financial interest in the companies covered in this report except what is disclosed on its website. The report is released in India and SES has ensured that it is in accordance with Indian laws. Person resident outside India shall ensure that laws in their country are not violated while using this report; SES shall not be responsible for any such violation.

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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