



Annual
Report

2014-15

ATLAS
CYCLES

ATLAS CYCLES (HARYANA) LIMITED

SONEPAT-131001

CIN : L35923HR1950PLC001614

www.atlasbicycles.com

BOARD OF DIRECTORS :

Mr. Hari Krishan Ahuja (DIN: 00315876), Non Executive Director
Mr. Hira Lal Bhatia (DIN: 00159258), Non Executive Director
Mr. I.D. Chugh (DIN: 00073257), Whole Time Director
Mr. Vikram Khosla (DIN: 01574818), Independent Director
Mr. Kartik Roop Rai (DIN: 06789287), Independent Director
Mr. Sanjiv Kavaljit Singh (DIN: 00015689), Independent Director
Ms. Veena Buber (DIN: 07163537), Non Executive Director

COMPANY SECRETARY

Mr. Jaspreet Singh

REGISTERED OFFICE :

Atlas Road Industrial Area
Sonepat -131001 (Haryana)

SECRETARIAL AUDITORS :

Messers 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
Mr. Hira Lal Bhatia (DIN: 00159258) Member

Stakeholders Relationship Committee

Mr. Hira Lal Bhatia (DIN: 00159258) Chairman
Mr. I. D. Chugh (DIN: 00073257) Member

Nomination & Remuneration Committee

Mr. Sanjiv Kavaljit Singh (DIN: 00015689) Chairman
Mr. Kartik Roop Rai (DIN: 06789287) Member
Mr. Hira Lal Bhatia (DIN: 00159258) Member

Risk Management Committee

Mr. Hira Lal Bhatia (DIN: 00159258) Chairman
Mr. Hari Krishan Ahuja (DIN: 00315876) Member
Mr. I. D. Chugh (DIN: 00073257) Member

SONEPAT UNIT

Atlas Road, Industrial Area, Sonepat - 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 :

Messers Mehra Khanna & Co. Chartered
Accountants, 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

STOCK EXCHANGE(S) WHERE COMPANY'S SECURITIES ARE REGISTERED

National Stock Exchange of India Limited
BSE Limited
Delhi Stock Exchange Limited

E-MAIL

companylaw@atlasbicyclesonepat.com

WEBSITE

www.atlasbicycles.com

CORPORATE IDENTITY NUMBER

CIN : L35923HR1950PLC001614

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DIRECTORS' REPORT

CIN: L35923HR1950PLC001614

TO THE MEMBERS:-

Your directors are delighted to present Sixty Fourth Annual Report of your Company along with the audited statement of accounts for the year ended 31st March 2015.

FINANCIAL HIGHLIGHTS

| Particulars | (₹ In Lacs) | | | |
|-------------------------------------|-------------|-----------|---------|-----------|
| | 2014-15 | | 2013-14 | |
| OPERATING PROFITS/(LOSSES) | (1832.53) | | 40.02 | |
| ADD : PROFIT ON SALE OF ASSETS | 623.51 | | 13.16 | |
| ADD : PROFIT ON SALE OF MUTUAL FUND | 124.84 | | 74.52 | |
| ADD : DIVIDEND INCOME | 56.71 | 805.06 | 16.99 | 104.67 |
| | | (1027.47) | | 144.69 |
| LESS: FINANCE COST | 1107.43 | | 922.01 | |
| DEPRECIATION | 662.85 | 1770.25 | 713.34 | 1635.35 |
| | | (2797.72) | | (1490.66) |
| LESS: PROVISION FOR TAX | | 902.48 | | 483 |
| | | (1895.24) | | (1007.66) |
| ADD : PROFIT BROUGHT FORWARD | | (857.93) | | 149.73 |
| | | (2753.17) | | (857.93) |

PRODUCTION

During the year under consideration, the Company produced 23,00,923/- bicycles as against 25,87,585 bicycles in the previous year.

SALES

Sales during the year amounted to ₹ 594.59 Crore including the sales to foreign countries as against ₹ 650.11 Crore 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 year 2014-15 as against ₹ NIL 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 ₹ 2791.09 Lacs.

The company continued its efforts to increase sales in export market due to which it achieved better export earning than last year, despite stiff competition.

SHARE CAPITAL

The paid up Equity Share Capital as at 31st March 2015 stood at ₹ 3,25,19,190/- i.e. 23,51,919 Equity Shares of ₹ 10 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 2015, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

DIVIDEND

During the year under review, your company has not declared

any Dividend for the financial year ended 31st March 2015 due to losses.

CONSOLIDATED ACCOUNTS

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Accounting Standards viz. AS-21, AS-23 and AS-27 issued by the Institute of Chartered Accountants of India and forming part of this Annual Report. The three wholly owned subsidiary companies of the Company are yet to commence their business.

PERFORMANCE OF THE UNITS

Performance of Sahibabad unit was good during last financial year. New range of high end ULTIMATE series introduced last year got encouraging response from the market; thus a lot of new models were further added to it. Unit is in the process of launching alloy bicycles vide a new series called MAGNUM in the Ultra Premium segment.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the Stock Exchange, is presented in a separate section forming part of the Annual Report.

DIRECTORS

Mr. Hari Krishan Ahuja (DIN: 00315876) is retiring by rotation at this Annual General Meeting and, being eligible, offers himself for reappointment.

Further, pursuant to clause 49 (IV) (E) (iv) of the Listing Agreement, the shareholders may take note that Mr. Hari Krishan Ahuja, Non Executive Director of the Company holds Nil equity shares in the Company as on the date of this report.

In compliance with the requirement of Clause 49 of the Listing Agreement for appointment of Woman Director in the Company, the Board of Directors of the Company appointed Ms. Veena Buber (DIN: 07163537) as Additional Director of the Company on 26th March 2015 through Resolution by circulation whose appointment was ratified in the Board Meeting held on 29th April, 2015. She holds the office of Additional Director up to the date of ensuing Annual General Meeting of the Company and is eligible for appointment as Independent Woman Director of the Company for the tenure of 5 years effective from 30th September 2015.

KEY MANAGERIAL PERSONNEL

In the capacity of Key Managerial Personnel, the company has

1. Mr. Ishwar Das Chugh, Whole Time Director
2. Mr. Chander Mohan Dhall as Manager / Chief Executive Officer & Chief Financial Officer (In the capacity of Chief Financial Officer, he takes care of Malanpur Unit of the Company only)
3. Mr. Jaspreet Singh, Company Secretary

PERFORMANCE OF BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, 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.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

NUMBER OF MEETINGS OF THE BOARD

There were total 10 number of Board Meetings held during the financial year 2014-15. Further details are provided in the Corporate Governance Report.

DEPOSITS (INCLUDING LOANS FROM MEMBERS)

Unclaimed deposits aggregating to ₹ 21,000 pending for more than 7 years, have been credited to Investors Education and Protection Fund of Government of India.

The Company is in process of repaying all its deposit holders and is not further accepting deposits from the public or members.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

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.

REMUNERATION AND NOMINATION 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.

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 that the provisions of Section 188 of the Companies Act, 2013 are not attracted. 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. 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. 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

There are no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operations.

CORPORATE GOVERNANCE

The Company complies with the clauses of Listing Agreement entered into with the National Stock Exchange of India Limited, BSE Limited and Delhi Stock Exchange Limited where the Company's shares are listed. It may be noted that the Delhi Stock Exchange has been de-recognized by SEBI. Further, in terms of the provisions of Clause 49 of the Listing Agreement, your Company has complied with the requirements of Corporate Governance and a Report on Corporate Governance together with certificate from the Company's Auditors confirming compliance, is set out in a statement, which forms part of this Annual Report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92 of the Companies Act, 2013, is annexed to this Report and forms an integral part of this Report.

STATUTORY AUDITORS AND AUDITORS' REPORT

M/s Mehra Khanna & Co., Chartered Accountants, (Firm Registration Number: 01141N) were re-appointed in the 63rd Annual General Meeting for a period of 3 years upto the conclusion of 66th Annual General Meeting. Their appointment is proposed to be ratified at the forthcoming Annual General Meeting. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s Mehra Khanna & Co. that their appointment, if made, would be in conformity with the limits specified in the said Section. 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 is included as Annexure – B and forms an integral part of this Report. The secretarial audit qualifications for the year under review requiring clarification by the Board of Directors are replied by the Board of Directors and form part of the Secretarial Audit Report.

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. However, Cost Audit Report for the financial year 2013-14 was duly filed with the Ministry of Corporate Affairs.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an effective internal control and risk mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The Company has appointed Mr. Harish Kumar Arora as Internal Auditor of the Sonepat Unit of the Company, Mr. Gopal D. Girdharwal, as Internal Auditor of the Sahibabad Unit of the Company and Mr. Chander Mohan Dhall, as Internal Auditor of the Malanpur Unit of the Company. 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 Board of Directors actively reviews the adequacy and effectiveness of internal control systems.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Requirements relating to Corporate Social Responsibilities as envisaged in Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable on our Company.

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.

STATUTORY INFORMATION

The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March 2015 is given in a separate Annexure to this Report.

The above Annexure is not being sent along with this Report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company, 21 days before the 64th Annual General Meeting and upto the date of the ensuing Annual General Meeting during the business hours on working days.

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 holds (by himself or along with his spouse and dependent children) more than two percent of the equity shares

of the Company.

The Business Responsibility Reporting as required by Clause 55 of the Listing Agreement with the Stock Exchanges is not applicable to your Company for the financial year ending 31st March 2015.

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. Only in Malanpur Unit of the Company there were some concerns due to closing down of the Malanpur Unit in the month of October 2014.

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 31st March 2015 is given in a separate Annexure to the Report.

LISTING OF COMPANY'S EQUITY SHARE

Your Company's shares continue to be listed on BSE Limited, National Stock Exchange of India Limited and Delhi Stock Exchange Limited. Since Delhi Stock Exchange has been de-recognized by the SEBI, the annual listing Fee for the year 2014-2015 has been paid to BSE Limited and National Stock Exchange of India Limited.

SUBSIDIARY COMPANIES / ASSOCIATE COMPANIES

Statement of Accounts of the subsidiaries together with statement in Form AOC-1 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, 2015.

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 31st March 2015 is given here below :

CONSERVATION OF ENERGY

SONEPAT UNIT

The following measures were taken for Conservation of energy:-

- a) New OLTC type transformer of 1600 KVA rating has been installed in place of two old transformer of 1250 KVA and 1000 KVA to reduce losses.
- b) Installed 1500KVA fuel efficient Diesel engine in place of old 500 KVA slow speed diesel engine.
- c) Installation of Natural Wind Air Exhaust to replace exhaust fan in Granodising area.
- d) Roots Blower of 5 HP installed in place of 25 HP capacity for energy saving.
- e) All Sodium Vapor fittings of 250 watt and 400 watt replaced with LED street light of 40 Watt for energy saving.

- f) Transparent sheet installed in plant for natural light.
- g) New water wall changed of 4 ton boiler to reduce consumption of fuel and increase efficiency.
- h) Two new compressor VFD type installed in place of old compressors for energy saving.
- i) VFD drives installed in Phosphating plant for energy saving.
- j) Modified Furnace design for better heating and longer life of Cruisibel.

SAHIBABAD UNIT

The following measures were taken for Conservation of energy:-

- A hot water generator was installed to replace two boilers to save energy.
- An energy efficient oven being installed for tail end white paint baking to replace the old process of baking by IR bulbs.

TECHNOLOGY ABSORPTION

SAHIBABAD UNIT

- Slat conveyors were introduced to increase the productivity of standard Frames in Assembly Section.
- Higher capacity Rectifiers were installed at Debrassing stage to increase productivity of Frames in Tubular Section.

FOREIGN EXCHANGE EARNING AND OUTGO

Total foreign exchange earned: ₹ 2791.09 lacs

Total foreign exchange used: ₹ 2835.35 lacs

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 31st March 2015, 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 at 31st March 2015 and of the loss of the Company for that period;
- III. The directors had taken proper and sufficient care for the

maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, 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.

REPORT ON THE PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company has 3 (three) 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 is no performance to reflect during the year. Apart from these, the Company do not have any associate companies and joint venture companies.

ACKNOWLEDGEMENT

The Board of Directors wishes to place on record its appreciation for the commitment, dedication and hard work done by the employees of 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.

HARI KRISHAN AHUJA
(DIN: 00315876)
Non-Executive Director
 147, Jor Bagh,
 New Delhi – 110003

ISHWAR DAS CHUGH
(DIN: 00073257)
Whole Time Director
 I-73, Narain Vihar,
 New Delhi – 110028



Date : 7th September, 2015
 Place : Delhi

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015
[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 -131001 (Haryana) India.

I 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 me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March 2015 ('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 :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March 2015** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (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;
- (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;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not Applicable to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock

Purchase Scheme) Guidelines, 1999 (**Not Applicable to the Company during the Audit Period**);

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the Audit Period**);
 - (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 to the Company during the Audit Period**); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable to the Company during the Audit Period**);
- (VI) and other applicable laws like Factories Act, 1948, The Payment of Gratuity Act, 1972.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (**Not applicable to the Company during audit period**).
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange (**BSE**), National Stock Exchange (**NSE**) and Delhi Stock Exchange (**DSE**).

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 :-**

Observation No.1 Non-compliance of Revised Clause-49 (IV), 49 (VI) of Listing agreement and section 178(1) of Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, regarding constitution of Nomination and Remuneration Committee and Risk Management Committee.

Company's Response: Now the Company has complied with aforementioned provisions of listing agreement. The Company has constituted Nomination and Remuneration Committee and Risk Management Committee in the board meeting held on 5th March 2015.

Observation No.2 Non-Compliance of Clause-41 of Listing Agreement regarding delayed submission of financial result for the year ended 31st March, 2014, the quarter ended 30th September, 2014 and the quarter ended 31st December, 2014. Company has also received notices of penalty in this regard from the Stock Exchanges (NSE/BSE) .

Company's Response: The Audited financial results for the year ended 31st March, 2014 & other unaudited quarterly results were not compiled timely due to ostensible reason that there was system error in Malanpur Unit which led to some operational difficulties in the reconciliation of financial results of all three units of the Company viz. Sonepat, Sahibabad and Malanpur and audit thereof.

Observation No.3 Non-compliance of section 74 of

Companies Act, 2013 and Rule 20 of Companies (Acceptance of Deposit) Rules, 2014 regarding filling a Statement regarding deposits existing as on the date of commencement of the Act in form DPT-4 and Repayment of deposits outstanding as on 31st March, 2014 till the end of the financial year. However, the Company is repaying its fixed deposits as and when they are becoming due.

Company's Response: *Due to financial constraints because of heavy losses incurred by the company in the last year as well as in the current year, company is repaying fixed deposits as and when they are becoming due for repayment as per their scheme of fixed deposits.*

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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.

All decision at Board Meeting and Committee are carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

Company Secretaries

Mukesh Arora

F.C.S No. 4819

C.P No. 4405

New Delhi, 03rd September, 2015

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

The Members

ATLAS CYCLES (HARYANA) LIMITED

Atlas Road, Industrial Area

Sonepat -131001 (Haryana) India.

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. I 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. I believe that the process and practices, we followed provide a reasonable basis for our opinion
3. I have not verified that correctness and appropriateness of financial records and books of Accounts of the company
4. Where ever required, I 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.

Signature:

Date: 3rd September, 2015

Place: New Delhi

(Mukesh Arora)

Practicing Company Secretary

Member ship No. 4819

Certificate of Practice No. 4405

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2015
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

| | | |
|----|--|--|
| 1. | CIN | L35923HR1950PLC001614 |
| 2. | Registration Date | 31st march,1950 |
| 3. | Name of the Company | Atlas cycles (Haryana) limited |
| 4. | Category/Sub-category of the Company | Public company /limited by shares |
| 5. | Address of the Registered office & contact details | Atlas road industrial area Sonapat –131001 (haryana) |
| 6. | Whether listed or Unlisted | Listed |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | MAS SERVICES LIMITED T-34, 2nd floor, okhla industrialArea, phase-2, New Delhi-110020 Tel: (011) 26387281, 82, 83 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|---|---------------------------------|------------------------------------|
| 1 | Manufacturers Of Bicycles and parts and accessories | 3761 & 3768 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S. No. | Name and address of the company | CIN/GLN | Holding/Subsidiary/ Associate | % of shares held | Applicable Section |
|--------|----------------------------------|-----------------------|-------------------------------|------------------|--------------------|
| 1 | Atlas Cycles (Malanpur) Limited | U35929HR1999PLC034259 | SUBSIDIARY | 100% | 2(87) |
| 2 | Atlas Cycles (Sahibabad) Limited | U35929HR1999PLC034260 | SUBSIDIARY | 100% | 2(87) |
| 3 | Atlas Cycles Sonapat Limited | U35929HR1999PLC034261 | SUBSIDIARY | 100% | 2(87) |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2014] | | | | No. of Shares held at the end of the year [As on 31-March-2015] | | | | % Change during the year |
|---|---|---------------|----------------|-------------------|---|---------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 771110 | 62639 | 833749 | 25.64 | 771310 | 62639 | 833949 | 25.65 | 0.01 |
| b) Central Govt | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) State Govt(s) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) Bodies Corp. | 33532 | 587084 | 620616 | 19.08 | 33532 | 587084 | 620616 | 19.08 | Nil |
| e) Banks / FI | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| f) Any other | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Total shareholding of Promoter (A) | 804642 | 649723 | 1454365 | 44.72 | 804842 | 649723 | 1454565 | 44.73 | 0.01 |

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2014] | | | | No. of Shares held at the end of the year [As on 31-March-2015] | | | | % Change during the year |
|--|---|---------------|----------------|-------------------|---|---------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | Nil | 953 | 953 | 0.03 | Nil | 953 | 953 | 0.03 | Nil |
| b) Banks / FI | 6117 | Nil | 6117 | 0.19 | 3896 | Nil | 3896 | 0.12 | 0.07 |
| c) Central Govt | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) State Govt(s) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| e) Venture Capital Funds | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| f) Insurance Companies | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| g) FIs | 9147 | Nil | 9147 | 0.28 | 9147 | Nil | 9147 | 0.28 | Nil |
| h) Foreign Venture Capital Funds | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| i) Others (specify) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-total (B)(1):- | 15264 | 953 | 16217 | 0.50 | 13043 | 953 | 13996 | 0.43 | 0.07 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies corp. | | | | | | | | | |
| i) Indian | 223418 | 5373 | 228791 | 7.04 | 198579 | 5373 | 203952 | 6.27 | 0.77 |
| ii) Overseas | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital up to Rs. 1 lakh | 986778 | 209930 | 1196708 | 36.80 | 1074877 | 200131 | 1275008 | 39.21 | 2.41 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 301624 | 23770 | 325394 | 10.01 | 219864 | 23770 | 243634 | 7.49 | 2.52 |
| c) Others (specify) | | | | | | | | | |
| Non Resident Indians | 7093 | 297 | 7390 | 0.23 | 6445 | 297 | 6742 | 0.21 | 0.02 |
| Overseas Corporate Bodies | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Foreign Nationals | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Clearing Members | 23054 | Nil | 23054 | 0.71 | 54021 | Nil | 54021 | 1.66 | 0.95 |
| Trusts | Nil | Nil | Nil | Nil | 1 | Nil | 1 | 0.00 | 0.00 |
| Foreign Bodies - D R | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-total (B)(2):- | 1541967 | 239370 | 1781337 | 54.78 | 1553787 | 229571 | 1783358 | 54.84 | 0.06 |
| Total Public Shareholding (B)= (B)(1)+ (B)(2) | 1557231 | 240323 | 1797554 | 55.28 | 1566830 | 230524 | 1797354 | 55.27 | 0.01 |
| C. Shares held by Custodian for GDRs & ADRs | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Grand Total (A+B+C) | 2361873 | 890046 | 3251919 | 100.00 | 2371672 | 880247 | 3251919 | 100 | Nil |

B) Shareholding of Promoter-

| S. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of the year | | | % change in share holding during the year |
|--------|----------------------|---|----------------------------------|---|--------------------------------------|----------------------------------|---|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | |
| 1 | Sanjay Kapur | 12,000 | 0.37 | 0.00 | 12,000 | 0.37 | 0.00 | 0.00 |
| 2 | Sanjay Kapur | 94,599 | 2.91 | 0.00 | 94,599 | 2.91 | 0.00 | 0.00 |
| 3 | Sanjay Kapur | 18,339 | 0.56 | 0.00 | 18,339 | 0.56 | 0.00 | 0.00 |
| 4 | Vikram Kapur | 45,534 | 1.40 | 0.00 | 45,534 | 1.40 | 0.00 | 0.00 |
| 5 | Vikram Kapur(HUF) | 20,660 | 0.64 | 0.00 | 20,660 | 0.64 | 0.00 | 0.00 |
| 6 | Gautam Kapur | 5,076 | 0.16 | 0.00 | 5,076 | 0.16 | 0.00 | 0.00 |
| 7 | Gautam Kapur | 28,674 | 0.88 | 0.00 | 28,674 | 0.88 | 0.00 | 0.00 |
| 8 | Gautam Kapur | 95,654 | 2.94 | 0.00 | 95,754 | 2.94 | 0.00 | 0.00 |
| 9 | Girish Kapur | 29,452 | 0.91 | 0.00 | 29,452 | 0.91 | 0.00 | 0.00 |
| 10 | Girish Kapur | 5,013 | 0.15 | 0.00 | 5,013 | 0.15 | 0.00 | 0.00 |
| 11 | Girish Kapur | 76,019 | 2.34 | 0.00 | 76,119 | 2.34 | 0.00 | 0.00 |
| 12 | Girish Kapur | 18,465 | 0.57 | 0.00 | 18,465 | 0.57 | 0.00 | 0.00 |
| 13 | Rajiv Kapur | 43,145 | 1.33 | 0.00 | 43,145 | 1.33 | 0.00 | 0.00 |
| 14 | RajivKapur(HUF) | 47,219 | 1.45 | 0.00 | 47,219 | 1.45 | 0.00 | 0.00 |
| 15 | Jai Dev Kapur | 17,442 | 0.54 | 0.00 | 17,442 | 0.54 | 0.00 | 0.00 |
| 16 | Salil Kapur | 266 | 0.01 | 0.00 | 266 | 0.01 | 0.00 | 0.00 |
| 17 | Arun Kapur | 27,676 | 0.85 | 0.00 | 27,676 | 0.85 | 0.00 | 0.00 |
| 18 | Arun Kapur | 6,509 | 0.20 | 0.00 | 6,509 | 0.20 | 0.00 | 0.00 |
| 19 | Arun Kapur | 2,044 | 0.06 | 0.00 | 2,044 | 0.06 | 0.00 | 0.00 |
| 20 | Arun Kapur | 2,073 | 0.06 | 0.00 | 2,073 | 0.06 | 0.00 | 0.00 |
| 21 | Arun Kapur | 974 | 0.03 | 0.00 | 974 | 0.03 | 0.00 | 0.00 |
| 22 | Neely Kapur | 162 | 0.00 | 0.00 | 162 | 0.00 | 0.00 | 0.00 |
| 23 | Angad Kapur | 25,900 | 0.80 | 0.00 | 25,900 | 0.80 | 0.00 | 0.00 |
| 24 | Meera Kapur | 11,823 | 0.36 | 0.00 | 11,823 | 0.36 | 0.00 | 0.00 |
| 25 | Bimla Kapur | 6,458 | 0.20 | 0.00 | 6,458 | 0.20 | 0.00 | 0.00 |
| 26 | Bimla Kapur | 3,000 | 0.09 | 0.00 | 3,000 | 0.09 | 0.00 | 0.00 |
| 27 | Bimla Kapur | 2,643 | 0.08 | 0.00 | 2,643 | 0.08 | 0.00 | 0.00 |
| 28 | Bimla Kapur | 3,594 | 0.11 | 0.00 | 3,594 | 0.11 | 0.00 | 0.00 |
| 29 | B.D. Kapur (HUF) | 18,119 | 0.56 | 0.00 | 18,119 | 0.56 | 0.00 | 0.00 |
| 30 | Achla Bawa | 950 | 0.03 | 0.00 | 950 | 0.03 | 0.00 | 0.00 |
| 31 | Rahul Kapur | 653 | 0.02 | 0.00 | 653 | 0.02 | 0.00 | 0.00 |
| 32 | Rahul Kapur | 12,175 | 0.37 | 0.00 | 12,175 | 0.37 | 0.00 | 0.00 |
| 33 | Rishav Kapur | 12,175 | 0.37 | 0.00 | 12,175 | 0.37 | 0.00 | 0.00 |
| 34 | Rishav Kapur | 654 | 0.02 | 0.00 | 654 | 0.02 | 0.00 | 0.00 |
| 35 | Radhika Girish Kapur | 11,288 | 0.35 | 0.00 | 11,288 | 0.35 | 0.00 | 0.00 |
| 36 | Bindu Kapur | 12,131 | 0.37 | 0.00 | 12,131 | 0.37 | 0.00 | 0.00 |
| 37 | Abhinav Kapur | 24,350 | 0.75 | 0.00 | 24,350 | 0.75 | 0.00 | 0.00 |
| 38 | Malti P Mehra | 1 | 0.00 | 0.00 | 1 | 0.00 | 0.00 | 0.00 |

| S. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of the year | | | % change in share holding during the year |
|--------|------------------------------------|---|----------------------------------|---|--------------------------------------|----------------------------------|---|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | |
| 39 | Sita Singh | 2,668 | 0.08 | 0.00 | 2,668 | 0.08 | 0.00 | 0.00 |
| 40 | Ashwin Kapur | 13,099 | 0.40 | 0.00 | 13,099 | 0.40 | 0.00 | 0.00 |
| 41 | Prashant Kapur | 13,099 | 0.40 | 0.00 | 13,099 | 0.40 | 0.00 | 0.00 |
| 42 | Sakshi Kapur | 7,635 | 0.23 | 0.00 | 7,635 | 0.23 | 0.00 | 0.00 |
| 43 | Siddhant Kapur | 26,198 | 0.81 | 0.00 | 26,198 | 0.81 | 0.00 | 0.00 |
| 44 | Renu Aggarwal | 1 | 0.00 | 0.00 | 1 | 0.00 | 0.00 | 0.00 |
| 45 | Shri Jagdish Kapur(HUF) | 17,224 | 0.53 | 0.00 | 17,224 | 0.53 | 0.00 | 0.00 |
| 46 | Madhvi Malhotra | 10,916 | 0.34 | 0.00 | 10,916 | 0.34 | 0.00 | 0.00 |
| 47 | Milton cycles Industries Pvt. Ltd. | 3,25,846 | 10.02 | 0.00 | 3,25,846 | 10.02 | 0.00 | 0.00 |
| 48 | Limrose Engg. Works Pvt. Ltd. | 2,57,650 | 7.92 | 0.00 | 2,57,650 | 7.92 | 0.00 | 0.00 |
| 49 | Corona RimMfg. Co. Ltd | 3,588 | 0.11 | 0.00 | 3,588 | 0.11 | 0.00 | 0.00 |
| 50 | Jankidas & Sons Pvt. Ltd | 33,532 | 1.03 | 0.00 | 33,532 | 1.03 | 0.00 | 0.00 |
| | TOTAL | 14,54,365 | 44.72 | 0.00 | 14,54,565 | 44.72 | 0.00 | 0.00 |

C) Change in Promoters' Shareholding (please specify, if there is no change)

| S. No. | Name | Shareholding | | Date | Increase/ in (Decrease) Shareholding | Reason | Cumulative Shareholding During the Year (01-Apr-14) to (31-Mar-15) | |
|--------|--------------|--|----------------------------------|------------------|--------------------------------------|----------|--|----------------------------------|
| | | No. of shares at the beginning (01-Apr-14) | % of total shares of the company | | | | No. of shares | % of total shares of the company |
| 1. | Gautam Kapur | 95,654 | 2.94 | 01-Apr-14 | 100 | Transfer | 95,754 | 2.94 |
| | | | | 18-Mar-15 | | | | |
| | | 95,754 | 2.94 | 31-Mar-15 | | | 95,754 | 2.94 |
| 2. | Girish Kapur | 76,019 | 2.34 | 01-Apr-14 | 100 | Transfer | 76,119 | 2.34 |
| | | | | 18-Mar-15 | | | | |
| | | 76,119 | 2.34 | 31-Mar-15 | | | 76,119 | 2.34 |

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

| S. No. | Name | Shareholding | | Date | Increase/ in (Decrease) Shareholding | Reason | Cumulative Shareholding During the Year (01-Apr-14) to (31-Mar-15) | |
|--------|-------------------------------|--|----------------------------------|-----------|--------------------------------------|--------------|--|----------------------------------|
| | | No. of shares at the beginning (01-Apr-14) | % of total shares of the company | | | | No. of shares | % of total shares of the company |
| 1 | Meera Harshad kumar Tanna | 22,766 | 0.70 | 01-Apr-14 | | Nil movement | 22,766 | 0.70 |
| | | 22,766 | 0.70 | 31-Mar-15 | | | 22,766 | 0.70 |
| 2. | Harshad Kumar Prabhudas Tanna | 31,905 | 0.98 | 01-Apr-14 | | Nil movement | 31,905 | 0.98 |
| | | 31,905 | 0.98 | 31-Mar-15 | | | 31,905 | 0.98 |

| S. No. | Name | Shareholding | | Date | Increase/ in (Decrease) Shareholding | Reason | Cumulative Shareholding During the Year (01-Apr-14) to (31-Mar-15) | |
|--------|-----------------------------------|--|----------------------------------|-----------|--------------------------------------|----------------|--|----------------------------------|
| | | No. of shares at the beginning (01-Apr-14) end of the year (31-Mar-15) | % of total shares of the company | | | | No. of shares | % of total shares of the company |
| 3. | My Money Capital Services Pvt.Ltd | 17,558 | 0.54 | 01-Apr-14 | (13,732) | Transfer | 17,558 | 0.54 |
| | | | | 08-Aug-14 | | | 3,826 | 0.12 |
| | | | | 31-Mar-15 | | | 3,826 | 0.12 |
| 4. | Dipak KanayalalShah | 33,500 | 1.03 | 01-Apr-14 | (33,500) | Transfer | 33,500 | 1.03 |
| | | | | 12-Dec-14 | | | 0 | 0.00 |
| | | | | 31-Mar-15 | | | 0 | 0.00 |
| 5. | Rahul Dhruv | 36,000 | 1.07 | 01-Apr-14 | 4,500 | Transfer | 33,500 | 1.03 |
| | | | | 31-Oct-14 | | | 40,500 | 1.25 |
| | | | | 31-Mar-15 | | | 40,500 | 1.25 |
| 6. | Ramesh Chand | 17,000 | 0.52 | 01-Apr-14 | (1,000) | Transfer | 17,000 | 0.52 |
| | | | | 12-May-14 | | | 16,000 | 0.49 |
| | | | | 30-Dec-14 | | | 27,000 | 0.83 |
| | | | | 20-Mar-15 | | | 25,000 | 0.77 |
| | | | | 31-Mar-15 | | | 25,000 | 0.77 |
| 7. | My Money SecurityLtd. | 54,000 | 1.67 | 01-Apr-14 | 10,099 | Transfer | 54,000 | 1.67 |
| | | | | 31-Mar-15 | | | 64,099 | 1.97 |
| 8. | Ramnath Ramdittamal Mukhija | 24,189 | 0.74 | 01-Apr-14 | | Nil move- ment | 24,189 | 0.74 |
| | | | | 31-Mar-15 | | | 24,189 | 0.74 |
| 9. | Hafeez Sorab Contractor | 39,160 | 1.22 | 01-Apr-14 | (39,160) | Transfer | 39,160 | 1.22 |
| | | | | 30-Jan-15 | | | 0 | 0.00 |
| | | | | 31-Mar-15 | | | 0 | 0.00 |
| 10. | Niramal M Bang | 36,502 | 1.12 | 01-Apr-14 | (36,502) | Transfer | (36,502) | 1.12 |
| | | | | 16-May-14 | | | 0 | 0.00 |
| | | | | 31-Mar-15 | | | 0 | 0.00 |

E) Shareholding of Directors and Key Managerial Personnel:

| S. No. | Name | Shareholding | | Date | Increase/ in (Decrease) Shareholding | Reason | Cumulative Shareholding During the Year (01-Apr-14) to (31-Mar-15) | |
|----------|---------------------------|--|----------------------------------|-----------|--------------------------------------|--------------|--|----------------------------------|
| | | No. of shares at the beginning (01-Apr-14) end of the year (31-Mar-15) | % of total shares of the company | | | | No. of shares | % of total shares of the company |
| A | DIRECTOR | | | | | | | |
| 1 | Mr.Hari krishan Ahuja | 200 | 0.01 | 1-Apr-14 | (200) | Transfer | 0 | |
| | | | | 18-Mar-15 | | | 0 | 0.00 |
| | | 0 | 0.000 | 31-Mar-15 | | | 0 | 0.00 |
| 2 | Mr. Hira Lal Bhatia | 0 | 0.00 | 1-Apr-14 | 0 | Nil Movement | 0 | 0.00 |
| | | | | 31-Mar-15 | | | 0 | 0.00 |
| 3 | Mr. Vikram Khosla | 0 | 0.00 | 1-Apr-14 | 0 | Nil Movement | 0 | 0.00 |
| | | | | 31-Mar-15 | | | 0 | 0.00 |
| 4 | Mr. Kartik Roop Rai. | 0 | 0.00 | 1-Apr-14 | 0 | Nil Movement | 0 | 0.00 |
| | | | | 31-Mar-15 | | | 0 | 0.00 |
| 5 | Mr. Sanjiv Kavaljit Singh | 0 | 0.00 | 1-Apr-14 | 0 | Nil Movement | 0 | 0.00 |
| | | | | 31-Mar-15 | | | 0 | 0.00 |

| S. No. | Name | Shareholding | | Date | Increase/ in (Decrease) Shareholding | Reason | Cumulative Shareholding During the Year (01-Apr-14) to (31-Mar-15) | |
|----------|---|--|----------------------------------|-----------------------|--------------------------------------|-----------------|--|----------------------------------|
| | | No. of shares at the beginning (01-Apr-14) | % of total shares of the company | | | | No. of shares | % of total shares of the company |
| 6 | Mr. Surinder Mohan Mehra** | 400 400 | 0.01 0.01 | 1-Apr-14 31-Mar-15 | 0 | Nil Movement | 400 400 | 0.01 0.01 |
| 7 | Mrs. Veena Buber** | 0 0 | 0.00 0.00 | 1-Apr-14 31-Mar-15 | 0 | Nil Movement | 0 0 | 0.00 0.00 |
| B | Key Managerial Personnel | | | | | | | |
| 1 | Mr. I.D Chugh (Whole time Director) | 60 60 | 0.00 0.00 | 1-Apr-14 31-Mar-15 | 0 | Nil Movement | 0 0 | 0.00 0.00 |
| 2 | Mr. Chander Mohan Dhall (Manager) | 0 0 | 0.00 0.00 | 1-Apr-14 31-Mar-15 | 0 | Nil Movement | 0 0 | 0.00 0.00 |
| 3 | Mr. Jaspreet Singh (Company Secretary) | 0 0 | 0.00 0.00 | 1-Apr-14 31-Mar-15 | 0 | Nil Movement | 0 0 | 0.00 0.00 |

** Mr.Surinder Mohan Mehra Resigned as on 13th Aug-2014 and Mrs Veena Buber was appointed as on 26th March,2015 via resolution by circulation and her appointment was ratified in Board Meeting held on 29th April 2015.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| S. No. | Particulars of Remuneration | Whole Time Director (I.D Chugh) | Manager (C.M Dhall) | Total Amount |
|--------|---|---------------------------------|---------------------|------------------|
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 12,47,692 | 11,66,352 | 24,14,044 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0 | 3,34,800 | 3,34,800 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | 0 | 0 | 0 |
| 2 | Stock Option | 0 | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 | 0 |
| 4 | Commission | | | |
| | • as % of profit | 0 | 0 | 0 |
| | • others, specify | 0 | 0 | 0 |
| 5 | Others | 35,000* | 0 | 35,000 |
| | Total (A) | 12,82,692 | 15,01,152 | 24,49,044 |

* Conveyance for attending the Board Meetings and Committee Meetings.

B. Remuneration to other directors

| S. No. | Particulars of Remuneration | Name of Directors | | | | | | | Total Amount (in Rs) |
|--------|--|-----------------------|--------------------|------------------|----------------------|---------------------------|---------------------------|-------------------|-------------------------|
| | | Mr.Hari Krishan Ahuja | Mr. HiraLal Bhatia | Mr.Vikram Khosla | Mr. Kartik Roop Rai. | Mr. Sanjiv Kavaljit Singh | Mr.Surinder Mohan Mehra** | Mrs.Veena Buber** | |
| 1 | Independent Directors | | | | | | | | |
| | Fee for attending board meetings (in Rs) | | | 75,000 | 81,000 | 52,000 | 0 | N.A. | 2,08,000 |
| | Commission | N.A | | 0 | 0 | 0 | 0 | | 0 |
| | Others, please specify* | | | 25,000 | 26,000 | 17,500 | 0 | | 68,500 |
| | Total (1) | | | 1,00,000 | 1,07,000 | 69,500 | | | 2,76,500 |
| 2 | Other Non-Executive Directors | | | | | | | | |
| | Fee for attending board meetings (in Rs) | 36,000 | 1,05,000 | N.A. | | | | 0 | 1,41,000 |
| | Commission | 0 | 0 | | | | | 0 | |
| | Others, please specify** | 12,000 | 35,000 | | | | | 0 | 47,000 |
| | Total (2) | 48,000 | 1,40,000 | | | | | | 1,88,000 |
| | Total (B)=(1+2) (in Rs) | 48,000 | 1,40,000 | 1,00,000 | 1,07,000 | 69,500 | 0 | 0 | 4,64,500 |

*Out of pocket expenses for attending the Board Meetings and Committee Meetings

** Mr.Surinder Mohan Mehra Resigned as on 13th Aug-2014 and Mrs Veena Buber appointed as on 26th March,2015

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| S. No. | Particulars of Remuneration | Key Managerial Personnel | | | |
|--------|---|---------------------------|--------------------------|------------------------|------------------------|
| | | CEO/CFO Mr. C.M. Dhall | CS Mr. Jaspreet Singh | CFO Mr.Sunil Khanna | CFO Mr. Ganesh Iyer |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 8,04,936 | 6,57,522 | 10,46,072 | 10,29,276 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0 | 0 | 0 | 0 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | 0 | 0 | 0 | 0 |
| 2 | Stock Option | 0 | 0 | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 | 0 | 0 |
| 4 | Commission | 0 | 0 | 0 | 0 |
| | - as % of profit | 0 | 0 | 0 | 0 |
| | others, specify... | 0 | 0 | 0 | 0 |
| 5 | Others, please specify | 0 | 0 | 0 | 0 |
| | Total | 8,04,936 | 6,57,522 | 10,46,072 | 10,29,276 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment / Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|--|------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | NIL | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | NIL | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | NIL | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

CORPORATE GOVERNANCE REPORT 2014-2015

CIN:L35923HR1950PLC001614

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:

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

In accordance with clause 49 of the Listing Agreement with National Stock Exchange of India Limited, BSE Limited and Delhi Stock Exchange Limited and the best practices followed internationally on Corporate Governance, the details of governance systems and processes are as under:

| Name of Director | Designation | Category of Directorship | Shareholding in the company | No. of other Director ships # | No. of Committee Memberships Member | Chairman |
|--|---------------------|--------------------------|-----------------------------|-------------------------------|-------------------------------------|----------|
| Mr. Hari Krishan Ahuja (DIN: 00315876) | Director | Non Executive | NIL | 3 | 1 | NIL |
| Mr. Hira Lal Bhatia (DIN: 00159258) | Director | Non Executive | NIL | 3 | 2 | 2 |
| Mr. I. D. Chugh (DIN: 00073257) | Whole Time Director | Executive | 60 | 4 | 2 | NIL |
| Mr. Vikram Khosla (DIN: 01574818) | Director | Independent | NIL | NIL | NIL | NIL |
| Mr. Kartik Roop Rai (DIN: 06789287) | Director | Independent | NIL | NIL | 1 | 1 |
| Mr. Sanjiv Kavaljit Singh (DIN: 00015689) | Director | Independent | NIL | NIL | 1 | 1 |
| Ms. Veena Buber* | Additional Director | Non Executive | NIL | NIL | NIL | NIL |

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 Directors. The Board as on date is comprised of one Executive director, three non Executive Directors and three Independent directors.

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:

Excluding private limited companies and foreign companies.
Membership / Chairmanship of following Committees are considered : Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee.

* Woman Non Executive Director was appointed as Additional Director as on 26th March, 2015 through Resolution by circulation whose appointment was ratified in the Board Meeting held on 29th April, 2015.

The ratio between Executive and Non-Executive Directors and Independent Directors is 1:3:3.

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.

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.

As the Secretarial Standards relating to Board Meetings and General Meetings became applicable to the Company with effect from 1st July, 2015, the Company started 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 Annexure I A to the Clause 49 of the Listing Agreement 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. Senior Management is invited to attend the Board Meeting so as to provide additional inputs to the items being discussed by the Board.

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 2014-15 is given below:

| Name of the Directors | Attendance of Meeting during 2014-15 | |
|---|--------------------------------------|----------|
| | Board Meetings | Last AGM |
| Mr. Hari Krishan Ahuja (DIN: 00315876) | 4 | No |
| Mr. Hira Lal Bhatia (DIN: 00159258) | 10 | Yes |

| Name of the Directors | Attendance of Meeting during 2014-15 | |
|---|--------------------------------------|----------|
| | Board Meetings | Last AGM |
| Mr. I. D. Chugh (DIN: 00073257) | 10 | Yes |
| Mr. Sanjiv Kavaljit Singh (DIN: 000 15689) | 7 | Yes |
| Mr. Vikram Khosla (DIN: 01574818) | 10 | Yes |
| Mr. Kartik Roop Rai (DIN: 06789287) | 10 | Yes |
| Ms. Veena Buber (DIN: 07163537) | NIL | No |
| Mr. Surender Mohan Mehra (DIN: 06789189) | NIL | No |

Number of Board Meetings held and the dates on which held

Ten Board Meetings were held during the financial year 2014-15. The Company has held at least one Board Meeting in every three months and the maximum time gap between any two such meetings was not more than four months.

The details of the Board Meetings are as under:

| Date | Board Strength | No. of Directors present |
|--------------------|----------------|--------------------------|
| May 29, 2014 | 6 | 5 |
| August 13, 2014 | 6 | 4 |
| September 3, 2014 | 6 | 4 |
| September 30, 2014 | 6 | 5 |
| October 5, 2014 | 6 | 5 |
| November 10, 2014 | 6 | 6 |
| November 19, 2014 | 6 | 6 |
| January 19, 2015 | 6 | 5 |
| February 12, 2015 | 6 | 5 |
| March 5, 2015 | 6 | 6 |

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 duly initialed by the Chairman of the meeting are being circulated to the members for their comments and thereafter, confirmed by the Board/Committee in its next meeting. The Board also takes note of the minutes of the Committee Meetings duly approved by their respective Chairman.

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:

- Annual operating plans and budgets and any updates thereon.
- Capital budgets and updates, if any.
- Quarterly results of the Company and its operating divisions or business segments.
- Minutes of meetings of Audit Committee and other committees of the Board.
- Legal compliance report and certificate
- Information on recruitment, resignation and remuneration of senior officers.
- Show cause, demand, prosecution notices and penalty notices issued, if any against the Company having material impact.
- Fatal or serious accidents, dangerous occurrences, material effluent or pollution problems, if any.
- Any material default in financial obligations to or by the Company, or substantial non-recoveries against sale, if any.
- 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.
- Details of any joint venture or collaboration agreement, if any.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property, if any.
- 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.
- Sale of material, nature of investment, subsidiaries, assets, which is not in normal course of business, if any.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- 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 Clause 49 of the Listing Agreement. The Meeting of Independent Directors was held on 13th August, 2015 in which majority of Independent Directors were present.

The Independent Directors in the Meeting, 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 Clause 49 of the Listing Agreement entered with the Stock Exchanges viz. National Stock Exchange India Limited, BSE Limited and Delhi Stock Exchange Limited. This is available on the website of the Company www.AtlasBicycles.com. The familiarisation 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 and to facilitate them to understand their roles, responsibilities, powers, duties etc.

5. CODE OF CONDUCT

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.

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 Chief Executive Officer forms part of the Annual Report of the Company.

6. WHISTLE BLOWER POLICY

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.

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.

7. 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 Clause 49 of the Listing Agreement as well as in Section 177 of the Companies Act, 2013 and inter-alia includes:

- a. 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;

- b. 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;
- c. reviewing, with the management, the annual financial statement before submission to the Board for approval,
- d. reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- e. reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- f. discussion with internal auditors any significant findings and follow up thereon;
- g. 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 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, 2015.

Composition

The Audit Committee comprised of three Directors and all the directors were Non-Executive till 4th March 2015, from 5th March, 2015 onwards the Audit Committee comprises of three Directors one of them is Non Executive Director and remaining two are Independent Directors of the Company. The Composition of Audit Committee is changed in accordance with the provisions of Clause 49(III)(A) of the Listing Agreement 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.

The constitution of Audit Committee as on 31st March, 2015 comprised of 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 |

Meetings and attendance

The Audit committee held five meetings during the financial year ended March 31, 2015 and the gap between two meetings did not exceed four months. The Audit Committee Meetings were held on 29.05.2014, 13.08.2014, 03.09.2014, 10.11.2014 and 12.02.2015.

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. Hari Krishan Ahuja (DIN: 00315876) | 5 | 2 | 3 |
| Mr. Ishwar Das Chugh (DIN: 00073257) | 5 | 5 | NIL |
| Mr. Hira Lal Bhatia (DIN: 00159258) | 5 | 5 | NIL |

8. 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 Clause 49 under the Listing Agreement. The Committee was formed as on 5th of March, 2015. The Objectives of the Committee is to:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

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.

A. Whole Time Director

- Salary and commission within the limits prescribed under the Companies Act, 2013.
- Annual increments depending upon individual's performance.
- No sitting fees.

B. Non-Executive Directors

- Sitting fees and out of pocket expenses for attending meetings. The remuneration payable to Whole Time Director was decided by the Board of Directors while renewing his appointment for five years from 31.03.2013 shareholders' approval was obtained at the Annual General Meeting held on 30.09.2013.

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

Details of remuneration paid during 2014-2015.

A. Whole Time Director

| Name | Shri I.D. Chugh |
|-----------------------------|-----------------|
| Salary | 736,440 |
| Long Service Allowance | 2430 |
| House Rent Allowance | 145,620 |
| Other Allowance | 159,040 |
| Super Annuation | 103,320 |
| Provident Fund Contribution | 90803 |
| Leave Travel Assistance | 63570 |
| Medical Expenses | 37,272 |
| Total | 1338495 |

Plus Conveyance for attending the Board Meetings and Committee Meetings is ₹ 35,000.

B. Non-Executive Directors

Remuneration by way of sitting fees and out of pocket expenses for attending the meetings of the Board and Committees.

| Name of Director | Sitting Fee (₹) | Out of Pocket expenses (₹) | Total (₹) |
|--|-----------------|----------------------------|------------|
| Mr. Hari Krishan Ahuja (DIN: 00315876) | 36,000/- | 12,000/- | 48000/- |
| Mr. Hira Lal Bhatia (DIN: 00159258) | 1,05,000/- | 35,000/- | 1,40,000/- |
| Mr. Veena Buber (DIN: 07163537) | 0 | 0 | 0 |

| Name of Director | Sitting Fee (₹) | Out of Pocket expenses (₹) | Total (₹) |
|---|-----------------|----------------------------|------------|
| Mr. Vikram Khosla (DIN: 01574818) | 75,000/- | 25,000/- | 1,00,000/- |
| Mr. Kartik Roop Rai (DIN: 06789287) | 81,000/- | 26,000/- | 1,07,000/- |
| Mr. Sanjiv Kavaljit Singh (DIN: 00015689) | 52,500/- | 17,500/- | 70,000/- |
| Mr. Surinder Mohan Mehra (DIN: 06789189) | | | |

9. STAKEHOLDER'S RELATIONSHIP COMMITTEE

Composition

The Stakeholder's Relationship Committee comprises of Executive and Non-Executive Directors. The composition of Stakeholder's Relationship Committee is as follows:

| Name of Member | Designation | Category |
|--------------------------------------|-------------|------------------------|
| Mr. Hira Lal Bhatia (DIN: 00159258) | Chairman | Non-executive Director |
| Mr. Ishwar Das Chugh (DIN: 00073257) | Member | Executive Director |

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, 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

Five Stakeholders Relationship Committee Meetings were held during the year on 29.05.2014, 13.08.2014, 10.11.2014, 19.01.2015 and 12.02.2015. The attendance of each member as at 31st March, 2015 is as given below:

| Name of Members | No. of meetings held during tenure | No. of meetings attended during tenure | Leave of absence sought |
|--|------------------------------------|--|-------------------------|
| Mr. Ishwar. Das. Chugh (DIN: 00073257) | 5 | 5 | NIL |
| Mr. Hira Lal Bhatia (DIN: 00159258) | 5 | 5 | NIL |

Complaints received and redressed during the year 2014-2015

During the year 14 letters/complaints were received from shareholders / debentureholders all of which were replied / resolved to the full satisfaction of the shareholders.

10. SHARE TRANSFER SUB-COMMITTEE

Shri I.D. Chugh (DIN: 00073257), Whole Time Director of the Company has been delegated the power to approve share transfers.

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

11. RISK MANAGEMENT COMMITTEE

The Risk Management Committee and its Policy formulated in compliance with Clause 49(VI) of the Listing Agreement entered by Company with National Stock Exchange of India Limited, BSE Limited and Delhi Stock Exchange Limited. The Committee was formed on 5th of March, 2015.

Composition

The Committee comprises of one Executive Director and two Non-Executive Directors. The composition of Risk Management Committee is as follows:

| Name of Member | Designation | Category |
|---|--------------------|---------------------------|
| Mr. Hira Lal Bhatia (DIN: 00159258) | Chairman | Non-executive Director |
| Mr. Ishwar Das Chugh (DIN: 00073257) | Member | Whole Time Director |
| Mr. Hari Krishan Ahuja (DIN: 00315876) | Member | Non-Executive Director |

Risk Management Policy

The Risk Management Committee formulated a policy called Risk Management policy for minimizing the risk of the Company. The same is available on website of the Company.

12. 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 Clause 49(VII) of Listing Agreement. 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 Clause 49(VII)(D) of the Listing Agreement accepting those transactions which fall under Section 188 of the Companies Act, 2013, subject to the following conditions:
 - i. transaction is repetitive in nature;
 - ii. the Committee is satisfied of the need of the transaction.
 - 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 foreseen 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.

- iv. Transactions are not ratified by the Board in its next meeting.
- 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 Clause 49 of the Listing Agreement, 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.

13. COMPLIANCE OFFICER

Mr. Jaspreet Singh, Company Secretary act as the Compliance officer of the Company for complying with the requirements of the Listing Agreement with the Stock Exchange and requirements of SEBI (Prohibition of Insider Trading) Regulation, 1992 / 2015.

14. SUBSIDIARY COMPANIES

The Company has three wholly owned Subsidiary Companies viz. Atlas Cycles Sonepat Limited, Atlas Cycles (Sahibabad) Limited and Atlas Cycles (Malanpur) Limited.

The minutes of Board Meetings of Atlas Cycles Sonepat Limited held on 29.05.2014, 13.08.2014, 03.09.2014, 10.11.2014, and 12.02.2015 were placed at the Board Meeting of the holding Company Atlas Cycles (Haryana) Limited for review on 13.08.2014, 10.11.2014, 12.02.2015, and 06.04.2015 respectively.

The minutes of Board Meetings of Atlas Cycles (Sahibabad) Limited held on 29.05.2014, 13.08.2014, 03.09.2014, 10.11.2014, and 12.02.2015 were placed at the Board Meeting of the holding Company Atlas Cycles (Haryana) Limited for review on 13.08.2014, 10.11.2014, 12.02.2015, and 06.04.2015 respectively.

The minutes of Board Meetings of Atlas Cycles (Malanpur) Limited held on 29.05.2014, 13.08.2014, 03.09.2014, 10.11.2014, and 12.02.2015 were placed at the Board Meeting of the holding Company Atlas Cycles (Haryana) Limited for review on 13.08.2014, 10.11.2014, 12.02.2015, and 06.04.2015 respectively.

15. CORPORATE GOVERNANCE MANUAL

The Board of Directors of the Company approved and adopted a comprehensive Corporate Governance Manual setting out the procedures for effective functioning of the Board and its Committees. It also incorporates the Code of Conduct and

Ethics for Directors and Senior Management. 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.

16. LEGAL COMPLIANCE REPORTING

As required under Clause 49 of the Listing agreement, the Board periodically reviews compliance of various laws applicable to the Company.

17. 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 |
|---------|----------------------|----------------------------------|-----------|--------------------------|---|
| 2011-12 | 61 st AGM | 29 th September, 2012 | 4:00 p.m. | Atlas | NIL |
| 2012-13 | 62 nd AGM | 30 th September, 2013 | 4:00 p.m. | Cycles (Haryana) Limited | NIL |
| 2013-14 | 63 rd AGM | 30 th September, 2014 | 4:00 p.m. | Industrial Area, Sonapat | Acceptance of Deposits as per Companies Act, 2013 |

18. POSTAL BALLOT

No special resolution was passed through Postal Ballot during the financial year 2014-2015.

19. EXTRAORDINARY GENERAL MEETING

No Extraordinary General Meeting was held during the financial year 2014-2015.

20. 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 scheduled 9 (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 Listing Agreement entered into with National Stock Exchange of India Limited, BSE Limited and Delhi Stock Exchange Limited as well as the regulations and guidelines of SEBI. During the year, due to ostensible reason that there was system error in Malanpur Unit of the Company which led to some operational difficulties in the reconciliation of financial results of all the three units of the Company viz. Sonapat, Sahibabad and Malanpur and accordingly there were delay in timely submission of Financial Results to the Stock Exchanges for the Quarter ended 30th September 2014, 31st December 2014 and for the Quarter & Year ended 31st March 2014. Apart from this Company also delayed in filing with Annual Report 2014 with Stock exchanges late and conducted its AGM late on 30th December 2015. Accordingly, there were penalties imposed by the National Stock Exchange of India Limited amounting to ₹ 21.62 Lacs and BSE Limited amounting to ₹ 3.56 Lacs. The Company is in the process of considering possibilities of reduction of penalties or any condonation or waiver thereof and will pay the penalties thereafter. 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.

21. 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 Clause 41 of the Listing Agreement.
- The Audited financial results for the year ended 31st March, 2014 & other unaudited quarterly results were not filed with Stock Exchanges or published in newspapers on time due to ostensible reason that there was system error in Malanpur Unit of the Company which led to some operational difficulties in the reconciliation of financial results of all the three units of the Company viz. Sonapat, Sahibabad and Malanpur.
- The approved financial results are sent forthwith to the National Stock Exchange of India Limited, BSE Limited and Delhi Stock Exchange Limited and are published in a National English Newspaper, viz, Financial Express. In addition, the same are published in a local language newspaper, viz., Dainik Tribune, 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.
- No formal presentations or analysis were made to the institutional investors during the year under review.
- Management Discussion and Analysis forms part of the Annual Report, which is posted to the shareholders of the Company.

22. MANAGEMENT DISCUSSION & ANALYSIS REPORT

A detailed review of the progress of the project and the future outlook of the Company and its business, as stipulated under Clause 49 of the Listing Agreement with the National Stock Exchange of India Limited, BSE Limited and Delhi Stock Exchange Limited, is presented in a separate section forming part of this Annual Report.

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 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

24. CEO/CFO CERTIFICATION

The Chief Executive Officer and the Chief Financial Officer(s) have submitted the certificate to the Board as required under Clause 49(IX) of the Listing Agreement.

25. 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 the format given in Clause 49, duly signed by the compliance Officer.

26. GENERAL SHAREHOLDERS INFORMATION

Registered office Industrial Area,
Atlas Road, Sonapat- 131001

Annual General Meeting
Day, Date and Time Wednesday,
30th September, 2015, 4:00 p.m.

Venue Atlas Cycles (Haryana) Limited
Industrial Area, Atlas Road,
Sonapat-131001

Financial Calendar

- Financial reporting for the quarter ending June 30, 2015 : Middle of August, 2015
- Financial reporting for the half year ending September 30, 2015 : Middle of November, 2015
- Financial reporting for the quarter ending December 31, 2015 : Middle of February, 2016
- Financial reporting for the year ending March 31, 2016 : End May, 2016

Book Closure Period

24th September, 2015 to 30th September, 2015 (Both days inclusive)

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

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

Delhi Stock Exchange Limited (DSE)
DSE House, 3/1, Asaf Ali Road,
NEW DELHI – 110002

Listing Fees

Annual Listing Fee for the year 2015-2016 has been paid to National Stock Exchange of India Limited and Bombay Stock Exchange Limited where the equity shares of the Company are listed, in the Month of April, 2015 i.e. within the stipulated time. Listing fees is not paid to Delhi Stock Exchange Limited as it is derecognized by the Securities and Exchange Board of India.

Stock Code

Scrip Code - National Stock Exchange of
India Limited - "ATLASCYCLE"
Bombay Stock Exchange Limited – '505029'
Delhi Stock Exchange Limited – "01174"
ISIN for Equity Shares – INE446A01017

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 Limited (BSE) during the year under review in comparison to NSE and BSE (Sensex) are given hereunder:

| Month | Equity Share Price on NSE and BSE | | | |
|--------------|-----------------------------------|----------|--------------------|----------|
| | Share Price on NSE | | Share Price on BSE | |
| | HIGH ₹ | LOW ₹ | HIGH ₹ | LOW ₹ |
| April, 2014 | 236.10 | 232.90 | 256.70 | 233.10 |
| May, 2014 | 281.95 | 223.00 | 281.15 | 222.25 |
| June, 2014 | 288.20 | 250.00 | 288.60 | 249.10 |
| July, 2014 | 328.65 | 240.35 | 328.45 | 239.40 |
| August, 2014 | 310.90 | 243.75 | 310.70 | 245.05 |
| Sep., 2014 | 324.30 | 256.30 | 324.00 | 257.00 |
| Oct., 2014 | 283.00 | 249.60 | 283.20 | 251.00 |
| Nov., 2014 | 286.50 | 262.10 | 286.80 | 264.45 |
| Dec., 2014 | 278.65 | 221.80 | 279.00 | 222.25 |
| Jan., 2015 | 263.80 | 231.10 | 263.50 | 230.00 |
| Feb., 2015 | 275.70 | 213.40 | 276.40 | 212.40 |
| Mar., 2015 | 246.00 | 194.05 | 245.80 | 193.50 |

Shareholding Pattern by Size

DISTRIBUTION SCHEDULE AS ON 31/03/2015

NOMINAL VALUE OF EACH SHARE - RS. 10/-

| NO OF SH HOLDERS | % TO TOTAL | SHARE HOLDING OF NOMINAL VALUE OF RS | NO OF SHARE | AMOUNT IN RS | % TO TOTAL |
|-----------------------------|------------|--------------------------------------|----------------------|-----------------|------------|
| 9953 | 94.944 | 1 TO 5000 | 709626 | 7096260 | 21.822 |
| 254 | 2.423 | 5001 TO 10000 | 189426 | 1894260 | 5.825 |
| 116 | 1.107 | 10001 TO 20000 | 167036 | 1670360 | 5.137 |
| 53 | 0.506 | 20001 TO 30000 | 131550 | 1315500 | 4.045 |
| 23 | 0.219 | 30001 TO 40000 | 83567 | 835670 | 2.57 |
| 13 | 0.124 | 40001 TO 50000 | 59494 | 594940 | 1.83 |
| 28 | 0.267 | 50001 TO 100000 | 188810 | 1888100 | 5.806 |
| 43 | 0.41 | 100001 AND ABOVE | 1722410 | 17224100 | 52.966 |
| 10483 | 100 | TOTAL | 3251919 | 32519190 | 100 |
| TOTAL SHARE HOLDERS IN NSDL | | 5049 | TOTAL SHARES IN NSDL | | 1875338 |
| TOTAL SHARE HOLDERS IN CDSL | | 2550 | TOTAL SHARES IN CDSL | | 496334 |
| TOTAL SHARE HOLDERS IN PHY | | 2953 | TOTAL SHARES IN PHY | | 880247 |

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

Shares sent for transfer in physical form are processed and transfer is completed by our Registrar and Share Transfer Agents within a period of 15 days from the date of receipt provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. Share Transfer Requests under objection are returned within two weeks.

Shareholders can trade in the Company's share only in electronic form. The process for getting the shares dematerialized is as follows:

- Shareholder submits the share certificates along with Dematerialization request Form (DRF) to Depository Participant (DP).
- DP processes the DRF and generates a unique Dematerialization Request No.
- DP forwards DRF and share certificates to Registrar and Share Transfer Agent (RTA).
- RTA after processing the DRF confirms or rejects the request to Depositories.

- If confirmed by the RTA, Depositories give credit to shareholder in his account maintained with DP.

This process takes approximately 10-15 days from the date of receipt of DRF. As trading in shares of the Company can be done only in electronic form, it is advisable that the shareholders who are holding shares in physical form get their shares dematerialized.

Categories of Equity Shareholders as on March 31, 2015

| Category of Shareholder | No. of shares held | Percentage of shareholding |
|-------------------------------------|--------------------|----------------------------|
| Promoters, Associates and Relatives | 1454565 | 44.73 |
| Mutual Funds/ UTI | 953 | 0.03 |
| Financial Institution | 3896 | 0.12 |
| Foreign Institutional Investors | 9147 | 0.28 |
| Bodies Corporate | 203952 | 6.27 |
| General Public | 1518642 | 46.70 |
| Non-Resident Indian / OCB | 6742 | 0.21 |
| Clearing Member | 54021 | 1.66 |
| Trust | 0 | 0.00 |
| Total | 3251919 | 100.00 |

Dematerialization of shares and liquidity

As on 31.03.2015 of the total equity share, 72.93% were held in dematerialized Form and the balance 27.07% shares 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, Sahibabad, Malanpur, Bawal and Rasoi.

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) Ltd. Fax No. 0130-2200018
Industrial Area, Atlas Road, E-mail: companylaw@atlascyclesonepat.com
Sonapat – 131001 Website: www.atlasbicycles.com

22. COMPLIANCE CERTIFICATE OF THE AUDITORS

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with BSE Limited, National Stock Exchange of India Limited and Delhi Stock Exchange Limited 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.

23. 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, BSE Limited and Delhi Stock Exchange 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.

24. 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. Now the Secretarial Standards relating to the Board Meetings and General Meetings of the Company have become mandatory to comply with with effect from 1st July 2015 and the Company is complying with the same.

HARI KRISHAN AHUJA
(DIN: 00315876)

Non-Executive Director
147, Jor Bagh,
New Delhi – 110003

ISHWAR DAS CHUGH
(DIN: 00073257)

Whole Time Director
I-73, Narain Vihar,
New Delhi – 110028



Date : 7th September 2015
Place : Delhi

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT MEMBERS WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its Directors and Senior Management Members. The Code is available on the Company's website.

I confirm that the Company has in respect of the financial year ended March 31, 2015 received from the Directors and Senior Management Members a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Members means the members of Management Committee.

C.M DHALL
CEO

Place : Delhi

Date : 6th September 2015

CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE TO THE MEMBERS OF

ATLAS CYCLES (HARYANA) LIMITED

CIN: L35923HR1950PLC001614

We have examined the compliance of condition of Corporate Governance by Atlas Cycles (Haryana) Ltd. for the year ended March 31, 2015 as stipulated in clause 49 of the listing agreement(s) of the said company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. 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.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing agreement(s) except that no meeting of Nomination And Remuneration Committee and Risk Management Committee was held during the FY 2014-15.

We state that in respect of investor grievances received during the year ended March 31, 2015 no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the company.

We further state such compliance is neither an assurance as to the further viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **Mehra Khanna & Co.**
Chartered Accountants
FR No:- 001141N

CA. RAJIV BHASIN
(PARTNER)

Mem.No: - 093845

Place : Delhi

Date : 7th September 2015

MANAGEMENT DISCUSSION & ANALYSIS

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 125 Million units. The annual domestic demand of bicycles in India is approximately 10 million units, out of which around 2.5 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.

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 segment are. Hitherto, cycles were simplistically 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.

The demand for these cycles at this stage is very limited but is set to grow at a frenetic pace in future. While the mass-market segment is experiencing a sluggish growth of between 4-6% annually the premium & lifestyle segment is growing at a CAGR of over 30%. The market size for the lifestyle cycles is estimated at not more than 0.25 million units annually but its only time that this segment will form an important part of the industry

M/S Atlas Cycles (Haryana) Limited is a Public Limited Company having presence in bicycles segment with a track record of more than 63 Years, having established brand both in Indian as well as International Market. The company is engaged in manufacturing of bicycles and its components and steel tubes with units at Sonapat, Sahibabad, Malanpur, Bawal and Rasoi.

Apart from rising input costs, cheap Chinese bicycles are also entering in domestic market.

OPPORTUNITY AND THREATS

The areas of strength are promoters having long track record, rich experience and strong financial soundness, 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. Introduction of new models of fancy bicycle and E-bike has been continuously followed and the sale in this segment has gone up significantly. Further Atlas has widened its product range also.

OUT – LOOK

Bicycle Industry is getting more and more competitive and to compete with the world leaders in producing high class bicycles and tapping export market the Indian bicycle industry needs to incorporate the latest Research and Development facilities and pay special attention to design development.

On the whole, the future of the bicycle industry is very challenging. With the globalization, the domestic market is open to goods and services from global companies because of low tariff. Thus the bicycle industry is facing very challenging time.

Protection is a thing of the past. Only those companies will survive which successfully structure and modernize technology to combat global competitiveness in terms of quality, cost and product development.

RISK AND CONCERNS

Small manufacturers in the unorganized sector have set up their units which certainly pose a threat to the organized sector. Cheap import from China supplying cheap and substandard products in the market is also threatening our bicycle industry. Steel Prices are changing on regular basis and there is a wide fluctuation in chemical industry and other metals including Nickels, Brass etc., which are governed by some external forces. Further as it is the product of necessity, it is not easy to increase the price on frequent intervals.

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 achieved a turnover ₹ 594.59 Crores during the year compared to ₹ 650.11 crores 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, including 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.

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 factors.

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 stakeholders.

HARI KRISHAN AHUJA
(DIN: 00315876)
Non-Executive Director
147, Jor Bagh,
New Delhi – 110003

ISHWAR DAS CHUGH
(DIN: 00073257)
Whole Time Director
I-73, Narain Vihar,
New Delhi – 110028



DIRECTORS

Date : 7th September 2015
Place : Delhi

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF,

Atlas Cycles (Haryana) Limited,

Report on the Financial Statements

We have audited the accompanying financial statements of Atlas Cycles (Haryana) Limited ("the company"), which comprise of the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient

and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report 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 appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements— Refer Note XX to the financial statements;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Mehra Khanna & Co
Chartered Accountants
Firm Registration No: 001141N

CA Rajiv Bhasin
Partner

Place: Delhi
Date: 7th September, 2015

Membership No: 093845

ANNEXURE TO INDEPENDENT AUDITORS REPORTS

The Annexure referred to in our Independent Auditors' Report to the Members of the Company on the standalone financial statements for the year ended 31 March, 2015 we report that:

1) **In respect of its Fixed Assets:**

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- (b) The company has a phased program of physical verification of all Fixed Assets, over a period of three years, which in our opinion is reasonable having regard to the size of the Company and the nature of its business; accordingly, the physical verification part of the fixed Assets was carried out by the management during the year and we are informed that no material discrepancies were noticed on such verification.

2) In respect of its inventories :-

- a. Physical verification of inventories other than those held by the third parties have been conducted by the management.
- b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

3) In our opinion the company has not granted any loans secured or unsecured to companies, firm or other parties covered in the register maintained under section 189 of the companies Act, 2013.

4) In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of fixed assets, inventory and for the sale of goods and services. Further on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control system.

5) Company has made contravention of Sec 74 of Companies Act, 2013 and Rule 20 of Companies (Acceptance of Deposits) Rules 2014 regarding filling a Statement regarding deposits existing as on the date of commencement of the Act in form DPT-4 and repayment of deposits outstanding as on 31st March 2014 till the end of the financial year. However, the company is repaying its fixed deposits as and when they are becoming due. According to the information and explanation given to us, no order has been passed against the company by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.

6) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act for any of the services or product by the company.

7) (a) According to the information and explanation given to us, and the records of the company examined by

us, the company is generally not regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income-tax, sale tax, duty of excise, value added tax, cess. However, according to the information and explanation given to us, below mentioned undisputed material amounts payable in respect of statutory dues were in arrears as at 31st March, 2015 for a period more than six months from the date they became payable.

| Name | Amount (INR) |
|--------------|------------------|
| PF | 18,01,532 |
| ESI | 61,472 |
| TDS | 13,09,698 |
| Sales Tax | 21,33,814 |
| Excise | 5,07,791 |
| Service Tax | 4,46,151 |
| Total | 62,60,458 |

However, all the aforesaid amounts are paid before the Balance Sheet date.

- (b) According to the information and explanation given to us, there are no dues of income-tax, sales tax, value added tax, cess and any other statutory dues which have not been deposited on account of any disputes.
- (c) According to the information and explanations given to us, there are no amounts required to be transferred to Investor Education and Protection fund in accordance with the relevant provisions of the companies Act and rules made there under.
- 8) The Company does not have accumulated losses as at the end of 31st March, 2015. The company has made cash loss during the period covered by our audit and also in the immediately preceding financial period.
- 9) Based on our audit procedures and on the information and explanation given by management, company has defaulted in repayment of dues to IDBI and India Factoring.
- 10) According to information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
- 11) The company did not have any term loans outstanding during the year.
- 12) According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

For Mehra Khanna & Co
Chartered Accountants
Firm Registration No: 001141N

CA Rajiv Bhasin
Partner
Membership No:093845

Place: Delhi
Date: 7th September, 2015

Atlas Cycles (Haryana) Limited

Balance Sheet as at 31st March, 2015

(₹ in Lacs)

| DESCRIPTION | Note No. | 31.03.2015 | 31.03.2014 |
|--|----------|-------------------------|-------------------------|
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS FUNDS | | | |
| Share Capital | 2 | 325.19 | 325.19 |
| Reserves and Surplus | 3 | 9,401.60 | 11,296.80 |
| | | <u>9,726.79</u> | <u>11,621.99</u> |
| SHARE APPLICATION MONEY PENDING ALLOTMENT | | | |
| | | - | - |
| NON-CURRENT LIABILITIES | | | |
| Long-term borrowings | 4 | 79.24 | 939.00 |
| Deferred tax liabilities (net) | 5 | - | 364.00 |
| Other Long term liabilities | 6 | 271.88 | 270.45 |
| Long-term provisions | 7 | 82.37 | 73.39 |
| | | <u>433.49</u> | <u>1,646.84</u> |
| CURRENT LIABILITIES | | | |
| Short-term borrowings | 8 | 9,445.27 | 8,296.10 |
| Trade payables | 9 | 9,916.10 | 12,611.65 |
| Other current liabilities | 10 | 3,869.61 | 5,011.62 |
| Short-term provisions | 7 | 2,536.24 | 3,814.18 |
| | | <u>25,767.22</u> | <u>29,733.54</u> |
| TOTAL | | <u><u>35,927.50</u></u> | <u><u>43,002.38</u></u> |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Fixed Assets | 11 | | |
| Tangible assets | | 9,215.81 | 9,037.05 |
| Intangible assets | | - | - |
| Capital work-in-progress | | 428.42 | 439.89 |
| Intangible assets under development | | - | - |
| Non-current investments | 12 | 65.03 | 131.59 |
| Deferred tax assets (net) | 5 | 543.48 | - |
| Long-term loans and advances | 13 | 1,805.71 | 1,696.05 |
| Other non-current assets | 14 | 10.46 | 2.90 |
| | | <u>12,068.91</u> | <u>11,307.48</u> |
| CURRENT ASSETS | | | |
| Current investments | 12 | 1,234.62 | 1,073.36 |
| Inventories | 15 | 4,477.64 | 9,267.73 |
| Trade receivables | 16 | 11,853.85 | 16,237.65 |
| Cash and Bank Balances | 17 | 553.87 | 287.27 |
| Short-term loans and advances | 13 | 5,732.58 | 4,815.25 |
| Other current assets | 18 | 6.02 | 13.64 |
| | | <u>23,858.59</u> | <u>31,694.90</u> |
| TOTAL | | <u><u>35,927.50</u></u> | <u><u>43,002.38</u></u> |

Significant Accounting Policies

1

C.M.Dhall
C.E.O / C.F.O,
(Unit III)

Ganesh Iyer
(Unit I)

S.Khanna
(Unit II)

Notes referred to above form an integral part of the financial statements
This is the Balance Sheet referred to in our report of even date

For **MEHRA KHANNA & CO**
Chartered Accountants
FRN:01141N

CA.RAJIV BHASIN
PARTNER
M.NO:093845

JASPREET SINGH KOHLI
Company Secretary

HARI KRISHAN AHUJA
I.D.CHUGH

} DIRECTORS

Delhi: the 7th September, 2015

Atlas Cycles (Haryana) Limited

Statement of Profit & Loss for the year ended 31st March, 2015

(₹ in Lacs)

| DESCRIPTION | Note No. | 31.03.2015 | 31.03.2014 |
|---|----------|-------------------|-------------------|
| INCOME | | | |
| Revenue from operations (gross) | 19 | 62,671.92 | 68,478.98 |
| Less :- Rebate | | 2,095.11 | 2,220.22 |
| Less :- Excise Duty on sales | | 1,118.18 | 1,247.35 |
| Revenue from operations (net) | | 59,458.63 | 65,011.41 |
| Other Income | 20 | 850.72 | 178.90 |
| TOTAL | | 60,309.35 | 65,190.31 |
| EXPENSES | | | |
| Cost of materials consumed | 21 | 44,744.04 | 48,055.08 |
| Purchases of trading goods | | 524.46 | 351.28 |
| Changes in inventories of finished goods, work in progress and trading goods | 22 | 564.59 | (149.64) |
| Employee benefits expense | 23 | 3,691.88 | 4,021.58 |
| Finance costs | 24 | 1,107.43 | 922.01 |
| Depreciation and amortization expense | 25 | 662.85 | 713.34 |
| Other expenses | 26 | - | - |
| Manufacturing expenses | | 7,199.66 | 7,933.12 |
| Administration expenses | | 1,553.03 | 1,857.64 |
| Selling expenses | | 3,059.13 | 2,976.53 |
| TOTAL | | 63,107.07 | 66,680.94 |
| Profit before exceptional and extraordinary items and tax | | (2,797.72) | (1,490.63) |
| Profit before extraordinary items and tax | | (2,797.72) | (1,490.63) |
| Profit before tax | | (2,797.72) | (1,490.63) |
| Tax expense | | | |
| Provision for current tax | | 5.00 | 7.00 |
| Provision for deferred tax | | (907.48) | (490.00) |
| Profit / (Loss) for the year from continuing operations | | (1,895.24) | (1,007.63) |
| Profit/(Loss) for the year | | (1,895.24) | (1,007.63) |
| Earnings per share (in ₹) | | | |
| Basic | | (86.19) | (30.99) |
| Diluted | | (86.19) | (30.99) |

Significant Accounting Policies

1

C.M.Dhall
C.E.O / C.F.O,
(Unit III)

Ganesh Iyer
(Unit I)

S.Khanna
(Unit II)

Notes referred to above form an integral part of the financial statements
This is the Balance Sheet referred to in our report of even date

For **MEHRA KHANNA & CO**
Chartered Accountants
FRN:01141N

CA.RAJIV BHASIN
PARTNER
M.NO:093845

JASPREET SINGH KOHLI
Company Secretary

HARI KRISHAN AHUJA
I.D.CHUGH

} DIRECTORS

Delhi: the 7th September, 2015

Atlas Cycles (Haryana) Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in Lacs)

| P A R T I C U L A R S | 31.03.2015 | 31.03.2014 |
|---|-------------------|-----------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before Interest tax and extra ordinary items | (2,523.47) | (632.80) |
| Adjustments for | | |
| Depreciation & Misc. Write Offs | 662.85 | 713.34 |
| Operating Profit before Working Capital Changes | (1,860.62) | 80.54 |
| Adjustments for: | | |
| (Increase)/Decrease in Trade & other Receivables | 4,383.81 | (2,634.81) |
| (Increase)/Decrease in Inventories | 4,790.09 | 2,006.54 |
| (Increase)/Decrease in Loans and Advances | (1,000.30) | 1,692.14 |
| (Decrease)/Increase in Trade Payables | (2,695.54) | 437.40 |
| (Decrease)/Increase in Other Current Liabilities | (1,438.41) | (1,702.74) |
| Direct Taxes Paid /refund | (80.29) | (120.45) |
| Net Cash Flow from Operating Activities | 2,098.74 | (241.38) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (920.00) | (799.47) |
| Proceeds on Sale of Fixed Assets | 713.37 | 135.18 |
| Dividend Income | 56.71 | 16.99 |
| Net proceeds /(Purchase) from sale of Investments | 30.14 | 314.79 |
| Net Cash Used in Investing Activities | (119.79) | (332.51) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds/ (Repayment) from Borrowings | (664.24) | 325.99 |
| Interest Paid | (1,107.43) | (922.01) |
| Interest Received | 28.15 | 34.01 |
| Dividends Paid | (8.33) | (148.07) |
| Net Cash Used in Financing Activities | (1,751.85) | (710.08) |
| Net Increase/(Decrease) in Cash and Cash Equivalents | 227.10 | (1,283.97) |
| Cash & Cash Equivalents as on 01.04.2014 | 255.44 | 1,539.41 |
| Cash and Cash Equivalents as on 31.03.2015 | 482.54 | 255.44 |

Note: Figures of the previous year have been re-grouped & re-arranged, wherever necessary.
: Figures in brackets represent negative figures.

C.M.Dhall
C.E.O / C.F.O,
(Unit III)

Ganesh Iyer
(Unit I)

S.Khanna
(Unit II)

Notes referred to above form an integral part of the financial statements
This is the Balance Sheet referred to in our report of even date

For **MEHRA KHANNA & CO**
Chartered Accountants
FRN:01141N

CA.RAJIV BHASIN
PARTNER
M.NO:093845

JASPREET SINGH KOHLI
Company Secretary

HARI KRISHAN AHUJA
I.D.CHUGH

} DIRECTORS

Delhi: the 7th September, 2015

| Note No. | DESCRIPTION SIGNIFICANT ACCOUNTING POLICIES |
|----------|---|
|----------|---|

| | |
|----------|--|
| 1 | SIGNIFICANT ACCOUNTING POLICIES |
|----------|--|

| |
|--|
| 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS |
|--|

| |
|---|
| <p>These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lacs.</p> |
|---|

| |
|----------------------------|
| 2. USE OF ESTIMATES |
|----------------------------|

| |
|---|
| <p>The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.</p> |
|---|

| |
|------------------------|
| 3. FIXED ASSETS |
|------------------------|

| |
|--|
| <p>Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress. Land and Building at Sonapat and at Rasoi were revalued on 30th June, 1986. Subsequent additions to these units are shown at cost.</p> |
|--|

| |
|------------------------|
| 4. Depreciation |
|------------------------|

| |
|---|
| <p>Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written down Value (WDV) Method except in case of assets pertaining to Sahibabad, Malanpur and Bawal Unit where depreciation is provided on Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.</p> |
|---|

| |
|-------------------------------|
| 5. Revenue Recognition |
|-------------------------------|

| |
|---|
| <p>Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Gross sales are inclusive of applicable excise duty and but are exclusive of sales tax. Dividend income is recognised when the right to receive payment is established. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.</p> |
|---|

| |
|-----------------------|
| 6. Investments |
|-----------------------|

| |
|---|
| <p>Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Non-Current investments are stated at cost. Provision for diminution in the value of Non-Current investments is made only if such a decline is other than temporary.</p> |
|---|

| |
|-----------------------|
| 7. Inventories |
|-----------------------|

| |
|--|
| <p>Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.</p> |
|--|

| |
|---------------------------|
| 8. Borrowing Costs |
|---------------------------|

| |
|---|
| <p>Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.</p> |
|---|

| |
|--|
| 9. Provisions, Contingent Liabilities and Contingent Assets |
|--|

| |
|--|
| <p>Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.</p> |
|--|

10. Income Taxes

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

11. Research and Development Expenses

Revenue expenditure pertaining to research is charged to the Profit and Loss Statement. Development costs of products are charged to the Profit and Loss Statement unless a product's technological feasibility has been established, in which case such expenditure is capitalised.

Recognition of opening and closing balances of Defined Benefit Obligation

GRATUITY

| | Gratuity (Funded) | |
|---|-------------------|----------------|
| | 2014-15 | 2013-14 |
| Defined Benefit obligation at the beginning of the year | 1217.00 | 1264.00 |
| Current Service Cost | 59.00 | 142 |
| Interest cost | 103.00 | 102 |
| Benefit paid | -211.00 | -291.00 |
| Defined Benefit obligation at the year end | <u>1168.00</u> | <u>1217.00</u> |

INVESTMENT DETAILS

| Investment Detail: | Investement as on 3/31/2015 | | Investement as on 3/31/2014 | |
|-----------------------------|--------------------------------|----------------|--------------------------------|------------|
| | Value | % | Value | % |
| GOI Securities | 474.33 | 19.48% | 474.33 | 16.69 |
| Public Securities | 650.62 | 26.72% | 650.62 | 35.84 |
| State Government Securities | 390.9 | 16.05% | 390.9 | 11.60 |
| Private Securities | 815.7 | 33.50% | 815.7 | 8.38 |
| In banks | 103.30 | 4.24% | 72.1 | 27.49 |
| | <u>2434.85</u> | <u>100.00%</u> | <u>2403.65</u> | <u>100</u> |

Acturial assumptions

| | Gratuity (Funded) | |
|--|-------------------|---------|
| | 2014-15 | 2013-14 |
| Discount rate (Per Annum) | 8.00 | 8.00 |
| Expected rate of return plan (Per Annum) | 8.75 | 9.40 |
| Rate of escalation of salary (Per Annum) | 8.00 | 7.00 |

The estimats of rate of escalation in salary considered in acturial valuation, takes into account seniority and promotion other relevant factors. The above information is certified by the actuary As per the Accounting Standard 15 " Employees benefit", the disclosure as defined in the accounting Standard are given below:

| | 31.3.2015 | 31.3.2014 |
|---|-----------|-----------|
| Defined Contribution Plan | | |
| Employer's Contribution to Provident Fund | 77.75 | 56.69 |
| Employers Contribution to Supper Annuation Fund | 16 | 38.63 |
| Employers Contribution to Gratuity Fund | 83.79 | 106.22 |

NOTES TO ACCOUNT

| 1 CONTIGENT LIABILITIES IN RESPECT OF | 2015 | 2014 |
|---|--------|--------|
| a) Surety bonds executed in favour of President of India through Customs & Excise authorities for payment of Central Excise/Custom duty | 165.00 | 165.00 |
| b) Two surety bonds in favour of government of Haryana for payment of Central & Local Sales Tax | 30.40 | 30.40 |
| c) Guarantees given by bank | 230.04 | 563.05 |
| d) In respect of Entry Tax matters | 0.00 | 5.00 |
| e) In respect of Excise matters | 0.00 | 52.00 |
| f) In respect of Sales Tax matters | 580.50 | 568.07 |

2 DETAILS OF RAW MATERIAL CONSUMED DURING THE YEAR

| Units | | 2015 | | 2014 | |
|-------|----------------------|-----------------------|------------------|-----------------------|------------------|
| | | Quantity (in lacs) | Value ₹ | Quantity (in lacs) | Value ₹ |
| (i) | Sheets & Strips Kgs. | 32.01647 | 1,647.67 | 41.07 | 2,462.38 |
| (ii) | Tyres Nos. | 43.51 | 4,642.89 | 50.82 | 5,516.34 |
| (iii) | Tubes Nos. | 42.67106 | 1,784.68 | 48.55 | 2,047.16 |
| (iv) | Rims Nos. | 34.65 | 3,234.95 | 37.18 | 3,229.73 |
| (v) | Other Items - | 0 | 1,879.03 | | 1,850.87 |
| (vi) | Components - | 0 | 31,581.42 | | 32,948.60 |
| | | | 44,770.64 | | 48,055.08 |

3 VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL SPARE PARTS AND COMPONENTS CONSUMED DURING THE YEAR

| | Indigenous | | Imported | |
|------------------|------------|------------|-----------|------------|
| | Value (₹) | Percentage | Value (₹) | Percentage |
| (i) Raw Material | 11,310.20 | 100 | NIL | 0 |
| | 13255.61 | (100) | NIL | (0) |
| (ii) Components | 30,372.98 | 90.77 | 3,087.46 | 9.23 |
| | (32118.33) | (92.30) | (2681.14) | (7.70) |

Previous Year figures are shown in brackets.

4 VALUE OF TOTAL IMPORTS ON CIF BASIS

| | 2015 ₹ | 2014 ₹ |
|--|-----------------|-----------------|
| (i) Raw Material, Components & Spare Parts | 3,087.46 | 2,681.14 |
| (ii) Capital Goods | - | - |
| | 3,087.46 | 2,681.14 |

5 EXPENDITURE IN FOREIGN CURRENCY

| | 2015 | 2014 |
|--------------------------------------|--------------|--------------|
| (i) Commission on export | 30.35 | 30.26 |
| (ii) Foreign Tours | 41.85 | 22.27 |
| (iii) Foreign Publicity & exhibition | 1.73 | 2.26 |
| | 73.93 | 54.79 |

6 EARNINGS IN FOREIGN EXCHANGE

| | | |
|--------------------------------|----------|----------|
| F.O.B. Value of goods exported | 2,791.09 | 2,481.00 |
|--------------------------------|----------|----------|

7 RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD 18**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 (Sonipat) Ltd, Atlas Cycles (Sahibabad) Ltd, Atlas Cycles (Malanpur) Ltd.,
Directors & Employees (As at 31.03.2014) : Sh. I.D.Chugh,
Sh. H.K.Ahuja, Sh. H.L.Bhatia, Sh. Vikram Khosla, Sh. Kartik Roop Rai, Sh. Sanjiv Kavaljit Singh, Sh. Veena Buber, Sh. Vikram Kapur, Sh. Salil 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. Sidhant Kapur, Sh. Abhinav Kapur, Sh. Ashwin Kapur.

B. Transactions with the Associated Parties and Subsidiaries

₹ in lacs

| | 2015 | 2014 |
|----------------------|---------|---------|
| Sale of Goods | 62.41 | 638.27 |
| Rent | 4.32 | 4.32 |
| Purchase of Goods | 3878.54 | 4434.20 |
| Balances on year end | 53.46 | 42.31 |
| Guarantee Given | 20.00 | 20.00 |

C. Transactions with key managerial persons:

Remunerations: ₹ 483.64 Lacs (Previous Year ₹ 430.59 Lacs)

8 Figure of the Previous Year have been re-arranged, wherever necessary.**9 The Computation of Net Profit in accordance with Section 198 of the Companies Act, 1956 and commission payable to Directors:**

| | 2015 ₹ | 2014 ₹ |
|--|-------------------|-------------------|
| (a) Computation of profit for managerial remuneration | | |
| Profit as per Profit & Loss A/c | -2797.72 | -1511.99 |
| Add: Directors remuneration including perquisites | 13.38 | 14.06 |
| Add: Bad debts | - | - |
| | -2784.34 | -1497.93 |
| Less: Profit on Sale of Assets | 623.51 | -13.16 |
| Add: Depreciation as per Profit & Loss A/c | | 713.34 |
| Less: Depreciation as per Section 350 of companies Act, 1956 | | -869.86 |
| Net Profit | (2,160.83) | (1,667.61) |
| Commission eligible for payment @ 0.5% of the Net Profit (Previous Year 0.5%) | - | - |
| Actual Commission Paid to a Whole Time Director | - | 1.29 |
| (b) Remuneration paid to a whole time director | 2015 | 2014 |
| Salary | 11.44 | 10.84 |
| Long Service Allowance | 0.02 | 0.02 |
| Provident Fund Contribution | 0.91 | 0.86 |
| Leave Travel Assistance | 0.64 | 0.60 |
| Medical Expenses | 0.37 | 0.45 |
| Commission | - | 1.29 |
| | 13.38 | 14.06 |

C.M.Dhall
C.E.O / C.F.O,
(Unit III)

Ganesh Iyer
(Unit I)

S.Khanna
(Unit II)

Notes referred to above form an integral part of the financial statements
This is the Balance Sheet referred to in our report of even date

For **MEHRA KHANNA & CO**

Chartered Accountants

FRN:01141N

CA.RAJIV BHASIN

PARTNER

M.NO:093845

Delhi: the 7th September, 2015

JASPREET SINGH KOHLI

Company Secretary

HARI KRISHAN AHUJA**I.D.CHUGH**

} DIRECTORS

Atlas Cycles (Haryana) Limited

Notes to Financial Statements

(₹ in Lacs)

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|----------|--|----------------------|----------------------|
| 2 | SHARE CAPITAL | | |
| | AUTHORISED | | |
| | 30,000(30,000) 6 1/4% P.A. free of Income tax cumulative redeemable Preference shares of ₹ 100 each | 30.00 | 30.00 |
| | 97,00,000(97,00,000) Equity Shares of ₹ 10/- each | 970.00 | 970.00 |
| | | 1,000.00 | 1,000.00 |
| | ISSUED, SUBSCRIBED AND PAID UP | | |
| | 32,51,919 (32,51,919) Equity Shares of ₹ 10/- each fully paid up | 325.19 | 325.19 |
| | TOTAL - SHARE CAPITAL | 325.19 | 325.19 |
| (a) | RECONCILIATION OF THE NUMBER OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR | No. of Shares | No. of Shares |
| | END OF THE REPORTING YEAR | | |
| | Equity Shares outstanding at the beginning of the year | 3,251,919 | 3,251,919 |
| | <i>Equity Shares issued during the year</i> | - | - |
| | Shares outstanding at the end of the year | 3,251,919 | 3,251,919 |
| (b) | TERMS/RIGHT ATTACHED TO EQUITY SHARES | | |
| | The company has only one class of equity shares having a par value of ₹ 10 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. | | |
| (c) | EQUITY SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER: | | |
| | | 2015 | 2014 |
| | NAME OF THE EQUITY SHAREHOLDER | No. of Shares | No. of Shares |
| | | % | % |
| | Milton Cycles Industries Ltd | 325846 | 325846 |
| | | 10.02% | 10.02% |
| | Limrose Enng Works Pvt Ltd | 257650 | 257650 |
| | | 7.92% | 7.92% |
| d) | Company has not issued any ESOP Plan, or Conversion of Bonds/Debentures | | |
| e) | Company has not issued any shares by way of Bonus/ Right Shares and has not Buy-back any shares in the preceding five years | | |
| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
| 3 | RESERVES AND SURPLUS | | |
| (a) | SECURITY PREMIUM ACCOUNT | | |
| | As per last account | 606.20 | 606.20 |
| | Add : On Conversion of Foreign Currency Convertible Bonds | - | - |
| | | 606.20 | 606.20 |
| (b) | FIXED ASSETS REVALUATION RESERVE | | |
| | As per last account | 389.74 | 389.74 |
| | Add:- Transferred from Statement of Profit and Loss | - | - |
| | Less:- Written Back during the year | - | - |
| | | 389.74 | 389.74 |
| (c) | GENERAL RESERVE | | |
| | As per last account | 11,158.83 | 11,158.79 |
| | Add : Transferred from Statement of Profit and Loss | - | - |
| | | 11,158.83 | 11,158.79 |
| (d) | SURPLUS - STATEMENT OF PROFIT AND LOSS | | |
| | As per last account | (857.93) | 149.73 |
| | Add : Profit after Tax for the year | (1,895.24) | (1,007.66) |
| | NET PROFIT | (2,753.17) | (857.93) |
| | Amount Available for appropriation | (2,753.17) | (857.93) |
| | APPROPRIATIONS | | |
| | Debenture Redemption Reserve | - | - |
| | General Reserve | - | - |
| | Proposed Dividend | - | - |
| | Corporate Dividend Tax | - | - |
| | Net Surplus in the Statement of Profit and Loss | (2,753.17) | (857.93) |
| | TOTAL - RESERVE & SURPLUS | 9,401.60 | 11,296.80 |

(₹ in Lacs)

| Note No. | DESCRIPTION | Non-Current Portion | | Current Maturity | |
|----------|---|---------------------|---------------|------------------|-----------------|
| | | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 |
| 4 | LONG-TERM BORROWINGS | | | | |
| | SECURED | | | | |
| | (a) TERM LOAN FROM BANKS | | | | |
| | Rupee term loan | - | - | - | 661.39 |
| | (b) CAR LOAN FROM BANKS | 79.24 | 78.65 | 87.14 | 46.57 |
| | TOTAL SECURED LONG TERM BORROWINGS | <u>79.24</u> | <u>78.65</u> | <u>87.14</u> | <u>707.96</u> |
| | UNSECURED LONG TERM BORROWINGS | | | | |
| | (a) PUBLIC FIXED DEPOSITS | - | 860.35 | 686.32 | 1,019.14 |
| | TOTAL UNSECURED LONG TERM BORROWINGS | <u>-</u> | <u>860.35</u> | <u>686.32</u> | <u>1,019.14</u> |
| | TOTAL - LONG TERM BORROWINGS | <u>79.24</u> | <u>939.00</u> | <u>773.46</u> | <u>1,727.10</u> |

- 1 Term Loan from Central Bank of India is secured against first pari passu charge on respective unit's immovable property and future assets which it may acquire in future and carries interest @ 13% p.a and is repayable on 3 yearly equal installments.
- 2 The Company accepts fixed deposits from the public which carries interest @ 11% p.a. for FDRs less than ₹ 2,00,000/- for a period of one year and 11.5% p.a for more than one year irrespective of amount.
- 3 Vehicle loans are secured by way of hypothecation of vehicle concerned and carries interest from 8.5% p.a. to 13% p.a. on different loans and repayable in 36 / 48 equal installments.
- 4 Term loan from Bank is secured against first pari passu charge on immovable property and future assets which it may acquire in future and carries interest @ 15% p.a and is repayable on six monthly equal installments from the date of disbursement i.e October 2013.

| Note No. | DESCRIPTION | Deferred Tax Liability/Asset as at 31.03.2014 | Charge/(Credit) for the year | Deferred Tax Liability/Asset as at 31.03.2015 |
|----------|--|---|------------------------------|---|
| 5 | DEFERRED TAX LIABILITY (NET) | | | |
| | (a) DEFERRED TAX LIABILITY | | | |
| | Difference between book & tax depreciation | 364.00 | 907.48 | 543.48 |
| | Total Deferred Tax Liability | <u>364.00</u> | <u>907.48</u> | <u>543.48</u> |
| | DEFERRED TAX LIABILITY (NET) | <u>364.00</u> | <u>907.48</u> | <u>543.48</u> |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|----------|--|---------------|---------------|
| 6 | OTHER LONG TERM LIABILITIES | | |
| | Security Deposits | 260.67 | 270.45 |
| | LADT PAYABLE A/C | 11.21 | - |
| | TOTAL - OTHER LONG TERM LIABILITIES | <u>271.88</u> | <u>270.45</u> |

| Note No. | DESCRIPTION | Long-Term | | Short-Term | |
|----------|----------------------------|--------------|--------------|-----------------|-----------------|
| | | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 |
| 7 | PROVISIONS | | | | |
| | For Employee Benefits | | | 122.08 | - |
| | Leave Encashment etc | 82.37 | 73.39 | - | 308.99 |
| | For Taxation | - | - | 1,939.97 | 1,949.10 |
| | For Proposed Dividend | - | - | - | - |
| | For Corporate Dividend Tax | - | - | - | - |
| | For Dealers Discount | - | - | 34.05 | 142.11 |
| | For Bills Payable | - | - | 65.59 | 21.59 |
| | Others | - | - | 374.55 | 1,392.39 |
| | TOTAL - PROVISIONS | <u>82.37</u> | <u>73.39</u> | <u>2,536.24</u> | <u>3,814.18</u> |

(₹ in Lacs)

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|----------|--|-----------------|-----------------|
| 8 | SHORT TERM BORROWINGS | | |
| | SECURED SHORT TERM BORROWINGS | | |
| (a) | Working Capital Facility from Bank | 6,886.30 | 5,594.57 |
| (c) | Short Term Loans | 625.71 | 325.87 |
| (d) | Bills Discounting from Bank/Financial Institution | 1,933.26 | 2,375.66 |
| | TOTAL SECURED SHORT TERM BORROWINGS | 9,445.27 | 8,296.10 |
| | UNSECURED SHORT TERM BORROWINGS | | |
| (a) | Loan from Body Corporate | - | - |
| | TOTAL UNSECURED SHORT TERM BORROWINGS | - | - |
| | TOTAL - SHORT TERM BORROWINGS | 9,445.27 | 8,296.10 |
| 1 | Cash Credit Limit from Consortium banks is secured against Hypothecation of Inventory and Book Debts and Ist Charge over Fixed Assets of the Company which is repayable on demand and carries Interest @ 15.25% p.a. | | |
| 2 | Bills Discounting facility from SIDBI is fully secured by the stock against the bills discounted and IInd charge over the Fixed Assets of the Company and carries interest @ 13.50% p.a. | | |
| 3 | Overdraft Limit from HDFC Bank is Secured against the lien on the Mutual Funds and carries interest which is repayable on demand and carries interest @ 12.25% p.a. | | |
| 4 | Short Term Corporate Loans carries interest @ 18% p.a.. | | |
| 5 | Bill Discounting Facility from IDBI bank is secured against second charge on current and fixed assets of Malanpur Unit. | | |
| 6 | Unsecured Bill Discounting Facility from India Factoring Finance Limited carries interest@ 15% p.a. | | |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|----------|--|-----------------|------------------|
| 9 | TRADE PAYABLES | | |
| | Trade Payables (including Acceptances) | | |
| | Dues to Micro and Small enterprises | 3,275.96 | 4,040.92 |
| | Dues to other than Micro and Small enterprises | 6,640.14 | 8,570.73 |
| | TOTAL TRADE PAYABLES | 9,916.10 | 12,611.65 |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|---|-----------------|-----------------|
| 10 | OTHER CURRENT LIABILITIES | | |
| | Current maturities of Long term Borrowings.(Refer note no 4) | 773.46 | 1,727.10 |
| | Interest accrued but not due on borrowings. | 34.96 | 134.80 |
| | Interest accrued and due on borrowings. | - | 2.49 |
| | Statutory Dues | 215.83 | 174.37 |
| | Due to Customer and others | 451.88 | 363.66 |
| | Security Deposits from Agents/Dealers/Others | 101.68 | 99.62 |
| | Advance Against Sale of Land # | 2,187.00 | 2,371.00 |
| | Other Outstanding Liabilities | 95.00 | 120.45 |
| | Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 not due | | |
| | Unpaid dividend | 9.80 | 18.13 |
| | TOTAL OTHER CURRENT LIABILITIES | 3,869.61 | 6,720.82 |

₹ 15.50 Crores received as advance against sale of land of Rasoi Plant, ₹ 6.37 crores received as advance against sale of land of Bawal plant and ₹ 1.84 crores as advance against sale of land in Sonipat.

11. FIXED ASSETS

(₹ in Lacs)

| Particulars | Land & Building | Plant & Machinery | Computer | Vehicles | Electrical Installation | Furniture & Fixtures | Under Const. Installation Building/ Machinery | Total |
|------------------------------|-----------------|-------------------|---------------|-----------------|-------------------------|----------------------|---|------------------|
| COST | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| As at 1st April,2014 | 7,860.96 | 7,567.61 | 528.57 | 1,595.38 | 269.80 | 819.91 | 439.89 | 19,082.13 |
| Additions | 3.78 | 677.09 | 26.43 | 197.58 | 5.72 | 9.02 | 0.39 | 920.00 |
| Sales/Adjustment | 25.15 | 5.27 | 0.72 | 148.91 | - | 34.16 | 11.86 | 226.06 |
| As at 31st March,2015 | 7,839.59 | 8,239.43 | 554.29 | 1,644.05 | 275.52 | 794.77 | 428.42 | 19,776.07 |
| DEPRECIATION | | | | | | | | |
| As at 1st April,2014 | 2,322.13 | 5,041.93 | 493.44 | 993.72 | 218.87 | 535.10 | - | 9,605.19 |
| For the Year | 206.23 | 236.37 | 19.58 | 117.07 | 17.94 | 65.66 | - | 662.85 |
| Sales/Adjustment | 4.12 | 4.17 | 0.53 | 96.79 | - | 30.59 | - | 136.20 |
| As at 31st March,2015 | 2,524.25 | 5,274.13 | 512.48 | 1,014.00 | 236.82 | 570.17 | - | 10,131.83 |
| NET ASSETS | | | | | | | | |
| As at 31st March,2015 | 5,315.35 | 2,965.30 | 41.81 | 630.05 | 38.70 | 224.61 | 428.42 | 9,644.23 |
| As at 31st March,2014 | 5,538.83 | 2,525.68 | 35.13 | 601.66 | 50.93 | 284.81 | 439.89 | 9,476.94 |

| Note No. | DESCRIPTION | 31.03.2015 | | | | 31.03.2014 | | | |
|----------|---|------------|-------|------------------|----------------|------------|-------|------------------|----------------|
| | | Face Value | Nos | Amount | Amount in Lacs | Face Value | Nos | Amount | Amount in Lacs |
| 12 | INVESTMENTS | | | | | | | | |
| | NON CURRENT INVESTMENTS | | | | | | | | |
| A | Investment in Shares of Wholly Owned Subsidiary Companies Fully Paid (Unquoted) | | | | | | | | |
| | 50000 (Previous Year 50000) Equity Shares of ₹ 10/- each fully paid up in ATLAS CYCLES (SONIPAT) LTD. [A] | 10 | 50000 | 500000 | 15.00 | 10 | 50000 | 500000 | 15.00 |
| | 50000 (Previous Year 50000) Equity Shares of ₹ 10/- each fully paid up in ATLAS CYCLES (SAHIBABAD) LTD. [A] | 10 | 50000 | 500000 | 15.00 | 10 | 50000 | 500000 | 15.00 |
| | 50000 (Previous Year 50000) Equity Shares of ₹ 10/- each fully paid up in ATLAS CYCLES (MALANPUR) LTD. [A] | 10 | 50000 | 500000 | 15.00 | 10 | 50000 | 500000 | 15.00 |
| | Total A | | | 1,500,000 | 15.00 | | | 1,500,000 | 15.00 |
| B | Equity Shares Fully Paid Up -Trade Un Quoted | | | | | | | | |
| | Ambojini Property Developers Pvt. Ltd. | 10 | 1410 | 14,100 | 14.10 | 10 | 1410 | 14,100 | 14.10 |
| | Amit Enterprises & Builders Pvt. Ltd. | | | | | 10 | 2 | 20 | 0.20 |
| | Dardode Job Realities Pvt. Ltd. | | | | | 100 | 2 | 200 | 2.00 |
| | Lavim Developers Pvt. Ltd. | | | | | 30 | 10 | 300 | 3.00 |
| | Godrej Landmark Redevelopers Pvt.Ltd. | 1000 | 66 | 539,436 | 539.436 | 1000 | 66 | 539,436 | 539.436 |
| | Mantri Hamlet Pvt. Ltd. | 10 | 2 | 20 | 0.20 | 10 | 2 | 20 | 0.20 |
| | Total B | | | 553,556 | 5.54 | | | 554,076 | 5.54 |
| C | Debentures Fully Paid Up - Un Quoted | | | | | | | | |
| | 10% OCD Godrej Landmark Redevelopers Pvt. Ltd. | 100 | 19680 | 1,968,000 | 1,968.000 | 100 | 19680 | 1,968,000 | 1,968.000 |
| | 10% OCD Ambojini Property Developers Pvt. Ltd. | 100 | 16062 | 1,606,200 | 1,606.200 | 100 | 16062 | 1,606,200 | 1,606.200 |
| | 10% OCD Amit Enterprises & Builders Pvt. Ltd. | | | | | 100 | 9408 | 940,800 | 940.800 |
| | 10% OCD Dardode Jog Realities Pvt. Ltd. | | | | | 100 | 8511 | 851,100 | 851.100 |
| | 15% OCD Lavim Developers Pvt. Ltd. | | | | | 100 | 9512 | 951,200 | 951.200 |
| | 10% OCD Mantri Hamlet Pvt. Ltd. | 100 | 7845 | 784,500 | 784.500 | 100 | 7845 | 784,500 | 784.500 |
| | Total C | | | 4,358,700 | 43.59 | | | 7,101,800 | 71.02 |

| Note No. | DESCRIPTION | 31.03.2015 | | | | 31.03.2014 | | | |
|--------------|---|------------------|---------|---------------------|----------------|------------------|---------|----------------------|----------------|
| | | Face Value | Nos | Amount | Amount in Lacs | Face Value | Nos | Amount | Amount in Lacs |
| D | Unquoted Mutual Fund | | | | | | | | |
| | THE OCIAN'S ART FUND-(D) [D] | 100 | 46000 | 4,600,000 | | 100 | 46000 | 4,600,000 | |
| | LESS Provision for Investment | | | 4,600,000 | | | | 4,600,000 | |
| | Total D | | | - | | | | - | |
| E | Unquoted Government Securities | | | | | | | | |
| | 12 years National Defence Certificate for the face value of ₹ 1750 each pledged with Government authorities | | | 1750 | | | | 1,750.00 | |
| | 7 Years National Savings Certificate pledged with Excise authorities | | | 10000 | | | | 10,000.00 | |
| | Total (E) | | | 11750 | 0.12 | | | 11,750.00 | 0.12 |
| F | Unquoted Fixed Deposit | | | | | | | | |
| | Fixed Deposits having Maturity more than 12 Months | | | | | | | 3911864 | |
| | Total F | | | | | | | 3,911,864 | 39.12 |
| | TOTAL UNQUOTED NON CURRENT INVESTMENT | <i>Total A-F</i> | | 6,424,006.00 | 64.24 | <i>Total A-F</i> | | 13,079,490.00 | 130.79 |
| | Quoted Non Current Investment | | | | | | | | |
| G | Quoted Shares | | | | | | | | |
| | Central Bank of India | 778 | 100.000 | 79,356 | | 778 | 100.000 | 79,356 | |
| | Total Quoted Non Current Investment G | | | 79,356.00 | 0.79 | | | 79,356.00 | 0.79 |
| | TOTAL NON CURRENT INVESTMENT | | | 6,503,362.00 | 65.03 | | | 13,158,846.00 | 131.58 |
| | CURRENT INVESTMENTS (At lower of Cost and Fair Value) | | | | | | | | |
| 12(b) | CURRENT INVESTMENTS | | | | | | | | |
| | BIRLA SUNLIFE MUTUAL FUND | | | | | | | | |
| | Birla Sunlife Income Plus - Growth | | | | | 10 | 186874 | 10,000,000 | |
| | Birla Sunlife Dynamic Bond Fund -Retail(D) | 10 | 475081 | 10147821 | | 10 | 1243158 | 24,800,000 | |
| | FRANKLIN TEMPLETON MUTUAL FUND | | | | | | | | |
| | Templeton India Short Term Income Retail-G | 1000 | 4645 | 9999900 | | 1000 | 4645 | 9,999,900 | |
| | HDFC MUTUAL FUND | | | | | | | | |
| | HDFC Corporate Debt Opp.Fund - R-G | 10 | 2681205 | 30000000 | | | | | |
| | HDFC MIP- Short Term- G | 10 | 438245 | 10092952 | | | | | |
| | AXIS MUTUA FUND | | | | | | | | |
| | Axis Short Term Fund-G | 10 | 712721 | 10000000 | | | | | |
| | IDFC MUTUAL FUND | | | | | | | | |
| | IDFC SSIF- Short Term-Plan-A-G | 10 | 451267 | 9999900 | | 10 | 451267 | 9,999,900 | |
| | IDFC SSIF-Medium Term-Plan-A-G | 10 | 427625 | 10000000 | | 10 | 747317 | 15,000,000 | |
| | IDFC SSIF-Investment-Plan-A-G | 10 | | | | 10 | 349676 | 10,000,000 | |
| | RELIANCE MUTUAL FUND | | | | | | | | |
| | Reliance Medium Term Fund | 10 | 4660 | 49718 | | 10 | 2608 | 27,572 | |
| | Reliance Dynamic Bond Fund-G | 10 | 1091996 | 20710149 | | 10 | 0 | - | |
| | Reliance Fixed Horizo XXIV Sr 9 G | | | | | 10 | 1000000 | 10,000,000 | |
| | HSBC MUTUAL FUND | | | | | | | | |
| | HSBC Fixed Term Sr-94-Ten -G | | | | | 10 | 500000 | 5,000,000 | |
| | HSBC Capital Protection Oriented Fund | 10 | 100000 | 1000000 | | 10 | 100000 | 1,000,000 | |
| | UTI MUTUAL FUND-(G) | | | | | | | | |
| | UTI Short Term Income Fund -Insti. -G | 10 | 598770 | 10000000 | | | | | |
| | KOTAK MUTUAL FUND-(D) | | | | | | | | |
| | Kotak Liquid Scheme Plan -A D/D | 1000 | 1195 | 1461544 | | | | | |
| | PRINCIPAL MUTUAL FUND-(D) | | | | | | | | |
| | Principal PNB Fixed Maturity Plan | | | | | 10 | 1020880 | 10,208,796 | |

| Note No. | DESCRIPTION | 31.03.2015 | | | | 31.03.2014 | | | |
|----------|--|------------|-----|--------------------|-----------------|------------|------|--------------------|-----------------|
| | | Face Value | Nos | Amount | Amount in Lacs | Face Value | Nos | Amount | Amount in Lacs |
| | MORGAN STANLAY MUTUAL FUND Morgan Stanlay Liquid Fund-D | | | | | 1000 | 1102 | 1,300,000 | |
| | SUB TOTAL | [B] | | <u>123,461,984</u> | <u>1,234.62</u> | | | <u>107,336,168</u> | <u>1,073.36</u> |
| | NOTE : [GROWTH = (G) ; DIVIDEND = (D)] | | | | | | | | |
| | MARKET VALUE OF THE MUTUAL FUND | | | <u>132,598,325</u> | <u>1,325.98</u> | | | <u>110,320,450</u> | <u>1,103.20</u> |
| | Aggregate value of Current Investment | | | <u>123,461,984</u> | <u>1,235</u> | | | <u>107,336,168</u> | <u>1,073</u> |
| | Aggregate value of unquoted investment | | | <u>6,424,006</u> | <u>64</u> | | | <u>13,079,490</u> | <u>131</u> |
| | Aggregate value of quoted investment | | | <u>79,356</u> | <u>1</u> | | | <u>79,356</u> | <u>1</u> |
| | Market value of quoted investment | | | <u>132,598,325</u> | <u>1,326</u> | | | <u>110,320,450</u> | <u>1,103</u> |

(₹ in Lacs)

| Note No. | DESCRIPTION | Long-Term | | Short-Term | |
|-----------|---|-----------------|-----------------|-----------------|-----------------|
| | | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 |
| 13 | LOANS AND ADVANCES (Unsecured, Considered good unless otherwise stated) | | | | |
| | Advance Recoverable in Cash or in kind or the value to be received | 1,340.47 | 1,340.47 | 2,924.16 | 2,139.12 |
| | Capital Advances | 49.06 | 289.74 | - | - |
| | Security Deposits | 73.98 | 61.80 | 287.55 | 227.23 |
| | Claims Recoverable | 341.07 | 2.91 | | |
| | Prepaid Taxes | | | 2,431.48 | 2,365.32 |
| | Prepaid Expenses | | | 35.78 | 34.20 |
| | Balance with Government Authorities | 1.13 | 1.13 | 53.61 | 49.38 |
| | TOTAL - LOANS AND ADVANCES | <u>1,805.71</u> | <u>1,696.05</u> | <u>5,732.58</u> | <u>4,815.25</u> |

(₹ in Lacs)

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|--|--------------|--------------|
| 14 | OTHER NON CURRENT ASSETS | | |
| | Deposit with original Maturity of more than 12 month | - | - |
| | Interest accrued on Investment /FDR | 10.46 | 2.90 |
| | Total Other Non Current Assets | <u>10.46</u> | <u>10.63</u> |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|--|-----------------|-----------------|
| 15 | INVENTORIES (As taken, valued and certified by the Management) (valued at lower of cost and net realisable value unless otherwise stated) | | |
| | Production Material | 1,836.87 | 2,618.46 |
| | Work in Progress | 258.40 | 437.34 |
| | Finished Goods | 1,225.55 | 1,641.66 |
| | Stock in Trade | 56.42 | 25.25 |
| | Store, Spares and Components | 1,004.91 | 4,450.86 |
| | Loose Tools | 59.48 | 57.44 |
| | Scrap | 36.01 | 36.72 |
| | TOTAL - INVENTORIES | <u>4,477.64</u> | <u>9,267.73</u> |

(₹ in Lacs)

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|---|------------------|------------------|
| 16 | TRADE RECEIVABLES | | |
| | (Unsecured, Considered goods unless otherwise stated) | | |
| (a) | OVERDUE EXCEEDING SIX MONTHS | | |
| | Unsecured, Considered good | 3,170.34 | 1,728.81 |
| | Doubtful | 150.88 | 150.88 |
| | Less : Provision for doubtful receivable | 150.88 | 150.88 |
| | | <u>3,170.34</u> | <u>1,728.81</u> |
| (b) | OVERDUE LESS THAN SIX MONTHS | 8,683.51 | 14,508.84 |
| | TOTAL - TRADE RECEIVABLE | <u>11,853.85</u> | <u>16,237.65</u> |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|---|---------------|---------------|
| 17 | CASH AND BANK BALANCES | | |
| (a) | CASH AND CASH EQUIVALENTS | | |
| | Balance with banks | 343.65 | 92.75 |
| | Bank deposits with original maturity of less than three month | 73.81 | 97.01 |
| | Unpaid dividend accounts | 9.80 | 18.13 |
| | Cash in hand | 55.24 | 47.55 |
| | Total Cash and Cash Equivalents | <u>482.50</u> | <u>255.44</u> |
| (b) | OTHER BANK BALANCES | | |
| | Bank Deposits with original maturity of more than three month but less than 12 months | 22.97 | 22.55 |
| | Bank Deposits with original maturity of more than 12 months * | 48.40 | 9.28 |
| | TOTAL OTHER BANKS BALANCES | <u>71.37</u> | <u>31.83</u> |
| | TOTAL - CASH & BANK BALANCES | <u>553.87</u> | <u>287.27</u> |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|--|-------------|--------------|
| 18 | OTHER CURRENT ASSETS | | |
| | (Unsecured, Considered good unless otherwise stated) | | |
| | Interest accrued on Investment /FDR | 6.02 | 13.64 |
| | Deferred Revenue Expenditure | - | - |
| | TOTAL OTHER CURRENT ASSETS | <u>6.02</u> | <u>13.64</u> |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|--|------------------|------------------|
| 19 | REVENUE FROM OPERATIONS | | |
| (a) | SALE OF PRODUCTS | | |
| | Finished Goods | 61,844.91 | 68,140.91 |
| | Interunit Sales | - | - |
| | | <u>61,844.91</u> | <u>68,140.91</u> |
| (b) | OTHER OPERATING REVENUE | | |
| | Export Benefits | 230.89 | 217.56 |
| | Scrap Sales | 594.94 | 120.51 |
| | Miscellaneous Income | 1.18 | - |
| | | <u>827.01</u> | <u>338.07</u> |
| | REVENUE FROM OPERATIONS (GROSS) | <u>62,671.92</u> | <u>68,478.98</u> |
| | Rebate | <u>2,095.11</u> | <u>2,220.22</u> |
| | EXCISE DUTY ON SALES | <u>1,118.18</u> | <u>1,247.35</u> |
| | REVENUE FROM OPERATIONS (NET) | <u>59,458.63</u> | <u>65,011.41</u> |

(₹ in Lacs)

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|---|---------------|---------------|
| 20 | OTHER INCOME | | |
| (a) | INTEREST INCOME ON | | |
| | Loans and Advances | 1.10 | 15.83 |
| | Banks | 27.05 | 18.18 |
| | | <u>28.15</u> | <u>34.01</u> |
| (b) | Dividend Income on Current Investment | 56.71 | 16.99 |
| (c) | NET GAIN/(LOSS) ON SALE OF CURRENT INVESTMENTS | | |
| | Gain on Sale | 124.84 | 74.52 |
| | | <u>124.84</u> | <u>74.52</u> |
| (d) | NET GAIN/(LOSS) ON SALE OF FIXED ASSETS | | |
| | Gain on Sale | 623.51 | 13.16 |
| | | <u>623.51</u> | <u>13.16</u> |
| (f) | OTHER NON-OPERATING INCOME (NET) | | |
| | Lease Rent | - | 2.50 |
| | Misc Receipts | 4.34 | 21.87 |
| | Rent receipts | 13.17 | 15.85 |
| | | <u>17.51</u> | <u>40.22</u> |
| | TOTAL OTHER INCOME | <u>850.72</u> | <u>178.90</u> |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|---|-------------------|-------------------|
| 21 | COST OF MATERIAL CONSUMED | | |
| | Raw Material Consumed* | 44,744.04 | 48,055.08 |
| | TOTAL COST OF MATERIAL CONSUMED | <u>44,744.04</u> | <u>48,055.08</u> |
| | *DETAIL OF RAW MATERIAL CONSUMED DURING THE YEAR | | |
| | | <u>31.03.2015</u> | <u>31.03.2014</u> |
| (i) | Sheets & Strips | 1,647.67 | 2,462.38 |
| (ii) | Tyres | 4,642.89 | 5,516.34 |
| (iii) | Tubes | 1,784.68 | 2,047.16 |
| (iv) | Rims | 3,234.95 | 3,229.73 |
| (v) | Other Items | 1,879.03 | 1,850.87 |
| (vi) | Components | 31,554.81 | 32,948.60 |
| | | <u>44,744.04</u> | <u>48,055.08</u> |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|---|-----------------|-----------------|
| 22 | CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS | | |
| | OPENING STOCK | | |
| | Finished Goods | 1,641.66 | 1,587.75 |
| | Work in Progress | 437.34 | 294.56 |
| | Scrap | 36.72 | 0.20 |
| | Stock In Trade | 25.25 | 108.82 |
| | TOTAL OPENING STOCK | <u>2,140.97</u> | <u>1,991.33</u> |
| | CLOSING STOCK | | |
| | Finished Goods | 1,225.55 | 1,641.66 |
| | Work in Progress | 258.40 | 437.34 |
| | Scrap | 36.01 | 36.72 |
| | Stock In Trade | 56.42 | 25.25 |
| | TOTAL CLOSING STOCK | <u>1,576.38</u> | <u>2,140.97</u> |
| | TOTAL - CHANGES IN INVENTORIES | <u>564.59</u> | <u>(149.64)</u> |

(₹ in Lacs)

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|--|-----------------|-----------------|
| 23 | EMPLOYEE BENEFITS EXPENDITURE | | |
| | Salaries, Wages, Bonus and Other benefits | 3,020.49 | 3,245.06 |
| | Contribution to provident and other funds | 396.10 | 435.76 |
| | Staff Welfare Expenses | 275.29 | 340.76 |
| | TOTAL - EMPLOYEE BENEFITS EXPENDITURE | 3,691.88 | 4,021.58 |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|-----------------------------|-----------------|---------------|
| 24 | FINANCE COST | | |
| | Interest Expenses | 1,062.19 | 835.64 |
| | Other Borrowing Costs | 45.24 | 86.37 |
| | TOTAL - FINANCE COST | 1,107.43 | 922.01 |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|---|---------------|---------------|
| 25 | DEPRECIATION AND AMORTIZATION EXPENSES | | |
| | Depreciation on Fixed Assets | 662.85 | 713.34 |
| | Amortisation Expenses | - | - |
| | TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES | 662.85 | 713.34 |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|--|-----------------|-----------------|
| 26 | OTHER EXPENSES | | |
| | (a) MANUFACTURING EXPENSES | | |
| | Consumption of Stores and Spare parts | 3,498.52 | 3,901.98 |
| | Packing Material Consumed | 1,881.31 | 1,998.01 |
| | Power and Fuel | 899.40 | 993.04 |
| | Labour Processing & Transportation Charges | 241.61 | 357.55 |
| | Repairs to Buildings | 178.01 | 169.62 |
| | Repairs to Plant & Machinery | 208.89 | 183.40 |
| | Other Repairs | 291.92 | 329.52 |
| | | 7,199.66 | 7,933.12 |
| | (b) ADMINISTRATIVE EXPENSES | | |
| | Insurance | 35.99 | 35.17 |
| | Rent | 46.34 | 100.08 |
| | Rates and Taxes | 169.10 | 156.41 |
| | Legal and Professional | 150.61 | 57.86 |
| | Printing & Stationary, Postage and Telephone | 115.53 | 162.95 |
| | Travelling & Conveyance | 470.00 | 538.71 |
| | Director' Meeting Fees | 4.86 | 5.09 |
| | Auditor's Remuneration* | 22.01 | 24.23 |
| | Donation | 2.45 | 8.31 |
| | Miscellaneous Expenses | 536.14 | 768.83 |
| | | 1,553.03 | 1,857.64 |

(₹ in Lacs)

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|----------|---|-------------------------|-------------------------|
| | (c) SELLING EXPENSES | | |
| | Freight & Forwarding Expenses | 2,396.99 | 2,407.43 |
| | Commission on Sales | 111.52 | 117.09 |
| | Bad Debts Written off | - | 53.16 |
| | Advertisement & Publicity | 550.62 | 398.85 |
| | | <u>3,059.13</u> | <u>2,976.53</u> |
| | TOTAL - OTHER EXPENSES | <u>11,811.82</u> | <u>12,767.29</u> |
| | * Payment to Auditors Include followings | | |
| | (a) Audit Fee | 18.60 | 18.60 |
| | (b) Tax Audit | 2.12 | 2.12 |
| | (c) Other Certifications | 1.29 | 3.51 |
| | TOTAL | <u>22.01</u> | <u>24.23</u> |

INDEPENDENT AUDITOR'S OPINION

To the Members of Atlas Cycles (Haryana) Limited

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Atlas Cycles (Haryana) Limited ("the Company") and its Subsidiaries (collectively referred to as "the Group") which comprise the consolidated Balance Sheet as at 31st March, 2015, 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.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial

statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Group's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis of Qualified Opinion Paragraph the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2015;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date, and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For Mehra Khanna & Co
Chartered Accountants
Firm Registration No: 001141N

CA Rajiv Bhasin
Partner
Membership No:093845

Place: Delhi
Date: 7th September, 2015

Atlas Cycles (Haryana) Limited

Consolidated Balance Sheet as at 31st March, 2015

(₹ in Lacs)

| DESCRIPTION | Note No. | 31.03.2015 | 31.03.2014 |
|--|----------|-------------------------|-------------------------|
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS FUNDS | | | |
| Share Capital | 2 | 325.19 | 325.19 |
| Reserves and Surplus | 3 | 9,401.60 | 11,296.80 |
| | | <u>9,726.79</u> | <u>11,621.99</u> |
| SHARE APPLICATION MONEY PENDING ALLOTMENT | | | |
| | | - | - |
| NON-CURRENT LIABILITIES | | | |
| Long-term borrowings | 4 | 79.24 | 939.00 |
| Deferred tax liabilities (net) | 5 | - | 364.00 |
| Other Long term liabilities | 6 | 271.88 | 270.45 |
| Long-term provisions | 7 | 82.37 | 73.39 |
| | | <u>433.49</u> | <u>1,646.84</u> |
| CURRENT LIABILITIES | | | |
| Short-term borrowings | 8 | 9,445.27 | 8,296.10 |
| Trade payables | 9 | 9,916.10 | 12,611.65 |
| Other current liabilities | 10 | 3,869.70 | 5,011.71 |
| Short-term provisions | 7 | 2,536.24 | 3,814.18 |
| | | <u>25,767.31</u> | <u>29,733.63</u> |
| TOTAL | | <u>35,927.58</u> | <u>43,002.47</u> |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Fixed Assets | 11 | | |
| Tangible assets | | 9,215.81 | 9,037.05 |
| Intangible assets | | - | - |
| Capital work-in-progress | | 428.42 | 439.89 |
| Intangible assets under development | | - | - |
| Non-current investments | 12 | 50.03 | 116.59 |
| Deferred tax assets (net) | 5 | 543.48 | - |
| Long-term loans and advances | 13 | 1,805.71 | 1,696.05 |
| Other non-current assets | 14 | 17.04 | 9.32 |
| | | <u>12,060.49</u> | <u>11,298.90</u> |
| CURRENT ASSETS | | | |
| Current investments | 12 | 1,234.62 | 1,073.36 |
| Inventories | 15 | 4,477.64 | 9,267.73 |
| Trade receivables | 16 | 11,853.85 | 16,237.65 |
| Cash and Bank Balances | 17 | 562.38 | 295.94 |
| Short-term loans and advances | 13 | 5,732.58 | 4,815.25 |
| Other current assets | 18 | 6.02 | 13.64 |
| | | <u>23,867.09</u> | <u>31,703.57</u> |
| TOTAL | | <u>35,927.58</u> | <u>43,002.47</u> |
| Significant Accounting Policies | 1 | 0.00 | 0.00 |

C.M.Dhall
C.E.O / C.F.O.,
(Unit III)

Ganesh Iyer
(Unit I)

S.Khanna
(Unit II)

Notes referred to above form an integral part of the financial statements
This is the Balance Sheet referred to in our report of even date

For **MEHRA KHANNA & CO**
Chartered Accountants
FRN:01141N

CA.RAJIV BHASIN
PARTNER
M.NO:093845

JASPREET SINGH KOHLI
Company Secretary

HARI KRISHAN AHUJA
I.D.CHUGH

} DIRECTORS

Delhi: the 7th September, 2015

Atlas Cycles (Haryana) Limited

Consolidated Statement of Profit & Loss for the year ended 31st March, 2015

(₹ in Lacs)

| DESCRIPTION | Note No. | 31.03.2015 | 31.03.2014 |
|--|----------|-------------------|-------------------|
| INCOME | | | |
| Revenue from operations (gross) | 19 | 62,671.92 | 68,478.98 |
| Less :- Rebate | | 2,095.11 | 2,220.22 |
| Less :- Excise Duty on sales | | 1,118.18 | 1,247.35 |
| Revenue from operations (net) | | 59,458.63 | 65,011.41 |
| Other Income | 20 | 850.72 | 178.90 |
| TOTAL | | 60,309.35 | 65,190.31 |
| EXPENSES | | | |
| Cost of materials consumed | 21 | 44,744.04 | 48,055.08 |
| Purchases of trading goods | | 524.46 | 351.28 |
| Changes in inventories of finished goods, work in progress and trading goods | 22 | 564.59 | (149.64) |
| Employee benefits expense | 23 | 3,691.88 | 4,021.58 |
| Finance costs | 24 | 1,107.43 | 922.01 |
| Depreciation and amortization expense | 25 | 662.85 | 713.34 |
| Other expenses | 26 | - | - |
| Manufacturing expenses | | 7,199.66 | 7,933.15 |
| Administration expenses | | 1,553.03 | 1,857.64 |
| Selling expenses | | 3,059.13 | 2,976.53 |
| TOTAL | | 63,107.07 | 66,680.97 |
| Profit before exceptional and extraordinary items and tax | | (2,797.72) | (1,490.66) |
| Profit before extraordinary items and tax | | (2,797.72) | (1,490.66) |
| Profit before tax | | (2,797.72) | (1,490.66) |
| Tax expense | | | |
| Provision for current tax | | 5.00 | 7.00 |
| Provision for deferred tax | | (907.48) | (490.00) |
| Profit / (Loss) for the year from continuing operations | | (1,895.24) | (1,007.66) |
| Profit/(Loss) for the year | | (1,895.24) | (1,007.66) |
| Earnings per share (in ₹) | | | |
| Basic | | (58.28) | (30.99) |
| Diluted | | (58.28) | (30.99) |

Significant Accounting Policies

1

C.M.Dhall
C.E.O / C.F.O,
(Unit III)

Ganesh Iyer
(Unit I)

S.Khanna
(Unit II)

Notes referred to above form an integral part of the financial statements
This is the Balance Sheet referred to in our report of even date

For **MEHRA KHANNA & CO**
Chartered Accountants
FRN:01141N

CA.RAJIV BHASIN
PARTNER
M.NO:093845

JASPREET SINGH KOHLI
Company Secretary

HARI KRISHAN AHUJA
I.D.CHUGH

} DIRECTORS

Delhi: the 7th September, 2015

Atlas Cycles (Haryana) Limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015 (₹ in Lacs)

| P A R T I C U L A R S | 31.03.2015 | 31.03.2014 |
|---|-------------------|-----------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before Interest tax and extra ordinary items | (2,523.47) | (632.80) |
| Adjustments for | | |
| Depreciation & Misc. Write Offs | 662.65 | 713.34 |
| Operating Profit before Working Capital Changes | (1,860.81) | 80.54 |
| Adjustments for: | | |
| (Increase)/Decrease in Trade & other Receivables | 4,383.81 | (2,634.81) |
| (Increase)/Decrease in Inventories | 4,790.09 | 2,006.54 |
| (Increase)/Decrease in Loans and Advances | (1,000.30) | 1,692.14 |
| (Decrease)/Increase in Trade Payables | (2,695.54) | 437.40 |
| (Decrease)/Increase in Other Current Liabilities | (1,438.42) | (1,702.74) |
| Direct Taxes Paid /refund | (80.29) | (120.45) |
| Net Cash Flow from Operating Activities | 2,098.54 | (241.38) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (920.00) | (799.47) |
| Proceeds on Sale of Fixed Assets | 713.37 | 135.18 |
| Dividend Income | 56.71 | 16.99 |
| Net proceeds /(Purchase) from sale of Investments | 30.14 | 314.79 |
| Net Cash Used in Investing Activities | (119.79) | (332.51) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds/ (Repayment) from Borrowings | (664.24) | 325.99 |
| Interest Paid | (1,107.43) | (922.01) |
| Interest Received | 28.15 | 34.01 |
| Dividends Paid | (8.33) | (148.07) |
| Net Cash Used in Financing Activities | (1,751.85) | (710.08) |
| Net Increase/(Decrease) in Cash and Cash Equivalents | 226.90 | (1,283.97) |
| Cash & Cash Equivalents as on 01.04.2014 | 264.11 | 1,539.41 |
| Cash and Cash Equivalents as on 31.03.2015 | 491.01 | 255.44 |

Note: Figures of the previous year have been re-grouped & re-arranged, wherever necessary.
: Figures in brackets represent negative figures.

C.M.Dhall
C.E.O / C.F.O,
(Unit III)

Ganesh Iyer
(Unit I)

S.Khanna
(Unit II)

Notes referred to above form an integral part of the financial statements
This is the Balance Sheet referred to in our report of even date

For **MEHRA KHANNA & CO**
Chartered Accountants
FRN:01141N

CA.RAJIV BHASIN
PARTNER
M.NO:093845

JASPREET SINGH KOHLI
Company Secretary

HARI KRISHAN AHUJA
I.D.CHUGH

} DIRECTORS

Delhi: the 7th September, 2015

| Note No. | DESCRIPTION SIGNIFICANT ACCOUNTING POLICIES |
|----------|---|
|----------|---|

| | |
|----------|--|
| 1 | SIGNIFICANT ACCOUNTING POLICIES |
|----------|--|

| | |
|--|--|
| 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS | |
|--|--|

| | |
|--|--|
| 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS | These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lacs. |
|--|--|

| | |
|----------------------------|--|
| 2. USE OF ESTIMATES | |
|----------------------------|--|

| | |
|----------------------------|--|
| 2. USE OF ESTIMATES | The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised. |
|----------------------------|--|

| | |
|------------------------|--|
| 3. FIXED ASSETS | |
|------------------------|--|

| | |
|------------------------|--|
| 3. FIXED ASSETS | Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress. Land and Building at Sonapat and at Rasoi were revalued on 30th June, 1986. Subsequent additions to these units are shown at cost.] |
|------------------------|--|

| | |
|------------------------|--|
| 4. Depreciation | |
|------------------------|--|

| | |
|------------------------|--|
| 4. Depreciation | Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written down Value (WDV) Method except in case of assets pertaining to Sahibabad, Malanpur and Bawal Unit where depreciation is provided on Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. |
|------------------------|--|

| | |
|-------------------------------|--|
| 5. Revenue Recognition | |
|-------------------------------|--|

| | |
|-------------------------------|--|
| 5. Revenue Recognition | Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Gross sales are inclusive of applicable excise duty and but are exclusive of sales tax. Dividend income is recognised when the right to receive payment is established. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable. |
|-------------------------------|--|

| | |
|-----------------------|--|
| 6. Investments | |
|-----------------------|--|

| | |
|-----------------------|--|
| 6. Investments | Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Non-Current investments are stated at cost. Provision for diminution in the value of Non-Current investments is made only if such a decline is other than temporary. |
|-----------------------|--|

| | |
|-----------------------|--|
| 7. Inventories | |
|-----------------------|--|

| | |
|-----------------------|---|
| 7. Inventories | Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. |
|-----------------------|---|

| | |
|---------------------------|--|
| 8. Borrowing Costs | |
|---------------------------|--|

| | |
|---------------------------|--|
| 8. Borrowing Costs | Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred. |
|---------------------------|--|

| | |
|--|--|
| 9. Provisions, Contingent Liabilities and Contingent Assets | |
|--|--|

| | |
|--|---|
| 9. Provisions, Contingent Liabilities and Contingent Assets | Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. |
|--|---|

10. Income Taxes

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

11. Research and Development Expenses

Revenue expenditure pertaining to research is charged to the Profit and Loss Statement. Development costs of products are charged to the Profit and Loss Statement unless a product's technological feasibility has been established, in which case such expenditure is capitalised.

Recognition of opening and closing balances of Defined Benefit Obligation

GRATUITY

| | Gratuity (Funded) | |
|---|-------------------|----------------|
| | 2014-15 | 2013-14 |
| Defined Benefit obligation at the beginning of the year | 1217.00 | 1264.00 |
| Current Service Cost | 59.00 | 142 |
| Interest cost | 103.00 | 102 |
| Benefit paid | -211.00 | -291.00 |
| Defined Benefit obligation at the year end | <u>1168.00</u> | <u>1217.00</u> |

INVESTMENT DETAILS

| Investment Detail: | Investement as on 3/31/2015 | | Investement as on 3/31/2014 | |
|-----------------------------|--------------------------------|----------------|--------------------------------|------------|
| | Value | % | Value | % |
| GOI Securities | 474.33 | 19.48% | 474.33 | 16.69 |
| Public Securities | 650.62 | 26.72% | 650.62 | 35.84 |
| State Government Securities | 390.9 | 16.05% | 390.9 | 11.60 |
| Private Securities | 815.7 | 33.50% | 815.7 | 8.38 |
| In banks | 103.30 | 4.24% | 72.1 | 27.49 |
| | <u>2434.85</u> | <u>100.00%</u> | <u>2403.65</u> | <u>100</u> |

Acturial assumptions

| | Gratuity (Funded) | |
|--|-------------------|---------|
| | 2014-15 | 2013-14 |
| Discount rate (Per Annum) | 8.00 | 8.00 |
| Expected rate of return plan (Per Annum) | 8.75 | 9.40 |
| Rate of escalation of salary (Per Annum) | 8.00 | 7.00 |

The estimats of rate of escalation in salary considered in acturial valuation, takes into account seniority and promotion other relevant factors. The above information is certified by the actuary As per the Accounting Standard 15 " Employees benefit", the disclosure as defined in the accounting Standard are given below:

Defined Contribution Plan

| | 31.3.2015 | 31.3.2014 |
|---|-----------|-----------|
| Employer's Contribution to Provident Fund | 77.75 | 56.69 |
| Employers Contribution to Supper Annuation Fund | 16 | 38.63 |
| Employers Contribution to Gratuity Fund | 83.79 | 106.22 |

NOTES TO ACCOUNT

1 CONTIGENT LIABILITIES IN RESPECT OF

| | 2015 | 2014 |
|---|--------|--------|
| a) Surety bonds executed in favour of President of India through Customs & Excise authorities for payment of Central Excise/Custom duty | 165.00 | 165.00 |
| b) Two surety bonds in favour of government of Haryana for payment of Central & Local Sales Tax | 30.40 | 30.40 |
| c) Guarantees given by bank | 230.04 | 563.05 |
| d) In respect of Entry Tax matters | 0.00 | 5.00 |
| e) In respect of Excise matters | 0.00 | 52.00 |
| f) In respect of Sales Tax matters | 580.50 | 568.07 |

2 DETAILS OF RAW MATERIAL CONSUMED DURING THE YEAR

| Units | | 2015 | | 2014 | | |
|-------|-----------------|-----------------------|------------|-----------------------|------------|------------------|
| | | Quantity (in lacs) | Value ₹ | Quantity (in lacs) | Value ₹ | |
| (i) | Sheets & Strips | Kgs. | 32.01647 | 1,647.67 | 41.07 | 2,462.38 |
| (ii) | Tyres | Nos. | 43.51 | 4,642.89 | 50.82 | 5,516.34 |
| (iii) | Tubes | Nos. | 42.67106 | 1,784.68 | 48.55 | 2,047.16 |
| (iv) | Rims | Nos. | 34.65 | 3,234.95 | 37.18 | 3,229.73 |
| (v) | Other Items | - | 0 | 1,879.03 | | 1,850.87 |
| (vi) | Components | - | 0 | 31,581.42 | | 32,948.60 |
| | | | | 44,770.64 | | 48,055.08 |

3 VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL SPARE PARTS AND COMPONENTS CONSUMED DURING THE YEAR

| | Indigenous | | Imported | |
|------------------|------------|------------|-----------|------------|
| | Value (₹) | Percentage | Value (₹) | Percentage |
| (i) Raw Material | 11,310.20 | 100 | NIL | 0 |
| | 13255.61 | (100) | NIL | (0) |
| (ii) Components | 30,372.98 | 90.77 | 3,087.46 | 9.23 |
| | (32118.33) | (92.30) | (2681.14) | (7.70) |

Previous Year figures are shown in brackets.

4 VALUE OF TOTAL IMPORTS ON CIF BASIS

| | 2015 ₹ | 2014 ₹ |
|--|-----------------|-----------------|
| (i) Raw Material, Components & Spare Parts | 3,087.46 | 2,681.14 |
| (ii) Capital Goods | - | - |
| | 3,087.46 | 2,681.14 |

5 EXPENDITURE IN FOREIGN CURRENCY

| | | |
|--------------------------------------|--------------|--------------|
| (i) Commission on export | 30.35 | 30.26 |
| (ii) Foreign Tours | 41.85 | 22.27 |
| (i) Commission on export | 30.35 | 30.26 |
| (ii) Foreign Tours | 41.85 | 22.27 |
| (iii) Foreign Publicity & exhibition | 1.73 | 2.26 |
| | 73.93 | 54.79 |

6 EARNINGS IN FOREIGN EXCHANGE

| | | |
|--------------------------------|----------|----------|
| F.O.B. Value of goods exported | 2,791.09 | 2,481.00 |
|--------------------------------|----------|----------|

7 RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD 18

A. Name of associated parties and nature of related party relationship

- Associated Companies** : Milton Cycles Inds Ltd, Janki Das & Sons (P) Ltd, Romer Engineering Works (P) Ltd
- Subsidiary Companies are:** Atlas Cycles (Sonipat) Ltd, Atlas Cycles (Sahibabad) Ltd, Atlas Cycles (Malanpur) Ltd.,
Directors & Employees (As at 31.03.2014) : Sh. I.D.Chugh,
Sh. H.K.Ahuja, Sh. H.L.Bhatia, Sh. Vikram Khosla, Sh. Kartik Roop Rai, Sh. Sanjiv Kavaljit Singh, Sh. Veena Buber, Sh. Vikram Kapur, Sh. Salil 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.Sidhant Kapur, Sh.Abhinav Kapur, Sh.Ashwin Kapur.

B. Transactions with the Associated Parties and Subsidiaries

₹ in lacs

| | 2015 | 2014 |
|----------------------|---------|---------|
| Sale of Goods | 62.41 | 638.27 |
| Rent | 4.32 | 4.32 |
| Purchase of Goods | 3878.54 | 4434.20 |
| Balances on year end | 53.46 | 42.31 |
| Guarantee Given | 20.00 | 20.00 |

C. Transactions with key managerial persons:

Remunerations: ₹ 483.64 Lacs (Previous Year ₹ 430.59 Lacs)

8 Figure of the Previous Year have been re-arranged, wherever necessary.**9 The Computation of Net Profit in accordance with Section 198 of the Companies Act, 1956 and commission payable to Directors:**

| | 2015 ₹ | 2014 ₹ |
|--|--------------------------|--------------------------|
| (a) Computation of profit for managerial remuneration | | |
| Profit as per Profit & Loss A/c | -2797.72 | -1511.99 |
| Add: Directors remuneration including perquisites | 13.38 | 14.06 |
| Add: Bad debts | - | - |
| | <u>-2784.34</u> | <u>-1497.93</u> |
| Less: Profit on Sale of Assets | 623.51 | -13.16 |
| Add: Depreciation as per Profit & Loss A/c | | 713.34 |
| Less: Depreciation as per Section 350 of companies Act, 1956 | | -869.86 |
| Net Profit | <u>(2,160.83)</u> | <u>(1,667.61)</u> |
| Commission eligible for payment @ 0.5% of the Net Profit (Previous Year 0.5%) | - | - |
| Actual Commission Paid to a Whole Time Director | - | 1.29 |
| (b) Remuneration paid to a whole time director | 2015 | 2014 |
| Salary | 11.44 | 10.84 |
| Long Service Allowance | 0.02 | 0.02 |
| Provident Fund Contribution | 0.91 | 0.86 |
| Leave Travel Assistance | 0.64 | 0.60 |
| Medical Expenses | 0.37 | 0.45 |
| Commission | - | 1.29 |
| | <u>13.38</u> | <u>14.06</u> |

C.M.Dhall
C.E.O / C.F.O,
(Unit III)

Ganesh Iyer
(Unit I)

S.Khanna
(Unit II)

Notes referred to above form an integral part of the financial statements
This is the Balance Sheet referred to in our report of even date

For **MEHRA KHANNA & CO**
Chartered Accountants
FRN:01141N

CA.RAJIV BHASIN
PARTNER
M.NO:093845

JASPREET SINGH KOHLI
Company Secretary

HARI KRISHAN AHUJA
I.D.CHUGH

} DIRECTORS

Delhi: the 7th September, 2015

Atlas Cycles (Haryana) Limited

Notes to Consolidated Financial Statements

(₹ in Lacs)

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|----------|--|----------------------|----------------------|
| 2 | SHARE CAPITAL | | |
| | AUTHORISED | | |
| | 30,000(30,000) 6 1/4% P.A. free of Income tax cumulative redeemable Preference shares of ₹ 100 each | 30.00 | 30.00 |
| | 97,00,000(97,00,000) Equity Shares of ₹ 10/- each | 970.00 | 970.00 |
| | | <u>1,000.00</u> | <u>1,000.00</u> |
| | ISSUED, SUBSCRIBED AND PAID UP | | |
| | 32,51,919 (32,51,919) Equity Shares of ₹ 10/-each fully paid up | 325.19 | 325.19 |
| | TOTAL - SHARE CAPITAL | <u>325.19</u> | <u>325.19</u> |
| (a) | RECONCILIATION OF THE NUMBER OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR | No. of Shares | No. of Shares |
| | END OF THE REPORTING YEAR | | |
| | Equity Shares outstanding at the beginning of the year | 3,251,919 | 3,251,919 |
| | <i>Equity Shares issued during the year</i> | - | - |
| | Shares outstanding at the end of the year | <u>3,251,919</u> | <u>3,251,919</u> |
| (b) | TERMS/RIGHT ATTACHED TO EQUITY SHARES | | |
| | The company has only one class of equity shares having a par value of ₹ 10 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. | | |
| (c) | EQUITY SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER: | | |
| | | 2015 | 2014 |
| | NAME OF THE EQUITY SHAREHOLDER | No. of Shares | No. of Shares |
| | | % | % |
| | Milton Cycles Industries Ltd | 325846 | 325846 |
| | | 10.02% | 10.02% |
| | Limrose Enng Works Pvt Ltd | 257650 | 257650 |
| | | 7.92% | 7.92% |
| d) | Company has not issued any ESOP Plan, or Conversion of Bonds/Debentures | | |
| e) | Company has not issued any shares by way of Bonus/ Right Shares and has not Buy-back any shares in the preceding five years | | |
| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
| 3 | RESERVES AND SURPLUS | | |
| (a) | SECURITY PREMIUM ACCOUNT | | |
| | As per last account | 606.20 | 606.20 |
| | Add : On Conversion of Foreign Currency Convertible Bonds | - | - |
| | | <u>606.20</u> | <u>606.20</u> |
| (b) | FIXED ASSETS REVALUATION RESERVE | | |
| | As per last account | 389.74 | 389.74 |
| | Add:- Transferred from Statement of Profit and Loss | - | - |
| | Less:- Written Back during the year | - | - |
| | | <u>389.74</u> | <u>389.74</u> |
| (c) | GENERAL RESERVE | | |
| | As per last account | 11,158.83 | 11,158.79 |
| | Add : Transferred from Statement of Profit and Loss | - | - |
| | | <u>11,158.83</u> | <u>11,158.79</u> |
| (d) | SURPLUS - STATEMENT OF PROFIT AND LOSS | | |
| | As per last account | (857.93) | 149.73 |
| | Add : Profit after Tax for the year | (1,895.24) | (1,007.66) |
| | NET PROFIT | (2,753.17) | (857.93) |
| | Amount Available for appropriation | (2,753.17) | (857.93) |
| | APPROPRIATIONS | | |
| | Debenture Redemption Reserve | - | - |
| | General Reserve | - | - |
| | Proposed Dividend | - | - |
| | Corporate Dividend Tax | - | - |
| | Net Surplus in the Statement of Profit and Loss | (3,660.65) | (857.93) |
| | TOTAL - RESERVE & SURPLUS | <u>9,401.60</u> | <u>11,296.80</u> |

(₹ in Lacs)

| Note No. | DESCRIPTION | Non-Current Portion | | Current Maturity | |
|----------|---|---------------------|---------------|------------------|-----------------|
| | | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 |
| 4 | LONG-TERM BORROWINGS | | | | |
| | SECURED | | | | |
| | (a) TERM LOAN FROM BANKS | | | | |
| | Rupee term loan | - | - | - | 661.39 |
| | (b) CAR LOAN FROM BANKS | 79.24 | 78.65 | 87.14 | 46.57 |
| | TOTAL SECURED LONG TERM BORROWINGS | <u>79.24</u> | <u>78.65</u> | <u>87.14</u> | <u>707.96</u> |
| | UNSECURED LONG TERM BORROWINGS | | | | |
| | (a) PUBLIC FIXED DEPOSITS | - | 860.35 | 686.32 | 1,019.14 |
| | TOTAL UNSECURED LONG TERM BORROWINGS | <u>-</u> | <u>860.35</u> | <u>686.32</u> | <u>1,019.14</u> |
| | TOTAL - LONG TERM BORROWINGS | <u>79.24</u> | <u>939.00</u> | <u>773.46</u> | <u>1,727.10</u> |

- 1 Term Loan from Central Bank Of India is secured against first pari passu charge on respective unit's immovable property and future assets which it may acquire in future and carries interest @ 13% p.a and is repayable on 3 yearly equal installments.
- 2 The Company accepted fixed deposits from the public which carries interest @ 11% p.a. for FDRs less than ₹ 2,00,000/- for a period of one year and 11.5% p.a for more than one year irrespective of amount. However, company is repaying fixed deposit as and when becoming due for payment.
- 3 Vehicle loans are secured by way of hypothecation of vehicle concerned and carries interest from 8.5% p.a. to 13% p.a. on different loans and repayable in 36 / 48 equal installments.

| Note No. | DESCRIPTION | Deferred Tax Liability/Asset as at 31.03.2014 | Charge/(Credit) for the year | Deferred Tax Liability/Asset as at 31.03.2015 |
|----------|--|---|------------------------------|---|
| 5 | DEFERRED TAX LIABILITY (NET) | | | |
| | (a) DEFERRED TAX LIABILITY | | | |
| | Difference between book & tax depreciation | 364.00 | (907.48) | 543.48 |
| | Total Deferred Tax Liability | <u>364.00</u> | <u>(907.48)</u> | <u>543.48</u> |
| | DEFERRED TAX LIABILITY (NET) | <u>364.00</u> | <u>(907.48)</u> | <u>543.48</u> |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|----------|--|---------------|---------------|
| 6 | OTHER LONG TERM LIABILITIES | | |
| | Security Deposits | 260.67 | 270.45 |
| | LADT Payable | 11.21 | - |
| | TOTAL - OTHER LONG TERM LIABILITIES | <u>271.88</u> | <u>270.45</u> |

| Note No. | DESCRIPTION | Long-Term | | Short-Term | |
|----------|----------------------------|--------------|--------------|-----------------|-----------------|
| | | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 |
| 7 | PROVISIONS | | | | |
| | For Employee Benefits | | | 122.08 | - |
| | Leave Encashment etc | 82.37 | 73.39 | - | 308.99 |
| | For Taxation | - | - | 1,939.97 | 1,949.10 |
| | For Proposed Dividend | - | - | - | - |
| | For Corporate Dividend Tax | - | - | - | - |
| | For Dealers Discount | - | - | 34.05 | 142.11 |
| | For Bills Payable | - | - | 65.59 | 21.59 |
| | Others | - | - | 374.55 | 1,392.39 |
| | TOTAL - PROVISIONS | <u>82.37</u> | <u>73.39</u> | <u>2,536.24</u> | <u>3,814.18</u> |

(₹ in Lacs)

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|----------|---|-----------------|-----------------|
| 8 | SHORT TERM BORROWINGS | | |
| | SECURED SHORT TERM BORROWINGS | | |
| | (a) Working Capital Facility from Bank | 6,886.30 | 5,594.57 |
| | (c) Short Term Loans | 625.71 | 325.87 |
| | (d) Bills Discounting from Bank/Financial Institution | 1,933.26 | 2,375.66 |
| | TOTAL SECURED SHORT TERM BORROWINGS | 9,445.27 | 8,296.10 |
| | UNSECURED SHORT TERM BORROWINGS | | |
| | (a) Loan from Body Corporate | - | - |
| | TOTAL UNSECURED SHORT TERM BORROWINGS | - | - |
| | TOTAL - SHORT TERM BORROWINGS | 9,445.27 | 8,296.10 |

- 1 Cash Credit Limit from Consortium banks is secured against Hypothecation of Inventory and Book Debts and Ist Charge over Fixed Assets of the Company which is repayable on demand and carries Interest @ 13.25% p.a.
- 2 Bills Discounting facility from SIDBI is fully secured by the stock against the bills discounted and lnd charge over the Fixed Assets of the Company and carries interest@13.50% pa
- 3 Overdraft Limit from HDFC Bank is Secured against the lien on the Mutual Funds and carries interest @12.25% which is repayable on demand.
- 4 Bill Discounting Facility from IDBI bank is secured against second charge on current and fixed assets of Malanpur Unit.
- 5 Unsecured Bill Discounting Facility from India Factoring Finance Limited carries interest@ 15% p.a.

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|----------|--|-----------------|------------------|
| 9 | TRADE PAYABLES | | |
| | Trade Payables (including Acceptances) | | |
| | Dues to Micro and Small enterprises | 3,275.96 | 4,040.92 |
| | Dues to other than Micro and Small enterprises | 6,640.14 | 8,570.73 |
| | TOTAL TRADE PAYABLES | 9,916.10 | 12,611.65 |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|---|-----------------|-----------------|
| 10 | OTHER CURRENT LIABILITIES | | |
| | Current maturities of Long term Borrowings.(Refer note no 4) | 773.46 | 1,727.10 |
| | Interest accrued but not due on borrowings. | 34.96 | 134.80 |
| | Interest accrued and due on borrowings. | - | 2.49 |
| | Statutory Dues | 215.83 | 174.37 |
| | Due to Customer and others | 451.88 | 363.66 |
| | Security Deposits from Agents/Dealers/Others | 101.68 | 99.62 |
| | Advance Against Sale of Land # | 2,187.00 | 2,371.00 |
| | Other Outstanding Liabilities | 95.09 | 120.54 |
| | Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 not due | | |
| | Unpaid dividend | 9.80 | 18.13 |
| | TOTAL OTHER CURRENT LIABILITIES | 3,869.70 | 5,011.71 |

₹ 15.50 Crores received as advance against sale of land of Rasoi Plant and ₹ 6.37 crores received as advance against sale of land of Bawal plant.

11. FIXED ASSETS

(₹ in Lacs)

| Particulars | Land & Building | Plant & Machinery | Computer | Vehicles | Electrical Installation | Furniture & Fixtures | Under Const. Installation Building/ Machinery | Total |
|------------------------------|-----------------|-------------------|---------------|-----------------|-------------------------|----------------------|---|------------------|
| COST | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| As at 1st April,2014 | 7,860.96 | 7,567.61 | 528.57 | 1,595.38 | 269.80 | 819.91 | 439.89 | 19,082.13 |
| Additions | 3.78 | 677.09 | 26.43 | 197.58 | 5.72 | 9.02 | 0.39 | 920.00 |
| Sales/Adjustment | 25.15 | 5.27 | 0.72 | 148.91 | - | 34.16 | 11.86 | 226.06 |
| As at 31st March,2015 | 7,839.59 | 8,239.43 | 554.29 | 1,644.05 | 275.52 | 794.77 | 428.42 | 19,776.07 |
| DEPRECIATION | | | | | | | | |
| As at 1st April,2014 | 2,322.13 | 5,041.93 | 493.44 | 993.72 | 218.87 | 535.10 | - | 9,605.19 |
| For the Year | 206.23 | 236.37 | 19.58 | 117.07 | 17.94 | 65.66 | - | 662.85 |
| Sales/Adjustment | 4.12 | 4.17 | 0.53 | 96.79 | - | 30.59 | - | 136.20 |
| As at 31st March,2015 | 2,524.25 | 5,274.13 | 512.48 | 1,014.00 | 236.82 | 570.17 | - | 10,131.83 |
| NET ASSETS | | | | | | | | |
| As at 31st March,2015 | 5,315.35 | 2,965.30 | 41.81 | 630.05 | 38.70 | 224.61 | 428.42 | 9,644.23 |
| As at 31st March,2014 | 5,538.83 | 2,525.68 | 35.13 | 601.66 | 50.93 | 284.81 | 439.89 | 9,476.94 |

| Note No. | DESCRIPTION | 31.03.2015 | | | | 31.03.2014 | | | |
|----------|---|------------|-------|------------------|----------------|------------|-------|------------------|----------------|
| | | Face Value | Nos | Amount | Amount in Lacs | Face Value | Nos | Amount | Amount in Lacs |
| 12 | INVESTMENTS | | | | | | | | |
| | NON CURRENT INVESTMENTS | | | | | | | | |
| A | Equity Shares Fully Paid Up -Trade Un Quoted | | | | | | | | |
| | Ambojini Property Developers Pvt. Ltd. | 10 | 1410 | 14,100 | | 10 | 1410 | 14,100 | |
| | Amit Enterprises & Builders Pvt. Ltd. | | | | | 10 | 2 | 20 | |
| | Dardode Job Realities Pvt. Ltd. | | | | | 100 | 2 | 200 | |
| | Lavim Developers Pvt. Ltd. | | | | | 30 | 10 | 300 | |
| | Godrej Landmark Redevelopers Pvt.Ltd. | 1000 | 66 | 539,436 | | 1000 | 66 | 539,436 | |
| | Mantri Hamlet Pvt. Ltd. | 10 | 2 | 20 | | 10 | 2 | 20 | |
| | Total A | | | 553,556 | 5.54 | | | 554,076 | 5.54 |
| B | Debentures Fully Paid Up - Un Quoted | | | | | | | | |
| | 10% OCD Godrej Landmark Redevelopers Pvt. Ltd. | 100 | 19680 | 1,968,000 | | 100 | 19680 | 1,968,000 | |
| | 10% OCD Ambojini Property Developers Pvt. Ltd. | 100 | 16062 | 1,606,200 | | 100 | 16062 | 1,606,200 | |
| | 10% OCD Amit Enterprises & Builders Pvt. Ltd. | | | | | 100 | 9408 | 940,800 | |
| | 10% OCD Dardode Jog Realities Pvt. Ltd. | | | | | 100 | 8511 | 851,100 | |
| | 15% OCD Lavim Developers Pvt. Ltd. | | | | | 100 | 9512 | 951,200 | |
| | 10% OCD Mantri Hamlet Pvt. Ltd. | 100 | 7845 | 784,500 | | 100 | 7845 | 784,500 | |
| | Total B | | | 4,358,700 | 43.59 | | | 7,101,800 | 71.02 |
| C | Unquoted Mutual Fund | | | | | | | | |
| | THE OCIAN'S ART FUND-(D) [D] | 100 | 46000 | 4,600,000 | | 100 | 46000 | 4,600,000 | |
| | LESS Provision for Investment | | | 4,600,000 | | | | 4,600,000 | |
| | Total C | | | - | - | | | - | - |
| D | Unquoted Government Securities | | | | | | | | |
| | 12 years National Defence Certificate for the face value of ₹ 1750 each pledged with Government authorities | | | 1750 | | | | 1,750.00 | |
| | 7 Years National Savings Certificate pledged with Excise authorities | | | 10000 | | | | 10,000.00 | |
| | Total (D) | | | 11750 | 0.12 | | | 11,750.00 | 0.12 |

| Note No. | DESCRIPTION | 31.03.2015 | | | | 31.03.2014 | | | |
|--------------|--|------------------|---------|---------------------|-----------------|------------------|----------------------|--------------------|----------------|
| | | Face Value | Nos | Amount | Amount in Lacs | Face Value | Nos | Amount | Amount in Lacs |
| E | Unquoted Fixed Deposit | | | | | | | | |
| | Fixed Deposits having Maturity more than 12 Months | | | | | | 3911864 | | |
| | Total E | | | | | | 3,911,864 | | 39.12 |
| | TOTAL UNQUOTED NON CURRENT INVESTMENT | <i>Total A-F</i> | | 4,924,006.00 | 49.24 | <i>Total A-F</i> | 11,579,490.00 | | 115.79 |
| | Quoted Non Current Investment | | | | | | | | |
| F | Quoted Shares | | | | | | | | |
| | Central Bank of India | 778 | 100.000 | 79,356 | | 778 | 100.000 | 79,356 | |
| | Total Quoted Non Current Investment F | | | 79,356.00 | 0.79 | | 79,356.00 | | 0.79 |
| | TOTAL NON CURRENT INVESTMENT | | | 5,003,362.00 | 50.03 | | 11,658,846.00 | | 116.58 |
| 12(b) | CURRENT INVESTMENTS | | | | | | | | |
| | (At lower of Cost and Fair Value) | | | | | | | | |
| | Investment in Mutual Fund (Quoted) # | | | | | | | | |
| | BIRLA SUNLIFE MUTUAL FUND | | | | | | | | |
| | Birla Sunlife Income Plus - Growth | | | | | 10 | 186874 | 10,000,000 | |
| | Birla Sunlife Dynamic Bond Fund -Retail(D) | 10 | 475081 | 10147821 | | 10 | 1243158 | 24,800,000 | |
| | FRANKLIN TEMPLETON MUTUAL FUND | | | | | | | | |
| | Templeton India Short Term Income Retail-G | 1000 | 4645 | 9999900 | | 1000 | 4645 | 9,999,900 | |
| | HDFC MUTUAL FUND | | | | | | | | |
| | HDFC Corporate Debt Opp.Fund - R-G | 10 | 2681205 | 30000000 | | | | | |
| | HDFC MIP- Short Term- G | 10 | 438245 | 10092952 | | | | | |
| | AXIS MUTUA FUND | | | | | | | | |
| | Axis Short Term Fund-G | 10 | 712721 | 10000000 | | | | | |
| | IDFC MUTUAL FUND | | | | | | | | |
| | IDFC SSIF- Short Term-Plan-A-G | 10 | 451267 | 9999900 | | 10 | 451267 | 9,999,900 | |
| | IDFC SSIF-Medium Term-Plan-A-G | 10 | 427625 | 10000000 | | 10 | 747317 | 15,000,000 | |
| | IDFC SSIF-Investment-Plan-A-G | 10 | | | | 10 | 349676 | 10,000,000 | |
| | RELIANCE MUTUAL FUND | | | | | | | | |
| | Reliance Medium Term Fund | 10 | 4660 | 49718 | | 10 | 2608 | 27,572 | |
| | Reliance Dynamic Bond Fund-G | 10 | 1091996 | 20710149 | | 10 | 0 | - | |
| | Reliance Fixed Horizo XXIV Sr 9 G | | | | | 10 | 1000000 | 10,000,000 | |
| | HSBC MUTUAL FUND | | | | | | | | |
| | HSBC Fixed Term Sr-94-Ten -G | | | | | 10 | 500000 | 5,000,000 | |
| | HSBC Capital Protection Oriented Fund | 10 | 100000 | 1000000 | | 10 | 100000 | 1,000,000 | |
| | UTI MUTUAL FUND-(G) | | | | | | | | |
| | UTI Short Term Income Fund -Insti. -G | 10 | 598770 | 10000000 | | | | | |
| | KOTAK MUTUAL FUND-(D) | | | | | | | | |
| | Kotak Liquid Scheme Plan -A D/D | 1000 | 1195 | 1461544 | | | | | |
| | PRINCIPAL MUTUAL FUND-(D) | | | | | | | | |
| | Principal PNB Fixed Maturity Plan | | | | | 10 | 1020880 | 10,208,796 | |
| | MORGAN STANLAY MUTUAL FUND | | | | | | | | |
| | Morgan Stanley Liquid Fund-D | | | | | 1000 | 1102 | 1,300,000 | |
| | SUB TOTAL | [B] | | 123,461,984 | 1,234.62 | | | 107,336,168 | 1,073.36 |
| | NOTE : [GROWTH = (G) ; DIVIDEND = (D)] | | | | | | | | |
| | MARKET VALUE OF THE MUTUAL FUND | | | 132,598,325 | 1,325.98 | | | 110,320,450 | 1,103.20 |
| | Aggregate value of Current Investment | | | 123,461,984 | 1,235 | | | 107,336,168 | 1,073 |
| | Aggregate value of unquoted investment | | | 4,924,006 | 49 | | | 11,579,490 | 116 |
| | Aggregate value of quoted investment | | | 79,356 | 1 | | | 79,356 | 1 |
| | Market value of quoted investment | | | 132,598,325 | 1,326 | | | 110,320,450 | 1,103 |

(₹ in Lacs)

| Note No. | DESCRIPTION | Long-Term | | Short-Term | |
|-----------|--|------------------------|------------------------|------------------------|------------------------|
| | | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 |
| 13 | LOANS AND ADVANCES | | | | |
| | (Unsecured, Considered good unless otherwise stated) | | | | |
| | Advance Recoverable in Cash or in kind or the value to be received | 1,340.47 | 1,340.47 | 2,924.16 | 2,139.12 |
| | Capital Advances | 49.06 | 289.74 | - | - |
| | Security Deposits | 73.98 | 61.80 | 287.55 | 227.23 |
| | Claims Recoverable | 341.07 | 2.91 | | |
| | Prepaid Taxes | | | 2,431.48 | 2,365.32 |
| | Prepaid Expenses | | | 35.78 | 34.20 |
| | Balance with Government Authorities | 1.13 | 1.13 | 53.61 | 49.38 |
| | TOTAL - LOANS AND ADVANCES | <u>1,805.71</u> | <u>1,696.05</u> | <u>5,732.58</u> | <u>4,815.25</u> |

(₹ in Lacs)

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|--|---------------------|--------------------|
| 14 | OTHER NON CURRENT ASSETS | | |
| | Deposit with original Maturity of more than 12 month | - | - |
| | Interest accrued on Investment /FDR | 10.46 | 2.90 |
| | Preliminary Expenses | 6.58 | 6.42 |
| | Total Other Non Current Assets | <u>17.04</u> | <u>9.32</u> |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|--|------------------------|------------------------|
| 15 | INVENTORIES | | |
| | (As taken, valued and certified by the Management) | | |
| | (valued at lower of cost and net realisable value unless otherwise stated) | | |
| | Production Material | 1,836.87 | 2,618.46 |
| | Work in Progress | 258.40 | 437.34 |
| | Finished Goods | 1,225.55 | 1,641.66 |
| | Stock in Trade | 56.42 | 25.25 |
| | Store, Spares and Components | 1,004.91 | 4,450.86 |
| | Loose Tools | 59.48 | 57.44 |
| | Scrap | 36.01 | 36.72 |
| | TOTAL - INVENTORIES | <u>4,477.64</u> | <u>9,267.73</u> |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|---|-------------------------|-------------------------|
| 16 | TRADE RECEIVABLES | | |
| | (Unsecured, Considered goods unless otherwise stated) | | |
| | (a) OVERDUE EXCEEDING SIX MONTHS | | |
| | Unsecured, Considered good | 3,170.34 | 1,728.81 |
| | Doubtful | 150.88 | 150.88 |
| | Less : Provision for doubtful receivable | 150.88 | 150.88 |
| | | <u>3,170.34</u> | <u>1,728.81</u> |
| | (b) OVERDUE LESS THAN SIX MONTHS | 8,683.51 | 14,508.84 |
| | TOTAL - TRADE RECEIVABLE | <u>11,853.85</u> | <u>16,237.65</u> |

(₹ in Lacs)

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|---|---------------|---------------|
| 17 | CASH AND BANK BALANCES | | |
| | (a) CASH AND CASH EQUIVALENTS | | |
| | Balance with banks | 352.16 | 101.42 |
| | Bank deposits with original maturity of less than three month | 73.81 | 97.01 |
| | Unpaid dividend accounts | 9.80 | 18.13 |
| | Cash in hand | 55.24 | 47.55 |
| | Total Cash and Cash Equivalents | 491.01 | 264.11 |
| | (b) OTHER BANK BALANCES | | |
| | Bank Deposits with original maturity of more than three month but less than 12 months | 22.97 | 22.55 |
| | Bank Deposits with original maturity of more than 12 months * | 48.40 | 9.28 |
| | TOTAL OTHER BANKS BALANCES | 71.37 | 31.83 |
| | TOTAL - CASH & BANK BALANCES | 562.38 | 295.94 |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|--|-------------|--------------|
| 18 | OTHER CURRENT ASSETS | | |
| | (Unsecured, Considered good unless otherwise stated) | | |
| | Interest accrued on Investment /FDR | 6.02 | 13.64 |
| | Deferred Revenue Expenditure | - | - |
| | TOTAL OTHER CURRENT ASSETS | 6.02 | 13.64 |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|--|------------------|------------------|
| 19 | REVENUE FROM OPERATIONS | | |
| | (a) SALE OF PRODUCTS | | |
| | Finished Goods | 61,844.91 | 68,140.91 |
| | Interunit Sales | - | - |
| | | 61,844.91 | 68,140.91 |
| | (b) OTHER OPERATING REVENUE | | |
| | Export Benefits | 230.89 | 217.56 |
| | Scrap Sales | 594.94 | 120.51 |
| | Miscellaneous Income | 1.18 | - |
| | | 827.01 | 338.07 |
| | REVENUE FROM OPERATIONS (GROSS) | 62,671.92 | 68,478.98 |
| | Rebate | 2,095.11 | 2,220.22 |
| | EXCISE DUTY ON SALES | 1,118.18 | 1,247.35 |
| | REVENUE FROM OPERATIONS (NET) | 59,458.63 | 65,011.41 |

(₹ in Lacs)

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|---|---------------|---------------|
| 20 | OTHER INCOME | | |
| (a) | INTEREST INCOME ON | | |
| | Loans and Advances | 1.10 | 15.83 |
| | Banks | 27.05 | 18.18 |
| | | 28.15 | 34.01 |
| (b) | Dividend Income on Current Investment | 56.71 | 16.99 |
| (c) | NET GAIN/(LOSS) ON SALE OF CURRENT INVESTMENTS | | |
| | Gain on Sale | 124.84 | 74.52 |
| | | 124.84 | 74.52 |
| (d) | NET GAIN/(LOSS) ON SALE OF FIXED ASSETS | | |
| | Gain on Sale | 623.51 | 13.16 |
| | | 623.51 | 13.16 |
| (f) | OTHER NON-OPERATING INCOME (NET) | | |
| | Lease Rent | - | 2.50 |
| | Misc Receipts | 4.34 | 21.87 |
| | Rent receipts | 13.17 | 15.85 |
| | | 17.51 | 40.22 |
| | TOTAL OTHER INCOME | 850.72 | 178.90 |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|---|-------------------|-------------------|
| 21 | COST OF MATERIAL CONSUMED | | |
| | Raw Material Consumed* | 44,744.04 | 48,055.08 |
| | TOTAL COST OF MATERIAL CONSUMED | 44,744.04 | 48,055.08 |
| | *DETAIL OF RAW MATERIAL CONSUMED DURING THE YEAR | 31.03.2015 | 31.03.2014 |
| (i) | Sheets & Strips | 1,647.67 | 2,462.38 |
| (ii) | Tyres | 4,642.89 | 5,516.34 |
| (iii) | Tubes | 1,784.68 | 2,047.16 |
| (iv) | Rims | 3,234.95 | 3,229.73 |
| (v) | Other Items | 1,879.03 | 1,850.87 |
| (vi) | Components | 31,554.81 | 32,948.60 |
| | | 44,744.04 | 48,055.08 |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|---|-----------------|-----------------|
| 22 | CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS | | |
| | OPENING STOCK | | |
| | Finished Goods | 1,641.66 | 1,587.75 |
| | Work in Progress | 437.34 | 294.56 |
| | Scrap | 36.72 | 0.20 |
| | Stock In Trade | 25.25 | 108.82 |
| | TOTAL OPENING STOCK | 2,140.97 | 1,991.33 |
| | CLOSING STOCK | | |
| | Finished Goods | 1,225.55 | 1,641.66 |
| | Work in Progress | 258.40 | 437.34 |
| | Scrap | 36.01 | 36.72 |
| | Stock In Trade | 56.42 | 25.25 |
| | TOTAL CLOSING STOCK | 1,576.38 | 2,140.97 |
| | TOTAL - CHANGES IN INVENTORIES | 564.59 | (149.64) |

(₹ in Lacs)

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|--|-----------------|-----------------|
| 23 | EMPLOYEE BENEFITS EXPENDITURE | | |
| | Salaries, Wages, Bonus and Other benefits | 3,020.49 | 3,245.06 |
| | Contribution to provident and other funds | 396.10 | 435.76 |
| | Staff Welfare Expenses | 275.29 | 340.76 |
| | TOTAL - EMPLOYEE BENEFITS EXPENDITURE | 3,691.88 | 4,021.58 |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|-----------------------------|-----------------|---------------|
| 24 | FINANCE COST | | |
| | Interest Expenses | 1,062.19 | 835.64 |
| | Other Borrowing Costs | 45.24 | 86.37 |
| | TOTAL - FINANCE COST | 1,107.43 | 922.01 |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|---|---------------|---------------|
| 25 | DEPRECIATION AND AMORTIZATION EXPENSES | | |
| | Depreciation on Fixed Assets | 662.85 | 713.34 |
| | Amortisation Expenses | - | - |
| | TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES | 662.85 | 713.34 |

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|-----------|--|-----------------|-----------------|
| 26 | OTHER EXPENSES | | |
| | (a) MANUFACTURING EXPENSES | | |
| | Consumption of Stores and Spare parts | 3,498.52 | 3,901.98 |
| | Packing Material Consumed | 1,881.31 | 1,998.01 |
| | Power and Fuel | 899.40 | 993.04 |
| | Labour Processing & Transportation Charges | 241.61 | 357.55 |
| | Repairs to Buildings | 178.01 | 169.63 |
| | Repairs to Plant & Machinery | 208.89 | 183.41 |
| | Other Repairs | 291.92 | 329.53 |
| | | 7,199.66 | 7,933.15 |
| | (b) ADMINISTRATIVE EXPENSES | | |
| | Insurance | 35.99 | 35.17 |
| | Rent | 46.34 | 100.08 |
| | Rates and Taxes | 169.10 | 156.41 |
| | Legal and Professional | 150.61 | 57.86 |
| | Printing & Stationary, Postage and Telephone | 115.53 | 162.95 |
| | Travelling & Conveyance | 470.00 | 538.71 |
| | Director' Meeting Fees | 4.86 | 5.09 |
| | Auditor's Remuneration* | 22.01 | 24.23 |
| | Donation | 2.45 | 8.31 |
| | Miscellaneous Expenses | 536.14 | 768.83 |
| | | 1,553.03 | 1,857.64 |

(₹ in Lacs)

| Note No. | DESCRIPTION | 31.03.2015 | 31.03.2014 |
|----------|---|-------------------------|-------------------------|
| | (c) SELLING EXPENSES | | |
| | Freight & Forwarding Expenses | 2,396.99 | 2,407.43 |
| | Commission on Sales | 111.52 | 117.09 |
| | Bad Debts Written off | - | 53.16 |
| | Advertisement & Publicity | 550.62 | 398.85 |
| | | <u>3,059.13</u> | <u>2,976.53</u> |
| | TOTAL - OTHER EXPENSES | <u>11,811.82</u> | <u>12,767.32</u> |
| | * Payment to Auditors Include followings | | |
| | (a) Audit Fee | 18.60 | 18.60 |
| | (b) Tax Audit | 2.12 | 2.12 |
| | (c) Other Certifications | 1.29 | 3.51 |
| | TOTAL | <u>22.01</u> | <u>24.23</u> |

ATLAS CYCLES (HARYANA) LIMITED

CIN: L35923HR1950PLC001614

Registered office: Industrial Area, Atlas Road, sonapat-131001, Haryana (India).

Dear Shareholders,

Sub: Green Initiative

We value your relationship with Atlas Cycles (Haryana) Limited and thank you for all your support.

Ministry of Corporate Affairs (MCA) has issued a Circular No. 17/2011 dated 21.04.2011 propagating "Green Initiative", by allowing paperless compliances by serving documents through electronic mode (e-mail). We, therefore intend to send all future Shareholders' communication like Notices, Company's Annual Report through electronic mode. This will ensure prompt receipt of communication and avoid postal delay.

We request you to inform **your e-mail address**, if, you have to your Depository Participant and also register e-mail ID at our Registrar and Share Transfer Agents viz. "M/s Mas Services Limited" at the website **www.masserv.com**, in case you have not already registered the same.

You are also requested to intimate to the Depository Participants (DP), changes, if any, in your registered addresses, e-mail ID and /or changes in your bank account details.

Further for registration you need letter ID and password which has been mentioned on your attendance slip.

Please note that, as the member of the Company, you will be entitled to be furnished, free of cost, with a printed copy of the Balance Sheet of the Company and all other documents required by law to be attached thereto including the Profit & Loss Account and Auditors' Report etc. and all other communication that may be sent to you, through electronic mode of Communication.

Soliciting your co-operation and continued patronage.

Thanking You,

For **Atlas Cycles (Haryana) Limited**

Sd/-
(JASPREET SINGH)
Company Secretary

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**Part "A": Subsidiaries**

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

| Sl. No. | Particulars | Details | | |
|---------|---|----------------------------------|---------------------------------|------------------------------|
| | | Atlas Cycles (Sahibabad) Limited | Atlas Cycles (Malanpur) Limited | Atlas Cycles Sonepat Limited |
| 1. | Name of the subsidiary | | | |
| 2. | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | | | |
| 3. | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | | | |
| 4. | Share capital | 5,00,000 | 5,00,000 | 5,00,000 |
| 5. | Reserves & surplus | — | — | — |
| 6. | Total assets | 5,02,278 | 5,02,278 | 5,04,412 |
| 7. | Total Liabilities | 2,278 | 2,278 | 4,412 |
| 8. | Investments | — | — | — |
| 9. | Turnover | — | — | — |
| 10. | Profit before taxation | — | — | — |
| 11. | Provision for taxation | — | — | — |
| 12. | Profit after taxation | — | — | — |
| 13. | Proposed Dividend | — | — | — |
| 14. | % of shareholding | 100 | 100 | 100 |

Notes: 1. All of the Subsidiaries not commenced Business yet.

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. Shares of Associate/Joint Ventures held by the company on the year end | — | — | — |
| No. | — | — | — |
| Amount of Investment in Associates/Joint Venture | — | — | — |
| Extend of Holding% | — | — | — |
| | — | — | — |
| 3. Description of how there is significant influence | — | — | — |
| | — | — | — |
| 4. Reason why the associate/joint venture is not consolidated | — | — | — |
| | — | — | — |
| 5. Net worth attributable to shareholding as per latest audited Balance Sheet | — | — | — |
| | — | — | — |
| 6. Profit/Loss for the year | — | — | — |
| i. Considered in Consolidation | — | — | — |
| ii. Not Considered in Consolidation | — | — | — |



ATLAS CYCLES

Atlas Cycles (Haryana) Limited

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

Tel: 91-130-2200001-8, Fax: 91-130-2200018