

# 38th

**ANNUAL  
REPORT  
2012-2013**



**MAHARASHTRA SCOOTERS LTD.**



# MAHARASHTRA SCOOTERS LTD.

38th ANNUAL REPORT 2012-2013

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38th Annual General Meeting:

Wednesday, 17 July, 2013 at 12.00 noon at the Registered Office.

The Company is arranging local transport for shareholders / proxies attending the meeting.  
For further details, please contact Share Department at Registered Office on  
Phone No. 020 27475811/12/13.

**Board of Directors****Madhur Bajaj***Chairman***S. B. Patil****Smt. Kanchan Vijayan****Sanjiv Bajaj****Yogesh J. Shah****R. K. Nikharge****M. V. Bhagat****G. R. Jangda** (upto 18-10-2012)**Naresh Patni****Sadashiv S. Survase** (from 18-10-2012)**Audit Committee****Yogesh J. Shah***Chairman***R. K. Nikharge****Naresh Patni****Shareholders'/Investors'  
Grievance Committee****Yogesh J. Shah***Chairman***Sanjiv Bajaj****R. K. Nikharge****Company Secretary****N. S. Kulkarni****Chief Executive****Ranjit Gupta****Dy.General Manager (Satara)****R. D. Haware****Dy.General Manager (Finance)****R. B. Laddha****Auditors****P. C. Parmar & Co., Pune****Cost Auditor****A. P. Raman, Pune****Registered Office****C/o. Bajaj Auto Limited**

Mumbai-Pune Road

Akurdi, Pune-411 035.

**Works**

Plot No. C-1, M.I.D.C. Area

Satara-415 004, Maharashtra.

**Website****[www.mahascooters.com](http://www.mahascooters.com)**

**Registered office:**

C/o. Bajaj Auto Limited,  
Mumbai-Pune Road, Akurdi,  
Pune 411 035.

## NOTICE

NOTICE is hereby given that the Thirty Eighth Annual General Meeting of the shareholders of **MAHARASHTRA SCOOTERS LIMITED** will be held on **Wednesday, 17 July, 2013 at 12.00 noon** at the Registered Office of the Company at C/o. Bajaj Auto Limited, Mumbai-Pune Road, Akurdi, Pune- 411 035 to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the audited Balance Sheet as at 31 March, 2013 and Statement of Profit and Loss for the year ended on that date and the Directors' and Auditors' Reports thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Shri M.V. Bhagat, who retires by rotation and being eligible, offer himself for re-appointment.
4. To appoint a Director in place of Shri R.K. Nikharge who retires by rotation and being eligible, offer himself for re-appointment.
5. To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:-  
"RESOLVED that pursuant to Section 224-A of the Companies Act, 1956, M/s. P.C. Parmar & Company, Chartered Accountants, Pune, (ICAI Firm Registration No.107604W) the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on a remuneration of ₹ 6,00,000/- (Rupees six lacs only) plus Taxes as applicable and out-of-pocket, travelling and living expenses."

**SPECIAL BUSINESS:**

6. To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:-  
"RESOLVED that pursuant to the provisions of Section 269 of the Companies Act, 1956 and Schedule XIII annexed thereto and other applicable provisions, if any thereof, the Company hereby accords its approval and consent to the re-appointment of Shri Ranjit Gupta as "Manager" of the Company for a further period of three years from 1 April, 2013, with a liberty to the Board to alter and vary the terms and conditions of his appointment in such manner as may be acceptable to Shri Ranjit Gupta, provided however that no remuneration would be payable to him during the tenure of his appointment."
7. To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:-  
"RESOLVED that Shri Naresh Patni, who was appointed by the Board of Directors of the Company as a Director with effect from 17 January, 2012 in the causal vacancy caused by the withdrawal of nomination of Shri D.S. Mehta by Bajaj Holdings and Investment Limited and who vacates office at this annual general meeting under section 262 of the Companies Act, 1956 and in respect of whom the company has, as required by section 257 of the Companies Act, 1956, received a notice in writing from a member signifying his intention to propose his candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."
8. To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:-  
"RESOLVED that Shri Sadashiv S. Survase, who was appointed by the Board of Directors of the Company as a Director with effect from 18 October, 2012, in the causal vacancy caused by the withdrawal of nomination of Shri G.R. Jangda by Western Maharashtra Development Corporation Limited and who vacates office at this annual general meeting under section 262 of the Companies Act, 1956 and in respect of whom the company has, as required by section 257 of the Companies Act, 1956, received a notice in writing from a member signifying his intention to propose his candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

By Order of the Board  
For MAHARASHTRA SCOOTERS LTD.

**N.S. Kulkarni**  
Company Secretary

Pune, 14 May, 2013

**NOTES:**

1. **EXPLANATORY STATEMENT:** Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item Nos. 5, 6, 7 and 8 is annexed.
2. **PROFILE OF RETIRING DIRECTORS:** As required by Clause 49 of the Listing Agreement, brief details of the retiring Directors seeking re-appointment are annexed hereto.
3. **PROXY:** A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
4. **BOOK CLOSURE:** Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 6 July, 2013 to 17 July, 2013, both days inclusive for the purpose of Annual General Meeting and payment of dividend.
5. **DIVIDEND:** If Dividend on shares as recommended by the Directors is approved at the meeting, payment of such dividend will be made from 21 July 2013 to 22 July, 2013 to those shareholders, whose names appear (a) As Beneficial Owners as at the end of the business of 5 July, 2013 as per the list to be furnished by National Securities Depository Ltd., and Central Depository Services (I) Ltd., in respect of the shares held in electronic form and (b) As Members in the Register of Members of the Company, after giving effect to all valid share transfers lodged with Karvy Computershare Pvt. Ltd., 17-24, Vittalrao Nagar, Madhapur, Hyderabad-500 081, Share Transfer Agents (STA) of the Company on or before 5 July, 2013.
6. **PRINTING OF BANK DETAILS ON DIVIDEND WARRANTS:** Securities and Exchange Board of India (SEBI) vide its Circular No.CIR/MRD/DP/10/2013 dated 21 March, 2013 has directed all the listed Companies to use any approved electronic mode for payment of dividend to the shareholders, i.e. NECS, NEFT etc. The company has sent separate communications to all the Shareholders whose bank particulars are not registered with the company, requesting for registration of their full Bank details. Such shareholders who have still not registered their full bank account details are requested to do so latest by 5 July, 2013. In the absence of such details, SEBI has mandated the company to print bank account details on the dividend payment instrument. The proforma for intimating the bank details is available for download on the website of the company viz. [www.mahascooters.com](http://www.mahascooters.com).
7. **NOTIFICATION BY SHAREHOLDERS:** Shareholders holding shares in physical form are requested to notify change of address, if any, to the Share Transfer Agents (STA) of the Company, Karvy Computershare Pvt. Ltd., 17-24, Vittalrao Nagar, Madhapur, Hyderabad - 500 081 immediately.  
Beneficial owners holding shares in electronic form are requested to notify any change in address, bank particulars, NECS particulars etc., to their respective depository participants. Bank details as furnished by the respective depository participants to the Company would be used for the purpose of distribution of dividend either through payment instrument or NECS. The company would not entertain any request from such members for change / deletion of such Bank details.  
Where dividend payments are made through NECS, intimations regarding such remittances would be sent separately to the concerned shareholders.
8. **UNPAID DIVIDEND:** In terms of the provisions of Section 205C of the Companies Act, 1956 as amended, the amount of dividend remaining unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund and in due compliance thereof, the Company had transferred the unclaimed dividend amounts for the financial years upto 2004-05 to the Investor Education & Protection Fund set up by the Central Govt. and now no claim in respect thereof lies either against the Fund or the Company.  
As mandated by the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the particulars of the Shareholders whose dividend amounts have remained unpaid for the financial years 2005-06 onwards, are made available on the website of the Company i.e. [www.mahascooters.com](http://www.mahascooters.com). The said details are also available on the portal of Investor Education and Protection Fund at [www.iepf.gov.in](http://www.iepf.gov.in). The Shareholders who have not encashed the dividend warrants for the period aforesaid are requested to immediately write to the Company / RTA to claim the unpaid amounts.
9. **INSPECTION OF RECORDS:** (I) Register of Contracts with Companies and Firms in which Directors are interested under Section 301 of the Companies Act, 1956 is open for inspection to the Members at the Registered Office of the Company on all working days, except on Saturdays and Sundays, between 11.00 a.m. and 2.00 p.m. (II) Register of Directors' shareholding under Section 307 of the Companies Act, 1956 will be open for inspection to the Members at the Registered Office of the Company during the period beginning fourteen days before the date of Annual General Meeting and ending three days after the date of its conclusion, during office hours.
10. **GREEN INITIATIVE IN CORPORATE GOVERNANCE:** Shareholders who have opted to receive the Notice convening the general meetings, Financial Statements, Directors' Report, Auditors' Report etc. in electronic form, by registering their e-mail addresses with the Company or whose e-mail addresses are made available to the Company by the Depositories, are sent with such documents in the electronic form. These documents are also made available on the website of the Company viz., [www.mahascooters.com](http://www.mahascooters.com). **As a Shareholder of the Company, you are entitled to be furnished, free of cost, with the copies of such documents upon receipt of requisition from you to that effect.**
11. **SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE:** Shareholders holding shares in physical mode are requested to -
  - a) opt for Dematerialization of their shareholding through any of the SEBI registered Depository Participant.
  - b) avail nomination facility in respect of their shareholding in the Company by submitting Nomination Form, available for download on the website of the company.
  - c) contribute to the cause of Green Initiative by registering their e-mail addresses, thereby facilitating the Company to send them by way of an e-mail, copies of Notice/s, Annual Report etc. Proforma of E-Communication Registration Form is available for download on the website of the Company.
  - d) submit a notarized copy of their PAN Card, with a view to comply with KYC norms.



## Annexure to Notice

### BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT AND EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

#### Item No.3

##### Re-appointment of Shri M.V. Bhagat as Director

Brief resume of Shri M.V. Bhagat, who retires by rotation and being eligible is seeking re-appointment, is given below:-

Shri M.V. Bhagat, aged about 58 years, has done M.Sc and is a Master of Business Administration (MBA). He has worked in Directorate of Industries, Govt. of Maharashtra as General Manager at various places for over a period of 30 years. He has recently retired as Jt. Director of Industries, Pune Region.

Besides on the Board of the Company, he holds directorship in Western Maharashtra Development Corporation Limited.

Shri M.V. Bhagat does not hold any shares in the Company.

None of the Directors except Shri M.V. Bhagat is concerned or interested in the resolution.

The Board commends the resolution for the approval of Shareholders.

#### Item No. 4

##### Re-appointment of Shri R.K. Nikharge as Director

Brief resume of Shri R.K. Nikharge, who retires by rotation and being eligible is seeking re-appointment, is given below:-

Shri R.K. Nikharge, aged about 54 years, has over 30 years' experience in various Departments of Mantralaya, Govt. of Maharashtra and is currently occupying the position as Desk Officer, Industries, Energy and Labour Department, Mantralaya, Mumbai.

Apart from being on the Board of the Company as also a Member of its Audit Committee and Shareholders' / Investors' Grievance Committee, Shri R.K. Nikharge holds the position of Director in (i) Western Maharashtra Development Corporation Limited (ii) Konkan Development Corporation Limited and (iii) Vidharbha Development Corporation Limited.

Shri R.K. Nikharge does not hold any shares in the Company.

None of the Directors except Shri R.K. Nikharge is concerned or interested in the resolution.

The Board commends the resolution for the approval of Shareholders.

#### Item No.5

##### Appointment of Auditors

Section 224-A of the Companies Act, 1956 mandates that in a company in which not less than 25% of the subscribed share capital is held by the Government, Government Companies, nationalized banks and public financial institutions referred to therein, either singly or in any combination, the appointment of auditors shall be made by a special resolution. Since Western Maharashtra Development Corporation Limited, a Government Company holds more than 25% of the subscribed share capital of the Company, the appointment of the Auditors and payment of remuneration to them requires approval of the shareholders by a Special Resolution.

Directors recommend the resolution as a Special Resolution for the approval of Shareholders.

None of the Directors of the Company is concerned or interested in the Special Resolution aforesaid.

#### Item No.6

##### Re-appointment of Shri Ranjit Gupta as "Manager"

At the 35th Annual General Meeting of the Company held on 20 July, 2010, the Shareholders had approved the appointment of Shri Ranjit Gupta as a "Manager" of the Company, valid till 31 March, 2013. The Board of Directors having formed the opinion that continuing to avail his services would be in the best interest of the Company, re-appointed Shri Ranjit Gupta as "Manager" for a further period of three years, effective 1 April, 2013. Since Shri Gupta has completed his age of 70 years, in terms of the provisions of Section 269 of the Companies Act, 1956 and Schedule XIII annexed thereto, his appointment is subject to the approval of Shareholders by way of a Special Resolution.

The Directors commend the Special Resolution for the approval of the Shareholders.

None of the Directors of the Company is interested or concerned in the resolution.

**Item No.7****Appointment of Shri Naresh Patni as Director**

Shri Naresh Patni, who was appointed as Director in the causal vacancy caused by the withdrawal of nomination of Shri D.S. Mehta by Bajaj Holdings and Investment Limited, holds office until ensuing Annual General Meeting and is to be appointed by the Shareholders. In terms of the provisions of Section 257 of the Companies Act, 1956, the Company has received a Notice in writing from a member signifying his intention to propose the name of Shri Naresh Patni as a Director of the Company.

Brief resume of Shri Naresh Patni and his other details are given below for the information of Shareholders:-

Shri Naresh Patni, aged about 64 years, is B.Sc, B.E. (Civil) and has extensive experience in finance and marketing. He has a wide experience in professional functions of trade and commerce associations and is associated with various socio-economic organizations. He is a member of Audit Committee of the Company and is on the Board of Umesh Properties P.Ltd. and Wardhman Urban Co-Op.Bank Ltd., unlisted entities.

Shri Naresh Patni does not hold any shares in the Company.

None of the Directors except Shri Naresh Patni is concerned or interested in the resolution.

The Board commends the resolution for the approval of Shareholders.

**Item No.8****Appointment of Shri Sadashiv S. Survase as Director**

Shri Sadashiv S. Survase, who was appointed as Director in the causal vacancy caused by the withdrawal of nomination of Shri G.R. Jangda by Western Maharashtra Development Corporation Limited, holds office until ensuing Annual General Meeting and is to be appointed by the Shareholders. In terms of the provisions of Section 257 of the Companies Act, 1956, the Company has received a Notice in writing from a member signifying his intention to propose the name of Shri Sadashiv S. Survase as a Director of the Company.

Brief resume of Shri Sadashiv S. Survase and his other details are given below for the information of Shareholders:-

Shri Sadashiv S. Survase, aged about 45 years, has done Master of Engineering in Design Engineering from the College of Engineering, Pune as also Master of Business Administration from the University of Pune. Currently he is occupying the position as General Manager in the Dist.Industries Centre of Directorate of Industries, Pune.

Besides on the Board of the Company, he holds directorship in Western Maharashtra Development Corporation Limited.

Shri Survase does not hold any shares in the Company.

None of the Directors of the Company, except Shri Sadashiv S. Survase is interested or concerned in the respective resolution.

Directors recommend the resolution for approval of the shareholders

By Order of the Board  
For MAHARASHTRA SCOOTERS LTD.

  
**N.S. Kulkarni**  
Company Secretary

Pune, 14 May, 2013





## DIRECTORS' REPORT

### INTRODUCTION:

The Directors present their Thirty Eighth Annual Report and Audited Statement of Accounts for the year ended 31 March, 2013.

### OPERATIONS:

With the Company having ceased manufacture of geared scooters effective April, 2006, the current activity of the Company during the year under review was restricted to the manufacture of die casting dies, jigs and fixtures, primarily meant for the automobile industry.

There was no significant development during the year under review affecting the operational / financial performance of the Company. It is worthwhile to note that on account of implementation of Voluntary Retirement Scheme during the previous year, the employee benefit expenses of the Company stand reduced from ₹ 1317.92 lacs to ₹ 560.81 lacs.

During the financial year under review, the gross revenue of the Company was ₹ 5992.32 lacs as against ₹ 7048.38 lacs during the previous financial year.

### FINANCIAL RESULTS:

	2012-13	2011-12
	(₹ in lacs)	
Net sales and other income	5992.32	7048.38
Gross profit before exceptional items, interest and depreciation	4983.87	5286.35
Interest	0.01	0.07
Depreciation	99.73	95.95
Gross profit before exceptional items	4884.13	5190.33
Exceptional item – VRS compensation	-	5839.45
Profit before tax	4884.13	(649.12)
Tax expense	-	-
Profit after tax	4884.13	(649.12)
Add: Tax credits pertaining to earlier years	-	(0.03)
Profit for the year	4884.13	(649.09)
Withdrawal from General Reserve	-	781.92
Proposed dividend (inclusive of dividend distribution tax)	2674.18	132.83
Balance carried to General Reserve	2209.95	-
Earnings per share (₹)	42.74	(5.68)

### DIVIDEND:

The Directors are pleased to recommend for consideration of the Shareholders at the ensuing Annual General Meeting, payment of dividend of ₹ 20 per share (200%) on 1,14,28,568 Equity Shares of ₹ 10 each for the financial year ended 31 March, 2013. The amount of dividend inclusive of tax thereon amounts to ₹ 2674.18 lacs. During the previous year, the Company having incurred a loss, had declared a dividend of ₹ 1 per share (10%), amounting to ₹ 132.83 lacs, in due compliance of the stipulations contained in the Companies (Declaration of Dividend Out of Reserves) Rules, 1975.

### RESEARCH, DEVELOPMENT AND TECHNOLOGY ABSORPTION:

No expenditure is incurred by the Company attributable to Research, Development and Technology Absorption during the year under review.

### CONSERVATION OF ENERGY:

During the year under review, the Company maintained power factor to unity throughout the year resulting in getting maximum rebate in electricity bills. Also, biogas plant, wormy composting, solar water heaters and effluent treatment plant operated effectively.

### SAFETY, HEALTH AND ENVIRONMENT:

There were zero reportable accidents during the year. The Company has taken adequate measures to reduce noise pollution inside the factory by use of screw compressor, reduction in the volume / timing of siren etc.

Environment Audit was carried out as stipulated.

The Company has formulated Policy on AIDS, Safety and Health and has displayed the same at prominent locations at the factory premises.

### FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, foreign exchange earnings were NIL and outgo was ₹ 94.90 lacs.

### CASH FLOW STATEMENT:

A Cash Flow Statement for the year 2012-13 is included in the annexed Statement of Accounts.

### INDUSTRIAL RELATIONS:

During the year under review, the industrial relations remained cordial. The current manpower strength of the Company stood at 120 Nos. represented by 70 permanent workmen and 50 permanent staff.

### DIRECTORS:

- During the year under review, Western Maharashtra Development Corporation Limited (WMDC) nominated Shri Sadashiv S. Survase as a Director in place of Shri G.R. Jangda.



- b) Shri M.V. Bhagat and Shri R.K. Nikharge retire by rotation and being eligible, offer their candidature for re-appointment.
- c) Shri Naresh Patni and Shri Sadashiv S. Survase, who were appointed in the casual vacancies, hold office until the ensuing Annual General Meeting and being eligible, are to be appointed by the Shareholders.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

As required by sub-section (2AA) of Section 217 of the Companies Act, 1956, the Directors confirm:

- a) that in the preparation of annual accounts the applicable accounting standards have been followed.
- b) that the Directors have selected such accounting policies and have 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 and of the profit of the Company for that period.
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) that the Directors have prepared the annual accounts on a going concern basis.

#### **REAPPOINTMENT OF "MANAGER" UNDER THE COMPANIES ACT, 1956:**

The Board of Directors, subject to the approval of Shareholders, have reappointed Shri Ranjit Gupta, Chief Executive of the Company, as "Manager" under the Companies Act, 1956, for a further period of three years effective 1 April, 2013, on the terms and conditions as set out in the Resolution contained in the Notice convening the ensuing Annual General Meeting. Since Shri Ranjit Gupta has completed his age of 70 years, in terms of the provisions of Section 269 of the Companies Act, 1956 and Schedule XIII annexed thereto, his appointment is subject to the approval of Shareholders by way of a Special Resolution. The Directors commend the said Special Resolution for the approval of Shareholders.

#### **PARTICULARS OF EMPLOYEES:**

The company had no employee who was in receipt of remuneration exceeding the limits prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended.

#### **CORPORATE GOVERNANCE:**

Pursuant to clause 49 of the Listing Agreement with Stock Exchanges, a report on Corporate Governance together with the Auditors Certificate regarding compliance of the conditions of Corporate Governance, Management Discussion and Analysis statement forms part of the Annual Report.

#### **AUDITORS' REPORT:**

The observations made in the Auditors' Report, read with the relevant notes thereon are self-explanatory and therefore do not call for any further comments under Section 217 of the Companies Act, 1956.

#### **STATUTORY AUDITORS:**

The Statutory Auditors, M/s. P.C. Parmar & Co., Chartered Accountants, Pune, (ICAI Firm Regn.No.107604W) who retire at the conclusion of the ensuing Annual General Meeting, are eligible for re-appointment. Since Western Maharashtra Development Corporation Limited, a Government Company, holds more than 25% of the subscribed capital of the Company, the appointment of Auditors and the payment of remuneration to them is required to be made by a Special Resolution, pursuant to Section 224-A of the Companies Act, 1956. The Shareholders are requested to appoint the Auditors and fix their remuneration.

#### **COST AUDITORS:**

In conformity with the directives of the Central Government contained in the Ministry of Corporate Affairs circular No. 15/2011 dated 11 April, 2011 as amended, the company has approved the appointment of Shri A. P. Raman, Cost Accountant, as the Cost Auditor under Section 233B of the Companies Act, 1956, to conduct the cost audit of the cost accounts for the financial year 2013-14, subject to the approval of the Government. The full particulars of the cost auditor are furnished below:-

ICWA Membership No.	837
Registration No. of Firm	110141
Address	Golok, Plot No.13, Sector No.28 Pradhikaran, Nigdi, Pune – 411 044
Details of Cost Audit Report for the financial year 2011-12:	
(a) Due date of Filing	28 February, 2013
(b) Actual Date of Filing	26 February, 2013

On behalf of the Board of Directors



Madhur Bajaj  
Chairman

Pune, 14 May, 2013



## CORPORATE GOVERNANCE

Maharashtra Scooters Limited (MSL) believes in and has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders on the four key elements of Corporate Governance – transparency, fairness, disclosure and accountability.

### BOARD OF DIRECTORS:

Composition of the Board of Directors and the number of Directorships and committee positions held by the Directors during the year ended 31 March, 2013:

Name of director	In listed companies	In unlisted public limited companies	Committee positions	
			As Chairman	As Member
Madhur Bajaj	6	-	-	-
S.B. Patil	1	1	-	-
Smt. Kanchan Vijayan	1	2	-	-
Sanjiv Bajaj	6	4	1	5
R.K. Nikharge	1	3	-	-
M.V. Bhagat	1	1	-	-
G.R. Jangda (upto 18.10.2012)	1	2	-	-
Sadashiv S. Survase (from 18.10.2012)	1	1	-	-
Yogesh J. Shah	1	-	-	-
Naresh Patni	1	1	-	-

Notes: Private limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956 are excluded for the above purposes. Only audit committee and shareholders' grievance committee are considered for the purpose of committee positions as per listing agreement.

None of the directors was a member in more than 10 committees, nor a chairman in more than five committees across all companies, in which he/she was a director.

Attendance of Directors at the Board Meetings during the year ended on 31 March, 2013 and at the last AGM:

Name of director	Category	Number of Board meetings		Attendance at the last AGM held on 16-07-2012
		Held	Attended	
Madhur Bajaj	Non-executive, Chairman	4	4	Yes
S.B. Patil	Non-executive	4	2	Yes
Smt. Kanchan Vijayan	Non-executive, Independent	4	3	No
Sanjiv Bajaj	Non-executive	4	4	Yes
R.K. Nikharge	Non-executive, Independent	4	4	Yes
M.V. Bhagat	Non-executive, Independent	4	4	Yes
G.R. Jangda (upto 18.10.2012)	Non-executive, Independent	2	-	No
Sadashiv S. Survase (from 18.10.2012)	Non-executive	2	2	Not applicable
Yogesh J. Shah	Non-executive, Independent	4	4	Yes
Naresh Patni	Non-executive, Independent	4	4	Yes

The Board met four times during the year on 15 May, 2012, 16 July, 2012, 18 October, 2012 and 14 January, 2013.

### Information placed before the Board of Directors:

The Board of the Company was presented with all the relevant and necessary information at their meetings as specified under covenants contained in the Listing Agreement and as stipulated under the Companies Act, 1956 and other enactments as applicable.

The Board also reviewed, periodically, the legal compliance report presented by the Chief Executive of the Company.

### Code of Conduct:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code as on 31 March, 2013. Declaration from Chief Executive to this effect forms part of this report.