

# 47<sup>th</sup> ANNUAL REPORT 2018-19




**Scooters India Limited**

(A Government of India Enterprise)

An ISO 9001 Company

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**SCOOTERS INDIA LTD.**  
Serving the Common man Since 1972



## BOARD OF DIRECTORS

### Functional Directors

Shri Renati Sreenivasulu	Chairman & Managing Director	06.10.2016 to till date
Shri S. Sakthimani	Director Finance(Additional Charge)	30.05.2018 to till date

### Government Nominee Director

Shri S.K Singh	GOI, Part time Official Director	15.01.2018 to till date
Smt Ritu Pande	GOI, Part time Official Director	13.11.2018 to till date
Smt Parveen Gupta	GOI, Part time Official Director	15.01.2018 to 13.11.2018

### STATUTORY AUDITOR

Asija & Associates LLP  
1st Floor, 34/5 Gokhle Marg,  
Lucknow 226001

### SECRETARIAL AUDITOR

Amit Gupta & Associates  
Office N-B-12, Basement,  
Murli Bhawan, 10-a, Ashok Marg,  
Lucknow-226001

### REGISTERED OFFICE & WORKS

Lucknow-Kanpur Road  
(16th Mile Stone)  
Post Bag No.23  
(Po) Sarojini Nagar  
Lucknow-226008

### REGISTRAR & TRANSFER AGENT

Skyline Financial Services Private Limited  
D-153/A, 1st Floor  
Okhla Industrial Area  
Phase-1  
New Delhi-110020  
Ph-011-26812682  
Fax-26812682

### INTERNAL AUDITOR

Vimal Dixit & Associates  
Chartered Accountants,  
66/75,Chitwanpur Road,  
Opp Vikas Deep Building,  
Station Road, Lucknow

### STOCK EXCHANGE

BSE Limited,  
1st Floor , Phiroze Jijibhoy Towers,  
Dalal Street, Mumbai-400001

**DIRECTORS' REPORT**

Dear Shareholders,

The Board of Directors of your Company is pleased to present the 47th Annual Report on the business and operations of the Company together with the audited Balance Sheet and statement of Profit and Loss Account and Auditors' Report thereon for financial year ended 31st March, 2019.

**1. PRODUCTION REVIEW**

Description	2017-18	(Nos.)
		2018-19
Three Wheeler	3664	4703

**2. SALES REVIEW**

The Sales performance for the year is shown below:

Description	2017-18		2018-19	
	Physical	Financial (₹ In lakhs)	Physical	Financial (₹ In lakhs)
Three Wheeler	3107	4870.20	4252	6196.53
Spares		157.12		185.67
Petrol, Diesel, Lubricants etc		Nil		Nil
Other Operating Revenue		27.95		3.00
<b>Total</b>		<b>5055.27</b>		<b>6385.20</b>

**3. FINANCIAL REVIEW**

The salient features of the Company's financial results for the year under review are as follows:

Description	2017-18	(₹ In lakhs)
		2018-19
a) Profit/Loss before Depreciation, Interest, Taxes, Prior Year Items & Other Income.	(2283.63)	(484.48)
b) Profit/Loss before Depreciation, Interest, Taxes, & Other Income	(2283.63)	(484.48)
c) PBDIT	(1627.89)	(269.96)
d) Profit /(Loss) for the Year	(1862.22)	(463.26)

**During the year under report:**

- I. Loss before depreciation, interest, taxes, prior year items & other income decreased by Rs. 1799.15 lakhs as compared to the previous year.
- II. Loss before depreciation, interest, taxes, & other income decreased by Rs. 1799.15 Lakhs as compared to the previous year.
- III. Loss before depreciation, interest & taxes, decreased by Rs. 1357.93 lakhs as compared to the previous year.
- IV. Loss for the year decreased by Rs. 1398.96 lakhs as compared to the previous year.

**4. CONTRIBUTION TO EXCHEQUER**

The company has contributed a sum of Rs. 684.93 lakhs (towards duties & taxes) to the exchequer during the period under review vis-à-vis Rs. 709.06 lakhs during previous financial year.

**5. DIVIDEND**

Your Directors did not recommend final dividend for the Financial Year 2018-19.

**6. TRANSFER TO RESERVES**

The Company does not propose to transfer to the general reserves out of the amount available for apportion.

**7. ISSUE OF SHARES WITH OR WITHOUT DIFFERENTIAL RIGHT, SWEAT EQUITY ESOP :**

The paid up Equity Share Capital as at 31st March, 2019 stood at Rs. 87.27 crores comprising of 87275500 shares of Rs. 10 each. 8,72,755,000. During the year the Company has issued 1890000 Equity Shares of Rs. 10 each to Government of India.

**8. EXPORT**

The company has started making export of vehicles after so many years . The first lot of vehicles were dispatched to Nepal. Further the royalty income during the year by way of foreign exchange remittances also remained nil, in view of ongoing legal cases..

**9. EXPENDITURE ON ADVERTISEMENT AND PUBLICITY:**

An expenditure of Rs. 16.19 Lakhs was incurred on account of advertisement and publicity in the year.

**10. STATUS OF REPAYMENT OF LOAN FROM GOI**

In terms of Cabinet approval the existing term plan & non-plan loan as of 31st March, 2012 of Rs 85.21 Crores (Plan loan - Rs 1.93 Crores & Non-plan - Rs. 83.28 crores) has been converted into equity share capital of Rs. 85.21 crores by issue of 8.52 crores equity shares of Rs. 10/- each at par and further the Equity share Capital of the Company has been reduced by 85.21 crores by cancellation of aforesaid Rs. 85.21 crores equity share capital held by Government of India in terms of BIFR Order dated 24.06.2013. The existing interest Accrued as on 31st March, 2012 amounting to Rs. 2,367 Lacs on GOI loan (Plan loan of Rs. 193 lakhs & Non-plan loan of Rs. 8328 lacs) has been written off against accumulated losses and no further interest has been provided on the aforesaid loan from 31st March, 2012 onwards. The matter of repayment of principal & interest on non-plan loan sanctioned during financial year 2012-13 of Rs. 189 Lakhs, which has been followed up with Department of Heavy Industry since the year 2013-14, has been approved and Ministry of Heavy Industry and Public Enterprises, Vide letter No. F3-33/2009 PE-VI(Vol-IV) dated 5th June 2018 DHI communicated the freezing of the interest on the Non Plan Loan of Rs. 1.89 crore

and conversion into Equity of the Outstanding Principal amount of Rs.1.89 Crore. The Company has accordingly made allotment of 18.90 lacs equity shares of Rs. 10/- each. The GOI has also approved the reduction of equity of Rs. 85.21 crores in the share capital of SIL held by GOI against the accumulated losses with effect from 31.03.2013. The Company has been preparing its annual reports for 2012-13 and onwards recognizing the aforesaid reduction, so no revision in annual accounts is required to be made. The Government of India, Ministry of Industries & Public Enterprises, Department of Heavy Industry released funds by way of interest free plan loan amounting to Rs. 2000.00 lakhs during the financial year 2013-14 for working capital under an approved revival package of Scooters India Limited by Cabinet/ Misc. Application approved by BIFR. As per sanction 23.7.2013 the Moratorium period for the loan is 3 years and Installment commence from 31.3.2015. The company sought by way of Reliefs & Concessions in the Draft Rehabilitation Scheme (DRS) submitted to Operative Agency (SBI) for submission of BIFR for recovery of 5 installments commencing from 23.7.2016 onwards i.e. 3 years from date of sanctioning i.e. beginning w.e.f. 23.7.2016.

**11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED FROM 01.04.2019 TO DATE**

No material change and commitment have been made by the company from 01.04.2019 to date that has adverse effect on the financial position.

**12 Management Discussion and Analysis**

**Industry structure and development :** Automotive industry in India is one of the main pillars of the economy. With strong backward and forward linkages, it is a key driver of growth. Liberalization and conscious policy interventions over the past few years created a vibrant, competitive market, and brought several new players, resulting in capacity expansion in automobile industry and generation of huge employment. Aply, the sector was christened as the 'Sunrise Sector' of the economy.

The contribution of this sector to the National GDP rose from 2.77% in 1992-93 to about 7.1% now. It provides direct and indirect employment to over 19 million people. India is fast turning into a global automotive hub. For the last two financial years in continuation, the 3-wheeler industry has gone upward.

In this financial year, the automotive industry is now suffering from excess capacity

<b>Three Wheelers</b>				
Manufacturers	Domestic Sales (In Numbers)		Market Share (In Percentage)	
	April-March		April-March	
	2017-18	2018-19	2017-18	2018-19
Atul Auto Limited	39,333	44,513	6.19	6.35
Bajaj Auto Ltd	3,69,637	3,98,826	58.15	56.89
Mahindra & Mahindra Ltd	54,625	66,140	8.59	9.43
Mahindra Electric Mobility Ltd	0	559	0.00	0.08
Piaggio Vehicles Pvt Ltd	1,52,879	1,69,970	24.05	24.25
Scooters India Ltd	2,795	4,288	0.44	0.61
TVS Motor Company Ltd	16,429	16,715	2.58	2.38
<b>Total</b>	<b>6,35,698</b>	<b>7,01,011</b>	<b>100.00</b>	<b>100.00</b>





and suppressed demand leading to lay-offs. Some of the areas causing distress in the automotive sector are: slowdown in economic growth, high cost of vehicle finance, high interest rates, high fuel prices, high inflation and negative market sentiments, increase in the commodity prices, high customs duty on Alloy Steel, Aluminium Alloy and Secondary Aluminium Alloy.

Even, Government policy on EV is also affecting the demand of 3-wheeler industry. We are expecting from the Government to give the relaxation for automobile industry as industry is showing negative growth. Government of India is also planning to introduce the BS-VI norms across the country w.e.f 01st April, 2020. 3-Wheeler industry is not prepared to accept this technological up gradation and public is also not ready to opt the Electric vehicles due to high cost, less durability and lack of charging station.

#### MISSION, VISION & OBJECTIVE

**VISION** SIL Vision is to grow as an organization in the field of automobiles with greater emphasis on E- Mobility.

**MISSION** Our Mission is to strengthen SIL presence in E-Mobility by foraying into Electric Vehicle market and thus to provide cleaner mobility solutions for future generations.

**OBJECTIVE**

- Design, Development and Commercialization of 2 to 3 variants of Electric 3-Wheeler by 2019-20.
- Design, Development and Commercialization of Electric 2-Wheeler by 2020-21.
- Design, Development and Commercialization of affordable 2 seater 4 wheeler by 2021-22.
- Creating Niche markets in Electric Vehicle Market.

#### B. MARKET SCENARIO-SEGMENT /PRODUCT WISE PERFORMANCE

I. (i). The total number of 3-Wheelers produced and sold in the domestic market by manufactures in India during the year 2018-19 as against 2017-18 is given below:

Category	Productions	
	April'17- March'18	April'18-March'19
Segment/ Sub-segment		
Passenger Carrier	899073	1132700
Goods Carrier	123108	136023
Total	1022181	1268723
	<b>Domestic Sales (In Nos.)</b>	
Passenger Carrier	517423	572392
Goods Carrier	118275	128619
Total	635698	707011

**Note :** Sales excluding Export of 381002 nos. in 2017-18 and 567689 nos. in 2018-19.

Scooters India Limited has been a pioneer in bringing out various models of 3-Wheelers running on Diesel, Electric, LPG and CNG for applications as both passengers and load carrier versions. Company has played an important role in popularization of 3- Wheelers of larger capacity in the country. SIL has achieved sales of 4252 nos. in 2018-19. This has also resulted in increase the SIL market share from 0.44 % in 2017-18 to 0.61 % in 2018-19.

The company continues to be the leader in larger capacity of vehicles i.e. passenger carrier (6+1) segment and goods carrier exceeding 1 ton of vehicles. The market share of company was 100% in 2017-18 (SIL sales 1200 nos. out of 1200 nos.).



- i) 3- Wheelers growth drivers in future are as under:
- Rapid development of infrastructure and focus of both Central as well as State Govt. on infrastructure mainly on roads, the demand of 3- wheeler may see an upward trend in coming years. The demand driver for 3-Wheelers are its affordability as an economical viable transport solution. However the demand for 3-Wheeler passenger carrier depends on the availability of permits issued by Local RTO's.
  - Increased demand from semi urban & rural areas for 3- Wheelers because of its high product maneuverability and drivability
  - Suitability of 3- Wheelers for congested Indian roads and tropical conditions.
  - Self employment opportunity for a large no of youths especially with the Govt. focus on various schemes for the unemployed youths.
  - 3- Wheelers of smaller capacity are in great demand in load carrier segment because of increase in organizing retail marketing across the country which requires faster and economical transportation.

## **C OPPORTUNITIES AND THREATS**

### **C 1 : Strengths**

- Integrated plant with capability to produce majority of components by exercising checks on incoming RM quality and operations .
- Induction of new Machinery through CAPEX has improved quality of critical components as well as Productivity.
- Skilled manpower at reduced cost by re-engaging retired personnels .
- Scope of doubling / tripling the production with minimum investment,.
- Company has the advantage of E-Vehicle experience in late 90's as the automotive market is poised for growth in E-Mobility in coming years

### **C 2 : Weakness**

- Depleting manpower.
- Sourcing of material at economical costs is difficult due to low volumes. This is also resulting in weak supply chain.
- The plant is located far way from automotive hubs like NCR, Pune, Chennai
- Not able to introduce new models/variants due to low volumes of production.
- Not having strong " vehicles finance" tie ups.

### **C 3 : Opportunities**

- Expected exponential growth in E- Mobility sector
- Untapped markets - South, East & Exports
- Developing hub and spoke transportation model
- Increasing allocation of funds for E-Mobility under FAME Schemes
- Rapidly growing awareness about vehicular pollution leading to policy formulation for increase use of alternate fuel vehicles such as Electric Vehicle
- Navratna companies like BHEL, NTPC have joined hands with SIL to promote E-Mobility .

### **C 4 : Threats**

- Implementation of BS VI emission norms w.e.f. 01/04/2020 for which the engine manufacturer are not ready with their engine and solution.





- Growing Electric vehicle market but the allied motor, controllers & Li-Ion battery manufacturing facilities are in nascent stages
- Increase in product substitution effect by rapidly growing 4 Wheeler SCV Increased competition both from organized and unorganized players. Frequent changes in Market Dynamics, Volatility in Raw Materials prices / input and difficulty in passing on cost increase.

#### **D : Future Outlook:**

The need for new design features in the existing product combined with improved quality features demands significant investment in Research & Development and also in plant & machinery. Existing over-lived plant & machinery is an area of concern.

Manpower is a challenge on all fronts . The average age profile of the employees is very high. The manpower cost in the company is still high because of low volumes. The company needs to reduce its manpower cost even while putting efforts to infuse fresh blood simultaneously.

The entire automobile engineering and especially commercial vehicles is facing tough challenge on the front of approaching BS VI implementation deadline and Govt. impetus for E-Mobility. The 3-wheelers industry is facing competition from 4-wheelers SCV in 1.0 ton and sub 1.0 ton category which is expected to aggravate the extremely competitive scenario and impact the volumes and margins.

Strict regulatory laws concerning pollution and their strict implementation by States combined with restriction on holding release of new passenger permits shall act as deterrent for company growth.

SIL has lesser presence in small 1+3 Passenger Category segment which has strong market preference. This segment contribution has high volumes though the margins are low. The established player's viz. Piaggio, Mahindra etc. dominates the market. SIL is putting extra efforts to enhance its market share in this segment by expanding its market network to southern states.

Employees' aspiration for implementation of 2007 wage and salary revision

#### **E. Strategic Road Map:**

Although there are several challenges faced by commercial vehicle segment and automobile industry in country, the performance of your company has improved considerably in comparison to the previous year because of increased production and sales. Your company have already initiated various initiatives to meet the forthcoming challenges for BS VI deadlines with strategic planning of Electric vehicles :

- Type Approval of Vikram 3 Wheeler Electric (6P+D) Passenger and Goods Carrier obtained from ICAT
- Introduction of Vikram Electric 3 Wheeler in (6P+D), (3P+D) Passenger and Goods Carrier with different makes of Li Ion Battery pack , DC Motor & Controller is underway .
- Development of Electric 2 Wheeler with Vijai Super / Lambretta design is under process .
- Working on E-Bus , E-Bicycle , E- 4 wheeler is underway .
- In long term it is planned to introduce electric Passenger /Load Carrier vehicles with Li-Ion Battery and AC Motor.

**ADEQUACY OF INTERNAL CONTROL:**

The Company has proper and adequate system of internal controls to ensure that all activities are monitored and controlled against any unauthorized use of disposal of assets, and that the transactions are authorized, recorded and reported correctly.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. The Company has in place adequate internal financial controls with reference to financial statements. The Statutory Auditors of the Company tested such controls and no reportable material weakness in the design or operation was observed.

**OPERATIONAL REVIEW vs FINANCIAL REVIEW**

During the year under report the company operations reported an increase in production nos. as well as revenue from operations and as a result of which the net losses are minimized significantly as compared to previous financial year. The operations of company remained under stress for following reasons :-

- a) Govt. Of India had floated an EOI for strategic sale of company in March'2018 wherein the Govt. intended to sell its entire equity. As a result of news of strategic selling all stakeholders of company started exercising restraints in business relations with SIL sensing following apprehensions:
  - Dealers & Customers: Dealers reported that customers have started refraining from buying SIL 3 wheelers perceiving future service credibility issues like Warranty/ Free services & supply of Spare Parts.
  - Vendors : All vendors supplying material to company started restricting their supplies & credit exposure. Most vendors changed their payment terms from Credit to advance.
  - Financial Institutions: All Banks & Financial institutions restricted themselves for extending Cash Credit , Over Draft or any other operational Credit to SIL.

Due to the above change, the operations during the current year 2019 are also under stress. Though the Company has got vehicle Type Approval of vehicle models namely VIKRAM 1500CG, 1000CG on May 2017, 750 D on July 2017 and 450 D on September 2017 of BS-IV; however liquidity crunch has further stressed the operations all through the year.

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT AND NUMBER OF PEOPLE EMPLOYED:**

The manpower strength of the Company as on 31 st March 2019 was 644 no. including regular and non-regular employees. Only 121 no. of employees are regular including Officers/staffs/Workmen.

The Company has put continued efforts to build capabilities for the workforce by adopting specific and targeted interventions for different categories of the work force. The Company conducted several in-house programs at specific locations with both internal and external training program which includes Team Building, Strategic Planning, Delegation , Dispute Resolution, Managing Difficult Conversations , Decision Making , Performance Management, Supervising, Effective communication, Time Management, 5S, Crisis Management, Leadership etc

The Company continues it's efforts to build further on reward and recognition practice by introducing award scheme both workers as well Officer/Staff's i.e. "Worker of the Month Award" and "Officer/Staff's of the month award" respectively. The Company



maintained harmonious industrial relation in all unit of the Company during the financial year 2018-19.

#### **SIGNIFICANT CHANGES IN FINANCIAL RATIOS**

**[Pursuant to Schedule V(B) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

During the year, on a standalone basis, there significant change in the financial ratios compared to the previous year.

Financial Ratio	Standalone		Change	Reason for such change
	2018-19	2017-18		
Operation Profit Margin	-0.10615	-0.4981	-78.69	Due to Increase in Sales of three wheeler.
Net Profit Margin	-0.07019	-0.32608	-78.47	Due to Increase in Sales of three wheeler.

#### **Status before BIFR**

On 18th February, 2010, BIFR has declared the Company as sick industrial company in terms of the provisions of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) on reference being made after full erosion of the Net-worth of the Company, as per annual accounts for the year ended at 31st March, 2009. BIFR approved the miscellaneous application filed by the Company for seeking necessary permission/appropriate directions for reliefs & concessions enabling issue of shares, restructuring of balance sheet and for release of funds for capital expenditure and working capital in line with the cabinet decision for revival of SIL. The Draft Rehabilitation Scheme (DRS) was submitted by Co Operating Agency (SBI) for submission with BIFR. BIFR in its hearing dated 15.09.2015 directed that SIL ceases to be a sick industrial company, within the meaning of Section 3(1) (o) of the SICA as its net worth has turned positive and It is, therefore, discharged from the purview of SICA/BIFR.

#### **13. DIRECTORS' RESPONSIBILITY STATEMENT :**

In accordance with the provisions of section 134(3)(c) and 134(5) of the Companies Act, 2013 your Directors to the best of their knowledge confirm that:

- a) in preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards have been followed and that there are no material departures in adoption of these standards.;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on March 31, 2019 and of the profit of the Company for year ended on that date;
- c) they have taken proper and sufficient care, to the best of their knowledge and ability, 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) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively to the best of their knowledge and ability; and



- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

**14. DIRECTORS, KEY MANAGERIAL PERSONNEL, APPOINTED AND RESIGNED:**

Government of India, Ministry of Heavy Industries & Public Enterprises, Department of Heavy Industry has vide its Order No. F. No.:1(1)/2016-PE-VI dated 26th September, 2016, appointed Shri Renati Sreenivasulu as Chairman & Managing Director of SIL for the period of five years or till the date of his superannuation or until further orders, whichever is earliest. Shri Renati Sreenivasulu has joined as Chairman & Managing Director of SIL w.e.f. 06.10.2016.

Mrs. Ritu Pande was appointed as GOI Nominee Director in place of Mrs. Parveen Gupta, GOI Nominee Director w.e.f 13-11-2018.

The Board of Directors of the Company are appointed by the Government of India as per guidelines issued by the Department of Public Enterprises (DPE), Government of India from time to time. The remuneration of Managing Director/Whole time Director is fixed as per grade and other terms and conditions issued by the DPE. The Government Directors on the Board of the Company draw their remuneration from Government of India and not from the Company. The independent directors, if any, are paid the sitting fee only (within the limits prescribed under the Companies Act), as per Articles of Association, besides reimbursement of the expenses to attend the meeting. No other remuneration is paid to the independent directors.

As regards, the appointment and remuneration of Key Managerial Personnel and other employees, the appointment of all employees below board level is made as per Recruitment & Promotion Rules of the Company and remuneration is paid to them as per DPE guidelines.

In absence of Independent Directors on the Board, the Nomination & Remuneration Committee (NRC) has also not been constituted. The other matters relating to remuneration, if any, are placed directly to the Board of Directors.

**15. NUMBER OF MEETINGS OF THE BOARD**

The Board met six times during the financial year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and the Listing Agreement Regulations

**16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Your company is an ISO 9001: 2000 certified which focuses on quality management system. A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and outgo in accordance with the Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 is provided at **ANNEXURE-1, 1-A and 1-B** to this report.

**17 PARTICULARS OF EMPLOYEES:**

Information under Sec. 197(12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 be treated as NIL as none of the employee of the company is getting salary more than the prescribed limit.



**18. INDUSTRIAL RELATION:-**

During the period under review i.e. 01.04.2018 to 31.03.2019, the industrial relation in the Company remained normal. No agitation and strike took place during the aforesaid period.

**19. TRAINING AND DEVELOPMENT**

Employees of the Company are the most important constituent and Company understands that without their motivation and development the Company cannot progress. The Company has been analyzing developmental needs in technical and managerial areas and provide requisite training and exposure to all employees at all levels in the area on Professional Excellence through motivation etc. employees were trained during 01.04.2018 to 31.03.2019 on course of Fire Fighting, Vigilance, Industrial Safety & Health etc.

Programme Details	Officers	Staffs	Workmen	Trainees	Total
External	16	-	-	-	16
Internal	31	8	6	41	86
<b>Total</b>	<b>47</b>	<b>8</b>	<b>6</b>	<b>41</b>	<b>102</b>

**20 VIGILANCE:**

Vigilance Department continues to function with particular emphasis on the aspects of preventive and corrective vigilance. Strict vigil was exercised over various activities as part of Preventive Vigilance measures and suggestions were made to the Management for system improvement. Company also observed Vigilance Awareness Week from.29.10.2018 to 03.11.2018.

**21. HUMAN RESOURCE DEVELOPMENT:**

Employees of the Company are the most important constituent and Company understands that without their motivation and development Company cannot progress. The Company has been analyzing developmental needs in technical and managerial areas and provides requisite training and exposure to the employees at all levels in the area on Professional Excellence through Motivation, Advance Engine Combustion & Diagnostics, Competence Building for Effective Management, Healthcare Services, Part Programming for CNC Machines, Leadership Strategies for Building Excellence, Quest for Excellence Imperatives for India PSUs, Health, Safety, Environment Protection through Legal Reforms & technological Innovations, Building & Leading Effective Teams, Safety Engineering & Management, Value Based Management, Legal framework for Cost Audit Compliances, Finance for Non-finance Executives, International Commercial Practices, Energy Conservation, House Keeping etc.

**22. HINDI IMPLEMENTATION**

Official Language Implementation Committee monitors and reviews the progress of implementation of the Annual Programme issued by Department of Official Language, Ministry of Home Affairs, Government of India. Hindi Divas is commemorated every year by observing official language week in the month of September. Various competitions are organized for employees and winners are felicitated on Republic Day.

**23. REPRESENTATIVE FOR SCHEDULED CASTES & SCHEDULE:**

As on 31.03.2019 the total strength of the company is 121. Out of these, 25 employees belong to Scheduled Castes and 01 employee to Scheduled Tribe.

**24. INDEPENDENT DIRECTOR'S DECLARATION**

Directors on the Board of the Company are appointed by the Administrative Ministry. SIL has been requesting the Ministry to appoint the independent directors. The appointment of Independent directors is yet to be made by the Ministry. During the year there was no independent director on the board of the Company. Thus, the declaration pertaining to independent director does not apply.

**25. DISCLOSURE ON REAPPOINTMENT OF INDEPENDENT DIRECTORS:**

During the year there was no independent director on the Board of the Company. Hence, disclosure pertaining to reappointment of independent directors does not apply.

**26. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, ATTRIBUTES, INDEPENDENCE ETC.:**

The Board of Directors of the Company are appointed by the Government of India as per guidelines issued by the Department of Public Enterprises (DPE), Government of India from time to time. The remuneration of Managing Director/Whole time Director is fixed as per grade and other terms and conditions issued by the DPE. The Government Directors on the Board of the Company draw their remuneration from Government of India and not from the Company. The independent directors, if any, are paid the sitting fee only (within the limits prescribed under the Companies Act), as per Articles of Association, besides reimbursement of the expenses to attend the meeting. No other remuneration is paid to the independent directors.

As regards, the appointment and remuneration of Key Managerial Personnel and other employees, the appointment of all employees below board level is made as per Recruitment & Promotion Rules of the Company and remuneration is paid to them as per DPE guidelines.

In absence of Independent Directors on the Board, the Nomination & Remuneration Committee (NRC) has also not been constituted. The other matters relating to remuneration, if any, are placed directly to the Board of Directors.

**27. ANNUAL EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEE AND DIRECTORS**

The Company enters into MoU with the Administrative Ministry in the month of March every year for the next financial year. Before signing the MoU the targets are negotiated with the Company in detail by the MoU Task Force constituted by the DPE. The evaluation of performance of the Company against MoU parameter is done by DPE every year and MoU score is communicated by it to the Company through the Administrative Ministry.

**28. ATTRIBUTES, QUALIFICATIONS & INDEPENDENCE OF DIRECTORS AND THEIR APPOINTMENT**

Being a Government Company, the Non-Executive Directors are drawn from amongst pool of eminent persons with experience in business/finance/law/public administration and enterprises. The Board Diversity Policy of your Company requires the Board to have balance of skills, experience and diversity of perspectives appropriate to the Company. The skills, expertise and competencies of the Directors as identified by the Board, are provided in the 'Report on Corporate Governance'





forming part of the Report and Accounts. The Articles of Association of your Company provide that the strength of the Board shall not be fewer than three nor more than fifteen. Directors are appointed/re-appointed with the approval of the Members for a period of three to five years or a shorter duration, in accordance with retirement guidelines and as may be determined by the Board from time to time. All Directors, other than Independent Directors and Managing Director are liable to retire by rotation, unless otherwise approved by the Members. One-third of the Directors who are liable to retire by rotation, retire every year and are eligible for re-election.

**29. BOARD EVALUATION**

In keeping with SIL's belief that it is the collective effectiveness of the Board that impacts Company's performance, the primary evaluation platform is that of collective performance of the Board as a whole. Board performance is assessed against the role and responsibilities of the Board as provided in the Act and the Listing Regulations 2015 read with the Company's Governance Policy. The parameters for Board performance evaluation have been derived from the Board's core role of trusteeship to protect and enhance shareholder value as well as to fulfil expectations of other stakeholders through strategic supervision of the Company. Evaluation of functioning of Board Committees is based on discussions amongst Committee members and shared by the respective Committee Chairman with the Board. Individual Directors are evaluated in the context of the role played by each Director as a member of the Board at its meetings, in assisting the Board in realising its role of strategic supervision of the functioning of the Company in pursuit of its purpose and goals. The evaluation of individual Directors was carried out against the laid down parameters, anonymously in order to ensure objectivity.

In absence of Independent Directors, the exclusive meeting of Independent Directors could not be held to review the performance of the non-Independent Directors and the Board, pursuant to Schedule IV to the Act and Regulation 25 of the Listing Regulations 2015.

**30. GOING CONCERN STATUS**

There is no significant or material order passed during the year by any regulator, court or tribunal impacting the going concern status of the Company or its future operations.

**31. MANAGING DIRECTOR RECEIVING COMMISSION OR REMUNERATION FROM HOLDING OR SUBSIDIARY COMPANY:**

The Company has no holding or subsidiary company, hence not applicable.

**32. ADEQUACY OF INTERNAL CONTROL:**

The Company has proper and adequate system of internal controls to ensure that all activities are monitored and controlled against any unauthorized use of disposal of assets, and that the transactions are authorized, recorded and reported correctly.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. The Company has in place adequate internal financial controls with reference to financial statements. The Statutory Auditors of the Company tested such controls and no reportable material weakness in the design or operation was observed.

**(i) Reporting of Fraud**

There was no instance of fraud during the year under review, which require the Statutory Auditor to report to the Audit Committee/and or Board under section 143(12) of the Act and rules made thereunder.



**33. FIXED DEPOSITS**

The Company has not accepted any deposits under the provisions of the Companies Act, 2013 during the year.

**34. AUDITORS' REPORT**

M/s Dhawan & Madan, Chartered Accountants have been appointed by the Comptroller and Auditor General of India, as Statutory Auditors of the Company for the year 2018-19. Due to restructuring of their firm they have resigned from the Company on 16.02.2019 creating a casual vacancy.

M/s Asija & Associates LLP have been appointed as Statutory Auditor of the Company by Comptroller & Auditor General of India on 26.03.2019 in order to fill the casual vacancy so created due to resignation of M/S Dhawan & Madan.

The Statutory Auditors' Report on the accounts of the Company for the financial year ended 31st March, 2019 are enclosed at **ANNEXURE-2**.

The Accounts of the Company were submitted to the Comptroller and Auditor General of India for their report under section 143(5) of the Companies Act, 2013 and their report is appended as **ANNEXURE-3**.

**35. STATUTORY AUDITOR**

Comptroller and Auditor General of India has appointed Asija & Associates LLP as statutory Auditor of the Company for the year 2019-20.

**36. CORPORATE GOVERNANCE:**

Your Company is in compliance with all the applicable provisions of Corporate Governance as stipulated under

Chapter IV of the Listing Regulations. A detailed report on Corporate Governance as required under the Listing

Regulations is provided in a separate section and forms part of the Annual Report.

A Certificate from M/s Asija & Associates, Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under regulation 34(3) of the SEBI Listing regulations, 2015 along with the report on Corporate Governance is attached as **Annexure - 4 & 4A** to this report.

**37. SECRETARIAL AUDITOR:**

M/s Amit Gupta & Associates, Practicing Company Secretaries were appointed as secretarial auditors of the Company for the year 2018-19 as required under Section 204 of the Companies Act, 2013 and Rules made there under. The secretarial audit report in Form MR-3 for FY 2018-19 forms part of the Directors Report and is placed at **ANNEXURE - 5**. Regarding comments/qualifications in the said report, it is submitted that the Company has taken up matter regarding appointment of Independent Directors/women Director with DHI and with the said appointments the Board shall become duly constituted in accordance with the provisions of the Companies Act, 2013 & Listing agreement-Regulations and necessary compliances regarding constitution of various Committees viz. Audit Committee, Nomination & Remuneration Committee etc. shall also be made. Further the Company is in process of filing of necessary returns with the Registrar of Companies, Kanpur.

**38. SECRETARIAL STANDARDS**

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed.

**39. SIGNIFICANT AND MATERIAL ORDERS**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

**40. AUDIT COMMITTEE AND VIGIL MECHANISM**

In view of non appointment of Independent Directors by GOI, the Company is not having Audit Committee pursuant to requirement of section 177(1) of Companies Act, 2013 read with Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI Listing Regulations, 2015 & erstwhile clause 49 of Listing Agreement.

The Vigil Mechanism of the Company, which also incorporates a Whistle Blower Policy in terms of the Listing Agreement, may be accessed on the Company's website at the link: <http://www.scootersindia.com>. The policy includes appointment of a Whistle Officer who will look into the matter, conduct detailed investigation and take appropriate disciplinary action. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Whistle Blower Officer. During the year under review, no employee was denied access to Whistle Blower Officer.

**41. EXTRACT OF ANNUAL RETURN:**

Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in the prescribed form i.e., Form MGT-9 is annexed herewith as Extract of Annual Return of the Company is annexed herewith as **ANNEXURE - 7** to this report.

**42. RATIO OF DIRECTORS' REMUNERATION TO MEDIAN EMPLOYEES' REMUNERATION AND OTHER DISCLOSURES**

During the year, the remuneration of Chairman & Managing Director was Rs. 24.87 lac and median employee's remuneration was Rs. 4.65 lac. The Chairman & Managing Director remuneration comes to 536.34 of median employees' remuneration. (**ANNEXURE - 8**).

**43. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

As per the requirement of section 186(4) of Companies Act, 2013, particulars of loans given, investments made, guarantees given or securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statements on page number 71. The Company is in compliance with the limits as prescribed under Section 186 of Companies Act, 2013 read with rule 11 of the Companies (Meeting of Board and its Powers) Rules, 2014.

**44. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

Particulars of contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013 as required under section 134(3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules 2014,, are presented in **Annexure - 9** to the Directors' Report in Form AOC 2.



The Board has adopted a Policy for dealing with Related Party Transaction. The Policy as approved by the Board may be viewed on the Company website at the [weblink: www.scootersindia.com](http://www.scootersindia.com).

**45. RISK MANAGEMENT:**

SIL aims to have a formalized and systematic approach for managing risks across the Company. It encourages knowledge and experience sharing in order to increase transparency on the key risks to the Company to the extent possible. This approach increases risk awareness, and ensures proper management of risks as part of the daily management activities.

The policy on Risk Management may be accessed on the Company's website at the link: <http://www.scootersindia.com>. The objective of the Company's risk management process is to support a structured and consistent approach to identify, prioritize, manage, monitor and report on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company has introduced several initiatives for risk management including the introduction of audit functions and processes to identify and create awareness of risks, optimal risk mitigation and efficient management of internal control and assurance activities.

**46. LISTING:**

The Company is listed at BSE Limited and has connectivity from both National Securities Depository Limited (NSDL) & Central Depository Services Limited (CDSL). Delhi Stock Exchange Limited, Delhi has been de-recognized by SEBI vide its order dated November 19, 2014. The Company has paid due listing fees with the stock exchange.

**47. CORPORATE SOCIAL RESPONSIBILITY:**

SIL strongly believes in concept of sustainable development and is committed to operate and grow its operations in a socially and environmentally responsible way.

As per the Companies Act, 2013, all companies with a net worth of Rs. 500 crore or more, or turnover of Rs. 1,000 crore or more or a net profit of Rs. 5 crore or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) committee of the Board of Directors comprising of three or more directors, at least one of whom should be an independent director and such company shall spend at least 2% of the average net profits of the company's immediately preceding three financial years on CSR activities. The Company has duly constituted a Corporate Social Responsibility (CSR) Committee pursuant to the requirement of Section 135(1) of Companies Act, 2013 and the Rules made there under. However in absence of an Independent Director Committee constitution is not proper. In view of losses to conserve the resources for business operations the Company has decided not to spend any amount towards Corporate Social Responsibility during the year under report.

**48. VIGILANCE CASES:**

In pursuance of Order No. F. No. 26(1)/2016 PE-VI dated January 24, 2018 issued by Ministry of Heavy Industries & Public Enterprises; Department of Heavy Industries Committee recommends including vigilance cases during the year. The Report is as follows:

During 2018-19, 4(four) complaints related to procurement and Corruptions and Harassment of employees were investigated by Vigilance department, out of which 1 (one) complaints related to procurement were carried to a logical conclusion and appropriate disciplinary action has been initiated wherever necessary. The remaining



3(three) related to Corruptions and Harassment of employees complaints were under various stages of investigation as on 31.03.2019.

**49. RIGHT TO INFORMATION CASES:**

In pursuance of Order No. F. No. 26(1)/2016 PE-VI dated January 24, 2018 issued by Ministry of Ministry of Heavy Industries & Public Enterprises; Department of Heavy Industries Committee recommends including RTI matters during the year. The Report is as follows:

RTI CASES STATUS FOR FY 2018-19						
	Application Received in FY 2018-19	No. of cases transferred to other Public Authorities	Decisions where request/ appeals rejected*	Decisions where request/ appeals accepted	Cases Disposed off in FY 2018-19	Cases Pending
Requests	17	01	01	15	17	NIL
First Appeal	02	NIL	NIL	02	02	NIL
Second Appeal	NIL	NIL	NIL	NIL	NIL	NIL

**50. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company's has always had a very strict policy on the sexual harassment issues and has zero tolerance in this matter. Ensuring a safe environment for its women employees is a major priority for the Company and its management. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. It has formed an Internal Compliant Committee (ICC) to deal with all the matters or matters incidental thereof. In your Company's legacy of more than 40 years, no instance of sexual harassment has ever been reported by any employee. During the year 2018-19 also, the Company has not received any complaints of sexual harassment.

**51. GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme including Employees Stock Options Plan.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company' operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.



**52 FORWARD-LOOKING STATEMENTS**

This Report contains forward-looking statements that involve risks and uncertainties. When used in this Report, the words 'anticipate' 'believe' 'estimate' 'expect' 'intend' 'will' and other similar expressions as they relate to the Company and/or its Businesses are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

**53. ACKNOWLEDGEMENT :**

The Board of Directors would like to express their grateful appreciation for the sincere support and co-operation extended by its Bankers, Financial Institutions, Dealers and Suppliers. The Directors would also like to express their sincere thanks for the co-operation and advice received from Govt. of India, particularly, Department of Heavy Industry and Public Enterprises, BIFR, BRPSE, the State Govt. and the local authorities for their continued support, co-operation and guidance.

Your Directors wish to place on record their deep sense of appreciation for the devoted services of employees and are deeply grateful to the shareholders for reposing the confidence and faith in us.

**By the order of Board of Directors**

**Sd/-**

**Renati Sreenivasulu**

**DIN: 07634253**

**Chairman & Managing Director**

**Scooters India Limited, Lucknow-226008**

Place : Lucknow

Date : 09.08.2019





## ANNEXURE-1

**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE**
**DISCLOSURE CONSERVATION OF ENERGY :**

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under the Companies Act, 2013 read with the Companies (Accounts) Rules 2014 is given herein below the required additional information:

**I. CONSERVATION OF ENERGY**
**a) Measures being taken**
**Compressors**

- Judicious usage of all resources including compressed air, water & power etc..
- Periodic servicing of suction filters, moisture traps, unloader and delivery valves.

**Water**

- Monitoring of control of water wastage.
- Recycling of cooling water.
- Arresting of Water & Air leakages on continuous basis

**Power**

- Reduction of Contract Demand from 500kVA to 3000kVA by optimizing the Maximum Demand by Shift Managements, etc.
- Overhauling & Changing of Transformer Oil with fresh Transformer Oil of 02 nos. 5MVA Main Transformer, 05nos. 1500kVA. 01no. 500kVA & 01no. 560kVA Distribution Transformers.
- Replacement of 50 nos. old Conventional motors with New IE2 motors.
- Replacement of 22nos. 15HP (over rated) Mono-Block pumps with New 7.5HP, Energy Efficient EFFI, Mono-Block Pumps for air cooling system.
- Installation of 05nos. new VFDs in the Die Casting Shop & Paint Shop to optimize the use of motors & conserve energy.( we have already completed all the above tasks )
- Stopping usage of heaters during winter seasons for personal Heating Purpose.
- Reduction in operation Time of FDVs by 01 Hour in order to Conserve Energy.
- Stopping of water Sprinklers in FDVs during Humid Seasons to Conserve Energy.
- Operation of 30HP water pump to fill SIL Over Head Tank has been restricted from 3-Shift to 2-Shifts only.
- Operation Hours of 04nos. of 120 HP Compressors has been reduced by 10 Hour in a week by proper planning in order to conserve energy.

(b&c) Impact of Energy Consumption Measures, Total energy consumption and energy consumption per unit of production as per Form 'A' in respect of industries specified in the scheme thereto

The details are given in attached Annexure 1-A.

**II. TECHNOLOGY ABSORPTION:**

Efforts made in technology absorption attached as Annex.1-B.

**III. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Efforts and initiative in relation to exports:

Foreign Exchange earned by way of export of goods was Rs. NIL in 2018-19 as compared to Rs. NIL during previous financial year.

**ANNEXURE-1A**

Form for Disclosure of particulars with respect for conservation of energy-			
Description		2017-18	2018-19
<b>A Power and fuel consumption</b>			
<b>1. Electricity</b>			
a) Purchased			
Unit*		2328770	3141600
Total Amount (Rs.)		20744173	29095127
Rate/Unit (Rs.)		8.9077	9.26
b) Own Generation			
i Through Diesel Generator			
Unit*		560	40
Units per litre of diesel oil		1.18	0.135
Cost per Unit (Rs.)		57.3	7.4
ii Through Steam Turbine/Gen			
Unit*			
Unit per litre of diesel oil			
Cost/Unit (Rs.)			
iii Through Steam Turbine/Gen			
Unit*			
Unit per litre of diesel oil			
Cost/Unit (Rs.)			
<b>2. Coal</b>			
Quantity (Ton)			
Total Cost			
Average rate			
<b>3 (a) Furnace Oil</b>			
Quantity (Ton)			
Total Amount (Rs.)			
Average Rate per Kg.(Rs.)			
<b>3 (b) Light Diesel Oil</b>			
Quantity (Kilo litres)			40.00
Total Amount (Rs.)			2048800
Average Rate per Kg.(Rs.)			51220
<b>4. Others/internal generation</b>			
(Please give details)			
Quantity			
Total Cost			
Rate/Unit			
<b>B . Consumption per unit of production</b>			
Description	Standards (if any)	2017-18	2018-19
Production (in Nos.)		3534	4940
Electricity (Unit)		658.96	636.00
Furnace Oil (Ton)			-
Light Diesel Oil (Kilo litres)		-	
Coal (specify quality)		NIL	
Others (specify)		NIL	

\*Unit denotes KWH

\*\*Higher KWH/Vehicle because of low number of production



## ANNEXURE-1B

Research & Development (R&D)		
01	Specific areas in which R&D carried out by the company	<ul style="list-style-type: none"> <li>● Successful development of Electric vehicle "Vikram EV" in 6P+1D (P-Passenger &amp; D- Driver) variant with Lithium Ion Polymer battery pack and DC series motor and its Type Approval certification obtained from ICAT, Manesar.</li> <li>● Product up gradation with Self Adjusting Brake system is implemented on all models as per Extension Certificate obtained from ICAT, Manesar.</li> <li>● Development, Validation and Type Approval certification of SIL model Vikram 450D with new configuration engine developed by M/s Greaves Cotton Limited, Aurangabad.</li> <li>● Conformity of Production (COP) compliance for all BSIV models Vikram 750D, Vikram 1500Cg, Vikram 1000CG &amp; Vikram 450D is successfully completed under production as per CMVR norms</li> </ul>
02	Benefits derived as a result of the above R&D	<ul style="list-style-type: none"> <li>● SIL has been able to retain and maintain its market presence among competitors through introduction of Electric Vehicle (Vikram EV) and non-electric vehicles through BSVI compliance norms.</li> </ul>
03	Future Plan of Action	<ul style="list-style-type: none"> <li>● Type Approval certification of Electric Vehicle Vikram EV (6P+1D) Passenger and Load Carriers variants of GVW 1250Kg with new BLDC motor and Lithium-ion battery pack.</li> <li>● Type Approval certification of Electric Vehicle Vikram EV (3P+1D) Passenger and Load Carriers variants of GVW 990Kg with new BLDC motor and Lithium-ion battery pack.</li> <li>● Development of prototype of Vikram Model: Vijeta-Load Carrier on Electric Vehicle platform followed by Type Approval Certification.</li> <li>● Development of prototype of 2wheeler Electric vehicle on Vijay Super platform followed by Type Approval Certification.</li> <li>● Development of prototype of 2-seater 4wheeler Electric vehicle followed by Type Approval Certification.</li> <li>● Development and Type Approval certification of Mini-Fire tender Electric Vehicle on Vikram EV (6P+1D) chassis platform as an extension variant of Vikram EV (6P+1D) through obtaining Extension Certificate from ICAT, Manesar.</li> <li>● BSVI-Development, Validation and Type Approval Certification of SIL vehicle on selected Vikram models will be accomplished only after successful compliance of BSVI engines developed by M/s Greaves Cotton Limited, Aurangabad or any other engine manufacturers.</li> </ul>
04	Expenditure on R&D	
	a) Capital	
	b) Recurring	
	c) Total	₹ 11903260.41
	d) Total R&D Expenditure as a percentage of Total turnover	1.80%



**Technology absorption, adaption and innovation**

01 Efforts in brief, made towards technology absorption, adaption and innovation	<ul style="list-style-type: none"><li>● Officers and Staff of the R&amp;D have been sponsored for, exhibition, demonstration of the products, seminars, courses, interactive sessions etc. related to the technology absorption, up-gradation and innovation. Associative R&amp;D has been carried out with different organizations and design houses like ARAI, ICAT, and CIPET etc. for improvement, development and product innovation.</li></ul>
02 Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development etc	<ul style="list-style-type: none"><li>● Through value Engineering several components and system of suspension, structural member etc. modified to reduce both cost and weight. Customer delight through implementation of Self Adjusting Brakes through product improvement considering the safety product sale.</li></ul>
03 In case of imported technology imported technology (imported during the last five years reckoned from the beginning of the financial year) following information may be furnished: a) Technology imported b) Year of Import c) Has technology been fully absorbed● d) If not fully absorbed, areas where this has not been taken place, reasons therefore and future plan of action	NIL

**REVISED INDEPENDENT AUDITOR'S REPORT****To the members of SCOOTERS INDIA LIMITED****Revised Report on the Audit of the Standalone Ind AS Financial Statements**

Our report dated 27<sup>th</sup> May, 2019 on the accounts for the year ended 31<sup>st</sup> March, 2019 has been revised to give effect to the observations made by the Comptroller & Auditor General of India in the supplementary audit carried out by them under Section 143(6)(a) of the Companies Act, 2013.

**Qualified opinion**

We have audited the accompanying Standalone Ind AS financial statements of Scooters India Limited ('the company') which comprises the Balance sheet as at 31<sup>st</sup> March, 2019 and the statement of Profit & Loss Account (including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity for the year then ended, and a summary of Significant Accounting Policies and other explanatory information.

In our opinion and to the best of our information and according to explanations given to us, except for the matters described in Paragraph (a) of the **Basis for Qualified Opinion** paragraph, the said standalone Ind AS financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March, 2019, and its profit/loss, total comprehensive income / loss, its cash flows and the changes in equity for the year ended on that date.

**Basis for Qualified Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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 Companies Act, 2013 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

- a) Attention is invited to **Note No.2** of 'Significant Accounting Policies & Notes to the Financial Statements' it was observed that lots of assets are shown in the books of accounts of the company under different assets head at its residual value. Further, the remaining useful life of those machines was NIL but the assets are still in use and are being installed in the factory and further **no depreciation has been charged by the company** as they are shown at their residual value since Financial Year 2016-17. However, as per Ind AS - 16, depreciation can be seized only if the asset is demortized/ sale or is held for sale. Moreover as per **IND AS-16**, the company should have to revalue these assets and charge depreciation on the revalued amount. While discussing this issue with the management, it was told to us that such machines could not be revalued by any valuation officer as these machines were bought from Italy with the name of Innocenti Machines and the size of these machines is very heavy.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For detailed matters please refer **Annexure-1**.

**Management's responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.

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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the stand alone Ind AS financial statements, whether due to fraud or error. In making those risk assessments,





the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 these financial statements.

#### **Other Matters**

All the Observations has already been covered above in Basis of Qualified Opinion and Key Matters. Further, no such other matter is required to be opined as per our audit observation.

#### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's report) Order,2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the '**Annexure A**' statement on the matters specified in paragraphs 3 and 4 of the Order.

Further, we are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the company as we consider appropriate and according to the information and explanation given to us, in the '**Annexure B**' on the directions and sub-directions issued by Comptroller and Auditor General of India.

As required by section 143 (3) of the Act, we report that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- a) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- b) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income/loss, Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- c) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Indian Companies Act, 2013.
- d) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Act;

- e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure C**'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note No.33 of 'Significant Accounting Policies & Notes to the financial Statement';
  - (ii) The Company has made provisions, as required under the applicable law or accounting standard, for foreseeable losses, if any, refer to note no 4, 8, 16 & 22 of the 'Significant accounting Policies & Notes to the financial statement'.
  - (iii) There has been no amount that is required to be transferred to the Investor Education and Protection Fund by the Company.

**For Asija & Associates LLP  
Chartered Accountants  
FRN : 003155C/C400011**

**UDIN:-19402982AAAAAD4453CA**

**Kamal Kr. Ferwani  
Senior Partner  
M. No.: - 402982**

Place : Lucknow

Date : 02-07-2019

**ANNEXURE-I****Key Audit Matters**

We draw attention to the following matters in notes to significant accounting policies & notes to the financial statement:

- a) Attention is invited to Note No. 43 of 'Significant Accounting Policies & Notes to the Financial Statements' where the company has not provided for the arrears to the employees who were on the payroll of the company as on 01-04-2013, as the approval is still awaited from GOI and pending outcome of the proceeding before the Central Government Industrial Tribunal, Lucknow. However the same has been reported earlier but still arrear has not been recorded in the books on the ground of pending proceedings.
- b) Attention is invited to Note No. 36 of 'Significant Accounting Policies & Notes to the Financial Statements' the balances in accounts of parties, contractors, government department etc. including those balances appearing under current assets, loans and advances and current liabilities are subject to the confirmation and reconciliation.
- c) Attention is invited to Note No. 12 of 'Significant Accounting Policies & Notes to the Financial Statements' there are some accounts of previous Indirect Tax regime and deposit with others which are still being reflected on the Asset side of Balance Sheet. While discussing it with appropriate authority, it was told to us that the cases under these accounts are pending with concerned tax authorities and therefore these accounts are still reflecting in the books of accounts. For details of such accounts, please refer Annexure 1 (a).
- d) During the course of our audit procedure, it was observed in some cases that goods were returned on part basis as it is not up to the mark as per purchase order. However, if any goods is returned back to the Vendor, a credit note against such purchase return should be issued by the Vendor as per the GST law. However, as per the management personnel, no Credit note is being received by the Company if any goods are returned to the vendor.
- e) Attention is invited to Note No. 21 of 'Significant Accounting Policies & Notes to the Financial Statements' regarding other current liabilities which includes provision for the payment of bonus to employees of Rs. 5.35 lakhs for the year 2014-15, Rs. 1.14 lakhs for the year 2016-17 and Rs. 0.34 lakhs for the year 2017-18 in line with Payment of Bonus Act, however said bonus is not paid and contravenes the provision of Section 19 of the said act.
- f) Attention is invited to Note No. 2 of 'Significant Accounting Policies & Notes to the Financial Statements' where the company has not recognized any revenue/rent from land usage of Petrol Pump from HPCL in absence of any finalized agreement, the impact is unascertained. Further, no documentation has been made by the company while sub-leasing the land, also no approval for the same has been taken from the lessor of the land of sub-leasing.

**For Asija & Associates LLP**  
**Chartered Accountants**  
**FRN:003155C/C400011**

**UDIN:19402982AAAAAD4453**

Date: 02-07-2019  
Place: Lucknow

**CA Kamal Kr. Ferwani**  
**Senior Partner**  
**M.No. : 402982**

**ANNEXURE-1a**

Sl. No.	Ledger Head No.	Ledger Name	Date of Deposit	Amount as per Financials	Management Reply Regarding the Deposits
1	30510	<b>DEPOSIT WITH SALES TAX</b>		<b>Total</b>	
		Deposit with Assam Sales Tax Authority for Dibrugarh Warehouse Security	1997-98 (17.4.97)	50,000	The case is under Trial. Latest updation is awaited. However this is not pertaining to the FY 2018-19.
		Deposit with Rajasthan as Security (NSC) for Reg. under Entry Tax	2005-06	2,015	The case is under Trial. Latest updation is awaited. However this is not pertaining to the FY 2018-19.
		Deposit with J&K as Security	2010-11	45,000	The case is under Trial. Latest updation is awaited. However this is not pertaining to the FY 2018-19.
				<b>97,015</b>	
2	30520	<b>DEPOSIT WITH OTHERS</b>			
		State Consumer Redressal Commission, Haryana	2005-06	25,000	The case is under Trial. Latest updation is awaited. However this is not pertaining to the FY 2018-19.
		Secretary, SCBRC Balasor	2005-06	25,500	The case is under Trial. Latest updation is awaited. However this is not pertaining to the FY 2018-19.
		District Consumer Forum, Osmanabad	2005-06	5,000	The case is under Trial. Latest updation is awaited. However this is not pertaining to the FY 2018-19.
		Kalyani Steel Products	2003-04 & 2015-16	838,303	FD is deposited in court and case is not yet settled.
		Consumer Dispute Redressal Forum Ahmedabad	2005-06	25,000	The case is under Trial. Latest updation is awaited. However this is not pertaining to the FY 2018-19.
		ADSL Internet, Alambagh	2005-06	1,700	No record available since this is pertaining to FY 2005-06.
		Voice Stream	2003-04	1,500	No record available since this is pertaining to FY 2003-04.
		Prabhagiya Vanadhikari (P-7145)	2009-10	49,000	Deposited as security money in Forest Department in FY 2009-10.



		BSNL	2010-11, 2011-12 & 2017-18	3,000		Deposited in BSNL as Security money.
		Hon"ble High Court (H-7091) W.P. No. 1835/M.S.	2015-16	100,000		Deposited in High Court. Date of Filing - 27.01.2016. Last Listed on - 20.05.2019
					<b>1,074,003</b>	
3	30525	<b>DEPOSIT WITH EXCISE</b>	2001-02	6,500	<b>6,500</b>	This appeal is pertaining to FY 2000-01 & No record is available in this regard.
4	30538	<b>DEPOSIT WITH EXCISE AUTHORITIES (APPEAL)</b>				
		Deposit with Excise Authorities for filing appeal in Tribunal Allahabad	2015-16	11,000		Deposited in Jan-2016. Case is still pending as per latest update.
		Deposit with Excise Authorities for filing appeal in Tribunal Allahabad	2017-18	8,050		Deposited with Service Tax Authority in FY 2017-18. However case is still pending.
					<b>19,050</b>	
5	30530	<b>DEPOSIT WITH CONSUMAR FORUM</b>				
		Deposit with State Consumer Dispute Redressal Commission Patna.	2006	25,000		Case decided in favour of SIL. Advocate was asked for withdrawing the said amount in favour of SIL. However the amount is still with the court.
		Deposit with District Consumer Dispute Redressal Forum Bhopal.	2014	25,000		Appeal is still pending.
		Deposit with State Consumer Dispute Redressal Commission Patna.	2009	12,500		Revision is still pending before National Consumer Forum.
		Deposit with Bihar Consumer Dispute Redressal Commission Patna	2011	25,000		Appeal is still pending.
		Deposit with State Consumer Dispute Redressal Commission Muzaffarpur	2015	50,000		Revision is still pending.
		Deposit with Consumer Forum	Untraced	12,736		Not Traceable
					<b>150,236</b>	

**ANNEXURE-2**

Disputed Statutory Dues					
Sl. No.	Name of the Statute	Nature of the Dues	Forum where disputes are pending	Period	Amount (in Lakhs)
1.a	State Sales Tax Act	Entry Tax & Penalty Tax	Commissioner of Commercial taxes	97-98 to 06-07	113.77
b)	State Sales Tax Act	Entry Tax & Penalty Tax	Tribunal	03-04, 04-05 & 05-06	10.55
2.a	Central Excise and Service Tax	Service Tax	Commissioner (Appeals)	October 2002-March 2017	3.22 & 6.49 Penalty & Indeterminate Interest
b)	Central Excise and Service Tax	Service Tax	Assistant Commissioner	2014-15	0.74 & 0.74 Penalty & Indeterminate Interest
c)	Central Excise and Service Tax	Central Excise	Assistant Commissioner	April 2010-September 2010	0.74 & 0.74 Penalty & Indeterminate Interest
d)	Central Excise and Service Tax	Central Excise	Assistant Commissioner	2005-06 to 2008-09	2.48 & 2.48 Penalty & Indeterminate Interest
e)	Central Excise and Service Tax	Central Excise	Tribunal Allahabad	August 2008-March 2013	1.10 & 1.10 Penalty & Indeterminate Interest
f)	Central Excise and Service Tax	Service Tax	Appeal Pending	2015-2016	8.87 & 0.88 Penalty & Interest
g)	Central Excise and Service Tax	Service Tax	Appeal Pending	2016-17	4.49 & 0.44 Penalty & Interest
3	Income Tax Act	Income Tax	Dy. Commissioner of Income Tax Range VI, Lko.	FY 2001-02 to 2008-09,2013-14 & 2015-16	1508.71
		<b>Total</b>			<b>1667.54 Penalty &amp; Indeterminate Interest</b>



**ANNEXURE-A****TO THE MEMBERS OF SCOOTERS INDIA LIMITED, LUCKNOW ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) In respect of company's fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The company has regular program of physical verification of its fixed assets i.e., on quarterly basis. In accordance with this program, fixed assets were verified during the year by an external Chartered Accountants firm and no material discrepancies were noticed on such verification.
  - c) According to the information and explanation given to us and on the basis of our examination of the records of the company, title deeds of immovable properties are held in the name of the company as at Balance sheet.
- (ii) As explained to us, the Company has a regular program of physical verification of inventories i.e., on quarterly basis, the physical verification of inventory (excluding Inventory with third parties) have been carried out by external Chartered Accountants firm and no material discrepancies were noticed on such verification.
- (iii) According to the information and explanation given to us, the Company has not granted any loans secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- (iv) In our opinion and According to the information and explanation given to us, the Company has not granted any loan, investments, guarantees and security covered under section 185 or 186 of the Act, accordingly clause (iv) of the Order is not applicable to the Company.
- (v) According to the information and explanation given to us, the Company has not accepted any deposit during the year in terms of section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) The Central Government has not prescribed the maintenance of cost record under section 148(1) of the Act, for the goods manufactured by the company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) As per the records, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues, to the extent applicable to it with the appropriate authorities and as informed no undisputed amount were outstanding as at 31<sup>st</sup> March, 2019 for a period of more than six months the date of becoming payable, except the following :

<b>S. No.</b>	<b>Name of the Statue</b>	<b>Nature of the</b>	<b>Period dues</b>	<b>Amount (Rs. in Lakhs)</b>
1	Kerala Sales Tax	Sales Tax	92-93, 93-94 & 94 94-95	4.22
			<b>Total</b>	<b>4.22</b>



- (b) The disputed statutory dues aggregating Rs.1667.54 Lakhs that have not been deposited on account of matters pending before appropriate authorities. For details of such amounts, please refer Annexure 2.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institution or banks or debenture holders, except for the Interest Free Plan loan amounting to Rs.20.00/- Crores provided by the Government of India through sanction letter dated 23-07-2013 which the company has to repay in five equal instalments commencing from 23-07-2016 however only first instalment of Rs.4.00/- Crores has been paid by the company till now and remaining two instalments amounting to Rs. 8.00/- Crores (4.00/- Crore each) which were due dated 23-07-2017 and 23-07-2018 have not been paid till the end of Current Financial Year.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year however, the company has raised term loan in earlier year which has been applied for the purpose for which they have been raised.
- (x) Based upon the audit procedures performed and information given to us, we report that no fraud on by the company has been noticed or reported during the year by management. However, as explained to us by the management that in the financial year 2008-09 Board of Directors revealed that a commercial agreement was executed by the then CMD without the authority of the board and after due consideration the Board decided to refer the matter to the appropriate authority for the future action, however no action on the same was reported to us.
- (xi) Being a Government Company, pursuant to Notification no.G.S.R., 463(E) dated 5<sup>th</sup> June 2015 issued by Government of India Provisions of section 197 of the Act is not applicable to the company.
- (xii) In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
- (xiii) As per section 177 of the Companies Act, 2013, every listed company shall have to constitute an Audit Committee which as per Rule 6A provide approval to all the related party transactions proposed to be entered in the company. However, According to the information and explanation given to us, the company has not formed an audit committee as per Section 177, therefore the Related Party Transactions entered by the company were not authorised by the Audit Committee. Further, the company has complied with the section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us and based on our examination of the company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



- (xv) According to the information and explanation given to us and based on our examination of records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Asija & Associates LLP  
Chartered Accountants  
FRN: 003155C/C400011**

**UDIN:-19402982AAAAAD4453**

**CA Kamal Kr. Ferwani  
Senior Partner  
M. No.: - 402982**

Place:- Lucknow  
Date:- 02-07-2019

**TO THE MEMBERS OF SCOOTERS INDIA LIMITED, LUCKNOW ON THE ACCOUNTS  
OF THE COMPANY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

**Directions under section 143(5) of the Companies Act, 2013**

1. **Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.**

No accounting transactions has been made outside IT system.

2. **Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.**

An existing loan of Rs.1.89 crores given by the Government of India has been converted into equity through letter dated 5<sup>th</sup> June, 2018. The financial impact of this conversion was that Equity of the company has been increased by Rs.1.89 crores and GOI loan has been decreased by Rs.1.89 crores. Further, interest on the above loan also been freezed through the above-mentioned letter but there was no financial impact of freezing of interest as the same was not accounted for in the Financial Statements of Scooters India Limited.

3. **Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.**

No such cases of deviations observed.

**Sub-Direction under section 143(5) of the Companies Act, 2013- Nil**

**For Asija & Associates LLP  
Chartered Accountants  
FRN: 003155C/C400011**

**UDIN:-19402982AAAAAD4453CA**

**Kamal Kr. Ferwani  
Senior Partner  
M. No:- 402982**

Place : Lucknow

Date : 02-07-2019

**ANNEXURE-C****TO THE MEMBERS OF SCOOTERS INDIA LIMITED, LUCKNOW ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Scooters India Limited (“the Company”) as of 31 March 2019 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the 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, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Asija & Associates LLP  
Chartered Accountants  
FRN: 003155C/C400011**

**UDIN:-19402982AAAAAD4453CA**

**Kamal Kr. Ferwani  
Senior Partner  
M. No.: - 402982**

Place:-Lucknow  
Date:- 02-07-2019

<b>Management Representation</b>	
<b>Comments</b>	<b>Management Reply</b>
<p>Attention is invited to Note No.2 of 'Significant accounting policies &amp; notes to the financial statements 'it was observed that lots of assets are shown in the books of accounts of the Company under different assets head at its residual value. Further the remaining useful life of those machines was NIL but the assets are still in use and are being installed in the factory and further no depreciation has been charged by the Company as they are shown at their residual value since Financial Year 2016-17.However as per IND AS-16 depreciation can be seized only if the asset is demortized /sale or is held for sale. Moreover as per IND AS-16, the company should have to revalue these assets and charged depreciation on the revalued amount.</p>	<p>As the machines are quite old and the revaluation is not possible. Even if nominal revaluation value is taken the impact of the same on the financials shall not be material considering size and operation of the Company.</p>



**ANNEXURE-3****COMMENTS OF THE CONTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SCOOTERS INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2019.**

The preparation of financial statements of Scooters India Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 02 July 2019 which supersedes their earlier Audit Report dated 27 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Scooters India Limited for the year ended 31 March 2019 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

In view of the revisions made in the statutory auditor's report, to give effect to two of my audit observations raised during supplementary audit. I have no further comments to offer upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

**For and on behalf of the  
Comptroller & Auditor General of India**

**(Prachi Pandey)  
Principal Director of Commercial Audit  
& Ex-officio Member, Audit Board-II,  
New Delhi**

Place : New Delhi  
Date : 22.07.2019

**CORPORATE GOVERNANCE**

The company's philosophy of Corporate Governance is aimed at safeguarding and adding value to the interest of its various stakeholders including that of shareholders, lenders, employees and public at large. SIL is committed to good Corporate Governance to ensure that all functions of the Company are discharged in professionally sound and competent manner. SIL has also adopted the Guidelines issued by DPE on Corporate Governance.

**1. A. SIL'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Over the past few years, the transition in the Indian business environment, coupled with liberalization and changing market conditions, has led to a fundamental shift in the Management's approach to enhancing shareholder value. In this context corporate governance has attained paramount importance for ensuring fairness, transparency, accountability & responsibility to all stakeholders. Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time.

**B. Code of Business Conduct & Ethics**

The Board of Directors of the company has adopted a Code of Conduct and Ethics for Directors and Senior Management incorporating best practices in Corporate Governance. The Code is also available on website of the company [www.scootersindia.com](http://www.scootersindia.com). In terms of Regulation 26(3) of the SEBI Listing regulations, 2015 a confirmation from the CMD/CEO and CFO regarding compliance with the code by all the Directors and Senior Management is given in Annexure.

**C Whistle Blower Policy**

Scooters India Limited has formulated a Whistle Blower Policy to establish procedures for the submission of complaints or concerns regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or unethical behavior, actual or suspected fraud or violations of the Company's Code of Conduct.

**D CEO/CFO Certification**

In terms of regulation 17(8) of the SEBI Listing Regulations, 2015 the Certification by CMD/ CEO and CFO of the financial statement has been obtained and attached as ANNEXURE 4A.

**E Compliance Certificate of the Auditors**

Scooters India Limited has annexed to this report a Certificate obtained from the Statutory Auditors M/s Asija & Associates LLP, Chartered Accountants regarding compliance of conditions of Corporate Governance as stipulated in Regulation 34(3) of the SEBI Listing Regulations, 2015. (Annexure – 4B).

**2. BOARD OF DIRECTORS**

The Board of Directors of the Company as on 31.03.2019 is comprise of four directors, two of whom are part time official Director, nominated by Govt. of India. Executive directors on the Board of SIL include Chairman & Managing Director and Director Finance (Additional Charge).



### FAMILIARISATION & TRAINING OF BOARD MEMBERS

SIL believes that a Board, which is well informed / familiarised with the Company and its affairs, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In pursuit of this, the Directors of the Company are updated on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislations & economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions. Visits to Company facilities are also organised for the Directors. SIL, in order to keep its directors apprised with the developments in the industrial sector, arranges skill development program for the directors from time to time. The Company also trains its board of directors regarding its business as well as the risk parameters of the business during the board meetings. Presentations are also made to educate the directors regarding their duties, responsibilities, powers and roles under various statutes.

### SIL CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING - 2019

The SIL Code of Conduct for Prevention of Insider Trading, approved by the Board of Directors, inter alia, prohibits trading in securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company.

### COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)(b) TO (i) OF LISTING REGULATIONS

Sr. No.	Particulars	Regulations	Compliance Yes/No	Key Compliance observed
1.	Board of Directors	17	No	<ul style="list-style-type: none"> <li>● Composition and Appointment of Directors</li> <li>● Meetings and quorum</li> <li>● Review of compliance reports</li> <li>● Plans for orderly succession for appointments</li> <li>● Code of Conduct</li> <li>● Fees/compensation to non-executive Directors</li> <li>● Minimum information to be placed before the Board</li> <li>● Compliance Certificate by CEO and CFO</li> <li>● Risk assessment and risk management plan</li> <li>● Performance evaluation of Independent Directors</li> <li>● Recommendation of Board for each item of special business</li> <li>● Directorships in listed entities</li> </ul>
2	Maximum Number of Directorships	17A	Yes	<ul style="list-style-type: none"> <li>● Directorships in listed entities</li> </ul>
3.	Audit	18	No	<ul style="list-style-type: none"> <li>● Composition</li> </ul>



Committee				
4.	Nomination and Remuneration Committee	19	No	<ul style="list-style-type: none"><li>● Meetings and quorum</li><li>● Chairperson present at Annual General Meeting</li><li>● Role of the Committee</li><li>● Composition</li><li>● Chairperson present at Annual General Meeting</li></ul>
5.	Stakeholders Relationship Committee	20	Yes	<ul style="list-style-type: none"><li>● Meetings and quorum</li><li>● Role of the Committee</li><li>● Composition</li><li>● Chairperson present at Annual General Meeting</li></ul>
6.	Risk Management Committee	21	N/A	<ul style="list-style-type: none"><li>● Meetings and quorum</li><li>● Role of the Committee</li><li>● Composition</li></ul>
7.	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"><li>● Meetings and quorum</li><li>● Role of the Committee</li><li>● Vigil Mechanism for Directors and employees</li><li>● Direct access to Chairperson of Audit Committee</li></ul>
8.	Related Party Transactions	23	Yes	<ul style="list-style-type: none"><li>● Policy on Materiality of Related Party transactions and dealing with Related Party Transactions</li><li>● Prior approval including omnibus approval of Audit Committee for Related Party Transactions.</li><li>● Periodical review of Related Party Transactions</li><li>● Disclosure on Related Party Transaction</li></ul>
9.	Subsidiaries of the Company	24	N/A	<ul style="list-style-type: none"><li>● Appointment of Company's Independent Director on the Board of material subsidiary</li><li>● Review of financial statements and investments of subsidiary by the Audit Committee</li><li>● Minutes of the Board of Directors of the subsidiaries are placed at the meeting of the Board of Directors</li><li>● Significant transactions and arrangements of subsidiary are placed at the meeting of the Board of Directors</li></ul>
10.	Secretarial Audit	24A	Yes	<ul style="list-style-type: none"><li>● Annual Secretarial Audit Report</li><li>● No material unlisted subsidiary</li></ul>



11. Obligations with respect to Independent Directors	25	No	<p>incorporated in India.</p> <ul style="list-style-type: none"> <li>● Maximum directorships and tenure</li> <li>● Meetings of Independent Director</li> <li>● Cessation and appointment of Independent Directors</li> <li>● Familiarisation of Independent Directors</li> <li>● Declaration from Independent Directors that he / she meets the criteria of independence</li> <li>● Directors and Officers insurance for all the Independent Directors</li> <li>● Memberships / Chairmanships in Committees</li> <li>● Affirmation on compliance of Code of Conduct by Directors and Senior</li> <li>● Disclosure of shareholding by non-executive Directors</li> <li>● Disclosures by Senior Management about potential conflicts of interest</li> <li>● No agreement with regard to compensation or profit sharing in connection with dealings in securities of the Company by Key Managerial Personnel, Director and Promoter</li> </ul>
12. Obligations with respect to employees including Senior Management, Key Managerial Personnel, Directors and Promoters	26	Yes	<ul style="list-style-type: none"> <li>● Compliance with discretionary requirements</li> <li>● Filing of quarterly compliance report on Corporate Governance</li> <li>● Terms and conditions of appointment of Independent Director</li> <li>● Composition of various Committees of the Board of Directors</li> <li>● Code of Conduct of Board of Directors and Senior Management Personnel</li> <li>● Details of establishment of Vigil Mechanism / Whistle-blower policy</li> <li>● Policy on dealing with Related Party Transactions</li> <li>● Policy for determining material subsidiaries</li> <li>● Details of familiarisation programmes imparted to Independent Directors</li> </ul>
13. Other Corporate Governance Requirements	27	Yes	
14. Website	46(2)(b) to (i)	Yes	

**A.List of Directors**

Name of Director	Tenure	No of other director ship	No. of other Committee ship	
			Member	Chairman
<b>Whole time Functional Director</b>				
Shri Renati Sreenivasulu, CMD	06.10.2016	-	-	-
Shri S.Sakthimani, Director Finance (Additional Charge)	30.05.2018	1	1	
<b>Part-time Non Executive Director (Official)</b>				
Shri Sunil Kumar Singh, Director GOI Nominee	15.01.2018	1		1
Smt Parveen Gupta, Director GOI Nominee	15.01.2018-13.11.2018	-	1	
Smt Ritu Pande, Director GOI Nominee	13.11.2018	1	1	

The matter of Induction of Independent director on the Board has been taken up with the Government of India.

Number of Board Meetings & Attendance record of Directors at Board Meetings and Annual General Meeting.

The Board of Directors met 6 times during the financial year 2018-19. The details of the Board Meetings are as under:

Sl. No.	Name of Directors	253 BM dated 10.04.17	254 BM dated 29.05.18	255 BM dated 03.08.18	256 BM dated 14.11.18	257 BM dated 14.12.18	258 BM dated 08.02.19	AGM dated 27.09.18
	<b>Total Strength -&gt;</b>							
1	Mr.Renati Sreenivasulu, CMD	P	P	P	P	P	P	P
2	Shri Sunil Kumar Singh, Director	P	P	P	P	A	A	A
3	Smt Parveen Gupta, Director	P	P	P	N.A	N.A	N.A	A
4	Smt Ritu Pande, Director	N.A	N.A	N.A	A	P	A	N.A
5	Shri S. Sakthimani Director Finance (Additional Charge)	N.A	N.A	P	P	P	P	P

**Number of other committees meetings and attendance records of Directors at Committee Meeting : Stakeholders relationship committee meeting**

S.No	Name of Directors	Date 03 August 2018
1.	Shri S.K. Singh	P
2.	Shri S. Sakthimani	P
3.	Smt. Parveen Gupta	P





**B. Presence of Directors in Board Meetings and other committee meeting and Annual General Meeting held during the year**

P : Present, A : Absent, NA : Not Applicable

There has not been a gap of over four months between two Board Meetings and at least one Board Meeting was held in each quarter of the financial year.

**C. Information supplied to the Board**

The board is presented with all the relevant information on various vital matters affecting the working of the company, as well as those that require deliberation at the highest level. Extensive information is provided on various critical items such as:

- ❖ Production, sales and capital expenditure budgets and updates,
- ❖ sales, investments and financial performance statistics,
- ❖ review of zone-wise business
- ❖ quarterly Results of the company,
- ❖ staff matters, including senior officers appointments and extensions,
- ❖ legal proceedings by or against the company including show cause, demands, notices etc.,
- ❖ share transfer and demat compliance,
- ❖ minutes of Meetings of Audit Committee and other Committee of the Directors,
- ❖ R&D efforts of the company,
- ❖ labour matters and human resources issues,
- ❖ any material default in financial obligation to and by the company or substantial non-payment for goods sold by the company,
- ❖ vigilance and related matters,
- ❖ write-off and disposal of capital items,
- ❖ legal compliance reporting system and other such matters
- ❖ fatal or serious accidents, dangerous occurrence, any material effluent or pollution problems
- ❖ transactions involving payment towards goodwill, brand equity or intellectual property

**Skills /expertises/Competencies of the Board of Directors**

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and at the said skills are available with the Board Members:

- i) Knowledge on Company's businesses (Manufacturing), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
- ii) Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
- iii) Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,
- iv.) Technical / Professional skills and specialized knowledge in relation to Company's business.

**3. COMMITTEES OF THE BOARD**

**A. Audit Committee, Nomination and Remuneration Committee.**

In view of absence of Independent Directors on the Board of the Company, the Company is presently not having functional Audit/Nomination and Remuneration. The Company has taken up matter regarding the appointment of Independent Directors on the Board, with the Government of India; accordingly the Committees shall be constituted again after their appointment.

**4. GENERAL BODY MEETINGS:**

The last three Annual General Meetings of the company were held as under:-

S.No	Year	Location	Date	Time
1	2017-2018	Registered office of the company at Lucknow-Kanpur Road (16th Mile Stone), Sarojini Nagar, Lucknow-226008	September 27, 2018	11:00 a.m
2	2016-2017	Registered office of the company at Lucknow-Kanpur Road (16th Mile Stone), Sarojini Nagar, Lucknow-226008	September 28, 2017	11:30 a.m.
3	2015-2016	Registered office of the company at Lucknow-Kanpur Road (16th Mile Stone), Sarojini Nagar, Lucknow-226008	September 23, 2016	11:30 a.m

**Special Resolution (if any) & Postal Ballot:**

AGM Date	Special Resolution	Whether put through Postal Ballot	Details of Voting Pattern	Person who conduct Postal Ballot
30.9.2016	ONE	NO	N.A	N.A
28.9.2017	NONE	NO	N.A	N.A
27.9.2018	ONE	NO	N.A	N.Aa

**5. REMUNERATION POLICY:**

The following are the details of the remuneration paid to Directors for the year 2018-19:

(Amount in ₹)

Name	Designation & Period	Sitting Fee	Salary (Rs.)	Benefit & Contribution to PF/Pension /Others	Total
Mr. Renati Sreenivasulu	CMD /6.10.2016 till date-	-	22,44,462	4,19,230	26,63,692

Apart from the Sitting Fees which is paid in accordance with the Articles of Association of the company, all other remuneration paid to Directors are in compliance with Govt. orders issued from time to time.

**GENERAL SHAREHOLDER INFORMATION:**
**Annual General Meeting**

Date and Time	: 27th September, 2019 : 11:00 a.m.
Financial Calendar	: 1st April 2018 to 31st March 2019
Venue	: Registered Office of the Company at: Post Bag No 23, GPO, Sarojini Nagar, Lucknow - 226 008
Book Closure date	: 20.09.2019 to 27.09.2019



Listing of Equity	: BSE, DSE (de-recognized w.e.f 19.11.2014)
Stock code	: 505141
Registrar & Transfer Agent	: Sky Line Financial Services Private Limited D-153/A, 1st Floor, Okhla Industrial Area, Phase - 1, New Delhi -110020
Dematerialization of Shares	: NDSL:419319 as on 31.03.2019 CDSL:41906181 as on 31.03.2019
Physical	: 44946675 as on 31.03.2019
Outstanding GDR/ADRs/	: NIL
Warrants or any Convertible	: NIL
Instruments, Conversion	
Date and likely impact on	: NIL
Equity	
Plant Location	: Lucknow- Kanpur Road, 16th Kms. MileStone, Post, Bag No.23 (G.P.O) P.O. Sarojini Nagar, Lucknow226008.

**6. SUMMARY OF SHARE PRICES OF SCOOTERS INDIA LIMITED (MONTHLY)**
**Scrip Code : 505141**
**Company : SCOOTERS IND For the Period: April 2018 to March 2019**

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	Deliverable Quantity	% Deli. Qty to Traded Qty	Spread	
										H-L	C-O
Apr-18	63.45	66	55	60	52102	617	3156095	52102	100	11	-3.45
May-18	57.2	62.5	47.1	56.55	59843	500	3400416	59843	100	15.4	-0.65
Jun-18	53.75	56	36.4	39.8	51967	381	2325723	51967	100	19.6	-13.95
Jul-18	39.8	42.9	35.9	40.8	31540	207	1248655	31540	100	7	1
Aug-18	39.05	42.35	32.7	35.15	81305	405	2938825	81305	100	9.65	-3.9
Sep-18	36.8	42.3	33.5	34.85	55572	301	2102312	55572	100	8.8	-1.95
Oct-18	33.15	36.6	30	33.35	20016	151	661631	20016	100	6.6	0.2
Nov-18	33.35	36.25	29.7	32.7	17940	134	594583	17940	100	6.55	-0.65
Dec-18	32.95	41.6	31.6	40.7	36633	316	1424632	36633	100	10	7.75
Jan-19	41.9	41.9	30.9	32.1	16090	226	561863	16090	100	11	-9.8
Feb-19	33.6	33.6	25.95	28.95	13916	137	401416	13916	100	7.65	-4.65
Mar-19	29	34.35	27.65	33.1	23310	222	733660	23310	100	6.7	4.1

**7. DISCLOSURES:**

- Details of non-compliances, penalties and strictures by Stock Exchanges / SEBI / Statutory Authorities on any matter related to capital markets during the last three years:

Sr. No.	Action taken by	Details of violations	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations/remarks of Practicing Company Secretary, if any
i.	BSE Limited	Non Appointment of Independent Directors	Penalty of Rs. 9,77,040 levied vide letter no.LIST/COMP Reg 27(2) & Regulation 17 to 21/Sep2018/505141/96 0/2018- 19-October 31,2018	The Company has taken up matter with DHI for waiver of penalty as appointment of independent director has to be done by DHI
ii.	BSE Limited	Non Appointment of Independent Directors	Penalty of Rs. 8,75,560 levied vide letter no.LIST/COMP Reg 27(2) & Regulation 17 to 21/Dec2018/505141/10 93/2018- 19-January 31,2019	The Company has taken up matter with DHI for waiver of penalty as appointment of independent director has to be done by DHI
iii.	BSE Limited	Non Appointment of Independent Directors	Penalty of Rs. 9,55,800 levied vide letter no.LIST/COMP Reg 27(2) & Regulation 17 to 21/Mar2019/505141/37/ 2019-20- May 2,2019	The Company has taken up matter with DHI for waiver of penalty as appointment of independent director has to be done by DHI



2. Inter-se relationships between Directors and Key Managerial Personnel of the Company:  
None
3. Materially significant related party transactions which may have potential conflict with the interests of the Company at large :  
None
4. Material financial and commercial transactions of senior management, where they may have had personal interest, and which had potential conflict with the interests of the Company at large:  
None
5. Details of utilisation of funds raised through preferential allotment or qualified institutions placement:  
Not Applicable
6. Credit rating(s) obtained by the Company for any debt instrument, fixed deposit programme or any other scheme involving mobilisation of funds:  
None
7. None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by SEBI / Ministry of Corporate Affairs/ Statutory Authorities, which has also been confirmed by M/s Amit Gupta & Associates, Practising Company Secretaries.
8. Confirmation by the Board with respect to the Independent Directors is not provided as there are no Independent directors appointed on the Board.
9. Information with respect to 'Commodity Price Risk or Foreign Exchange Risk and Hedging Activities' is provided in the 'Report of the Board of Directors & Management Discussion and Analysis' and in the 'Notes to the Financial Statements', forming part of the Report and Accounts.
10. The total fees paid by the Company and its subsidiaries to Messrs. Asija & Associates LLP, Statutory Auditors of the Company, and all other entities forming part of the same network, aggregate ₹ 3 Lakhs.
11. Compliance Officer under the Listing Regulations 2015: Ms. Shrabanti Mandol, Company Secretary & Compliance Officer

**8. MEANS OF COMMUNICATION:**

a) Quarterly Results (Approved in the meetings held on 29.05.2018, 03.08.2018, 14.11.2018 & 08.02.2019)	The Company has published the Quarterly Results in Financial Express & Jansatta.
b) Management Discussion & Analysis	This forms part of Directors' Report which is posted to the shareholders of the company.
c) Website	<a href="http://www.scootersindia.com">www.scootersindia.com</a>

**9. SHARE TRANSFER SYSTEM**

The Company has signed agreement with both NSDL and CDSL on 18th Jan.2002 and 25th Feb.2002 respectively. The company has been allotted ISIN Code No. INE 959E01011 and since then the trading of company's shares is being done in dematerialized form. The company has appointed M/s Skyline Financial Services Pvt. Ltd. D-153/A, 1st Floor, Okhla Industrial Area, Phase - 1 New Delhi -110020, as its Registrar and Transfer Agent (RTA).

**10. DISTRIBUTION OF 872722550 EQUITY SHARE CAPITAL AS ON: 31/03/2019**  
**Nominal Value of Each Share: Rs. 10**

Share or Debenture holding Nominal Value (Rs.)	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount (Rs.)	% to Total Amount
1	2	3	4	5
Up To 5,000	8231	94.35	8951430	1.03
5001 To 10,000	286	3.28	2405840	0.28
10001 To 20,000	109	1.25	1617990	0.19
20001 To 30,000	33	0.38	859990	0.1
30001 To 40,000	14	0.16	506780	0.06
40001 To 50,000	16	0.18	719970	0.08
50001 To 1,00,000	21	0.24	1469260	0.17
1,00,000 and Above	14	0.16	856191290	98.11
Total	8724	100	872722550	100

SI No	Category	% age
1	Central Government	93.87
2	Nationalized Banks & Financial Institutions	0.03
3	Corporate Bodies	0.04
4	Indian Public and Others	6.06
	Total	100.00



**Other Disclosures**

All transactions entered into by the Company with related parties as defined under the Act and the Listing Regulations, during the financial year 2018-19 were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of Company. Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements. The Board has approved a policy on materiality of related party transactions and on dealing with related party transactions and the same is disclosed on the website of the Company at the link [https://www.scootersindia.com/investors/Related\\_Party\\_Transaction\\_Policy.pdf](https://www.scootersindia.com/investors/Related_Party_Transaction_Policy.pdf)

The Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanism as required under Regulation 22 of the Listing Regulations for Directors and employees to report concerns about any unethical behavior. The said policy has also been disclosed on the website of the Company the link

[https://www.scootersindialimited/investors/Whistle\\_Blower\\_Policy.pdf](https://www.scootersindialimited/investors/Whistle_Blower_Policy.pdf)

**11. ANY QUERY ON ANNUAL REPORT**

Secretarial Department, Scooters India Limited, Lucknow- Kanpur Road (16th Mile Stone), Post Bag 23(G.P.O) P.O. Sarojini Nagar, Lucknow-226008.

**CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015**

- I. We have reviewed financial statements and Cash flow Statements for the year 2018-19 and to the best of my knowledge and belief:
  1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  2. These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations
- II. There are to the best of our knowledge and belief, no transaction entered into by the company during the years which are fraudulent, illegal or violative of the company's code of conduct.
- III. We accept responsibility for establishing and maintaining controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclose to the auditors deficiencies in the design operation of internal control, if any, of which we are aware and the steps we have taken or propose to rectify these deficiencies.
- IV. We have indicated to the Auditors:
  1. Significant changes in internal control during the year.
  2. Significant changed in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Sd/-  
Renati Sreenivasulu  
Chairman & Managing Director  
DIN: 07634253  
Scooters India Limited, Lucknow -226008

Sd/-  
R.S Tiwari  
Chief Financial Officer  
Scooters India Limited, Lucknow -226008

Place : 09.08.2019

Date : Lucknow

**INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members  
Scooters India Limited

1. This certificate is issued in accordance with the terms of our engagement letter No./ CA.V/coy/CENTRAL GOVERNMENT SCOOTERS(I)1909 dated 26.03.2019.
2. We, Asija & Associates LLP, Chartered Accountants, the Statutory Auditors of Scooters India Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

**MANAGEMENT'S RESPONSIBILITY**

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

**AUDITOR'S RESPONSIBILITY**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**OPINION**

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended 31st March, 2019. Except-

1. The Company has not complied with requirements of Regulation 17(1) of SEBI (LODR) Regulations, 2015 with regard to composition of the Board of Directors comprising of at least 50% Independent directors during the Financial Year 2018-19.
2. The Company has Complied with the requirements of Regulation 17(7) of listing Regulations-2015 expect to the condition that financial results as placed before the Board for the meeting dated 29.05.2018, was not intimated to Bombay Stock Exchange within 30 minutes from the conclusion of meeting, further the copies of financial results as published in the newspaper were not intimated to Bombay Stock Exchange for the meetings dated 29.05.2018,03.08.2018, 14.11.2018 and 08.02.2019.
3. The Company has not complied with Regulation 17(10) of SEBI (LODR) Regulations, 2015, which required performance evaluation of Independent Directors by the entire board of Directors and Regulation 25(4) of SEBI (LODR) Regulations, 2015 which requires review of performance of Non-Independent Directors, the Chairperson and the Board of Directors as a whole.
4. The Company has not complied with Regulation 18 of SEBI (LODR) Regulations 2015, with regard to constitution of Audit Committee.
5. The Company has not complied with Regulation 19 of SEBI (LODR) Regulations 2015, with regard to constitution of Nomination and Remuneration Committee.
6. The Company has complied with Regulation 24A of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements)(Amendment) Regulations, 2018 dated May 9, 2018 read with SEBI circular CIR/CFD/CMD1/27/2019 dated February 8, 2019 but the same was not filed within 60 days from the end of the Financial Year, 2019 on the recognized portal of Bombay Stock Exchange Limited as per Regulation 10 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements), 2015. The same was filed on recognized portal of Bombay Stock Exchange Limited on 07.08.2019.
7. The Company has not Complied with Regulation 46(2) with respect to uplodating of criteria for making payment to Non-Executive Director.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Asija Associates & LLP**  
**Chartered Accountants**  
**(Firm's Registration No. 003155C/C400011)**

**CA. Kamal Kumar Ferwani**  
**Partner**  
**(Membership No. 402982)**

9th August, 2019



**FORM NO. MR.3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**SCOOTERS INDIA LIMITED,**  
**(CIN - L25111UP1972GOI003599)**  
**Lucknow – Kanpur Road, (16th Mile Store), Sarojini Nagar, Lucknow – 226 008,**  
**Uttar Pradesh, India**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s SCOOTERS INDIA LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit,

We hereby report that in our opinion

The company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also

- i. That the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not applicable as the Company has not made any such transaction during the financial year under review;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (w.e.f. 15.05.2015)
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014) - Not applicable as the Company has not granted any options during the financial year under review
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - not applicable as the Company has not issued any listed debt securities during the period under review;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not applicable as the Company has not delisted/propose to delist its equity shares from any stock exchange during the financial year under review;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable as the Company has not bought back/propose to buyback any of its securities during the financial year under review.
- vi. The following other laws as may be applicable specifically to the company:
- (a) Motor Vehicles Act 1988 and the Central Motor Vehicles Rules, 1989 to the extent of product certification before production and from time to time primarily in respect of three wheelers manufactured by the Company.
  - (b) The Environment Protection Act, 1986
  - (c) The Water (Prevention and Control Pollution) Act, 1974
  - (d) The Air (Prevention and Control Pollution) Act, 1981

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) Listing Agreements entered into by the Company with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations:



Sr. No.	Compliance requirement (Regulations/circulars/guidelines including specific clause)	Deviations	Observations/remarks of Practising Company Secretary
i	Regulation 17(1) of SEBI (LODR) Regulations, 2015	At least half of the board of directors of the listed entity does not consist of independent directors	The Company being a Government Company has requested its administrative ministry for making necessary appointments.
ii	Regulation 17(7) of SEBI (LODR) Regulations, 2015	Delay in reporting/upload of financial results to BSE.	The Company has informed that minor delays were due to technicals issues.
iii	Regulation 17(10) of SEBI (LODR) Regulations, 2015	No performance evaluation of independent directors made	The Company has no Independent Directors
iv	Regulation 18 of SEBI (LODR) Regulations, 2015	Non constitution of a qualified and independent audit committee& consequent non compliances of provisions related to Audit Committee	The Company has no Independent Directors, so has not constituted an Independent Audit Committee and has accordingly not complied related provisions of Audit Committee
v	Regulation 19 of SEBI (LODR) Regulations, 2015	Non constitution of a Nomination & Remuneration committee& consequent non compliances of provisions related to Nomination & Remuneration Committee	The Company has no Independent Directors, so has not constituted an Independent Audit Committee and has accordingly not complied related provisions of Nomination & Remuneration Committee
vi	Regulation 20 of SEBI (LODR) Regulations, 2015	Non constitution of a Stakeholders Relationship committee & consequent non compliances of provisions related to Stakeholders Relationship committee up to 02.08.2018	The Company has Relationship committee w.e.f. 03.08.2018
vii	Regulation 31 of SEBI (LODR) Regulations, 2015	Hundred percent of shareholding of promoters is not in dematerialized form	3,37,90,000 equity shares of Rs. 10/- each issued to Government of India are still in physical form
viii	Regulation 38 of SEBI (LODR) Regulations, 2015&Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957	Non compliance of the minimum public shareholding requirements specified in Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957	The Government of India holding is 93.87% and public shareholding is only 6.13% as against the requirement of minimum 10% public shareholding



ix	Regulation 107 & 108 of SEBI (LODR) Regulations, 2015	In principle approval & Listing Application for 18.90 lacs equity shares allotted to Government of India not obtained/made. We have also noted that all shares held by GOI are not listed on stock exchange since beginning.	Entire 8,19,24,029 equity shares of Rs. 10/- each held by Government of India and 33,61,461 equity shares of Rs. 10/- each held by Special National Investment Fund (transferred from GOI to meet minimum public shareholding requirement) are not listed on stock exchange
x	SEBI Circular CIR/MRD/DP/10/2015 dated June 05, 2015	Non uploading of distinctive no. as per requirement of the said circular	The Company & RTA are in process of reconciliation of data for submission with NSDL/CDSL.
xi	Section 149(4) & 149(5) of the Companies Act, 2013 read with rule 4 of the Companies (Appointment And Qualification Of Directors) Rules, 2014	At least half of the board of directors of the listed entity does not consist of independent directors	The Company being a Government Company has requested its administrative ministry for making necessary appointments.
xii	Section 177(1) of the Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and Its Powers) Rules, 2014	Non constitution of a qualified and independent audit committee & consequent non compliances of provisions related to Audit Committee	The Company has no Independent Directors, so has not constituted an Independent Audit Committee and has accordingly not complied related provisions of Audit Committee
xiii	Section 178(1) of the Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and Its Powers) Rules, 2014	Non constitution of a Nomination & Remuneration committee & consequent non compliances of provisions related to Nomination & Remuneration Committee	The Company has no Independent Directors, so has not constituted an Independent Audit Committee and has accordingly not complied related provisions of Nomination & Remuneration Committee
xiv	Companies Act, 2013 & rules made thereunder	Delay in filing of forms	The Company has not filed/filed with delay few forms/returns required to be submitted with the Registrar of Companies, Kanpur and delays in certain statutory updations at its website.

**We further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. However the Board of Company has no Independent Directors, where as in terms of the provisions of Section 149(4), 149(5) & 149(1) of the Companies Act, 2013 read with rule 4 of the Companies (Appointment And Qualification Of Directors) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, the Company is required to have Independent Directors on the Board of the Company. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, however we have noted delay in sending agenda papers in few cases, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that** the systems and processes in the company require further strengthening and improvements, considering the size and operations of the company to enable effective monitoring and ensuring of compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period:

- The Company has made allotment of 18.90 lacs equity shares of Rs. 10/- each to GOI, pursuant to the approval of Ministry of Heavy Industry and Public Enterprises, Vide letter No. F3-33/2009 PE-VI(Vol-IV) dated 5th June 2018;
- The GOI has Vide letter No. F3-33/2009 PE-VI(Vol-IV) dated 5th June 2018 also approved the reduction of equity of Rs. 85.21 crores in the share capital of SIL held by GOI against the accumulated losses with effect from 31.03.2013;
- The GOI had floated an Expression of Interest for strategic sale of its entire equity.

For Amit Gupta & Associates  
Company Secretaries

Amit Gupta  
Proprietor  
Membership No. : F5478  
C.P. No. 4682

Date: 09.08.2019

Place: Lucknow

Note: This report should be read with the letter of even date by the Secretarial Auditors.

To,  
The Members,  
**SCOOTERS INDIA LIMITED,**  
Lucknow – Kanpur Road, (16th Mile Store), Sarojini Nagar,  
Lucknow – 226 008, Uttar Pradesh, India

**Our Report of even date is to be read along with this letter.**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Amit Gupta & Associates  
Company Secretaries

Amit Gupta  
Proprietor  
Membership No. : F5478  
C.P. No. 4682

Date: 09.08.2019  
Place: Lucknow



### **Declaration regarding disqualification of Directors**

All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of Companies. Mr. Amit Gupta, Practicing Company Secretary has submitted a certificate to this effect. **(ANNEXURE-6)**.

### **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT.**

In terms of the Listing Regulations, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended 31st March, 2019.

Sd/-  
Shri Renati Sreenivasulu  
Chairman & Managing  
Director

Place: Lucknow  
Date: 09.08.2019

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[As per Clause 10(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations].

To,  
The Members,  
Scooters India Limited,  
Lucknow

1. We have examined the status of directors for the year ended on March 31, 2019, pursuant to the provisions of Clause 10(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Regulations”).
2. It is neither an audit nor an expression of opinion regarding the legality of debarring or disqualification by the Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs (MCA) or any such statutory authority.
3. Our examination was limited to a review of the relevant records of the Company and website of MCA, stock exchange(s), SEBI and other relevant statutory authority (ies) (specify) as specified in Annexure to this certificate and it is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the declarations and disclosures made by the Directors and the representation given by the Management, we certify that none of the directors on the board of Scooters India Limited, have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority during the year ended at March 31, 2019.

**For Amit Gupta & Associates  
Company Secretaries**

**Amit Gupta  
Proprietor  
Membership No. : F5478  
C.P. No. 4682**

Date : August 9, 2019  
Place : Lucknow

**Form MGT-9****Extract of Annual Return**

(As on the financial year ended on March 31, 2019)

Pursua Pursuant to section 92(3) of the Companies Act,2013 and rule 12(1) of the Companies (Management and Admin Administration) Rules,2014

**I. REGISTRATION AND OTHER DETAILS**

- |   |  |
|---|--|
| i. CIN  | L25111UP1972GOI003599  |
| ii. Registration Date   | 07th September, 1972   |
| iii. Name of the Company  | SCOOTERS INDIALIMITED  |
| IV. Category/Sub Category of the Company                              | Public Company/Limited by Shares   |
| v. Address of the Registered Office and contact details               | Sarojini Nagar,Lucknow-226008<br>Phone no.:+915222476242<br>Fax:+915222476190<br>Email:cs@scootersindia.com<br>website:www.scootersindia.com   |
| vi. Whether listed company  | Yes, on following exchanges:<br>1) BSE Limited<br><br>2) Delhi Stock Exchange Limited<br>(de-recognized w.e.f 19.11.2014)  |
| vii. Name,Address and contact details of Registrar and Transfer Agent | M/s. Skyline Financial Services Pvt Limited,<br>D-153/A,First Floor ,<br>Okhla Industrial Area,Phase-I<br>New Delhi-110020<br>Phone No:011-26812682<br>Fax-01126812681<br>Website:www.skylinerta.com |

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

The Business activities contributing 10% or more of the total turnover of the Company is stated:

Sr. No.	Name and Description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company
1	VIKRAM 3 Wheeler	35913	96.74
2	Spare Parts	35914	3.26

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NIL	NIL	NIL	NIL	NIL

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category wise Shareholding**

Category of Shareholders	IV.SHAREHOLDING PATTERN(Equity Share Capital Breakup as percentage of Total Equity)								% Change during the year
	No of shares held at the beginning of the year March 31, 2019				No of shares held at the beginning of the year March 31, 2018				
	Demat Total	Physical	Total	% of Shares	Demat Total	Physical	Total	% of Shares	
<b>A. Promoter</b>									
1) Indian									
a) Individual/HUF									
b) Central Govt	37664029	42390000	80034029	93.74	42325500	39598529	81924029	93.87	0.13
c) State Govt(s)									
d) Bodies Corporate									
e) Banks/FI									
f) Any other									
Sub-total(A)(1)	37664029	42390000	80034029	93.74	42325500	39598529	81924029	93.87	0.13
2) Foreign									
g) NRIs									
h) Other Individuals									
i) Bodies Corp									
j) Banks/FI									
k) Any Other									
Sub-Total(A)(2)									
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds									
b) Banks/FI	100	23150	23250	0.03	100	23150	23250	0.03	-
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies		2250	2250	0.00		2250	2250	0.00	-
g) FIs									
h) Foreign Venture Capital Funds									
i) Others(SNIF)	3361461		3361461	3.94	3361461		3361461	3.85	(0.09)





Category of Shareholders	IV.SHAREHOLDING PATTERN(Equity Share Capital Breakup as percentage of Total Equity)								% Change during the year
	No of shares held at the beginning of the year March 31, 2019				No of shares held at the beginning of the year March 31, 2018				
	Demat Total	Physical	Total	% of Shares	Demat Total	Physical	Total	% of Shares	
Sub-Total(B)(1)	3361561	25400	3386961	3.97	3361561	25400	3386961	3.88	(0.09)
2. Non Institutions									
a) Bodies Corp									
i) Indian									
ii) Overseas									
b) Individual									
i) Individual Shareholders holding nominal share capital up to Rs.2 lakhs	930222	661206	1591428	1.85	934102	632106	1566208	1.79	(0.06)
ii) Individual Shareholders holding nominal share capital in excess of Rs.2 lakhs	181157		181157	0.21	184154		184154	0.21	-
c) Others	188680	-	188680	0.22	210903		210903	0.24	0.02
i) NRI									
ii) Market Maker									
ii) Others									
Sub -Total(B)(2)	1300059	661206	1961265	2.30	4690720	657506	1961265	2.25	(0.05)
Total Public Shareholding (B)=(B1)+(B2)			5348226	6.26			5348226	6.13	(0.13)
C. Shares held by Custodian for GDRs & ADRs									
Grand Total			85382255				87272255		

### II) Shareholding of Promoters

Sr Shareholder No Name	Shareholding at the beginning of the year March 31, 2019			No of shares held at the beginning of the year March 31, 2018			Change during the year
	No of Shares	% of Total Shares of the Company	% of shares pledged / encumbered to total shares	No of Shares	% of Total Shares of the Company	% of shares pledged / encumbered to total shares	
1. President of India	80034029	93.74	-	81924029	93.87	-	0.13

### III. Change in Promoter's Shareholding:

Sr. No	Shareholder Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of Total Shares of the Company	No of Shares	% of Total Shares of the Company
1.	President of India	80034029	93.74	81924029	93.87

**V. INDEBTEDNESS**

Indebtedness of the Company is as follows

Rs In lakhs

	Secured Loans excluding deposits (Overdraft Against Fixed Deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year March 31, 2018				
i) Principal Amount		1600		1600
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)		1600		1600
Change in Indebtedness during the financial year				
Addition				
Reduction		-189		-189
Net Change				
Indebtedness at the end of the financial year March 31, 2019				
i) Principal Amount		1789		1789
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

Note: The above does not include OD against FD

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Sl. No.	Particulars of Remuneration	Amt. in lakhs Renati Sreenivasulu (CMD)	Amt. in lakhs Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in-lieu of salary under section 17(3) Income-tax Act, 1961	22.44 2.42	22.44 2.42
2	Stock Option		
3	Sweat Equity		
4	Commission as % of profit others		
5	Others Total(A) Ceiling as per the Act	24.86 N/A	24.86 N/A

\*being a Government Company



- B. Remuneration to other directors: No Remuneration/Sitting fees is paid to any other Director (including Non Executive Directors)
- C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Amount in lakhs		
		R.S Tiwari- CFO CS	Shrabanti Mandol-	Total
1	Gross salary (a) Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in-lieu of salary under section17(3) Income-tax Act, 1961	7.74	2.4	10.14
2	Stock Option			
3	Sweat Equity			
4	Commission as % of profit others			
5	Others			
	Total (A)	7.74	2.4	10.14

#### VII. PENALTIES /PUNISHMENT /COMPOUNDIN OF OFFENCES

The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under:



Sr No.	Action taken by	Details of Violations	Details of action taken e.g. fines, warning letter, debarment, etc	Observations/remarks of Practicing Company Secretary, if any
I	BSE Limited	Non Appointment of Independent Directors	Penalty of Rs. 9,77,040 levied vide letter no.LIST/COMP Reg 27(2) & Regulation 17 to 21/Sep-2018/505141/960/2018-19-October 31,2018	The Company has not deposited Penalty
II.	BSE Limited	Non Appointment of Independent Directors	Penalty of Rs. 8,75,560 levied vide letter no.LIST/COMP Reg 27(2) & Regulation 17 to 21/Dec-2018/505141/1093/2018-19-January 31,2019	The Company has not deposited Penalty
III.	BSE Limited	Non Appointment of Independent Directors	Penalty of Rs. 9,55,800 levied vide letter no.LIST/COMP Reg 27(2) & Regulation 17 to 21/Mar-2019/505141/37/2019-20- May 2,2019	The Company has not deposited Penalty

Place : Lucknow

Date : 09.08.2019

For and on behalf of Board of Directors  
Sd/-  
Renati Sreenivasulu  
DIN: 07634253  
Chairman & Managing Director  
Scooters India Limited, Lucknow-226008

## ANNEXURE-8

## Particulars of Employees

Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

(Amt. in Lakhs)

Name(s) of Whole time Directors	Designation	Remuneration in Year 2018-19 (in Rs.)	Remuneration in year 2017-18 (n Rs.)	% Increase in Remuneration	Ratio of Remuneration to median remuneration of employees	Ratio of the remuneration to Net Profit (2018-19)
Shri Renati Sreenivasulu (w.e.f 06.10.2016)	CMD	24.87	24.09	3.24%	536.34	—

(Amt. in Lakhs)

Name of Independent Directors	Remuneration in Year 2018-19	Remuneration in Year 2017-18	% increase in remuneration
NIL	NIL	NIL	NIL

(Amt. in Lakhs)

Name of Independent Directors	Remuneration in Year 2018-19	Remuneration in Year 2017-18	% increase in remuneration
NIL	NIL	NIL	NIL

(Amt. in Lakhs)

Name of KMP	Remuneration in Year 2018-19	Remuneration in Year 2017-18	Ratio of the remuneration to Net Profit(2018-19)
Shri Raj Shekhar Tiwari	7.74	6.95	—

- i. The median remuneration of employees in the year 2018-19 and 2017-18 is Rs. 4.65 lacs and Rs.4.28 lacs respectively. The percentage increase in the median remuneration is 8.64%.
- ii. The Company had 121 numbers of permanent employees on the rolls of the Company as on the year ended at March 31, 2019.

- iii. The Company's Net Loss stood at Rs. 4.63 crores at the year ended as on March 31, 2019 as compared to Net Loss of Rs.18.62crores for the year ended on March 31, 2018.The percentage of reduction in the Net loss of the Company is (-) 75.13%.The growth in the remuneration of WTD and KMP was Nil % and Nil % respectively in year 2019 as compared to 2018.The increase in remuneration was as per DPE Guidelines.
- iv. Variation in the Market Capitalization and Price Earnings ratios as at the closing of current year 2019 and previous year 2018 are as under.

	2018-19	2017-18
Market Cap	28887.12 lacs	51615.53 lacs
Price Earnings Ratio	(0.58)	(2.19)

- V. During the year under report, no employees received remuneration in excess of highest paid directors.
- vi. There were no employees during the year under report whose disclosure id required under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014



## FORM NO.AOC.2

**Particulars of Contracts/arrangements entered with related parties**

Pursuant to clause (h) of sub-regulation (3) of section 134 of the Ct and Rules 8(2) of the Companies (Accounts) Rules, 2014

This form discloses the particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: There are no contracts or arrangements entered during the year under report, which were not at arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis: The contracts or arrangements entered during the year under report at arm's length basis are as follows:

Name of the Related Party	Nature of Relationship	Nature of Contract / arrangement / Transaction	Duration of the Contract/ Arrangement/ Transaction	Salient terms	Amount
NIL	NIL	NIL	NIL	Nil	NIL

For and on behalf of Board of Directors

Sd/-

**Renati Sreenivasulu**

**DIN: 07634253**

**Chairman & Managing Director**

**Scooters India Limited, Lucknow -226008**

Place : Lucknow

Date : 09.08.2019



**Balance Sheet as at 31st March, 2019**

Particulars	Note No.	AS AT	AS AT
		31.03.2019 ₹ in Lakhs	31.03.2018 ₹ in Lakhs
<b>A. ASSETS</b>			
<b>(I) Non-current assets</b>			
(a) Property, Plant & Equipment	2	1,768.75	1,884.16
(b) Capital work-in progress	2	434.88	441.10
(c) Financial Assets			
(i) Non-Current Investments	3	-	-
(ii) Trade receivables	4	51.92	109.29
(iii) Loans		-	-
(iv) Others -Security Deposits	5	162.07	162.83
(d) Deferred tax assets (Net)	6	-	-
(e) Other non-current assets	7	18.71	18.71
<b>Total non-current assets (I)</b>		<b>2,436.33</b>	<b>2,616.09</b>
<b>(II) Current assets</b>			
(a) Inventories	8	5,301.65	4,676.07
(b) Financial Assets			
(i) Current Investments		-	-
(ii) Trade receivables	9	63.52	-
(iii) Cash and cash equivalent	10	281.58	1,210.66
(iv) Bank balance other than (iii) above	10	1,592.39	1,436.35
(v) Loans		-	-
(vi) Others (Loan & Advances)	11	1.68	6.36
(c) Current tax assets (Net)		-	-
(d) Other current assets	12	1,052.12	1,157.44
<b>Sub-total current assets</b>		<b>8,292.94</b>	<b>8,486.88</b>
Non-current assets held for sale		-	-
<b>Total current assets (II)</b>		<b>8,292.94</b>	<b>8,486.88</b>
<b>Total assets (I+II)</b>		<b>10,729.27</b>	<b>11,102.97</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>(I) Equity</b>			
(a) Equity share capital	13	8,727.39	8,538.39
(b) Other Equity			
(i) Equity component of other financials instruments		-	-
(ii) Retained Earnings	14	(2,127.35)	(1,573.49)
(iii) Reserves	14	4.90	4.90
(iv) Money received against share warrants		-	-
(v) Other		-	-
<b>Total equity (I)</b>		<b>6,604.94</b>	<b>6,969.80</b>

**(II) Liabilities****(1) Non-current liabilities**

(a) Financial liabilities			
(i) Borrowings	15	1,200.00	989.00
(ii) Trade payables		-	-
(iii) Other financial liabilities		-	-
(b) Non-Current Provisions	16	191.12	207.02
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities	17	301.48	237.81
<b>Total Non-current liabilities (1)</b>		<b>1,692.60</b>	<b>1,433.83</b>
(2) Current liabilities			
(a) Financial liabilities			
(i) Short Term Borrowings	18	-	-
(ii) Trade & Other payables	19	1,154.71	889.10
(iii) Other financial liabilities	20	400.00	800.00
(b) Other current liabilities	21	746.85	826.07
(c) Current Provisions	22	130.17	184.17
(d) Current tax liabilities (Net)		-	-
<b>Total current liabilities (2)</b>		<b>2,431.73</b>	<b>2,699.34</b>
<b>Total liabilities (II)=[(1)+(2)]</b>		<b>4,124.33</b>	<b>4,133.17</b>
<b>Total equities and liabilities (I+II)</b>		<b>10,729.27</b>	<b>11,102.97</b>

Accompanying Notes 1 to 50 are an integral part of the Financial Statements

Sd/-  
(R.S. Tiwari)  
Chief Finance Officer

Sd/-  
(S. Sakthimani)  
Director Finance  
(Additional Charge)  
DIN-07482308

Sd/-  
(Sunil Kumar Singh)  
Director  
DIN-08043768

Sd/-  
(R.Sreenivasulu)  
Chairman and Managing Director  
DIN - 07634253

In terms of our report of even date  
For Asija & Associates LLP  
Chartered Accountants  
FR No. - 003155C/ C400011

Sd/-  
(Shrabanti Mandol)  
Company Secretary

Sd/-  
(CA Kamal Kr. Ferwani)  
M. No.- 402982

Place : Lucknow  
Date : 27th May 2019

**Statement of Profit And Loss For The Year Ended 31st March, 2019**

Particulars	Note No	Year Ended	Year Ended
		31.03.2019	31.03.2018
		₹ in Lakhs	₹ in Lakhs
I. Revenue from Operations	23	6,385.20	5,055.27
II. Other income	24	214.52	655.74
<b>III. Total income (I +II)</b>		<b>6,599.72</b>	<b>5,711.01</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	25	4,546.59	2,582.46
Cost of sales at petrol pump	25	-	-
Changes in inventories of finished goods, work-in-progress and disposal store	26	(606.56)	1,927.87
Excise duty on sale of goods		-	9.32
Employee benefit expense	27	2,230.05	2,319.92
Finance cost	28	-	59.17
Other expenses	29	699.60	499.33
Depreciation and amortisation expenses	30	193.30	175.16
<b>Total</b>		<b>7,062.98</b>	<b>7,573.23</b>
Less: Expenditure included in above capitalized		-	-
<b>Total Expenses (IV)</b>		<b>7,062.98</b>	<b>7,573.23</b>
<b>V. Profit/(loss) before exceptional and items and tax (III-IV)</b>		<b>(463.26)</b>	<b>(1,862.22)</b>
VI. Exceptional Items		-	-
<b>VII. Profit(loss) before tax (V-VI)</b>		<b>(463.26)</b>	<b>(1,862.22)</b>
VIII. Tax expense:			
(1) Current tax	31	-	-
(2) Deferred tax		-	-
<b>IX. Profit (Loss) from the period from continuing operations (VII-VIII)</b>		<b>(463.26)</b>	<b>(1,862.22)</b>
X. Profit/(Loss) from discontinuing operations		-	-
XI. Tax expense of discontinuing operations		-	-
<b>XII. Profit/(Loss) from Discontinuing operations (after tax) (X-XI)</b>		<b>-</b>	<b>-</b>
<b>XIII. Profit/(Loss) for the period (IX+XII)</b>		<b>(463.26)</b>	<b>(1,862.22)</b>
XIV. Other Comprehensive income			
A. (i) Items that will not be reclassified to profit or loss			
-Gain/(Loss) of defined benefit Obligation		(46.10)	(7.89)
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B. (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
<b>XV. Total comprehensive income for the period (XIII+XIV)</b>		<b>(509.36)</b>	<b>(1,870.11)</b>



XVI. Earnings per equity share (for continuing operation): 32		
(1) Basic	(0.58)	(2.19)
(2) Diluted	(0.58)	(2.19)
XVII. Earnings per equity share (for discontinued operation):		
(1) Basic		
(2) Diluted		
XVII. Earnings per equity share (for discontinued & continuing operation):		
(1) Basic	(0.58)	(2.19)
(2) Diluted	(0.58)	(2.19)

Accompanying Notes 1 to 50 are an integral part of the Financial Statements

<b>Sd/-</b> <b>(R.S. Tiwari)</b> Chief Finance Officer	<b>Sd/-</b> <b>(S. Sakthimani)</b> Director Finance (Additional Charge) DIN-07482308	<b>Sd/-</b> <b>(Sunil Kumar Singh)</b> Director DIN-08043768	<b>Sd/-</b> <b>(R.Sreenivasulu)</b> Chairman and Managing Director DIN - 07634253
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In terms of our report of even date  
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**Sd/-**  
**(Shrabanti Mandol)**  
Company Secretary

**Sd/-**  
**(CA Kamal Kr. Ferwani)**  
M. No.- 402982

Place : Lucknow  
Date : 27th May 2019



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST-MARCH-2019  
PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT**

Particulars	Year Ended 31.03.2019 ₹ in Lakhs	Year Ended 31.03.2018 ₹ in Lakhs
<b>Cash flow from operating activities :</b>		
<b>Net Profit/(Loss) before Tax</b>	<b>(463.26)</b>	<b>(1,862.22)</b>
Adjustment for :		
- Depreciation		
(i) For Current Year	193.30	175.16
(ii) For Prior Period	-	-
-Prior Year items	(44.50)	-
-Loss Written off	-	-
-Provision for Loss in Value of Investment	-	-
-Provision / Written off for Doubtful Debts	-	12.53
-Provision for Inventory obsolescence	0.06	3.83
-Excess Provision Written Back	(3.67)	(404.82)
-Interest Income	(209.44)	(169.36)
-Interest Paid	-	59.17
-(Profit)/Loss in exchange rate change	-	-
-(Profit)/Loss on sale of fixed assets	0.32	-
	<u>(63.93)</u>	<u>(323.49)</u>
<b>Operating profit before working capital changes</b>	<b><u>(527.19)</u></b>	<b><u>(2,185.71)</u></b>
Adjustment for :		
-Trade receivables	(6.15)	(43.60)
-Inventories	(625.64)	1,925.63
-Other current assets	105.33	1,334.75
-Financial Assets - Others	3.11	(71.42)
-Other Non-Current Assets	-	0.56
-Other Non-Current Liabilities	63.67	26.01
-Trade payables	266.93	(670.08)
-Other Current Liabilities	(79.22)	(364.80)
-Financial Assets - Loans & Advances	4.68	81.25
-Capital Reserve	-	-
-Provisions	(116.00)	(130.84)
	<u>(383.30)</u>	<u>2,087.46</u>
<b>Cash generated/(loss) from operations :</b>	<b><u>(910.49)</u></b>	<b><u>(98.25)</u></b>
Less Taxes Paid ;		
Provision for Income Tax	-	-
<b>Net cash from operating activities</b>	<b>(910.49)</b>	<b>(98.25)</b>
<b>Cash flow from Investing activities :</b>		
-Increase in fixed assets/capital expenditure	(72.40)	(1,369.75)
-Sale/ Adjustments of fixed assets	0.41	-
-Interest Income	209.44	169.36
-Other Fixed deposit with banks realised/(made)	(156.04)	1,860.03
-(Loss)/Gain in exchange rate	-	-
<b>Net cash used in investing activities</b>	<b><u>(18.59)</u></b>	<b><u>659.64</u></b>
<b>Cash flow from financing activities :</b>		
-Interest paid	-	(59.17)
-Increase in share capital	189.00	-
- Repayment of term loan to G.O.I	-	-
-Receipt of long term loan from-G.O.I.	-	-
-Settlement of GOI Loan	(189.00)	-
-Viability Gap Funding from MNRE	-	-
-(Decrease)/ Increase in cash credit limits	-	(1,275.75)
<b>Net cash used in financing activities</b>	<b><u>-</u></b>	<b><u>(1,334.92)</u></b>
Net increase / (decrease) in cash and cash equivalents	<u>(929.08)</u>	<u>(773.53)</u>
Cash and cash equivalents (Opening balance)	1210.66	1,984.19
Cash and cash equivalents (Closing balance)	281.58	1,210.66



### Notes to the Cash Flow Statement

- Cash Flow Statement has been prepared on Indirect Method as per Indian Accounting Standard 7 on Cash Flow Statement issued by Institute of Chartered Accountants of India
- Cash and Cash Equivalent:

<b>Cash and cash equivalents</b>	<b>2018-19</b>	<b>2017-18</b>
Cash in hand	0.77	1.24
Cheques in hand	-	-
Balance with Banks		
Current accounts	278.48	306.74
Deposit with Bank with original maturity of less than 3 months	2.33	902.68
	<b>281.58</b>	<b>1210.66</b>

**Sd/-**  
**(R.S. Tiwari)**  
Chief Finance Officer

**Sd/-**  
**(S. Sakthimani)**  
Director Finance  
(Additional Charge)  
DIN-07482308

**Sd/-**  
**(Sunil Kumar Singh)**  
Director  
DIN-08043768

**Sd/-**  
**(R.Sreenivasulu)**  
Chairman and Managing Director  
DIN - 07634253

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**Sd/-**  
**(Shrabanti Mandol)**  
Company Secretary

**Sd/-**  
**(CA Kamal Kr. Ferwani)**  
M. No.- 402982

Place : Lucknow  
Date : 27th May 2019



**STATEMENT OF CHANGES IN EQUITY**

**Name of the Company : SCOOTERS INDIA LIMITED**  
Statement of Changes in equity for the period ended 31st March, 2019

**A. Equity Share Capital**

Balance as at the 1st April, 2017 8,538.39  
Changes in equity share capital during the year 0.00  
Balance as at the 31st March, 2018 8,538.39  
Changes in equity share capital during the year 189.00  
Balance as at the 31st March, 2019 8,727.39

**B. Other Equity**

	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium Reserve	Other Reserves (Specify nature)	Retained Earnings	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Effective portion of cash flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of foreign operation	Other items of Other Comprehensive Income (Specify Nature)	Money received against share warrants	(Rs. In Lakhs)
<b>Balance at April 1, 2017</b>			4.90			296.62								301.52
Changes in the accounting policy or prior period error			0.00			-								-
Less: Prior Year Expense			0.00			-								-
Less: Adjustment as per IND AS			0.00			-								-
Add: Net Profit/(Loss) During The Year			0.00			(1,862.22)								(1,862.22)
Add: Other Comprehensive income			0.00			(7.89)								(7.89)
<b>Balance at March 31, 2018</b>			4.90			(1,573.49)								(1,568.59)
Changes in the accounting policy or prior period error			0.00			-								-
Less: Prior Year Expense			0.00			44.50								44.50
Less: Adjustment as per IND AS			0.00			-								-
Add: Net Profit/(Loss) During The Year			0.00			(463.26)								(463.26)
Add: Other Comprehensive income			0.00			(46.10)								(46.10)
<b>Balance at March 31, 2019</b>			4.90			(2,127.35)								(2,122.45)

In terms of our report of even date  
For Asija & Associates LLP  
Chartered Accountants  
FR No. - 003155C/C400011

Place : Lucknow  
Date : 27th May 2019

(CA Kamal Kr. Ferwani)  
M. No.- 402982

(Shrabanti Mandoi)  
Company Secretary

(R.S. Tiwari)  
Chief Finance Officer

(S. Sakthimani)  
Director Finance  
(Additional Charge)  
DIN-07482308

(Sunil Kumar Singh)  
Director  
DIN-08043768

(R.Sreenivasulu)  
Chairman and Managing Director  
DIN - 07634253



**Annexed to and forming part of the Accounts****Note No. - 1****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE IND AS FINANCIAL STATEMENT****1. SYSTEM OF ACCOUNTING:****(i) Basic assumptions:**

The accounts have been prepared under historical cost convention on accrual basis and as per applicable Mandatory Accounting Standards.

**(ii) Going concern:**

Accounts have been prepared on the principle applicable to a going concern.

The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

**(iii) Use of Estimates:**

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statement and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialize.

**(iv) All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Schedule III of Companies Act 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.****2. a) FIXED ASSETS:**

(i) Fixed Assets are stated at original cost and are inclusive of all expenses to bring them to a state of use.

(ii) Land is valued at original cost.

(iii) The cost of the leasehold land is amortized over the lease span.

(iv) The tools manufactured departmentally costing individually Rs.5000 and below and/or having estimated average useful life of 5 years and below being of consumable nature are accounted for as revenue expenditure under relevant natural heads

(v) Construction period expenses exclusively attributable to projects are capitalized.

**b) LEASE RENTALS:**

Rental expenses in respect of Leased premises and equipment are charged to the Statement of Profit and Loss.

Rental incomes on assets given on operating lease on an accrual basis over the lease term are recognized in the Statement of Profit and Loss.

**c) BORROWING COST:**

Borrowing cost directly attributable in relation to acquisition, construction of assets that takes substantial period of time to get ready for its intended use are capitalised as part of the cost of such assets upto the date when such assets are ready for intended use. Other borrowing costs are charged as expenses in Profit & Loss Account in the year in which they are incurred.

**d) INTANGIBLE ASSETS:**

Intangible assets are stated at cost of acquisition less accumulated amortization. Technical Knowhow is amortised over the useful life of the underlying plant. Computer Software is amortised over a period of 5 years. Amortisation is done on straight line basis.

**e) IMPAIRMENT OF FIXED ASSET:**

The carrying values of fixed assets of the identified cash generating units (CGU) are reviewed for impairment at each Balance Sheet date. When events or changes in circumstances indicate that the carrying values may not be recoverable and the carrying amount exceeds the estimated recoverable amount, the assets of the CGU are written down to the recoverable amount and the impairment loss is recognized in the profit and loss account.

**3. DEPRECIATION:**

Premium on leasehold land is amortised over the period of lease.

Depreciation on other tangible fixed assets is charged on straight-line method in accordance with Schedule II of Companies Act 2013, as amended from time to time, except

- (a) Plant, Machinery, Equipment, and Jigs & Fixtures costing individually Rs. 5000 and below are depreciated fully in the year of purchase.
- (b) In case of tools where average estimated useful life is greater than five years but less than ten years, depreciation is charged @ 20% as was being done prior to introduction of Schedule II.

Depreciation is not provided on assets which have been declared surplus and are not in use. These are distinctively shown under Fixed Assets at net realizable value.

**4. INVESTMENTS:**

- (i) Current Investments are valued at cost or market value whichever is lower.
- (ii) Non Current Investments are valued at cost. However, in case of permanent diminution in the value of investments, suitable provision is made in the books of accounts.
- (iii) Income from dividend is recognized in books of accounts when the right to receive such dividend is established.

**5. INVENTORIES:**

- (i) Raw materials, components, stores & spares, tools, consumables and other stocks are valued at cost (net of CENVAT) determined on FIFO Basis. Scrap and disposable goods are valued at estimated realizable value.



- (ii) Stock-in-trade is valued at lower of cost or net realizable value.
- (iii) Work-in-progress is valued at cost. Where the jobs are in progress their conversion cost is taken at 50% of the standard cost regardless of the stage of completion. Completed jobs including jobs pending inspection are valued at cost or realizable value whichever is less.
- (iv) Customs duty on bonded material is allocated to the cost of goods and equipment.
- (v) Expenditure on stationery, uniform, medicine etc. is charged off to revenue at the time of receipt. But the stock remaining at the year end are credited to the revenue account at cost and shown as closing stock.

**6. DUTIES ON BONDED STOCK:**

GST on finished stocks lying in bond is provided for, on the assessable value applicable for each product.

**7. PROVISIONS**

**a) PROVISION FOR REDUNDANCY/OBSOLESCENCE:**

A general provision for redundancy is made at 0.5% of the value of closing inventory of raw materials and components, stores and spares and loose tools and consumables. Wherever necessary, additional provision for redundancy/Obsolescence of inventory is made in individual cases keeping in view estimated realizable value.

**b) PROVISION FOR DOUBTFUL DEBTS:**

As a measure of conservatism generally provision is being made for Debtors where there is no transaction for three years or where the company has initiated legal case against defaulting debtors.

**c) PROVISION FOR WARRANTY CLAIMS:**

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

The Company accounts for the provision for warranty on the basis of the information available with the Management duly taking into account the current and post technical estimates.

**8. CENVAT:**

Cenvat credit on eligible Revenue / Capital purchase is taken on receipt of such materials

**9. SALES:**

Sales are set up as per the Sale of Goods Act. They represent value of goods sold at the ex-factory price plus incidentals like freight, insurance etc. embedded in the sale price.

**10. ACCOUNTING FOR INCOME AND EXPENDITURE:**

Income and expenditure are accounted for in the current year on accrual basis under natural heads of account.

**11. FOREIGN EXCHANGE VARIATION:**

All transactions denominated in foreign currencies are translated at the rate of exchange on the day of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling on the balance sheet date. Exchange differences arising on foreign currency transactions at the time of translation or settlement are included in the profit and loss account.

**12. RETIREMENT BENEFITS:**

Contribution to Provident Fund is made to the company's provident fund trust. The fund is compared to aggregate liability and shortfall if any is additionally contributed by the company and recognized as expenses.

Gratuity and Leave Encashment liability is ascertained on actuarial valuation. However, any excess/deficit in funds managed by LIC in case of Gratuity as compared to the actuarial liability is recognized as asset/liability immediately and the consequent gain/loss arising from such valuation is charged to revenue in the year in which they arise.

Leave encashment for retiring employees is being settled by the Company through its own resources & the company does not maintain fund with LIC for the same. The excess/deficit in actuarial valuation is recognized as assets/liabilities immediately and consequent gain/loss arising from such valuation is charged to revenue in the year in which they arise.

**13. RESEARCH AND DEVELOPMENT:**

Expenditure relating to product approvals including type approvals, consistency of production approvals from testing agencies and materials specifically procured for development of products are charged as Research & Development Expenses and other expenditure of Research and Development are charged off to the Profit and Loss Account under natural heads of accounts. Expenditure which results in creation of capital asset is taken to fixed assets and depreciation is provided as applicable. Prototype vehicles submitted to testing agencies are booked under finished goods.

**14. ACCOUNTING OF GOVERNMENT GRANT:**

- (i) Government Grant of revenue nature is accounted for in the Profit and Loss Account under the head other income to the extent the expenditure is charged to revenue as and when incurred.
- (ii) In case of any specific Government grant the treatment in the books of accounts is made on the basis of specific stipulation for the same

**15. JOBS DONE FOR INTERNAL USE:**

Jobs done for internal use are valued on the basis of technical estimates of material and conversion cost and are distinctly shown as a consolidated deduction from expenditures included in Profit & Loss Account.

**16. TAXES ON INCOME:**

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax on account of timing difference between taxable income and accounting income is provided considering the tax laws enacted or substantively enacted up to the Balance Sheet date.

**17. PROPOSED DIVIDEND**

Dividend is provided in the books of accounts as proposed by the Board of Directors, pending approval at the Annual General Meeting.

**18. CONTINGENT LIABILITIES AND COMMITMENTS:**

- A. Show Cause Notices issued by various Government Authorities are not considered as Obligation.
- B. When the demand notices are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations.
- C. The treatment in respect of disputed obligations, in each case, are as under:
  - a) a provision is recognized in respect of present obligations where the outflow of resources is probable;
  - b) all other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.
- D. **Capital Commitments:**

Estimated amount of contracts remaining to be executed on capital accounts are considered for disclosure.

**19. ACTUARIAL GAIN / LOSS ON DEFINED BENEFITS PLANS**

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the profit or loss for the year. There is no impact on the total equity.

**20. FIRST TIME ADOPTION OF IND AS**

The Company's prepared its first financial statements in accordance with Ind AS as on 31.03.2018. The effect of the Company's transition to Ind AS is summarised in the following notes:

- (i) Transition elections
- (ii) Reconciliation of equity, total comprehensive income and cash flows as reported as per Ind AS, in this statement with as reported in previous years as per previous Indian GAAP.

### 43.1 Transition elections

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognized assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company. The Company has applied the following transition exemptions apart from mandatory exceptions in Ind-AS 101 :

1. Deemed cost of property, plant and equipment and other intangible assets
2. Leases
3. Investments in subsidiaries, joint controlled entities and associates in separate financial statements
4. Designation of equity investments at FVTOCI.

#### **Deemed cost of property, plant and equipment and other intangible assets**

In accordance with Ind-AS transitional provisions, the Company opted to consider previous GAAP carrying value of property, plant and equipment and other intangible assets as deemed cost on transition date.

#### **Leases**

In accordance with Ind-AS transitional provisions, the company opted to determine whether an arrangement existing at the date of transition contains a lease on the basis of facts and circumstances existing at the date of transition rather than at the inception of the arrangement.

#### **Investments in subsidiaries, joint controlled entities and associates in separate financial statements**

In accordance with Ind-AS transitional provisions, the company opted to consider previous GAAP carrying value of investments as deemed cost on transition date for investments in subsidiaries, joint ventures and associates in separate financial statement.



**NOTE NO. 2**  
**Property, Plant and Equipments**

DESCRIPTION	GROSS BLOCK AT COST					ACCUMULATED DEPRECIATION				NET BLOCK		
	AS AT 01.04. 2018	Acquisi- tion through Business Combin- ation	Other Addition	Total Addition during the year	Deduction/ Adjustment Transfer	AS AT 31.03. 2019	AS AT 01.04. 2018	Addition	Ded/Trf	For the Year	AS AT 31.03. 2019	AS AT 01.04. 2018
<b>A</b> Tangible Assets	17.92	-	-	-	-	17.92	8.97	-	-	0.14	9.11	8.81
Lease Hold Land (Financial Lease)*	410.42	-	0.54	0.54	-	410.96	354.99	-	-	1.27	356.26	54.70
Building(Including, Roads Services & Tubewell Plant and Machinery	3,257.90	-	65.57	65.57	-	3,323.47	2,316.56	-	-	129.28	2,445.84	877.63
Special Tools	1,866.43	-	-	-	-	1,866.43	1,723.10	-	-	20.88	1,743.98	122.45
Handling Equipment	113.33	-	-	-	-	113.33	103.88	-	-	0.92	104.80	8.53
Furniture & Fixtures	328.29	-	4.32	4.32	-	332.61	312.19	-	-	1.28	313.47	19.14
Office Equipments	69.36	-	0.39	0.39	-	69.75	59.52	-	-	1.61	61.13	8.62
Electrical Equipments	868.66	-	7.81	7.81	-	876.47	210.00	-	-	30.24	240.24	636.23
Installation & Fittings Vehicles	154.16	-	-	-	1.24	152.92	115.90	-	0.51	7.68	123.07	29.85
<b>TOTAL</b>	<b>7,086.47</b>	-	<b>78.63</b>	<b>78.63</b>	<b>1.24</b>	<b>7,163.86</b>	<b>5,205.11</b>	-	<b>0.51</b>	<b>193.30</b>	<b>5,397.90</b>	<b>1,765.96</b>
<b>B</b> Assets Not in Use**	54.18	-	-	-	-	54.18	51.38	-	-	-	2.80	2.80
<b>C</b> Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-
Capital Work In Progress	-	-	-	-	-	-	-	-	-	-	-	-
Capital items awaiting Installation	30.73	-	435.62	435.62	371.30	95.05	-	-	-	-	95.05	30.73
- Tangible	8.92	-	-	-	-	8.92	-	-	-	-	8.92	8.92
- Intangible***	-	-	-	-	-	-	-	-	-	-	-	-
Construction work in progress	-	-	-	-	-	-	-	-	-	-	-	-
Assets under inspection	401.45	-	364.91	364.91	435.45	330.91	-	-	-	-	330.91	401.45
<b>TOTAL</b>	<b>441.10</b>	-	<b>800.53</b>	<b>800.53</b>	<b>806.75</b>	<b>434.88</b>	-	-	-	-	<b>434.88</b>	<b>441.10</b>
<b>D</b> Intangible Assets Under Development	-	-	-	-	-	-	-	-	-	-	-	-

Note: 1. Amount of Borrowing Cost Capitalised during the year is NIL (Previous Year - NIL)

2. Plant, Machinery, Equipment, and Jigs & Fixtures costing individually Rs. 5000 and below are depreciated fully in the year of purchase. In case of tools where average estimated useful life is greater than five years but less than ten years, depreciation is charged @ 20%, as was being done prior to introduction of Schedule II.

3. During the financial year 2015-16, the componentization on Fixed Asset has been carried out in accordance with provision of The Companies Act 2013, the impact of which is nil.

\* The land has been taken on lease for a period of 90 years i.e. 125.29 acres w.e.f. 5th October, 1974 & 22.209 acres w.e.f. 10th August, 1976.

(Rs. In Lakhs)

Total lease payable	31.03.19	31.03.18
A. Not later than 1 year	0.37	0.37
B. later than 1 year but not later than 5 year	1.49	1.49
C. later than 5 year	14.94	15.31

\*\*The Fixed Assets amounting to ` 54.18 lakhs in which are not in active use has been recorded at its book value which is lower of its net realizable value in the financial year 2015-16.

\*\*\* The software shall be commissioned after procurement and installation of requisite hardware.

4. Regarding leasing of the company owned petrol pump (HPCL) has been temporarily leased for operations to HPCL w.e.f. 8th November 2016

**NOTE NO. 3**  
**Financial Assets - Non Current Investments**

	ASAT 31.03.2019 ₹ in Lakhs	ASAT 31.03.2018 ₹ in Lakhs
<b>Investment at cost ( Unquoted fully paid )</b>		
<b>UP Instruments Limited</b> 1,55,030 Equity Shares (Previous Year 1,55,030 Equity Shares) of ₹ 10 each	15.50	15.50
<b>UP Tyres &amp; Tubes Limited</b> 5,22,800 Equity Shares (Previous Year 5,22,800 Equity Shares) of ₹ 10 each	52.28	52.28
<b>Co-operative Electric Supply Society Limited</b> 5,700 Equity Shares (Previous Year 5,700 Equity Shares) of ₹ 10 each	0.57	0.57
	<b>68.35</b>	<b>68.35</b>
Less : Provision for estimated loss in value	68.35	68.35
	-	-

- a. The Government of India approved participation in the equity share capital of M/s U.P. Instruments Ltd. (A State Government Undertaking) to the extent of ₹ 15.68 Lakhs, i.e., 49% of equity share capital and the Company/Nominees have so far invested ₹ 15.50 lakhs towards equity share capital (Previous years i.e. FY 2017-18 ₹ 15.50 lakhs). The Company has been intimated that all assets including land, building and plant & machinery of UPIL has been sold through Committee constituted by U.P State Government. Accordingly, the possible loss for the investment of ₹ 12.71 lakhs during 1996-1997 & ₹ 2.79 lakhs during 2004-2005 has been provided for in the Accounts.
- b. The Government of India approved participation in the equity shares of M/s UP Tyres & Tubes Ltd.(UPTT) (A State Government Undertaking) to the extent of ₹52.28 lakhs, i.e., 49% of their equity share capital and the Company/Nominees have so far invested ₹ 52.28 lakhs towards equity share capital (Previous year i.e. FY 2017-18 ₹ 52.28 lakhs). As the net worth of UPTT has become negative, the estimated realisable value of the shares is considered as Nil. Accordingly, possible loss in the investment (₹ 52.28 lakhs) has been provided for in the Accounts during 1996-1997.
- c. The company invested ₹ 0.57 lakh in the shares of the Co-operative Electric Supply Society Limited in the year 1984. In absence of any information regarding the net worth of the company, a provision for the same has been made in the year 2006-2007.



**NOTE NO. 4****Trade Receivables**

	<b>AS AT 31.03.2019 ₹ in Lakhs</b>	<b>AS AT 31.03.2018 ₹ in Lakhs</b>
<b>Unsecured</b>		
(i) Debts outstanding for a period exceeding 12 months from the date it becomes due		
a) Considered good	51.92	109.29
b) Considered doubtful	419.70	419.70
	<b>471.62</b>	<b>528.99</b>
(ii) Other debts considered good	-	-
	<b>471.62</b>	<b>528.99</b>
Less : Provision for doubtful debts	419.70	419.70
	<b>51.92</b>	<b>109.29</b>

- (i) Legal proceedings are in progress for recovery of outstanding in case of 35 parties, the amount involved, as on 31-3-2019 is ₹ 406.69 Lakhs (Previous year i.e. FY 2017-18 35 parties amounting to ₹ 406.69 lakhs) against which provision has been made. The company has also initiated legal proceeding against FWL for recovery of royalty dues and protection of SIL rights in Lambretta Trademark and expenditure of ₹ 39.78 lakhs (previous year i.e. FY 2017-18 is ₹ 39.78 lakhs) has been incurred during the year under report.

**NOTE NO. 5****NON-Current Financial Assets - Others**

	<b>ASAT 31.03.2019 ₹ in Lakhs</b>	<b>ASAT 31.03.2018 ₹ in Lakhs</b>
Security Deposits	85.16	85.16
Less: Provision for doubtful adv/recv.	4.07	4.07
	<b>81.09</b>	<b>81.09</b>
Other Loans & Advances	80.98	81.74
	<b>162.07</b>	<b>162.83</b>

**NOTE NO. 6**  
 Defferred Tax Assets

	AS AT 31.03.2019 ₹ in Lakhs	AS AT 31.03.2018 ₹ in Lakhs
<b>(A) Deferred tax liability</b> On account of timing difference with regard to depreciation.	216.20	178.19
<b>Total A</b>	<b>216.20</b>	<b>178.19</b>
<b>(B) Deferred tax Assets</b> On account of timing difference with regard to disallowance of provision in Income Tax.	221.43	183.62
On account of timing difference with regard to unabsorbed depreciation, scientific research expenditure and carry forward losses	640.70	2,322.01
<b>Total B</b>	<b>862.12</b>	<b>2,505.63</b>
<b>Deferred Tax Assets (B-A)</b>	<b>645.92</b>	<b>2,327.44</b>

In consideration of prudence, the above deferred tax assets aggregating to ₹ 645.92 lakhs (FY 2017-18 is ₹ 2327.44 lakhs) has not been recognized by the Company in the financial statements in the current year, since it is not virtually certain whether the Company will have sufficient taxable income in near future against which such deferred tax assets can be realized. The same would be considered at appropriate time keeping in view the availability of sufficient future taxable income against which Deferred Tax Assets can be realized.

**NOTE NO. 7**  
**Other Non Current Assets**

	ASAT 31.03.2019 ₹ in Lakhs	ASAT 31.03.2018 ₹ in Lakhs
<b>Capital Advances</b>	-	-
Advance other than capital advances		
1 Unsecured considered good :		
a) Security Deposits	-	-
b) Others	18.71	18.71
2 Unsecured Considered doubtful	-	-
	<b>18.71</b>	<b>18.71</b>
Less : Provision for doubtful advances	-	-
	<b>18.71</b>	<b>18.71</b>



**NOTE NO. 8**  
**Inventories**

	<b>AS AT</b> <b>31.03.2019</b> ₹ in Lakhs	<b>AS AT</b> <b>31.03.2018</b> ₹ in Lakhs
Raw Materials and Components*	1,399.81	1,436.97
Stores and Spares	237.32	241.17
Loose Tools and Consumables*	509.45	460.90
Work-in-progress @	1,183.90	884.87
Finished goods @	1,914.75	1,601.95
Material-in-transit	-	0.48
Material under Inspection	12.33	-
Disposal Stores	202.40	207.66
Other Stocks #	7.62	7.94
	<b>5,467.58</b>	<b>4,841.94</b>
Less : Provision for Inventory Obsolescence	139.63	139.57
: Provision for material lying with sub Contractor doubtful of recovery	26.30	26.30
	<b>5,301.65</b>	<b>4,676.07</b>

\*Raw - materials, loose tools and consumables lying with sub - contractors amount to ₹ 29.59 lakhs (Previous year i.e. FY 2017-18 is ₹ 31.13 lakhs). The Company held no security in respect of material lying with third parties/contractors to the tune of ₹ 29.59 lakhs (Previous year i.e. FY 2017-18 is ₹ 31.13 lakhs).

#Other Stocks includes Petrol Pump of ₹ 0.14 lakhs (Previous Year i.e. FY 2017-18 is ₹ 0.14 lakhs)

a. Provision available for material lying with Sub-Contractor doubtful of recovery is ₹ 26.30 lakhs (FY 2017-18 is ₹ 26.30).

**NOTE NO. 9**  
**Trade Receivables**

	<b>ASAT</b> <b>31.03.2019</b> ` in Lakhs	<b>ASAT</b> <b>31.03.2018</b> ` in Lakhs
<b>Unsecured</b>		
(i) Debts outstanding for a period less than 12 months from the date it becomes due		
a) Considered good	63.52	-
b) Considered doubtful	-	-
	<b>63.52</b>	-
(ii) Other debts considered good	-	-
	<b>63.52</b>	-
Less : Provision for doubtful debts	-	-
	<b>63.52</b>	-

**NOTE NO. 10**  
**Cash and Bank Balances**

	<b>AS AT 31.03.2019 ₹ in Lakhs</b>	<b>AS AT 31.03.2018 ₹ in Lakhs</b>
<b>Cash and Cash Equivalents :</b>		
Cash in hand #	0.77	1.24
Cheques in hand	-	-
Balance with Banks		
Current accounts	278.48	306.74
Deposit with Bank with original maturity of less than 3 months* for other commitments	2.33	902.68
	<b>281.58</b>	<b>1,210.66</b>
<b>Other Bank Balances</b>		
Fixed deposits with banks	119.53	822.44
Deposit with Bank with original maturity of more than 3 months but less than 12 months held for other commitments**	1,472.86	613.91
	<b>1,592.39</b>	<b>1,436.35</b>
	<b>1,873.97</b>	<b>2,647.01</b>

\* includes ₹ 1402.24 lakhs (previous year i.e. FY 2017-18 is ₹ 1500.79 lakhs) earmarked for Capital Expenditure.

\*\* includes ₹ 13.59 lakhs (previous year i.e. FY 2017-18 is ₹ 13.59 lakhs) has been frozen by Indian Overseas Bank in connection with order of court in one legal case.

**NOTE NO. 11**
**Current Financial Assets - Others**

	<b>AS AT 31.03.2019 ₹ in Lakhs</b>	<b>AS AT 31.03.2018 ₹ in Lakhs</b>
Other Loans & Advances	1.68	6.36
	<b>1.68</b>	<b>6.36</b>

**NOTE NO. 12**
**Other Current Assets**

	<b>AS AT 31.03.2019 ₹ in Lakhs</b>	<b>AS AT 31.03.2018 ₹ in Lakhs</b>
A. Advances other than capital advances		
1 Secured considered good	0.01	0.01
2 Unsecured considered good :		
a) Deposits	96.93	68.04
b) Others advances (comprising of Advance to LIC, Staff Advance and other advances to parties/vendors)	911.00	1,048.54
3 Unsecured Considered doubtful	122.32	122.32
	<b>1,130.26</b>	<b>1,238.91</b>
Less : Provision for doubtful advances	122.32	122.32
	<b>1,007.94</b>	<b>1,116.59</b>
B. Others- Interest accrued on Term Deposits	44.18	40.85
	<b>1,052.12</b>	<b>1,157.44</b>



**NOTE NO. 13**  
**Share Capital**

	AS AT 31.03.2019 ₹ in Lakhs	AS AT 31.03.2018 ₹ in Lakhs
<b>Authorised Capital</b> 25,00,00,000 Equity Shares (Previous Year 25,00,00,000) of ₹ 10 each.	<b>25,000.00</b>	<b>25,000.00</b>
<b>Issued Capital</b> 8,72,75,500 Equity Shares (Previous year 8,53,85,500) of ₹ 10 each	<b>8,727.55</b>	<b>8,538.55</b>
<b>Subscribed and Fully Paid up Capital</b> Balance as at the beginning of the period (8,72,72,255 Equity Shares* of ₹ 10 each)	8,727.23	8,538.23
Changes in equity share capital during the year	-	-
Balance as at the end of the period	8,727.23	8,538.23
Forfeited Shares	0.16	0.16
Advance against Share Capital	-	-
	<b>8,727.39</b>	<b>8,538.39</b>

\*Of the subscribed and paid up capital 9,05,000 shares (Previous year 9,05,000 shares) of ₹10 each allotted to the Government of India during 1972-73 & 1975-76 as fully paid pursuant to a contract without payment being received in cash.

a. The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period are as follows :

Particulars	As at 31.03.2019		As at 31.03.2018	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	85385500	8,538.55	85385500	8,538.55
Shares Issued during the year	1890000	189.00	-	-
Shares outstanding at the end of the year	87275500	8,727.55	85385500	8,538.55

31900000 shares at ₹ 10/- each has been issued during financial year 2013-14 under reference against receipt of ₹ 3190.00 lakhs for CAPEX in terms of Revival package sanctioned by Cabinet Committee of Government of India.

1890000 shares at ₹ 10/- each has been issued during F.Y. 2018-19 under reference of account freezing of interest on the Non-Plan loan of ₹ 1.89 crore released to SIL during FY 2013-14 from the date of its release to company.

b. Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held are as follows:

Name of Shareholder	As at 31.03.2019		As at 31.03.2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Government of India	81,924,029	93.87	80,034,029	93.74

c. Terms/Rights attached to Equity Shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

**NOTE NO. 14**
**Other Equity**

	AS AT 31.03.2019 ₹ in Lakhs	AS AT 31.03.2018 ₹ in Lakhs
<b>Capital Reserve*</b>		
Balance at the beginning of the reporting period	4.90	4.90
Changes in the accounting policy or prior period error	-	-
Less: Adjustment as per IND AS	-	-
	4.90	4.90
Add: Net Profit/(Loss) During The Year	-	-
Add: Other Comprehensive income	-	-
<b>Balance at the end of the reporting period</b>	<b>4.90</b>	<b>4.90</b>
<b>Retained Earnings</b>		
Balance at the beginning of the reporting period	(1,573.49)	296.62
Changes in the accounting policy or prior period error	-	-
Less: Prior Year Expense**	(44.50)	-
Less: Adjustment as per IND AS	-	-
	(1,617.99)	296.62
Add: Net Profit/(Loss) During The Year	(463.26)	(1,862.22)
Add: Other Comprehensive income	(46.10)	(7.89)
<b>Balance at the end of the reporting period</b>	<b>(2,127.35)</b>	<b>(1,573.49)</b>

\*Share forfeiture adjustment during 1980-81 was ₹ 4.90 lakhs

\*\*Prior year adjustment is on account of Research & Development expenses pertaining to the FY 2017-18.

**NOTE NO. 15**
**Non-Current Borrowings**

	AS AT 31.03.2019 ₹ in Lakhs	AS AT 31.03.2018 ₹ in Lakhs
Unsecured Loan from Related Party		
Loans from Government of India*	1,200.00	989.00
	<b>1,200.00</b>	<b>989.00</b>

\* Refer Note No. 48



**NOTE NO. 16**  
**Non-Current Provisions**

	AS AT 31.03.2019 ₹ in Lakhs	AS AT 31.03.2018 ₹ in Lakhs
<b>Provision for Retirement Benefits</b>		
Gratuity	-	-
Leave Encashments	191.12	207.02
	<b>191.12</b>	<b>207.02</b>

- a. Liability for Gratuity & Leave Encashment has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in Ind AS-19 the details of which are given in Note No. 41

**NOTE NO. 17**  
**Other Non Current Liabilities**

	AS AT 31.03.2019 ₹ in Lakhs	AS AT 31.03.2018 ₹ in Lakhs
Advances from Customers	1.90	1.90
Security Deposits	294.58	230.92
Lease Obligation	5.00	4.99
	<b>301.48</b>	<b>237.81</b>
<b>Related Party</b>		
Refund of TDS on Interest payable to Government of India	-	-
	<b>301.48</b>	<b>237.81</b>

In absence of information from all the vendors with regard to their registration (filing of memorandum) under The Micro, Small Medium Enterprises Development Act, 2006, the information is NIL.

**NOTE NO. 18**  
**Current Borrowings**

	AS AT 31.03.2019 ₹ in Lakhs	AS AT 31.03.2018 ₹ in Lakhs
<b>Secured</b>		
<b>Loans and advances from Banks</b>		
State Bank of India	-	-
Indian Overseas Bank	-	-
Allahabad Bank	-	-
	-	-

**NOTE NO. 19**  
**Trade & Other Payables**

	<b>AS AT 31.03.2019 ₹ in Lakhs</b>	<b>AS AT 31.03.2018 ₹ in Lakhs</b>
Acceptances	-	-
Other Trade Payable		
MSME	-	1.00
Other Payables* (comprising of Sundry Creditors (General, Ancilliary and Others))	1,154.71	888.10
	<b>1,154.71</b>	<b>889.10</b>
	<b>1,154.71</b>	<b>889.10</b>

\*In absence of information from other vendors with regard to their registration (filing of memorandum) under The Micro, Small Medium Enterprises Development Act, 2006, the information is NIL.

**NOTE NO. 20**
**Other Financial Liabilities**

	<b>AS AT 31.03.2019 ₹ in Lakhs</b>	<b>AS AT 31.03.2018 ₹ in Lakhs</b>
Related Party		
Current Maturities of Long Term Loan from GOI*	400.00	800.00
	<b>400.00</b>	<b>800.00</b>

\* Refer Note No. 48

**NOTE NO. 21**
**Other Current Liabilities**

	<b>AS AT 31.03.2019 ₹ in Lakhs</b>	<b>AS AT 31.03.2018 ₹ in Lakhs</b>
Advances and Deposits @	166.13	116.35
Interest accrued but not due	-	-
Interest Accrued & Due on GOI Loans	-	-
Unspent Balance against Workmen Housing Colony*	42.32	42.23
Other Liabilities and Payables** (comprising of Salary & Wages, Liability for Expenses and Grants)	538.40	667.49
	<b>746.85</b>	<b>826.07</b>

@ Include ₹ 1.25 lakhs ( Previous year ₹ 1.26 lakhs) on account of advance deposited by workmen for allotment of House in Workmen's Colony.





	(₹ In Lakhs)	(₹ In Lakhs)
<b>* Refer Note No. 33 (v). The details are as follows:</b>	<b>2018-19</b>	<b>2017-18</b>
Amount recovered so far from workmen	148.36	148.27
Less : Expenditure on Workmen's Housing Colony	106.04	106.04
	<b>42.32</b>	<b>42.23</b>

\*\* Includes Payable to Workmen Housing Colony ₹ 3.99 lakhs (Previous Year ₹ 3.98 lakhs).

#### NOTE NO. 22

##### Current Provision

	AS AT 31.03.2019 ₹ in Lakhs	AS AT 31.03.2018 ₹ in Lakhs
<b>Provision for Retirement Benefits :</b>		
Gratuity	-	-
Leave Encashments	69.19	122.99
	<b>69.19</b>	<b>122.99</b>
<b>Provision for Others :</b>		
Warranty	6.10	6.30
Income Tax	54.88	54.88
	<b>130.17</b>	<b>184.17</b>

- Liability for Gratuity & Leave Encashment has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in Ind AS-19 the details of which are given in Note No. 41
- The details of provision for warranty are given below:

	(₹ In Lakhs)	
<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Opening Balance	6.30	17.60
Add: Provision for the year (net) including additional/ less provision for earlier years	3.42	0.79
Total	9.72	18.39
Less: Payment/Debits	3.62	12.09
<b>Closing Balance</b>	<b>6.10</b>	<b>6.30</b>

**NOTE NO. 23**  
**Revenue From Operation**

	Year Ended 31.03.2019 ₹ in Lakhs	Year Ended 31.03.2018 ₹ in Lakhs
<b>Sale of Product</b>		
Three-Wheeler	6,196.53	4,870.20
Spare-parts	185.67	157.12
Petrol, Diesel, Lubricants etc.*	-	-
	<b>6,382.20</b>	<b>5,027.32</b>
<b>Other Operating Revenue</b>		
Miscellaneous Items & Scrap	3.00	27.95
	<b>3.00</b>	<b>27.95</b>
	<b>6,385.20</b>	<b>5,055.27</b>

\* Includes 10,779.30 ltrs. of petrol, diesel, oil etc. value ₹ 6.32 lakhs ( Previous year 10,779.30 ltrs. Value ₹ 6.32 lakhs) consumed for internal use till 8th November 2016. The company owned petrol pump (HPCL) has been temporarily leased for operations to HPCL w.e.f. 8th November 2016. However formal agreement has not been registered and is subject to approval and finalisation. Further since the rental or other income is indeterminable for want of formal agreement, the same is not recognised in profit & loss accounts.

**NOTE NO. 24**  
**Other Income**

	Year Ended 31.03.2019 ₹ in Lakhs	Year Ended 31.03.2018 ₹ in Lakhs
<b>Miscellaneous Receipts</b>		
Sale of :		
a) Empties	1.41	0.75
Interest on :		
a) Vehicle advance to employees		
a) Advance to Suppliers/Dealers		
a) Term deposits	153.94	162.32
b) Others	6.56	7.04
Royalty	-	-
Profit on sale of fixed assets	-	-
Gain in exchange rate	-	-
Excess Provision written back	3.67	404.82
Other receipts (comprising of rent received, petrol pump recovery, etc.)	48.94	80.81
<b>TOTAL</b>	<b>214.52</b>	<b>655.74</b>



**NOTE NO. 25**  
**Consumption of Materials**

	Year Ended 31.03.2019 ₹ in Lakhs	Year Ended 31.03.2018 ₹ in Lakhs
<b>(I) Consumption of Materials :</b>		
a) Raw Materials and Components		
Opening Stock	1,436.97	1,453.55
Add : Purchases	4,509.44	2,565.88
	<b>5,946.40</b>	<b>4,019.43</b>
b) Less :		
i) Closing Stock	1,399.81	1,436.97
ii) Shortages in inventory written off	-	-
	<b>1,399.81</b>	<b>1,436.97</b>
<b>c) Consumption of Materials ( a - b )</b>	<b>4,546.59</b>	<b>2,582.46</b>
<b>(II) Petrol Pump</b>		
a) Opening Stock	0.14	0.14
Add : Purchases	-	-
	<b>0.14</b>	<b>0.14</b>
b) Less : i) Closing Stock	0.14	0.14
ii) Shortages written off	-	-
	<b>0.14</b>	<b>0.14</b>
<b>c) Cost of sales at Petrol Pump ( a - b )</b>	<b>-</b>	<b>-</b>

- a. The consumption of material is derived as a balancing figure by adding opening inventory with purchases during the year and deducting closing inventory.

**NOTE NO. 26**  
**Change in Inventories of Finished Goods, Work in Progress, Disposal Stores**

	Year Ended 31.03.2019 ₹ in Lakhs	Year Ended 31.03.2018 ₹ in Lakhs
<b>Opening Stock</b>		
Finished Goods	1,601.95	3,449.73
Work-in-progress	884.86	875.40
Disposal Stores	207.66	297.21
	<b>A</b>	<b>4,622.34</b>
<b>Closing Stock</b>		
Finished Goods	1,914.75	1,601.95
Work-in-progress	1,183.89	884.86
Disposal Stores	202.39	207.66
	<b>B</b>	<b>2,694.47</b>
<b>Accretion/(Decretion)</b>	<b>(B-A)</b>	<b>(1,927.87)</b>

**NOTE NO. 27**  
**Employees' Benefit Expenses**

	Year Ended 31.03.2019 ₹ in Lakhs	Year Ended 31.03.2018 ₹ in Lakhs
Salaries , Wages and Bonus*	1,660.21	1,750.00
Contribution to Provident and Other Funds	246.29	258.42
Staff Welfare Expenses	323.55	311.50
<b>Total</b>	<b>2,230.05</b>	<b>2,319.92</b>

\*Includes stipend paid to the trainees/apprentices for the FY 2018-19 is ₹ 71.36 lakhs (FY 2017-18 is ₹ 25.24 lakhs).  
 Note: Refer Note No. 43 regarding interim relief & revision of pay.

**NOTE NO. 28**  
**Finance Cost**

	Year Ended 31.03.2019 ₹ in Lakhs	Year Ended 31.03.2018 ₹ in Lakhs
<b>Interest on Loans and advances from :</b>		
Government of India	-	-
Banks	-	59.17
Others	-	-
	-	<b>59.17</b>

**NOTE NO. 29****Other expenses of Manufacturing, Administration and Selling & Distribution**

	<b>Year Ended 31.03.2019 ₹ in Lakhs</b>	<b>Year Ended 31.03.2018 ₹ in Lakhs</b>
Consumption of stores, Spares and Tools	51.62	8.78
Power & fuel	276.06	201.98
Rent	16.17	27.06
Repairs:a) Building	10.63	8.03
b) Plant & Machinery	9.96	12.88
c) Others	35.25	21.46
Fabrication Charges	-	-
Insurance	4.56	4.25
Rates and Taxes	17.69	17.23
Miscellaneous Expenses	23.24	16.51
Research and Development	119.03	19.54
Excise Duty with Cess	-	2.23
Postage, Telegram and Telephone	10.30	8.07
Directors' Sitting Fees	-	-
Travelling Expenses	29.20	23.80
Printing and Stationery	8.36	6.10
Board Meeting Expenses	-	0.47
Legal Expenses	8.83	46.84
Consultancy Charges	12.78	23.49
Vehicle Running and Maintenance	2.47	4.99
Bank Charges	0.74	3.93
Demands and Interest on Taxes	2.44	0.01
Advertisement & Sales Promotion Expenses	16.19	12.98
Freight & Packing Expenses	14.81	8.64
Service Expenses (Free Coupon/After Sales Service)	29.21	3.43
Cash Discount & Incentives	-	-
Entry Tax	-	0.27
Loss in Exchange Rate due to Fluctuation	-	-
Bad and Doubtful Debts, Advances and others written off	-	-
Deferred Revenue Expenditure Written Off	-	-
Provision for doubtful debts/advances	-	12.53
Provision for Inventory obsolescence	0.06	3.83
Loss in Value of Investment	-	-
<b>Total</b>	<b>699.60</b>	<b>499.33</b>

**NOTE NO. 30**  
**Depreciation**

	Year Ended 31.03.2019 ₹ in Lakhs	Year Ended 31.03.2018 ₹ in Lakhs
Depreciation	193.30	175.16
	<b>193.30</b>	<b>175.16</b>

**NOTE NO. 31**  
**Tax Expenses**

	Year Ended 31.03.2019 ₹ in Lakhs	Year Ended 31.03.2018 ₹ in Lakhs
Income Tax current Year	-	-
Income Tax pertaining to Earlier Years	-	-
	-	-

**NOTE NO. 32**  
**Earning Per Share (EPS)**

	Year Ended 31.03.2019 ₹ in Lakhs	Year Ended 31.03.2018 ₹ in Lakhs
Profit as per Profit & Loss Account (₹ in lakhs)	(509.36)	(1,870.11)
Average number of Equity Shares (Face value ₹ 10 each)	87272255	85382255
<b>Basic &amp; Diluted Earning per share (in ₹)</b>	<b>(0.58)</b>	<b>(2.19)</b>



**Note No.- 33**  
**Contingent Liabilities & Commitments**

	As at 31.3.2019 ₹ In Lakhs	As at 31.3.2018 ₹ In Lakhs
Company is contingently liable for		
(i) Claims against the Company not acknowledged as debts.		
(a) Consumer Forum Cases (Refer Point No.A)	Indeterminate	Indeterminate
(b) Cases of Private Parties.	103.51 excluding interest wherever applicable	260.83 excluding interest wherever applicable
(c) In connection with guarantee/ Indemnity given by SIL to OBC (Refer Point No B.)	30.00 + Interest thereon	30.00 + Interest thereon
(d) SIL vs ESIC (Refr Point No. C).	27.34	27.34
(e) Punjab National Bank vs SIL (Refer Point No. D).	213.00	213.00
(f) SIL Vs The Micro and Small Enterprise Facilitation Council & Others	11.07 excluding Compound interest thereon	NIL
(g) Demand Notices raised by Central Excise and Service Tax Authorities.	34.53 Plus Interest	19.83 Plus Interest
(h) Demand Notices raised by Income Tax Authorities of previous years for which appeals are pending before the competent authorities. However based upon appeals filed by the company seeking relief, the Hon' ble High Court of Judicature, Allahabad (Lucknow Bench) has decided appeals for Assessment year 2002-03 to 2009-10 wherein substantial reliefs have been given. Consequently the demands are likely to nullify after appellate order.	Indeterminate 1508.71	Indeterminate 2258.77
(ii) Unfavorable Arbitration award in the matter between Ordnance Factory Board and the Company. (Refer Point No. E)	23.85+Interest thereon	23.85+Interest thereon
(iii) Counter claim of M/s UPSICL (Refer Point No. F)	9.27 Plus Interest Indeterminate	9.27 Plus Interest Indeterminate
(iv) Employees' Cases pending before various Court		
(a) In Labour Court	46 Nos. & Amount Indeterminate	46 Nos. & Amount Indeterminate
(b) In Others	38 Nos. & Amount Indeterminate	38 Nos. & Amount Indeterminate
(v) The Workmen Housing Colony (Refer Point No. G)	2412.00	2412.00

**Point No. A**

The amount involved in 9 cases of consumers is estimated at ₹ 10 lakhs (previous years i.e. FY 2017-18 amount involved in 9 cases of consumers is estimated at ₹ 10 lakhs) & remaining 64 cases of Consumer is Indeterminate (previous year i.e. FY 2017-18 amount of 64 cases was indeterminate). An amount of ₹ 1.37 lakhs (previous year i.e. FY 2017-18 is ₹ 1.37 lakhs) has been deposited against 5 cases with relevant authorities under protest.

**Point No. B**

Scooters India Limited filed a writ petition in case of SIL Vs Oriental Bank of Commerce (OBC) before the High Court, Lucknow Bench in 2011 against the order passed by the Debt Recovery Appellate tribunal as the Committee of Disputes was dissolved by the Hon'ble Supreme Court order resulted in pending of the approval for approaching Court.

**Point No. C**

Employee State Insurance Corporation (ESIC) demanded ESI contribution of the employees from SIL in contravention of the judgment and order dated 22.06.2005 passed in SIL vs BIFR & Others and Appeal No. 304 of 2002 by tribunal AAIFR. The case is pending before High Court, Lucknow Bench. The company has not recognized liability of ₹ 27.34 lakhs (previous year i.e. FY 2017-18 is ₹ 27.34 lakhs) in the books of accounts and it is shown as contingent liability.

**Point No. D**

Punjab National Bank filed a case against SIL for the recovery against indemnity provided by SIL for loan availed by UP Tyres and Tubes. The case is pending before DRT Lucknow. The company has not recognized liability of ₹ 213 lakhs (previous year i.e. FY 2017-18 is ₹ 213 lakhs) in the books of accounts and it is shown as contingent liability.

**Point No. E**

In the matter of arbitration case between Ordnance Factory Board and the Company, a representation was made in 2011 to the Ministry for reviewing the order passed by the Law Secretary being arbitrary. The representation is still pending. Since the Law Secretary has not considered the issue on the merit as pointed out by the Committee on Disputes and, therefore, pending further action, the company has not recognized liability of ₹ 23.85 lakhs plus interest thereon (previous year i.e. FY 2017-18 is ₹ 23.85 lakhs plus interest thereon) in the books of accounts and it is shown as contingent liability.

**Point No. F**

UPSICL and Scooters India Limited jointly sponsored a scheme for the development of Ancillary Estate in the Amausi Industrial Area, Lucknow. SIL had claimed an amount of ₹ 43.05 lakhs spent on behalf of UPSICL towards such Ancillary Estate, whereas UPSICL has made a counter claim of ₹ 9.27 lakhs plus interest. Pending resolution of the issue the matter went into arbitration in the year 1985, the outcome of which is still awaited and pending clarity on the matter, the company has not recognized counter claim as liability.

**Point No. G**

The Company is in physical possession of the land measuring 41 bigha, 3 biswa and 18 biswansi acquired for Workmen's Housing colony under "Own Your House Scheme". The compensation determined by the Land Acquisition Officer of U.P Government amounting to ₹ 2.29 lakhs was paid by the Company. However, subsequently, some land owners entered into litigation for higher compensation before Nagar Mahapalika Tribunal against the State





Government. The U.P State Government has filed an appeal before the Hon'ble High Court challenging the order of the Tribunal and final decision is still awaited. The Company has also been impleaded as a party to the said appeal. The additional liability on the part of the Company, if any, is not ascertainable.

As regards ceiling land measuring 24 bigha, 13 biswa and 16 biswansi, which is in physical possession of the Company, the Govt. of U.P. issued an order dated 3<sup>rd</sup> August, 2000 giving above land to the Company for the purpose of Workmen Housing colony under "Own Your House Scheme" on lease for 90 years in consideration @ ₹ 4000 per bigha, amounting to ₹ 4.55 lakhs including premium. Payment was made but returned subsequently by U.P Government. Thereafter, U.P Government revised their earlier order vide their letter No. 919 (1) 1-12/2003-9151/87-92 dated 8.5.2003 demanding market price of ₹ 2412 lakhs, which was contested by the Company. A recovery notice for ₹ 2412 lakhs in addition to collection charges was issued by Tehsildar, Lucknow.

Aggrieved by the recovery notice, Company filed writ petition in Hon'ble High Court. The Court stayed recovery notice and ordered the Company to pay a sum of ₹ 4.55 lakhs to District Magistrate, Lucknow. It has been complied with. Final decision of the Court is awaited.

As regards another Forest land for Workmen Housing colony under "Own Your House Scheme" measuring 4 bighas and 13 biswa, which is in physical possession for 90 years lease, the execution of conveyance deed with the State Government is pending due to delay in completion of procedural formalities.

The land held for Workmen Housing colony under "Own Your House Scheme" shall be transferred to workmen after complying with legal and other procedural formalities. Accordingly, the same has not been included in our Fixed Assets Schedule.

**Note No. - 34**

	<b>As at 31.03.2019 ₹ In Lakhs</b>	<b>As at 31.03.2018 ₹ In Lakhs</b>
Estimated amount of contracts (net of advances) remaining to be executed on Capital Accounts and not provided for.	NIL	NIL

**Note No. - 35**

Sales-tax assessment both under UPVAT and CST has been completed up to the Financial year 2014-15. The Income-tax assessment has been completed up to assessment year 2014-15 (financial year ended on March 31, 2014).

**Note No. - 36**

The balances in the debtors/creditors accounts, claims recoverable, loans and advances, assets/materials with third parties are subject to adjustments and confirmation, if any, on reconciliation for most of the above balances. Details/confirmation of various deposits relating to Electricity, Customs-duty, Port Trust, Octroi, Sales-tax, Landlord and certain parties are not available/obtained.

**Note No. - 37**

The Company which was in physical possession of property at 64-65, Najafgarh Road, New Delhi where Regional Office, North Region was located has been handed over to H.V.O.C. Ltd. On 31<sup>st</sup> August 2017 as per directive issued by Ministry of Department of Heavy Industry vide their letter No. 3(15)/2008 – PE VI dated 11.05.2017.

**Note No. - 38**

The Company is principally engaged in the business of manufacturing and sale of motor vehicles and spare-parts (Automobile). Accordingly, there are no other reportable segments as per Ind AS-108 on Operating Segments.

**Note No. - 39**

As per guidelines issued under Ind AS-36 “Impairment of Assets”, the company has assessed and found that no indication of impairment exists in relation to assets as on 31-03-2019

**Note No. - 40**

Related party disclosure as required by Ind AS-24

**(a) List of related parties during the financial year 2018-19 (Till 31.03.2019)**
**I. Government of India**
**II. Whole-Time Directors**

Shri Renati Sreenivasulu, Chairman & Managing Director (From 06<sup>th</sup> October 2016)

Shri S. Sakthimani, Director Finance (Additional Charge) – (From 04<sup>th</sup> June 2018)

**Part-Time Directors**

Shri S.K. Singh, Director (From 15<sup>th</sup> January 2018)

Smt. Parveen Gupta, Director (From 15<sup>th</sup> January 2018 to 13.11.2018)

Smt. Ritu Pande, Director (From 13<sup>th</sup> November 2018)

**(b) Transaction with related parties**

(₹ In Lakhs)

Sl.No	Nature of Transaction	Persons having control over the Company	Remuneration
1.	Remuneration to Directors	-	26.64
2.	<b>Total</b>	-	<b>26.64</b>

**Note No. - 41**

Liability for Gratuity & Leave Encashment has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in Indian AS 19 the details of which are given as under:



(₹ in Lakhs)

Amount To be Recognized in Balance Sheet	Gratuity (Funded) As at 31.03.19	Leave Encashment (Unfunded) As at 31.03.19	Gratuity (Funded) As at 31.03.18	Leave Encashment (Unfunded) As at 31.03.18
Present Value of Funded Obligation	553.82	260.31	814.24	330.00
Fair Value of Plan Assets	(967.15)	0.00	(1258.80)	0.00
Net Liability	(413.33)	260.31	(444.56)	330.00
<b>Amounts in Balance sheet</b>				
Liability	(413.33)	260.31	(444.56)	330.00
Assets	-	-	-	-
Net Liability	(413.33)	260.31	(444.56)	330.00
<b>Expenses to be Recognized in the statement of Profit &amp; Loss</b>				
Current Service cost	26.74	19.01	60.56	22.70
Interest on Defined Benefit Obligation	61.88	25.08	82.54	30.38
Expected Return on Plan Assets	(95.67)	0.00	(114.70)	0.00
Net Actuarial Losses/(Gains)	39.50	46.10	(5.25)	7.89
Recognised in Year				
Total Included in "Employees' Emoluments"	32.45	90.19	23.16	60.98
Actual Return on Plan Assets	79.54	0.00	108.90	0.00
<b>Reconciliation of Benefit Obligations &amp; Plan Assets For the Period Change in Defined Benefit Obligation Opening Defined Benefit Obligation</b>				
Benefit Obligation	814.24	330.00	1199.72	441.65
Current Service Cost	26.74	19.01	60.56	22.70
Interest Cost	61.88	25.08	82.54	30.38
Actuarial Losses / (Gain)	23.37	46.10	(11.04)	7.89
Benefits Paid	(372.41)	(159.88)	(517.55)	(172.63)
<b>Closing Defined Benefit Obligation</b>	<b>553.82</b>	<b>260.31</b>	<b>814.23</b>	<b>330.00</b>
<b>Change in Fair Value of Assets</b>				
<b>Opening Fair Value of Plan Assets</b>	<b>1258.80</b>	<b>0.00</b>	<b>1667.16</b>	<b>0.00</b>
Expected Return on Plan Assets	95.67	0.00	114.70	0.00
Actuarial Gain / (Losses)	(16.12)	0.00	(5.79)	0.00
Contributions by Employer	1.21	159.88	0.28	172.63
Benefits Paid	(372.41)	(159.88)	(517.55)	(172.63)
<b>Closing Fair Value of Plan Assets</b>	<b>967.15</b>	<b>0.00</b>	<b>1258.80</b>	<b>0.00</b>

(₹ in Lakhs)

Summary of the Actuarial Assumptions	Gratuity (Funded) As at 31.03.19	Leave Encashment (Unfunded) As at 31.03.18	Gratuity (Funded) As at 31.03.18	Leave Encashment (Unfunded) As at 31.03.19
Discount Rate	7.49%	7.49%	7.60%	7.60%
Rate of Return on Assets				
- Quarter ending 30.06.2018	7.29%	NA		
- Quarter ending 30.09.2018	7.36%	NA	7.65%	NA
- Quarter ending 31.12.2018	7.46%	NA		
- Quarter ending 31.03.2019	7.59%	NA		
Salary Escalation Rate - Senior Staff	6.5%	6.5%	6.5%	6.5%
- Junior Staff	6.5%	6.5%	6.5%	6.5%

\*Payment done by Scooters India Limited to Retiring Employees.

The salary escalation assumption rate of 6.50% has been taken based on interest rate, inflation, projected salary hike, etc.

The Board of Directors, in their 230<sup>th</sup> meeting held on 12.06.2014 inter-alia decided & approved to discontinue the funding of Leave Encashment & to utilize the funds received from LIC in respect of Leave Encashment fund for Company's operations. Accordingly the company meets the retirement benefits of Leave Encashment from own resources.

**Note No. - 42**

The Company was declared sick under section 3(1)(o) of the SICA, by BIFR in its meeting held on February 18, 2010, consequent to the reference made by the Company, due to erosion of its net worth as on March 31, 2009. The Cabinet committee, GOI approved the revival package of ₹ 20,196 lakhs, which inter-alia includes the infusion of fresh funds, conversion of plan & non plan loans in to equity & waiver of interest. The Draft Rehabilitation Scheme (DRS) was under preparation by Operating Agency (SBI) and was to be submitted in due course before BIFR for sanction. However Pending finalization of DRS & sanction by the Hon'ble BIFR, the Miscellaneous application filed by the Company for early implementation of revival package was approved by BIFR in its hearing dated June 19, 2013, in terms of section 18 and 32A of SICA, which inter-alia envisaged Increase in Authorised Share Capital from ₹ 7500 lakhs to ₹ 25000 lakhs, Conversion of Plan & Non Plan Loans of ₹ 8521.12 lakhs in to Equity, Issue & allotment of Equity shares against share application money pending allotment of ₹ 1049 lakhs, Reduction of Equity Share Capital against Accumulated losses by ₹ 8521.12 lakhs, write off of Interest accrued & due and Interest accrued but not due on Plan & Non Plan Loan of ₹ 2637.60 lakhs against accumulated losses & as also for Income Tax, if any required under section 115JB of the Income Tax Act, 1961 regarding Minimum Alternate Tax for the book profit. The matter of repayment of principal & interest on non-plan loan sanctioned during financial year 2012-13 of ₹ 189 Lakhs, which has been followed up with Department of Heavy Industry since the year 2013-14, has been



approved and Ministry of Heavy Industry and Public Enterprises vide its letter No. F3-33/2009 PE-VI(Vol-IV) dated 5th June 2018 communicated the freezing of the interest on the Non Plan Loan of ₹ 1.89 crore and conversion into Equity of the Outstanding Principal amount of ₹ 1.89 Crore.

On 15th September 2015, Hon'ble bench of BIFR, New Delhi has discharged the Company from BIFR on submission made by Operating Agency (State Bank of India) to the effect that Net-worth of the Company as on 31st March, 2014 has turned positive. The BIFR discharged the company from purview of SICA with inter-alia the following directions:

- a. The Company M/s Scooters India Limited ceases to be a sick industrial company, within the meaning of section 3(1)(o) of the SICA as its net worth has turned positive. It is therefore, discharged from the purview of SICA/BIFR.
- b. The Board discharges SBI from the responsibility of OA to the board.
- c. All secured creditors, statutory authorities are at a liberty to recover their dues, if any, according to law.

As per legal opinion obtained by the company, notwithstanding the order of BIFR discharging the company from its purview, the relief and concessions as sanctioned in the miscellaneous application no. 316/2013 would continue to be valid and operative.

**Note No. - 43**

The Board in its 224th meeting held on May 28, 2013 approved the implementation of negotiated pay scale (2002) of workmen. Accordingly the Company provided in financial year 2013-14 for total recoverable amount which was estimated around ₹ 125.83 lakhs and total payable amount which was estimated around ₹ 42.25 lakhs. Against the said amount, around ₹ 1.87 lakhs, ₹ 16.28 lakhs, ₹ 12.82 lakhs, ₹ 8.26 lakhs and ₹ 5.53 lakhs have been recovered in financial year 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19 respectively and ₹ 1.11 lakhs has been paid during the financial year 2017-18 to 2018-19.

Regarding revision of Officers w.e.f. 01.01.2007, the proposal of implementation of revision with cutoff date 01.04.2013 for all officers on the rolls of the Company on 01.04.2013, has been forwarded to the Ministry for consideration. Regarding revision of workmen w.e.f. 01.01.2007 for all workmen on the rolls of the Company on 01.04.2013, the consent for implementation of wage revision with a cutoff date 01.04.2013 had been sought from workmen of the Company. The revision (2007) of Officers is still awaiting approval of Government of India.

Pending finalization of wage revision of workmen and resolution of cases filed by unions including Staff & Officers Associations before the Central Government Industrial Tribunal, Lucknow vide Case No. 36/2012, the revision for workmen, staff & officers could not be concluded.

Interim relief is being paid to all employees w.e.f. January 2015.

The above Interim Relief is being paid against the final adjustment, if any, from increase in the salary/wages/arrear on accounts of pay/wage revision 2007. During the financial year 2018-19 ₹ 104.73 lakhs (previous years i.e. FY 2017-18 is ₹ 162.62 lakhs, FY 2016-17 is ₹ 254.29 lakhs, FY 2015-16 is ₹ 333.68 lakhs, FY 2014-15 is ₹ 99.70 lakhs) has been paid on account of Interim Relief.

The interim relief being paid w.e.f. 01.01.2015 is recognized as expenditure in the Profit & Loss Account. Pending approval of revision proposal for officers, staff & workmen from Government of India, the arrears, if any, had not been considered.

**Note No. - 44**

During the financial year 2013-14, the GOI released ₹ 3190.00 lakhs as equity for capital expenditure under the approval of revival package of SIL by Cabinet/BIFR.

The interest of ₹ 128.11 lakhs earned by way of Fixed Deposits on these funds was remitted to GOI in line with the then direction issued vide GOI Letter No.F.No. 3(15)/2013-PE-VI dated 31st March 2014.

The company however represented against the above & GOI have intimated vide letter F.No. 3(15)/2013-PE-VI dated 05<sup>th</sup> March 2015 that the amount has been released as equity investment in SIL, the question of payment of interest earned to Govt. of India does not arise. Interest already credited to GOI cannot be refunded now.

In view of this, SIL have adjusted the interest already credited to GOI against the installment payment of working capital plan loan of ₹ 2000 lakhs due on 23.07.2016 and remitted ₹ 271.89 lakhs (₹ 400 lakhs minus ₹128.11 lakhs)

The Company is in the process of filing necessary returns of allotment in respect of issue of share capital of ₹ 3190 lakhs to Government of India. The company is also in the process of filing necessary Return for increasing authorised Share capital from ₹ 75 Crores to ₹ 250 Crores. Pending the resolution of issue of increasing the authorized share capital, wherein exemption from filing fees has been sought in line with reliefs provided by BIFR, no liability in this regard has been recognized in the annual accounts.

**Note No. - 45**

Based on BIFR order dated 22.06.2013, the Board of SIL in their 225<sup>th</sup> meeting held on 12.07.2013 effected Reduction of Equity Share Capital of the company held by the Government of India by ₹ 8521.12 lakhs as on 31st March 2013 against Accumulated Losses, in line with business plan for revival of SIL, which was further ratified by the share holders of the Company in their 41<sup>st</sup> Annual general meeting held on 30<sup>th</sup> September, 2013.

**Note No. - 46**

In conformity with Ind AS-17, the Company's significant leasing arrangements are in respect of finance lease for premises (residential, office, stores, godowns etc.). These leasing arrangements are in the nature of cancellable lease which are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals of ₹ 16.17 lakhs (Previous year i.e FY 2017-18 is ₹ 27.06 lakhs) payable are charged as "Rent".

**Note No. - 47****FIRST-TIME ADOPTION OF IND AS**

These financial statements, for the year ended 31 March 2018, are the first financial statements, the Company has prepared in accordance with Ind AS. For periods upto and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative periods data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet is prepared as at 1st April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian



GAAP financial statements, including the balance sheet as at 1st April 2016 and the financial statements as at and for the year ended 31 March 2017.

**Exemptions applied**

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirement under Ind AS. The Company has applied the following exemption:

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in its Indian GAAP financial as deemed cost at the transition date.

The Company has not applied Ind AS 20 "Accounting for Govt. Grants and Disclosure of Govt. Assistance" retrospectively and has used its previous GAAP carrying amount of plan and non-plan loan received from Government of India at the date of transition to Ind AS as carrying amount on Govt. loan in the balance sheet as at 1st April 2016

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.





**Note No. 48  
Loans From Government of India**

₹ in Lakhs

Particulars	Loan Amount	Rate of Interest (Normal/Penal)	Month of Last Installment Due	Default up to 31.03.2019			Outstanding as on 31.03.2019			Outstanding as on 31.03.2018			
				Principal	Normal Interest	Penal Interest	Principal	Normal Interest	Penal Interest	Principal	Normal Interest	Penal Interest	
Plan Loan	2,000.00	Interest Free	July-2020	800.00	-	-	1,600.00	-	-	-	1,600.00	-	-
Non Plan Loan	165.00	13.50%/2.75%*	July-2017	-	-	-	-	-	-	-	165.00	-	-
	24.00	13.50%/2.75%*	July-2017	-	-	-	-	-	-	-	24.00	-	-
<b>Total</b>	<b>2,189.00</b>			-	-	-	<b>1,600.00</b>	-	-	-	<b>1,789.00</b>	-	-
Less: Included in Current Maturities (Note No. 20)							400.00	-	-	-	800.00	-	-
Less: Interest Accrued & Due on Government of India Loan (Note No. 21)													
<b>Amount Included in Note No. 15</b>							<b>1,200.00</b>	-	-	-	<b>989.00</b>	-	-

\* Based on BIFR approval through miscellaneous application the Company has not made any provision for interest on Non-Plan loan of ₹ 189 lakhs. However this Non-Plan loan of ₹ 189 lakhs has been converted into equity during FY 2018-19 vide letter dt. 13.02.2019 & Board resolution passed in its 255th meeting held on 03rd Aug-2018.

In accordance with the Board's decision in their meeting held on 8th April 2016, and in the background of letter F.No. 3(15)/2013-PE-VI dated 5th March 2015, the interest on CAPEX funds temporarily deployed as FDR remitted to Government of India in April 2014 amounting to ₹ 128.11 lakhs shall be adjusted against the installment of ₹ 400.00 lakhs due on 23rd July 2016 of repayment of principal. Accordingly necessary adjustments have been carried out in the books of accounts.



**Note No. 49****Additional information pursuant to Schedule III part II of the Companies Act, 2013****1. Stock and Turnover for the year ended Mar 31,2019**

	At Commencement		Stocks At Close		Turnover	
	Nos	₹ in Lakhs	Nos	₹ in Lakhs	Nos	₹ in Lakhs
Vikram Three Wheeler	831 (2459)	854.99 (3319.01)	1,083 (831)	1,298.35 (854.99)	4,252 (3107)	6196.53 (4870.20)
Spares and Components	- (-)	746.96 (846.71)	- (-)	616.41 (746.96)	- (-)	185.67 (157.12)
Petrol Pump stock* (Quantity Ltrs.)	774 (774)	(0.14) (0.14)	774 (774)	(0.14) (0.14)	- (-)	- (-)

**Explanatory Notes :**

\* Includes value of empty drums, containers etc lying in Petrol Pump stock.

- (1) Figures in brackets relate to previous year.
- (2) Practical/Achievable capacity has reduced to 12500 Nos. against installed capacity of 16500 Nos. during the year 2015-16 as per the report of chartered engineer.
- (3) Petrol Pump turnover represents the sale of Diesel, Petrol & Other Oil & Lubricants. The Company purchased NIL ltrs. of Diesel/ Petrol (Previous financial Year NIL ltrs.). There has been no evaporation loss (Previous Year NIL ltrs.).
- (4) The company owned petrol pump (HPCL) has been temporarily leased for operations to HPCL w.e.f. 8th November 2016. However formal agreement has not been registered and is subject to approval and finalisation. Further since the rental or other income is indeterminable for want of formal agreement, the same is not recognised in profit & loss accounts.
- (5) Turnover includes the following export sales
- (6) During FY 2018-19 113 vehicle were dismantled, previous year 49.

	2018-19		2017-18	
	Nos	₹ in Lakhs	Nos	₹ in Lakhs
Spares & components	-	14.02	-	5.93

Note : Export sales includes deemed export of ₹14.02 Lakhs (Previous Year ₹ 5.93Lakhs).

**2.C.I.F. Value of Imports, Expenditure and Earnings in foreign currencies.**

	2018-19	2017-18
	₹ in Lakhs	₹ in Lakhs
<b>A. C.I.F. Value of imports</b>		
Spare parts /Components	-	-
Capital goods	-	-
Others	-	-
<b>B. Expenditure in foreign currencies</b>		
On account of royalty, know-how, professional, consultation fees, interest, provisions and others.	-	-

**C. Earnings in foreign currencies**

Export of goods calculated on F.O.B. Basis.\*

- -

**Explanatory Notes :**

1. Earnings in foreign currencies are after adjustment of gain or loss on exchange rate as applicable .

\* Export Sales does not include Deemed Export.

**3. Details of Raw Materials consumed**

- (i) Raw Materials ( including spare parts) and Components.

Materials	Unit	2018-19		2017-18	
		Qty.	Value (₹ in Lakhs)	Qty.	Value (₹ in Lakhs)
Ferrous	Kg.	549,281	192.72	153,789	46.87
	Mtrs	35,248	103.59	12,517	31.70
Non-ferrous	Kg.	59,862	75.43	21,048	29.89
B.O.S.F.	-	-	1,299.92	-	795.50
Tyres & Tubes	Nos	37,734	275.08	11,906	87.51
Spare-parts Components	-	-	2,599.85	-	1,591.00
			<b>4,546.59</b>		<b>2,582.47</b>

- (ii) Value of imported and indigenous raw-materials consumed (including spare-parts and components)

	2018-19		2017-18	
	₹ in Lakhs	%	₹ in Lakhs	%
( a ) Imported (CIF, custom duty and other charges )	-	-	-	-
( b ) Indigenous	4,546.59	100.00	2,582.47	100.00
	<b>4,546.59</b>	<b>100.00</b>	<b>2,582.47</b>	<b>100.00</b>

**4. Auditor's Remuneration**

	2018-19	2017-18
	₹ in Lakhs	₹ in Lakhs
(a) Statutory Auditor's Audit fees	1.60	1.48
(b) Fee for Certification & Consultation	2.39	2.36
(c) Cost Audit Fees	0.00	0.00
(d) Tax Audit Fees	0.30	0.30
(e) Internal Audit Fees	5.06	5.14
	<b>9.34</b>	<b>9.27</b>

The above figures includes service tax.

**Note No. 50**

The financial statement for the year ended March 31, 2019 are prepared as per Schedule III of the Companies Act 2013. Previous year's figures have been regrouped, rearranged and recast, wherever necessary, to make them comparable with those of the current year.

**Sd/-**  
**(R.S. Tiwari)**  
Chief Finance Officer

**Sd/-**  
**(S. Sakthimani)**  
Director Finance  
(Additional Charge) DIN - 08043768  
DIN - 07482308

**Sd/-**  
**(S.K.Singh)**  
Director  
DIN - 08043768

**Sd/-**  
**(R. Sreenivasulu)**  
Chairman and Managing Director  
DIN - 07634253

In terms of our report of even date  
For Asija & Associates LLP  
Chartered Accountants  
FR No. - 003155C/ C400011

**Sd/-**  
**(CA Kamal Kr. Ferwani)**  
M. No.- 402982

**Sd/-**  
**(Shrabanti Mandol)**  
Company Secretary

Place: Lucknow

Date: 27th May 2019

 **SCOOTERS INDIA LIMITED**

(A Government of India Enterprise)  
Corporate identity No. L251 1 1 UP1972 GOI003599  
Registered Office: Lucknow \_ Kanpur Road, (16th Mile Store),  
Post Bag No.23 (G.P.O.),  
P.O. Sarojini Nagar, Lucknow \_ 226008  
E-mail: [companysecretary@scootersindia.com](mailto:companysecretary@scootersindia.com)  
Website: [www.scootersindia.com](http://www.scootersindia.com)

**NOTICE**

Notice is hereby given that the 47th Annual General Meeting of the members of the Scooters India Limited will be held at 11: 00 a.m. on Friday, the 27<sup>th</sup> day of September 2019, at the Registered Office of the Company at Lucknow -Kanpur Road, (16th Mile Stone), Sarojini Nagar, Lucknow-226008, Uttar Pradesh, India to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statement of the company for the year ended 31.03.2019.  
"**RESOLVED THAT** the audited financial statements of the company including the balance sheet as at March 31 ,2019 ,profit and loss account, the cash flow statement for the year ended on that date, report of Board of Directors and auditors thereon be and are hereby received, considered and adopted."
2. To appoint a director in place of Mr. S. Sakthimani, who retires by rotation & being eligible has offered him-self for re-appointment.  
"**RESOLVED THAT** Mr. S. Sakthimani (DIN: 07482308) who retires by rotation and being eligible, offers who has himself for re-appointment, be and is hereby reappointed as director of the company liable to retire by rotation."
3. To consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:  
"**RESOLVED THAT** pursuant to Section 142 of the Companies Act 2013, and other applicable provisions, if any, of the Companies Act, 2013, the remuneration of the Statutory Auditors appointed by Comptroller & Auditor General of India (C&AG) under section 139(5) of the said act, be and is hereby approved to be fixed at 1,60,000/- for the Year 2019-20 and in respect of the Audit of Accounts of the Company for the year ending 31<sup>st</sup> March 2019.."

Date: 09.08.2019

Place:Lucknow

By order of the Board of Directors  
Sd/-  
Renati Sreenivasulu  
DIN: 07634253  
Chairman & Managing Director  
Scooters India Limited, Lucknow – 226008



## NOTES:

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY MAY APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF/HERSELF. A Proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company at its Registered Office not later than forty-eight hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
- 2 Only members carrying the attendance slips or holders of valid proxies registered with the company will be permitted to attend the meeting. In case of shares held in joint names or shares held under different registered folios wherein the name of the sole holder/first holder is same, only the first joint holder/sole holder or any proxy appointed by such holder, as the case may be, will be permitted to attend the meeting.
- 3 The Register of Members and the Share Transfer Books of the company will remain closed from 20.09.2019 to 27.09.2019 (both days inclusive).
- 4 Members seeking further information on Accounts or any matter contained in the Notice are requested to write to the company at least 10 days before the meeting so that relevant information can be kept ready at the meeting.
- 5 Members/Proxies attending the meeting are requested to bring their copy of Annual Report and exchange, the duly filled attendance slip attached, with entry slip for entrance to the meeting hall.
- 6 Members should notify change in their addresses, if any, specifying full address with PIN CODE to the company's registered office quoting their registered Folio No.
- 7 If shares are held under more than one folio, the same may kindly be consolidated for convenient reference.



- 8 Entry to the venue will be strictly against Entry slip available at the counters at the venue and against exchange of Attendance Slip.
- 9 Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to fill up the form annexed as a part of the Annual Report and send the same to the office of the Registrar and Transfer Agent of the Company.
- 10 Members are requested to note that address of M/s Skyline Financial Services Private Limited, Registrar & Transfer Agent of the Company has changed to D-153/A, 1ST FLOOR OKHLA INDUSTRIAL AREA PHASE -1, NEW DELHI-110020.

By order of the Board of Directors

Sd/-

Renati Sreenivasulu

DIN: 07634253

Chairman & Managing Director

Scooters India Limited, Lucknow-226008

Place : Lucknow

Date : 09.08.2019



### **The instructions for shareholders voting electronically are as under:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The voting period begins on 24.09.2019 at 10.00 hrs. and will end on 26.09.2019 at 17:00 hrs. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20.09.2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The Company has signed an agreement with CDSL for facilitating e-voting to enable the Shareholders to cast their vote electronically. The instructions for shareholders voting electronically are as under:

- i. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii. Click on Shareholders
- iii. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:
  - a. For Members holding shares in Demat Form and Physical Form PAN: Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
    - Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is provided through separate letter attached with Annual report.  
Dividend Bank Details OR Date of Birth (DOB) Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
    - If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this



password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for evoting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the relevant Company Name i.e. Scooters India Limited on which you choose to vote.
- xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Note for Non - Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xviii. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. may follow the same instructions as mentioned above for e-Voting.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at





[www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

- xx. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- xxi. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- xxii. Mr. Amit Gupta, Practicing Company Secretary, Lucknow, (Membership No. FCS 5478 CP No. 4682) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xxiii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- xxiv. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xxv. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.scootersindia.com](http://www.scootersindia.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges viz. BSE Limited.

By order of the Board of Directors

Sd/-

Renati Sreenivasulu

DIN: 07634253

Chairman & Managing Director

Scooters India Limited, Lucknow – 226008

Place : Lucknow

Date : 09.08.2019

**Pursuant to Regulation 36(2) of SEBI LODR, 2015 & SS-2, the following information is furnished about the Directors.**

**Mr. Renati Sreenivasulu:** aged 57 years, has been appointed as full time CMD of SIL w.e.f 06.10.2016. He has 31 years of Industry experience in Vishakhapatnam Steel Plant at various positions since 1985.

**Mr. S.K Singh:** has been appointed as Part time Official Director w.e.f 15.01.2018. He is Director in department of Heavy industry, Ministry of Heavy Industries & Public Enterprises. He is also director in Braithwaite Burn & Jessop Construction Company Limited, Tungabhadra Steel Products Limited.

**Mrs. Parveen Gupta:** has been appointed as Part time Official Director w.e.f 15.01.2018 to 13.11.2018 She is Deputy Secretary in Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises. She is also director in Hindustan Salts Limited, Sambhar Salts Limited, Richardson and Cruddas (1972) Limited, Instrumentation Limited, National Bicycle Corporation of India Ltd, Rajasthan Electronics and Instruments Ltd.

**Mrs. Ritu Pande:** has been appointed as Part time Official Director w.e.f 13.11.2018. She is Director in Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises.



## GREEN INITIATIVES

In terms of the Circulars No. 17/2011 of 21 April 2011 and 18/2011 of 29 April 2011 issued by the Ministry of Corporate Affairs (MCA) as part of its "Green Initiative in Corporate Governance", MCA allows paperless compliances including service of a notice/document by companies to their shareholders through electronic mode. The Company, therefore, proposes to send documents required to be sent to shareholders like Notices of General Meetings (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report, etc. to the shareholders in electronic form to the e-mail IDs provided by them and made available to the Company. This will also ensure prompt receipt of communication and avoid loss in postal transit. These documents will also be available on the Company's website [www.scootersindia.com](http://www.scootersindia.com) for download by the shareholders. The physical copies of the Annual Report will also be available at the Company's Registered Office in Lucknow for inspection during office hours. Shareholders will be entitled to be furnished, free of cost, with a copy of the Balance Sheet of the Company and all other documents required by law to be attached thereto including the Profit and Loss Account and Auditors' Report, upon receipt of a requisition from the shareholders, any time as a Member of the Company. In order to enable the Company to send such documents in electronic form, the shareholders are requested to register their e-mail IDs with the Company on its e-mail ID [-cs@scootersindia.com](mailto:-cs@scootersindia.com).

**Attendance Card**  
**SCOOTERS INDIA LIMITED**

(A Government of India Enterprise)  
Registered Office: Lucknow – Kanpur Road, (16th Mile Store),  
Post Bag No.23 (G.P.O.),  
P.O. Sarojini Nagar, Lucknow – 226008

Attendance Card	Regd. Follo / Client ID No	
	No. of Shares held	

I/We hereby record my/our presence at the **47th Annual General Meeting** of the Company held on Friday, 27th day of September, 2019 at 11.00 a.m. at Registered Office of the Company at Lucknow-Kanpur Road, 16th km. Miles Stone, Sarojini Nagar, Lucknow-226008

Name of the Shareholder: (In Block Letters)	_____
Signature of the Shareholder	: _____
Name of the Proxy (In Block Letters)	: _____
Signature of the Proxy	: _____

**Notes :**

1. You are requested to sign and hand this over at the entrance.
2. If you are attending the meeting in person or by proxy, pour copy of the Annual Report may please be brought by you/your proxy for reference at the meeting.

# SCOOTERS INDIA LIMITED

(A Government of India Enterprise)

Corporate Identity No. L25111UP1972GOI003599

Registered Office :Lucknow – Kanpur Road, (16th Mile Store), Post Bag No.23

(G.P.O.), P.O. Sarojini Nagar, Lucknow – 226008

E-mail: companysecretary@scootersindia.com

Website: [www.scootersindia.com](http://www.scootersindia.com)

Date: 09.08.2019

## Sub.: Service of Documents through Electronic Mode

The Ministry of Corporate Affairs, Government of India, has notified Section 101 of the Companies Act, 2013 and the other rules governing the said Act. As per Rule 18(3)(1) of Chapter VII and Rule 11 of Chapter IX, the Company is requesting for a positive consent from its members to receive Notices of General Meeting/ Postal Ballot, Annual Report and other shareholders communication. This will enable you to receive such notice(s)/Annual Report(s)/document(s)/ Communication(s) etc., promptly and without loss in postal transit. Once we receive your positive consent, henceforth, Notices of Meetings, Annual Reports, Directors' Report, Auditors' Report and other shareholders communication will be sent to you electronically to your email address as provided by you AND/OR made available to the Company by the Depositories viz. National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL). As and when there are changes in your e-mail address, you are requested to update the same with your Depository Participant (DP). For shares held in physical form, you can register your e-mail address with the Company's Registrar M/s. Skyline Financial Services Private Limited, at "admin@skylinerta.com" OR the Company at "companysecretary@scootersindia.com" mentioning your name(s) and folio Number. Please note that if you still wish to get a physical copy of the above documents, the Company will send the same, free of cost, upon receipt of a request from you. We look forward to your support.

Thanking you

Yours sincerely

For Scooters India Limited

Renati Sreenivasulu

DIN: 07634253

Chairman & Managing Director

Scooters India Limited, Lucknow -226008

Date: .....

M/s. Skyline Financial Services Private Limited

Unit: Scooters India Limited

D-153/A, 1ST FLOOR OKHLA INDUSTRIAL AREA PHASE -1, NEW DELHI-110020.

Dear Sir,

As per your letter dated August 23, 2018, I/We submit to you as under:

- 1) I/we hereby give my/our CONSENT to the Company to use my/our registered email id in my/our demat account with the Depository Participant for serving members related documents, under the Companies Act, 2013. (Please tick mark {s/} appropriately) DP ID/CLIENT ID: YES (●) NO (●)
- 2) Kindly use my/our Email id: \_\_\_\_\_ for serving the documents for Physical Folio No. \_\_\_\_\_ YES (●) NO (●)

Thanking You

Yours sincerely,

Name of First/sole holder \_\_\_\_\_ Signatures \_\_\_\_\_

**FORM MGT-11  
PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3)  
of the Companies (Management and Administration) Rules, 2014]

CIN	L25111UP1972GOI003599
Name of the Company	SCOOTERS INDIA LIMITED
Address	Lucknow - Kanpur Road, (16th Mile Store), Post Bag No.23 (G.P.O.), P.O. Sarojini Nagar, Lucknow - 226008

**47th ANNUAL GENERAL MEETING**

<b>Name of Member (s)</b>	
<b>Registered Address</b>	
<b>Email Id</b>	
<b>Folio. No./Client Id</b>	
<b>DP Id</b>	

I/We being member (s) of.....shares of above named Company, hereby appoint

<b>Name</b>	
<b>Address</b>	
<b>Email Id</b>	
<b>Signatures or failing him</b>	

<b>Name</b>	
<b>Address</b>	
<b>Email Id</b>	
<b>Signatures or failing him</b>	

<b>Name</b>	
<b>Address</b>	
<b>Email Id</b>	
<b>Signatures or failing him</b>	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 45th Annual general meeting to be held on at 11.00 a.m. on Friday, the 27th day of September, 2019, at the registered office of the Company at Lucknow - Kanpur Road, (16th Mile Store), Sarojini Nagar, Lucknow - 226 008, Uttar Pradesh, India and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution		Vote (See Note no. 2)		
		For	Against	Abstain
<b>Ordinary Business</b>				
1.	Adoption of audited financial statements for financial year ended at 31st March, 2019			
2.	Appointment of Mr. S.Sakthimani as director, who retires by rotation and being eligible offers himself for reappointment			
3.	Approval of remuneration of Statutory Auditors of the Company for 2019-20 and for the year ending 31st March, 2019			

Signed this ..... day of ..... 2019.

Affix a  
revenue  
Stamp

Signature of Shareholder

Signature of Proxy holder (s)

**Notes :**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the for, against, abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

**Form No. SH-13**  
**Nomination Form**  
**[Pursuant to section 72 of the Companies Act, 2013 and rule**  
**19(1) of the Companies (Share Capital and Debentures) Rules 2014]**

To,

Name of the company	:	Scooters India Limited (CIN - L25111UP1972GOI003599)
Address of the company	:	Lucknow - Kanpur Road, (16th Mile Store), Post Bag No.23 (G.P.O.), P.O. Sarojini Nagar, Lucknow - 226008

I/We .....holder(s) of securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

**(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)**

Nature of securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

**(2) PARTICULARS OF NOMINEE/S**

a Name	
b Date of birth	
c Occupation	
d Nationality	
e Address	
f E-mail id	
g Relationship with the security holder	

**(3) IN CASE NOMINEE IS A MINOR**

a Date of birth	
b Date of attaining Majority	
c Name of Guardian	
d Address of Guardian	

Witness: (Signature with name & address)	Signature : Name : Address :
---	------------------------------------



**Form No. MGT-12**  
**Polling Paper**  
**Pursuant to section 109(5) of the Companies Act, 2013 and rule**  
**21(1)(c) of the Companies (Management and Administration) Rules, 2014**

**BALLOT PAPER**

Sr No.	Particulars	Details
1.	Name of the first named Shareholder(in Block Letters)	
2.	Postal Address	
3.	Registered Folio No./*Client ID No. (*applicable to Investors holding shares in dematerialized form)	
4.	Class of shares Equity	

I hereby exercise my vote in respect of Ordinary & Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

No.	Item No.	No of shares held by me	I assent to the resolution	I dissent from the resolution
1.	Adoption of Audited financial statements for financial Year ended at 31st March 2019.			
2.	Appointment of Mr. S.Sakthmani, who retires by rotation & being eligible, offered himself for re-appointment			
3	Approval of remuneration of Statutory Auditor year 2019-20 and for the year ending 31st March, 2019.			

(\* as per Company record.)

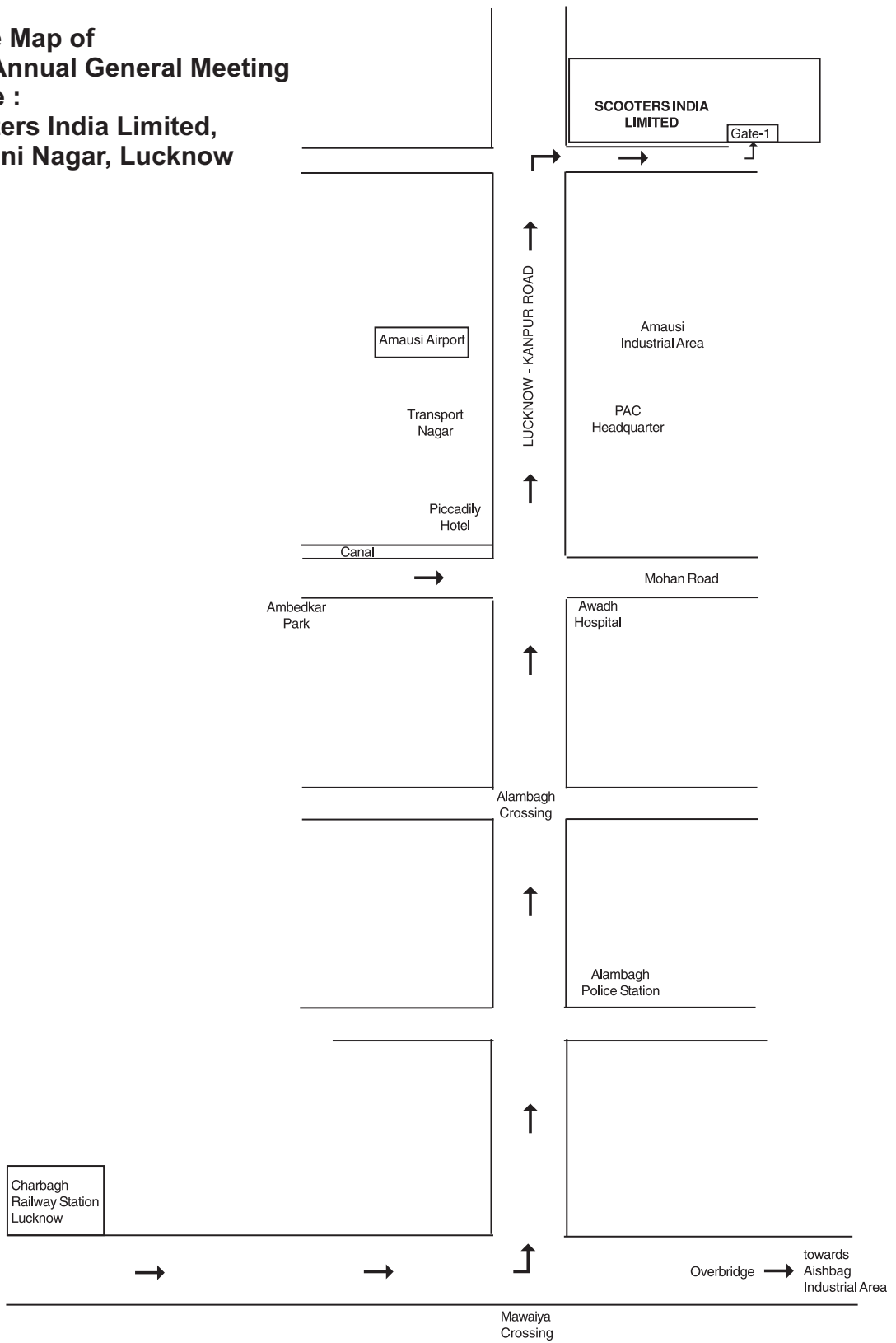
Place

Date

(Signature of Shareholder\*)



**Route Map of  
47th Annual General Meeting  
Venue :  
Scooters India Limited,  
Sarojini Nagar, Lucknow**



## Through Registered Post/Speed Post/Courier

*If undelivered please return to :*  
**SCOOTERS INDIA LIMITED**  
(A Government of India Enterprise)  
Registered Office : Lucknow - Kanpur Road,  
(16<sup>th</sup> Mile Stone), Post Bag No. 23 (G.P.O.),  
P.O. Sarojini Nagar, Lucknow - 226 008.  
Corporate Identity No. L25111UP1972GOI003599