41st
ANNUAL REPORT
2015-2016

MAHARASHTRA SCOOTERS LTD.

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41st Annual General Meeting:

Monday, 25 July, 2016 at 12.15 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 66106564

Board of Directors
Madhur Bajaj, *Chairman*
Mrs. Charu Desai (from 02.02.2016)
N.K. Poyam (till 08.07.2015)
Naresh Patni
Ramesh K. Nikharge
Sadashiv S. Survase
Sanjay S. Degaonkar
Sanjiv Bajaj
Vikram Kumar (from 02.02.2016)
Ms. Vrushali Agashe (till 07.01.2016)
Yogesh J. Shah

Audit Committee
Yogesh J. Shah, *Chairman*
Mrs. Charu Desai
Naresh Patni

Stakeholders Relationship Committee
Yogesh J. Shah, *Chairman*
Sanjiv Bajaj
Vikram Kumar

Nomination & Remuneration Committee
Yogesh J. Shah, *Chairman*
Naresh Patni
Sanjay S. Degaonkar

Corporate Social Responsibility Committee
Yogesh J. Shah, *Chairman*
Sadashiv S. Survase
Sanjiv Bajaj

Key Managerial Personnel
Rajeev D. Haware
Chief Executive Officer

R.B. Laddha
Chief Financial Officer

N.S. Kulkarni
Company Secretary

Statutory Auditor
P.C. Parmar & Co., Pune

Secretarial Auditor
Shyamprasad D. Limaye

Internal Auditor
Jayesh Kulkarni

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

Registrar and Share Transfer Agent
M/s. Karvy Computershare Pvt. Ltd.
Karvy Selenium Tower B, Plot 31-32
Gachibowli, Financial District
Nanakramguda, Hyderabad-500 032

Works
Plot No.C-1, M.I.D.C. Area
Satara-415 004, Maharashtra

Corporate Identification No. (CIN)
L35912MH1975PLC018376

Website
www.mahascooters.com

E-mail
investors_msl@bajajauto.co.in

CIN: L35912MH1975PLC018376
Registered office:
C/o. Bajaj Auto Limited,
Mumbai-Pune Road, Akurdi,
Pune 411 035.
www.mahascooters.com
E-mail: investors_msl@bajajauto.co.in

NOTICE

NOTICE is hereby given that the forty-first (41st) Annual General Meeting of the shareholders of **MAHARASHTRA SCOOTERS LIMITED** will be held on **Monday, July 25, 2016 at 12.15 p.m.** 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:

Item No.1

To consider and adopt the audited Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

Item No.2

To declare interim dividend of ₹ 30.00 per equity share of face value of ₹10 each as final dividend for the financial year ended March 31, 2016.

Item No.3

To appoint a Director in place of Shri Sadashiv S. Survase (DIN 01541589) who retires by rotation and being eligible, offers himself for re-appointment.

Item No.4

To ratify appointment of M/s. P.C. Parmar & Company, Chartered Accountants, Pune (ICAI Firm Registration No.107604W), as Statutory Auditors of the Company for the year 2016-17 and to fix their remuneration.

SPECIAL BUSINESS:

Item No.5

Appointment of Mrs. Charu Desai (DIN 03626844) as an Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:-

"**RESOLVED** that pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, read with the Rules made thereunder, approval be and is hereby accorded to the appointment of Mrs. Charu Desai (DIN 03626844), in respect of whom a notice in writing pursuant to Section 160 of the Companies Act, 2013 has been received in the prescribed manner, as an independent director on the Board of the Company, for a consecutive period of five years, effective from February 2, 2016 to February 1, 2021."

"**RESOLVED** further that pursuant to the provisions of Section 149, 197 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mrs. Charu Desai be paid such fees and remuneration as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."

Item No.6

Appointment of Shri Vikram Kumar (DIN 03627339) as a Director

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:-

"RESOLVED that pursuant to the provisions of Section 152 and such other applicable provisions of the Companies Act, 2013 and Rules framed thereunder, Shri Vikram Kumar (DIN 03627339), who was appointed by the Board of Directors of the company as a Nominee Director of Western Maharashtra Development Corporation Ltd., with effect from February 2, 2016, in place of Shri N.K. Poyam and in respect of whom the company has received a notice in writing in the prescribed manner pursuant to provisions of Section 160 of the Companies Act, 2013 be and is hereby appointed as a Director of the company, liable to retire by rotation."

By Order of the Board
for MAHARASHTRA SCOOTERS LIMITED

N.S. Kulkarni
Company Secretary

Pune, May 23, 2016

NOTES:

1. **EXPLANATORY STATEMENT**: Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business set out in item Nos.5 and 6 is annexed.

2. **PROFILE OF DIRECTORS**: As required by Regulation 36(3) of the Listing Regulations, brief resume of the Directors seeking appointment / re-appointment is annexed hereto.

3. **PROXY**: *A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.*

   During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.

4. **NOTIFICATION BY MEMBERS**: Members holding shares in physical form are requested to notify change of address, if any, to the Share Transfer Agent (STA) of the Company, Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No. 31 and 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 008 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.

5. **INTERIM DIVIDEND**: An interim dividend at the rate of ₹ 30 per equity share (300%) having face value of ₹ 10 each, declared by the Board at its meeting held on March 15, 2016 has been paid on March 30, 2016 to all the eligible shareholders as on March 23, 2016, being the record date for the purpose of interim dividend.

6. **INSPECTION OF RECORDS**: Register of Contracts or arrangement in which Directors are interested as stipulated under Section 189 of the Companies Act, 2013 and Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 are open for inspection by members and others at the registered office of the company on all working days during business hours. The said Registers shall also be produced at the commencement of annual general meeting and shall remain open and accessible during the continuance of the meeting to a person having the right to attend the meeting.

7. **GREEN INITIATIVE IN CORPORATE GOVERNANCE**: In terms of provisions of Section 101 and 136 of the Companies Act, 2013 and Rules made there-under, Members 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 being sent with such documents in the electronic form. These documents are also made available on the website of the Company viz., 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.**

8. **CORPORATE MEMBERS**: Corporate Members are requested to send in advance, duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend the Annual General Meeting.

9. **NOMINATION**: Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to submit the nomination in the prescribed Form SH-13, available for download on the website of the company, with the Company's Share Transfer Agent. In respect of shares held in electronic / demat form, the members are requested to contact their respective depository participant.

10. **REMOTE E-VOTING :** In terms of the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system to such investors who are the members as on **July 18, 2016**, being the "**cut-off date**" fixed for determining voting rights of members reckoned on the equity shares held by them as on that day, entitled to participate in the e-voting process. The company has entered into an arrangement with M/s. Karvy Computershare P. Ltd., the Share Transfer Agent of the company (Karvy) for facilitating e-voting, through their e-voting platform https://evoting.karvy.com

11. Route map for the venue of the meeting is hosted on the website of the company along with the Notice.

INSTRUCTIONS FOR E-VOTING

A. **FOR MEMBERS WHO RECEIVE NOTICE OF ANNUAL GENERAL MEETING THROUGH E-MAIL:**

i. Use the following URL for e-voting**:**

https://evoting.karvy.com

ii. Enter the login credentials (i.e. user-id and password mentioned in your e-mail. Your Folio No. / DP ID Client ID will be your user ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your votes.

iii. After entering the details appropriately, click on LOGIN.

iv. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.**

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the EVENT i.e., **MAHARASHTRA SCOOTERS LIMITED**

vii. On the voting page, the number of shares (which represents the number of votes) as held by the shareholder as on the cut-off date will appear. If you desire to cast all the votes assenting / dissenting to the Resolution then enter all shares and click "FOR" / "AGAINST", as the case may be or partially in "FOR" and partially in "AGAINST". However, the total number in "FOR" / "AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN", in which case the shares held will not be counted under either head.

viii. Members holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.

ix. Cast your votes by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. During the voting period, you can login any number of times till you have confirmed you have voted on the resolution.

x. Corporate / Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority Letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail cssdlimaye@gmail.com. They may also upload the same in the e-voting module in their login. The scanned images of the above documents should be in the naming format "Corporate Name EVENT NO."

xi. **Once you have cast your vote on a resolution you will not be allowed to modify it subsequently.**

xii. The Portal will remain open for voting from **Friday, July 22, 2016 (9.00 a.m.) till Sunday, July 24, 2016 (5.00 p.m.) and at the end of Remote e-voting period, the facility shall forthwith be blocked.**

xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual for members available at the download Section of https://evoting.karvy.com or contact Karvy Computershare Pvt. Ltd. on 1800 345 4001 (toll free).

B. **VOTING AT THE MEETING:**

Members who have not cast their vote by Remote E-Voting can exercise their voting rights at the Annual General Meeting. The Company will make necessary arrangements by way of electronic voting for exercising the options of voting by the members of the company.

The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the meeting but shall not be entitled to cast their vote again at the meeting.

C. **GENERAL INSTRUCTIONS:**

(I) The E-voting period commences from 9.00 a.m. of **Friday, July 22, 2016 and ends at 5.00 p.m. on Sunday, July 24, 2016**. During this period, the members of the company, holding shares either in physical form or in demat form, as on the cut-off date of **July 18, 2016** may cast their vote electronically. The remote e-voting module shall be disabled for voting by Karvy thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

(II) The company has appointed Shri Shyamprasad D. Limaye, Practicing Company Secretary (FCS No.1587 / PCS No.572) having address as 32, Navketan Society, Kothrud, Pune – 411038 as the Scrutinizer to scrutinize the e-voting process, in a fair and transparent manner.

(III) The Scrutinizer shall, within a period of not exceeding three (3) days from the conclusion of the e-voting period, unlock the votes in the presence of at least two witnesses, not in the employment of the company and make a Scrutinizer's Report of the votes cast in favour or against, if any, and submit forthwith to the Chairman of the company.

(IV) The results of E-Voting and poll on the resolutions at the Annual General Meeting shall be aggregated and these resolutions will be deemed to be passed on the Annual General Meeting date, subject to receipt of the requisite number of votes in favour of the said resolutions.

(V) The results declared along with the Scrutinizer's Report shall be communicated to the Stock Exchange/s and made available at the Company's website www.mahascooters.com and on the website of Karvy – www.evoting.karvy.com within two days of the passing of the resolutions at the Annual General Meeting of the Company.

Annexure to Notice

BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF LISTING REGULATIONS AND EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No.3

Re-appointment of Shri Sadashiv S. Survase (DIN 01541589) as a Director

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Sadashiv S. Survase (DIN 01541589) retires by rotation and being eligible, offers himself for reappointment.

Details as required under Regulation 36(3) of Listing Regulations 2015 with respect to the appointment of Shri Sadashiv S. Survase are annexed to the Notice.

Apart from Shri Sadashiv S. Survase, none of the Directors, Manager and other Key Managerial Personnel of the Company or their relatives are concerned or interested in the above resolution.

Shri Sadashiv S. Survase is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board commends the resolution for the approval of Members.

Item No. 5

Appointment of Mrs. Charu Desai (DIN 03626844) as an Independent Director:

In the vacancy caused by the resignation of Ms. Vrushali Agashe, an Independent Director, the board of directors at its meeting held on February 2, 2016 had appointed Mrs. Charu Desai (DIN 03626844) as an Independent Director for a period of five (5) years, effective February 2, 2016 to February 1, 2021, subject to approval by the Members at the ensuing Annual General Meeting.

Mrs. Charu Desai had furnished a declaration to the company under Section 149(7) of the Companies Act, 2013, confirming that she meets the criteria prescribed for Independent Directors pursuant to the provisions of Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and is not disqualified for being appointed as a Director pursuant to Section 164 of the Companies Act, 2013.

In the above backdrop, as required pursuant to the provisions of Section 150(2) of the Companies Act, 2013, it is proposed to seek the approval of Members to the appointment of Mrs. Charu Desai as an Independent Director of the company for a period of five consecutive years with effect from February 2, 2016 to February 1, 2021, as set out at Item No.5 of the Notice. As stipulated under Section 160 of the Companies Act, 2013, a Notice is received by the company from a Shareholder proposing the candidature of Mrs. Charu Desai as an Independent Director.

Apart from Mrs. Charu Desai, none of the Directors / Manager / Key Managerial Personnel or their relatives are concerned or interested in the above resolution.

Details as required under Regulation 36(3) of Listing Regulations 2015 with respect to the appointment of Mrs. Charu Desai are annexed to the Notice.

The Board is of the opinion that Mrs. Charu Desai possesses requisite skills, experience and knowledge relevant to the Company's business and it would be in the interest of the Company to have her association with the Company as an Independent Director.

Further, in the opinion of the Board, the proposed appointment of Mrs. Charu Desai, fulfills the conditions specified in the Act and the Rules made thereunder and that her proposed appointment as an Independent Director is independent of the management.

The Board recommends the resolution set forth under Item No.5 of the Notice for the approval of the Members.

Item No.6

Appointment of Shri Vikram Kumar (DIN 03627339) as a Director

At the board meeting of the company held on February 2, 2016, Shri Vikram Kumar was appointed as a Nominee Director of Western Maharashtra Development Corporation Ltd., in place of Shri N.K. Poyam. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Shri Vikram Kumar (DIN 03627339**)** vacates office at the ensuing Annual General Meeting and is to be appointed as a Director by the Members. As stipulated under Section 160 of the Companies Act, 2013, the company has received a Notice in writing from a member signifying his intention to propose the name of Shri Vikram Kumar as a Director of the company.

Details as required under Regulation 36(3) of Listing Regulations 2015 with respect to the appointment of Shri Vikram Kumar are annexed to the Notice.

Apart from Shri Vikram Kumar, none of the Directors / Manager / Key Managerial Personnel or their relatives, are concerned or interested in the above resolution.

Shri Vikram Kumar is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board recommends the resolution for the approval of Members.

By Order of the Board
for MAHARASHTRA SCOOTERS LIMITED

N.S. Kulkarni
Company Secretary

Pune, May 23, 2016

Annexure to the Notice of Annual General Meeting

Brief resume of Directors seeking appointment / re-appointment at the Annual General Meeting pursuant to Regulation 36(3) of Listing Regulations

Name of Director	**Mrs. Charu Desai**	**Sadashiv S. Survase**	**Vikram Kumar**
DIN	03626844	01541589	03627339
Type	**Independent Director**	**Nominee Director**	**Nominee Director**
Date of Birth	23-05-1971	05-01-1968	24-05-1977
Date of Appointment	02-02-2016	12-05-2015	02-02-2016
Educational Qualification	B.Com. FCA	M.E. (Design Eng.), MBA	IAS
Directorship held in other Companies	Maharashtra Vikrikar Rokhe Pradhikaran Ltd. Sicom Capital Management P. Ltd. Sicom Investment and Finance Ltd. Sicom Reality Ltd. SICOM - Chief Financial Officer	Western Maharashtra Development Corporaton Ltd. Satara Mega Food Park P. Ltd.	Aurangabad Industrial Township Ltd., Managing Director Ascendas IT Park (Pune) Pvt. Ltd. International Biotech Park Ltd. Varando Hinjwadi Township P. Ltd. Western Maharashta Development Corporation Ltd. Joint CEO of Maharashtra Industrial Development Corp. Ltd.
Committee Positions held in other Companies	Nil	Nil	Nil
No. of shares held	Nil	Nil	Nil
Experience / expertize in functional areas	Project finance, leasing, strategic planning, taxation, investments and management	General Management, Industrial Development, Joint venture	General Management, Industrial Development and Joint Venture
Relationship with other Directors, inter-se	None	None	None
Meetings attended	One out of two meetings held after her appointment	Attended all the meetings	Leave of Absence

DIRECTORS' REPORT

INTRODUCTION:

The Directors present their forty-first (41st) Annual Report and Audited Financial Statements for the year ended March 31, 2016, prepared in due compliance of extant provisions of the Companies Act, 2013 and Schedule III thereto.

REVIEW OF OPERATIONS:

Business activities of the company, during the year under review, continued to be restricted to the manufacture of die casting, jigs and fixtures, primarily meant for the automobile industry and management of investments of surplus funds of the company.

During the year under review, sales on account of manufacture of die casting dies, jigs and fixtures, increased to ₹ 892.96 lakhs as compared to ₹ 687.83 lakhs achieved during the previous year. This increase was on account of the concerted efforts made for a smooth flow of work orders, aided by enhanced productivity and better quality.

During the year under review, the turnover of the company went up from ₹ 6986.19 lakhs to ₹ 11714.99 lakhs, mainly on account of certain additional dividend received by way of interim dividend.

CLASSIFICATION AS A CORE INVESTMENT COMPANY:

Considering the fact that the company fulfills the criteria for being qualified as a Core Investment company, exempted from registration with RBI pursuant to Section 45-IA of the RBI Act, 1934, RBI has confirmed the classification of the Company as such.

Such classification of the company by RBI, however has no significant impact on the operations / finances of the company.

FINANCIAL HIGHLIGHTS:

(₹ in lakhs)

	2015-16	2014-15
Net sales and other income	**11714.99**	6986.19
Gross profit before interest and depreciation	**10173.38**	5791.56
Interest	**-**	-
Depreciation	**73.50**	315.78
Profit before tax	**10099.88**	5475.78
Tax expense	**116.00**	141.00
MAT credit entitlement	**(116.00)**	(141.00)
Profit after tax	**10099.88**	5475.78
Transferred to General Reserve	**1010.00**	1349.23
Interim dividend (inclusive of dividend distribution tax)	**4126.55**	4126.55
Balance in Statement of Profit & Loss	**4963.33**	-
Earnings per share (₹)	**88.37**	47.91

RECOMMENDATION ON DIVIDEND:

At the board meeting of the company held on March 15, 2016, the Directors had recommended an interim dividend of ₹ 30 per share (300%) on 11,428,568 equity shares of ₹ 10 each for the financial year 2015-16 (same as last year), which was paid on March 30, 2016 to all eligible shareholders as on March 23, 2016, being the record date fixed for the purpose.

The Directors have not recommended any additional dividend and the interim dividend already paid is being proposed to be declared as the final dividend for the financial year 2015-16.

The amount of dividend inclusive of tax thereon for the financial year 2015-16 amounts to ₹ 4,126.55 lakhs, same as paid during the financial year 2014-15.

SHARE CAPITAL:

The paid up Equity Share Capital as on March 31, 2016 was ₹ 11.42 Crore. During the year under review, there was no public issue, rights issue, bonus issue or preference share issue, nor had the Company issued shares with differential voting rights or granted stock options or sweat equity.

PRESENTATION OF FINANCIAL STATEMENTS:

The financial statements for the year ended March 31, 2016 are prepared in due compliance of the Schedule III of the Companies Act, 2013.

CASH FLOW STATEMENT:

A Cash Flow Statement for the year 2015-16 is included in the annexed Statement of Accounts.

EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 and Rules framed thereunder, an extract of Annual Return as on March 31, 2016 in the prescribed Form No. MGT-9 is annexed to this Report (Annexure-I).

NUMBER OF MEETINGS OF THE BOARD:

There were five (5) meetings of the board held during the year. Detailed information is given in the annexed Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

As required pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Directors, to the best of their knowledge and belief, state that -

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;

(b) the directors had 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 and of the profit and loss 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) the directors had prepared the annual accounts on a going concern basis;

(e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS IN RESPECT OF FRAUDS, IF ANY, REPORTED BY THE AUDITORS:

During the year under review, no offence involving fraud committed against the company by officers or employees of the company was reported by the Auditors to the Audit Committee or the Board pursuant to Section 143(12) of the Companies Act, 2013.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

All the Independent Directors have submitted declarations to the company to the effect that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

DIRECTORS' APPOINTMENT AND REMUNERATION POLICY:

Information regarding Directors' Remuneration Policy and criteria for determining the qualification, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013 are contained in the Corporate Governance Report. The Policy is also available on the website of Company i.e. www.mahascooters.com

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The company has not given any loans or guarantees or provided any security. Full particulars of the investments made by the company are provided in the Financial Statements attached to this Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the year under review, the Company had not entered into any transactions with the related parties which invoked the provisions of Section 188 of the Companies Act, 2013, thereby necessitating its approval by the Board or prior approval of the Shareholders.

There being no such contract with related parties which are 'material' in nature, there are no details to be disclosed in Form AOC – 2, under the Companies Act, 2013.

During the year under review, pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations, all Related Party Transactions were placed before the Audit Committee for its prior / omnibus approval.

The Policy on Related Party Transactions as approved by the board is uploaded on the Company's website:

www.mahascooters.com

DETAILS PURSUANT TO RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014:

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 wormi composting, solar water heaters and effluent treatment plant operated effectively.
Technology absorption	No expenditure is incurred by the Company attributable to Technology absorption during the year.
Expenditure on Research & Development	No expenditure is incurred by the Company attributable to Research & Development during the year.
Foreign exchange earnings and Outgo	During the year under review, foreign exchange earnings were NIL and outgo was ₹ 331.32 lakhs.

ANNUAL EVALUATION OF THE BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS:

Pursuant to provisions of the Companies Act, 2013 and Regulation 25(4) of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its Committees. The manner in which formal annual evaluation was made is provided in the annexed Corporate Governance Report.