



AMIT GUPTA & ASSOCIATES
Practicing Company Secretaries

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Secretarial Compliance Report of Scooters India Limited

for the financial year ended at 31st March, 2020

[Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

Scooters India Limited,

(CIN - L25111UP1972GOI003599)

Post Box No 23 Gpo Sarojini Nagar, Lucknow-226008, Uttar Pradesh

We Amit Gupta & Associates, Company Secretaries, have examined:

- a) all the documents and records made available to us and explanation provided by Scooters India Limited (“the listed entity”);
- b) the filings/ submissions made by the listed entity to the stock exchanges;
- c) website of the listed entity;
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification;

for the year ended at 31st March, 2020 (“Review Period”) in respect of compliance with the provisions of :

- a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;**(Not applicable to the Company during the review period);**
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **(Not applicable to the Company during the review period);**



- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **(Not applicable to the Company during the review period);**
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **(Not applicable to the Company during the review period);**
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 - **(Not applicable to the Company during the review period);**
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies and dealing with client;
- j) Depositories Act, 1996;

and circulars/ guidelines issued thereunder;

and based on the above examination, we hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

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	<i>Government of India, Ministry of Heavy Industry & Public Enterprises, Department of Heavy Industry vide its order no 3(20)/2013-PE-VI dated 28th January 2020 has appointed Smt. Rakesh Sharma and Shri Mahendra Pratap Singh as Non Official Independent Directors on the Board of the Company and henceforth the Company is in compliance.</i>
ii.	Regulation 17(10) of SEBI (LODR) Regulations, 2015	No performance evaluation of independent directors made	<i>The Company was having no Independent Directors</i>
iii.	Regulation 18 of SEBI (LODR) Regulations, 2015	Non constitution of a qualified and independent audit committee & consequent non	<i>Government of India, Ministry of Heavy Industry & Public Enterprises, Department of Heavy Industry vide its order no</i>

		compliances of provisions related to Audit Committee	<i>3(20)/2013-PE-VI dated 28th January 2020 has appointed Smt. Rakesh Sharma and Shri Mahendra Pratap Singh as Non Official Independent Directors on the Board of the Company and henceforth the Company is in compliance. Accordingly Audit Committee was duly constituted w.e.f. 13.02.2020</i>
iv.	Regulation 19 of SEBI (LODR) Regulations, 2015	Non constitution of a Nomination & Remuneration committee & consequent non compliances of provisions related to Nomination & Remuneration Committee	<i>Government of India, Ministry of Heavy Industry & Public Enterprises, Department of Heavy Industry vide its order no 3(20)/2013-PE-VI dated 28th January 2020 has appointed Smt. Rakesh Sharma and Shri Mahendra Pratap Singh as Non Official Independent Directors on the Board of the Company and henceforth the Company is in compliance. Accordingly Nomination Remuneration Committee was duly constituted w.e.f. 13.02.2020.</i>
v.	Regulation 31 of SEBI (LODR) Regulations, 2015	Hundred percent of shareholding of promoters is not in dematerialized form	<i>3,37,90,000 equity shares of Rs. 10/- each issued to Government of India are still in physical form</i>
vi.	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	<i>The Government of India holding is 93.87% and public shareholding is only 6.13% as against the requirement of minimum 10% public shareholding</i>
vii.	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	<i>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</i>

			<i>Investment Fund (transferred from GOI to meet minimum public shareholding requirement) are not listed on stock exchange</i>
viii.	SEBI Circular CIR/MRD/DP/10/2015 dated June 05, 2015	Non uploading of distinctive no. as per requirement of the said circular	<i>The Company & RTA are in process of reconciliation of data for submission with NSDL/CDSL.</i>

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- c) 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 thereunder.

Sr. No.	Action taken by	Details of violations	Details of action taken e.g. fines, warning letter, debarment, etc.	Amount of Penalty (INR) (Refer note 1 below)
i.	BSE Limited	Non Appointment of Independent Directors	LIST/COMP/REG27(2) & REG 17 to 21 / Sep-18 505141/960/2018-19 dated October 31, 2018.	977040/-
ii.	BSE Limited	Non Appointment of Independent Directors	LIST/COMP/REG27 (2) & REG 17 to 21 / Dec-18 505141/1093/2019-20 dated January 31, 2019.	875560/-
iii.	BSE Limited	Non Appointment of Independent Directors	LIST/COMP/REG27 (2) & REG 17 to 21 / March-19/505141/37/2019-20 dated May 02, 2019.	955800/-
iv.	BSE Limited	Non Appointment of Independent Directors	LIST/COMP/REG27 (2) & REG 17 to 21 / June-19/505141/157/2019-20 dated August 19, 2019.	966420/-
v.	BSE Limited	Non Appointment of Independent Directors	LIST/COMP/REG27 (2) & REG 17 to 21 / Sept-19/505141/219/2019-20 dated October 31, 2019.	977040/-
vi.	BSE Limited	Non Appointment of Independent Directors	LIST/COMP/REG27 (2) & REG 17 to 21 / Dec-19/505141/219/2019-20 dated February 03, 2020.	977040/-
vii.	BSE Limited	Non Appointment of Independent Directors	LIST/COMP/REG27 (2) & REG 17 to 21 / March-20/505141/219/2019-20 dated July 03, 2020.	853140/-



			Total	6582040/-
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Note: Listed Entity has requested BSE for waiver of Penalty as appointment of Independent Directors was not in their hand.

d) The listed entity has taken the following actions to comply with the observations made in previous reports.

Sr. No.	Observations made in Previous Report		Action by Listed Entity
	Compliance requirement (Regulations/circulars/guidelines including specific clause)	Deviations	
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	<i>Government of India, Ministry of Heavy Industry & Public Enterprises, Department of Heavy Industry vide its order no 3(20)/2013-PE-VI dated 28th January 2020 has appointed Smt. Rakesh Sharma and Shri Mahendra Pratap Singh as Non Official Independent Directors on the Board of the Company and henceforth the Company is in compliance.</i>
ii.	Regulation 17(10) of SEBI (LODR) Regulations, 2015	No performance evaluation of independent directors made	<i>Shall be made in next year.</i>
iii.	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	<i>Government of India, Ministry of Heavy Industry & Public Enterprises, Department of Heavy Industry vide its order no 3(20)/2013-PE-VI dated 28th January 2020 has appointed Smt. Rakesh Sharma and Shri Mahendra Pratap Singh as Non Official Independent Directors on the Board of the Company and</i>



			<i>henceforth the Company is in compliance. Accordingly Audit Committee was duly constituted w.e.f. 13.02.2020</i>
iv.	Regulation 19 of SEBI (LODR) Regulations, 2015	Non constitution of a Nomination & Remuneration committee & consequent non compliances of provisions related to Nomination & Remuneration Committee	<i>Government of India, Ministry of Heavy Industry & Public Enterprises, Department of Heavy Industry vide its order no 3(20)/2013-PE-VI dated 28th January 2020 has appointed Smt. Rakesh Sharma and Shri Mahendra Pratap Singh as Non Official Independent Directors on the Board of the Company and henceforth the Company is in compliance. Accordingly Nomination Remuneration Committee was duly constituted w.e.f. 13.02.2020.</i>
v.	Regulation 31 of SEBI (LODR) Regulations, 2015	Hundred percent of shareholding of promoters is not in dematerialized form	<i>3,37,90,000 equity shares of Rs. 10/- each issued to Government of India are still in physical form. The Company has taken up matter with RTA.</i>
vi.	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	<i>The Government of India holding is 93.87% and public shareholding is only 6.13% as against the requirement of minimum 10% public shareholding. The Company has taken up matter with Administrative Ministry.</i>
vii.	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	<i>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. The Company has taken up matter</i>



			<i>with RTA.</i>
viii.	SEBI Circular CIR/MRD/DP/10/20 15 dated June 05, 2015	Non uploading of distinctive no. as per requirement of the said circular	<i>RTA has submitted necessary data with NSDL/CDSL.</i>

For Amit Gupta & Associates
Company Secretaries

Amit Gupta

Proprietor

Membership No. : F5478

C.P. No. 4682

UDIN - **F005478B000523699**

Date: 29.07.2020

Place: Lucknow



To,

Scooters India Limited,

Post Box No 23 Gpo Sarojini Nagar, Lucknow-226008, Uttar Pradesh

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. Wherever 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 Compliance 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

UDIN - **F005478B000523699**

Date: 29.07.2020

Place: Lucknow