

Scooters India Limited

(A Government of India Enterprise)

Post Bag No.23, GPO, Sarojini Nagar, Lucknow---226008 Uttar Pradesh, India
Corporate Identity No.L25111UP1972GOI003599 Telephone No.0522---2496242, 0522---2496200,
Fax No.0522-2496190 E-mail: companysecretary@scootersindia.com Website:www.scootersindia.com

SIL:CS:BM: 249:2017
September 13, 2017

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

Subject: Board Meeting outcome - Approval of Unaudited Financial Results for the Quarter ended at June 30, 2017 (AS PER IND-AS)

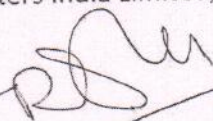
Sir,

This is to inform that the Board of Directors of M/s Scooters India Limited in its 249th meeting held on **Wednesday, September 13, 2017** at 11:00 A.M. in the Conference Room at the Registered office of the Company at Lucknow inter-alia consider and approve the Unaudited Financial Results for quarter ended at **June 30, 2017 (AS PER IND-AS)**.

We are enclosing herewith copy of un-audited financial result alongwith limited review report of Statutory Auditor for your records.

With regards,

Yours faithfully,
For Scooters India Limited,


(Renati Sreenivasulu)
Chairman & Managing Director
DIN - 07634253

SCOOTERS INDIA LIMITED
Post Bag No 23, Sarojini Nagar, Lucknow
www.scootersindia.com
CIN-L25111UP1972GOI003599

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR QUARTER ENDED 30.06.2017

		Rs in lakhs	
Sr. No	PARTICULARS	Three Months Ended 30.06.2017	Corresponding 3 Months Ended in the previous Year 30.06.2016
		Unaudited	Unaudited
I	Revenue from Operations	125.25	3,028.02
II	Other Income	124.21	105.28
III	Total Income (I+II)	249.46	3,133.30
IV	Expenses		
	Cost of materials consumed	60.72	1,334.96
	Purchases of Stock-in-Trade	-	94.14
	Changes in Inventories of Finished Goods, Work in Progress and Stock in trade	(26.72)	657.98
	Employee benefits expense	660.12	725.46
	Excise Duty on Sale	9.32	245.41
	Finance costs	38.32	21.97
	Depreciation and amortization expense	38.50	39.82
	Other expenses	115.04	296.08
	Total Expenses (IV)	895.30	3,415.82
V	Profit/(loss) before exceptional items and tax (I- IV)	(645.84)	(282.52)
VI	Exceptional items	-	-
VII	Profit/(loss) before tax (V- VI)	(645.84)	(282.52)
VIII	Tax expense:		
	(1) Current tax	-	-
	(2) Deferred tax	-	-
IX	Profit (Loss) for the period from continuing operations (VII-VIII)	(645.84)	(282.52)
X	Profit/(loss) from discontinued operations		
XI	Tax expense of discontinued operations		
XII	Profit/(Loss) from Discontinued operations (after tax) (X-XI)		
XIII	Profit/(loss) for the period (IX+XII)	(645.84)	(282.52)
XIV	Other Comprehensive Income		
XV	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)	(645.84)	(282.52)
XVI	Earnings per equity share (for continuing operation):		
	(1) Basic	(0.76)	(0.33)
	(2) Diluted	(0.76)	(0.33)
XVII	Earnings per equity share (for discontinued operation):		
	(1) Basic	-	-
	(2) Diluted	-	-
XVIII	Earnings per equity share (for discontinued & Continuing and operation):		
	(1) Basic	(0.76)	(0.33)
	(2) Diluted	(0.76)	(0.33)

Notes:

1. The unaudited standalone financial results have been reviewed and approved by the Board of Directors in their meeting held on September 13, 2017.

2. The statutory auditors have carried out limited review of the financial results for the quarter ended June 30, 2017.

3. 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 Rs. 20,196 lakhs, which inter-alia includes the infusion of fresh funds, conversion of plan & non plan loan 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 Rs. 7500 lakhs to Rs. 25000 lakhs, Conversion of Plan & Non Plan Loan of Rs. 8521.12 lakhs in to Equity, Issue & allotment of equity shares against share application money pending allotment of Rs. 1049 lakhs, Reduction of Equity Share Capital against Accumulated losses by Rs. 8521.12 lakhs, write off of interest accrued & due and interest accrued but not due on Plan & Non Plan Loan of Rs. 2637.60 lakhs against accumulated losses & Non provision of interest on Non Plan Loan of Rs.189.00 lakhs released during the financial year 2012-13 as also for Income Tax, if any required under section 115IB 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 Rs. 189 Lakhs has been taken up with Department of Heavy Industry for maintaining the status quo. The Company has incorporated the same in its books of account w.e.f. FY 12-13.

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 Networth 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:

- 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.
- The Board discharges SBI from the responsibility of OA to the board.
- 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.

In the above results, status quo of treatment of non-plan loan of Rs.189 lakhs regarding nonpayment of principal & non provision of interest has been maintained as the same has been taken up with Government of India on a regular basis & is still under their consideration.

[Handwritten Signature]



4. Regarding revision of pay 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 wages 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 pay 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 quarter of current financial year 2017-18 Rs. 99.70 lakhs (for corresponding quarter of financial year 2016-17 Rs. 74.67 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.

5. The Ministry of Road Transport and Highways vide notification no. GSR-643(E) dated 19.08.2015 amended Rule 115 of Central Motor Vehicles Rules, 1989 to provide that the Mass Emission Standards for Bharat Stage IV shall come into force all over the country in respect of vehicles manufactured on or after the 1st April, 2017.

The Company as on 31.03.2017 is carrying 2159 nos. three wheelers under finished goods stock and 136 nos. of three wheelers under work in progress under different models compliant to BS-III standards as per Central Motor Vehicles Rule (CMVR). As regards these vehicles, the company proposes to liquidate the stock through both conversion to BS-IV compliant vehicles and exports to market in Africa, Sri Lanka, Bangladesh etc.

This was noted and approved by the Board of Directors in their 246th meeting held on 02.05.2017.

The Company intends to pass on the conversion cost in entirety for each model of BS-III 1500 CG and 1000 CG vehicles for which type approval have been received from ARAI to customers. Further the Company also proposes to maintain parity in price for be the converted and new model of three wheelers of BS-IV in the market.

However the type approval for Diesel vehicles of three wheelers is still awaited from ARAI. The position of the conversion cost shall emerge only after the type approval is obtained. The company intends to similarly pass on the impact of conversion cost to the customer in totality.

The spare parts of three wheelers (BS-III) vehicles both diesel & CNG models are lying in inventory of spare parts in inventory of Raw Material and components, W.I.P. valuing Rs. 74.32 lakhs have been classified under spare parts on marketable as such.

6. Scooters India Ltd. has been allotted 1MW of grid connected Solar PV Power project under scheme of Ministry of New & Renewable Energy with viability gap funding (VGF). The first tranche of Rs. 25 lakhs as VGF has been sanctioned & released to the company under the scheme during the financial year 2016-17.

7. The tax expenses of Rs. 25.99 lakhs relates to previous financial year 2015-16. The Company provided for income tax liability of Rs. 28.88 lakhs in the annual accounts of Financial Year 2015-16, the tax liability upon filing of Income tax return was assessed to Rs 54.89 lakhs difference of Rs 25.99 lakhs towards short provision has been recognised as income tax for earlier years during the financial year 2016-17.

8. The Company has adopted Ind AS (Indian Accounting Standards) from April 1, 2017 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and other accounting principles generally accepted in India. The date of transition to Ind AS is April 1, 2016.

9. The financial results for the quarter ended June 30, 2016 have not been subjected to limited review or audit by the statutory auditors. These results have been prepared based on the information compiled by the Management. However, the Management has exercised due diligence to ensure that the financial results for the quarter ended June 30, 2016 provide a true and fair view of the results of the Company in accordance with Ind AS.

10. Reconciliation of Net Profit/(Loss) between previous Indian GAAP and Ind-AS	
Particulars	Quarter ended 30.06.2016 (in Rs. Lakhs)
Profit/(loss) after tax as reported Under previous Indian GAAP	(282.98)
Ind-AS Adjustments:	
1. Interest income on fair valuation of employee loan	0.46
2. Interest income on fair valuation of security deposits.	0.07
3. Rental expenses on fair valuation of security deposits.	(0.07)
Net Profit/(Loss) after tax as reported under Ind-AS	(282.52)
Other comprehensive income (Net of Tax) as reported under Ind-AS	-
Total comprehensive income as reported under Ind-AS	(282.52)

11. Expenditure capitalized & prior year items has been adjusted in other expenditure.

12. Previous period figures have been regrouped/reclassified wherever necessary to confirm to current period classification.

Place: Lucknow
Date: 13.09.2017

On behalf of Board of Directors
For Scooters India Limited

R. Sreenivasulu
Chairman & Managing Director
DIN-07634253



INDEPENDENT AUDITORS' REVIEW REPORT OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS
SCOOTERS INDIA LIMITED

1. We have reviewed the accompanying statement of unaudited financial results of Scooters India Limited ('the Company') for the quarter ended 30th June 2017 ("the statement") attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing obligation and Disclosure Requirement) Regulation 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting " (Ind AS 34) prescribed under section 133 of the Companies Act 2013 read with relevant rules there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. *Attention is invited to footnote 3 to the unaudited financial results for the quarter under review regarding repayment of principal and interest on non plan loan of Rs. 189 lakhs received by the company from the Government of India at an interest rate of 13.50% per annum, the company has not provided interest over it as it has filed an application for freezing of the interest, with the Ministry of Heavy Industry however Ministry approval on the same is pending and has yet not been approved further total interest including the penalty accrued and unpaid is Rs. 140.18 lakhs. till 30st June 2017, since the final outcome is still awaited therefore the impact is unascertained.*
4. *Attention is invited to foot note 3 to the unaudited financial results, where the company has increased its Authorised capital from Rs. 7500 lakhs to Rs. 25000 lakhs, however share issue expense with respect to payment of fees excluding the additional fees to the Ministry of Corporate Affairs ("MCA") pursuant to rule 12 of the Companies (Registration of Offices and Fees) Rules, 2014), of Rs. 131.25 Lakhs has not been paid nor provided in the books of accounts, as explained to us by the management, the MCA has so far not allowed the increase in Authorized capital without payment of fees as the company is claiming exemption for the fees on account of relief given by BIFR in its order dated 19th June 2013, since the final outcome is still awaited the impact is unascertainable.*
5. **Emphasis of Matter**
Attention is invited to foot Note 4 to the unaudited financial results where the company has not provided for the arrears to the employees who were on the pay roll of the company as on 01-04-2013, as the approval is awaited from GOI and pending outcome of the proceeding before the Central Government Industrial Tribunal, Lucknow

Our Other Offices :- Gorakhpur-Mumbai-New Delhi

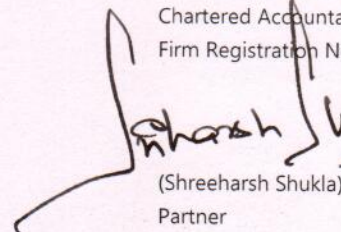


6. Based on our review conducted as stated above except for the matters described in Paragraph 3 and 4, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with recognition and measurement principle laid down in the applicable Accounting Standards specified under the Companies Act, 1956 which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing obligation and Disclosure Requirement) Regulation 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We have not reviewed the financial results and other information for the quarter ended 30 June 2016 which is solely based on the financial information compiled by the management

Place: Lucknow

Date: 13 September 2017

For D. S. Shukla & Co.
Chartered Accountants
Firm Registration No. 000273C


(Shreeharsh Shukla)
Partner
Membership No. 408990

