

BOARD'S REPORT

To the Members of
Minda Industries Limited

The Board of Directors hereby submit its 30th report along with the audited financial statements of the Company for the financial year ended on 31 March 2022. The standalone and consolidated performance of the Company is summarised below:

Financial Results

(Amount ₹ in Crores, unless otherwise stated)

Particulars	Standalone		Consolidated	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Revenue from Operations	4,959.73	3,700.64	8,313.00	6,373.74
Other Income	79.92	54.62	62.94	47.03
Profit Before Tax	287.26	177.44	494.26	323.07
Add: Exceptional item	(24.98)	(10.00)	-	1.73
Less: Tax Expense	66.25	48.46	146.78	100.53
Profit before share of profit in associates and joint ventures	196.03	118.98	347.48	224.27
Add: Share of net profit in associates and joint ventures	-	-	65.16	24.17
Less: Non-controlling interest	-	-	56.84	41.81
Profit for the year attributable to the Owners of the Company	196.03	118.98	355.80	206.63
Add: Other Comprehensive income for the year attributable to the Owners of the Company	(0.80)	2.66	22.19	14.31
Total Comprehensive income for the year attributable to the Owners of the Company	195.23	121.64	377.99	220.94
Earnings per share (EPS):				
Basic (in ₹)	6.97	4.45	12.64	7.73
Diluted (in ₹)	6.94	4.27	12.59	7.41
Other Equity attributable to the Owners of the Company	2,598.98	1,593.46	3,381.33	2,202.18

Company's Performance

Standalone

The standalone revenue from Operations for the FY 2021- 22 was ₹ 4,959.73 Crores as against ₹ 3,700.64 Crores in previous year. The profit after tax for the FY 2021-22 was ₹ 196.03 Crores as against ₹ 118.98 Crores in the previous year. Total comprehensive income for the FY 2021-22 was ₹ 195.23 Crores as against ₹121.64 Crores in the previous year.

Consolidated

The consolidated revenue from Operations for the FY 2021-22 was ₹ 8,313.00 Crores as against ₹ 6,373.74 Crores in previous year. The profit after tax attributed to the Owners for the FY 2021-22 was ₹ 355.80 Crores, as against ₹ 206.63 Crores in the previous year. Total comprehensive income attributed to the Owners of the Company for the FY 2021-22 was ₹ 377.99 Crores as against ₹ 220.94 Crores in the previous year.

Consolidated Financial Statements

Pursuant to Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company and its subsidiaries, associates and joint ventures, prepared in accordance with the relevant Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, forms part of this Annual Report.

Performance and Outlook

Your Company has delivered yet another sparkling performance despite the lockdown related restrictions due to 2nd wave of COVID-19 in first quarter, challenges posed by semi-conductor shortages leading to production disruptions and commodity pricing pressures. With the demand remaining buoyant, easing off of the COVID-19 and semi-conductor situation globally, the management of your Company expects that the uptrend in the growth trajectory of the Company will continue. Uno Minda group is well positioned to capitalize on these developments and offer the best-in-class indigenous products to our existing and potential partners for sustained performance.

Dividends

The Board at its meeting held on 7 February 2022, declared an interim dividend of ₹ 0.50 per equity share i.e. 25.00% on 28,56,20,441 equity shares of ₹ 2 each. Further, the Board at its Meeting held on 24 May 2022 has recommended a final dividend of ₹ 1 per equity share for the financial year ended on 31 March 2022 and ₹ 0.01 dividend on 9,660 numbers of 0.01% Non-Convertible Redeemable Preference Shares of ₹ 100 each, subject to the approval of shareholders at the ensuing Annual General Meeting of the Company. The total dividend for the financial year ended on 31 March 2022 aggregates to ₹ 1.50 per equity shares of ₹ 2 each i.e.75%

BOARD'S REPORT (Contd.)

and ₹ 0.01 dividend per 0.01% Non-Convertible Redeemable Preference Shares of ₹ 100 each.

The Company has complied with the dividend distribution policy of the Company, the copy of which is available on the website of the Company at https://www.unominda.com/images/Corporate_governance/Corporate_Governance_Policies/Dividend-Policy.pdf

Transfer to Reserve

The Company has not proposed any amount to be transferred to the General Reserve.

Share Capital**Authorised Share Capital**

The Authorised share capital of the Company is ₹ 5,11,69,20,500 as on 31 March 2022 comprising of 73,62,13,000 equity shares of ₹ 2 each and 275,00,000 8% Non-Cumulative Redeemable Preference Shares of ₹ 10 each and 3,36,94,945 0.01% Non-Cumulative Redeemable Preference Shares of ₹ 100 each.

Issue of Non-Convertible Redeemable Preference Shares and Equity Shares pursuant to the scheme of amalgamation of Harita Limited, Harita Venu Private Limited, Harita Cheema Private Limited, Harita Financial Services Limited and Harita Seating Systems Limited with the Company

During the period under review, the Company issued total 1,88,84,662 0.01% Non-Convertible Redeemable Preference Shares of face value of ₹ 100 each (NCRPS) and 39,69,737 equity shares of face value of ₹ 2 each to the eligible shareholders of 1) Harita Limited, 2) Harita Venu Private Limited, 3) Harita Cheema Private Limited and 4) Harita Seating Systems Limited in the ratio as mentioned in scheme of amalgamation.

No shares were allotted to the shareholders of Harita Financial Services Private Limited (HFSL) as entire share capital of HFSL was held by Harita Limited.

Redemption of 0.01% Non-Convertible Redeemable Preference Shares (NCRPS)

In terms of Scheme of Amalgamation of Harita Limited, Harita Venu Private Limited, Harita Cheema Private Limited, Harita Financial Services Limited and Harita Seating Systems Limited with the Company, the Company had allotted 1,88,84,662 0.01% Non-Convertible Redeemable Preference Shares of face value of ₹ 100 each (NCRPS) to the shareholders of Harita Limited, Harita Venu Private Limited, Harita Cheema Private Limited and Harita Seating Systems Limited with an option to opt an early redemption for NCRPS. No shares were allotted to the shareholders of Harita Financial Services Limited as the entire shares of Harita Financial Services Limited was held by Harita Limited.

Out of total 1,88,84,662 NCRPS, the holder of 1,88,75,002 NCRPS elected the option for early redemption. Accordingly, the Company redeemed 1,88,75,002 NCRPS at a price of ₹ 112.50 per NCRPS.

Issue of equity shares pursuant to a Qualified Institutional Placement Issue

During the year, pursuant to a Qualified Institutional Placement Issue, in accordance with the relevant provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Section 42 of the Companies Act, 2013 and the relevant Rules made thereunder, the Company issued 97,22,000 equity shares of face value of ₹ 2/- each at a price of ₹ 720.00 per Equity Share (including Securities Premium of ₹ 718.00 per Equity Share) on 05 August 2021.

Issued, Subscribed and Paid-up Share Capital

The issued, subscribed and paid-up equity share capital of the Company as on 31 March 2021 was ₹ 54,38,57,408/- comprising of 27,19,28,704 equity shares of ₹ 2 each. During the year, the Company, issued total 1,36,91,737 equity shares of ₹ 2 each and 1,88,84,662 NCRPS. Further, the Company also redeemed 1,88,75,002 NCRPS. As a result of these, the Issued, Subscribed and Paid-up share capital of the Company as on 31 March 2022 remains ₹ 57,22,06,882 comprising of 28,56,20,441 equity shares of ₹ 2 each and 9,660 NCRPS.

Utilisation of funds raised through Qualified Institutional Placement

The utilisation of funds raised through Qualified Institutional Placement (QIP) as on 31 March 2022 is as under:

Particulars	₹ in Crores
Funds from QIP	699.98
Amount utilised for the object mentioned in the placement document dated 05 August,2021	699.98

Key Business developments during the year under review**I. Update on Merger of Minda I Connect Private Limited**

The Board of Directors of your Company had, at its meeting held on 6 February 2020, approved the merger of Minda I Connect Private Limited ("Transferor Company" or "Minda I Connect") with Minda Industries Limited ("Transferee Company") by way of Scheme of Amalgamation under Section 230-232 of the Companies Act, 2013.

Members may note that Minda I Connect is inter alia engaged in telematics business and development of related software, hardware, designing, programming in automotive mobility and information technology segment. Transferor Company Brands - I-Connect and Carot have been established as a leading telematics brand in India (Hardware and software).

Your Company desires to expand its business in automotive components and this amalgamation would lead to improved customer connect and enhanced market share across product segments relating to auto sector. The Transferor Company's products like software,

BOARD'S REPORT (Contd.)

hardware, designing, programming in automotive mobility and information technology segment will synergise well with the product groups of the Company. In consideration for amalgamation the shareholders of the Minda I Connect, shall receive 10 (Ten) fully paid up equity shares of the Company of ₹ 2 each for every 179 (One Hundred Seventy-Nine) fully paid up equity shares of Minda I Connect of ₹ 10 each.

Pursuant to orders of the Hon'ble National Company Law Tribunal (NCLT) Delhi, having jurisdiction on Minda I Connect Private Limited (Transferor Company) and Minda Industries Limited (Transferee Company) in the Company Application filed before Hon'ble NCLT with respect to the scheme of amalgamation of Transferor Company with Transferee Company, the equity shareholders and unsecured creditors of the Transferee Company at their respective Hon'ble NCLT convened meetings held on 16 February 2022 approved the scheme of amalgamation of Transferor Company with Transferee Company with requisite majority. This matter is pending for approval of the scheme by the Hon'ble NCLT.

The Scheme is available on the website of the Company at https://www.unominda.com/uploads/Investor/June_2020/scheme-of-amalgamation.pdf

II. Merger of Harita Limited, Harita Venu Private Limited, Harita Cheema Private Limited, Harita Financial Services Limited, and Harita Seating Systems Limited with the Company

During the period under review, the Company issued total 1,88,84,662 0.01% Non-Convertible Redeemable Preference Shares of face value of ₹ 100 each (NCRPS) and 39,69,737 equity shares of face value of ₹ 2 each to the eligible shareholders of 1) Harita Limited, 2) Harita Venu Private Limited, 3) Harita Cheema Private Limited, 4) Harita Financial Services Private Limited and 5) Harita Seating Systems Limited in the ratio as mentioned in scheme of amalgamation.

Out of total 1,88,84,662 NCRPS, 1,88,75,002 NCRPS have been redeemed as NCRPS holders opted for early redemption option in terms of election notice sent to the eligible shareholders in compliance with provisions of the Scheme. As on date total 9,660 NCRPS are outstanding for redemption.

III. Investment in CSE Dakshina Solar Private Limited and Strongsun Renewables Private Limited, the Special Purpose Vehicle ('the SPV') Companies

In order to avail captive solar power, your Company made investments, in two tranches, in two special purpose vehicles companies namely CSE Dakshina Solar Private Limited (SPV-I) and Strongsun Renewables Private Limited (SPV-2). In SPV-I the Company has made a total investment of ₹ 1.70 Crores (approx. in two tranches)

and in SPV-II the Company has made a total investment of ₹ 2.73 Crores (approx. in two tranches). As on 31 March 2022, the Company holds 27.71% equity shares in SPV-I and 28.10% equity shares in SPV-II.

SPV-I and SPV-II shall provide captive solar power to the Company's units in Tamil Nadu and Maharashtra respectively.

IV. Acquisition of shares of Harita Fehrer Limited

Harita Fehrer Limited (HFRL) was a 51:49 joint venture of erstwhile Harita Seating Systems Limited and F.S. Fehrer Automotive GmbH (Fehrer). Upon merger of Harita Seating Systems Limited into Minda Industries Limited ("the Company") (effective from 01 April 2021), the Company became the shareholder of HFRL (51% stake). Post-merger, Fehrer expressed its intension to exit from joint Venture. Accordingly, the Board of Directors of the Company, at its meeting held on 13 June 2021, approved to acquisition of remaining 49% stake in HFRL by acquiring 98,48,040 equity shares of HFRL from Fehrer. The said acquisition has been completed on 24 March 2022 and now the Company holds 100% stake in HFRL.

V. Corporate restructuring of Europe entities

The Board of Directors of your Company approved the corporate restructuring amongst Minda Delvis GmbH ("Minda Delvis"), Delvis Solution GmbH ("Delvis Solution"), Delvis Products GmbH ("Delvis Product") and iSYS RTS GmbH ("iSYS"), step down subsidiaries in Europe.

Earlier, Minda Industries Limited ("MIL") was holding 100% shares of Minda Delvis through its SPV namely Sam Global PTE Limited ("SAM"). SAM is 100% subsidiary of MIL. Delvis Solution and Delvis Products were 100% subsidiaries of Minda Delvis. Further, MIL was holding 80% stake in iSYS and balance 20% stake was held by an individual shareholder Mr. Georg Hutter, Managing Director of iSYS. Delvis Solution was an engineering service Company. iSYS was also has an engineering division.

As a part of corporate restructuring, engineering companies has been brought into one umbrella and product companies in one umbrella for better synergies. Further, Delvis and iSYS merged and then de-merged into two entities for engineering and product supplies. Post-restructuring a holding Company, namely UNO Minda Europe GmbH, in Germany has been created which holds 100% stake of both engineering and product companies, namely UNO Minda Systems GmbH and CREAT GmbH. Now, post corporate restructuring MIL holds directly & indirectly about 96.5% stake in German holding Company and Mr. Georg Hutter holds minority stake about 3.5% in said holding Company.

BOARD'S REPORT (Contd.)**VI. Transfer of business of Minda TTE Daps Private Limited (Joint Venture Company) to Minda Industries Limited and cessation of Joint Venture**

The Company and Tung Thih Electronic Co. Limited (TTE), Taiwan entered into a Joint Venture Agreement in April 2017 to manufacture "Rear Parking Assist System" in India and formed a joint venture Company in the name of Minda TTE DAPS Private Limited ("JV Company").

In order to provide cost effective solution to the customers and to remain competitive, it was planned to localise manufacturing of products in India. However, TTE did not see enough volume in India to justify new investments. Therefore, it has been mutually decided by Minda Industries Limited (MIL) and TTE to transfer the business of JV Company to MIL and consequently cease the joint venture agreement and the JV Company subject to regulatory and other approvals.

VII. Formation of Joint Venture in India with FRIWO Group for EV products

The Board of Directors of your Company, at its meeting held on 10 December 2021, approved to enter into Joint Venture with FRIWO AG, Germany and its affiliates ("FRIWO"). The Company and FRIWO will through a Joint venture Company to combine their manufacturing process and technical expertise to manufacture and supply various electric vehicle components for two and three wheelers in Indian Subcontinent. Additionally, the Joint Venture entity also plans to enter into a master contract manufacturing agreement with FRIWO to manufacture the agreed products not only for Indian markets, but for ASEAN and European markets as well. The Company will hold a majority stake of 50.1% in the said joint venture entity.

Further, as a part of the transaction, the Board has also approved to invest Euro 15 Million in FRIWO AG via capital increase in order to strengthen the partnership between the two groups. The Company has received the approval of Reserve Bank of India, under Overseas Direct Investment ("ODI") guidelines, for the investment in FRIWO AG.

VIII. Expansion of the 2 Wheel-Alloy Wheel plant of the Company situated at Supa Maharashtra

The Company has proposed the expansion of the existing plant of 2 Wheel-Alloy wheel at Supa, Maharashtra by setting up 2 additional lines with liquid line paint shop and tool room facility. The estimated cost of the project is ₹ 190 Crores. The project is expected to commence in Quarter 4 of 2022-23.

IX. Expansion in Minda Kosei Aluminum Wheel Private Limited, a material subsidiary of the Company

Minda Kosei Aluminum Wheel Private Limited ("Minda Kosei") is a material subsidiary of the Company and manufactures aluminum alloy wheels mainly for OEMs. It has two Plants in India, 1st Plant is located in Bawal, Haryana and the 2nd Plant in Dekavada, Gujarat.

Minda Kosei has proposed to increase capacity of its Gujarat Plant from 90,000 wheels per month to 1,20,000 wheels per month at an estimated investment of ₹ 74 Crores. The expanded production is expected to start from Quarter 1 of 2023-24.

Change in Nature of Business

There is no change in the nature of business of your Company during the year.

Material Changes and Commitments

There were no material changes and commitments occurred between the end of the financial year as on 31 March 2022 and the date of this report which affects financial position of the Company.

Employee Stock Option Scheme

Your Company has implemented UNOMINDA Employee Stock Option Scheme 2019 or UNOMINDA ESOS 2019 (hereinafter referred to as the "Scheme"). The maximum number of options to be granted under the ESOS 2019 shall not exceed 78,66,500 options, convertible into equity shares of the Company, which is approximate 3% of the paid-up share capital of the Company as on the date of approval of the scheme i.e. 25 March 2019. One option shall entitle the eligible employee to one equity share. The Nomination and Remuneration Committee of the Board ("NRC") is empowered to administer this scheme including to determine the eligible employees, the vesting period and exercise price of the options.

NRC, on 13 June 2021, has granted 1,62,333 number of options convertible into equal no. of equity shares having face value of ₹ 2 each to the eligible employees of the Company and its subsidiaries at a price of ₹ 325 per option.

Pursuant to the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, disclosure with respect to the Scheme of the Company as on 31 March 2022 is enclosed as **Annexure-A** to this Report. The ESOS 2019 has also been uploaded on the Company's website at www.unominda.com.

The Scheme is in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('Employee Benefits Regulations') and there has been no change in the Scheme during the financial year.

BOARD'S REPORT (Contd.)

Issuance of Commercial Paper and its Listing

During the year, Company has issued Commercial Paper (CP) once to meet its short term funds requirement resulting into the savings in finance cost of the Company.

The following CPs were issued during FY 2021-22:-

S. No.	Date of allotment	Date of maturity	CP Issue Value	Whether Listed
1	17 June 2021	11 August 2021	₹ 50 Crores	Unlisted

Corporate Social Responsibility Initiatives

At UNO MINDA group, we firmly believe and are committed to our values of inclusive growth of people and collectively continued to work for the welfare of people and communities over two and a half decades. We develop and maintain our business as a responsible corporate citizen and believe in holistically addressing all issues related to People, Planet and Profit for a sustainable business and committed to achieve inclusive growth of the marginalised and disadvantaged sections of the society through our CSR initiatives. Along with this, we fulfil all our social responsibility towards the communities we operate in, which fulfil our responsibility by providing the highest quality of service to our customers, stakeholders, and business partners. Our CSR initiatives are driven by the Suman Nirmal Minda Charitable Trust (SNMCT)- as an implementing partner of UNO MINDA Group, which operates CSR programs at various locations across India and has touched lives of 14,714 people through a flag initiative; Samarth – Jyoti and covered 7 states which includes Haryana, Uttarakhand, Rajasthan, Gujarat, Maharashtra, Karnataka & Tamil Nadu.

Projects carry a strategic approach to addressing the needs of local communities by implementing CSR initiatives in partnership with various stakeholders across various thematic areas aligned with the Sustainable Development Goals (SDGs). Our socio-economic interventions are focused on underprivileged communities around our plant locations and other local areas of operations so that the weaker and marginalised sections of the society have a sustainable higher income and a better standard of living. Our CSR interventions follow principles of accountability to stress the long-term sustainability of results. Samarth-Jyoti identifies CSR projects needs through mapping community needs by conducting baseline surveys and benchmarking exercises.

Our initiatives aim to promote skill development which will lead to making the youth self-reliant by training them with in-demand skills. With the focus on creating an inclusive world and providing a life of dignity and confidence, we are continuously working in the area of education and skill development for children, women, and youth respectively. We are working continuously towards providing the community, especially women and young people, with appropriate options

for grooming and enhancing their skills in various vocational courses. Also, we are working tirelessly to develop young minds by facilitating and increasing the quality of education for children belonging to less advantaged and backward communities through initiatives such as establishing formal schools and remedial programs.

Our Key projects under Samarth-Jyoti are:

1. Skill Development, wherein we are imparting vocational training for Beauty Culture Learning, Cutting & Tailoring and Computer Basic, Hardware, and Professional courses.
2. Education programs, imparting formal education with establishing and operating CBSE affiliated Senior Secondary School, community school and remedial program for facilitating the children with required educational support.
3. Community Well-Being and Development where we are liaising with local government and stakeholder members to provide required infrastructural development, waste management set-ups, food stall for providing nutritional food, etc.
4. Preventive & Curative Healthcare where we are organising and supporting community members by organising various blood donation and medical/health check-up camps, conducting menstrual health and hygiene management workshops, extending support for various alignment to the deprived and lesser privileged member of the society.

Our CSR perspective is to contribute to the society through our programs which are sustainable, impactful and with a future-generation development-centric approach. So far through our programs, we have made a difference in the life of 51,460 direct and indirect beneficiaries.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company as adopted by the Board and the initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure B** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on https://www.unominda.com/uploads/Investor/March_2021/mil-new-csr-policy.pdf

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule-8 of the Companies (Accounts) Rules, 2014, is enclosed as **Annexure-C** to the Board's Report.

BOARD'S REPORT (Contd.)

Corporate Governance

The Company has complied with the Corporate Governance requirements as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the report on the same as stipulated in Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as **Annexure-D** to the Board's Report.

The Certificate issued by M/s. Sanjay Grover & Associates, Company Secretaries in practice confirming the Compliance of conditions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as **Annexure-E** to the Board's Report.

Risk Management Policy

The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and its effectiveness. The Company has Risk Management Policy which can be accessed on Company's website www.unominda.com. The Company has also laid down the procedures to inform Board members about risk assessment and minimisation procedures.

Regular meetings of the Risk Management Committee are held to review and further improve the risk management systems of the Company to ensure a consistent, efficient and effective assessment and management of risk in the achievement of the organisation's objectives. During the year under review, the Committee re-assessed top 10 risks and its mitigation plan. Risk management is an ongoing activity considering the dynamic business environment in which Company operates. Continuous re-assessment of risks and mitigation plan has helped the Company to mitigate new evolving risks and minimise adverse effect of such risk in the interest and for the benefit of all the stakeholders.

Internal Financial Control and its adequacy

The Board has adopted policies and procedures for governance of orderly and efficient conduct of its business including adherence to Company's policies, safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information and its disclosures. The Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations.

The internal control and governance process are duly reviewed for the adequacy and effectiveness through regular testing of key controls by management and independent internal auditors.

Human Resource Management

The Company as an employee-centric organisation always puts its people at the heart of whatever it does. The Company believes that the success of the organisation and its people go hand-in-hand.

To further strengthen people practices, UNO Minda HR Team partnered with BIG 4 consulting firms to relook at the HR Strategy and Re-frame a HR Roadmap, to design a Future Ready People Function. As part of this HR Roadmap 2.0, HR has planned to roll out renewed initiatives with an intent to positively impact the employee journey at UNO Minda. These initiatives revolve around health and wellness of employees, learning and development, mentoring and coaching, building an appreciation culture, flexible work hours etc. The aim is to rebrand the UNO Minda employee value proposition. Some of these initiatives have already been implemented while others will be rolled out in a phased manner over the course of next 2 years across the entire HR lifecycle.

Employee health and well-being has always remained the top most priority of UNO Minda Group. The Company focuses on building a culture of holistic well-being including physical, emotional, financial, social, career, community. Under the program named UNO Minda Energize, the Company is conducting number of webinars on mindfulness, yoga, emotional intelligence, mental health, eye health, financial planning and more. UNO Minda Energize brings the right dose of everything that can help employees sustain, grow and manage their health and harmony of life. The Company has also partnered with leading online health tech platform to provide host of health and wellness benefits to its employees and their family which include preventive healthcare & wellness services, special privileges on medicine, lab test, doctor online consultation and wellness counselling.

The Company launched spot recognition program UNO Minda Bravo to acknowledge and appreciate an employee's effort. The program is aimed at not only to offer timely rewards and recognition also to build appreciation as a natural part of Company culture.

From the beginning of the FY 2022-23, we have moved to a re-designed role based organisation from Hierarchical designations as part of overall Organisational Business Transformation (OBT) exercise. Redesigned Organisation structure has brought in more clarity, transparency and better accountability with focused purpose. We will continue to reap benefit of various HR initiatives taken at the beginning of the FY 2022-23 as part of Organisation business transformation.

The Company has also built a robust skill development program that is enabling overall skill development of the functional employees and ensuring the right skills are available based on future competencies. The Company

BOARD'S REPORT (Contd.)

has developed institutionalised coaching and mentoring program for employees to take up the more significant role and challenges. These initiatives have helped the Company in succession planning for all critical roles in the organisation.

Over the years, UNO Minda has created a great place to work for all its employees by excelling on the 5 dimensions of a high-trust, high-performance culture – Credibility, Respect, Fairness, Pride and Camaraderie. The Company is proud to state that it is now certified as “Great Place to Work 2022” by Great Place to Work Institute India. The Company featured in “Wall of fame” of Great Place to Work Institute amongst the top 30 Best Work places in manufacturing companies in India. The Company has also been awarded Economic Times Human Capital award for Excellence in HR Digital Transformation.

Particulars of Employees

The ratio of remuneration of each director to the median of employees’ remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure-F**.

In accordance with the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees are available with the Company. In terms of provisions of Section 136(1) of the Act, any member intends to obtain a copy of the said details may write to the Company Secretary.

Vigil Mechanism

Your Company is deeply committed to highest standards of ethical, moral and legal business conduct. It ensures that it provide a respectful work environment, not only for all our employees, but for all our external partners too. Accordingly, the Board of Directors have formulated Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has an Ethics Helpline for the employees (both permanent and contractual), directors, vendors, suppliers and other stakeholders, collectively known as the “Reporters” of Minda Industries Limited. The helpline will serve as an avenue for the Reporters to ‘blow the whistle’ in case they come across any unethical or fraudulent activity happening in the organisation.

The Company has taken a special attention and greater emphasis on whistle blower activities where initiatives such as campaigns, posters at prominent locations, awareness sessions etc. were taken to encourage the employees to speak-up about any wrong doing activities and bring the same to the notice of the Management through whistle blower activities.

The complaints under whistle blower are processed by professionals to assure collection of accurate information and protection of the information confidentiality. The reportable matters are disclosed to Audit Committee. No personnel have been denied access to the Audit Committee.

Directors and Key Managerial Personnel

As on 31 March 2022, there were Eight (8) Directors on the Board of your Company, consisting of four (4) Independent Directors, one (1) Non-Executive Director, two (2) Executive Director and one (1) Chairman & Managing Director (CMD).

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31 March 2022 are:

- i. Mr. Nirmal K. Minda, Chairman and Managing Director;
- ii. Mr. Ravi Mehra- Wholetime Director, designated as Deputy Managing Director;
- iii. Ms. Paridhi Minda-Wholetime Director;
- iv. Mr. Sunil Bohra-Chief Financial Officer; and
- v. Mr. Tarun Kumar Srivastava- Company Secretary & Compliance Officer of the Company.

During the year under review, following changes have taken place in the Board of Directors of the Company:

- Mr. Ravi Mehra was appointed as Whole-time director designated as Deputy Managing Director of the Company for a period of three years w.e.f 1 April 2021 to 31 March 2024.
- Mr. Krishan Kumar Jalan, Non-Executive Independent Director of the Company was re-appointed for a Second term of two years w.e.f. 16 May 2021.
- Mr. Rakesh Batra was appointed as Non-Executive Independent Director of the Company for a term of three consecutive years w.e.f. 19 July 2021.
- Dr. Chandan Chowdhury, completed his tenure of two years, in the capacity of Non-Executive Independent Director of the Company and accordingly ceased to be a Director on the Board of the Company w.e.f. 06 August 2021.
- Mr. Satish Sekhri completed his term in the capacity of Non-Executive Independent Director of the Company and he ceased to be a Director on the Board of the Company w.e.f. 01 April 2022.

After the closure of financial year 2021-22, the following directors have been appointed on the Board of the Company:

- Mr. Rajiv Batra (DIN-00082866) as an Additional Director in the category of Non-Executive Independent Director on the Board of the Company for a term of two years w.e.f. 1 April 2022 to 31 March 2024.
- Mr. Satish Balkrishna Borwankar (DIN-01793948) as an Additional Director in the Category of Non-Executive Independent Director on the Board of the Company for a term of three years w.e.f. 12 April 2022 to 11 April 2025.

BOARD'S REPORT (Contd.)

The appointment of Mr. Rajiv Batra and Mr. Satish Balkrishna Borwankar is subject to approval of the shareholders of the Company, which is being sought through Postal Ballot.

Declaration by Independent Directors

In compliance with Section 149(7) of the Companies Act, 2013 ("the act") read with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Independent Directors of the Company have submitted the declaration(s) that each of them meet the criteria of independence as provided in Section 149(6) of the Act read with sub-rule (1) and sub-rule (2) of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and there has been no change in the circumstances which may affect their status as independent director during the year.

In the Board's opinion, the Independent Directors are persons of high repute, integrity and possess the relevant proficiency, expertise and experience in their respective fields.

Directors retiring by rotation

In accordance with the provisions of the Companies Act, 2013 and in terms of Articles of Association of the Company, Mr. Anand Kumar Minda and Ms. Paridhi Minda, are liable to retire by rotation and being eligible, offer themselves for re-appointment. The details of Mr. Anand Kumar Minda and Ms. Paridhi Minda being recommended for re-appointment are included in the notice of the ensuing Annual General Meeting of the Company.

Board Evaluation

The evaluation of the Board, Board Committees and directors were carried out in accordance with the provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidance note issued by SEBI in this regard. Questionnaire forms were circulated to all the directors for their feedback on Board, Board Committees and director evaluation. A meeting of the independent directors was held on 07 February 2022 where they reviewed and discussed the feedback on the functioning of the Board, Board Committees, Chairman and other directors. The Nomination and Remuneration Committee (NRC) at its meeting held on 07 February 2022 also reviewed the feedback on the evaluation of the functioning of the Board, Board Committees, Chairman and other directors. The Board reviewed and discussed the feedback of the evaluations. The area of improvements as highlighted by the evaluation exercise has been implemented to further strengthen the corporate governance of the organisation.

Familiarisation programme for Board Members

The Company has in place a structured induction and familiarisation programme for all its Directors including the Independent Directors. They are updated on all business related issues and new initiatives. They are invited in

management level business review meetings so as to step back and assist the executive management. They are facilitated to visit the various plants of the Company to familiarise them with the manufacturing facilities, process, product etc. of the Company. They are also informed of the important policies of the Company including the 'Code of Conduct for Directors and Senior Management Personnel' and the 'Code of Conduct for Prevention of Insider Trading' as available on the Company's website <https://www.unominda.com/investor/corporate-governance>.

Policy on Directors' appointment and remuneration

The Board Diversity Policy read with Nomination and Remuneration Policy aims to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the board, and separate its functions of governance and management. On 31 March 2022, the Board consists of eight members, out of which, three are executive directors, one is non-executive director and remaining four are independent directors. The aforesaid policies of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, are available on the Company's website https://www.unominda.com/images/Corporate_governance/Corporate_Governance_Policies/Nomination--Remuneration-Policy.pdf

There has been no change in the said policies during the year under review.

Meetings of Board and Audit Committee

During the year, eight (8) Board Meetings and seven (7) Audit Committee meetings were convened and held, the details of which are given in the Corporate Governance Report forming part of this Annual Report. The intervening gap between two consecutive meetings was not exceeding the period prescribed under the Companies Act, 2013.

Committees of the Board

The Company has the following committees, which have been established as a part of the corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

The details with respect to the compositions, powers, roles, terms of reference and number of meetings held during the year of relevant committees are given in detail in the Corporate Governance Report of the Company, which forms part of this Board's Report.

BOARD'S REPORT (Contd.)

Directors' Responsibility Statement

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability, confirm:

- a. that in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b. that they have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2022 and of the profit of the Company for the year ended on that date;
- c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that they have prepared the annual accounts on a 'going concern basis';
- e. that they have laid down proper internal financial controls and such internal financial controls are adequate and operating effectively; and
- f. that they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory, cost and secretarial auditors, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2021-22.

Related Party Transactions

All the related party transactions during the financial year were in the ordinary course of business and on arm's length basis and hence a disclosure in Form AOC-2 in terms of clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is not required.

The details of the transactions with related parties during the year under review are provided in the accompanying financial statements.

Prior omnibus approval of the Audit Committee was obtained for the transactions, which were of a foreseen and repetitive nature. The Related Party Transactions are placed before the Audit Committee and also before the Board for approval. During the year under review, there were no material related

party transactions in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees and reimbursement of expenses, as applicable.

In accordance with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has also adopted the Policy on Related Party Transactions and the same is available on the website of the Company at <https://www.unominda.com/uploads/Investor/2022/rpt-policy.pdf>

Subsidiaries, Joint Ventures and Associates

The Company has 12 direct subsidiaries, 10 step down subsidiaries, 12 joint ventures and 3 associates as on 31 March 2022 as defined under the Companies Act, 2013. Besides this, the Company has control over 4 partnership firms and significant influence over 1 partnership firm as on 31 March 2022.

During the year under review:

- Company acquired 27.71% stake of CSE Dakshina Solar Private Limited and 28.10% stake of Strongsun Renewables Private Limited. Now, CSE Dakshina Solar Private Limited and Strongsun Renewables Private Limited are associate Company of the Company.
- Pursuant to the Merger of Harita Seating Systems Limited (HSSL) with Minda Industries Limited (MIL), Harita Fehrer Limited (HFRL) in which HSSL held 51% stake, became the subsidiary of the Company. Later, the Company acquired remaining 49% stake of HFRL from the other JV Partner and now HFRL is wholly owned subsidiary of the Company.
- The Company formed two wholly owned subsidiaries namely UNO Minda EV Systems Private Limited and UNO Minda Auto Systems Private Limited.
- The Company made further investment of ₹ 6.80 Crores in equity shares of Minda Onkyo India Private Limited under Right issue. The Company's stake in Minda Onkyo after subscription remained same i.e. 50%.
- The Company raised its stake in Minda Kosei Aluminum Wheel Private Limited from 70% to 77.35% by way of subscription of Equity shares under Right Issue and further renunciation of right by other two shareholders of Kosei International Trade & Investment Company Limited and Minda Investments Limited.
- Two (2) overseas step down subsidiaries of the Company, namely CH-Signalakustics GmbH and Clarton Hom-Morocco SARL were under process of dissolution. The business of these companies are being carried out by Clarton Horn-Spain.

BOARD'S REPORT (Contd.)

- Your Company did a corporate re-structuring of its five subsidiary companies (including step down subsidiaries) in Europe. Under the corporate re-structuring, the engineering divisions and products divisions of Minda Delvis GmbH and iSYS were merged into two different entities incorporated with new names of UNO Minda Europe GmbH and UNO Minda Systems GmbH. Beside this the R&D business transferred from Delvis Solution GmbH to CREAT GmbH. Due to this restructuring, two companies ceased to be a subsidiary Company (including step down subsidiary) of the Company.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries, joint ventures and associates in Form AOC-1 is attached to the financial statements of the Company. Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at <https://www.unominda.com/investor/subsidiaries-annual-accounts>

Awards and Recognition

- **Amrop Economic Times Best Board Award**
Your Company won the Amrop Economic Times-India's Best Board Award 2020 in Small-Cap Company category.
- **Great Place to Work Certificate**
During the year under review, your Company also got certificate of "Great Place to Work" from Great Place to Work® Institute India.

Apart from above the Company has received various recognitions and awards from its esteemed customers.

Deposits from Public

The Company has not accepted any deposits from the public under section 73 of the Companies Act, 2013 during the year under review and as such no amount of principal or interest was outstanding as on 31 March 2022.

Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 forms part of the Notes to the Standalone Financial Statements provided in this Annual Report.

Statutory Auditors Report

At the 29th Annual General Meeting (AGM), the Members approved appointment of M/s. S. R. Batliboi & Co., LLP, Chartered Accountants (ICAI Registration no. 301003E/E300005) as Statutory Auditors of the Company to hold office for a period of Five (5) years commencing from the conclusion of that AGM till the conclusion of the 34th AGM of the Company to be held in the year 2026.

The Statutory Auditors' Report for FY 2021-22, does not contain any qualification, reservation or adverse remark or disclaimer, the same forms part of this Annual Report.

The Statutory Auditors of the Company have not reported any matter under Section 143(12) of the Companies Act, 2013.

Cost Accounts and Cost Auditors

The cost accounts and records as required to be maintained under Section 148 (1) of the Companies Act, 2013 are duly made and maintained by the Company.

The Board of Directors upon recommendation of the Audit Committee has appointed M/s. Jitender Navneet & Co., Cost Accountants (Firm Registration No. 000119), as the Cost Auditors for FY 2022-23. A resolution seeking approval of the members for ratifying the remuneration payable to the Cost Auditors for FY 2022-23 is provided in the Notice to the ensuing Annual General Meeting.

Secretarial Auditors`

The Board appointed M/s. Sanjay Grover & Associates, Practicing Company Secretaries (Firm Registration No. P2001DE052900), to conduct secretarial audit for FY 2021-22. The Secretarial Audit Report for the financial year ended 31 March 2022 is enclosed as **Annexure-G**. The Secretarial audit report does not contain any qualification, reservation or adverse remark or disclaimer.

Further as per the requirement of Regulation 24A of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Secretarial Audit report of the material subsidiaries namely Mindarika Private Limited and Minda Kosei Aluminum Wheel Private Limited is also attached with the main Secretarial Report.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company strives to ensure that all employees are treated with dignity and respect. The Company is committed towards making efforts to maintain a workplace with physical and mental comfort, free of prejudice and bias based on sex, gender, race, caste, culture, nationality etc.

The Company is an Equal Employment Opportunity Company (EEOC) and is committed to create a healthy working environment that enables employees to work without fear or prejudice, gender bias and a harassment free workplace to all employees without regard to race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin or disability.

The Company has in place a robust policy and framework for prevention of sexual harassment at workplace. The policy is formulated for the purpose of prevention, prohibition and redressal mechanisms of any wrongs with "sexual intent" defined under sexual harassment at the workplace and Principle of Natural Justice.

BOARD'S REPORT (Contd.)

The Company also believes that all employees of the Company have the right to be treated with dignity. Sexual harassment at the work place or other than work place if involving an employee or employees is a grave offence and is therefore, punishable.

There is an Internal Committee which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy. The Company has complied with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, two complaints were received under the Act and enquiry was conducted by the Internal Complaint Committee and action has been taken.

Significant and Material Orders

No significant or material orders were passed by the Regulators or Courts or Tribunals which will impact the going concern status and Company's operations in future.

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company is available on the Company's website on www.unominda.com

Management Discussion & Analysis Report

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion & Analysis is enclosed as **Annexure -H**.

Compliance of Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

Suspension of Securities of the Company

The securities of the Company have not been suspended from trading in any of the stock exchanges.

Financial Year

The Company follows the financial year commence from 01 April and ends on 31 March of subsequent year.

Report on deviation(s) or variation(s), if any, in the use of amount raised from public

During the year under review, Company issued securities on the basis of Qualified Institutional Placement. There are no deviation or variation in the use of proceeds from the objects stated in the Placement document.

Business Responsibility Report

A detailed Business Responsibility Report in terms of the provisions of Regulation 34 of the Listing Regulations is enclosed as **Annexure-I**.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) and their status

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

Details of difference between amount of the Valuation done at the time of One Time Settlement and the Valuation done while taking loans from the Banks or Financial Institution alongwith the reasons thereof

There are no such events occurred during the period from 01 April 2021 to 31 March 2022, thus no valuation is carried out for the one-time settlement with the Banks or Financial Institutions.

Acknowledgements

Your Directors thank the various Central and State Government Departments, organisations and agencies for the continued help and co-operation extended by them.

Your Directors also gratefully acknowledge all stakeholders of the Company viz. shareholders, customers, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board of Directors
For Minda Industries Limited

Nirmal K Minda

Place: Gurugram
Date: 24 May 2022

Chairman & Managing Director
DIN: 00014942