

# **ATLAS**

**CYCLES (HARYANA) LIMITED**



## **ANNUAL REPORT**

---

### **2020-21**



# ATLAS CYCLES (HARYANA) LIMITED

INDUSTRIAL AREA, ATLAS ROAD,  
SONEPAT-131001 (HARYANA)  
CIN : L35923HR1950PLC001614  
[www.atlasbicycles.com](http://www.atlasbicycles.com)

## BOARD OF DIRECTORS :

Mr. Kartik Roop Rai (DIN: 06789287), Independent Director  
Mr. Sanjiv Kavaljit Singh (DIN: 00015689), Independent Director  
Ms. Sadhna Syal (DIN: 07837529), Independent Director  
Mr. Vansh Vardhan Joshi (DIN: 06843644), Director

## COMPANY SECRETARY

Mr. Rakesh

## REGISTERED OFFICE :

Industrial Area, Atlas Road,  
Sonapat -131001 (Haryana)

## SECRETARIAL AUDITORS :

M/s. Mukesh Arora & Co.  
Company Secretaries, Delhi

## BANKERS :

Central Bank of India  
Punjab National Bank  
Bank of Baroda

## BOARD COMMITTEES :

### Audit Committee

Mr. Kartik Roop Rai (DIN: 06789287) Chairman  
Mr. Sanjiv Kavaljit Singh (DIN: 00015689) Member  
Ms. Sadhna Syal (DIN: 07837529), Member

### Stakeholders Relationship Committee

Mr. Sanjiv Kavaljit Singh (DIN: 00015689) Chairman  
Mr. Kartik Roop Rai (DIN: 06789287) Member  
Ms. Sadhna Syal (DIN: 07837529), Member

### Nomination & Remuneration Committee

Mr. Sanjiv Kavaljit Singh (DIN: 00015689) Chairman  
Mr. Kartik Roop Rai (DIN: 06789287) Member  
Ms. Sadhna Syal (DIN: 07837529), Member

## UNITS :

### SONEPAT UNIT

Atlas Road, Industrial Area,  
Sonapat - 131001 (Haryana)

### SAHIBABAD UNIT

Plot No. 55, Site-IV,  
UPSIDC, Industrial Area,  
Sahibabad - 201010 (U.P.)

### MALANPUR UNIT

Plot No. U-16, 17, 21 & 22,  
Malanpur Industrial Area,  
Near Gwalior,  
Distt. Bhind (M. P.)

## STATUTORY AUDITORS :

M/s. Dinesh Nangru & Co.,  
Chartered Accountants, New Delhi

## REGISTRAR AND SHARE TRANSFER

### AGENTS :

Mas Services Limited  
T-34, 2nd Floor, Okhla Industrial  
Area, Phase-2, New Delhi-110020  
Tel: (011) 26387281, 82, 83  
E-mail : [info@masserv.com](mailto:info@masserv.com)

## STOCK EXCHANGE(S) WHERE COMPANY'S SECURITIES ARE LISTED

National Stock Exchange of India Limited  
BSE Limited

## E-MAIL

[companysecretary@atlasbicycles.co.in](mailto:companysecretary@atlasbicycles.co.in)

## WEBSITE

[www.atlasbicycles.com](http://www.atlasbicycles.com)

## CORPORATE IDENTITY NUMBER

CIN : L35923HR1950PLC001614

# CONTENTS

## PARTICULARS (F.Y. 2020-21)

## Page No.

Notice of Annual General Meeting.....	01
Board's/ Directors' Report.....	09
Management Discussion & Analysis Report.....	19
Corporate Governance Report.....	29
CEO/CFO Certification.....	49
Standalone Auditors' Report.....	50
Standalone Balance Sheet.....	60
Standalone Statement of Profit & Loss.....	61
Standalone Cash Flow Statement.....	62
Standalone Notes to Financial Statement.....	64
Consolidated Auditors' Report.....	86
Consolidated Balance Sheet.....	94
Consolidated Statement of Profit & Loss.....	95
Consolidated Cash Flow Statement.....	96
Consolidated Notes to Financial Statement.....	98

**ATLAS CYCLES (HARYANA) LIMITED**

CIN:L35923HR1950PLC001614

Regd. Office : Industrial Area, Atlas Road, Sonapat - 131001, Haryana (India)

E-mail: companysecretary@atlasbicycles.co.in, Website: www.atlasbicycles.com

**NOTICE****TO THE SHAREHOLDERS/MEMBERS**

Notice is hereby given that the 70<sup>th</sup> Annual General Meeting ("AGM") of the members of Atlas Cycles (Haryana) Limited will be held on Monday, 24<sup>th</sup> July, 2023 at 11:00 A.M. (I.S.T.) at Hotel Sagar, 148-R, Model Town, Atlas Road, Sonapat-131001, Haryana to transact the following business(es):-

**ORDINARY BUSINESS:****1. To consider and adopt**

- a) Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 and the Reports of the Board of Directors and Auditors thereon; and
- b) Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 and the Report of the Auditors thereon.

**By order of the Board of Directors  
For ATLAS CYCLES (HARYANA) LIMITED**

**(RAKESH)  
Company Secretary &  
Compliance officer**

Place: New Delhi

Date: 08<sup>th</sup> June, 2023**NOTES: -**

1. In accordance with the Secretarial Standard-2, proxy holders shall be required to prove their identity before entering the venue of the meeting. Proxy holders and shareholders are requested to carry with them government issued photo identity card such as PAN Card, Voter Id Card, Aadhar Card, Driving License, etc. without which they may not be permitted entry.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of member(s) not exceeding fifty (50) and holding

in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A member holding more than ten percent (10%) of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other person or member.

3. The instrument appointing the proxy (enclosed hereto), in order to be effective, must be deposited (duly completed, stamped and signed) at the registered office of the Company not less than forty-eight (48) hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority letter as applicable.
4. Member(s)/Proxies/Authorized Representatives are requested to bring the enclosed attendance slip duly filled in and signed for attending the meeting. Member(s) who hold equity shares in electronic mode are requested to write the Client ID and DP ID number and those who hold equity shares in physical mode are requested to write their folio number in the attendance slip.
5. Corporate Members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting at least 48 hours before the meeting. Institutional shareholders (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 to [rajiv.bhasin@mehrakhanna.com](mailto:rajiv.bhasin@mehrakhanna.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [companysecretary@atlasbicycles.co.in](mailto:companysecretary@atlasbicycles.co.in).
6. Pursuant to Section 72 of the Companies Act, 2013, member(s) of the Company may nominate a person in whom the shares held by him/them shall vest in the event of his/ their unfortunate death. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with

the Company's RTA. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

7. In case of joint holders, only such joint holder who is named first in the order of names will be entitled to vote.
8. The Hon'ble NCLT vide aforesaid order dated 06.12.2022 removed all directors, namely:
  - I. Mr. Kartik Roop Rai, Director (DIN:06789287)
  - II. Mr. Sanjiv Kavaljit Singh, Director (DIN:00015689)
  - III. Ms. Sadhna Syal, Director (DIN:07837529)
  - IV. Mr. Chander Mohan Dhall, Whole Time Director, (DIN:01398734)
  - V. Mr. Ishwar Das Chugh, Director (DIN:00073257)

Further, the Hon'ble NCLT vide aforesaid order dated 06.12.2022 appointed below six directors in place of existing board of directors, namely:

- I. Shri Jarnail Singh, IAS (Retired), Former Secretary, Government of India, Ministry of DoNER
- II. Shri Hem Pande, IAS (Retired), Former Secretary, Government of India, Department of Consumer Affairs
- III. Smt. Surina Rajan, IAS (Retired), Former Director General, Bureau of Indian Standard, Department of Consumer Affairs
- IV. Shri Manmohan Juneja, ICLS (Retired), Former Director General Corporate Affairs, Ministry of Corporate Affairs
- V. Shri Ved Jain, CA, Former President, ICAI
- VI. Shri R Parthasarathy, IA & AS (Retd.), AOR, Supreme Court of India

Since as on the date of Notice of this 70th AGM, the Company had only NCLT appointed Board of Directors, therefore the provisions of the Section 152 of the Companies Act, 2013 ("the Act"), regarding retire by rotation of the Directors are not applicable on the Company.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and updation of Bank Account details by every participant in securities market. Member(s) holding shares in electronic form are, therefore, requested to submit the PAN to their Depository

Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN and Bank Account details to the Company/RTA.

10. The voting rights of member(s) shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. 17<sup>th</sup> July, 2023. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 17<sup>th</sup> July, 2023 only shall be entitled to avail the facility of remote e-voting / Poll.
11. **Member(s) who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices etc. from the Company electronically. Members may send a scanned copy of duly signed request letter to [info@masserv.com](mailto:info@masserv.com) and [companysecretary@atlasbicycles.co.in](mailto:companysecretary@atlasbicycles.co.in)**
12. Notice of the Meeting and the Annual Report for FY 2020-21 of the Company is being sent by electronic mode to those member(s) whose e-mail IDs are registered with the Company/Depository Participant(s) unless any member has requested for physical copy of the same. For member(s) who have not registered their e-mail IDs, physical copy of the Notice of the Meeting and the Annual Report for FY 2020-21 are being sent in the permitted mode. Members who have specified any particular mode of delivery of Annual Report are sent Annual Report in their specified mode.
13. Members may also note that the Notice of the 70<sup>th</sup> Annual General Meeting and the Annual Report for FY 2020-21 will also be available on the Company's website at [www.atlasbicycles.com](http://www.atlasbicycles.com), and on the websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. Members may also note that Annual Reports of 3 wholly owned subsidiary companies of the Company viz; Atlas Cycles Sonepat Limited, Atlas Cycles (Sahibabad) Limited and Atlas Cycles (Malanpur) Limited are also available on the website of the Company [www.atlasbicycles.com](http://www.atlasbicycles.com)
14. Members may get any change in their address/ their mandates registered with the Company before Monday 17<sup>th</sup> July, 2023.

15. The MCA had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to also transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority.

Pursuant to Section 124 of the Act, read with Investor Education & Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unclaimed/unpaid dividends for the financial year ended on March 31, 2013, have been transferred to the Investor Education and Protection Fund (IEPF) of the Central Government during the financial year 2021-22, upon completion of seven years. In accordance with the provisions of Section 124 of the Act and IEPF Rules, the Company had also transferred 63,161 equity shares of Rs. 5/- each to the IEPF Account on which the dividends remained unpaid or unclaimed for seven consecutive years after following the prescribed procedure.

Further, no dividend was declared by the Company for the financial year 2013-14. Therefore, the provisions of the Act and IEPF Rules for transfer of unpaid/unclaimed dividend as well as shares on which dividend remain unpaid/unclaimed for a period of seven consecutive years to IEPF Account, for financial year 2013-14 are not applicable on the Company.

The details of all unpaid/ unclaimed dividend and shares transferred/ liable to be transferred to IEPF are available on the website of the Company and the same can be accessed through the link: <https://www.atlasbicycles.com/unclaimed-unpaid.html>

Members, whose shares and unclaimed dividends have already been transferred to IEPF, are entitled to claim the said shares and dividend from IEPF by submitting an online application in the prescribed form available on the website <http://www.iepf.gov.in/IEPF/refund.html> and sending a physical version of the same duly signed to the Company along with requisite documents enumerated in the Form IEPF-5. Shareholder may note that only one consolidated

claim can be made in a financial year as per IEPF Rules alongwith complete documents in support of their claim.

16. In terms of notification issued by Securities and Exchange Board of India, the company's shares are being traded compulsory in demat form.
17. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring with them their copies of the Annual Report at the meeting.
18. Member may note that No gifts, gift coupons, or cash in lieu of gifts shall be distributed to Members at or in connection with the Meeting.
19. Route Map of Venue of 70th AGM is mentioned at the back of attendance slip.
20. The process and manner for remote e-voting and e-voting at AGM are as under:
  - (i) In Compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with National Securities Depository Limited (NSDL) to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the general meeting. Although the Members who have already cast their vote by remote e-voting prior to the meeting, may attend the meeting, but they shall not be entitled to cast their vote again.

(ii) **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

**The remote e-voting period begins on 21<sup>st</sup> July, 2023 at 09:00 A.M. and ends on 23<sup>rd</sup> July, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 17<sup>th</sup> July, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the cut-off date, i.e. 17<sup>th</sup> July, 2023.**

### Step 1: Access to NSDL e-Voting system

### Step 2: Cast your vote electronically and join virtual meeting on NSDL e-Voting system

#### Details on Step 1 is mentioned below:

#### A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the <b>"Beneficial Owner"</b> icon under "Login" which is available under <b>"IDeAS"</b> section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider – NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDeAS"</b> Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>



Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
--	---

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can cast your vote electronically by selecting EVEN of Atlas Cycles (Haryana) Limited.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on step 2 are mentioned below:**

1. How to cast your vote electronically and join General Meeting on NSDL e-Voting system?
2. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
3. Select "EVEN 124262" of company for which you wish to cast your vote during the remote e-Voting period.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed and you will receive a confirmation by way of a SMS on your registered mobile number from depository.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.



**General Guidelines for shareholders**

1. Institutional shareholders (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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [rajiv.bhasin@mehraKhanna.com](mailto:rajiv.bhasin@mehraKhanna.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [companysecretary@atlasbicycles.co.in](mailto:companysecretary@atlasbicycles.co.in)
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [companysecretary@atlasbicycles.co.in](mailto:companysecretary@atlasbicycles.co.in)
  2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [companysecretary@atlasbicycles.co.in](mailto:companysecretary@atlasbicycles.co.in) If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
  3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
  4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- 
21. Mr. Rajiv Bhasin, Chartered Accountant (Membership No.093845), Partner, of M/s. Mehra Khanna & Co., Chartered Accountants having address 1591, III Floor, Outram Lines, Kingsway Camp, Delhi - 110009 has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  22. The Chairman shall, at the 70th AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  23. The Scrutinizer shall after the conclusion of voting at the 70th AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 24 hours of the conclusion of the 70th AGM, a consolidated scrutinizer’s report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  24. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.atlasbicycles.com](http://www.atlasbicycles.com) and on the

website of NSDL immediately after the declaration of results by the Chairman or a person authorized by him in writing and communicated to the BSE Limited and National Stock Exchange of India Limited.

25. All document referred to in the accompanying Notice and the Explanatory statement shall be open for inspection at the registered office of the companies during normal business hours (9:30 am to 5:00 pm) on all working days except Saturdays, up to and including the date of the 70<sup>th</sup> Annual General Meeting of the company.

#### **IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs has taken a “Green Initiative” in the Corporate Governance by allowing paperless Compliances by the companies and has issued circular stating that services of notice/documents including Annual Report can be sent by email to its members. To support this green initiative of the Government in full measure, **members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository Participants and also register their e-mail ID at our Registrar and share Transfer Agents viz.” M/s Mas Services Limited” at the website [www.masserv.com](http://www.masserv.com)**, in case you have not already registered the same. Please also confirm by sending an email at [companysecretary@atlascycles.co.in](mailto:companysecretary@atlascycles.co.in)

## BOARD'S REPORT / DIRECTORS' REPORT 2020-21

CIN: L35923HR1950PLC001614

### TO THE MEMBERS:-

Your directors are delighted to present Seventieth (70<sup>th</sup>) Annual Report of your Company along with the Audited Statement of Accounts for the year ended 31st March 2021.

### FINANCIAL HIGHLIGHTS & STATE OF COMPANY AFFAIRS

(₹ In Lacs)

Particulars	Standalone		Consolidated	
	F.Y 2020-21	F.Y 2019-20	F.Y 2020-21	F.Y 2019-20
Revenue from operations (Gross)	1729.91	15590.21	1729.91	15590.21
Total Income	1736.64	20010.26	1736.64	20010.26
Total Expenses	5256.55	20697.38	5260.86	20697.93
Profit Before Tax (after exceptional Item)	(3519.91)	(687.13)	(3524.21)	(687.67)
Tax Expenses (including Deferred tax)	0	999.01	0	999.01
Profit After tax	(3519.91)	311.89	(3524.21)	311.34

The Net loss of the Company during the FY 2020-21 was ₹ 3519.91 Lacs as against profit of ₹ 311.89 lacs during the FY 2019-20.

### Annual Return

The Annual Return of the Company as on March 31, 2021 is available on the Company's website and can be accessed at <https://www.atlasbicycles.com/AnnualReturn.htm>

### PRODUCTION

During the year under consideration, the Company produced 43,241 bicycles as against 5,14,781 bicycles in the previous year.

### SALES

Sales during the year amounted to ₹ 1729.91 lacs including the sales to foreign countries as against ₹ 15,590.21 lacs including the sales to foreign countries in the previous year.

### TRANSFER TO RESERVES

The Company proposes to transfer ₹ NIL to the General Reserve for the F.Y. 2020-21 as against ₹ 389.74 lacs to

General Reserve in the previous year.

### EXPORTS

During the period under consideration your Company exported bicycles and bicycle components to several countries thereby earning valuable foreign exchange of ₹ 27.85 Lacs.

### SHARE CAPITAL

The paid-up Equity Share Capital as on 31st March 2021 stood at ₹ 3,25,19,190/- i.e. 65,03,838 Equity Shares of ₹ 5 each. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on 31st March 2021, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

### DIVIDEND

Since the books are not in good shape, no dividend has been declared in the Financial Year 2020-21.

### CONSOLIDATED ACCOUNTS

The Consolidated Financial Statements of the Company are prepared in accordance with Indian Accounting Standards ("Ind AS") issued by the Institute of Chartered Accountants of India and forming part of this Annual Report. There are three wholly owned subsidiaries of the Company.

### CHANGE IN NATURE OF BUSINESS

There is no change in the nature of business.

### PERFORMANCE OF THE COMPANY

Performance of the Company in terms of total quantity sold as compared to last year was negative as two units out of three were non-operational during the period under review and the third unit was not fully operational due to financial constraints.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (2) read with Part B of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of this Annual Report. (Annexure-2)

**DIRECTORS****During the financial year 2020-21:**

- Mr. Hira Lal Bhatia resigned from the Board of the Company w.e.f. June 7, 2020, due to his serious health issues;
- Mr. Ishwar Das Chugh retired as Whole Time Director of the Company w.e.f. March 30, 2021 due to completion of his tenure;
- Mr. Vansh Vardhan Joshi (DIN: 06843644) was appointed as an Additional Director (Non-Executive) by the Board of Directors of the Company w.e.f. February 12, 2021.

**As on March 31, 2021, the Board of Directors of the Company comprised as follows:**

1. Mr. Kartik Roop Rai, Director (DIN:06789287)
2. Mr. Sanjiv Kavaljit Singh, Director, (DIN:00015689)
3. Ms. Sadhna Syal, Director (DIN:07837529)
4. Mr. Vansh Vardhan Joshi, Director, (DIN: 06843644)

**After the closure of financial year 2020-21:**

Mr. Vansh Vardhan Joshi resigned from the Board of the Company w.e.f. October 1, 2021, due to unforeseen personal circumstances;

Mr. Chander Mohan Dhall, Chief Financial Officer of the Company was appointed as an Additional Director (Executive Director Capacity) by the Board of Directors of the Company, with effect from 30.09.2021 for a term of three years and re-designated as Executive Director and Chief Financial Officer of the Company. His Appointment was approved by the members in the Annual General Meeting held on 25th October, 2021;

Mr. Ishwar Das Chugh was appointed as Non-Executive Director of the Company by the Shareholders at its Annual General Meeting held on October 25, 2021.

Further, after the closure of financial year 2020-21, the Hon'ble National Company Law Tribunal, New Delhi, Principal Bench ("NCLT") passed an order in petition no.: CP/18(ND)/2015 in the matter of Sh. Vikram Kapur and Others versus Atlas Cycles (Haryana) Limited.

The Hon'ble NCLT vide aforesaid order dated 06.12.2022 removed all directors, namely:

1. Mr. Kartik Roop Rai, Director (DIN:06789287)
2. Mr. Sanjiv Kavaljit Singh, Director, (DIN:00015689)
3. Ms. Sadhna Syal, Director (DIN:07837529)

4. Mr. Chander Mohan Dhall, Whole Time Director, (DIN:01398734)

5. Mr. Ishwar Das Chugh, Director (DIN:00073257)

Further, the Hon'ble NCLT vide aforesaid order dated 06.12.2022 appointed below six directors in place of existing board of directors, namely:

1. Shri Jarnail Singh, IAS (Retired), Former Secretary, Government of India, Ministry of DoNER
2. Shri Hem Pande, IAS (Retired), Former Secretary, Government of India, Department of Consumer Affairs
3. Smt. Surina Rajan, IAS (Retired), Former Director General, Bureau of Indian Standard, Department of Consumer Affairs
4. Shri Manmohan Juneja, ICLS (Retired), Former Director General Corporate Affairs, Ministry of Corporate Affairs
5. Shri Ved Jain, CA, Former President, ICAI
6. Shri R Parthasarathy, IA & AS (Retd.), AOR, Supreme Court of India

Since as on the date of Notice of this 70<sup>th</sup> AGM, the Company had only NCLT appointed Board of Directors, therefore the provisions of the Section 152 of the Companies Act, 2013 ("the Act"), regarding retire by rotation of the Directors are not applicable on the Company.

For the Financial Year 2020-21, all Independent Directors have confirmed that they meet the criteria of Independence as laid down under Section 149(6) of the Act. They have registered themselves with the Indian Institute of Corporate Affairs for inclusion of their name in data bank of independent director, in terms of provision of Rule 6 (1) of Companies (Appointment and Qualification of Directors) Rules, 2014. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of Independence as prescribed under the Act and Listing Regulations.

Mr. Kartik Roop Rai had successfully completed the Online Proficiency Self-Assessment Test on October 23, 2020 as per the requirement of the Companies Act 2013 for independent directors and conducted by Indian Institute of Corporate Affairs.

Mr. Sanjiv Kavaljit Singh had successfully completed the Online Proficiency Self-Assessment Test on October 28, 2020 as per the requirement of the Companies Act 2013 for independent directors and conducted by Indian Institute of Corporate Affairs.

Ms. Sadhna Syal had successfully completed the Online Proficiency Self-Assessment Test on November 26, 2020 as per the requirement of the Companies Act 2013 for independent directors and conducted by Indian Institute of Corporate Affairs.

#### **CRITERIA FOR MAKING PAYMENT TO NON-EXECUTIVE DIRECTORS**

Non-Executive Directors are paid sitting fees of ₹ 15,000 per meeting for attending the Board Meeting and ₹ 5000 per meeting for attending the Committee Meeting of the Company.

#### **KEY MANAGERIAL PERSONNEL**

During the financial year 2020-21:

Mr. Nikhil Bindal resigned from the post of Company Secretary w.e.f 05.01.2021 and he ceased to be Company Secretary of the company from such date.

The Board of Directors at its meeting held on 12.02.2021 appointed Mr. Rakesh (Membership No. ACS 48901) as Company Secretary in place of Mr. Nikhil Bindal w.e.f. 12.02.2021.

In the capacity of Key Managerial Personnel, as on March 31, 2021, the Company had following officers:

1. Mr. Chander Mohan Dhall, Chief Financial Officer
2. Mr. Narendra Pal Singh, Chief Executive Officer
3. Mr. Rakesh, Company Secretary

After closure of financial year 2020-21:

- Mr. Chander Mohan Dhall whose tenure as Chief Financial Officer of the Company was expiring on 31st March 2021, was re-appointed as Chief Financial Officer of the Company in Board meeting held on 1<sup>st</sup> April 2021 for the period 1st April 2021 to 31st March 2022.
- Mr. Narendra Pal Singh whose tenure as Chief Executive Officer of the Company was expiring on 31<sup>st</sup> March 2021 was re-appointed as Chief Executive Officer of the Company in board meeting dated 1<sup>st</sup> April 2021 for the period 1st April 2021 to 31st March 2022.
- Mr. Narendra Pal Singh resigned from the post of Chief Executive Officer of the company w.e.f. 15.12.2021.

#### **COMPLIANCE CERTIFICATE BY CHIEF FINANCIAL OFFICER AND CHIEF EXECUTIVE OFFICER**

The Board of Directors in its meeting held on 24.05.2023 took note of the Compliance Certificate duly signed by Mr. Chander Mohan Dhall, Chief Financial Officer and Mr.

Jarnail Singh, Chairman & Director of the Company that they have reviewed financial statements and cash flow statement etc. for the financial year ended 31st March, 2021 as per Regulation 17(8) read with Schedule II Part B of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Such certificate is annexed after Corporate Governance Report for F.Y. 2020-21 and forms Integral part of the Annual Report.

#### **PERFORMANCE EVALUATION OF THE BOARD**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) & Regulation 25(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a healthy discussion was held among directors after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance in the Board Meeting held on 07<sup>th</sup> May 2022.

The performance evaluation of the Independent Directors as per Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors as per Regulation 25(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board of Directors expressed their satisfaction with the evaluation process.

#### **NUMBER OF MEETINGS OF THE BOARD**

There were 05 (five) Board Meetings held during the financial year 2020-21. Further details are provided in the Corporate Governance Report.

#### **DEPOSITS (INCLUDING LOANS FROM MEMBERS)**

The Company has not accepted any deposit from the public or members during the financial year.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

There were no Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013.

#### **VIGIL MECHANISM / WHISTLE BLOWER MECHANISM**

The Company has a whistle blower policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company and whistle blower mechanism is reviewed regularly by the Audit Committee of the Company. There were Nil complaints recorded under Whistle Blower Mechanism during the year.

**NOMINATION AND REMUNERATION POLICY**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The details of this policy are explained in the Corporate Governance Report.

**RISK MANAGEMENT POLICY**

The Company has developed and implemented the risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company. The Company has formulated a Risk Management Committee which discussed the impact and acceptability of all risks to which Company is exposed. It also discussed to take suitable action or propose to the Board of Directors for taking any suitable action for minimizing the risks. Accordingly, it has considered to study risks by dividing them into following categories:

1. Strategic Risk Assessment
2. Operation Risk Assessment
3. Compliance Risk Assessment
4. Internal Audit Risk Assessment
5. Financial Statement Risk Assessment
6. Fraud Risk Assessment
7. Market Risk Assessment
8. Credit Risk Assessment
9. Customer Risk Assessment
10. Supply Chain Risk Assessment
11. Product Risk Assessment
12. Security Risk Assessment
13. Information Technology Risk Assessment
14. Project Risk Assessment

Since our company is not among top 500 listed companies determined on the basis of market capitalization at the end of F.Y 2020-21 (on the basis of list of top 500 companies available on NSE/ BSE websites), it is not mandatory for our company to maintain such committee.

**RELATED PARTY TRANSACTIONS**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and none of the transactions with the related party falls under the scope of Section 188(1) of the Companies Act, 2013. Thus disclosure

in form AOC-2 is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel and there are no related party transactions which exceeds ten percent of the annual consolidated turnover of the Company as per last audited financial statements of the Company. The Company has developed a Related Party Transactions framework through Standard Operating Procedures for the purpose of identification and monitoring of such transactions.

All Related Party Transactions are placed before the Audit Committee on quarterly basis for confirmation. Omnibus approval was obtained on a yearly basis for transactions which are repetitive in nature subject to further approval in case actual transactions are found to be exceeding the omnibus approval. A statement giving details of all Related Party Transactions are placed before the Audit Committee for review on quarterly basis.

A Policy on Material Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company [www.atlasbicycles.com](http://www.atlasbicycles.com)

None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

During the financial year under review, there were no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operations. However, after closure of financial year 2020-21, the Hon'ble National Company Law Tribunal, New Delhi, Principal Bench ("NCLT") passed the order in petition no. CP/18(ND)/2015 in the matter of Sh. Vikram Kapur and Others versus Atlas Cycles (Haryana) Limited. The Hon'ble NCLT vide aforesaid order dated 06.12.2022 removed all the directors, namely;

1. Mr. Kartik Roop Rai, Director (DIN:06789287)
2. Mr. Sanjiv Kavaljit Singh, Director (DIN:00015689)
3. Ms. Sadhna Syal, Director (DIN:07837529)
4. Mr. Chander Mohan Dhall, Whole Time Director, (DIN:01398734)
5. Mr. Ishwar Das Chugh, Director (DIN:00073257)

The Hon'ble NCLT also removed all the Managing Committees constituted by the previous Board and appointed below six new directors in place of existing directors, namely;

1. Shri Jarnail Singh, IAS (Retired), Former Secretary, Government of India, Ministry of DoNER



2. Shri Hem Pande, IAS (Retired), Former Secretary, Government of India, Department of Consumer Affairs
3. Smt. Surina Rajan, IAS (Retired), Former Director General, Bureau of Indian Standard, Department of Consumer Affairs
4. Shri Manmohan Juneja, ICLS (Retired), Former Director General Corporate Affairs, Ministry of Corporate Affairs
5. Shri Ved Jain, CA, Former President, ICAI
6. Shri R Parthasarathy, IA & AS (Retd.), AOR, Supreme Court of India

The Board so appointed has been authorised by the Hon'ble NCLT to function as per the Memorandum and Articles of Association of the company with a mandate, inter-alia, to revive the company.

On taking charge the new Board noted that various petitions have been filed under section 7 and 9 of the IBC (Insolvency and Bankruptcy Code) by various parties and are pending before the Chandigarh Bench of the NCLT. The Board decided to file an application under Rule 16(d) of the NCLT Rules for transfer of all such petitions to the Principal Bench of NCLT, New Delhi. The Hon'ble Principal Bench was pleased to pass interim order staying further proceedings vide order dated 06.12.2022 and the application for transfer is pending as on date for adjudication.

The company has also filed a petition for re-opening & re-casting of accounts for the last three financial years ending 2019-20 under section 130 of Companies Act, 2013 which is also pending for adjudication before the NCLT. The company has also filed a draft resolution plan with the Principal Bench of Hon'ble NCLT, New Delhi and the same is pending for consideration as on the date before NCLT.

Meanwhile the new Board of Directors is working on alternative plans so as to restart the production of bicycles at Company's Sahibabad Unit.

#### **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

During the year under review, Equity shares in respect of which, the dividend for the year 2012-13 remained unclaimed for seven consecutive years has been transferred to the IEPF Authority, in compliance with Section 124 of the Companies Act, 2013 read with rule 6 of the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2017,

after giving individual notices to concerned Shareholders and advertisements in newspapers.

#### **CORPORATE GOVERNANCE**

In terms of the provisions of Section C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has complied with the requirements of Corporate Governance and a Report on Corporate Governance together with certificate from the Company's Statutory Auditors confirming compliance, is set out in a statement, which forms part of the Annual Report.

#### **STATUTORY AUDITORS AND AUDITORS' REPORT**

The shareholders of the company vide 66th Annual General Meeting of the company held on 28th September, 2017 approved appointment of M/s. Dinesh Nangru & Co., Chartered Accountants (Firm Registration No. 015003N) for a term of five years commencing from FY 31st March, 2018 to FY 31st March, 2022 and hold office from the conclusion of the 66th Annual General Meeting of the Company till the conclusion of the 71<sup>st</sup> Annual General Meeting on such remuneration plus GST, out of pocket expenses, as may be mutually agreed between Board and Dinesh Nangru & Co.

The qualifications or remarks in the Auditor's Report read with Notes to financial statements are self-explanatory.

#### **SECRETARIAL AUDITOR AND SECRETARIAL AUDITOR'S REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. Mukesh Arora & Company, a firm of Company Secretaries in Practice (Certificate of Practice Number: 4405) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for financial year 2020-21 is annexed to this report and forms an integral part of this Report. **(Annexure-3)**

#### **COST AUDIT**

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is not required to carry out audit of cost records relating to Bicycle Industry. Accordingly, your Company did not appoint Cost Auditor in this financial year.

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Your Company has a comprehensive and effective internal control and risk mitigation system, including internal financial control, for all the major processes, to

ensure reliability of financial reporting, timely feedback on operational and strategic goals, compliance with policies, procedures, law and regulations, safeguarding of assets and economical and efficient use of resources. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Company actively reviews the adequacy of internal control systems and effectiveness of internal audit function.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Requirements relating to Corporate Social Responsibilities as envisaged in Section 135 read along with Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to our company for this financial year.

### **HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATION**

Your Company strives to provide the best working environment with ample opportunities to grow and explore. Your Company maintains a work environment that is free from physical, verbal and sexual harassment. Every initiative and policy of the Company takes care of welfare of all its employees. The human resource development function of the Company is guided by a strong set of values and policies. The details of initiatives taken by the Company for the development of human resource are given in Management Discussion and Analysis Report. The Company maintained healthy, cordial and harmonious industrial relations at all levels throughout the year.

### **BUSINESS RESPONSIBILITY REPORT**

The Business Responsibility Reporting as required by Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to your Company for the year under review.

### **PERSONNEL AND PARTICULARS OF EMPLOYEES**

The industrial relations with the workers and staff of the Company remained cordial throughout the year. There was unity of objective among all levels of employees, continuously striving for improvement in work practices and productivity. Training and development of employees continue to be an area of prime importance.

Particulars of the employees as required under section 197 (12) of the Companies Act, 2013 read with the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March 2021 is annexed to this report and forms an integral part of the report. **(Annexure-4)**

None of the employees listed in the said Annexure is a relative of any Director of the Company apart from Mr. Vikram Kapur, President of Sonepat Unit, Mr. Rajiv Kapur, Joint President of Sonepat Unit, Mr. Gautam Kapur, Joint President of Sahibabad Unit, Mr. Girish Kapur, Joint President of Sahibabad Unit and Mr. Sanjay Kapur, Joint President of Malanpur Unit. None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company.

### **DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

There were NIL cases of sexual harassment filed during the Financial Year.

### **LISTING OF COMPANY'S EQUITY SHARE**

Your Company's shares continue to be listed on BSE Limited and National Stock Exchange of India Limited. The annual listing Fee for the year 2020-21 has been paid to BSE Limited and National Stock Exchange of India Limited within stipulated time. However, the trading of shares was suspended by the BSE Limited and National Stock Exchange of India Limited with effect from December 16, 2020.

### **STATUTORY COMMITTEES**

The details of the Committees of the Board, viz., Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee constituted in compliance with the provisions of the Act and Listing Regulations are provided in the Corporate Governance Report, forming part of the Report.

### **STATUTORY POLICIES/CODES**

In compliance with the various provisions of the Act and Listing Regulations, the Company has the following policies/ codes:

Policy on Determination of Material Subsidiaries

Policy on Determination of Materiality for Disclosure

Policy on Related Party Transactions

Nomination and Remuneration Policy

Code of Conduct to Regulate, Monitor and Trading by Designated Persons

Archival Policy

Whistle Blower Policy

Code of Conduct

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

The information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31<sup>st</sup> March 2021 is given here below:

### **CONSERVATION OF ENERGY**

In view of closure of Sonepat and Malanpur unit and even third unit working at much below optimum level, the company could not do much on conservation of energy.

### **TECHNOLOGY ABSORPTION**

In view of closure of Sonepat and Malanpur unit and even third unit working at much below optimum level, the company could not do much on technology absorption.

### **FOREIGN EXCHANGE EARNING AND OUTGO**

Total foreign exchange earned: ₹ 27.85 lacs

Total foreign exchange used: ₹ 1.11 lacs

### **SECRETARIAL STANDARDS**

The Company has followed the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013 that:

- I. In the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- II. 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 as on 31st March 2021 and of the loss of the Company for the year ended on that date.
- III. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting

fraud and other irregularities, to the best of the knowledge and ability of the Directors

- IV. The Annual Accounts have been prepared on a going concern basis.
- V. 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
- VI. The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **INTERNAL FINANCIAL CONTROLS**

The Internal Financial Controls with reference to Financial Statements are found to be adequate by the Statutory Auditors of the Company.

### **REPORT ON THE HIGHLIGHTS OF PERFORMANCE OF ITS SUBSIDIARY COMPANIES, JOINT VENTURES, ASSOCIATE COMPANIES AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY**

The Company has 3 (three) wholly owned subsidiary companies viz. Atlas Cycles Sonepat Limited, Atlas Cycles (Sahibabad) Limited and Atlas Cycles (Malanpur) Limited. These companies are yet to commence its business and accordingly there are no highlights of performance or their contribution to the overall performance of the Company to reflect during the year. The Annual Reports of Subsidiary Companies are available at [www.atlasbicycles.com](http://www.atlasbicycles.com). Apart from these, the Company does not have any associate companies and joint ventures.

Form AOC-1 containing salient features of 3 wholly owned subsidiary companies duly certified by Statutory Auditors of the Company under section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 are annexed herewith. There are no associate companies as per definition given in Section 2(6) of the Companies Act, 2013. **(Annexure-1)**

There are no companies which have become or ceased to be subsidiary companies, associate companies or joint ventures during the year.

### **GENERAL**

The Board of Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions or applicability pertaining to these matters during the year under review:

- i) Details relating to deposits covered under Chapter V of the Act.

- ii) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- iii) Issue of shares (including sweat equity shares and Employees' Stock Options Schemes) to employees of the Company under any scheme.
- iv) Fraud reported by the Auditors to the Audit Committee or the Board of Directors of the Company.
- v) Scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- vi) Payment of remuneration or commission from any of its holding or subsidiary companies to the Managing Director of the Company.
- vii) change in the nature of business of the Company.
- viii) Details of any application filed for corporate insolvency under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016.

- ix) Instance of one-time settlement with any Bank or Financial Institution.
- x) Statement of deviation or variation in connection with preferential issue.

**ACKNOWLEDGEMENT**

The Board of Directors wishes to place on record its appreciation for the commitment, dedication and hard work done by the employees in the Company and the cooperation extended by Banks, Government authorities, customers and shareholders of the Company and looks forward to a continued mutual support and co-operation.

**JARNAIL SINGH**  
**(DIN: 05332407)**

**HEM KUMAR PANDE**  
**(DIN: 08539771)**

} DIRECTORS

Date: 24.05.2023

Place: New Delhi

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures  
as at/ for the year ended 31<sup>st</sup> March, 2021**

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details		
1.	Sl. No.	(1)	(2)	(3)
2.	Name of the subsidiary	Atlas Cycles (Sahibabad) Limited (CIN : U35929 HR1999PLC 034260)	Atlas Cycles (Malanpur) Limited (CIN: U35929 HR1999PLC 034259)	Atlas Cycles Sonapat Limited (CIN: U35929 HR1999PLC 034261)
3.	The date since when subsidiary was acquired	28-05-1999	28-05-1999	28-05-1999
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA
6.	Share capital	5,00,000	5,00,000	5,00,000
7.	Reserves & surplus	(6,22,718)	(6,52,384)	(6,30,885)
8.	Total assets	1,79,642	1,49,976	1,71,475
9.	Total Liabilities	3,02,360	3,02,360	3,02,360
10.	Investments		--	--
11.	Turnover		--	--
12.	Profit before taxation	(1,39,762)	(1,49,596)	(1,41,179)
13.	Provision for taxation		--	--
14.	Profit after taxation	(1,39,762)	(1,49,596)	(1,41,179)
15.	Proposed Dividend	--	--	--
16.	Extent of shareholding (in percentage)	100%	100%	100%

**Notes:**

- Names of subsidiaries which are yet to commence operations: Atlas Cycles (Sahibabad) Limited, Atlas Cycles (Malanpur) Limited and Atlas Cycles Sonapat Limited.
- Names of subsidiaries which have been liquidated or sold during the year: NIL.

### **Part “B”: Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of associates/Joint Ventures	NIL		
1. Latest audited Balance Sheet Date	--	--	--
2. Date on which the Associate or Joint Venture was associated or acquired	--	--	--
3. Shares of Associate or Joint Ventures held by the Company on the year end	--	--	--
No.	--	--	--
Amount of Investment in Associates or Joint Venture	--	--	--
Extend of Holding (in percentage)	--	--	--
4. Description of how there is significant influence	--	--	--
5. Reason why the associate/joint venture is not consolidated	--	--	--
6. Networth attributable to shareholding as per latest audited Balance Sheet	--	--	--
7. Profit/Loss for the year	--	--	--
i. Considered in Consolidation	--	--	--
ii. Not Considered in Consolidation	--	--	--

NOTES :

- Names of associates or joint ventures which are yet to commence operations : NIL
- Names of associates or joint ventures which have been liquidated or sold during the year: NIL

This Form is certified in the same manner in which the Balance Sheet is certified.

For **DINESH NANGRU & COMPANY**

Chartered Accountants

FRN: 015003N

**CA. DINESH NANGRU**

PARTNER

M. No. – 094779

Jarnail Singh

(DIN: 05332407)

Chairman/Director

Hem Kumar Pande

(DIN: 08539771)

Director

Place: New Delhi

Date: 24<sup>th</sup> May, 2023

Chander Mohan Dhall

Chief Financial Officer

Rakesh

Company Secretary



**ANNEXURE-2****MANAGEMENT DISCUSSION & ANALYSIS****(for year ended 31<sup>st</sup> March, 2021)****FORWARD LOOKING STATEMENTS**

This report contains forward-looking statements, which may be identified by the use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar connotation. All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to amend, modify or revise any forward looking statement, on the basis of any subsequent developments, information or events.

**INDUSTRY OVERVIEW**

India produces approximately 10% of the world annual bicycle production, which is estimated at 150 Million units. The annual domestic demand of bicycles in India is approximately 12.5 million units, out of which around 4.0 million units is a government demand for the various welfare schemes. Exports out of India are largely to Africa and the less developed economies and negligible to western markets. Today, the Indian bicycle manufacturing and bicycle parts industry is widely recognized for its quality standards in the international market.

Bicycle market in India is projected to grow at a CAGR of over 10% till 2022 on account of growing population base, increasing discretionary spending and rising health consciousness among people. In India cycle is being swiftly adopted as a mean to stay fit and as a popular recreational activity. Growing urban population base and rising demand for roadster bicycles from rural population to derive growth in the countries bicycle market in the ensuing years.

The market for the premium or the lifestyle bikes targeted towards the lifestyle consumer is just about emerging on account of increasing individual incomes and higher aspiration levels of the middle income group. Growth in the "specials segment" (Sport

Light Roadster, mountain terrain bike and children's bicycles) was higher than in the "standard segment". The definition of high end bikes itself is changing. Not only are the price points changing, but even definitions of the segments. Cycles were simply segmented into gents, ladies, kids and high end. But now the lifestyle bikes are being segmented in line with the global trend that is based on their usage. There are Road bikes, Mountain terrain bikes and Children bikes etc.

M/s Atlas Cycles (Haryana) Limited is a Public Limited Listed Company having presence in bicycles segment with a track record of more than 69 Years, having established brand both in Indian as well as International Market. The company is engaged in manufacturing of bicycles and bicycles components.

**OPPORTUNITY AND THREATS**

The areas of strength are promoters having long track record, rich experience and adequate manufacturing infrastructure with latest technology and strong dealers network. Atlas Brand is well accepted both in Indian as well as International Market and one of the largest cycle manufacturer in the world. However, the areas of weaknesses: Rising input cost i.e. prices of sheets, strips, Tyres, Tubes and other related chemicals are governed by external forces including its trend in International Market. Product obsolescence vis-a-vis non-acceptance of model could adversely affect the revenue stream and profitability. Further these are the major areas under business risk, promoters risk, and financial risk and so on.

**PRODUCTWISE PERFORMANCE**

The company has a recognized Research and Development centre recognized by the Government of India which is continuously working on development of new models and upgrading the present models. The company has introduced a number of new models in the market keeping in view the market trend and customer preference for fancy bicycles. Further Atlas has widened its product range and the company is concentrating and researching more and more on Fancy cycles for satisfying changing needs of youth.

**OUT – LOOK**

India is the second largest manufacturer of bicycles in the world. Unlike the developed nations where bicycle is used primarily for health & recreational purposes, India needs bicycles for socio-economic empowerment of 1/3<sup>rd</sup> of its populations. Growth in population, health consciousness and socio-economically sustainable rural development are most important demographic trends promoting bicycle as the obvious choice of transportation

in future. Out of the total quantity sold, approximately 55% bicycles are roadsters 25% fancy and about 20% meant for kids. With rising income of the middle class, fancy and kids segment will grow at a much faster pace as compared to normal roadster cycles.

### SEGMENT WISE PERFORMANCE

Bicycle industry has continued to show a growth of around 4 to 5% during last two years inspite of general slowdown in the economy. Standard bicycle segment which contributes around 55% of the total sales is growing marginally as compared to Fancy and Kids segments which are growing at 7 to 8% every year. Fancy cycles with features like disc breaks, shockers, alloy wheels and gears are driving the sales particularly in metro and mini-metro cities. With rising income of the middle class, fancy segment especially the kids segment is showing a very healthy growth.

### RISK AND CONCERNS

Small manufacturers from unorganized sectors are increasing their market presence every year. With little infrastructure and low overheads, they are able to supply bicycles at a very low price as compared to the organized sector because of which profitability of the industry is under stress. Though they are not supplying very good quality product and their after sales service is not comparable, but because of the price advantage, their sales volume is increasing every year.

### INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

To achieve effectiveness and efficiency of operation, reliability of financial reporting and compliance with applicable laws, rules, and regulations and compliance of significant policies, the Company has a well defined system of internal control throughout the organization. The internal audit department regularly probes the deficiency in operation of internal control and suggest ways to rectify such deficiencies. To improve efficiency and internal control company has introduced Microsoft-Navision 2009, an Enterprise Resource Planning (ERP) system. Due to the total integration, there is a consistent flow of accurate and easy to access data within all the departments. The company has adequate systems of internal control to provide reasonable assurance that assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported properly.

### FINANCIAL PERFORMANCE

The company has achieved a turnover ₹ 1729.91 Lacs in FY 2020-21 compared to ₹ 15590.21 Lacs during the previous year.

### HEALTH SAFETY AND ENVIRONMENT

Atlas is fully committed to the safety, health and well-being of its employees and to minimizing the environmental impact on its business operations. A safe and healthy environment is maintained and appropriate steps are taken with the object of minimizing the environmental impact on all processes and practices. The Company has a range of policies on quality, safety and health aspects to guide the employees work practices, actions and decisions. The Company strives to continuously improve the effectiveness of its policies and the employees are encouraged to contribute their mite in this direction. All employees are obliged to ensure that they fully understand all policies and do fully comply with the requirements.

### HUMAN RESOURCE AND INDUSTRIAL RELATIONS

One of the "Key" reasons for the exponential growth of Atlas is undoubtedly its "People". The Company has always provided an open and challenging work environment, wherein the staff members get an opportunity to rapidly gain and assimilate knowledge. Creativity and dedication of all the employees represent the most precious assets of the Company. For the growth of the organization, the human resource function has an important role to play not only in identifying and recruiting suitable individuals, but also in developing and rewarding its employees. As such, we have remained focused on strengthening human capital through continuous training and development and by upgrading skills of employees to meet the Company's objectives. The Company has a union free environment and the industrial relations scenario continued to be stable during the year.

### DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR, INCLUDING:

There has been significant changes in the Financial Ratios of the Company. The key Financial Ratio are as below:-

S. No.	Particulars	FY 2020-21	FY 2019-20	Reasons for difference
i	Debtors Turnover	150.84	23.52	Due to reduction in Turnover and slow realization of debtors.
ii	Inventory Turnover Ratio	122.01	20.13	-

iii	Interest Coverage Ratio	(459.08)	1.33	It is poor as the company is incurring a loss.
iv	Current Ratio	0.55	0.76	-
v	Debt Equity ratio	0.46	0.16	Increase in ratio as the net worth of the company is reducing trend due to the losses
vi	Operating Profit Margin Ratio	(204.11)	(26.35)	Company is under Lay Off.
vii	Net Profit Margin Ratio	(203.72)	2.00	Company is under Lay Off.
viii	Return on Net worth	(179.13)	5.68	Company is under Lay Off.

#### CAUTIONARY STATEMENT

Statements in the Directors' Report & Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and

regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal market, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factor.

#### APPRECIATION

Your Directors express their warm appreciation to all the employees working at various units for their diligence and contribution. Your Directors also wish to record their appreciation for the support and co-operation received from the dealers, agents, suppliers, bankers and all other stakeholder.

**JARNAIL SINGH**  
(DIN: 05332407)

**HEM KUMAR PANDE**  
(DIN: 08539771)

} DIRECTORS

Date: 24.05.2023  
Place: New Delhi

**Annexure-3****FORM MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2021

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

To

**The Members,  
Atlas Cycles (Haryana) Limited  
Atlas Road, Industrial Area,  
Sonepat, Haryana-131001**

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Atlas Cycles (Haryana) Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.
2. Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2021 according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment,

Overseas Direct Investment and External Commercial Borrowings (Not applicable to the company as there were no transactions relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the financial year under review);

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.: —
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, (not applicable as the company did not issue any security during the financial year under review.)
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021(not applicable on the company)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable as the company has not issued any debt securities during the financial year under review);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (not applicable as the company has not delisted its securities during the financial year under review)
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable as the company has not bought back any of its securities during the financial year under review);

- (i) and other applicable laws like Factories Act, 1948, The Payment of Gratuity Act, 1972;
4. We have also examined compliance with the applicable clauses / regulations of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India i.e. Secretarial Standards-1(Meeting of the Board of Directors) & Secretarial Standards-2 (General Meetings)
  - (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange (BSE) & (NSE).
  - (iii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015
5. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations:
- (a) The company has taken inter-corporate loan of Rs. nine crores (Rs. 9,00,00,000) from its associate concern Milton Cycle Industries Limited @ 11% p.a. The company has not honoured repayment terms along with interest as stipulated in the Inter-corporate loan agreement.
  - (b) The company is not regular in depositing statutory dues including provident fund, employees state insurance etc. the following amount were pending as on 31<sup>st</sup> March, 2021: (i) ESI - Rs. 4,94,941 and (ii) provident fund –Rs. 69,79,919/-
  - (c) There has been delay in transferring amount to Investor Education and Protection Fund by the company.
  - (d) The National Company Law Tribunal, Delhi vide its order dated 6<sup>th</sup> December, 2022 removed the existing directors and management committee members of the company and appointed new six directors on the Board.
6. We further report that:
- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and woman director. No changes were taken in the composition of the Board of Directors during the period under review.
  - (ii) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - (iii) All decision at Board Meeting and Committee are carried through while the dissenting members' views are captured and recorded as part of the minutes.
7. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Mukesh Arora & Co.  
Practicing Company Secretaries**

**Mukesh Arora**

**F.C.S No. 4819**

**C.P No. 4405**

**UDIN NO: F004819E000360636**

**Date: - 23<sup>rd</sup> May, 2023**

**Place: - New Delhi**

**This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.**

**ANNEXURE A TO SECRETARIAL AUDIT REPORT**

To

**The Members,  
Atlas Cycles (Haryana) Limited  
Atlas Road, Industrial Area  
Sonapat -131001,  
Haryana**

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 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 the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process 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 procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Mukesh Arora & Co.  
Practicing Company Secretaries**

**Date: - 23<sup>rd</sup> May, 2023  
Place: - New Delhi**

**Mukesh Arora  
F.C.S No. 4819  
C.P No. 4405  
UDIN NO: F004819E000360636**



**Part A:**
**DISCLOSURE IN DIRECTOR'S REPORT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014**

Sr. no.	Requirements	Disclosure	
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	<b>Name of the Director</b>	<b>Ratio</b>
		Mr. Hira Lal Bhatia (DIN: 00159258)	NA
		Mr. I. D. Chugh (DIN: 00073257)	12.82 X
		Mr. Kartik Roop Rai (DIN: 06789287)	NA
		Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	NA
		Ms. Sadhna Syal (DIN: 07837529)	NA
		Mr. Vansh Vardhan Joshi (DIN: 06843644)	NA
		<b>Note:</b> 1. Mr. Hira Lal Bhatia resigned from the Board of the Company w.e.f. June 7, 2020, due to his serious health issues; 2. Mr. Ishwar Das Chugh retired as Whole Time Director of the Company w.e.f. March 30, 2021 due to completion of his tenure; 3. Mr. Vansh Vardhan Joshi (DIN: 06843644) was appointed as an Additional Director (Non-Executive) by the Board of Directors of the Company w.e.f. February 12, 2021. 4. The median remuneration of employees of the Company was Rs. 1,65,996/- p.a. 5. For this purpose, Sitting Fees paid to the Directors has not been considered as remuneration. Only Mr. I D Chugh, Whole Time Director was paid remuneration and other directors are paid sitting fees for attending board meetings and committee meetings. 6. Figures have been rounded off wherever necessary	

2.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year. ***	Mr. Hira Lal Bhatia (DIN: 00159258)*	NA
		Mr. Ishwar Das Chugh (DIN: 00073257)	-18.9%
		Mr. Kartik Roop Rai (DIN: 06789287)*	NA
		Mr. Sanjiv Kavaljit Singh (DIN: 00015689)*	NA
		Ms. Sadhna Syal (DIN: 07837529)*	NA
		Mr. Chander Mohan Dhall (CFO)	0.00%
		Mr. Narendra Pal Singh (CEO)	-3.6%
		Mr. Nikhil Bindal (CS)**	16%
		Mr. Rakesh (CS)**	0.00%
		<p><b>* For this purpose, Sitting Fees paid to the Directors have not been considered as remuneration.</b></p> <p><b>**Mr. Rakesh was appointed as Company Secretary of the Company w.e.f. 12.02.2021 in place of Mr. Nikhil Bindal who has resigned as Company Secretary w.e.f January 5, 2021. We are unable to calculate percentage increase in his remuneration in FY 2020-21.</b></p> <p><b>***Increase in remuneration is made as per appraisal system and Remuneration and Nomination Policy of the Company</b></p> <p><b>Also, refer note. No. 1 to 3 as mentioned in point no. 1 above.</b></p>	
3.	The percentage increase in the median remuneration of employees in the financial year:	-79.95%	
4.	The number of permanent employees on the rolls of company.	There were 385 employees as on March 31, 2021	
5.	Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Same	
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed.	

General Note:

1. Profit of the Company is calculated as per Section 198 of the Companies Act, 2013.

**Part-B**
**DISCLOSURE UNDER RULE 5(2) AND 5(3) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

STATEMENT SHOWING TOP TEN EMPLOYEES OF THE COMPANY IN TERM OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014

Sr. No.	Name	Designation	Remuneration Received (per month)	Qualification & Experience	Date of Joining	Age	Last Employment Before joining the Company	% of Equity Shares held
1.	MR. GAUTAM KAPUR	JOINT PRESIDENT (Sahibabad)	5,52,142	M.B.A 44 years	22.07.1977	65	NIL	4.25%
2.	MR. GIRISH KAPUR	JOINT PRESIDENT (Sahibabad)	5,52,142	M.B.A 44 years	22.07.1977	65	NIL	2.18%
3.	MR. RISHAV KAPUR	SENIOR VICE PRESIDENT (Sahibabad)	4,54,916	B.A. Hons. 19 yrs	29.04.2002	41	NIL	0.57%
4.	MR. RAHUL KAPUR	SENIOR VICE PRESIDENT (Sahibabad)	4,44,691	M.B.A. 13 years	01.06.2008	36	NIL	0.57%
5.	MR. ABHINAV KAPUR	SENIOR VICE PRESIDENT (Sahibabad)	4,04,051	B.Sc in Business Mgmt 13 years	01.08.2008	35	NIL	0.75%
6.	MR. VIKRAM KAPUR	PRESIDENT (Sonepat)	5,94,879	B.com Hons. 49 years	11.07.1972	69	NIL	1.62%
7.	MR. RAJIV KAPUR	JOINT PRESIDENT (Sonepat)	5,94,879	M.B.A 37 years	25.07.1984	58	NIL	2.78%
8.	MR. ANGAD KAPUR	SENIOR VICE PRESIDENT (Sonepat)	4,73,305	B.com 22 years	20.07.1999	43	NIL	0.80%
9.	MR. ISHWAR DAS CHUGH	Whole Time Director	1,77,355	M.B.A. 65 years	01.01.1977	82	NIL	0.00%
10.	MR. NARENDRA PAL SINGH	CHIEF EXECUTIVE OFFICER	1,75,950	LLB., M.S.W. 47 years	27.03.2015	65	SUMI MOTHERSON GROUP	0.00%

Note: No Employee is a relative of any Director or Manager of the Company.

\* We have taken CTC received in the month of March, 2021 as the basis for calculation, considering only for those employees who are employed throughout the F.Y 2020-21. Also all the information mentioned in above table is as at 31.03.2021.

**STATEMENT SHOWING EMPLOYEES OF THE COMPANY DRAWING SALARY MORE THAN WHOLE TIME DIRECTOR OF THE COMPANY AND HOLDING MORE THAN 2% EQUITY SHARES :**

Sr. No.	Name	Designation	Remuneration Received (per month)	Qualification & Experience	Date of Joining	Age	Last Employment Before joining the Company	% of Equity Shares held
1.	MR. GAUTAM KAPUR	JOINT PRESIDENT (Sahibabad)	5,52,142	M.B.A 44 years	22.07.1977	65	NIL	4.25%
2.	MR. GIRISH KAPUR	JOINT PRESIDENT (Sahibabad)	5,52,142	M.B.A 44 years	22.07.1977	65	NIL	2.18%
3.	MR. RISHAV KAPUR	SENIOR VICE PRESIDENT (Sahibabad)	4,54,916	B.A. Hons. 19 yrs	29.04.2002	41	NIL	0.57%
4.	MR. RAHUL KAPUR	SENIOR VICE PRESIDENT (Sahibabad)	4,44,691	M.B.A. 13 years	01.06.2008	36	NIL	0.57%
5.	MR. ABHINAV KAPUR	SENIOR VICE PRESIDENT (Sahibabad)	4,04,051	B.Sc in Business Mgmt 13 years	01.08.2008	35	NIL	0.75%
6.	MR. VIKRAM KAPUR	PRESIDENT (Sonepat)	5,94,879	B.com Hons. 49 years	11.07.1972	69	NIL	1.62%
7.	MR. RAJIV KAPUR	JOINT PRESIDENT (Sonepat)	5,94,879	M.B.A 37 years	25.07.1984	58	NIL	2.78%
8.	MR. ANGAD KAPUR	SENIOR VICE PRESIDENT (Sonepat)	4,73,305	B.com 22 years	20.07.1999	43	NIL	0.80%

Employees employed throughout the year and were in receipt of remuneration of not less than 102 lakh per annum or, if employed for a part of the year, were in receipt of remuneration at a rate of not less than rupees 8.5 lakh per month (or in excess of remuneration paid to managing director) and their shareholding:

-There was no such employee.

## CORPORATE GOVERNANCE REPORT 2020-21

CIN: L35923HR1950PLC001614

*The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2021, in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.*

Corporate Governance is the set of policies, processes and practices governing the affairs of a Company in pursuit of its business goals. Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. As stakeholders across the globe evince keen interest in the practices and performance of companies, Corporate Governance has emerged on the centre stage.

Over the years, governance processes and systems have been strengthened and institutionalized at Atlas. Effective implementation of these policies underpins the commitment of the Company to uphold highest principles of Corporate Governance consistent with the Company's goal to enhance shareholders' value.

Keeping in view the Company's size, complexity, global operations and corporate traditions, the Company's Governance framework is based on the following main principles:

- Ø Constitution of Board of Directors of appropriate composition, size, varied expertise and commitment to discharge their responsibilities and duties.
- Ø Ensuring timely flow of information to the Board and its Committees to enable them to discharge their functions effectively.
- Ø A sound system of risk management and internal control.
- Ø Independent verification and safeguarding integrity of the Company's financial reporting.
- Ø Timely and balanced disclosure of all material information concerning the Company to all stakeholders.
- Ø Transparency and accountability.
- Ø Fair and equitable treatment to all stakeholders

including employees, customers, shareholders and investors.

- Ø Compliance with all the rules and regulations.

The Company recognizes that good Corporate Governance is a continuing exercise and is committed to follow the best practices in the overall interest of the stakeholders.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of the Listing Regulations is give below:

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance deals with the complex set of relationships between the Company and its board of directors, management, shareholders and other stakeholders. Your Company believes that changes are inevitable in the corporate world, whether relating to laws, rules, regulations, standards, procedures, public disclosures, thereby constantly posing challenges for the corporate to meet with the highest set of standards of business ethics and fair play. However adherence to Corporate Governance practices at each such time shall lead the way to transparent and just business operations.

Corporate Governance encompasses good practices, adherence to laws, procedures, standards and implicit rules that enable the management to take wise and sound decisions, whose results will have an impact not only on its shareholders, creditors, associates, employees and the government but society at large. The core objective of Corporate Governance is to maximize shareholder value through an open and transparent disclosure regime. Corporate Governance practice enables every stakeholder to have access to fullest information about the Company and its functioning thereby achieving stakeholder's satisfaction.

In view of the above statement, your Company reaffirms its commitment to excellence in Corporate Governance and constantly strives and endeavors to attain the high standards of business ethics and fair play, by employing the finest practices of corporate values and ethics. Your Company also believes that good Corporate Governance will also help to translate into being a responsible corporate citizen.

## 2. BOARD OF DIRECTORS

### Composition and category

The Board of Directors of the Company ("**the Board**") provides leadership and guidance to the Company's Management and also supervises, directs and manages the performance of the Company. The Board has constituted various committees of Directors, for the matters requiring special attention and their effective and efficient disposal.

Your Company's Board is represented by professionally qualified Executive, Non-Executive and Independent Non-Executive Directors. The Board as on 31.03.2021 was comprised of one Non-Executive Director, and three non-executive Independent directors. None of the Directors are related to each other.

Details of the Directors constituting the Board, their category, shareholding in the Company, number of Directorships in other public limited companies etc. are as follows:

Name of Director	Designation	Category of Directorship	Shareholding in the company (No. of Shares as on 31.03.2021)	No. of other Director ships #	No. of Committee		Name of other listed entities where the Person is a director and the category of Directorship
					Member ##	Chairman	
Mr. Kartik Roop Rai (DIN: 06789287)	Director	Independent Non- Executive	NIL	3	3	1	NIL
Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	Director	Independent Non-Executive	NIL	3	3	2	Fedders Electric and Engineering Limited (Executive Director)
Ms. Sadhna Syal (DIN: 07837529)	Director	Independent Non- Executive	NIL	0	3	NIL	Fedders Electric and Engineering Limited (Independent Director)
Mr. Vansh Vardhan Joshi*** (DIN: 06843644)	Additional Director	Non-Executive	0	1	Nil	Nil	Fedders Electric and Engineering Limited (Independent Director)
Mr. Hira Lal Bhatia* (DIN: 06843644)	Director	Non-Executive	2625	1	3	1	NIL
Mr. I. D. Chugh** (DIN: 00073257)	Whole Time Director	Executive	120	3	1	NIL	NIL

# Excluding private limited companies and foreign companies.

## Membership / Chairmanship of following Committees are considered: Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee.

\*Mr. Hira Lal Bhatia (DIN: 00159258) resigned from the post of Non-Executive Director of the company with effect from 07.06.2020 due to serious health issues.

\*\*The tenure of Mr. Ishwar Das Chugh as Whole Time Director was expired on 30.03.2021 and he was ceased to be director of the Company from such date. Mr. Ishwar Das Chugh was further appointed as a Non-Executive Director of the company w.e.f. 25.10.2021 through special resolution passed by shareholders in the Annual General Meeting held on 25.10.2021.

\*\*\*Mr. Vansh Vardhan Joshi was appointed as Additional Director (Non-Executive) by the Board of Directors at its meeting held on February 12, 2021 with immediate effect.

None of the Directors of the Company hold instrument convertible into equity shares of the Company.

The company did not have optimum composition of the Board during the financial year 2020-21 as Mr. Hira Lal Bhatia resigned on 07.06.2020 and Mr. Ishwar Das Chugh got retired on 30.03.2021 and **due to situation of pandemic of COVID-19, the Company could not find suitable candidates.**

None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021 have been made by the Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

Further, after the closure of financial year 2020-21, the Hon'ble National Company Law Tribunal, New Delhi, Principal Bench passed the order in CP/18(ND)/2015 in the matter of Sh. Vikram Kapur and Others versus Atlas Cycles (Haryana) Limited.

The Hon'ble NCLT vide aforesaid order dated 06.12.2022 removed all directors, namely;

1. Mr. Kartik Roop Rai, Director (DIN:06789287)
2. Mr. Sanjiv Kavaljit Singh, Director (DIN:00015689)
3. Ms. Sadhna Syal, Director (DIN:07837529)
4. Mr. Chander Mohan Dhall, Whole Time Director, (DIN:01398734)
5. Mr. Ishwar Das Chugh, Director (DIN:00073257)

The Hon'ble NCLT vide aforesaid order dated 06.12.2022 appointed below six directors in place of existing board of directors, namely;

1. Shri Jarnail Singh, IAS (Retired), Former Secretary, Government of India, Ministry of DoNER

2. Shri Hem Pande, IAS (Retired), Former Secretary, Government of India, Department of Consumer Affairs
3. Smt. Surina Rajan, IAS (Retired), Former Director General, Bureau of Indian Standard, Department of Consumer Affairs
4. Shri Manmohan Juneja, ICLS (Retired), Former Director General Corporate Affairs, Ministry of Corporate Affairs
5. Shri Ved Jain, CA, Former President, ICAI
6. Shri R Parthasarathy, IA & AS (Retd.), AOR, Supreme Court of India

### **Board Procedure**

The Board meets at least once in a quarter to review the quarterly performance and the financial results. The Board Meetings are generally scheduled in advance and the notice of each Board Meeting is given in writing to each Director. All the items on the agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, financial results, detailed presentations are made.

The Company is following the applicable Secretarial Standards relating to Board Meetings, Resolutions passed by circulation, Annual General Meeting, Extra-ordinary General Meetings and Postal Ballot.

The information as specified in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is regularly made available to the Board.

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed of every Board Meeting, on the overall performance of the Company, with presentations by business heads.

The Board's role, functions, responsibility and accountability are clearly defined. In addition to statutory matters requiring Board's approval, all major decisions involving policy formulation, strategy and business plans, annual operating and capital expenditure budgets, new investments, details of joint ventures, sale of business unit/division, compliance with statutory/ regulatory requirements, major accounting provisions and write-offs are considered by the Board.



### **Attendance of each director at the meetings of the Company**

The detail of attendance of each Director of the Company in Board Meetings held during the financial year 2020-21 is given below:

Name of the Directors	Attendance of Meeting during for FY 2020-21	
	Board Meetings	Last AGM (25.10.2021) (for F.Y. 2019-20)
Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	5	Yes
Mr. Kartik Roop Rai (DIN: 06789287)	5	Yes
Ms. Sadhna Syal (DIN: 07837529)	2	Yes
Mr. Vansh Vardhan Joshi*** (DIN: 06843644)	-	-
Mr. Hira Lal Bhatia (DIN: 00159258) *	0	No
Mr. I. D. Chugh (DIN: 00073257) **	5	No

\*Mr. Hira Lal Bhatia (DIN: 00159258) has resigned from the post of Non-Executive Director of the company with effect from 07.06.2020 due to serious health issues.

\*\*The tenure of Mr. Ishwar Das Chugh as Whole Time Director was expired on 30.03.2021 and he was ceased to be director of the Company from such date. Mr. Ishwar Das Chugh was further appointed as a Non-Executive Director of the company w.e.f. 25.10.2021 through special resolution passed by shareholders in the Annual General Meeting held on 25.10.2021.

\*\*\*Mr. Vansh Vardhan Joshi was appointed as Additional Director (Non-Executive) by the Board of Directors at its meeting held on February 12, 2021 with immediate effect. No Board Meeting was held during the financial year 2020-21 post his appointment.

### **Number of Board Meetings held and the dates on which held**

Five Board Meetings were held during the financial

year 2020-21. The Company has held at least one Board Meeting in every three months.

The details of the Board Meetings are as under:

Date	Board Strength	No. of Directors present
May 12, 2020	5	3
July 09, 2020	4	3
September 04, 2020	4	3
December 31, 2020	4	4
February 12, 2021	4	4

### **Agenda and Minutes**

All the departments of the Company communicate to the Company Secretary well in advance with regard to matters requiring approval of the Board/Committees of the Board to enable him to include the same in the agenda for the Board/Committee meeting(s). Agenda papers are generally circulated to the Board/Committee members well in advance before the meeting.

The Company Secretary while preparing the agenda and minutes of the Board/Committee meeting has ensured adherence to the applicable provisions of the law including the Companies Act, 2013. The applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) are also being followed by the Company. The draft minutes of the proceedings of each meeting are circulated by the Company Secretary to the board members for their comments within 15 days of conclusion of Board Meeting, and after giving 7 days' time to give their comments on the same, minutes are recorded in the minutes book duly dated and signed by the Company Secretary. Thereafter, minutes are confirmed by the Board/Committee in its next meeting and once minutes are signed by the Chairman, the copy of signed minutes is circulated to all the board members by the Company Secretary within 15 days of signing of minutes. The Board also takes note of the minutes of the Committee Meetings and subsidiary companies board meetings.

All material information is incorporated in the agenda papers for facilitating meaningful and focused discussions at the meeting. The information regularly supplied to the Board inter-alia includes the following:

- Ø Annual operating plans and budgets and any updates thereon.
- Ø Capital budgets and updates, if any.

- Ø Quarterly results of the Company and its operating divisions or business segments.
- Ø Minutes of meetings of Audit Committee and other committees of the Board.
- Ø Legal compliance report and certificate
- Ø Information on recruitment, resignation and remuneration of senior officers.
- Ø Show cause, demand, prosecution notices and penalty notices issued, if any against the Company having material impact.
- Ø Fatal or serious accidents, dangerous occurrences, material effluent or pollution problems, if any.
- Ø Any material default in financial obligations to or by the Company, or substantial non-recoveries against sale, if any.
- Ø Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implication on the Company, if any.
- Ø Details of any joint venture or collaboration agreement, if any.
- Ø Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property, if any.
- Ø Significant labour problems and their proposed solutions. Any significant development in human resources/industrial relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc., if any.
- Ø Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business, if any.
- Ø Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Ø Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as delay in share transfer, etc.

### 3. SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the Company meets at least once in a year as per the requirement of Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and

Schedule IV of Companies Act, 2013 read with Rules made thereunder. The Meetings of Independent Directors were held on 31<sup>st</sup> December 2020 in which all Independent Directors were present.

The Independent Directors in the Meetings, inter-alia:

- Reviewed the performance of Non-Independent Directors and the Board as whole.
- Reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- Assessed the quality, quantity and timeliness of flow of information between the Company and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### 4. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The familiarization programme for Independent Directors is designed based on requirement of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This is available on the website of the Company [www.atlasbicycles.com](http://www.atlasbicycles.com). The familiarization programme aims at familiarizing the Independent Directors to understand the business of the Company in depth that would facilitate their active participation in managing the Company, to understand legal framework and to facilitate them to understand their roles, responsibilities, powers, duties etc. The details of the familiarization programmes imparted to Independent Directors of the Company is available at [www.atlasbicycles.com/other-information.htm](http://www.atlasbicycles.com/other-information.htm)

### 5. Skills and Expertise of the member of the board.

#### (A) Board Skills Matrix

The Board has identified the key qualifications, skills and attributes as essential for effective oversight of the Company considering its varied business interests. These are presented as a matrix below:

Skills	Description
Financial management	Proficiency in financial management
Business environment perspective	Understanding diverse business environments, with a broad perspective of global business opportunities

Business Leadership	Leadership experience and practical understanding of significant organizations, their processes, strategies, planning etc.
Technology	Good appreciation of technology and trends
Mergers & Acquisitions	Ability to assess mergers and acquisition decisions including the suitability of a target with the Company's strategy
Board insights	Service on listed public company boards to develop insights into board accountability, guarding shareholder interests, regulatory environment and observing good governance practices

**(B) Key Qualifications, Skills and Attributes identified**

In the table below, specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against the member's name does not necessarily mean the members does not possess the corresponding qualification or skill.

Name of the Director	Financial Management	Global Business environment perspective	Business Leadership	Mergers & Acquisitions	Technology	Board insights
Mr. Kartik Roop Rai	✓	✓	✓	✓	✓	✓
Mr. Sanjiv Kavaljit Singh	✓	✓	✓	✓	✓	✓
Ms. Sadhna Syal		✓	✓	✓	✓	✓
Mr. Vansh Vardhan Joshi	✓	✓	✓	✓	✓	✓
Mr. I. D. Chugh	✓	✓	✓	✓	✓	✓

Sr No.	Name of Director	Expertise in specific functional area
1.	Mr. Kartik Roop Rai (DIN: 06789287)	Import and Export consultant with over thirty years of experience of successful running of a buying house exporting engineering & home products to America and Europe.

2.	Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	Possesses a high level of administrative and management skills to cover the entire spectrum of any business operation; including manufacturing, marketing and finance. Very environmentally conscious and strongly committed to recycling and pollution control.
3.	Ms. Sadhna Syal (DIN: 07837529)	Corporate Trainer for Soft Skills, Author and Registered trainer of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India, Bhopal Branch
4.	Mr. Vansh Vardhan Joshi*** (DIN: 06843644)	Bachelor in Business and having deep domain knowledge and experience in organisational leadership roles and has successfully partnered with clients, both multinational and local companies throughout his career.
5.	Mr. Hira Lal Bhatia* (DIN: 00159258)	Cloth Merchant with over Fifty six years' experience and in the business of manufacturing of dyes with over thirty five years.
6.	Mr. I. D. Chugh** (DIN: 00073257)	Expertise in marketing & management and is in Service of the Company for over 41 years

\*Mr. Hira Lal Bhatia (DIN: 00159258) has resigned from the post of Non-Executive Director of the company with effect from 07.06.2020 due to serious health issues.

\*\*The tenure of Mr. Ishwar Das Chugh as Whole Time Director was expired on 30.03.2021 and he was ceased to be director of the Company from such date. Mr. Ishwar Das Chugh was further appointed as a Non-Executive Director of the company w.e.f. 25.10.2021 through special resolution passed by shareholders in the Annual General Meeting held on 25.10.2021.

\*\*\*Mr. Vansh Vardhan Joshi was appointed as Additional Director (Non-Executive) by the Board of Directors at its meeting held on February 12, 2021 with immediate effect. No Board Meeting was held during the financial year 2020-21 post his appointment.

## 6. CODE OF CONDUCT

Pursuant to Regulation 17(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors of the Company has formulated a Code of Conduct for all Board Members and Senior Management Members of the Company. The Code of Conduct has been posted on the website of the Company [www.atlasbicycles.com](http://www.atlasbicycles.com).

All the Directors and Senior Management Members have affirmed compliance with the Code of Conduct as approved and adopted by the Board of Directors. A declaration to that effect signed by the Chairman forms part of the Annual Report of the Company.

Mr. Narendra Pal Singh has resigned from the post of Chief Executive Officer of the company w.e.f. 15.12.2021.

## 7. VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177(9) & (10) of the Companies Act, 2013, the Company has adopted the Code of Ethics & Business Conduct, which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of employees in pointing out such violations of the Code cannot be undermined. Accordingly, this Whistle blower Policy ("the Policy") has been formulated with a view to provide a mechanism for employees of the Company to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. and no personnel has been denied access to audit committee.

The Whistle blower policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company.

The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

## 8. AUDIT COMMITTEE

### *Broad Terms of Reference*

The Audit Committee of the Board of Directors of the Company, inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

The Terms of Reference of the Audit Committee are wide enough to cover the matters specified for Audit Committee under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013 and inter-alia includes:

- Ø oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Ø recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees;
- Ø reviewing, with the management, the annual financial statement before submission to the Board for approval,
- Ø reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- Ø reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Ø discussion with internal auditors any significant findings and follow up thereon;
- Ø discussion with statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

The Audit Committee, while reviewing the Annual Financial Statements also reviewed the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the Financial Statements for the year ended March 31, 2021.

### Composition

As on March 31, 2021, the Audit Committee comprised of three Independent Directors of the Company. The Composition of Audit Committee is in accordance with the provisions of Regulation 18 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. All these Directors possess adequate knowledge of corporate finance, accounts and company law.

The Meetings of the Audit Committee are attended by the Company Secretary. The Company Secretary acts as Secretary to the Committee. The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meeting.

During the F.Y. ended 31<sup>st</sup> March, 2021 the audit committee comprises as the following:

Name of Member	Designation	Category
Mr. Kartik Roop Rai (DIN:06789287)	Chairman	Independent Director
Mr. Sanjiv Kavaljit Singh (DIN:00015689)	Member	Independent Director
Mr. Hira Lal Bhatia* (DIN:00159258)	Member	Non-executive Director
Ms. Sadhna Syal** (DIN:07837529)	Member	Independent Director

\*Mr. Hira Lal Bhatia (DIN: 00159258) has resigned from the company with effect from 07.06.2020 due to serious health issues.

\*\* Ms. Sadhna Syal appointed as audit committee member in place of Mr. Hira Lal Bhatia in the meeting held on 04.09.2020.

### Meetings and attendance

The Audit committee held four meetings during the financial year ended 31<sup>st</sup> March, 2021 and the gap between two meetings did not exceed one hundred and twenty days. The Audit Committee Meetings were held on 09.07.2020, 04.09.2020, 31.12.2020 and 12.02.2021.

The attendance of the members at the Audit Committee Meetings are as under:

Name of Members	No. of meetings held	No. of meetings attended during	Leave of absence sought
Mr. Kartik Roop Rai (DIN: 06789287)	4	4	NIL

Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	4	4	NIL
Mr. Hira Lal Bhatia* (DIN: 00159258)	1	0	1
Ms. Sadhna Syal** (DIN: 07837529)	2	2	NIL

\*Mr. Hira Lal Bhatia (DIN: 00159258) has resigned from the company with effect from 07.06.2020 due to serious health issues.

\*\* Ms. Sadhna Syal appointed as audit committee member in place of Mr. Hira Lal Bhatia in the meeting held on 04.09.2020.

### 9. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee and its Policy are in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Objectives of the Committee is to:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

#### Evaluation Criteria

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management

level and recommend to the Board his / her appointment.

- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

#### Remuneration Policy

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel is determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. is subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such

person is proved to be guilty, the premium paid on such issuance shall be treated as part of the remuneration.

During the F.Y. ended 31<sup>st</sup> March, 2021 the audit committee comprises as the following:

Name of Member	Designation	Category
Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	Chairman	Independent Director
Mr. Kartik Roop Rai (DIN: 06789287)	Member	Independent Director
Mr. Hira Lal Bhatia* (DIN: 00159258)	Member	Non-executive Director
Ms. Sadhna Syal** (DIN: 07837529)	Member	Independent Director

\*Mr. Hira Lal Bhatia (DIN: 00159258) has resigned from the company with effect from 07.06.2020 due to serious health issues.

\*\* Ms. Sadhna Syal appointed as Nomination and Remuneration committee member in place of Mr. Hira Lal Bhatia in the meeting held on 04.09.2020.

#### Meetings and attendance

The Nomination and Remuneration Committee held two meetings during the financial year ended 31<sup>st</sup> March, 2021. The Nomination and Remuneration Committee Meetings were held on 04.09.2020 and 12.02.2021. The attendance of the members at the Nomination and Remuneration Committee Meetings are as under:

Name of Members	No. of meetings held	No. of meetings attended during	Leave of absence sought
Mr. Kartik Roop Rai (DIN: 06789287)	2	2	NIL
Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	2	2	NIL
Mr. Hira Lal Bhatia* (DIN: 00159258)	—	—	—
Ms. Sadhna Syal** (DIN: 07837529)	1	1	NIL

\*Mr. Hira Lal Bhatia (DIN: 00159258) has resigned from the company with effect from 07.06.2020 due



to serious health issues.

\*\* Ms. Sadhna Syal appointed as Nomination and Remuneration committee member in place of Mr. Hira Lal Bhatia in the meeting held on 04.09.2020.

## REMUNERATION/ SITTING FEES

### A. Whole Time Director

- Salary and commission within the limits prescribed under the Companies Act, 2013.
- Annual increments depending upon individual's performance.
- The remuneration payable to Whole Time Director was decided by the Board of Directors vide board meeting dated 16.01.2018, while renewing his appointment for 3 years w.e.f. 31.03.2018, shareholders' approval by way of special resolution was obtained at 67<sup>th</sup> Annual General Meeting held on 26.10.2018.
- No sitting fees.

### Remuneration Policy

The remuneration policy can be downloaded from the link: <http://atlasbicycles.com/policies.htm>

### B. Non-Executive Directors

- Sitting fees for attending meetings.

The remuneration payable to non-executive directors is decided by the Board of Directors.

### Details of remuneration paid during 2020-21.

#### A. Whole Time Director

Name	Shri I.D. Chugh*
Basic Salary	8,00,124
House Rent Allowance	1,43,066
Long Service Allowance	1,840
Other Allowance	6,44,828
Superannuation	-
Provident Fund Contribution	1,07,231
Management Commission	-
Medical Expenses	86,970
Leave Travel Allowance	86,970
<b>Total</b>	<b>18,71,029</b>

No Stock options is offered to any of the Directors or employees of the Company. Resolution passed at the General Meetings read with explanatory statement for appointment / reappointment of Whole Time Director discloses details of service contract, notice period, etc.

\*The tenure of Mr. Ishwar Das Chugh as Whole Time Director was expired on 30.03.2021 and he was ceased to be director of the Company from such date.

### B. Non-Executive Directors/ Independent Directors

Name of Director	Sitting Fees (₹)
Mr. HiraLal Bhatia (DIN: 00159258)	0
Mr. Kartik Roop Rai (DIN: 06789287)	1,05,000
Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	1,10,000
Ms. Sadhna Syal (DIN: 07837529)	58,685
Mr. Vansh Vardhan Joshi (07837529)	0

## 10. STAKEHOLDER'S RELATIONSHIP COMMITTEE

### Composition

The Stakeholder's Relationship Committee formulated in compliance with Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31.03.2021 the composition of Stakeholder's Relationship Committee was as follows:

Name of Member	Designation	Category
Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	Chairman	Independent Director
Mrs. Sadhna Syal * (DIN: 07837529)	Member	Independent Director
Mr. Hira Lal Bhatia* (DIN: 00159258)	Chairman	Non-executive Director
Mr. Kartik Roop Rai ** (DIN: 06789287)	Member	Independent Director
Mr. Ishwar Das Chugh*** (DIN: 00073257)	Member	Executive Director

\* Ms. Sadhna Syal appointed as committee member on 04.09.2020 in place of Mr. Hira Lal Bhatia as he



has resigned from the company with effect from 07.06.2020.

\*\*Mr. Kartik Roop Rai, Independent Director of the Company was appointed as member of the Committee with effect from March 20, 2021.

\*\*\*Mr. Ishwar Das Chugh ceased to be Director of the company with w.e.f. 30.03.2021, due to completion of his tenure.

### **Terms of Reference**

The Stakeholder's Relationship Committee, inter alia, oversees and reviews all matters connected with the investor services in connection with applications received and shares allotted in the Initial Public Offer, status of refund account, conversion of partly paid shares into fully paid shares, rematerialization and dematerialization of shares and transfer of shares of the Company. The Committee oversees performance of the Registrar and Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Mas Services Limited attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs and Registrar of Companies etc.

The Minutes of the Stakeholder's Relationship Committee are noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

### **Meetings**

One Stakeholders Relationship Committee Meeting was held during the year on 04.09.2020. The attendance of each member is as given below:

Name of Members	No. of meetings held during tenure	No. of meetings attended during tenure	Leave of absence sought
Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	1	1	NIL
Mr. Hira Lal Bhatia* (DIN: 00159258)	—	—	—

Ms. Sadhna Syal * (DIN: 07837529)	0	0	NA
Mr. Kartik Roop Rai ** (DIN: 06789287)	0	0	NA
Mr. Ishwar. Das. Chugh*** (DIN: 00073257)	1	1	NIL

\* Ms. Sadhna Syal appointed as committee member on 04.09.2020 in place of Mr. Hira Lal Bhatia as he has resigned from the company on 07.06.2020.

\*\*Mr. Kartik Roop Rai, Independent Director of the Company was appointed as member of the Committee with effect from March 20, 2021.

\*\*\*Mr. Ishwar Das Chugh ceased to be Director of the company with w.e.f. 30.03.2021, due to completion of his tenure.

### **Complaints received and redressed during the year 2020-21**

During the year under review 1 complaint was received from one shareholder which was replied / resolved to the full satisfaction of the shareholder. There were no complaint pending as on 31.03.2021.

### **11. SHARE TRANSFER SUB-COMMITTEE**

During the year under review, Mr. Iswar Das Chugh (DIN: 00073257), Whole Time Director of the Company has been delegated the power to approve share transfers.

The tenure of Mr. Ishwar Das Chugh as Whole Time Director was expired on 30.03.2021 and he was ceased to be director of the Company from such date.

There were no share transfers pending for registration for more than 21 days during the year.

### **12. RISK MANAGEMENT COMMITTEE**

Since our company is not among top 500 listed companies determined on the basis of market capitalization at the end of FY 2020-21 (on the basis of list of top 500 companies available on NSE/ BSE websites) it was not mandatory for our company to maintain such committee.

### **13. RELATED PARTY TRANSACTION POLICY**

The Board of Directors of the Company formulates a policy for entering into Related Party Transactions in accordance with the Provisions of Section 188 of the Companies Act, 2013 read with Rules made there under and as per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015. All related party transactions are entered into at arm's length, in ordinary course of business and are not material.

#### **A. APPROVAL AND REVIEW**

- a) All Related Party Transactions (including any modification/renewal thereof) are entered with prior approval of the Audit Committee.
- b) The Audit Committee grants omnibus approval to proposed Related Party Transactions in accordance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 accepting those transactions which fall under Section 188 of the Companies Act, 2013, subject to the following conditions:
  - i. the omnibus approval must be as per the policy on related party transactions and for transaction which are repetitive in nature;
  - ii. the Committee is satisfied of the need of such omnibus approval and that such approval is in the interest of the listed entity.
  - iii. the omnibus approval shall specify (i) the name of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into (ii) the indicative base price/current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Committee may deem fit;

Provided that where the need for Related Party Transaction cannot be seen and aforesaid details are not available, the Committee grants omnibus approval for such transactions subject to their value not exceeding Rs.1 crore per transaction.
- c) All Related Party Transactions which are 'Material' shall also require prior approval of the shareholders by way of special resolution and all Related Parties shall abstain from voting, irrespective of whether they are party to the particular

transaction or not. Provided that if the legal requirement is relaxed or made stringent on this requirement, then the same will be followed.

- d) All Related Party Transactions are reviewed by the Audit Committee on quarterly basis.

#### **B. MATERIAL RELATED PARTY TRANSACTION**

Subject to the provisions of Regulation 23 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statement of the Company.

#### **14. COMPLIANCE OFFICER**

Mr. Nikhil Bindal resigned from the post of the Company Secretary and Compliance Officer of the Company on 05.01.2021. Mr. Ishwar Das Chugh, Whole-Time Director of the Company was appointed as Compliance Officer till appointment of Mr. Rakesh as Company Secretary & Compliance Officer of the Company, who was appointed in board meeting held on 12.02.2021 in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and requirements of SEBI (Prohibition of Insider Trading) Regulation, 1992 / 2015.

#### **15. SUBSIDIARY COMPANIES**

The Company duly complies with provisions of Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has three wholly owned Subsidiary Companies viz. Atlas Cycles Sonapat Limited (CIN: U35929HR1999PLC034261), Atlas Cycles (Sahibabad) Limited (CIN: U35929HR1999PLC034260) and Atlas Cycles (Malanpur) Limited (CIN: U35929HR1999PLC034259).

The minutes of Board Meetings of Atlas Cycles Sonapat Limited held on 04.09.2020, 09.12.2020, 10.02.2021, and 13.03.2021 were placed at the Board Meeting of the holding Company Atlas Cycles (Haryana) Limited for review.

The minutes of Board Meetings of Atlas Cycles (Sahibabad) Limited held on 04.09.2020, 09.12.2020,

10.02.2021 and 13.03.2021 were placed at the Board Meeting of the holding Company Atlas Cycles (Haryana) Limited for review.

The minutes of Board Meetings of Atlas Cycles (Malanpur) Limited held on 04.09.2020, 09.12.2020, 10.02.2021 and 13.03.2021 were placed at the Board Meeting of the holding Company Atlas Cycles (Haryana) Limited for review.

## 16. CORPORATE GOVERNANCE MANUAL

The Company strictly adhere to Secretarial Standards notified by the Institute of Company Secretaries of India (ICSI) for Board Meetings, Committee Meetings and General Meetings and follows comprehensive Corporate Governance procedures for effective functioning of the Board and its Committees. It has also incorporated the Code of Conduct and Ethics for Directors and Senior Management which is available on the website of the Company [www.atlasbicycles.com](http://www.atlasbicycles.com). It has also incorporated Code of Conduct relating to Insider Trading titled "Code of Practices and Procedures and Code of Conduct to Regulate, Monitor and Report Trading in Securities and Fair Disclosure of Unpublished Price Sensitive Information pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015". These are regularly monitored and reviewed.

## 17. LEGAL COMPLIANCE REPORTING

As required under Regulation 17(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board periodically reviews compliance of various laws applicable to the Company.

## 18. ANNUAL GENERAL MEETINGS

The details of last three Annual General Meetings of the Company are given hereunder:

Year	AGM	Date	Time	Venue	Special Resolution passed
2017-18	67 <sup>th</sup> AGM	26 <sup>th</sup> October, 2018	4:00 p.m.	Atlas Cycles (Haryana) Limited, Industrial Area, Sonapat, 131001, Haryana	<ul style="list-style-type: none"> <li>Re-appointment of Mr. Ishwar Das Chugh as Whole Time Director</li> <li>Re-appointment of Mr. Hira Lal Bhatia as Nonexecutive Director</li> </ul>

2018-19	68 <sup>th</sup> AGM	13 <sup>th</sup> December, 2019	3:00 p.m.	Bulbul Hotel, 208-L, Model Town, Atlas Road, Sonapat 131001, Haryana	<ul style="list-style-type: none"> <li>Re-appointment of Mr. Sanjiv Kavaljit Singh &amp; Mr. Kartik Roop Rai as Independent Director</li> <li>Re-appointment of Mr. Hira Lal Bhatia as Non-executive Director</li> <li>Appointment of Ms. Sadhna Syal as Independent Director</li> </ul>
2019-20	69 <sup>th</sup> AGM	25 <sup>th</sup> October, 2021	04.00 p.m.	Hotel Sagar 148-R, Atlas Road, Sonapat, Haryana -131001	<ul style="list-style-type: none"> <li>Appointment of Mr. Ishwar Das Chugh (DIN: 00073257) as Non-Executive Non-Independent Director of the Company.</li> <li>Appointment of Mr. Chander Mohan Dhall (DIN:01398734) as the Whole-Time Director of the Company.</li> </ul>

## 19. POSTAL BALLOT

No resolution was passed through postal ballot during the financial year ended 31<sup>st</sup> March 2021.

## 20. EXTRAORDINARY GENERAL MEETING

During the financial year ended on 31<sup>st</sup> March 2021, No Extraordinary General Meeting was held.

## 21. DISCLOSURES

### a) Disclosure on materially significant related party transactions that are not in conflict with the interests of the Company at large.

Related party transactions as per AS-18 have been dealt with in note no. 46 (Notes forming part of the accounts). However, these transactions are not in conflict with the interest of the Company.

### b) Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards referred in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in Notes to Accounts.

**c) Risk Management**

Business risk evaluation and management is an ongoing process within the Company. During the year under review, a detailed exercise on 'Risk Assessment and Management' was carried out covering the entire gamut of business operations.

**d) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.**

The Company has complied with all the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except delay in finalization of financial results. During the last 5 years, there were delay in timely submission of Quarterly and Yearly Financial Results to the Stock Exchanges due to closing down of Malanpur Unit of the Company and also due to labour unrest in Sonapat unit of the company and sealing of Sonapat unit by Municipal Corporation Sonapat due to non-payment of property tax during the financial year 2019-20 & 2020-21 which had impacted the whole company. Accordingly, there were penalties imposed by the National Stock Exchange of India Limited amounting to Rs. 25,55,880 (approx.) and BSE Limited amounting to Rs. 12,50,800 (approx.). Apart from this, there were no strictures or penalties imposed either by SEBI or the Stock Exchange or any statutory authority for non-compliance of any matter related to the capital market since the listing of the Company.

**e) Policy on Determination of Materiality for Disclosures (Regulation 23 of SEBI Listing Regulation):** The Company has adopted a Policy on Determination of Materiality for Disclosures

**f) Policy on Archival and Preservation of Documents (Regulation 9 of SEBI Listing Regulation):** The Company has adopted a Policy on Archival and Preservation of Documents

**g) List of all credit ratings obtained by the entity along with any revisions thereto, during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme**

or any scheme or proposal of the listed entity, involving mobilization of funds, whether in India or abroad. – No credit rating was got done during the financial year 2020-21 due to two units being closed and third unit operating at below break-even level.

**h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)–** Not applicable.

**i) A Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority-** The Certificate is attached to this report. **(Annexure-1)**

**j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof -** Not applicable, as the Board has accepted all recommendation of its all Committees, during the year under review.

**k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.-** Rs. 32,21,643 /-

**l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- number of complaints filed during the financial year - Nil
- number of complaints disposed of during the financial year - Nil
- number of complaints pending as on end of the financial year - Nil

**22. MEANS OF COMMUNICATION**

- The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results, in the Performa prescribed by Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- The approved financial results are sent forthwith to the National Stock Exchange of India Limited and BSE Limited and are published in a National English language Newspaper, viz, Financial Express. In addition, the same are published in a local Hindi language Newspaper, viz., Jan Satta, with in forty-eight hours of approval thereof.
- The Company's financial results and official news releases are being displayed on the Company's website i.e. [www.atlasbicycles.com](http://www.atlasbicycles.com).

## 23. CORPORATE ETHICS

As a responsible corporate citizen, the Company consciously follows corporate ethics in both business and corporate interactions. The Company has framed various codes and policies, which act as guiding principles for carrying business in ethical way. Our various policies available at [www.atlasbicycles.com/policies.htm](http://www.atlasbicycles.com/policies.htm) are:

- Code of Conduct for Directors and Senior Management Personnel;
- Code of Practices and Procedures and Code of Conduct to Regulate, Monitor and Report Trading in Securities and Fair Disclosure of Unpublished Price Sensitive Information pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- Policy on Material Related Party Transactions;
- Policy on Familiarization Programme for Independent Directors;
- Risk Management Policy;
- Nomination & Remuneration Policy
- Policy for Preservation of Documents
- Whistle Blower Policy
- Archival Policy
- Policy for Determination of Materiality of Events and Information
- Policy for Determining Material Subsidiaries

## 25. CEO/CFO CERTIFICATION

The Chief Financial Officer and Chairman have submitted the certificate to the Board as required under Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Narendra Pal Singh has resigned from the post of Chief Executive Officer of the company with effect from 15.12.2021.

## 26. REPORT ON CORPORATE GOVERNANCE

The Company has submitted Quarterly Compliance Reports to the Stock Exchange within 15 days from the close of each quarter as per Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly signed by the compliance Officer.

## 27. GENERAL SHAREHOLDERS INFORMATION

**Registered office** *Atlas Cycles (Haryana) Limited*  
Industrial Area,  
Atlas Road, Sonapat- 131001,  
Haryana

### **Annual General Meeting**

**Day, Date and Time** Monday, 24<sup>th</sup> July, 2023 at 11:00 A.M. (I.S.T.)

**Venue** Hotel Sagar, 148-R, Model Town,  
Atlas Road, Sonapat 131001,  
Haryana

**Financial Year:** 1st April, 2020 to 31st March, 2021

### **Financial Calendar**

*Financial Results of the Company could not be finalized on time due to non-cooperation by one unit of the Company, under the day to day control of management committee of Sonapat unit because of which financial results were not submitted on time during the financial year under review.*

### **Dividend payment Date**

When dividend is declared, dividend payment is made within 30 days of the date of declaration to those shareholders whose names appear on the Register of members on the date of Annual General Meeting.

### **Listing of Equity Shares on Stock Exchange(s)**

National Stock Exchange of India Limited (NSE)  
Exchange Plaza, Bandra-Kurla Complex  
Bandra (E), MUMBAI – 400051

BSE Limited, (BSE)  
P. J. Towers, 25th Floor, Dalal Street,  
Mumbai-400001,

### **Listing Fees**

Annual Listing Fee for the year 2020-21 has been paid to National Stock Exchange of India Limited and BSE Limited, where the equity shares of the company are listed within stipulated time.

**Shareholding Pattern by Size**

ATLAS CYCLES (HARYANA) LIMITED					
DISTRIBUTION SCHEDULE AS ON 31/03/2021					
NOMINAL VALUE OF EACH SHARE - RS. 5/-					
NO OF SH HOLDERS	% TO TOTAL	SHARE HOLDING OF NOMINAL VALUE OF RS	NO OF SHARE	AMOUNT IN RS	% TO TOTAL
9957	90.675	1 TO 2500	1057210	5286050	16.255
498	4.535	2501 TO 5000	387420	1937100	5.957
237	2.158	5001 TO 10000	360186	1800930	5.538
83	0.756	10001 TO 15000	209717	1048585	3.225
48	0.437	15001 TO 20000	169919	849595	2.613
31	0.282	20001 TO 25000	140709	703545	2.163
63	0.574	25001 TO 50000	470174	2350870	7.229
64	0.583	50001 AND ABOVE	3708503	18542515	57.02
10981	100	TOTAL	6503838	32519190	100
TOTAL SHARE HOLDERS IN NSDL		5572	TOTAL SHARES IN NSDL		4326308
TOTAL SHARE HOLDERS IN CDSL		4169	TOTAL SHARES IN CDSL		1889666
TOTAL SHARE HOLDERS IN PHY		1380	TOTAL SHARES IN PHY		287864
TOTAL SHARE HOLDERS		11121	TOTAL SHARES		6503838
140 SHAREHOLDERS ARE COMMON IN DEMAT & PHYSICAL					

**Stock Code**

Scrip Code – National Stock Exchange of India Limited – “ATLASCYCLE”

BSE Limited – ‘505029’

ISIN for Equity Shares –INE446A01025.

**Stock Market Data**

Monthly high and low prices of equity shares of Atlas Cycles (Haryana) Limited at the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) during the year under review and the comparison in performance of share price of the Company vis-à-vis broad based Indices are given below:

Month	Share Price on NSE		Nifty 50	
	HIGH	LOW	HIGH	LOW
	Rs.	Rs.	Rs.	Rs.
Apr, 2020	38.5	28.5	9,889.05	8,055.80
May, 2020	51.80	32.45	9,598.85	8,806.75
Jun, 2020	50.70	30.8	10,553.15	9,544.35
July, 2020	60.25	40.65	11,341.40	10,299.60
Aug, 2020	52.05	42.1	11,794.25	10,882.25
Sep, 2020	49.25	42.65	11,618.10	10,790.20
Oct, 2020	46.45	39.90	12,025.45	11,347.05
Nov, 2020	42.35	35.65	13,145.85	11,557.40
Dec, 2020	43.6	37	14,024.85	12,962.80
Jan, 2021	43	38.4	14,753.55	13,596.75
Feb, 2021	38.5	33.25	15,431.75	13,661.75
Mar, 2021	31.6	25.85	15,336.30	14,264.40

Month	Share Price on BSE		BSE Sensex	
	HIGH	LOW	HIGH	LOW
	Rs.	Rs.	Rs.	Rs.
Apr, 2020	39.45	29.8	33,887.25	27,500.79
May, 2020	51.9	32.3	32,845.48	29,968.45
Jun, 2020	50.45	30.9	35,706.55	32,348.10
July, 2020	60.45	40.9	38,617.03	34,927.20
Aug, 2020	51.95	42.25	40,010.17	36,911.23
Sep, 2020	48.85	41.85	39,359.51	36,495.98
Oct, 2020	45.7	40.05	41,048.05	38,410.20
Nov, 2020	42.15	35.6	44,825.37	39,334.92
Dec, 2020	43.95	36.5	47,896.97	44,118.10
Jan, 2021	42.5	38.5	50,184.01	46,160.46
Feb, 2021	38.5	33.25	52,516.76	46,433.65
Mar, 2021	31.6	26.25	51,821.84	48,236.35

Source: BSE/NSE Website

The company has not submitted the financial results within the stipulated time during the financial year 2020-21 due to non-corporation of Sonapat unit, nationwide Covid-19 outbreak and sealing of Sonapat unit by Municipal Corporation, Sonapat. Therefore, the trading in Company's shares was suspended by BSE Limited and National Stock Exchange of India Limited vide there communication dated December 16, 2020.

During the year under review, there were no outstanding global depository receipts or American depository receipts or warrants or any convertible instruments.



### Registrar and Share Transfer Agent

M/s. Mas Services Limited, Delhi has been appointed as the Registrar and Share Transfer Agent of the Company w.e.f. 01.02.2003 for handling the share transfer work both in physical and electronic form. All correspondence relating to share transfer, transmission, dematerialization, rematerialisation etc. can be made at the following address:

#### MAS SERVICES LIMITED

T-34, IInd Floor,  
Okhla Industrial Area,  
Phase II, New Delhi – 110020  
Tel.: 011-26387281, 7282, 7283  
Fax: 011-26387384  
Contact Person: Mr. Sharwan Mangla (General Manager)

**Timing:** Monday to Friday, 10.00 a.m. to 1.00 p.m. and 2.00 p.m. to 4.00 p.m.

#### Share Transfer System

As mandated by SEBI, securities of the Company can be transferred/ traded only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialization.

The Company has appointed a common Registrar for the physical share transfer and dematerialization of shares i.e.

Mas Services Limited  
T-34 2nd Floor Okhla Industrial Area.  
Phase-2 New Delhi 110020  
Mail ID: investor@masserv.com  
Phone: (011) 26387281-82-83  
Fax: (011) -26387384

During the year, the Company obtained certificates from a Company Secretary in Practice, certifying that all certificates for transfer, transmission, sub-division, consolidation, renewal, exchange and deletion of names, were issued as required under Regulation 40(9) of the Listing Regulations read with SEBI Circular no. SEBI/HO/ MIRSD/RTAMB/CIR/P/2020/59, dated April 13, 2020. The certificates was duly filed with the Stock Exchanges.

#### Categories of Equity Shareholders as on March 31, 2021

	No. of shares held	Percentage of shareholding
Promoters, Associates and Relatives	2739500	42.12
Mutual Funds/ UTI	0	0.00
Financial Institution	202	0.01
Foreign Institutional Investors	0.00	0.00
Bodies Corporate	182427	2.8.

General Public	3323923	51.1
NBFC Registered with RBI	400	0.01
Non-Resident Indian / OCB	62483	0.96
Clearing Member	30599	0.47
Director or Director's Relatives	0.00	0.00
IEPF	164304	2.53
<b>Total</b>	<b>6503838</b>	<b>100.00</b>

#### Dematerialization of shares and liquidity

As on 31.03.2021 of the total equity shares, 95.57% were held in dematerialized Form and the balance 4.43% shares are in physical form. The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments which are pending for conversion.

#### Plant Locations

The Company's plants are located at Sonapat (Haryana), Sahibabad (Uttar Pradesh) and Malanpur (Madhya Pradesh).

#### Nomination

Shareholders holding shares in physical form and desirous of making nomination in respect of their shareholding in the Company are requested to submit their request to the Registrar & Transfer Agent of the Company.

#### Address for Correspondence

**(a) Investor Correspondence:** For any query in relation to the shares of the Company.

#### For Shares held in Physical Form:

##### MAS SERVICES LIMITED

T-34, IInd Floor,  
Okhla Industrial Area,  
Phase II, New Delhi – 110020  
Tel.: 011-26387281, 7282, 7283  
Fax: 011-26387384  
Contact Person: Mr. Sharwan Mangla (General Manager)

**Timing:** Monday to Friday, 10.00 a.m. to 1.00 p.m. and 2.00 p.m. to 4.00 p.m.

#### For Shares held in Demat Form:

To the Investors' Depository Participant(s) and / or Mas Services Limited at the above mentioned address.



**(b) For grievance redressal and any query on Annual Report**

Company Law Department Ph. No.: 0130-2200001 to 2200006

Atlas Cycles (Haryana) Limited  
Industrial Area, Atlas Road,  
Sonapat – 131001  
Fax No. 0130-2200018

Email: companysecretary@atlasbicycles.co.in

Website: www.atlasbicycles.com

**COMPLIANCE CERTIFICATE OF THE AUDITORS**

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance for the year ended March, 31, 2021 as stipulated in Regulation 24 & Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same forms part of this Annual Report.

The Certificate from the Statutory Auditors will be sent to the BSE Limited and National Stock Exchange of India Limited along with the Annual Report of the Company.

**RECONCILIATION OF SHARE CAPITAL AUDIT**

As stipulated by SEBI, a qualified Chartered Accountant or Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited

(CDSL) and the total issued and listed capital. This audit is carried out by Mr. Rajiv Bhasin, Chartered Accountant and the report thereon is submitted to the National Stock Exchange of India Limited and BSE Limited.

The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

**OBSERVANCE OF THE SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA**

The Institute of Company Secretaries of India (ICSI) has issued Secretarial Standards on important aspects like Board Meetings, General Meetings, Maintenance of Registers and Records, Minutes of Meetings and Transmission of Shares, etc. till now, the Secretarial Standards relating to the Board Meetings and General Meetings of the Company have become mandatory to comply with effect from 1<sup>st</sup> July 2015 and the Company is strictly complying with the same.

**JARNAIL SINGH**  
**(DIN: 05332407)**

**HEM KUMAR PANDE**  
**(DIN: 08539771)**

} DIRECTORS

Date: 24<sup>th</sup> May, 2023  
Place: New Delhi

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,

**The Members of  
Atlas Cycles (Haryana) Limited,  
Industrial Area, Sonapat, Haryana, India- 131001.**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Atlas Cycles (Haryana) Limited** having **CIN:L35923HR1950PLC001614** and having registered office at Industrial Area, Sonapat, Haryana, India- 131001(hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations/ representations furnished to us by the Company & its Director/officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Sanjiv Kavaljit Singh	00015689	03/09/2014
2	Kartik Roop Rai	06789287	19/12/2013
3	Sadhna Syal	07837529	29/10/2019
4	Vansh Vardhan Joshi*	06843644	12/02/2021

\*Sh. Vansh Vardhan Joshi has resigned from the post of directorship on 01.10.2021.

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mukesh Arora & Company  
Practicing Company Secretaries

Mukesh Arora  
M.NO-4819  
COP-4405

Date: 23.10.2021  
Place: New Delhi

**DECLARATION ON CODE OF CONDUCT**

**Declaration on Code of Conduct as per Schedule V Part D of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

I declare that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of board of directors and senior management.

**JARNAIL SINGH  
CHAIRMAN**

**INDEPENDENT AUDITORS' CERTIFICATE**

**(INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS REGULATIONS, 2015))**

**To the Members of**

**ATLAS CYCLES (HARYANA) LIMITED**

1. This certificate is issued in accordance with the terms of our engagement letter dated 28-09-2017.
2. This report contains details of compliance of conditions of corporate governance by ATLAS CYCLES (HARYANA) LIMITED ('the Company') for the year ended 31 March, 2021 as stipulated in regulation 17-27, clause (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of Company with Stock Exchanges.

**Management's Responsibility for compliance with the conditions of Listing Regulations**

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

**Auditor's Responsibility**

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.
5. Pursuant to the requirements of the Listing Regulation, it is our responsibility to provide a reasonable assurance whether the Company has complied with the condition of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March, 2021.
6. We conduct our examination in accordance with the Guidance Note on Reports or Certificates for Special Purpose issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirement of the Code of Ethics issued by ICAI.
7. We have complied with the relevant applicable requirements of the Standards on quality control (SDC). Quality counsel of firms that perform Audit and review of historical financial information and other Assurance and related services engagement.

**Opinion**

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliances is neither an assurances as to the future viability of the company nor the effectiveness with which the management has conducted the affairs of the company.

**Restriction on use**

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulation and it should not be used by other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty or care for any other purpose or to any other person to whom this certificate is show or into whose hands it may come without our prior consent in writing.

**For Dinesh Nangru & co.  
Chartered Accountants**

CA. DINESH NANGRU  
Partner  
Firm Registration No.: 015003N  
UDIN: 23094779BGVNY4854

Place: New Delhi  
Date: 24/05/2023

**CEO /CFO CERTIFICATION**

We the undersigned, in our respective capacities as Chairman and Chief Financial Officer (CFO) of Atlas Cycles (Haryana) Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief, we state that:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
  - i. significant changes, if any, in internal control over financial reporting during the year;
  - ii. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For ATLAS CYCLES (HARYANA) LIMITED**

**(JARNAIL SINGH)**  
**CHAIRMAN**

**(CHANDER MOHAN DHALL)**  
**CHIEF FINANCIAL OFFICER (CFO)**

Date:- 24<sup>th</sup> May, 2023  
Place:- Delhi

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ATLAS CYCLES (HARYANA) LIMITED

#### Report on the Audit of Standalone Ind AS Financial Statements

##### Qualified Opinion

We have audited the standalone Ind AS financial statements of Atlas Cycles (Haryana) Limited ("the Company") which comprise Balance Sheet as at 31<sup>st</sup> March, 2021, the Statement of Profit and Loss, the Cash Flow Statement and statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the '**Basis of Qualified Opinion**' section of our Report, the aforesaid standalone Ind AS financial statements give the information required by the companies Act 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian accounting standards ("IND AS") prescribed under section 133 of the act read with the companies (Indian accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March 2021, of its loss, changes in equity and its cash flows for the year ended on that date.

##### Basis of Qualified Opinion

1. Refer Notes 8.1, 8.2 and 14.1 of the statement, we are unable to comment on the current status of suit filed for earlier year by the company for criminal and recovery proceedings filed for above referred matters.
2. Refer Note 9 of the statement, the Physical Stock taking at Sonapat unit has not been carried out as at the Balance Sheet date. Hence, we are unable to comment on the physical stock position at Sonapat unit amounting to Rs. 6,50,03,902/- as Sonapat unit was sealed by Municipal Committee Sonapat.
3. Refer Note 9.1, Since the company is not having its manufacturing activities operational as on the date of report, the stock is valued at cost instead of valued at cost or net realizable value whichever is lower, Quantification of effect is not ascertainable in absence of Net realizable value, marketability and usability of stock.
4. Refer Note 11 of the statement, in absence of reconciliation with individual debtors and in absence of balance confirmations from debtors, we are unable to comment upon position of debtors considered as good.
5. Refer Note 23.1 and Note 40, The company has not provided for the interest on overdue outstanding payment of creditors including MSMEs and on suits filed by creditors in different courts. Exact quantum of liability is not ascertainable in absence of reconciliations with suppliers and balance confirmations by suppliers; however, the company has disclosed in contingent liability regarding claims of interest filed by creditors in different courts.
6. Refer Note 3 of the significant policies to the statement, we are unable to comment on certain current accounts with banks as we have not been provided with certain bank statements for the year under report claimed to be non- operative in books of the company.
7. Refer Note 5.1 of the statement, Special attention is brought on unquoted investment In equity shares and debentures.
8. Refer Note 20.1, we are unable to comment upon transaction relating Rs. 5,90,00,000/- as advance received against sale of non- core asset in absence of Proper Agreement to sell/ Sale deed or explanation provided to us.
9. Refer Note 7 of the statement, the company has not reversed Provision for deferred tax/ Deferred tax asset created during the previous Financial year 19-20 amounting to Rs. 9,99,01,400/- against which Income tax return is yet to be filed as on date of report.

10. The company has not provided reconciliation of books with 26AS "ANNUAL TAX STATEMENT" as per Income Tax and further no liability was recognized or disclosed in contingent liability related to TDS demand amounting Rs. 24,29,165/- and TDS interest and late fee Amounting Rs. 2,68,438/- as reflecting 26AS statement.
11. Refer note 22.1, the company has defaulted in repayment of Inter corporate Loan within stipulated time as per the agreed terms. Further, the company has not provided for interest liability on the same for the financial year 2020-21, The company has understated losses to the tune of Rs. 99,00,000/-
12. Refer Note 36.1, the company has not provided for Statutory Audit fee during the financial year, hence understated losses to the tune of Rs. 29,00,000/- (PY 29,00,000/-).
13. Refer Note 25.2 and Note 11.1, The company has neither exported goods nor disclosed advance against export sales as per FEMA regulations amounting Rs.22,84,620/- in Sahibabad unit and Rs. 53,57,299/- in Sonapat unit respectively.
14. The company has not provided for Gratuity liability as per IND-AS 19 as on Balance Sheet date and further we are unable to quantify the effect of the same due to unavailability of Actuarial valuations and significant records.
15. The company has not filed the annual return for the year. Special attention is brought to the fact that due to non-payment/ non- filing of return, the GSTN Of Sonapat unit has been suspended by the department.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement. We are independent of the company in accordance with the code of ethics issued by The Institute of Chartered Accountants of India and we have fulfilled our ethical responsibilities in accordance with the provisions of the act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified opinion.

#### **Emphasis on Matter**

1. There was no significant impact of COVID-19 on the financial statements of the Company for the year ended 31st March, 2021, in the opinion of the management the impact would not be significant which describes the management's assessment of the impact of the outbreak of COVID-19 on the activities of the Company. The management believes that no adjustments are required in the Financial statements as it does not impact the current financial year, however in view of the various preventive measures taken and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.
2. The operations of the company have been completely closed therefore the concept of going concern is doubtful. However, the present new management has resolved on 22-04-23 that the financial statements for the year ended as on 31-03-21 shall be prepared on going concern basis. The honorable NCLT Delhi vide order dated 06.12.2022 removed the existing Directors and management committees members of the company and appointed six new directors on the Board and the newly appointed Board shall be stepping into and responsible for all decisions, reporting, signing, finalizing and authorizing Financial statement for year ending as at 31<sup>st</sup> March 2021.
3. Special attention brought to the fact that the accounting record ERP System related to Sonapat unit were incomplete due to sealing by municipal committee of Sonapat and management decided to shift all accounting from ERP to Tally software for the year under reporting. We have relied upon the judgement of management for shifting of accounting software from ERP to tally for sonapat unit for the FY 2020-21.

Our opinion is not modified in respect of this matter 1, 2 and 3.

## Key Audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below are key audit matters to be communicated in our report.

KEY AUDIT MATTERS	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTERS
<p>Refer Note 9.1 , read with point no. 3 of Basis of Qualified opinion ,the valuation of stock in trade is taken at cost as certified by the management. Considering the significant judgement involved , increased complexities due to closed down of operations of Plant, uncertainty and materiality of the amount involved, we have identified valuation of Stock at cost as Key Audit Matter for current year Audit.</p>	<p>Principal Audit Procedures performed:</p> <ul style="list-style-type: none"> <li>- Obtained complete list of quantitative Stock items and its current status of valuation.</li> <li>- We held discussions with key personnel to identify itemized stock which were valued at cost and its justification.</li> <li>- Verified related disclosures , its appropriateness of judgement.</li> </ul>
<p>Refer Note 11, read with point no. 4 of Basis of Qualified opinion, the unsecured trade receivable exceeding 6 months amounting to Rs. 18,35,30,895/- considered as good have not been realized as on the date of the report, however no provision has been created on the same.</p> <p>The company has created a provision for doubtful Trade Receivables amounting Rs. 13,37,18,752/- during the year.</p> <p>The company has PAN India Dealer net work with defined credit period for Trade receivables which has now long outstanding receivable amount for which appropriate loss allowance is required to be created for expected credit losses using simplified approach in accordance with the requirement of Ind AS 109 measuring the Loss allowance equal to credit losses. Only Sahibabad unit has Circularized balance confirmation directly to the address of the Statutory Auditors. Only Two parties have responded even their balances were not reconciled.</p> <p>Considering the significant judgement involved , increased complexities due to closed down of operations of Plant, uncertainty and materiality of the amount involved, we have identified realization of the Trade Receivables as Key Audit Matter for current year Audit.</p>	<p>Principal Audit Procedures performed:</p> <ul style="list-style-type: none"> <li>- Understanding the trade receivables process with regard to valuation and testing of controls designed and implemented by the management.</li> <li>- Testing the accuracy of aging of trade receivables at year end on sample basis.</li> <li>- Obtained a list of outstanding receivables and discussed plan of recovery with the management.</li> <li>- Circularized balance confirmation directly to the address of the Statutory Auditors and discussed any variation if any.</li> <li>- Tested subsequent settlement of trade receivable after the Balance Sheet date on a sample basis.</li> <li>- Verified the related disclosures made in notes to financial statements in accordance with IND AS 115 and IND AS 109.</li> <li>- The company has not followed IND-AS 109 for impairment loss of Trade Receivables</li> </ul>
<p>Refer Note 23.1 read with point no. 5 of Basis of Qualified opinion on Litigations, claims and Contingent Liabilities regarding interest liability on cases pending at MSME, NCLT and district courts amounting Rs. 1,00,09,762, Rs. 2,67,15,580 and Rs. 1,89,28,503 respectively.</p> <p>Considering the significant judgement involved , increased complexities due to closed down of operations of Plant, uncertainty and materiality of the amount involved, we have identified Litigations , claims and Contingent Liabilities as Key Audit Matter for current year Audit.</p>	<p>Principal Audit Procedures performed:</p> <ul style="list-style-type: none"> <li>- Understanding the process, evaluated the design and implementation with regard to recording of provisioning, claims and contingent Liabilities.</li> <li>- For those matters where Management concluded that no provision should be recorded, we also considered the adequacy and completeness of disclosures made in relation to contingent liabilities.</li> </ul>



<p>Refer Note 25 read with point 7 of Annexure A of the report, of Basis of Qualified opinion the company has significantly defaulted in payment of statutory dues as on the Balance Sheet date and as on the date of the report amounting to Rs. 93,63,304/- which included EPF of Rs. 69,79,919/-, ESI of Rs. 4,94,941/-, TDS of Rs. 18,56,994/-, GST of Rs. 13,950/- and Professional Tax of Rs. 17,500/-.</p> <p>Considering the significant judgement involved, increased complexities due to closed down of operations of Plant, uncertainty and materiality of the amount involved, we have identified defaulted in payment of statutory dues as Key Audit Matter for current year Audit.</p>	<p>Principal Audit Procedures performed:</p> <ul style="list-style-type: none"> <li>- Understanding the process, evaluated the design and implementation with regard to recording of payment of statutory dues.</li> <li>- The statutory dues regarding PF, ESI, Gratuity, GST, TDS were outstanding as on Balance Sheet date and as on the signing date.</li> <li>- The management is of view that the statutory dues shall be paid on preferential basis.</li> </ul>
--	--

### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the preparation and presentation of these standalone financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the standalone financial position, standalone financial performance, standalone cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the standalone financial statements. The Board of Directors of the company are responsible for 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 frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management and Board of Directors of the Company are responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company is also responsible for overseeing the financial reporting process of the company.

### Auditors' Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic

decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial control systems in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

As required by the Companies (Auditor's Report) Order, 2016 (The Order) issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

- A. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books. Refer Para 3 of Emphasis of matter stated above, however our opinion is not modified in this regard.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid standalone financial statements comply with the IND AS specified under Section 133 of the Act read with companies (Indian Accounting Standard) Rules 2015 as amended except for the matters described in Basis for Qualified opinion paragraph.
- (e) The matters described in Basis of Qualified opinion and Emphasis of matter paragraph, in our opinion may have adverse effect on the functioning, stability of the company and which may lead to change of controlling management.
- (f) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors disqualified as on 31st March 2021, from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company, as explained by the management, has legal cases in MSMEs, NCLT and various District courts to tune of Rs. 90,71,63,546/- which includes Rs.26,25,10,798, 58,01,72,999 and Rs. 6,44,79,749 respectively as recovery claims by vendors and interest liability is likely to incur but is not provided for in books of accounts however appropriate disclosures have been provided.

Further, according to the explanation and information given to us, there are Outstanding Income tax pending with relevant tax department on account of disputes which are as follows:

NAME OF STATUE	NATURE OF LIABILITY	AMOUNT (Rs.)	PERIOD	FORUM WHERE DISPUTE IS PENDING
Income tax act, 1961	Income tax	9,75,130/-	AY 2012-13	Commissioner of income tax appeals
Income tax act, 1961	Addition to income	1,96,23,551/- (Income tax is NIL)	AY 2017-18	Commissioner of income tax appeals

- ii. The Company did not have any long-term contracts including derivatives for which there were any material foreseeable losses.
- iii. There has been some delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. Refer note no. 25.1 of the statement
- C. With respect to the matter to be included in the Auditor's report under Section 197(16)

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director Company and it is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For Dinesh Nangru and Co**  
**Chartered Accountants**  
**Firm Registration No: 015003N**

**CA Dinesh Nangru**  
**Partner**  
**Membership No: 094779**  
**UDIN: 23094779BGYVNE2582**

**Place: Delhi**  
**Date: 24.05.2023**

## “Annexure A” to the Independent Auditors’ Report

(Referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of our report of even date to the members of ATLAS CYCLES (HARYANA) LTD.)

The Annexure referred to in our Independent Auditors’ Report to the members of the Company on the standalone Ind AS Financial Statements for the year ended 31 March 2021, we report that:

- 1) (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets except for Sonapat unit as the unit was sealed and operations were closed;
- (b) The company has a policy on physical verification of the fixed assets in a phased manner, designed to cover all the items over a period of three years, which in our opinion, was reasonable having regard to the size of the company and nature of its business. However, we have explained that due to COVID-19, sealing of Sonapat unit and closure of operations of the company, fixed asset has not been physically verified by the management during the year.
- (c) According to information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- 2) (a) As explained to us, the inventories were physically verified during the year by the Management except for sonapat unit as the unit was under seal by municipal community/ corporation of Sonapat.
- (b) The discrepancies on physical verification of the inventory, wherever physical verification was done, as compared to books records, which have been dealt with were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and However, attention is drawn on Note No. 8.1, 8.2, 14.1 of the statement.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security given.
- 5) The Company has not accepted deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) According to the information and explanation given to us, and the records of the company examined by us, the company is not regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income-tax, goods and service tax, cess and other material statutory dues. However, according to the information and explanation given to us, undisputed material amounts payable in respect of statutory dues were in arrears as at 31st March, 2021 for a period more than six months from the date they became payable, on account of following:

Nature of liability	Amount of liability payable (In Rs.)
ESI	4,94,941/-
PF	69,79,919/-
TDS	18,56,994/-
Professional Tax	17,500/-
GST	13,950/-

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. However, the company has taken inter corporate loan from its associate concern Milton Cycle Industries Limited of Rs. 9,00,00,000/- (Rs Nine crores) which carries interest @ 11% p.a. The company has not honored repayment terms as stipulated terms of inter corporate loan agreement. Further point no. 11 of basis of qualified opinion of our report.
- 10) To the best of our knowledge and according to the information and explanations given to us, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) To the best of our knowledge and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and Refer Note 46 of financial statement for disclosures as required by the applicable Ind AS.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For Dinesh Nangru and Co**  
**Chartered Accountants**  
**Firm Registration No: 015003N**

**CA Dinesh Nangru**  
**Partner**  
**Membership No: 094779**  
**UDIN: 23094779BGYVNE2582**

**Place: Delhi**  
**Date: 24.05.2023**

## **“Annexure – B” to the Independent Auditors’ Report**

**(Referred to in paragraph 1(f) under Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

### **Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of ATLAS CYCLES (HARYANA) LIMITED (“the Company”) as of 31 March 2021 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, during the year most of the units were substantially non-operative and most of the employees were not available for explanation at the time of our audit, therefore, in absence of proper explanation and records, we are unable to comment on all material aspects however, an adequate internal financial controls system over financial reporting with reference to IND-AS financial statements and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountant of India”.

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

The respective Board of Directors of the Holding company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

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

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial

reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Financial Statements.

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

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

**For Dinesh Nangru and Co****Chartered Accountants****Firm Registration No: 015003N****CA Dinesh Nangru****Partner****Membership No: 094779****UDIN: 23094779BGYVNE2582****Place: Delhi****Date: 24.05.2023**



**STANDALONE BALANCE SHEET AS AT 31.03.2021**

(Amount in Rs)

Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
<b>ASSETS</b>			
<b>(1) Non - current assets</b>			
(a) Property, plant and equipment	4	405,528,510	442,828,270
(b) Capital work-in-progress		-	-
(c) Financial assets			
(i) Investments	5	3,199,656	3,211,406
(ii) Other financial assets	6	1,225,578	17,063,038
(d) Deferred tax assets (net)	7	270,900,606	270,900,606
(e) Other non - current assets	8	166,738,069	166,738,069
<b>Total non - current assets</b>		<b>847,592,419</b>	<b>900,741,389</b>
<b>(2) Current assets</b>			
(a) Inventories	9	211,062,296	313,907,788
(b) Financial assets			
(i) Investments	10	493,152	493,152
(ii) Trade receivables	11	260,938,546	425,746,406
(iii) Cash and cash equivalents	12	10,544,216	39,264,529
(iv) Bank balance other than cash and cash equivalent	13	1,870,854	1,870,854
(v) Loans	14	157,334,117	225,459,505
(vi) Other financial assets	15	14,545,221	15,500,512
(d) Other current assets	16	27,482,757	27,370,232
<b>Total current assets</b>		<b>684,271,158</b>	<b>1,049,612,978</b>
<b>TOTAL ASSETS</b>		<b>1,531,863,577</b>	<b>1,950,354,367</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	17	32,519,190	32,519,190
(b) Other equity	18	164,219,509	516,210,546
<b>Total Equity</b>		<b>196,738,699</b>	<b>548,729,736</b>
<b>LIABILITIES</b>			
<b>(1) Non - current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	-	-
(ii) Other financial liabilities	20	75,883,209	88,397,807
(b) Provisions	21	6,958,835	9,691,664
<b>Total non - current liabilities</b>		<b>82,842,044</b>	<b>98,089,471</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	90,000,000	90,000,000
(ii) Trade Payables	23	1,034,021,992	1,084,142,833
(iii) Other financial liabilities	24	-	2,601,894
(b) Other Current Liabilities	25	38,291,770	39,407,750
(c) Provisions	26	89,969,072	87,382,683
<b>Total current liabilities</b>		<b>1,252,282,834</b>	<b>1,303,535,160</b>
<b>Total Equity &amp; Liabilities</b>		<b>1,531,863,577</b>	<b>1,950,354,368</b>

**Significant Accounting Policies**
**2&3**
**The Accompanying notes are integral part of these standalone financial statements**

As per our Report of even date

 For **Dinesh Nangru & Co**  
 Chartered Accountants  
 Firm Registration No. 015003N

**C.M Dhall**  
 CFO

**Hem Kumar Pande**  
 DIRECTOR  
 DIN NO 08539771

**Jarnail Singh**  
 DIRECTOR  
 DIN NO 05332407

**Dinesh Nangru**  
 Partner  
 Membership No. 094779  
 UDIN: 23094779BGYVNE2582  
 Place: Delhi  
 Date: 24.05.2023

**Rakesh**  
 Company Secretary

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2021**

(Amount in Rs)

Particulars	Note No.	Year ended 31.03.2021	Year ended 31.03.2020
<b>I Income</b>			
a Revenue from operations	28	172,990,987	1,559,021,395
b Other income	29	673,500	442,004,428
<b>Total income (a + b)</b>		<b>173,664,487</b>	<b>2,001,025,823</b>
<b>II Expenses</b>			
Cost of material consumed	30	117,217,806	1,053,517,754
Purchases of Stock-in-Trade	31	-	60,351,943
Change in Inventories of Finished Goods , Work-in-progress and Stock-in-Trade	32	19,504,026	28,644,890
Employee benefits expenses	33	191,029,216	347,850,853
Finance costs	34	765,703	94,181,376
Depreciation and amortization expenses	35	36,173,060	43,965,097
Other expenses	36	160,965,712	441,226,558
<b>Total expenses</b>		<b>525,655,523</b>	<b>2,069,738,472</b>
<b>III Profit / (loss) before exceptional items and tax</b>		<b>(351991036)</b>	<b>(68712649)</b>
<b>V Profit / (loss) before tax</b>		<b>(351991036)</b>	<b>(68712649)</b>
<b>VI Tax expense</b>			
(1) Current tax			
(2) Deferred tax (Assets/ Liability Utilization)		-	99,901,400
<b>VII Profit / (loss) for the Year from continuing operations</b>		<b>(351991036)</b>	<b>31,188,751</b>
<b>VIII Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>		-	-
(i) Remeasurements of net defined benefit plans		-	-
(ii) Income tax relating to above items			
<b>IX Total comprehensive income for the year</b>		<b>(351991036)</b>	<b>31,188,751</b>
<b>X Earnings per equity share (Refer Note 48)</b>			
(1) Basic		(54.12)	4.80
(2) Diluted		(54.12)	4.80

**Significant Accounting Policies**
**2&3**
**The Accompanying notes are integral part of these standalone financial statements**

As per our Report of even date

 For **Dinesh Nangru & Co**  
 Chartered Accountants  
 Firm Registration No. 015003N

**C.M Dhall**  
 CFO

**Hem Kumar Pande**  
 DIRECTOR  
 DIN NO 08539771

**Jarnail Singh**  
 DIRECTOR  
 DIN NO 05332407

**Dinesh Nangru**  
 Partner  
 Membership No. 094779  
 UDIN: 23094779BGYVNE2582  
 Place: Delhi  
 Date: 24.05.2023

**Rakesh**  
 Company Secretary

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021**

Particulars	(Amount in Rs)	
	Year ended 31.03.2021	Year ended 31.03.2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before exceptional items and tax as per statement of profit and loss	(351991036)	(68712649)
<b>Adjustments for:</b>		
Depreciation & Amortisation	36173060	43965097
(Gain)/Loss on disposal of property, plant & equipment	143757	(371333499)
Profit on Sale of Current Investments	0	0
Provision for Bad Debts	65551734	7351
Liability / Provisions no longer required written back	0	(1199777)
Interest Income	(532906)	(3300058)
Finance costs	765703	94181376
<b>Operating Profit before Working Capital Changes</b>	<b>(249889688)</b>	<b>(306392160)</b>
<b>Working capital adjustments:</b>		
Decrease/ (Increase) in trade and other receivables	99256126	549605133
Decrease/ (Increase) in Inventories	102845493	101871742
Decrease/ (Increase) in Other Non Current Financial Assets	15837460	(7000000)
Decrease/ (Increase) in Other Non Current Assets	0	3339164
Decrease/ (Increase) in Current Loans	68125389	(2466576)
Decrease/ (Increase) in Other Current Assets	(112524)	15238390
Decrease/ (Increase) in Other Current Financial Assets	955291	(934291)
Decrease/ (Increase) in Bank Balances other than cash equivalents	0	0
Increase/ (decrease) Other Non-Current Financial Liabilities	(12514600)	(180210935)
Increase/ (decrease) in Non Current Provisions	(2732829)	889087
Increase/ (decrease) in trade and other payables	(50120841)	(270539510)
Increase/ (decrease) in Other Financial Liabilities	(2601894)	(3852019)
Increase/ (decrease) in Other Current Liabilities	(1115980)	(17572131)
Increase/ (decrease) in Provisions	2586389	6222892
<b>Net cash flows generated from (used in) operating activities after exceptional items</b>	<b>(29482209)</b>	<b>(111801214)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment, including CWIP and capital advances	(12154)	(47038953)
Sale, plant & equipment, including CWIP and capital advances	995097	764340319
Sale/(Purchase) of Investment/Provision for investment	11750	0
Interest Received	532906	3300058
<b>Net cash flows generated from (used in) investing activities</b>	<b>1527599</b>	<b>720601424</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net Proceeds from Short term Borrowings	0	(507820131)
Net Proceeds from Long term Borrowings	0	(3242567)
Interest Paid	(765703)	(94181376)
<b>Net cash flows generated from (used in) financing activities</b>	<b>(765703)</b>	<b>(605244073)</b>
Net increase (decrease) in cash and cash equivalents	(28720313)	3556137
Net foreign exchange difference		
Cash and cash equivalents at the beginning of the year	39264529	35708392
<b>Cash and cash equivalents at year end</b>	<b>10544216</b>	<b>39264529</b>

Components of cash and cash equivalent as at

Cash in hand	284640	3020106
Balances with banks:		
- Current Account (Scheduled Bank)	9616106	32230847
- On Deposits with Original maturity of less than 3 months	42323	3412429
- Unpaid Dividend Account( HDFC Bank)	601147	601147
Cash and cash equivalents as per note 12	<b>10544216</b>	<b>39264529</b>

The Cash flow statement has been prepared under the Indirect method as set out in Indian Accounting Standard (Ind As 7) statement of Cash flows.

**The Accompanying notes are integral part of these standalone financial statements**

As per our Report of even date

For **Dinesh Nangru & Co**  
Chartered Accountants  
Firm Registration No. 015003N

**C.M Dhall**  
CFO

**Hem Kumar Pande**  
DIRECTOR  
DIN NO 08539771

**Jarnail Singh**  
DIRECTOR  
DIN NO 05332407

**Dinesh Nangru**  
Partner  
Membership No. 094779  
UDIN: 23094779BGYVNE2582  
Place: Delhi  
Date: 24.05.2023

**Rakesh**  
Company Secretary

**Note-1**
**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2021**
**A. Equity Share Capital**

Particulars	(Amount in Rs) Amount
<b>As at 01.04.2020</b>	<b>32,519,190</b>
Changes in equity share capital	-
<b>As at 31.03.2021</b>	<b>32,519,190</b>

**B. Other equity**

Particulars	Reserves and Surplus	Reserves and Surplus	Reserves and Surplus	Reserves and Surplus	Items of other comprehensive income	Total
	Retained earnings	General Reserves	Securities Premium	Fixed Assets Revaluation Reserve	Defined Benefit Plan	
<b>Balance as at 01.04.2020</b>	<b>-699,266,772</b>	<b>1,154,857,133</b>	<b>60,620,185</b>	-		<b>516,210,546</b>
<b>Impact of IND AS Adjustment</b>	-					
Additions during the period	-351,991,036				-	<b>-351,991,036</b>
Additions from Sale Revaluation reserve		-				-
Addition for income tax refund previous year						
Deletion during the period				-		-
<b>As at 31.03.2021</b>	<b>-1,051,257,808</b>	<b>1,154,857,133</b>	<b>60,620,185</b>	-	-	<b>164,219,509</b>

**The Accompanying notes are integral part of these standalone financial statements**

As per our Report of even date

For **Dinesh Nangru & Co**  
Chartered Accountants  
Firm Registration No. 015003N

**C.M Dhall**  
CFO

**Hem Kumar Pande**  
DIRECTOR  
DIN NO 08539771

**Jarnail Singh**  
DIRECTOR  
DIN NO 05332407

**Dinesh Nangru**  
Partner  
Membership No. 094779  
UDIN: 23094779BGYVNE2582  
Place: Delhi  
Date: 24.05.2023

**Rakesh**  
Company Secretary

**NOTES TO STANDALONE FINANCIAL STATEMENT****Note-2 & 3****1. Significant accounting policies****1.1. Basis of measurement**

The financial statements have been prepared under historical cost convention on accrual basis, except for the items that have been measured at fair value as required by relevant Ind AS. The standalone financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupees and two decimals thereof, except as stated otherwise.

**1.2. Use of estimates and judgements**

The presentation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions affect the application of accounting policies and reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amount of revenue and expenses during the reporting period. The application of accounting policies that requires critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in Note 1.3. Accounting estimates could change from period to period. Actual result could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which such changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**1.3. Critical accounting estimates****a) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced by rebates and other similar allowances.

**Revenue from the sale of goods** is recognised when the goods are dispatched and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably

**Dividend income** from investments is recognised when the shareholder's right to receive payment has been established.

**Interest income** from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**b) Useful lives and residual value of property, plant and equipment and Intangible assets**

Company reviews the useful lives and residual values of property, plant and equipment and Intangible Assets at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly useful lives are reviewed annually using the best information available to the Management.

#### **1.4. Property, plant and equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The management has used useful lives for assets as mentioned in Schedule II of Companies Act, 2013

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

#### **1.5. Impairment of assets**

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

#### **1.6. Intangible assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances). Amortization methods and useful lives are reviewed periodically including at each financial year end.

Computer software which is not an integral part of the related hardware is classified as an intangible asset and is being amortized over the estimated useful life.

#### **1.7. Employee benefits**

##### **Defined contribution plan**

Employee benefits in the form of Provident Fund (with Government Authorities) are considered as defined contribution plan and the contributions are charged to the statement of Profit & Loss of the year when the contributions to the respective funds are due.

##### **Defined benefit plan**

Retirement benefits in the form of Gratuity and Long term compensated leaves are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Other short-term absences are provided based on past experience of leave availed.



Actuarial Gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

### **1.8. Financial instruments – initial recognition, subsequent measurement and impairment**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or a liability is recognised when the Company becomes a Party to the contractual provision of the instrument.

#### **a) Financial assets**

Financial assets include cash and cash equivalent, trade and other receivables, investments in securities and other eligible current and noncurrent assets.

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and the transfer qualifies for the derecognition under Ind AS 109.

#### **Investment in equity shares**

Investments in equity securities are initially measured at fair value. Any subsequent fair value gain or loss is recognized through Profit or Loss.

The company assesses impairment based on expected credit loss (ECL) model to all its financial assets measured at amortised cost.

#### **b) Financial liabilities**

Financial liabilities include long term and short-term loan and borrowings, trade and other payables and other eligible current and non-current liabilities.

All financial liabilities recognized initially at fair value and, in the case of loans and borrowing and other payable, net of directly attributable transaction costs. After initial recognition, financial liabilities are classified under one of the following two categories

##### **i) Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

##### **ii) Financial liabilities measured at amortised cost**

After initial recognition, such financial liabilities are subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of financial liability. The EIR amortization is included in finance expense in the profit and loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### **1.9. Taxes on income**

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that in future taxable profits will be available to set off such deductible temporary differences. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

#### **1.10. Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting period and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognized in financial statements but are disclosed, if any.

#### **1.11. Borrowing cost**

Borrowing costs incurred for the acquisition or developing of qualifying assets are recognized as part of cost of such assets when it is considered probable that they will result in future economic benefits to the company. While other borrowing cost are expensed in period in which they are incurred

#### **1.12. Foreign currency transactions**

Financial statements have been presented in Indian Rupees, which is the Company's functional and presentation currency. Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.

#### **1.13. Provision for bad debts**

Provision against doubtful debtors to be created based on the age and category (good, doubtful, disputed and irrecoverable) of the debtors. Provision for Bad and Doubtful debts have been created on case to case basis after assessing the recoverability aspect.

#### **1.14. Government grant**

Grants related to specific Fixed Assets are disclosed as a deduction from the value of concerned Assets. Grants related to revenue are credited to the statement of Statement of Profit and Loss. Grants in the nature of promoter's contribution are treated as Capital Reserve.

#### **1.15. Cash flow statements**

Cash Flow is reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non- cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generation, investing and financing activities of the company are segregated.

2. The management believes that no adjustment are required in the Financial statements for the impact of COVID-19 on the financial statements of the Company for the year ended 31st March, 2021 as it does not impact the current financial year, however in view of the various preventive measures taken and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.
3. Certain bank accounts as mentioned below in table have become non- operative due to non- KYC compliance and hence, bank statement could not be obtained for the year 2020-2021. Therefore, the balances as on 31-03-21 are taken as per book of accounts:

Bank name	Account Number	Balance as per books (In Rs.)
PNB,DELHI	4209002100040187	10,682
AXIS BANK LTD, GWALIOR	15801020004626	11,095
PUNJAB NATIONAL BANK, LUDHIANA	1453012100034916	8,02,334
INDIAN OVERSEAS BANK, GURGAON	12036	1,49,191
PNB-DELHI	15290029000042	56,027
YES BANK LTD, DELHI	1681300001310	68,319
ICICI BANK LTD, GURGAON	0003440301110952	17,832
HDFC,DELHI	0030310014446	12
CBI DELHI	3198856338	29,057
CORPORATION BANK DELHI	067900201550042	10,217
CBI JANPAT	1226700907	31897
CBI LUDHIANA	1253344526	172315
CBI PS	1197200451	170349
CBI KASHMIRI GATE	1137609588	28696
PNB,TUGHLABAD	4209002100040100	39,965
HDFC EQUITY PMS A/C	00602480015490	9,559
<b>TOTAL</b>		<b>16,07,547</b>

**NOTES TO FINANCIAL STATEMENTS**
**4 Property, plant and equipment**
**Financial Year 2020-2021**

Particulars	Gross Carrying Value			Depreciation			Net Carrying Value		
	Balance as at 1st April 2020	Additions	Disposals/ Write-off*	Balance as at 31 March2021	Balance as at 1st April 2020	Depreciation for the period	Other Adjustments	Balance as at 31 March2021	Balance as at 31 March 2020
Tangible assets									
Land & Building	450898079			450898079	212687735	4893534		233316810	238210344
Plant & Machinery	585572056		0	585572056	461432338	20203656		103936062	124139718
Computer	49196082	12154	0	49208236	48134641	318480		755115	1061441
Vehicles	150564640		7576386	142988254	100660088	9884232	7137632	39581566	49904552
Electrical Installation	13654567			13654567	13101115	175340	0	378112	553452
Furniture & Fixtures	66507670			66507670	58977360	697818		6832492	7530310
TOTAL	1316393094	12154	7576386	1308828862	894993277	36173060	7137632	384800157	421399817
Under Const. Installation									
Building/ Machinery	21428453	0	700100	20728353	0			20728353	21428453
Total	1337821547	12154	8276486	1329557215	894993277	36173060	7137632	405528510	442828270
Previous year	1,779,158,151	47,038,953	488,375,557	1,337,821,547	946,396,917	43,965,097	95,368,737	442,828,270	

Company has charged depreciation as per useful life of assets

**NOTES TO FINANCIAL STATEMENTS**

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>5</b>	<b>Non-current investment</b>		
	<b>Investment in Equity Instruments (Unquoted, fully paid up)</b>		
	A) Subsidiary Companies (measured at cost)		
	50,000 ( 50,000) Equity shares of Rs.10 each fully paid up in Atlas Cycle (Malanpur) Limited	500,000	500,000
	50,000 ( 50,000) Equity Shares of Rs.10/- each fully paid up in ATLAS CYCLES(SAHIBABAD) LTD.	500,000	500,000
	50,000 ( 50,000) Equity Shares of Rs.10/- each fully paid up in ATLAS CYCLES SONEPAT LTD.	500,000	500,000
	<b>Equity Shares Fully Paid Up -Trade Un Quoted *</b>		
	Ambojini Property Developers Pvt. Ltd. *	14,100	14,100
	1410 (1410) Equity Shares of Rs 10 each		
		<b>1,514,100</b>	<b>1,514,100</b>
	<b>Investment in Debt Instruments (Unquoted, fully paid up)</b>		
	A) Others (measured at cost)		
	<b>10% OCD Ambojini Property Developers Pvt. Ltd. **</b>	1,606,200	1,606,200
	16062 (16062) Debentures of Rs 100 each		
		<b>1,606,200</b>	<b>1,606,200</b>
	<b>Unquoted Government Securities</b>		
	12 years National Defence Certificate for the face value of Rs.1750 each pledged with Government authorities	1,750	1,750
	7 Years National Savings Certificate pledged with Excise authorities	10,000	10,000
	Less: Provision for impairment	-11,750	
		<b>-</b>	<b>11,750</b>
	<b>Unquoted Mutual Fund</b>		
	THE OCIAN'S ART FUND-(D) (46000 units of Rs 100 each)	4,600,000	4,600,000
	Less: Provision for impairment	-4,600,000	-4,600,000
		<b>-</b>	<b>-</b>
	<b>Investment in Equity Instruments (Quoted, fully paid up)</b>		
	Central Bank of India	79,356	79,356
	778 (778) Equity Shares of Rs 102 each	<b>79,356</b>	<b>79,356</b>
	<b>Total</b>	<b>3,199,656</b>	<b>3,211,406</b>
	Aggregate Book Value of Quoted Investment	79,356	79,356
	Aggregate Market Value of Quoted Investment	12,680	283,970
	Aggregate Book Value of Un-Quoted Investment	7,732,050	7,732,050
	Aggregate amount of impairment in value of investments	4,611,750	4,600,000
	The market value of unquoted investment in Ambojini property developers pvt. Ltd. In not ascertainable since the company is under corporate insolvency resolution process.		
	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>6</b>	<b>Other financial assets</b>		
	Fixed deposits (PNB MOHANNAGAR)	1,200,000	15,928,000
	Accrued interest	25,578	1,135,038
	<b>Total</b>	<b>1,225,578</b>	<b>17,063,038</b>

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>7</b>	<b>Deferred tax assets (net)</b>		
	<b>Deferred tax assets</b>		
	Others	270,900,606	270,900,606
	<b>Net deferred tax assets</b>	<b>270,900,606</b>	<b>270,900,606</b>
	Deferred tax asset on carry forward of losses has not been created in current financial year due to unceratinity of future profit.		

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>8</b>	<b>Other non-current assets</b>		
	Capital advances	-	-
	Deposit with others	8,767,012	8,767,012
	Claim Recoverable *	23,023,842	23,023,842
	Others **	134,947,215	134,947,215
	<b>Total</b>	<b>166,738,069</b>	<b>166,738,069</b>

\*This amount pertains to earlier years on account of unauthorised/ unapproved rent payment for residence of president of sonepat unit against which the company has filled suit in jurisdictional court.

\*\* This amount pertains to earlier years on a/c of misappropriation of funds by then joint president and head of Malanpur unit.

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>9</b>	<b>Inventories</b>		
	(Value at lower of cost and net realisable value)		
	(As taken, valued and certified by the management)		
	Raw materials and packing material	105,100,750	184,313,884
	Work-in-progress	3,438,804	7,438,928
	Finished goods	61,336,067	75,464,918
	Stock in trade	-	1,375,051
	Scarp	-	-
	Stores and spares	41,186,675	45,315,008
	<b>Total</b>	<b>211,062,296</b>	<b>313,907,788</b>

**Stock is the valued at cost as certified by the management during the year 2020-21**

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>10</b>	<b>Current investment</b>		
	<b>Investments in Mutual Fund (Quoted)</b>		
	HDFC Credit Risk Debt. Fund - R-G	493,152	493,152
	44075 (44075)Units of Rs 10 each		
	<b>Total</b>	<b>493,152</b>	<b>493,152</b>
	Aggregate Book Value of Quoted Investment	493,152	493,152
	Aggregate Market Value of Quoted Investment	802,601	672,368

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>11</b>	<b>Trade receivables</b>		
	<b>Trade receivables outstanding for a period less than six months from the date they are due for payment</b>		
	Unsecured, considered good	9,240,633	174,092,814
	Unsecured, considered doubtful	-	-
	Less: Provision for doubtful debts	-	-
		<b>9,240,633</b>	<b>174,092,814</b>
	<b>Trade receivables outstanding for a period exceeding six months from the date they are due for payment</b>		
	Unsecured, considered good *	251,697,913	251,653,592
	Unsecured, considered doubtful	105,621,028	40,210,956
	Less: Provision for doubtful debts	-105,621,028	-40,210,956
		<b>251,697,913</b>	<b>251,653,592</b>
	<b>Total</b>	<b>260,938,546</b>	<b>425,746,406</b>
	<b>*The above includes Rs 5357299(5357299) (credit) as advance received against export sale in earlier years</b>		

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>12</b>	<b>Cash and cash equivalents</b>		
	Cash in hand	284,640	3,020,106
	Balances with banks in :		
	- Current Account (Scheduled Bank)	9,616,106	32,230,847
	- On Deposits with Original maturity of less than 3 months	42,323	3,412,429
	- Unpaid Dividend Account( HDFC Bank)	601,147	601,147
	<b>Total</b>	<b>10,544,216</b>	<b>39,264,529</b>

**13 Bank balance other than cash and cash equivalent**

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
	<b>Other Bank Balances</b>		
	- Original maturity more than 12 months but maturing within one year from the Reporting Date	1,870,854	1,870,854
	- Maturity more than 12 months from the Reporting Date	1,200,000	15,928,000
		3,070,854	17,798,854
	Less: Amount disclosed under Other non-current assets (Refer note 6 )	-1,200,000	-15,928,000
	<b>Total</b>	<b>1,870,854</b>	<b>1,870,854</b>

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>14</b>	<b>Current Loans</b>		
	Employee Advance	109,648,764	109,334,794
	Loans & Advances recoverable in cash or in kind	47,685,353	116,124,712
	<b>Total</b>	<b>157,334,117</b>	<b>225,459,505</b>

This includes amount of Rs 142306580/-(Rs 142306580) which was misutilised by ex president of Malanpur unit. Against which the company has filled suit in jurisdictional court.



	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>15</b>	<b>Other financial assets</b>		
	Interest Accrued on Investment/FDR	-	934,291
	Security deposits	14,545,221	14,566,221
	<b>Total</b>	<b>14,545,221</b>	<b>15,500,512</b>

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>16</b>	<b>Other Current Assets</b>		
	Prepaid expenses	857,465	901,393
	Balances with government authorities	26,625,291	26,468,839
	<b>Total</b>	<b>27,482,756</b>	<b>27,370,232</b>

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>17</b>	<b>Equity share capital</b>		
	<u>Authorised</u>		
	30,000(30,000) 6 1/4% P.A. free of Income tax cumulative redeemable Preference shares of Rs.100 each	3,000,000	3,000,000
	194,00,000(194,00,000) Equity Shares of Rs.5/- each	97,000,000	97,000,000
	<u>Issued, Subscribed &amp; Fully Paid Up Capital</u>		
	65,03,838(65,03,838) Equity Shares of Rs. 5/-each fully paid up	32,519,190	32,519,190
	<b>Total</b>	<b>32,519,190</b>	<b>32,519,190</b>

a) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital :

The company has only one class of equity shares having a par value of RS 5 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and also has equal right in distribution of Profit/Surplus in proportions to the number of equity shares held by the shareholders.

b) Details of shareholders holding more than 5% equity shares in the company

Name of shareholder	As at 31 March 21 No. of Shares %	As at 31 March 20 No. of Shares %
Milton Cycles Industries Ltd	651692 10.02%	651692 10.02%
Limrose Enng Works Pvt Ltd	515300 7.92%	515300 7.92%

**c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

<b>Particulars</b>	<b>As at 31 March 21 No. of Shares</b>	<b>As at 31 March 20 No. of Shares</b>
Share outstanding as at the beginning of the year	6,503,838	6,503,838
Additions during the year	-	-
- Shares Split during the year	-	-
Deletions during the year	-	-
Share outstanding as at the end of the year	6,503,838	6,503,838

**d) In last 5 years there was no bonus issue, buy back and /or issue of shares other for cash consideration**

	<b>Particulars</b>	<b>As at 31 March 21 Amount (Rs)</b>	<b>As at 31 March 20 Amount (Rs)</b>
<b>18</b>	<b>Other equity</b>		
	<b>Retained Earning</b>		
	Balance as at the beginning of the year	-699,266,772	-730,455,523
	Restatement due to application of Ind AS	-	-
	(+) Net Profit/(Net Loss) For the current year as per the statement of Profit and loss	-351,991,036	31,188,751
	Balance as at the end of the year	-1,051,257,809	-699,266,772
	<b>General Reserve</b>		
	Balance as at the beginning of the year	1,154,857,133	1,115,883,070
	Addition( Trf from Revaluation Reserve)	-	38,974,063
	Deletion	-	-
	Balance as at the end of the year	1,154,857,133	1,154,857,133
	<b>Securities Premium</b>		
	Balance as at the beginning of the year	60,620,185	60,620,185
	Addition	-	-
	Deletion	-	-
	Balance as at the end of the year	60,620,185	60,620,185
	<b>Fixed Assets Revaluation Reserve</b>		
	Balance as at the beginning of the year	-	38,974,063
	Addition	-	-
	Deletion(Trf fo General Reserve)	-	-38,974,063
	Balance as at the end of the year	-	-
	<b>Item of other comprehensive income that will not be classified in profit &amp; loss</b>		
	Re-measurement of the net defined benefit Plans	-	-
	Addition	-	-
	Deletion	-	-
	Balance as at the end of the year	-	-
	<b>Total other equity</b>	<b>164,219,509</b>	<b>516,210,546</b>

- 18.1** During the previous year company has sold land of Rasoi unit against which Revaluation Reserve was standing of Rs 38974063 now transferred to general Reserve on sale of Rasoi unit land

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>19</b>	<b>Non-current borrowing</b>		
	Secured loans		
	- Vehicle loans From scheduled banks	-	2,601,894
	- Public Deposits	-	-
		-	2,601,894
	Less: Amount disclosed under the head other financial liabilities (note 24)	-	-2,601,894
	<b>Total</b>	<b>-</b>	<b>-</b>

- 19.1** In previous year Vehicle loans were secured by way of hypothecation of vehicle concerned and carry interest from 10.50% p.a. to 10.25% p.a. on different loans and repayable in 36 / 48 equal installments. No Vehicle loan for the current year.

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>20</b>	<b>Other financial liabilities</b>		
	Permanent Deposits from Dealers	15,273,734	15,303,734
	Security Deposits from Others	1,609,475	14,094,073
	Advance against sale of land #	59,000,000	59,000,000
	<b>Total</b>	<b>75,883,209</b>	<b>88,397,807</b>

- 20.1** This pertains to advanced against proposed sale of non-core assets being 214,216 housing board colony , murthal adda , 57L model Town Sonipat, 115-126 HBC Murthal adda against which sale deed is pending .

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>21</b>	<b>Non-current provisions</b>		
	<b>Provision for employee benefits</b>		
	Leave encashment	6,958,835	9,691,664
	<b>Total</b>	<b>6,958,835</b>	<b>9,691,664</b>

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>22</b>	<b>Current borrowings</b>		
	<b>a) Secured loans</b>		
	<b>Working Capital Facilities from Banks</b>		
	Working capital loan	-	-
	Short Term Loans	90,000,000	90,000,000
	Bills Discounting from Banks/Financial Institution	-	-
	<b>Total</b>	<b>90,000,000</b>	<b>90,000,000</b>

- 22.1** Company has taken inter corporate loan from its associates concern Milton Cycle Industries limited of Rs 90000000(Rs.Nine crore) which carries Interest @11% P.a.

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>23</b>	<b>Trade payables</b>		
	Payable to MSME parties	311,493,758	317,752,046
	Payable to Others	722,528,234	766,390,787
	<b>Total</b>	<b>1,034,021,992</b>	<b>1,084,142,833</b>
23.1	<b>Creditors including MSME have filed 145 suits in jurisdictional court/ NCLT amounting Rs 907163546 however the company has not provided for the interest / penalty for the claim made by the creditors including MSMEs during the financial year refer note no 40 contingent liability for details</b>		

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>24</b>	<b>Other current financial liabilities</b>		
	Current maturities of long-term debt (refer note 19)	-	2,601,894
	Interest accrued	-	-
	<b>Total</b>	<b>-</b>	<b>2,601,894</b>

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>25</b>	<b>Other current liabilities</b>		
	Statutory dues	11,267,368	10,518,033
	Security deposits	6,608,569	6,629,569
	Employees related payables	3,193,587	484,148
	Others payables	16,621,099	21,174,853
	Unpaid dividends	601,147	601,147
	<b>Total</b>	<b>38,291,770</b>	<b>39,407,750</b>
25.1	This amount pertains to unpaid dividend FY 2012-13 which required to be deposited in investor education and protection fund Account (IEPF) by 5th November 2020, however due to unavoidable circumstances the delayed and deposited the balance to IEPF as on 09 th february 2022.		
25.2	**The above figures includes Rs 2284620 (2284620) against advance received for export from foreign buyers in earliers years		

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>26</b>	<b>Current provisions</b>		
	<b>Provision for employee benefits</b>		
	Others Employee Benefits	76,254,014	26,000,242
	Provision for others	13,715,058	61,382,441
	<b>Total</b>	<b>89,969,072</b>	<b>87,382,683</b>

	Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>28</b>	<b>Revenue from operations</b>		
	Sale of finished goods	172,240,869	1,554,932,016
	<b>Other operating revenue</b>		
	Scrap sales	723,388	2,728,930
	Export Incentive	26,730	1,360,449
	<b>Total</b>	<b>172,990,987</b>	<b>1,559,021,395</b>

	Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>29</b>	<b>Other income</b>		
	Interest Income	532,906	3,300,058
	Profit on Sale of Property, Plant and Equipments	-	387,589,451
	Profit on Sale of Current Investments	-	-
	Rental Income	-	72,686
	Provision written back	-	1,199,777
	Miscellaneous Income	140,594	49,842,456
	<b>Total</b>	<b>673,500</b>	<b>442,004,428</b>

	Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>30</b>	<b>Cost of material consumed</b>		
	Raw Material Consumed	117,217,806	1,053,517,754
	<b>Total</b>	<b>117,217,806</b>	<b>1,053,517,754</b>

	Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>31</b>	<b>Purchases of Stock-in-Trade</b>		
	Purchases of Bicycles	-	60,351,943
	<b>Total</b>	<b>-</b>	<b>60,351,943</b>

	Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
32	Change in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade		
	<b>Opening stock</b>		
	Finished goods	75,464,918	86,514,764
	Stock-in-trade	1,375,051	18,209,919
	Scrap	-	-
	Work-in-progress	7,438,928	8,199,104
		84,278,897	112,923,787
	<b>Closing stock</b>		
	Finished goods	61,336,067	75,464,918
	Stock-in-trade	-	1,375,051
	Scrap	-	-
	Work-in-progress	3,438,804	7,438,928
		64,774,871	84,278,897
	(Increase)/ Decrease in Stock	19,504,026	28,644,890
	<b>Total</b>	<b>19,504,026</b>	<b>28,644,890</b>

	Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
33	<b>Employee benefit expenses</b>		
	Salaries and Wages	162,892,983	300,764,855
	Contribution to Provident and Other Funds	16,804,695	32,551,151
	Staff Welfare and Training Expenses	11,331,537	14,534,847
	<b>Total</b>	<b>191,029,216</b>	<b>347,850,853</b>

	Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
34	<b>Finance Costs</b>		
	Interest Expense & Bank Charges	680,845	92,787,992
	Other Borrowing Costs	84,858	1,393,384
	<b>Total</b>	<b>765,703</b>	<b>94,181,376</b>

	Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
35	<b>Depreciation and amortization expense</b>		
	Depreciation on property, plant & equipment	36,173,060	43,965,097
	<b>Total</b>	<b>36,173,060</b>	<b>43,965,097</b>

		For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>36</b>	<b>Other Expenses</b>		
	Freight outward & handling charges	4,043,292	87,567,753
	Packing Material Consumed	6,657,486	54,480,935
	Stores and Spare Parts Consumed	7,164,267	92,348,416
	Power & Fuel	7,883,709	22,800,545
	Repairs and Maintenance:		
	Buildings	1,793,984	5,108,463
	Plant & Machinery	678,883	5,068,441
	Others	5,221,223	21,534,169
	Travelling & conveyance	5,879,302	28,434,088
	Advertisement and sales promotion	120,087	9,725,263
	Rates & Taxes	2,703,563	4,346,317
	Commission to agents	563,285	4,788,404
	Printing & Stationery, Postage & Telephone	1,652,450	3,919,590
	Insurance	2,014,832	3,222,261
	Legal Fees	-	2,771,671
	Rent	923,424	496,566
	Payment to Auditors (Refer Note below 30.1)	-	3,215,110
	Loss on sale of property, plant and equipment	143,757	16,255,952
	Director Sitting fees	266,000	675,000
	Donations	17,300	52,500
	Provision for Bad debt written off	65,551,734	7,351
	Miscellaneous Expenses	47,687,134	74,407,763
	<b>Total</b>	<b>160,965,712</b>	<b>441,226,558</b>

		For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>36.1</b>	<b>Payment to Auditor</b>		
	<b>As Auditor:</b>		
	Statutory Audit fee		2,500,000
	Tax Audit Fee		400,000
	<b>In other Capacity</b>		
	For Other Services including Certifications		315,110
	<b>Total</b>	<b>-</b>	<b>3,215,110</b>

**No provision for Audit Fees , Tax Audit Fees has been made for Fy 2020-21**

### 37 FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Company's activities are expose it to **market risk, credit risk and liquidity risk**.



## I. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments. The sensitivity analyses in the following sections relate to the position as at 31st March 2021 and 31st March 2020.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other postretirement obligations; provisions; and the non-financial assets and liabilities of foreign operations. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

### (a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

(i) The exposure of Company borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Variable rate borrowings	-	-
Fixed rate borrowings	90,000,000	92,601,894
<b>Total borrowings</b>	<b>90,000,000</b>	<b>92,601,894</b>

(ii) As at the end of reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Balance	% of total loans	Balance	% of total loans
Loans repayable on demand (Cash Credit)	-	-	-	0.00%
<b>Net exposure to cash flow interest rate risk</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(iii) Sensitivity

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Decrease in Profit before Tax			+50	+50
Increase in Profit before Tax			- 50	- 50

### (b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to the foreign exchange risk through its trading sales.

Foreign currency exposure	Currency	Amount in Forex	
		As at 31st March 2021	As at 31st March 2020
<b>Trade Receivables</b>	<b>USD</b>	<b>-</b>	<b>56,900</b>

## II. Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, mutual funds and other financial instruments.

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in domestic markets. The Company has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent.

## III. Liquidity Risk

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

### Maturity patterns of borrowings & other Financial liabilities

As at 31-03-2021	Carrying Amount	On Demand	Less than 12 months	More than 1 years	Total
Borrowings	90,000,000	-	90,000,000	-	90,000,000
Trade payables	1,034,021,992	408,251,805	625,770,187		1,034,021,992
Other Liabilities	75,883,209		-	75,883,209	75,883,209
<b>Total</b>	<b>1,199,905,202</b>	<b>408,251,805</b>	<b>715,770,187</b>	<b>75,883,209</b>	<b>1,199,905,201</b>

As at 31-03-2020	Carrying Amount	On Demand	Less than 12 months	More than 1 years	Total
Borrowings	92,601,894	-	92,601,894	-	92,601,894
Trade payables	1,084,142,833	428,505,058	655,637,775		1,084,142,833
Other Liabilities	90,999,701		2,601,894	88,397,807	90,999,701
<b>Total</b>	<b>1,267,744,428</b>	<b>428,505,058</b>	<b>750,841,563.00</b>	<b>88,397,807</b>	<b>1,267,744,428</b>

## 38 Capital Management

The primary objective of the Company's Capital Management is to maximize the shareholder value and also maintain an optimal capital structure to reduce cost of capital. In order to manage the capital structure, the Company may adjust the amount of return on capital to shareholders, issue new or sell assets to reduce debts. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus debt.

Particulars	As at 31st March 2021	As at 31st March 2020
Debt	90,000,000	92,601,894
Cash & bank balances	12,415,070	41,135,383
Net Debt (A)	77,584,930	51,466,511
Total Equity (B)	196,738,699	548,729,736
Total Equity and Net Debt (`C)	274,323,629	600,196,247
<b>Gearing Ratio (A/C)</b>	<b>28.28%</b>	<b>8.57%</b>

**Notes-**

- (i) Debt is defined as long-term and short-term borrowings including current maturities (excluding derivatives) as described in notes 19 and 22.
- (ii) Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

**39 Recognition of opening and closing balances of Defined Benefit Obligation**

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, as defined benefit plan.

The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. During the unavoidable circumstances company has not got the actuarial for the year under reporting.

**These plans typically expose the Company to actuarial risks such as: investment risk, inherent interest rate risk, longevity risk and salary risk**

**Investment Risk**

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

<b>40</b>	<b>Contingent Liabilities In Respect Of</b>	<b>2020-21</b>	<b>2019-20</b>
a)	Surety bonds in favour of government	500,000	500,000
b)	Guarantees given by bank	1,164,511	40,987,376
c)	Guarantees In respect of Entry Tax matters	-	28,000
d)	Guarantees In respect of Sales Tax matters	79,110,493	49,197,930
e)	Property tax	10,300,000	-
f)	Interest on pending litigation on suppliers ( all units) (MSME Rs10009762, NCLT Rs26715580, DISTRICT 18928503)	55,653,845	
g)	Bank Gurantee in favour of custom deptt.	306000	306000

**41 Details Of Raw Material Consumed During The Year**

2021				2020		
	Units	Quantity	Value	Quantity	Value	
		(in lacs)	Rs.	(in lacs)	Rs.	
(i)	Sheets & Strips	Kgs.	15,000	754,387	295,115	15,432,575
(ii)	Tyres	Nos.	74,840	9,448,133	984,558	113,683,636
(iii)	Tubes	Nos.	74,185	4,294,333	1,004,086	47,081,019
(iv)	Rims	Nos.	67,530	7,843,108	1,072,900	106,450,101
(v)	Other Items	-	1,515,251	-	41,525,839	
(vi)	Components	-	93,362,594		729,344,584	
			117,217,806	1,053,517,754		

**42 Value Of Imported And Indigenous Raw Material And Components Consumed During The Year**

		<b>Indigenous</b>			<b>Imported</b>
	<b>Value (Rs.)</b>	<b>Percentage</b>		<b>Value (Rs.)</b>	<b>Percentage</b>
(i)	Raw Material	22,339,961 (282647331)	100 (100)	NIL NIL	0 (0)
(ii)	Components	94,877,845 (693473647)	100.00 (89.96)	- (77,396,776)	- (10.04)

Previous Year figures are shown in brackets.

**43 VALUE OF TOTAL IMPORTS ON CIF BASIS**

	<b>2021</b>	<b>2020</b>
	<b>Rs.</b>	<b>Rs.</b>
(i) Raw Material, Components & Spare Parts	-	77,396,776
(ii) Capital Goods	-	-
	<b>-</b>	<b>77,396,776</b>

**44 EXPENDITURE IN FOREIGN CURRENCY**

(i) Commission on export	111,077	1,973,802
(ii) Foreign Tours	-	35,285
(iii) Foreign Publicity & exhibition	-	2,323,832
	<b>111,077</b>	<b>4,332,919</b>

**45 EARNINGS IN FOREIGN EXCHANGE**

F.O.B. Value of goods exported	2,785,098	100,689,718
--------------------------------	-----------	-------------

**46 RELATED PARTY DISCLOSURES**
**A. Name of associated parties and nature of related party relationship**

**Associated Companies :** Milton Cycles Inds Ltd, Janki Das & Sons (P)

i) Ltd, Romer Engineering Works (P) Ltd

**Subsidiary Companies are:** Atlas Cycles Sonepat Ltd, Atlas Cycles

ii) (Sahibabad) Ltd, Atlas Cycles (Malanpur) Ltd.,

**Directors & Employees (As at 31.03.2021) :** Sh. Ishwar Das Chugh, Sh. H.L.Bhatia, Sh. Kartik Roop Rai, Sh. Sanjiv Kavaljit Singh, Sh. Sadhna Syal, Sh. Vikram Kapur, Sh. Gautam Kapur, Sh. Girish Kapur, Sh. Sanjay Kapur, Sh. Rajiv Kapur, Sh. Angad Kapur, Sh. Rishav Kapur, Sh. Prashant Kapur, Sh. Rahul Kapur, Sh. Abhinav Kapur,

**B. Transactions with the Associated Parties and Subsidiaries**

	<b>2021</b>	<b>2020</b>
Sale of Goods	1,609,788	15,770,633
Rent	-	-
Purchase of Goods	1,449,959	188,292,923
Balance at year end		134,249,649
Intercompany Loan	90,000,000.00	90,000,000.00

**C. Transactions with key managerial persons:**

	<b>2021</b>	<b>2020</b>
Remunerations:	61,759,577	57,064,634

**47 Earnings per share**

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

<b>Particulars</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>31.03.2021</b>	<b>31.03.2020</b>
Issued Equity Shares ( 65,03,838 of Rs 5 each)	6,503,838	6,503,838
Add/ Less: Adjustments (Refer note)		-
Weighted average number of equity shares in calculating basic & diluted EPS (A)	6,503,838	6,503,838

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Profit for the year	(351,991,036)	31,188,751
Add/ Less: Adjustments		-
Net profit/ (loss) as per Statement of Profit & Loss (for calculation of basic & diluted EPS (B))	(351,991,036)	31,188,751
Basic Earnings per Share (₹) (B/A)	(54.12)	4.80
Diluted Earnings per Share (₹) (B/A)	(54.12)	4.80

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

#### 48 Segment Information

- (i) The company is engaged in the business of "Manufacturing and Selling of Bicycles" and therefore, has only one reportable segment in accordance with IND AS 108 "Operating segments")

#### 49 PREVIOUS YEAR FIGURES

Figures of the Previous Year have been regrouped, rearranged and reclassified to conform to the current year classification.

As per our Report of even date attached

For **Dinesh Nangru & Co**  
Chartered Accountants  
Firm Registration No. 015003N

**C.M Dhall**  
CFO

**Hem Kumar Pande**  
DIRECTOR  
DIN NO 08539771

**Jarnail Singh**  
DIRECTOR  
DIN NO 05332407

**Dinesh Nangru**  
Partner  
Membership No. 094779  
UDIN: 23094779BGGVNE2582  
Place: Delhi  
Date: 24.05.2023

**Rakesh**  
Company Secretary

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ATLAS CYCLES (HARYANA) LIMITED

#### Report on the Audit of Consolidated Financial Statements

##### Qualified Opinion

We have audited the accompanying consolidated financial statements of Atlas Cycles (Haryana) Limited ("the Holding Company") and its Subsidiaries Atlas Cycles Sonapat Limited, Atlas Cycles (Sahibabad) Limited and Atlas Cycles (Malanpur) Limited which have been audited by other auditors and we have relied upon their audit report (collectively referred to as "the Group") which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2021, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in 'Basic of Qualified Opinion' section of our report, aforesaid Consolidated financial statements give the information required by the companies Act 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian accounting standards ("IND AS") prescribed under section 133 of the act read with the companies (Indian accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March 2021, of its loss, changes in equity and cash flows for the year ended on that date.

##### Basis of Opinion

1. Refer Notes 8.1, 8.2 and 14.1 of the statement, we are unable to comment on the current status of suit filed for earlier year by the company for criminal and recovery proceedings filed for above referred matters.
2. Refer Note 9 of the statement, the Physical Stock taking at Sonapat unit has not been carried out as at the Balance Sheet date. Hence, we are unable to comment on the physical stock position at Sonapat unit amounting to Rs. 6,50,03,902/- as Sonapat unit was sealed by Municipal Committee Sonapat.
3. Refer Note 9.1, Since the company is not having its manufacturing activities operational as on the date of report, the stock is valued at cost instead of valued at cost or net realizable value whichever is lower, Quantification of effect is not ascertainable in absence of Net realizable value, marketability and usability of stock.
4. Refer Note 11 of the statement, in absence of reconciliation with individual debtors and in absence of balance confirmations from debtors, we are unable to comment upon position of debtors considered as good.
5. Refer Note 23.1 and Note 40, The company has not provided for the interest on overdue outstanding payment of creditors including MSMEs and on suits filed by creditors in different courts. Exact quantum of liability is not ascertainable in absence of reconciliations with suppliers and balance confirmations by suppliers; however, the company has disclosed in contingent liability regarding claims of interest filed by creditors in different courts.
6. Refer Note 3 of the significant policies to the statement, we are unable to comment on certain current accounts with banks as we have not been provided with certain bank statements for the year under report claimed to be non-operative in books of the company.
7. Refer Note 5.1 of the statement, Special attention is brought on unquoted investment In equity shares and debentures.
8. Refer Note 20.1, we are unable to comment upon transaction relating Rs. 5,90,00,000/- as advance received against sale of non-core asset in absence of Proper Agreement to sell/ Sale deed or explanation provided to us.
9. Refer Note 7 of the statement, the company has not reversed Provision for deferred tax/ Deferred tax asset created during the previous Financial year 19-20 amounting to Rs. 9,99,01,400/- against which Income tax return is yet to be filed as on date of report.
10. The company has not provided reconciliation of books with 26AS "ANNUAL TAX STATEMENT" as per Income Tax and further no liability was recognized or disclosed in contingent liability related to TDS demand amounting Rs. 24,29,165/- and TDS interest and late fee Amounting Rs. 2,68,438/- as reflecting 26AS statement.
11. Refer note 22.1, the company has defaulted in repayment of Inter corporate Loan within stipulated time as per the agreed terms. Further, the company has not provided for interest liability on the same for the financial year 2020-21, The company has understated losses to the tune of Rs. 99,00,000/-

12. Refer Note 36.1, the company has not provided for Statutory Audit fee during the financial year, hence understated losses to the tune of Rs. 29,00,000/- (PY 29,00,000/-).
13. Refer Note 25.2 and Note 11.1, The company has neither exported goods nor disclosed advance against export sales as per FEMA regulations amounting Rs.22,84,620/- in Sahibabad unit and Rs. 53,57,299/- in Sonepat unit respectively.
14. The company has not provided for Gratuity liability as per IND-AS 19 as on Balance Sheet date and further we are unable to quantify the effect of the same due to unavailability of Actuarial valuations and significant records.
15. The company has not filed the annual return for the year. Special attention is brought to the fact that due to non-payment/ non- filing of return, the GSTN of Sonepat unit has been suspended by the department.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. We are independent of the group in accordance with the code of ethics issued by The Institute of Chartered Accountants of India and we have fulfilled our ethical responsibilities in accordance with the provisions of the act. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our Qualified opinion.

#### Emphasis on Matter

1. There were no significant impact of COVID-19 on the financial statements of the Company for the year ended 31st March, 2021 however the impact on next financial year is presently not ascertainable, in the opinion of the management the impact would not be significant which describes the management's assessment of the impact of the outbreak of COVID-19 on the activities of the Company. The management believes that no adjustments are required in the Financial statements as it does not impact the current financial year, however in view of the various preventive measures taken and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.
2. The operations of the company have been completely closed therefore the concept of going concern is doubtful. However, the present new management has resolved on 22-04-23 that the financial statements for the year ended as on 31-03-21 shall be prepared on going concern basis. The honorable NCLT Delhi vide order dated 06.12.2022 removed the existing Directors and management committees members of the company and appointed six new directors on the Board and the newly appointed Board shall be stepping into and responsible for all decisions, reporting, signing, finalizing and authorizing Financial statement for year ending as at 31<sup>st</sup> March 2021.
3. Special attention brought to the fact that the accounting record ERP System related to Sonepat unit were incomplete due to sealing by municipal committee of Sonepat and management decided to shift all accounting from ERP to Tally software for the year under reporting. We have relied upon the judgement of management for shifting of accounting software from ERP to tally for sonepat unit for the FY 2020-21.

Our opinion is not modified in respect of this matter 1, 2 and 3.

#### Key Audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below are key audit matters to be communicated in our report.

KEY AUDIT MATTERS	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTERS
Refer Note 9.1 , read with point no. 3 of Basis of Qualified opinion ,the valuation of stock in trade is taken at cost as certified by the management.  Considering the significant judgement involved , increased complexities due to closed down of operations of Plant, uncertainty and materiality of the amount involved, we have identified valuation of Stock at cost as Key Audit Matter for current year Audit.	Principal Audit Procedures performed: <ul style="list-style-type: none"> <li>- Obtained complete list of quantitative Stock items and its current status of valuation.</li> <li>- We held discussions with key personnel to identify itemized stock which were valued at cost and its justification.</li> <li>- Verified related disclosures , its appropriateness of judgement.</li> </ul>



<p>Refer Note 11, read with point no. 4 of Basis of Qualified opinion, the unsecured trade receivable exceeding 6 months amounting to Rs. 18,35,30,895/- considered as good have not been realized as on the date of the report, however no provision has been created on the same.</p> <p>The company has created a provision for doubtful Trade Receivables amounting Rs. 13,37,18,752/- during the year.</p> <p>The company has PAN India Dealer net work with defined credit period for Trade receivables which has now long outstanding receivable amount for which appropriate loss allowance is required to be created for expected credit losses using simplified approach in accordance with the requirement of Ind AS 109 measuring the Loss allowance equal to credit losses.</p> <p>Only Sahibabad unit has Circularized balance confirmation directly to the address of the Statutory Auditors. Only Two parties have responded even their balances were not reconciled.</p> <p>Considering the significant judgement involved , increased complexities due to closed down of operations of Plant, uncertainty and materiality of the amount involved, we have identified realization of the Trade Receivables as Key Audit Matter for current year Audit.</p>	<p>Principal Audit Procedures performed:</p> <ul style="list-style-type: none"> <li>- Understanding the trade receivables process with regard to valuation and testing of controls designed and implemented by the management.</li> <li>- Testing the accuracy of aging of trade receivables at year end on sample basis.</li> <li>- Obtained a list of outstanding receivables and discussed plan of recovery with the management.</li> <li>- Circularized balance confirmation directly to the address of the Statutory Auditors and discussed any variation if any.</li> <li>- Tested subsequent settlement of trade receivable after the Balance Sheet date on a sample basis.</li> <li>- Verified the related disclosures made in notes to financial statements in accordance with IND AS 115 and IND AS 109.</li> <li>- The company has not followed IND-AS 109 for impairment loss of Trade Receivables</li> </ul>
<p>Refer Note 23.1 read with point no. 5 of Basis of Qualified opinion on Litigations, claims and Contingent Liabilities regarding interest liability on cases pending at MSME, NCLT and district courts amounting Rs. 1,00,09,762, Rs. 2,67,15,580 and Rs. 1,89,28,503 respectively.</p> <p>Considering the significant judgement involved , increased complexities due to closed down of operations of Plant, uncertainty and materiality of the amount involved, we have identified Litigations , claims and Contingent Liabilities as Key Audit Matter for current year Audit.</p>	<p>Principal Audit Procedures performed:</p> <ul style="list-style-type: none"> <li>- Understanding the process, evaluated the design and implementation with regard to recording of provisioning, claims and contingent Liabilities.</li> <li>- For those matters where Management concluded that no provision should be recorded, we also considered the adequacy and completeness of disclosures made in relation to contingent liabilities.</li> </ul>
<p>Refer Note 25 read with point 7 of Annexure A of the report, of Basis of Qualified opinion the company has significantly defaulted in payment of statutory dues as on the Balance Sheet date and as on the date of the report amounting to Rs. 93,63,304/- which included EPF of Rs. 69,79,919/-, ESI of Rs. 4,94,941/-, TDS of Rs. 18,56,994/-, GST of Rs. 13,950/- and Professional Tax of Rs. 17,500/-.</p> <p>Considering the significant judgement involved , increased complexities due to closed down of operations of Plant, uncertainty and materiality of the amount involved, we have identified defaulted in payment of statutory dues as Key Audit Matter for current year Audit.</p>	<p>Principal Audit Procedures performed:</p> <ul style="list-style-type: none"> <li>- Understanding the process, evaluated the design and implementation with regard to recording of payment of statutory dues.</li> <li>- The statutory dues regarding PF, ESI, Gratuity, GST, TDS were outstanding as on Balance Sheet date and as on the signing date.</li> <li>- The management is of view that the statutory dues shall be paid on preferential basis.</li> </ul>

#### Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated financial statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

### **Auditors' Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial control systems in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

- A. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of these books. Refer Para 3 of Emphasis of matter stated above, however our opinion is not modified in this regard.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiary included in the Group incorporated in India including relevant records relating to the preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act read with companies (Indian Accounting Standard) Rules 2015 as amended except for the matters described in Basis for Qualified opinion paragraph.
  - (e) On the basis of the written representations received from the directors of the Holding Company and its subsidiaries as on 31st March, 2021 taken on record by the Board of Directors of the respective Companies, none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2021, from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company, as explained by the management, has legal cases in MSMEs, NCLT and various District courts to tune of Rs. 90,71,63,546/- which includes Rs.26,25,10,798, 58,01,72,999 and Rs. 6,44,79,749 respectively as recovery claims by vendors and interest liability is likely to incur but is not provided for in books of accounts however appropriate disclosures have been provided.

Further, according to the explanation and information given to us, there are Outstanding Income tax pending with relevant tax department on account of disputes which are as follows:

NAME OF STATUE	NATURE OF LIABILITY	AMOUNT (Rs.)	PERIOD	FORUM WHERE DISPUTE IS PENDING
Income tax act, 1961	Income tax	9,75,130/-	AY 2012-13	Commissioner of income tax appeals
Income tax act, 1961	Addition to income	1,96,23,551/- (Income tax is NIL)	AY 2017-18	Commissioner of income tax appeals

- i. The Company did not have any long-term contracts including derivatives for which there were any material foreseeable losses.
- ii. There has been some delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and there was no amount required to be transferred, to the Investor Education and Protection Fund by its subsidiary companies incorporated in India during the year ended 31st March 2021.

C. With respect to the matter to be included in the Auditor's report under Section 197(16)

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For Dinesh Nangru & Co**  
**Chartered Accountants**  
**Firm Registration No: 0015003N**

**CA Dinesh Nangru**  
**Partner**  
**Membership No: 094779**  
**UDIN: 23094779BGYNF6465**

**Place: Delhi**  
**Date: 24.05.2023**

**“Annexure – A” to the Independent Auditors’ Report**

(Referred to in paragraph 1(f) under Report on Other Legal and Regulatory Requirements’ section of our report of even date)

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of ATLAS CYCLES (HARYANA) LIMITED (“the Company”) as of 31 March 2021 in conjunction with our audit of the Consolidated IND AS Financial Statements of the Company and its subsidiary companies for the year ended on that date.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, during the year most of the units were substantially non-operative and most of the employees were not available for explanation at the time of our audit, therefore, in absence of proper explanation and records, we are unable to comment on all material aspects however, an adequate internal financial controls system over financial reporting with reference to IND-AS financial statements and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountant of India”.

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

The respective Board of Directors of the Holding company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

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

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable

detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Financial Statements.

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

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

**For Dinesh Nangru & Co****Chartered Accountants****Firm Registration No: 0015003N****CA Dinesh Nangru****Partner****Membership No: 094779****UDIN: 23094779BGYVNF6465****Place: Delhi****Date: 24.05.2023**

**CONSOLIDATED BALANCE SHEET AS AT 31.03.2021**

(Amount in Rs)

Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
<b>ASSETS</b>			
<b>(1) Non - current assets</b>			
(a) Property, plant and equipment	4	405,528,510	442,828,270
(b) Capital work-in-progress		-	-
(c) Financial assets			
(i) Investments	5	1,699,656	1,711,406
(ii) Other financial assets	6	1,225,578	17,063,038
(d) Deferred tax assets (net)	7	270,900,606	270,900,606
(e) Other non - current assets	8	165,838,069	165,858,069
<b>Total non - current assets</b>		<b>845,192,419</b>	<b>898,361,389</b>
<b>(2) Current assets</b>			
(a) Inventories	9	211,062,296	313,907,788
(b) Financial assets			
(i) Investments	10	493,152	493,152
(ii) Trade receivables	11	260,938,546	425,746,406
(iii) Cash and cash equivalents	12	11,025,309	40,194,796
(iv) Bank balance other than cash and cash equivalent	13	1,870,854	1,870,854
(v) Loans	14	157,334,117	225,459,504
(vi) Other financial assets	15	14,565,221	15,500,512
(d) Other current assets	16	27,482,757	27,370,233
<b>Total current assets</b>		<b>684,772,252</b>	<b>1,050,543,245</b>
<b>TOTAL ASSETS</b>		<b>1,529,964,671</b>	<b>1,948,904,634</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	17	32,519,190	32,519,190
(b) Other equity	18	162,313,522	514,735,094
Inter unit balances		-	-
<b>Total Equity</b>		<b>194,832,712</b>	<b>547,254,284</b>
<b>LIABILITIES</b>			
<b>(1) Non - current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	-	-
(ii) Other financial liabilities	20	75,883,209	88,397,807
(b) Provisions	21	6,958,835	9,691,664
<b>Total non - current liabilities</b>		<b>82,842,044</b>	<b>98,089,471</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	90,000,000	90,000,000
(ii) Trade Payables	23	1,034,021,991	1,084,142,833
(iii) Other financial liabilities	24	-	2,601,894
(b) Other Current Liabilities	25	42,755,052	39,433,469
(c) Provisions	26	85,512,872	87,382,683
(d) Current Tax Liabilities	27	-	-
<b>Total current liabilities</b>		<b>1,252,289,915</b>	<b>1,303,560,879</b>
<b>Total Equity &amp; Liabilities</b>		<b>1,529,964,671</b>	<b>1,948,904,634</b>

**Significant Accounting Policies**
**2&3**
**The Accompanying notes are integral part of these Consolidated financial statements**

As per our Report of even date

 For **Dinesh Nangru & Co**  
Chartered Accountants  
Firm Registration No. 015003N

**C.M Dhall**  
CFO

**Hem Kumar Pande**  
DIRECTOR  
DIN NO 08539771

**Jarnail Singh**  
DIRECTOR  
DIN NO 05332407

**Dinesh Nangru**  
Partner  
Membership No. 094779  
UDIN: 23094779BGYVNF6465  
Place: Delhi  
Date: 24.05.2023

**Rakesh**  
Company Secretary



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2021**

(Amount in Rs)

Particulars	Note No.	Year ended 31.03.2021	Year ended 31.03.2020
<b>I Income</b>			
a Revenue from operations	28	172990987	1559021395
b Other income	29	673500	442004428
<b>Total income (a + b)</b>		<b>173664487</b>	<b>2001025823</b>
<b>II Expenses</b>			
Cost of material consumed	30	117217806	1053517754
Purchases of Stock-in-Trade	31	0	60351943
Change in Inventories of Finished Goods , Work-in-progress and Stock-in-Trade	32	19504026	28644890
Employee benefits expenses	33	191029215	347850853
Finance costs	34	768457	94183618
Depreciation and amortization expenses	35	36173060	43965097
Other expenses	36	161393495	441278639
<b>Total expenses</b>		<b>526086059</b>	<b>2069792794</b>
<b>III Profit / (loss) before exceptional items and tax</b>		(352421572)	(68766971)
<b>IV Exceptional items</b>		0	0
<b>V Profit / (loss) before tax</b>		<b>(352421572)</b>	<b>(68766971)</b>
<b>VI Tax expense</b>			
(1) Current tax			
(2) Deferred tax (Assets/ Liability Utilization)		0	99901400
<b>VII Profit / (loss) for the Year from continuing operations</b>		<b>(352421572)</b>	<b>31134429</b>
<b>VIII Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(i) Remeasurements of net defined benefit plans			
(ii) Income tax relating to above items			
<b>IX Total comprehensive income for the year</b>		<b>(352421572)</b>	<b>31134429</b>
<b>X Earnings per equity share (Refer Note 48)</b>			
(1) Basic		(54)	5
(2) Diluted		(54)	5

**Significant Accounting Policies**
**2&3**
**The Accompanying notes are integral part of these Consolidated financial statements**

As per our Report of even date

 For **Dinesh Nangru & Co**  
Chartered Accountants  
Firm Registration No. 015003N

**C.M Dhall**  
CFO

**Hem Kumar Pande**  
DIRECTOR  
DIN NO 08539771

**Jarnail Singh**  
DIRECTOR  
DIN NO 05332407

**Dinesh Nangru**  
Partner  
Membership No. 094779  
UDIN: 23094779BGYVNF6465  
Place: Delhi  
Date: 24.05.2023

**Rakesh**  
Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021**

(Amount in Rs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before exceptional items and tax as per statement of profit and loss	(352421572)	(68766971)
<b>Adjustments for:</b>		
Depreciation & Amortisation	36173060	43965097
(Gain)/Loss on disposal of property, plant & equipment	143757	(371333499)
Profit on Sale of Current Investments	0	0
Bad Debts	65551734	7351
Liability / Provisions no longer required written back	0	(1199777)
Interest Income	(532906)	(3300058)
Finance costs	768457	94183618
<b>Operating Profit before Working Capital Changes</b>	<b>(250317470)</b>	<b>(306444239)</b>
<b>Working capital adjustments:</b>		
Decrease/ (Increase) in trade and other receivables	99256126	549605133
Decrease/ (Increase) in Inventories	102845492	101871742
Decrease/ (Increase) in Other Non Current Financial Assets	15837460	(7000000)
Decrease/ (Increase) in Other Non Current Assets	20000	4239165
Decrease/ (Increase) in Current Loans	68125387	(2466574)
Decrease/ (Increase) in Other Current Assets	(112524)	15238388
Decrease/ (Increase) in Other Current Financial Assets	935291	(934291)
Decrease/ (Increase) in Bank Balances other than cash equivalents	0	0
Increase/ (decrease) Other Non-Current Financial Liabilities	(12514599)	(180210935)
Increase/ (decrease) in Non Current Provisions	(2732829)	889087
Increase/ (decrease) in trade and other payables	(50120842)	(270539511)
Increase/ (decrease) in Other Financial Liabilities	(2601894)	(3852019)
Increase/ (decrease) in Other Current Liabilities	3321583	(17565050)
Increase/ (decrease) in Provisions	(1869811)	6222892
<b>Net cash flows generated from (used in) operating activities after exceptional items</b>	<b>(29928629)</b>	<b>(110946212)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment, including CWIP and capital advances	(12154)	(47038953)
Sale, plant & equipment, including CWIP and capital advances	995097	764340319
Sale/(Purchase) of Investment/provision of investment	11750	0
Interest Received	532906	3300058
<b>Net cash flows generated from (used in) investing activities</b>	<b>1527599</b>	<b>720601424</b>

**CASH FLOW FROM FINANCING ACTIVITIES**

Net Proceeds from Short term Borrowings	0	(507820131)
Net Proceeds from Long term Borrowings	0	(3242569)
Interest Paid	(768457)	(94183618)

**Net cash flows generated from (used in) financing activities**

	<b>(768457)</b>	<b>(605246318)</b>
Net increase (decrease) in cash and cash equivalents	(29169487)	4408896
Net foreign exchange difference		
Cash and cash equivalents at the beginning of the year	40194796	35785900
<b>Cash and cash equivalents at year end</b>	<b>11025309</b>	<b>40194796</b>

Components of cash and cash equivalent as at

Cash in hand	284640	3020106
--------------	--------	---------

Balances with banks:

- Current Account (Scheduled Bank)	10097199	33161113
- On Deposits with Original maturity of less than 3 months	42323	3412430
- Unpaid Dividend Account	601147	601147

Cash and cash equivalents as per note 12	<b>11025309</b>	<b>40194796</b>
--	-----------------	-----------------

The Cash flow statement has been prepared under the Indirect method as set out in Indian Accounting Standard (Ind As 7) statement of Cash flows.

**The Accompanying notes are integral part of these Consolidated financial statements**

As per our Report of even date

For **Dinesh Nangru & Co**  
Chartered Accountants  
Firm Registration No. 015003N

**C.M Dhall**  
CFO

**Hem Kumar Pande**  
DIRECTOR  
DIN NO 08539771

**Jarnail Singh**  
DIRECTOR  
DIN NO 05332407

**Dinesh Nangru**  
Partner  
Membership No. 094779  
UDIN: 23094779BGYVNF6465  
Place: Delhi  
Date: 24.05.2023

**Rakesh**  
Company Secretary

**Note-1**
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2021**
**A. Equity Share Capital**
**(Amount in Rs)**
**Particulars**

<b>As at 01.04.2020</b>	32,519,190.00
Changes in equity share capital	-
<b>As at 31.03.2021</b>	<b>32,519,190.00</b>

**B. Other equity**

Particulars	Reserves and Surplus	Reserves and Surplus	Reserves and Surplus	Reserves and Surplus	Items of other comprehensive income	Total
	Retained earnings	General Reserves	Securities Premium	Fixed Assets Revaluation Reserve	Defined Benefit Plan	
<b>Balance as at 01.04.2020</b>	<b>-700,742,224</b>	<b>1,154,857,133</b>	<b>60,620,185</b>	-		<b>514,735,094</b>
<b>Impact of IND AS Adjustment</b>	-					
Additions during the period	-352,421,572	-			-	<b>-352,421,572</b>
Additions to General Reserve from Revaluation Reserve		-				-
Addition for income tax refund for previous year						-
Deletion during the period				-		-
<b>As at 31.03.2021</b>	<b>-1,053,163,796</b>	<b>1,154,857,133</b>	<b>60,620,185</b>	-	-	<b>162,313,522</b>

**The Accompanying notes are integral part of these Consolidated financial statements**

As per our Report of even date

For **Dinesh Nangru & Co**  
Chartered Accountants  
Firm Registration No. 015003N

**C.M Dhall**  
CFO

**Hem Kumar Pande**  
DIRECTOR  
DIN NO 08539771

**Jarnail Singh**  
DIRECTOR  
DIN NO 05332407

**Dinesh Nangru**  
Partner  
Membership No. 094779  
UDIN: 23094779BGYVNF6465  
Place: Delhi  
Date: 24.05.2023

**Rakesh**  
Company Secretary

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT****Note-2 & 3****1. Significant accounting policies****1.1. Basis of measurement**

The financial statements have been prepared under historical cost convention on accrual basis, except for the items that have been measured at fair value as required by relevant Ind AS. The standalone financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupees and two decimals thereof, except as stated otherwise.

**1.2. Use of estimates and judgements**

The presentation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions affect the application of accounting policies and reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amount of revenue and expenses during the reporting period. The application of accounting policies that requires critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in Note 1.3. Accounting estimates could change from period to period. Actual result could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which such changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**1.3. Critical accounting estimates****a) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced by rebates and other similar allowances.

**Revenue from the sale of goods** is recognised when the goods are dispatched and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably

**Dividend income** from investments is recognised when the shareholder's right to receive payment has been established.

**Interest income** from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**b) Useful lives and residual value of property, plant and equipment and Intangible assets**

Company reviews the useful lives and residual values of property, plant and equipment and Intangible Assets at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly useful lives are reviewed annually using the best information available to the Management.

**1.4. Property, plant and equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The management has used useful lives for assets as mentioned in Schedule II of Companies Act, 2013

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

**1.5. Impairment of assets**

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

**1.6. Intangible assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances). Amortization methods and useful lives are reviewed periodically including at each financial year end.

Computer software which is not an integral part of the related hardware is classified as an intangible asset and is being amortized over the estimated useful life.

**1.7. Employee benefits****Defined contribution plan**

Employee benefits in the form of Provident Fund (with Government Authorities) are considered as defined contribution plan and the contributions are charged to the statement of Profit & Loss of the year when the contributions to the respective funds are due.

**Defined benefit plan**

Retirement benefits in the form of Gratuity and Long term compensated leaves are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Other short-term absences are provided based on past experience of leave availed.

Actuarial Gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

### **1.8. Financial instruments – initial recognition, subsequent measurement and impairment**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or a liability is recognised when the Company becomes a Party to the contractual provision of the instrument.

#### **a) Financial assets**

Financial assets include cash and cash equivalent, trade and other receivables, investments in securities and other eligible current and noncurrent assets.

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and the transfer qualifies for the derecognition under Ind AS 109.

#### **Investment in equity shares**

Investments in equity securities are initially measured at fair value. Any subsequent fair value gain or loss is recognized through Profit or Loss.

The company assesses impairment based on expected credit loss (ECL) model to all its financial assets measured at amortised cost.

#### **b) Financial liabilities**

Financial liabilities include long term and short-term loan and borrowings, trade and other payables and other eligible current and non-current liabilities.

All financial liabilities recognized initially at fair value and, in the case of loans and borrowing and other payable, net of directly attributable transaction costs. After initial recognition, financial liabilities are classified under one of the following two categories

##### **i) Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

##### **ii) Financial liabilities measured at amortised cost**

After initial recognition, such financial liabilities are subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of financial liability. The EIR amortization is included in finance expense in the profit and loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### **1.9. Taxes on income**

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that in future taxable profits will be available to set off such deductible temporary differences. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

#### **1.10. Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting period and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognized in financial statements but are disclosed, if any.

#### **1.11. Borrowing cost**

Borrowing costs incurred for the acquisition or developing of qualifying assets are recognized as part of cost of such assets when it is considered probable that they will result in future economic benefits to the company. While other borrowing cost are expensed in period in which they are incurred

#### **1.12. Foreign currency transactions**

Financial statements have been presented in Indian Rupees, which is the Company's functional and presentation currency. Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.

#### **1.13. Provision for bad debts**

Provision against doubtful debtors to be created based on the age and category (good, doubtful, disputed and irrecoverable) of the debtors. Provision for Bad and Doubtful debts have been created on case to case basis after assessing the recoverability aspect.

#### **1.14. Government grant**

Grants related to specific Fixed Assets are disclosed as a deduction from the value of concerned Assets. Grants related to revenue are credited to the statement of Statement of Profit and Loss. Grants in the nature of promoter's contribution are treated as Capital Reserve.

#### **1.15. Cash flow statements**

Cash Flow is reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non- cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generation, investing and financing activities of the company are segregated.



### 1.16 Consolidation particulars

The following subsidiary companies have been considered in the preparation of consolidated financial statements:

Name of the entity	Relationship	Country of incorporation	31 <sup>st</sup> march 2021	31 <sup>st</sup> march 2020
Atlas cycles Sonepat limited	Subsidiary	India	100%	100%
Atlas cycles (Malanpur) limited	Subsidiary	India	100%	100%
Atlas cycles (Sahibabad) limited	Subsidiary	India	100%	100%

- The management believes that no adjustment are required in the Financial statements for the impact of COVID-19 on the financial statements of the Company for the year ended 31st March, 2021 as it does not impact the current financial year, however in view of the various preventive measures taken and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.
- Certain bank accounts as mentioned below in table have become non- operative due to non- KYC compliance and hence, bank statement could not be obtained for the year 2020-2021. Therefore, the balances as on 31-03-21 are taken as per book of accounts:

Bank name	Account Number	Balance as per books (In Rs.)
PNB,DELHI	4209002100040187	10,682
AXIS BANK LTD, GWALIOR	15801020004626	11,095
PUNJAB NATIONAL BANK, LUDHIANA	1453012100034916	8,02,334
INDIAN OVERSEAS BANK, GURGAON	12036	1,49,191
PNB-DELHI	15290029000042	56,027
YES BANK LTD, DELHI	1681300001310	68,319
ICICI BANK LTD, GURGAON	0003440301110952	17,832
HDFC,DELHI	0030310014446	12
CBI DELHI	3198856338	29,057
CORPORATION BANK DELHI	067900201550042	10,217
CBI JANPAT	1226700907	31897
CBI LUDHIANA	1253344526	172315
CBI PS	1197200451	170349
CBI KASHMIRI GATE	1137609588	28696
PNB,TUGHLABAD	4209002100040100	39,965
HDFC EQUITY PMS A/C	00602480015490	9,559
<b>TOTAL</b>		<b>16,07,547</b>

**NOTES TO FINANCIAL STATEMENTS**
**4 Property, plant and equipment**

<b>Financial Year 2020-21</b>									
<b>Particulars</b>	<b>Gross Carrying Value</b>			<b>Depreciation</b>			<b>Net Carrying Value</b>		
	<b>Balance as at 1st April 2020</b>	<b>Balance as at 31 March 2021</b>	<b>Disposals/ Write-off*</b>	<b>Balance as at 1st April 2020</b>	<b>Depreciation for the period</b>	<b>Other Adjustments</b>	<b>Balance as at 31 March 2021</b>	<b>Balance as at 31 March 2020</b>	
<b>Tangible assets</b>									
Land & Building	450,898,079	450,898,079		212,687,735	4,893,534		217,581,269	233,316,810	238,210,344
Plant & Machinery	585,572,056	585,572,056	-	461,432,338	20,203,656		481,635,994	103,936,062	124,139,718
Computer	49,196,082	49,208,236	12,154	48,134,641	318,480		48,453,121	755,115	1,061,441
Vehicles	150,564,640	142,988,254	7,576,386	100,660,088	9,884,232	7,137,632	103,406,688	39,581,566	49,904,552
Electrical Installation	13,654,567	13,654,567		13,101,115	175,340		13,276,455	378,112	553,452
Furniture & Fixtures	66,507,670	66,507,670		58,977,360	697,818		59,675,178	6,832,492	7,530,310
<b>Total</b>	<b>1,316,393,094</b>	<b>1,308,828,862</b>	<b>7,576,386</b>	<b>894,993,277</b>	<b>36,173,060</b>	<b>7,137,632</b>	<b>924,028,705</b>	<b>384,800,157</b>	<b>421,399,817</b>
Under Const. Installation Building/ Machinery	21,428,453	20,728,353	700,100	-			-	20,728,353	21,428,453
<b>Total</b>	<b>1,337,821,547</b>	<b>1,329,557,215</b>	<b>8,276,486</b>	<b>894,993,277</b>	<b>36,173,060</b>	<b>7,137,632</b>	<b>924,028,705</b>	<b>405,528,510</b>	<b>442,828,270</b>
<b>Previous Year</b>	<b>1,779,158,151</b>	<b>1,337,821,547</b>	<b>488,375,557</b>	<b>946,396,917</b>	<b>43,965,097</b>	<b>95,368,737</b>	<b>894,993,277</b>	<b>442,828,270</b>	
Company has charged depreciation as per useful life of assets									

## NOTES TO FINANCIAL STATEMENTS

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>5</b>	<b>Non-current investment</b>		
	<b>Investment in Equity Instruments (Unquoted, fully paid up)</b>		
	<b>Equity Shares Fully Paid Up -Trade Un Quoted</b>		
	Ambojini Property Developers Pvt. Ltd. *	14,100	14,100
	1410 ( 1410) Equity Shares of Rs 10 each		
	Godrej Landmark Redevelopers Pvt.Ltd.	-	-
	NIL (2017: 66, 2016:66) Equity Shares of Rs 1000 each		
	-	-	-
	NIL (2017: NIL, 2016:2) Equity Shares of Rs 10 each		
		<b>14,100</b>	<b>14,100</b>
	<b>Investment in Debt Instruments (Unquoted, fully paid up)</b>		
	A) Others (measured at cost)		
	<b>10% OCD Godrej Landmark Redevelopers Pvt. Ltd.</b>	-	-
	NIL (2017: 3753, 2016:10822) Debentures of Rs 100 each		
	<b>10% OCD Ambojini Property Developers Pvt. Ltd. **</b>	1,606,200	1,606,200
	16062 (16062) Debentures of Rs 100 each		
		<b>1,606,200</b>	<b>1,606,200</b>
	<b>Unquoted Government Securities</b>		
	12 years National Defence Certificate for the face value of	1,750	1,750
	Rs.1750 each pledged with Government authorities		
	7 Years National Savings Certificate pledged with Excise	10,000	10,000
	authorities		
		<b>11,750</b>	<b>11,750</b>
	<b>Unquoted Mutual Fund</b>		
	THE OCIAN'S ART FUND-(D) (46000 units of Rs 100 each)	4,600,000	4,600,000
	Less: Provision for impairment	-4,611,750	-4,600,000
		<b>-11,750</b>	<b>-</b>
	<b>Investment in Equity Instruments (Quoted, fully paid up)</b>		
	Central Bank of India	79,356	79,356
	778 (778) Equity Shares of Rs 102 each	<b>79,356</b>	<b>79,356</b>
	<b>Total</b>	<b>1,699,656</b>	<b>1,711,406</b>
	Aggregate Book Value of Quoted Investment	79,356	79,356
	Aggregate Market Value of Quoted Investment	12,680	283,970
	Aggregate Book Value of Un-Quoted Investment	7,732,050	7,732,050
		4,611,750	4,600,000
	The market value of unquoted investment in Ambojini property developers pvt. Ltd. is not ascertainable since the is under corporate insolvency resolution process.		
	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>6</b>	<b>Other financial assets</b>		
	Fixed deposits (Pnb Mohan Nagar)	1,200,000	15,928,000
	Accrued interest	25,578	1,135,038
	<b>Total</b>	<b>1,225,578</b>	<b>17,063,038</b>

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>7</b>	<b>Deferred tax assets (net)</b>		
	<b>Deferred tax assets</b>		
	Others	270,900,606	270,900,606
	<b>Net deferred tax assets</b>	<b>270,900,606</b>	<b>270,900,606</b>
7.1	Deferred tax asset on carry forward of losses has not been created in current financial year due to uncertainty of future profit		

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>8</b>	<b>Other non-current assets</b>		
	Capital advances	-	-
	Deposit with others	8,767,012	8,787,012
	Claim Recoverable *	23,023,842	23,023,842
	Others **	134,047,215	134,047,215
	<b>Total</b>	<b>165,838,069</b>	<b>165,858,069</b>
8.1	*The amount pertains to earlier year on account of unauthorised/Unapproved Rent Payment for Residence of President of sonipat Unit against which the company has filed Suit in jurisdictional court.		
8.2	** This amount pertains to earlier years on a/c of mis appropriation of funds by then joint president and head of the Malanpur unit.		

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>9</b>	<b>Inventories</b>		
	(Value at lower of cost and net realisable value)		
	(As taken, valued and certified by the management)		
	Raw materials and packing material	105,100,750	184,313,884
	Work-in-progress	3,438,804	7,438,928
	Finished goods	61,336,067	75,464,918
	Stock in trade	-	1,375,051
	Scarp	-	-
	Stores and spares	41,186,675	45,315,007
	<b>Total</b>	<b>211,062,296</b>	<b>313,907,788</b>
9.1	<b>Stock is the Valued at cost as Certified by the Management during the year 2020-21</b>		

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>10</b>	<b>Current investment</b>		
	<b>Investments in Mutual Fund (Quoted)</b>		
	HDFC Credit Rist Debt Fund - R-G	493,152	493,152
	44075(44075) Units of Rs 10 each		
	<b>Total</b>	<b>493,152</b>	<b>493,152</b>
	Aggregate Book Value of Quoted Investment	493,152	493,152
	Aggregate Market Value of Quoted Investment	802,601	672,368

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>11</b>	<b>Trade receivables</b>		
	<b>Trade receivables outstanding for a period less than six months from the date they are due for payment</b>		
	Unsecured, considered good	9,240,633	174,092,814
	Unsecured, considered doubtful	-	-
	Less: Provision for doubtful debts	-	-
		<b>9,240,633</b>	<b>174,092,814</b>
	<b>Trade receivables outstanding for a period exceeding six months from the date they are due for payment</b>		
	Unsecured, considered good *	251,697,913	251,653,592
	Unsecured, considered doubtful	105,621,028	40,210,956
	Less: Provision for doubtful debts	-105,621,028	-40,210,956
		<b>251,697,913</b>	<b>251,653,592</b>
	<b>Total</b>	<b>260,938,546</b>	<b>425,746,406</b>

11.1 \*The above includes Rs 5357299 (5357299) (credit) as advance received againsts export sale in earlier years

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>12</b>	<b>Cash and cash equivalents</b>		
	Cash in hand	284,640	3,020,106
	Balances with banks in :		
	- Current Account (Scheduled Bank)	10,097,199	33,161,114
	- On Deposits with Original maturity of less than 3 months	42,323	3,412,429
	- Unpaid Dividend Account	601,147	601,147
	<b>Total</b>	<b>11,025,309</b>	<b>40,194,796</b>

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>13</b>	<b>Bank balance other than cash and cash equivalent</b>		
	<b>Other Bank Balances</b>		
	- Original maturity more than 12 months but maturing within one year from the Reporting Date *	1,870,854	1,870,854
	- Maturity more than 12 months from the Reporting Date	1,200,000	15,928,000
		3,070,854	17,798,854
	Less: Amount disclosed under Other non-current assets (Refer note 6 )	-1,200,000	-15,928,000
	<b>Total</b>	<b>1,870,854</b>	<b>1,870,854</b>

13.1 \*Fixed deposit of Rs 10 lakh pledged with SBI malanpur against OD limit of Rs 9lakh and FD of Rs 3.06 lakh with CBI Delhi is pledged against bank Gurantee of Rs 3.06lakh favouring dept. of customs againsts import.

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>14</b>	<b>Current Loans</b>		
	Employee Advance *	109,648,764	109,334,794
	Loans & Advances recoverable in cash or in kind *	47,685,353	116,124,710
	<b>Total</b>	<b>157,334,117</b>	<b>225,459,504</b>

- 14.1 This includes amount of Rs 142306580/-(Rs142306580) which was misutilised by the ex president of the malanpur Unit against which company has filed suit in jurisdictional court.

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>15</b>	<b>Other financial assets</b>		
	Interest Accrued on Investment/FDR	-	934,291
	Security deposits	14,565,221	14,566,221
	<b>Total</b>	<b>14,565,221</b>	<b>15,500,512</b>

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>16</b>	<b>Other Current Assets</b>		
	Prepaid expenses	857,465	901,391
	Balances with governement authorities	26,625,292	26,468,842
	<b>Total</b>	<b>27,482,757</b>	<b>27,370,233</b>

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>17</b>	<b>Equity share capital</b>		
	<u><b>Authorised</b></u>		
	30,000(30,000) 6 1/4% P.A. free of Income tax cumulative redeemable Preference shares of Rs.100 each	3,000,000	3,000,000
	194,00,000(194,00,000) Equity Shares of Rs.5/- each	97,000,000	97,000,000
	<u><b>Issued, Subscribed &amp; Fully Paid Up Capital</b></u>		
	65,03,838(65,03,838) Equity Shares of Rs. 5/-each fully paid up	32,519,190	32,519,190
	<b>Total</b>	<b>32,519,190</b>	<b>32,519,190</b>

**a) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital :**

The company has only one class of equity shares having a par value of Rs 5 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and also has equal right in distribution of Profit/Surplus in proportions to the number of equity shares held by the shareholders.

**b) Details of shareholders holding more than 5% equity shares in the company**

Name of shareholder	As at 31 March 21		As at 31 March 20	
	No. of Shares	%	No. of Shares	%
Milton Cycles Industries Ltd	651692	10.02%	651692	10.02%
Limrose Enng Works Pvt Ltd	515300	7.92%	515300	7.92%

**c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31 March 21 No. of Shares	As at 31 March 20 No. of Shares
Share outstanding as at the beginning of the year	6,503,838	6,503,838
Additions during the year	-	-
- Shares Split during the year	-	-
Deletions during the year	-	-
Share outstanding as at the end of the year	6,503,838	6,503,838

**d) In last 5 years there was no bonus issue, buy back and /or issue of shares other for cash consideration**

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>18 Other equity</b>			
	<b>Retained Earning</b>		
	Balance as at the beginning of the year	-700,742,224	-731,876,653
	Restatement due to application of Ind AS	-	-
	(+) Net Profit/(Net Loss) For the current year as per the statement of Profit and loss	-352,421,572	31,134,429
	Balance as at the end of the year	-1,053,163,796	-700,742,224
	<b>General Reserve</b>		
	Balance as at the beginning of the year	1,154,857,133	1,115,883,070
	Addition ( Revaluation Reserve of Rasoi Land)	-	38,974,063
	Addition ( Income tax refund for previous year)	-	-
	Deletion	-	-
	Balance as at the end of the year	1,154,857,133	1,154,857,133
	<b>Securities Premium</b>		
	Balance as at the beginning of the year	60,620,185	60,620,185
	Addition	-	-
	Deletion	-	-
	Balance as at the end of the year	60,620,185	60,620,185
	<b>Fixed Assets Revaluation Reserve</b>		
	Balance as at the beginning of the year	-	38,974,063
	Addition	-	-
	Deletion(trf to General Reserve for Rasoi land sale)	-	-38,974,063
	Balance as at the end of the year	-	-
	<b>Item of other comprehensive income that will not be classified in profit &amp; loss</b>		
	Re-measurement of the net defined benefit Plans	-	-
	Addition	-	-
	Deletion	-	-
	Balance as at the end of the year	-	-
	<b>Total other equity</b>	<b>162,313,522</b>	<b>514,735,094</b>

- 18.1** During the year company has sold land of Rasoi unit against which Revaluation Reserve was standing of RS 38974063, now transferred to general reserve on sale of Rasoi unit land

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>19</b>	<b>Non-current borrowing</b>		
	Secured loans		
	- Vehicle loans From scheduled banks	-	2,601,894
	- Public Deposits	-	-
		-	2,601,894
	Less: Amount disclosed under the head other financial liabilities (note 24)	-	-2,601,894
	<b>Total</b>	<b>-</b>	<b>-</b>

- 19.1** In previous year vehicle loans were secured by way of hypothecation of vehicle concerned and carry interest from 10.50% p.a. to 10.25% p.a. on different loans and repayable in 36 / 48 equal installments.No Vehicle loan for the current year.

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>20</b>	<b>Other financial liabilities</b>		
	Permanent Deposits from Dealers	15,273,734	15,303,734
	Security Deposits from Others	1,609,475	14,094,073
	Advance against sale of land #	59,000,000	59,000,000
	<b>Total</b>	<b>75,883,209</b>	<b>88,397,807</b>

- 20.1** This pertains to advance received against proposed sale on Non-Core Assets Being 214,216 Housing board Colony Murthal Adda ,57L Model Town 115-126 HBC Murthal Adda,Sonipat against which sale deed is pending.

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>21</b>	<b>Non-current provisions</b>		
	<b>Provision for employee benefits</b>		
	Leave encashment	6,958,835	9,691,664
	<b>Total</b>	<b>6,958,835</b>	<b>9,691,664</b>

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>22</b>	<b>Current borrowings</b>		
	<b>a) Secured loans</b>		
	<b>Working Capital Facilities from Banks</b>		
	Working capital loan	-	-
	Short Term Loans	90,000,000	90,000,000
	Bills Discounting from Banks/Financial Institution	-	-
	<b>Total</b>	<b>90,000,000</b>	<b>90,000,000</b>

- 22.1** Company has taken inter corporate loan from its associates concern Milton Cycle Industries Limited of Rs 90000000cr(Rs 9cr), Which carries interest @ 11%pa.



	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>23</b>	<b>Trade payables</b>		
	Payable to MSME parties	311,493,758	317,752,046
	Payable to Others	722,528,233	766,390,787
	<b>Total</b>	<b>1,034,021,991</b>	<b>1,084,142,833</b>
<b>23.1</b>	<b>Creditors including MSMEs have filed 145 suits in jurisdictional court/NCLT Amouting Rs 90,71,63,546/- However company has not provided for the interest/penalty for the claim made by creditors including MSMEs during the financial year refer note no. 40 on contingent liability for details.</b>		

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>24</b>	<b>Other current financial liabilities</b>		
	Current maturities of long-term debt (refer note 19)	-	2,601,894
	Interest accrued	-	-
	<b>Total</b>	<b>-</b>	<b>2,601,894</b>

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>25</b>	<b>Other current liabilities</b>		
	Statutory dues	15,723,570	10,518,033
	Security deposits	6,608,570	6,629,569
	Employees related payables	3,193,588	484,148
	Others payables**	16,628,179	21,200,572
	Unpaid dividends*	601,147	601,147
	<b>Total</b>	<b>42,755,052</b>	<b>39,433,469</b>

25.1 This Amount pertains to unpaid dividend financial year 2012-13 which required to be deposited in investor education and protection fund account (IEPF) by 5th November 2020, However to due to unavoidable circumstances the delayed and deposited the balance to IEPF as on 9th February 2022.

25.2 \*\*The above figures includes Rs 2284620 (2284620) against advance received for export from foreign buyers in earliers years

	Particulars	As at 31 March 21 Amount (Rs)	As at 31 March 20 Amount (Rs)
<b>26</b>	<b>Current provisions</b>		
	<b>Provision for employee benefits</b>		
	Provision for bonus	-	-
	Employee Benefits	71,797,814	26,000,242
	Provision for dealers discount	-	-
	Provision for others	13,715,058	61,382,441
	<b>Total</b>	<b>85,512,872</b>	<b>87,382,683</b>

	Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>28</b>	<b>Revenue from operations</b>		
	Sale of finished goods	172,240,869	1,554,932,016
	<b>Other operating revenue</b>		
	Scrap sales	723,388	2,728,930
	Export Incentive	26,730	1,360,449
	<b>Total</b>	<b>172,990,987</b>	<b>1,559,021,395</b>

	Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>29</b>	<b>Other income</b>		
	Interest Income	532,906	3,300,058
	Profit on Sale of Property, Plant and Equipments	-	387,589,451
	Profit on Sale of Current Investments	-	-
	Rental Income	-	72,686
	Provision written back	-	1,199,777
	Miscellaneous Income	140,594	49,842,456
	<b>Total</b>	<b>673,500</b>	<b>442,004,428</b>

	Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>30</b>	<b>Cost of material consumed</b>		
	Raw Material Consumed	117,217,806	1,053,517,754
	<b>Total</b>	<b>117,217,806</b>	<b>1,053,517,754</b>

	Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>31</b>	<b>Purchases of Stock-in-Trade</b>		
	Purchases of Bicycles	-	60,351,943
	<b>Total</b>	<b>-</b>	<b>60,351,943</b>

	Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>32</b>	<b>Change in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade</b>		
	<b>Opening stock</b>		
	Finished goods	75,464,918	86,514,764
	Stock-in-trade	1,375,051	18,209,919
	Scrap	-	-
	Work-in-progress	7,438,928	8,199,104
		84,278,897	112,923,787

**Closing stock**

Finished goods	61,336,067	75,464,918
Stock-in-trade	-	1,375,051
Scrap	-	-
Work-in-progress	3,438,804	7,438,928
	64,774,871	84,278,897
(Increase)/ Decrease in Stock	19,504,026	28,644,890
<b>Total</b>	<b>19,504,026</b>	<b>28,644,890</b>

Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>33 Employee benefit expenses</b>		
Salaries and Wages	162,892,983	300,764,855
Contribution to Provident and Other Funds	16,804,695	32,551,151
Staff Welfare and Training Expenses	11,331,537	14,534,847
<b>Total</b>	<b>191,029,215</b>	<b>347,850,853</b>

Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>34 Finance Costs</b>		
Interest Expense & Bank Charges	680,845	92,787,992
Other Borrowing Costs	87,612	1,395,626
<b>Total</b>	<b>768,457</b>	<b>94,183,618</b>

Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>35 Depreciation and amortization expense</b>		
Depreciation on property, plant & equipment	36,173,060	43,965,097
<b>Total</b>	<b>36,173,060</b>	<b>43,965,097</b>

Particulars	For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>36 Other Expenses</b>		
Freight outward & handling charges	4,043,292	87,567,753
Packing Material Consumed	6,657,486	54,480,935
Stores and Spare Parts Consumed	7,164,267	92,348,416
Power & Fuel	7,883,709	22,800,545
Repairs and Maintenance:		
Buildings	1,793,984	5,109,223
Plant & Machinery	678,883	5,068,441
Others	5,221,223	21,533,409
Travelling & conveyance	5,879,302	28,434,088

Advertisement and sales promotion	120,087	9,725,263
Rates & Taxes	2,738,905	4,346,317
Commission to agents	563,285	4,788,404
Printing & Stationery, Postage & Telephone	1,652,450	3,919,590
Insurance	2,014,832	3,222,261
Legal Fees	290,610	2,771,671
Rent	923,424	496,566
Payment to Auditors (Refer Note below 30.1)	22,972	3,222,190
Loss on sale of property, plant and equipment	143,757	16,255,952
Director Sitting fees	287,000	720,000
Donations	98,131	52,500
Provisin for Bad debt written off	65,551,734	7,351
Miscellaneous Expenses	47,664,162	74,407,764
<b>Total</b>	<b>161,393,495</b>	<b>441,278,639</b>

Particulars		For the year ended 31 March 2021 Amount (Rs)	For the year ended 31 March 2020 Amount (Rs)
<b>36.1 Payment to Auditor</b>			
<b>As Auditor:</b>			
Statutory Audit fee			2,500,000
Tax Audit Fee			400,000
<b>In other Capacity</b>			-
For Other Services including Certifications			322,190
<b>Total</b>		<b>-</b>	<b>3,222,190</b>

**No provision for Audit Fees , Tax Audit Fees has been made for Fy 2020-21**

### **37 FINANCIAL RISK MANAGEMENT**

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Company's activities are expose it to **market risk, credit risk and liquidity risk.**

#### **I. Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments. The sensitivity analyses in the following sections relate to the position as at 31st March 2021 and 31st March 2020.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other postretirement obligations; provisions; and the non-financial assets and liabilities of foreign operations. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

##### **(a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Compnay's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

(i) The exposure of Company borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Variable rate borrowings	-	-
Fixed rate borrowings	90,000,000	92,601,894
<b>Total borrowings</b>	<b>90,000,000</b>	<b>92,601,894</b>

(ii) As at the end of reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Balance	% of total loans	Balance	% of total loans
Loans repayable on demand (Cash Credit)	-	-	-	0.00%
<b>Net exposure to cash flow interest rate risk</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(iii) Sensitivity

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Decrease in Profit before Tax			<b>+50</b>	<b>+50</b>
Increase in Profit before Tax			<b>- 50</b>	<b>- 50</b>

## (b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to the foreign exchange risk through its trading sales.

Foreign currency exposure	Currency	Amount in Forex	
		As at 31st March 2021	As at 31st March 2020
<b>Trade Receivables</b>	USD		<b>56,900</b>

## II. Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, mutual funds and other financial instruments.

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in domestic markets. The Company has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent.

### III. Liquidity Risk

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

<b>Maturity patterns of borrowings &amp; other Financial liabilities</b>					
<b>As at 31-03-2021</b>	<b>Carrying Amount</b>	<b>On Demand</b>	<b>Less than 12 months</b>	<b>More than 1 years</b>	<b>Total</b>
Borrowings	90,000,000	-	90,000,000	-	90,000,000
Trade payables	1,034,021,991	408,251,804	625,770,187		1,034,021,991
Other Liabilities	75,883,209		-	75,883,209	75,883,209
<b>Total</b>	<b>1,199,905,200</b>	<b>408,251,804</b>	<b>715,770,187</b>	<b>75,883,209</b>	<b>1,199,905,200</b>

<b>As at 31-03-2020</b>	<b>Carrying Amount</b>	<b>On Demand</b>	<b>Less than 12 months</b>	<b>More than 1 years</b>	<b>Total</b>
Borrowings	92,601,894	-	92,601,894	(2,601,894)	90,000,000
Trade payables	1,084,142,833	428,505,058	655,637,775		1,084,142,833
Other Liabilities	90,999,701		2,601,894	88,397,807	90,999,701
<b>Total</b>	<b>1,267,744,428</b>	<b>428,505,058</b>	<b>750,841,563.00</b>	<b>85,795,913</b>	<b>1,265,142,534</b>

### 38 Capital Management

The primary objective of the Company's Capital Management is to maximize the shareholder value and also maintain an optimal capital structure to reduce cost of capital. In order to manage the capital structure, the Company may adjust the amount of return on capital to shareholders, issue new or sell assets to reduce debts. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus debt.

<b>Particulars</b>	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>
Debt	90,000,000	92,601,894
Cash & bank balances	12,896,163	42,065,650
Net Debt (A)	77,103,837	50,536,244
Total Equity (B)	194,832,712	547,254,284
Total Equity and Net Debt (C)	271,936,549	597,790,528
<b>Gearing Ratio (A/C)</b>	<b>28.35%</b>	<b>8.45%</b>

#### Notes-

(i) Debt is defined as long-term and short-term borrowings including current maturities (excluding derivatives) as described in notes 19 and 22.

(ii) Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

### 39 Recognition of opening and closing balances of Defined Benefit Obligation

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. during the year unavoidable circumstances company has not got the actuarial for the year under reporting

**These plans typically expose the Company to actuarial risks such as: investment risk, inherent interest rate risk , longevity risk and salary risk**

**Investment Risk** The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

40	Contingent Liabilities In Respect Of	2020-21	2019-20
a)	Surety bonds in favour of government	500,000	500,000
b)	Guarantees given by bank	1,164,511	40,987,376
c)	Guarantees In respect of Entry Tax matters	-	28,000
d)	Guarantees In respect of Sales Tax matters	79,110,493	49,197,930
e)	Interest on Pending Litigations	10,300,000	-
f)	Interest on Pending Litigations on suppliers ( all Unit ) (MSME Rs10009762, NCLT Rs26715580, DISTRICT 18928503)	55,653,845	
g)	Bank Gurantee in favour of custom deptt.	306,000	306,000

### 41 Details Of Raw Material Consumed During The Year

	Units	2021		2020	
		Quantity (in lacs)	Value Rs.	Quantity (in lacs)	Value Rs.
(i) Sheets & Strips	Kgs.	15,000	754,387	295,115	15,432,575
(ii) Tyres	Nos.	74,840	9,448,133	984,558	113,683,636
(iii) Tubes	Nos.	74,185	4,294,333	1,004,086	47,081,019
(iv) Rims	Nos.	67,530	7,843,108	1,072,900	106,450,101
(v) Other Items	-	-	1,515,251	-	41,525,839
(vi) Components	-	-	93,362,594	-	729,344,584
			<b>117,217,806</b>		<b>1,053,517,754</b>

### 42 Value Of Imported And Indigenous Raw Material And Components Consumed During The Year

	Value (Rs.)	Indigenous		Value (Rs.)	Imported
		Percentage	Percentage		Percentage
(i) Raw Material	22,339,961 (282647331)	100 (100)		NIL NIL	0 (0)
(ii) Components	94,877,845 (693473647)	100.00 (89.96)		- (77,396,776)	- (10.04)

Previous Year figures are shown in brackets.

**43 VALUE OF TOTAL IMPORTS ON CIF BASIS**

	2021 Rs.	2020 Rs.
(i) Raw Material, Components & Spare Parts	-	77,396,776
(ii) Capital Goods	-	-
	<b>-</b>	<b>77,396,776</b>

**44 EXPENDITURE IN FOREIGN CURRENCY**

(i) Commission on export	111,077	1,973,802
(ii) Foreign Tours	-	35,285
(iii) Foreign Publicity & exhibition	-	2,323,832
	<b>111,077</b>	<b>4,332,919</b>

**45 EARNINGS IN FOREIGN EXCHANGE**

F.O.B. Value of goods exported	2,785,098	100,689,718
--------------------------------	-----------	-------------

**46 RELATED PARTY DISCLOSURES**
**A. Name of associated parties and nature of related party relationship**

- i) **Associated Companies** : Milton Cycles Inds Ltd, Janki Das & Sons (P) Ltd, Romer Engineering Works (P) Ltd
- ii) **Subsidiary Companies are:** Atlas Cycles Sonapat Ltd, Atlas Cycles (Sahibabad) Ltd, Atlas Cycles (Malanpur) Ltd.,

**Directors & Employees (As at 31.03.2021)** : Sh. Ishwar Das Chugh, Sh. H.L.Bhatia, Sh. Kartik Roop Rai, Sh. Sanjiv Kavaljit Singh, Sh. Sadhna Syal, Sh. Vikram Kapur, Sh. Gautam Kapur, Sh. Girish Kapur, Sh. Sanjay Kapur, Sh. Rajiv Kapur, Sh. Angad Kapur, Sh. Rishav Kapur, Sh. Prashant Kapur, Sh. Rahul Kapur, Sh. Abhinav Kapur,

**B. Transactions with the Associated Parties and Subsidiaries**

	2021	2020
Sale of Goods	1,609,788	15,770,633
Purchase of Goods	1,449,959	188,292,923
Balance at year end	-	134,249,649
Intercompany Loan	90,000,000	90,000,000

**C. Transactions with key managerial persons:**

	2021	2020
Remunerations:	61,769,577	57,064,634

**47 Earnings per share**

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Issued Equity Shares ( 65,03,838 of Rs 5 each)	6,503,838	6,503,838
Add/ Less: Adjustments (Refer note)		-
Weighted average number of equity shares in calculating basic & diluted EPS (A)	6,503,838	6,503,838



Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Profit for the year	(352,421,572)	31,134,429
Add/ Less: Adjustments		-
Net profit/ (loss) as per Statement of Profit & Loss (for calculation of basic & diluted EPS (B))	(352,421,572)	31,134,429
Basic Earnings per Share (₹) (B/A)	(54.19)	4.79
Diluted Earnings per Share (₹) (B/A)	(54.19)	4.79

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

#### 48 Segment Information

- (i) The company is engaged in the business of "Manufacturing and Selling of Bicycles" and therefore, has only one reportable segment in accordance with IND AS 108 "Operating segments)

#### 49 PREVIOUS YEAR FIGURES

Figures of the Previous Year have been regrouped, rearranged and reclassified to conform to the current year classification.

#### The Accompanying notes are integral part of these Consolidated financial statements

As per our Report of even date

For **Dinesh Nangru & Co**  
Chartered Accountants  
Firm Registration No. 015003N

**C.M Dhall**  
CFO

**Hem Kumar Pande**  
DIRECTOR  
DIN NO 08539771

**Jarnail Singh**  
DIRECTOR  
DIN NO 05332407

**Dinesh Nangru**  
Partner  
Membership No. 094779  
UDIN: 23094779BGVNF6465  
Place: Delhi  
Date: 24.05.2023

**Rakesh**  
Company Secretary

# ATLAS CYCLES (HARYANA) LIMITED

CIN: L35923HR1950PLC001614

Regd. Office: Industrial Area, Atlas Road, Sonapat - 131 001, Haryana (India)

Tel: 091-130-2200001 to 2200006, Fax: 091-130-2200018

E-mail : companysecretary@atlasbicycles.co.in, Website : www.atlasbicycles.com

## BALLOT FORM

(In lieu of E-voting)

70<sup>th</sup> Annual General Meeting - Monday, 24<sup>th</sup> July, 2023

- Name of the First Named Shareholder : .....  
And Registered address.....
- Name(s) of the Joint Shareholder(s) : .....
- Name of Proxy holder(if any) : .....
- Registered Folio/DPID & Client ID No. : .....
- No. of Shares held : .....

I/we hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the Notice of 70<sup>th</sup> Annual General Meeting of the Company on Monday 24<sup>th</sup> July, 2023 at 11:00 A.M. (I.S.T. ) by conveying my/our assent or dissent to the said Resolution(s) by placing the (V) mark at the appropriate box below.

Item No.	Description	No. of equity shares held by me/us	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
1.	To receive, consider and adopt a) Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021 and the Reports of the Board of Directors and Auditors thereon; and b) Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 and the Report of the Auditors thereon.			

Place:

Date:

.....  
Signature of Shareholder

## INSTRUCTIONS

- Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
- In the event member casts his votes through both the processes i.e. E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
- To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form will be verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form will be verified as per the records of the share transfer agent of the Company (i.e. Mas Services Ltd).Members are requested to keep the same updated.
- There will be only one Ballot Form for every DPID & Client ID/Folio No .Irrespective of the number of joint members.
- In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
- Where the Ballot Form has been signed by an authorized representative of the Body Corporate/Trust/Society, etc. a certified copy of the relevant authorization/Board resolution to vote along with Specimen Signature of the authorized representative should accompany the Ballot Form. A scanned copy of the same may be first emailed to [companysecretary@atlasbicycles.co.in](mailto:companysecretary@atlasbicycles.co.in) and [rajiv.bhasin@mehraakhanna.com](mailto:rajiv.bhasin@mehraakhanna.com) at least 48 hours before the 70th AGM so that any corrections or amendments may be recommended on time.
- Duly filled in and signed Ballot Form should be dropped in the Ballot Box provided at the venue of the 70th Annual General Meeting.

**ATLAS CYCLES (HARYANA) LIMITED**

**CIN: L35923HR1950PLC001614**

**Regd. Office:** Atlas Road, Industrial Area, Sonapat – 131001, (Haryana)

**Tel:** 091-130-2200001 to 2200006, **Fax:** 091-130-2200018

**Website:** www.atlasbicycles.com, **E-mail:** companysecretary@atlasbicycles.co.in

**Form No.MGT-11**

**PROXY FORM**

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

Name of the member (s)			
Registered address			
E-mail Id			
Folio No/ Client Id		DP ID	

I/We, being the member(s) of shares of the above-named company, hereby appoint

1. Name: ..... E-mail Id:.....

Address: .....

Signature, or failing him

2. Name: ..... E-mail Id:.....

Address: .....

Signature, or failing him

3. Name: ..... E-mail Id:.....

Address: .....

Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 70<sup>th</sup> Annual General Meeting of the Company to be held at Hotel Sagar, 148-R Model Town, Atlas Road, Sonapat-131001, Haryana on Monday, **24<sup>th</sup> July, 2023 at 11:00 A.M.** (I.S.T.) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	Optional (See Note 4)		
		For	Against	Abstain
1.	To receive, consider and adopt c) Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021. and the Reports of the Board of Directors and Auditors thereon; and d) Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 and the Report of the Auditors thereon.			

Signed this.....day of 2023

..... ₹ .....

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp  
(₹1)

**Note:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the 70<sup>th</sup> Annual General Meeting on Monday 24<sup>th</sup> July, 2023 at 11:00 A.M. (I.S.T.).
- A member entitled to attend and vote is entitled to appoint proxy to attend and on poll, to vote instead of himself/herself. A proxy need not be a member of the Company.
- If the Company receives multiple proxies for the same holdings of a member, the proxy which is dated last shall be considered valid and if they are not dated or bear the same date without specific mention of time, all such multiple proxies shall be treated as invalid.
- It is optional to indicate your preference. If you leave the 'For', 'Against' or 'Abstain' column blank against any oral resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
- Signature of member should be across a revenue Stamp of ₹1.

**ATLAS CYCLES (HARYANA) LIMITED**

**CIN: L35923HR1950PLC001614**

**Regd. Office:** Atlas Road, Industrial Area, Sonapat – 131001, (Haryana)

**Tel:** 091-130-2200001 to 2200006, **Fax:** 091-130-2200018

**Website:** www.atlasbicycles.com, **E-mail:** companysecretary@atlasbicycles.co.in

**ELECTRONIC VOTING PARTICULARS**

<b>EVS (Electronic voting Sequence Number)</b>	<b>USER ID</b>	<b>PASSWORD/PIN</b>	<b>No. of Shares</b>

The e-voting facility will be available during the following voting period:

<b>Commencement of e-voting</b>	<b>From 9:00 a.m. (IST) on Friday, July 21 , 2023.</b>
<b>End of e-voting</b>	<b>Up to 5:00 p.m. (IST) on Sunday, July 23 , 2023.</b>

- The cut-off date (i.e. the record date) for the purpose of e-voting is July 17 , 2023.
- Please refer to the attached 70<sup>th</sup> AGM Notice for instructions on E-Voting.
- Route map of venue of 70<sup>th</sup> AGM is mentioned at the back of attendances slip.

**TEAR HERE**

**ATLAS CYCLES (HARYANA) LIMITED**

**CIN: L35923HR1950PLC001614**

**Regd. Office:** Atlas Road, Industrial Area, Sonapat – 131001, (Haryana)

**Tel:** 091-130-2200001 to 2200006, **Fax:** 091-130-2200018

**Website:** www.atlasbicycles.com, **E-mail:** companysecretary@atlasbicycles.co.in

**ATTENDANCE SLIP**

Regd. Folio No./DPID-Client ID : .....

Name &Address of First/Sole Shareholder : .....

Name of Proxy holder(if any) : .....

No. of Shares held : .....

I/we hereby record my/our presence at the 70<sup>th</sup> Annual General Meeting of the Company to be held at Hotel Sagar, 148-R, Model Town, Atlas Road, Sonapat-131001, Haryana, on Monday, 24<sup>th</sup> July, 2023 at 11:00 A.M.

.....  
Signature of Member/Proxy

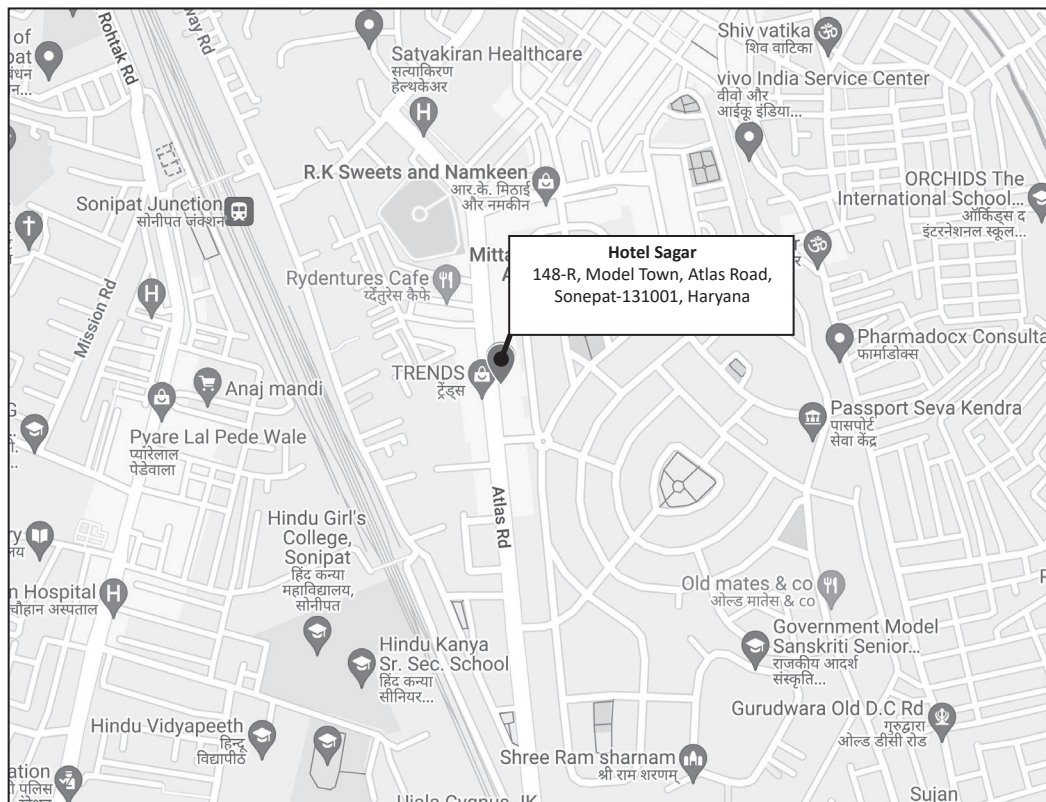
**Notes:**

- Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.
- Member/Proxy wish to attend the meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled in and signed.
- Electronic copy of the Annual Report for F.Y. 2020-21 and the notice of 70th Annual General Meeting along with the Attendance Slip, Proxy Form & Route Map to AGM venue are being sent to all the members whose email address is registered with the Company/Depository Participant, unless any member has requested for a physical copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
- Physical copy of Annual Report for FY .2020-21 and Notice of the 70th Annual General Meeting along with Attendance Slip, Proxy Form and Route Map is being sent through permitted mode to all members whose email is not registered.

**ATLAS CYCLES (HARYANA) LIMITED****CIN: L35923HR1950PLC001614****Regd. Office:** Atlas Road, Industrial Area, Sonapat – 131001, (Haryana)**Tel:** 091-130-2200001 to 2200006, **Fax:** 091-130-2200018**Website:** [www.atlasbicycles.com](http://www.atlasbicycles.com), **E-mail:** [companysecretary@atlascycles.co.in](mailto:companysecretary@atlascycles.co.in)**Route Map of Venue of 70th Annual General Meeting**

to be held on Monday 24th July, 2023 at 11:00 a.m.

at Hotel Sagar 148-R, Model Town, Atlas Road, Sonapat-131001, Haryana



## Notes

[illegible]







**ATLAS**  
CYCLES (HARYANA) LIMITED

CIN: L35923HR1950PLC001614

Industrial Area, Atlas Road, Sonepat-131001, Haryana (India)

Tel: 91-130-2200001-8, Fax: 91-130-2200018

E-mail : [companysecretary@atlascycles.co.in](mailto:companysecretary@atlascycles.co.in)

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