

# ATLAS CYCLES (HARYANA) LIMITED

SONEPAT-131001

## BOARD OF DIRECTORS :

Shri Prithvi Raj Chawla, (Non Executive Director)  
Shri Hari Krishan Ahuja, (Non Executive Director)  
Shri Hira Lal Bhatia, (Non Executive Director)  
Shri I. D. Chugh, (Whole Time Director)

## COMPLIANCE OFFICER

Shri I. D. Chugh

## REGISTERED OFFICE :

Atlas Road  
Industrial Area  
Sonapat –131001  
(Haryana)

## STATUTORY AUDITORS :

Messers Mehra Khanna & Co.  
Chartered Accountants, Delhi

## BANKERS :

Central Bank of India  
Punjab National Bank  
Bank of Baroda

## BOARD COMMITTEES :

### Audit Committee

Shri Hari Krishan Ahuja Chairman  
Shri Prithvi Raj Chawla Member  
Shri Hira Lal Bhatia Member

### Shareholders/ Investor

### Grievances Committee

Shri Prithvi Raj Chawla Chairman  
Shri I. D. Chugh Member

## 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.)

## 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  
Bombay Stock Exchange  
Delhi Stock Exchange

## E-MAIL

[companylaw@atlascyclesonepat.com](mailto:companylaw@atlascyclesonepat.com)

## WEBSITE

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

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## **NOTICE TO THE SHAREHOLDERS**

Notice is hereby given that the Sixty Second Annual General Meeting of the members of Atlas Cycles (Haryana) Limited will be held at the Registered Office of the Company in the Industrial Area, Sonapat on Monday, the 30th September 2013 at 4.00 P.M. (I.S.T.) to transact the following business(es):-

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Account for the year ended on that date along with the reports of the Board of Directors and Auditors thereon.
2. To declare final dividend at the rate of 45% (Rs. 4.50) per Equity Share of face value of Rs. 10/- each.
3. To appoint a director in place of Shri Prithvi Raj Chawla who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint auditors for the current year and fix their remuneration, Messers Mehra Khanna & Co., Chartered Accountants, the present auditors, offer themselves for re-appointment.

### **SPECIAL BUSINESS**

1. To consider and, if thought fit, to pass the following resolution, with or without modification, as an ordinary resolution:-

"RESOLVED THAT pursuant to the provisions of Section 269 read with Schedule XIII, Section 309 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval as may be required, the consent of the Board be and is hereby granted to the re-appointment of Mr. Ishwar Das Chugh as Whole Time Director of the Company for a period of 5 years with effect from 31st March, 2013 to 30th March, 2018 upon the terms and subject to the conditions set out in the explanatory statement annexed to this notice with liberty to the Board of Directors to alter or vary the terms and conditions of the said reappointment within the limits specified in Schedule XIII of the Companies Act, 1956 or any amendments thereto.

### **EXPLANATORY STATEMENT UNDER SECTION 173 OF THE COMPANIES ACT, 1956**

1. At the meeting held on 28th March, 2013 the Board of Directors approved the renewal of appointment of Mr. I.D. Chugh, as a Whole Time Director for a further period of five years from 31st March, 2013 on revised terms as set out below; approval of the members is requested to the same.

1. PERIOD:- 31st March, 2013 to 30th March, 2018.

2. REMUNERATION:-

**SALARY:** Between Rs. 86,177/- and Rs. 1,20,000/- per month as may be decided by the Board from time to time inclusive of D.A. and other allowance and payments, if any.

**COMMISSION:-** At the rate of 0.5% of annual net profits of the Company computed in accordance with the provisions of the Companies Act, 1956 or subject to the such limits as may be placed by the Board on the quantum of such commission from time to time whichever is less.

**MEDICAL EXPENSES:** Expenses incurred for self and family, as per Company's rules subject to such ceiling as may be decided by the Board from time to time but not exceeding, in any case, one month salary per year or three months salary in a periods of three years.

**LEAVE TRAVEL CONCESSION:-** For self and family once in a year in accordance with the rules of the Company.

**PROVIDENT FUND:** As per rules of the Company, but not exceeding 12.33% of the Salary.

**SUPERANNUATION:** As per rules of the Company provided, however, that Company's contribution to such fund shall not together with Company's contribution to provident fund exceed 25% of the Salary.

**GRATUITY:** As per the payment of Gratuity Act, 1972.

**TELEPHONE:** Reimbursement of the actual expenses incurred on telephone at his residence for the business of the Company, personal long distance call charges will be borne by Mr. I.D. Chugh.

**CAR:** Expenses on use of car on Company's business will be reimbursed to Mr. I.D. Chugh, subject to ceiling to be decided by the Board from time to time.

**CLUB FEES:-** Annual Membership fee of Rotary Club, Ghaziabad.

**MINIMUM REMUNERATION:-** In the case of absence or inadequacy of profits in any year, the minimum remuneration payable to Mr. I.D. Chugh, shall be restricted as per Section 11 of Schedule XIII of the Companies Act, 1956 as amended.

### **OTHER CONDITIONS:-**

- (i) The terms and conditions of the said appointment may be altered and varied from time to time by the Board, as it may, as its discretion, deem fit as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 or any amendments made thereafter in that regard.
- (ii) Mr. I.D. Chugh's employment may be terminated by either party giving a notice.
- (iii) Mr. I.D. Chugh is re-appointed a whole time director of the Company by virtue of his employment in the Company and if at any time he ceases to be in the employment of the Company, for any reason whatsoever, he ceases to be a director of the Company.
- (iv) He shall not be entitled to any sitting fee for attending the meeting of the Board of Directors or Committees thereof.

### **NATURE OF DUTIES:**

Mr. I.D. Chugh will be Factory Manager of the Company's factory at Sahibabad and "OCCUPIER" under the Factories Act, 1948 of this and other units of the Company in which capacity he will devote whole Time attention to the affairs of the Company, he will also perform such duties as may be assigned to him from time to time by the Board of Directors.

Mr. I.D. Chugh has been associated with the Company for over 36 years in various capacities from time to time. Currently he is the whole time director of the Company.

Mr. I.D. Chugh holds a Masters Degree in Business administration and has over fifty five years business and industrial experience.

The Board considers that Mr. I.D. Chugh's re-appointment as whole time director is in the interest of the Company and accordingly recommends his re-appointment.

The above may also be treated as an abstract under section 302 of the Companies Act, 1956 of the terms of appointment of Mr. I.D. Chugh as a whole time director of the company.

Your Directors recommend the resolution for approval. None of the Directors except Mr. I.D. Chugh is interested in this resolution.

By order of the Board of Directors  
For **ATLAS CYCLES (HARYANA) LTD.**  
(I.D. Chugh)  
COMPLIANCE OFFICER

Sonapat: the 14th August, 2013

**NOTES :-**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("THE MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE INSTRUMENT APPOINTING PROXY SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. THE PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.
2. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. Members attending the meeting are requested to bring with them the attendance slip attached to the notice duly filled in and signed and handover the same at the entrance place of the meeting. Proxy / Representative of a member should mark on the Attendance Slip as "Proxy" or "Representative" as the case may be. Members holding shares in electronic form and desirous of attending the meeting are required to bring along with them their Client ID and DP ID Numbers for easy identification.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 23.09.2013 to Monday, 30.09.2013 (both days inclusive). Duly completed and valid applications for transfer of shares received in order at the Registered Office of the Company before 23.09.2013 will be registered in time for transferees to become eligible for dividend.
5. The dividend when declared will be paid through the company's bankers. The dividend warrants will be posted on or before 30.10.2013 to the Registered Addresses of the shareholders or their mandates whose names stand in the register of members on 30.09.2013.
6. Members may get any change in their address/ their mandates registered with the Company before 23.09.2013.
7. As per the amended Section 205A (5) of the Companies Act, 1956, with effect from 31st October, 1998, dividends remaining unclaimed for a period of 7 years from the date it became due for payment, shall be transferred by the Company to the Fund established by the Central Government and no claim thereof shall lie against the Fund of the Company on the expiry of the said period of seven years. Members who have not encashed their dividend warrants for the year ended 31.03.2006 onwards are requested to send unpaid dividend warrants to the Registered Office of the Company for payment in lieu thereof.
8. In terms of notification issued by Securities and Exchange Board of India, the company's shares are being traded compulsorily in demat form.
9. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring with them their copies of the Annual Report at the meeting.
10. Members who are holding shares in identical names in more than one folio are requested to write to the Company to enable the Company to consolidate their holdings in one folio.
11. The securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend through Electronic Clearing Services (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend.
12. Shareholders who wish to obtain payment of dividend through ECS may

please send ECS forms duly filled in. These forms will be sent by the Company on request from the shareholders. Shareholders, who have already availed this facility last year, may send us ECS form in case there is any change in the particulars furnished earlier.

13. We are sending herewith all the documents required under section 219(1) of the Companies Act. However, pursuant to the requirement of proviso (B) (iv) to section 219 (1) of the Companies Act, 1956 the said Directors' Report along with all Annexure is available for inspection at Company's Registered Office, Industrial Area, Sonapat during working hours from today till 30.09.2013.
14. In terms of Section 109A of the Companies Act, 1956, the Shareholder(s) of the Company may nominate a person in whose name(s) the shares held by him/her shall vest in the event of his/her death. Shareholder(s) desirous of availing this facility may submit nomination in Form 2B. (Copy of Form 2B is enclosed with this Annual Report).
15. At the ensuing Annual General Meeting Shri Prithvi Raj Chawla, Director, liable to retire by rotation and being eligible offer himself for re-appointment

**Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange(s), the information about the Directors seeking appointment / re-appointment in the forthcoming Annual General Meeting is as follows:**

Name of Director	Shri Prithvi Raj Chawla
Date of Birth	10th May, 1925
Relationship with other Directors inter-se	None
Date of appointment	06th Aug, 1990
Expertise in specific functional area	In export business for over fifty two years
Qualification	Commerce Graduate
No. of equity shares held in the company	NIL
List of Public Companies (other than Atlas Cycles (Haryana) Limited) in which directorship held as on 31st March, 2013	Atlas Cycles (Sonapat) Limited Atlas Cycles (Sahibabad Limited) Atlas Cycles (Malanpur) Limited
Chairman/ Member of the Committees of the Board of Public Companies in which he is a director as on 31st March, 2013	Membership Audit Committee (Atlas Cycles (Haryana) Limited) Shareholder/Investor Grievance Committee (Atlas Cycles (Haryana) Limited)

**NOTES :-**

The ministry of corporate Affairs has taken a "Green Initiative" in the Corporate Governance by allowing paperless Compliances by the companies and has issued circular stating that services of notice/documents including Annual Report can be sent by email to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository Participants and also register their e-mail ID at our Registrar and share Transfer Agents viz." M/s Mas Services Limited "at the website www.masserv.com, in case you have not already registered the same. Further for detail in this regard please refer the last page of this Annual Report.

By order of the Board of Directors  
For **ATLAS CYCLES (HARYANA) LTD.**  
(I.D. Chugh)  
COMPLIANCE OFFICER

Sonapat: the 14th August, 2013

## DIRECTORS' REPORT TO THE MEMBERS:-

Your directors are delighted to present Sixty Second Annual Report of your Company along with the audited statement of accounts for the year ended 31st March 2013.

### FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

PARTICULARS	2012-13	2011-12
OPERATING PROFITS/(LOSSES)	2411.10	2976.76
ADD : PROFIT ON SALE OF ASSETS	01.48	35.40
ADD : PROFIT ON SALE OF MUTUAL FUND	83.66	109.24
ADD : DIVIDEND INCOME	24.78	109.92
	23.21	167.85
	2521.02	3144.61
LESS : FINANCE COST	1459.94	1946.24
DEPRECIATION	706.82	2166.76
	694.52	2640.76
	354.26	503.85
LESS : PROVISION FOR TAX	77.00	150.00
	277.26	353.85
ADD : PROFIT BROUGHT FORWARD	143.68	159.91
	420.94	513.76

### DIVIDEND

Based on the Company's performance your directors recommend for approval of the members a final dividend @ 45% i.e. Rs. 4.50 per share for the financial year 2012-2013 on the capital of 32,51,919 equity shares of Rs. 10/- each.

The final dividend on the equity shares, if approved by the members, would involve cash outflow of Rs. 146.34 lacs excluding dividend tax. (Previous year Rs. 146.34 lacs).

### PRODUCTION

**26,88,047** bicycles were produced during the period under consideration.

### SALES

Sales during the year amounted to Rs. 678.31 Crore including the sales to foreign countries.

### EXPORTS

During the period under consideration your Company exported bicycles and bicycle components to several countries thereby earning valuable foreign exchange of Rs. 2197.07 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.

### PERFORMANCE OF THE UNITS

Sahibabad Unit continued to do well in terms of sales & market share.

Paint Plant was enhanced by putting up another Disc Paint Plant of latest technology of fine painting to cater to the growing demand for larger numbers and better esthetics.

Sonepat Unit has also enhanced capacity of the Paint Plant by putting up a Disc Paint Plant which is supposed to be of latest technology (French Make) to cater to the growing demand from large customers and give better esthetics to the bicycles.

Further Sonepat plant has put up a Powder Coating paint plant along with an oven for faster and higher output.

These disc plants are of world class quality to meet today's customer requirement. Market has responded to these improvements and sale volumes have grown.

To improve the quality in tubular shop in Sahibabad unit has also taken up the installation of 45 Tons chilling plant for deburring to maintain temperature of chemicals thereby reducing related quality problems.

During the year Company introduced number of new models in all segments like fancy gents, ladies and kids. A number of process improvements have been done resulting in improvement in quality and cost reduction.

### CAPITAL EXPENDITURE

During the year, the Company acquired capital assets worth Rs. 713.67 lacs as against Rs. 1017.49 lacs in the previous year. This includes capital assets worth Rs 135.84 lacs under construction/ installation as against Rs. 34.03 lacs in the previous year.

### 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

Shri Prithvi Raj Chawla is retiring by rotation at this Annual General Meeting and, being eligible, offer himself for reappointment.

Further, pursuant to clause 49 (IV) (E) (iv) of the Listing Agreement, the shareholders may take note that Shri Prithvi Raj Chawla Non Executive Director of the Company holds NIL equity shares in the Company as on the date of this report.

Your directors like to take the opportunity to place on record their appreciation of the contribution made by employees at all levels.

### DEPOSITS (INCLUDING LOANS FROM MEMBERS)

- Total number of depositors on 31.03.2013 who have not claimed their deposits after the date on which their deposits became due for payment -53.
- The aggregate amount of deposits due to the depositors on 31.03.2013 who have not claimed their deposits, including interest accrued, if any, after the dates on which their deposits became due for payment is Rs. 16.91 lacs.

Deposits aggregating Rs. 6.72 lacs pertaining to 19 depositors have since either been renewed or paid. Further unclaimed deposits aggregating to Rs. 28,616 have since been credited to investors Education and Protection Fund. The remaining depositors whose deposits, including interest, amount to Rs. 16.91 lacs have not sent any instructions for the disposal of their matured deposits. These will be renewed or repaid as soon as instructions are received from the concerned depositors.

### TRANSFER TO RESERVES

The Company proposes to transfer Rs. 100/- lacs to the General Reserve out of the amount available for appropriations and an amount of Rs. 149.73/- lacs is proposed to be retained in the Profit and Loss Account.

### CORPORATE GOVERNANCE

The Company complies with the clauses of Listing Agreement entered into with the National Stock Exchange, Bombay Stock Exchange and Delhi Stock Exchange where the Company's shares are listed. 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.

#### AUDITORS

M/s Mehra Khanna & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment.

#### 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.

#### PARTICULARS OF EMPLOYEES

The information required under section 217 (2A) of the Companies Act, 1956 and the rules framed hereunder relating to particulars of employees is given in the annexure to this report.

#### PERSONNEL AND PARTICULARS OF EMPLOYEES

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

Particulars of the employees as required under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of the Employees) Amendment Rules, 2011 are not applicable since, none of the employee of the Company was drawing more than Rs. 60,00,000/- p.a or Rs. 5,00,000/- p.m. for the part of the year. Statement to this effect is as follows:

#### Benefits derived as a result of the above efforts

Loop Tube Bending Tool will help improve productivity and result in cost reduction and improved aesthetics of the product and new assembly tool will help improve productivity. New Tubular fork will improve strength of fork.

#### FOREIGN EXCHANGE EARNING AND OUTGO

Total foreign exchange earned : Rs. 2197.07 lacs

Total foreign exchange used : Rs. 116.01 lacs

#### Statement pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Amendment Rules, 2011 and forming part of the Directors' Report for the financial year ended 31st March, 2013

Sr. No.	Name	Designation & Nature of Duties	Remuneration Gross (Rs.)	Qualifications	Date of appointment	Age in years	Last employment
-----NIL-----							

#### LISTING OF COMPANY'S EQUITY SHARE

Your Company's shares continue to be listed on Delhi, Bombay and National Stock Exchanges. The annual listing Fee for the year 2013-2014 has been paid to all the three stock exchanges.

#### SUBSIDIARY COMPANIES

Statement of Accounts of the subsidiaries together with statement under section 212 of the Companies Act, 1956, are annexed herewith.

#### CONSERVATION OF ENERGY

##### SONEPAT UNIT

The following measures were taken for Conservation of energy:-

- New OLTC Type transformers of rating 1600 KVA has been installed in place of two old transformers of 1250 KVA and 1000 KVA to reduce the losses.
- Installed fuel efficient 1500 KVA Diesel engine in place of old 500 KVA slow speed Diesel engine.
- Installation of Natural wind Air exhaust to replace exhaust fans in Granodising Area.
- Root Blowers of 5HP capacity has been installed in place of 25HP capacity.

##### SAHIBABAD UNIT

The following measures were taken for Conservation of energy:-

- Fire Tubes of 1.5 Ton Boiler were replaced with new-one to reduce consumption of fuel and increase efficiency.
- V.F.D. two nos. were installed on conveyors to save energy.
- One more Capacitor was added to improve Power Factor to save energy.

##### MALANPUR UNIT

The following measures were taken for Conservation of energy:-

- Gas burners for New Paint Plant have been installed which are highly fuel efficient.
- The Disc Plant installed and it is working most efficiently resulting in better finish & high paint efficiency.
- Trials are underway to convert brazing furnace to Gas for better fuel efficiency. New technology is also under study to improve brazing operation.
- Computerized Controls have been installed for better fuel efficiency.

## TECHNOLOGY ABSORPTION

### 1. Specific areas in which R & D carried out by the Company:-

During the year under review, Sonapat Unit, worked mainly on design and development of new models of bicycles and upgrading/revamping of existing models and on improvement of manufacturing processes and quality.

Sahibabad Unit designed and developed more models to fulfill the requirement of the markets and Phosphating Plant was redesigned for 12 Tanks system instead of 10 Tanks system to improve quality of the product.

Malanpur Unit introduced new models of bicycles in all categories of bicycles and planning to acquire latest technology in metal finishing during the next year.

### 2. Benefits derived as a result of the above R & D :-

New and upgraded models were introduced in the market during the year. Cost reduction measures and improvement in the manufacturing processes and quality controls have helped in increasing the Company's market for fancy and conventional bicycles.

With the installation of new Disc Paint Plant, production capacity increased to meet the increased demand and to compete in the market for fancy and conventional bicycles.

### 3. Future Plan of action :-

Development of new models, revamping of existing models, and improvement in development of manufacturing processes which would increase productivity at minimum cost without compromising on quality.

### Technology absorption, adaptation and innovation:-

#### 1. Efforts, in brief, made towards technology absorption, adaptation and innovation:-

- a) New gas fired (Highly Fuel efficient) burners fitted in paint shop.
- b) Installation of Belt Conveyer for carton packing.
- c) Brazing furnaces converted to Gas firing with latest technology from Wesman's Gas train, Controllers and Burners.
- d) Introduction of Pneumatic Wrench in assembly in place of manual operations.
- e) Installation of Automatic Tapping machine.
- f) Starting of Automatic Rim Hole Punching Machines.
- g) Conversion of Air Start Gen sets to self start Gen sets.
- h) 4-Wheel conveyor installed for transportation of frames to increase productivity.
- i) One more line of Brazing & Machining was added to arrest Rust to improve the quality of Painting items in Paint-Shop.

- J) Drying oven was installed in Paint-Shop to improve quality of phosphated component.
- k) Better Exhaust system was installed in Disc Painting Plant for better working environment in Paint-Shop.
- l) All analog temperature gauges of new phosphating have been replaced by digital temperature indicators having rugged and high durability.

## AWARDS & CERTIFICATES

During the year under review, your Company has earned certificate from Department of Scientific and Industrial Research, Government of India, Ministry of Science and Technology in respect of In-house R&D Unit(s) of the Company

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956, Directors hereby confirm that:

- I. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- 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 2013 and of the profit 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 directors had prepared the Annual Accounts on a going concern basis.

## ACKNOWLEDGEMENT

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

HARI KRISHAN AHUJA  
HIRA LAL BHATIA  
ISHWAR DAS CHUGH

} DIRECTORS

Sonapat, the 14th August, 2013

## CORPORATE GOVERNANCE REPORT 2012-2013

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, Bombay Stock Exchange and Delhi Stock Exchange 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 Directorships #	No. of Committee Memberships Member	Chairman
Shri Hari Krishan Ahuja	Director	Non Executive Independent	200	3	1	1
Shri Hira Lal Bhatia	Director	Non Executive Independent	NIL	3	1	NIL
Shri I. D. Chugh	Whole Time Director	Executive Non-Independent	60	4	1	NIL
Shri Prithvi Raj Chawla	Director	Non Executive Independent	NIL	3	2	1

# excluding private limited companies and foreign companies.

## 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 and three Non-executive 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:

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

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.

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 2012-13 is given below:

Name of the Directors	Attendance of Meeting during 2012-13	
	Board Meetings	Last AGM
Shri Hari Krishan Ahuja	13	Yes
Shri Hira Lal Bhatia	13	Yes
Shri I. D. Chugh	13	Yes
Shri Prithvi Raj Chawla	12	Yes

Number of Board Meetings held and the dates on which held

Thirteen Board Meetings were held during the financial year 2012-13. 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
April 30, 2012	4	4
May 14, 2012	4	4
June 29, 2012	4	4
July 30, 2012	4	4
August 14, 2012	4	4

September 4, 2012	4	4
September 29, 2012	4	4
October 31, 2012	4	4
November 30, 2012	4	4
December 28, 2012	4	4
January 25, 2013	4	4
February 14, 2013	4	4
March 28, 2013	4	3

#### 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, 1956. 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. 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.

### 4. 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 292A of the Companies Act, 1956 and inter-alia includes:

- 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;
- 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;
- reviewing, with the management, the annual financial statement before submission to the Board for approval,
- reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- discussion with internal auditors any significant findings and follow up thereon;
- discussion with statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek

information from employees and to obtain outside legal and professional advice.

The Audit Committee, while reviewing the Annual Financial Statements also reviewed the applicability of various Accounting Standards (AS) referred to in sub-section (3C) of Section 211 of the Companies Act, 1956. Compliance of the Accounting Standards as applicable to the Company has been ensured in the Financial Statements for the year ended March 31, 2013.

#### **Composition**

The Audit Committee comprises of three Directors and all the directors are Non -Executive. The Audit Committee is constituted in accordance with the provisions of Clause 49(II)(A) of the Listing Agreement and Section 292A of the Companies Act, 1956. 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 comprised of the following:

Name of Member	Designation	Category
Shri Hari Krishan Ahuja	Chairman	Non-executive Director
Shri Prithvi Raj Chawla	Member	Non-executive Director
Shri Hira Lal Bhatia	Member	Non-executive Director

#### **Meetings and attendance**

The Audit committee held seven meetings during the financial year ended March 31, 2013 and the gap between two meetings did not exceed four months. The Audit Committee Meetings were held on 30.04.2012, 14.05.2012, 30.07.2012, 14.08.2012, 04.09.2012, 31.10.2012 and 14.02.2013.

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
Shri Hari Krishan Ahuja	7	7	NIL
Shri Prithvi Raj Chawla	7	7	NIL
Shri Hira Lal Bhatia	7	7	NIL

### 5. REMUNERATION COMMITTEE

This Committee is yet to be formed.

#### **Remuneration Policy**

##### **A. Whole Time Director**

- Salary and commission within the limits prescribed under the Companies Act, 1956.

- Annual increments depending upon individual's performance.

- No sitting fees.

##### **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 31.03.2008 shareholders' approval was obtained at the Annual General Meeting held on 30.09.2008.

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

#### Details of remuneration paid during 2012-2013.

##### A. Whole Time Director

Name	Shri I.D. Chugh
Salary	1032305
Long Service Allowance	2220
Provident Fund Contribution	81038
Leave Travel Assistance	56970
Commission	53670
Medical Expenses	163000
<b>Total</b>	<b>13,89,203</b>

##### 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 (Rs.)	Out of Pocket Expences (Rs.)	Total (Rs.)
Shri Hari Krishan Ahuja	101000/-	32500/-	133500/-
Shri Hira Lal Bhatia	101000/-	32500/-	133500/-
Shri Prithvi Raj Chawla	105500/-	34000/-	139500/-

#### 6. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

##### Composition

The Shareholders'/Investors' Grievance Committee comprises of Executive and Non-Executive & Independent Directors. The composition of Shareholders'/Investors' Grievance Committee is as follows:

Name of Member	Designation	Category
Shri Prithvi Raj Chawla	Chairman	Non-executive Director
Shri Ishwar Das Chugh	Member	Executive Director

##### Terms of Reference

The Shareholders'/Investors' Grievance 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 Shareholders'/Investors' Grievance 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

Four Committee Meetings were held during the year on 30.04.2012, 30.07.2012, 31.10.2012 and 25.01.2013. The attendance of each member as at 31st March, 2013 is as given below:

Name of Members	No. of meetings held during tenure	No. of meetings attended during tenure	Leave of absence sought
Shri Prithvi Raj Chawla	4	4	NIL
Shri I. D. Chugh	4	4	NIL

#### 7. SHARE TRANSFER SUB-COMMITTEE

Shri I.D. Chugh, 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 as on the said date.

#### 8. COMPLIANCE OFFICER

Mr. Gagan Singhal was the Company Secretary and Compliance Officer of the Company till 19th June, 2013. However with effect from 19th June 2013. Mr. I.D. Chugh, Whole Time Director has been appointed as Compliance officer of the Company in Place of Mr. Gagan Singhal for complying with the requirements of the Listing Agreement with the Stock Exchange and requirements of SEBI (Prohibition of Insider Trading) Regulation, 1992.

#### 9. COMPLAINTS FROM INVESTORS

During the year 04 letters/complaints were received from shareholders / debentureholders all of which were replied/ resolved to the full satisfaction of the shareholders / debentureholders.

#### 10. 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 the Board Meetings of the aforesaid Subsidiary Companies held on 30.04.2012, 30.07.2012, 04.09.2012, 29.09.2012, 28.12.2012 and 28.03.2013 were placed at the Board Meeting held on 30.07.2012, 04.09.2012, 29.09.2012, 28.12.2012, 28.03.2013 and 19.06.2013.

#### 11. 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. This policy is regularly monitored and reviewed.

## 12. LEGAL COMPLIANCE REPORTING

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

## 13. 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
2009-10	59th AGM	30th September, 2010	4:00 p.m.	Atlas Cycles (Haryana) Limited,	NIL
2010-11	60th AGM	30th September, 2011	4:00 p.m.		NIL
2011-12	61st AGM	29th September, 2012	4:00 p.m.	Industrial Area, Sonapat	NIL

## 14. POSTAL BALLOT

No special resolution was passed through Postal Ballot during the financial year 2012-2013.

## 15. EXTRAORDINARY GENERAL MEETING

No Extraordinary General Meeting was held during the financial year 2012-2013.

## 16. 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 10 (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 211(3) (c) of the Companies Act, 1956. 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 and the Board was informed of the same.

### 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, Bombay Stock Exchange and Delhi Stock Exchange as well as the regulations and guidelines of SEBI. Consequently, there

were no strictures or penalties imposed by either 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.

## 17. 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 within the time prescribed by that clause.
- The approved financial results are sent forthwith to the National Stock Exchange, Bombay Stock Exchange and Delhi Stock Exchange 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.

## 18. 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, Bombay Stock Exchange and Delhi Stock Exchange, is presented in a separate section forming part of this Annual Report.

## 19. 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 policy is:

- Code of Conduct for Directors and Senior Management Personnel;

## 20. 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(V) of the Listing Agreement.

## 21. 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.

## 22. GENERAL SHAREHOLDERS INFORMATION

<b>Registered office</b>	Industrial Area, Atlas Road, Sonapat- 131001
<b>Annual General Meeting</b>	
Day, Date and Time	Monday, 30th September, 2013, 4:00 p.m.
Venue	Atlas Cycles (Haryana) Limited Industrial Area, Atlas Road, Sonapat-131001

## Financial Calendar

- Financial reporting for the quarter June 30, 2013 : Middle of August, 2013
- Financial reporting for the half year ending September 30, 2013 : End October, 2013
- Financial reporting for the quarter ending December 31, 2013 : End January, 2014
- Financial reporting for the year ending March 31, 2014 : End April, 2014

## Book Closure Period

September 23rd, 2013 to September 30th, 2013 **(Both days inclusive)**

## Dividend payment Date

Dividend payment will be 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 of India Limited (DSE)  
DSE House, 3/1, Asaf Ali Road  
NEW DELHI – 110002

## Listing Fees

Annual Listing Fee for the year 2013-2014 has been paid to National Stock Exchange, Bombay Stock Exchange and Delhi Stock Exchange where the equity shares of the Company are listed, in the Month of April, 2013 i.e. within the stipulated time.

## Stock Code

Scrip Code – National Stock Exchange – “ATLASCYCLE”  
Bombay Stock Exchange – ‘505029’  
Delhi Stock Exchange – “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 Rs.	LOW Rs.	HIGH Rs.	LOW Rs.
April, 2012	374.90	312.35	367.75	315.00
May, 2012	336.05	276.35	328.65	287.02
June, 2012	365.00	296.00	357.20	307.95
July, 2012	445.00	350.60	419.10	358.65

August, 2012	440.00	366.00	425.70	391.90
Sep., 2012	455.25	365.00	421.05	394.90
Oct., 2012	444.00	390.00	435.65	402.85
Nov., 2012	416.00	375.00	405.35	377.30
Dec., 2012	420.00	368.00	395.95	369.95
Jan., 2013	396.90	332.50	387.05	346.70
Feb., 2013	366.50	281.55	350.15	288.80
Mar., 2013	316.00	234.35	298.50	238.95

## 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 Mangal (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, 2013

Category of Shareholder	No. of shares held	Percentage of shareholding
Promoters, Associates and Relatives	1487861	45.75
Mutual Funds/ UTI	953	0.03
Financial Institution	3796	0.12
Bodies Corporate	323705	9.96
General Public	1406682	43.25
Non-Resident Indian / OCB	6246	0.19
Clearing Member	22676	0.70
Trust	0	0.00
<b>Total</b>	<b>3251919</b>	<b>100.00</b>

### Shareholding Pattern by size

The distribution of shareholding as on 31st March, 2013 is given below:

No. of Shares (Range)	Number of shareholders	% to total	No. of shares held	% to total
Upto 500	8945	95.38	577554	17.76
501-1000	212	2.27	158481	4.87
1001-2000	86	0.92	124270	3.82
2001-3000	34	0.36	86675	2.66
3001-4000	17	0.18	60335	1.87
4001-5000	13	0.14	59914	1.84
5001-10000	24	0.25	171426	5.27
100001 and Above	47	0.50	2013264	61.91
<b>Total</b>	<b>9378</b>	<b>100.00</b>	<b>3251919</b>	<b>100.00</b>

\* 63 Holders are common in Demat and Physical.

### Dematerialization of shares and liquidity

As on 31.03.2013 of the total equity share, 72.49% were held in dematerialized Form and the balance 27.51% 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, Sahibabd, 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 Company in Form 2B.

### 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 Mangal (General Manager)

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

### For Shares held in Demat Form:

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

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

Company Law Department Ph. No.: 0130-2200001 to 2200006  
Atlas Cycles (Haryana) Limited Fax No. 0130-2200018  
Industrial Area, Atlas Road, E-mail: companylaw@atlascyclesonepat.com  
Sonapat – 131001 Website: www.atlasbicycles.com

### 23. 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 Bombay Stock Exchange and the same forms part of this Annual Report.

The Certificate from the Statutory Auditors will be sent to the Bombay Stock Exchange along with the Annual Report of the Company.

### 24. 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 M/s Mehra Khanna & Company, Chartered Accountants and the report thereon is submitted to the National Stock Exchange, Bombay Stock Exchange and Delhi Stock Exchange.

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.

### 25. 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. Though these standards are recommendatory in nature, the Company adheres to these standards voluntarily.

HARI KRISHAN AHUJA }  
HIRA LAL BHATIA } DIRECTORS  
ISHWAR DAS CHUGH }

Date: the 14th August, 2013  
Place: Sonapat

**DECLARATION REGRADING 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, 2013 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.

Sonepat, the 14th August, 2013

G.Iyer  
CEO

**CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF  
CORPORATE GOVERNANCE TO THE MEMBERS OF ATLAS CYCLES (HARYANA) LIMITED**

We have examined the compliance of condition of Corporate Governance by Atlas Cycles (Haryana) Ltd. for the year ended March 31, 2013 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).

We state that in respect of investor grievances received during the year ended March 31, 2013 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: the 14th August, 2013

## 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 publicly 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 62 Years, having established brand both in Indian as well as International Market and ranks amongst the three largest cycle manufacturers in the world. 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. Further volatile steel prices and a new burden of 2% excise duty are a deterrent to the growth of the cycle industry.

### 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 678.31 crores during the year compared to Rs. 875.32 crores during the previous year. Income from other sources is 1.83 crores as compared to Rs. 2.41 crores in previous year. Profit after taxation, is Rs. 2.77 crores as compared to 3.54 crores in 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.

I. D. CHUGH  
HARI KRISHAN AHUJA  
HIRA LAL BHATIA

} DIRECTORS

Sonepat, the 14th August, 2013



**Independent Auditor's Opinion**  
**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 the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the 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 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 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 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 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 financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company'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 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, 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 Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

- 1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by Section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**For Mehra Khanna & Co**  
**Chartered Accountants**  
**Firm Registration No: 001141N**  
**CA. Rajiv Bhasin**  
**(Partner)**  
**Membership No:093845**

**Place: Delhi**  
**Date: the 14th August, 2013**

**I. ANNEXURE TO THE AUDITOR'S REPORT**

Annexure referred to in paragraph 3 of Auditor's Report to the Members of ATLAS CYCLES (HARYANA) LIMITED on the accounts for the year ended 31st March 2013. We report that

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The management has carried out a physical verification of most of its fixed assets during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its fixed assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the company during the year.
- (ii) (a) During the year, the inventories have been physically verified by the management except for inventory lying with third parties which have been confirmed by the parties. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedure of Physical verification of stock followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the record of inventories, we are of the opinion that, the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to books of records were not material and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the company has neither granted nor taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the companies act, 1956. Accordingly, paragraphs 4 (iii) (b), (c) & (d) of the order are not applicable.

- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of inventories and fixed assets and with regard to sale of goods. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have informed of any instance of major weaknesses in the aforesaid internal control procedures.
- (v) According to the information and explanations given to us, during the year, there was no transaction that needed to be entered into the register maintained under section 301 of the companies Act, 1956 .
- (vi) In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 58A and provision of section 58AA of the companies Act, 1956 and the companies (Acceptance of Deposits) rules, 1975, with regard to the deposits accepted from the public. As per information and explanations given to us, no order under the aforesaid section has been passed by the company law board on the company.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the company in respect of products where pursuant to the rule made by the central government the maintenance of the cost records has been prescribed under section 209(1) (d) of the companies Act, 1956 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not however, made a determining whether they are accurate or complete.
- (ix) (a) According to the information and explanations given to us and the records of the company examined by us, the company has been generally regular in depositing undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income-tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it except few cases, we are informed that there are no undisputed statutory dues as at the year end outstanding for a period of more than six months from the date they become payable.
- (b) Accordingly to the information and explanations given to us and the records of the company examined by us, there are no undisputed dues of income tax, wealth-tax, custom duty and cess matters. The detail of disputed sale-tax and excise duty dues are as follows:-

Nature of the Statute	Nature of the dues	Forum where which pending	Amount (in lac.)	Period to which relates
Sales tax	CST	Appellate Board, Bhopal	3.68	1999-2000
		Add. Commissioner, Gwl	14.68	2002-2003
		Appellate Board, Bhopal	81.56	2003-2004
		Dy. Commissioner, Gwl	280.81	2004-2005
		Appellate Board, Bhopal	66.41	2005-2006
		Dy. Commissioner	1.08	2006-2007
		Appellate Board, Bhopal	4.14	1998-1999
		Appellate Board, Bhopal	3.80	1999-2000
		Appellate Board, Bhopal	23.17	2003-2004
		Appellate Board, Bhopal	82.91	2004-2005
		Appellate Board, Bhopal	20.52	2005-2006

- (x) The Company does not have accumulated losses at the end of the financial year march 31, 2013. Further, the company has not incurred any cash losses during the financial year ended march 31, 2013 and in the preceding financial year ended March 31, 2012.
- (xi) According to the records of the company examined by us and the information and explanations given to us, the company during the year has delayed in repayment of dues to financial institutions, banks in few instances.
- (xii) As the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, paragraph 4 (xii) of the order is not applicable.
- (xiii) The provision of any special statute as specified under paragraph 4 (xiii) of the Order are not applicable to the company.
- (xiv) The company has maintained proper records of transactions and contracts in respect of trading in mutual funds and timely entries have been made there in. All investments have been held in the name of the company.
- (xv) In our opinion and according to the information and explanations given to us the company has not given guarantees during the year for loans taken by others from banks and financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, the terms loans taken during the year have been applied for the purpose for which they were obtained.
- (xvii) According to the information and explanations given to us on an overall Examination of the balance sheet of the company, we report that short term funds have not been used to finance long term investments and vice versa.
- (xviii) As the company has not been made any preferential allotment of shares during the year, paragraph 4 (xix) of the order not applicable.
- (xix) During the year, since the company has not issued any debentures paragraph, 4 (xix) of the order not applicable.
- (xx) During the year, since the company has not raised any money by way of public issue, paragraph 4 (xx) of the order is not applicable.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit for the year ended 31st March, 2013.

**For Mehra Khanna & Co**  
**Chartered Accountants**  
**Firm Registration No: 001141N**  
**CA. Rajiv Bhasin**  
**(Partner)**  
**Membership No:093845**

**Place: Delhi**  
**Date: the 14th August, 2013**

## ATLAS CYCLES (HARYANA) LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in Lacs)

DESCRIPTION	Note No.	31.03.2013	31.3.2012
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS FUNDS</b>			
Share Capital	2	325.19	325.19
Reserves and Surplus	3	12,304.46	12,198.41
		<u>12,629.65</u>	<u>12,523.60</u>
<b>SHARE APPLICATION MONEY PENDING ALLOTMENT</b>			
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings	4	905.16	554.02
Deferred tax liabilities (net)	5	854.00	847.00
Other Long term liabilities	6	152.16	150.53
Long-term provisions	7	72.50	60.36
		<u>1,983.82</u>	<u>1,611.91</u>
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	8	7,990.71	7,328.90
Trade payables	9	12,174.24	13,175.03
Other current liabilities	10	6,720.82	7,078.86
Short-term provisions	7	4,198.46	3,976.39
		<u>31,084.23</u>	<u>31,559.18</u>
<b>TOTAL</b>		<u><b>45,697.70</b></u>	<u><b>45,694.69</b></u>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	11		
Tangible assets		9,094.49	9,238.50
Intangible assets		-	-
Capital work-in-progress		418.34	316.17
Intangible assets under development		-	-
Non-current investments	12	166.26	156.08
Deferred tax assets (net)	5	-	-
Long-term loans and advances	13	2,359.46	2,180.29
Other non-current assets	14	10.63	42.07
		<u>12,049.18</u>	<u>11,933.11</u>
<b>CURRENT ASSETS</b>			
Current investments	12	1,353.47	1,081.00
Inventories	15	11,274.27	11,352.71
Trade receivables	16	13,602.84	14,888.43
Cash and Bank Balances	17	1,562.13	1,321.67
Short-term loans and advances	13	5,845.28	5,067.52
Other current assets	18	10.53	50.25
		<u>33,648.52</u>	<u>33,761.58</u>
<b>TOTAL</b>		<u><b>45,697.70</b></u>	<u><b>45,694.69</b></u>

#### **Significant Accounting Policies**

Ganesh Iyer  
C.E.O / C.F.O

S.Khanna  
C.F.O.

C. M. Dhall  
C.F.O

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 : 001141N

HARI KRISHAN AHUJA  
HIRA LAL BHATIA  
I.D.CHUGH

} DIRECTORS

CA.RAJIV BHASIN  
PARTNER  
M No : 093845

Delhi: 14th August 2013

New Delhi: the 14th August, 2013

## ATLAS CYCLES (HARYANA) LIMITED

### STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Lacs)

DESCRIPTION	Note No.	31.03.2013	31.3.2012
<b>INCOME</b>			
Revenue from operations (gross)	19	71,126.86	90,623.84
Less :- Rebate		1,995.31	1,595.30
Less :- Excise Duty on sales		1,299.65	1,496.47
Revenue from operations (net)		<u>67,831.90</u>	<u>87,532.07</u>
Other Income	20	182.90	240.91
<b>TOTAL</b>		<b><u>68,014.80</u></b>	<b><u>87,772.98</u></b>
<b>EXPENSES</b>			
Cost of materials consumed	21	48,991.96	66,884.24
Purchases of trading goods		140.98	-
Changes in inventories of finished goods, work in progress and trading goods	22	287.14	224.25
Employee benefits expense	23	4,146.86	4,362.39
Finance costs	24	1,459.94	1,946.24
Depreciation and amortization expense	25	706.82	722.69
<b>Other expenses</b>	26		
Manufacturing expenses		6,968.50	8,033.46
Administration expenses		1,950.20	2,688.27
Selling expenses		3,008.14	2,407.65
<b>TOTAL</b>		<b><u>67,660.54</u></b>	<b><u>87,269.19</u></b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>354.26</b>	<b>503.79</b>
<b>Profit before extraordinary items and tax</b>		<b>354.26</b>	<b>503.79</b>
<b>Profit before tax</b>		<b>354.26</b>	<b>503.79</b>
<b>Tax expense</b>			
Provision for current tax		70.00	100.00
Provision for deferred tax		7.00	50.00
<b>Profit / (Loss) for the year from continuing operations</b>		<b><u>277.26</u></b>	<b><u>353.79</u></b>
<b>Profit/(Loss) for the year</b>		<b><u>277.26</u></b>	<b><u>353.79</u></b>
<b>Earnings per share (in ₹)</b>			
Basic		8.53	10.88
Diluted		8.53	10.88

#### **Significant Accounting Policies**

Ganesh Iyer  
C.E.O / C.F.O

S.Khanna  
C.F.O.

C. M. Dhall  
C.F.O

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 : 001141N

HARI KRISHAN AHUJA  
HIRA LAL BHATIA  
I.D.CHUGH

} DIRECTORS

CA.RAJIV BHASIN  
PARTNER  
M No : 093845

Delhi: 14th August 2013

New Delhi: the 14th August, 2013

## ATLAS CYCLES (HARYANA) LIMITED

### NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>2</b>	<b>SHARE CAPITAL</b>		
	<b>AUTHORISED</b>		
	30,000(30,000) 6 1/4% P.A. free of Income tax cumulative redeemable Preference shares of Rs.100 each	30.00	30.00
	97,00,000(97,00,000) Equity Shares of Rs.10/- each	970.00	970.00
		<u>1,000.00</u>	<u>1,000.00</u>
	<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
	32,51,919 (32,51,919) Equity Shares of Rs 10/-each fully paid up	325.19	325.19
	<b>TOTAL - SHARE CAPITAL</b>	<u>325.19</u>	<u>325.19</u>
(a)	<b>RECONCILIATION OF THE NUMBER OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
	Equity Shares outstanding at the beginning of the year	3,251,919	3,251,919
	Equity Shares issued during the year	-	-
	Shares outstanding at the end of the year	<u>3,251,919</u>	<u>3,251,919</u>
(b)	<b>TERMS/RIGHT ATTACHED TO EQUITY SHARES</b>		
	The company has only one class of equity shares having a par value of Rs 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)	<b>EQUITY SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:</b>	<b>2013</b>	<b>2012</b>
	<b>NAME OF THE EQUITY SHAREHOLDER</b>	<b>No. of Shares</b>	<b>%</b>
	Milton Cycles Industries Ltd	325846	10.02%
	Limrose Enng Works Pvt Ltd	257650	7.92%
		<b>No. of Shares</b>	<b>%</b>
		325846	10.02%
		257650	7.92%
(d)	Company has not issued any ESOP Plan, or Conversion of Bonds/Debentures.		
(e)	Company has not issued any share by way of Bonus / Right Shares and has not Buy-back any shares in the preceding five years		
<b>Note No.</b>	<b>DESCRIPTION</b>	<b>31.03.2013</b>	<b>31.3.2012</b>
<b>3</b>	<b>RESERVES AND SURPLUS</b>		
(a)	<b>SECURITY PREMIUM ACCOUNT</b>		
	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)	<b>FIXED ASSETS REVALUATION RESERVE</b>		
	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)	<b>GENERAL RESERVE</b>		
	As per last account	11,058.79	10,858.79
	Add : Transferred from Statement of Profit and Loss	100.00	200.00
		<u>11,158.79</u>	<u>11,058.79</u>
(f)	<b>SURPLUS - STATEMENT OF PROFIT AND LOSS</b>		
	As per last account	143.68	159.91
	Add : Profit after Tax for the year	277.26	353.85
	<b>NET PROFIT</b>	<b>420.94</b>	<b>513.76</b>
	<b>Amount Available for appropriation</b>	<b>420.94</b>	<b>513.76</b>
	<b>APPROPRIATIONS</b>		
	Debenture Redemption Reserve	-	-
	General Reserve	100.00	200.00
	Proposed Dividend	146.34	146.34
	Corporate Dividend Tax	24.87	23.74
	<b>Net Surplus in the Statement of Profit and Loss</b>	<u>149.73</u>	<u>143.68</u>
	<b>TOTAL - RESERVE &amp; SURPLUS</b>	<u>12,304.46</u>	<u>12,198.41</u>

(₹ in Lacs)

Note No.	DESCRIPTION	Non-Currenet Portion		Current Maturity	
		31.03.2013	31.3.2012	31.03.2013	31.3.2012
<b>4</b>	<b>LONG-TERM BORROWINGS</b>				
	<b>SECURED</b>				
(a)	TERM LOAN FROM BANKS				
	Rupee term loan	100.00	367.08	3,12.42	1961.25
(b)	CAR LOAN FROM BANKS	96.83	40.43	109.05	72.02
	<b>TOTAL SECURED LONG TERM BORROWINGS</b>	<b>196.83</b>	<b>407.51</b>	<b>421.47</b>	<b>2033.27</b>
	<b>UNSECURED LONG TERM BORROWINGS</b>				
(a)	PUBLIC FIXED DEPOSITS	708.33	146.51	1318.88	1077.96
	<b>TOTAL UNSECURED LONG TERM BORROWINGS</b>	<b>708.33</b>	<b>146.51</b>	<b>1318.88</b>	<b>1077.96</b>
	<b>TOTAL - LONG TERM BORROWINGS</b>	<b>905.16</b>	<b>554.02</b>	<b>1740.35</b>	<b>3111.23</b>

- 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 Rs 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 of Baroda 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 @ 17% 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 31.03.2012	Charge/( Credit ) for the year	Deferred Tax Liability/Asset as at 31.03.2013
<b>5</b>	<b>DEFERRED TAX LIABILITY (NET)</b>			
(a)	<b>DEFERRED TAX LIABILITY</b>			
	Difference between books & tax depreciation	847.00	7.00	854.00
	<b>Total Deferred Tax Liability</b>	<b>847.00</b>	<b>7.00</b>	<b>854.00</b>
	<b>DEFERRED TAX LIABILITY (NET )</b>	<b>847.00</b>	<b>7.00</b>	<b>854.00</b>
	# The management is confident about recoverability of the same from future earnings.			

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>6</b>	<b>OTHER LONG TERM LIABILITIES</b>		
	Security Deposits	140.95	139.32
	LADT Payable A/c	11.21	11.21
	<b>TOTAL - OTHER LONG TERM LIABILITIES</b>	<b>152.16</b>	<b>150.53</b>

Note No.	DESCRIPTION	Long-Term		Short-Term	
		31.03.2013	31.3.2012	31.03.2013	31.3.2012
<b>7</b>	<b>PROVISIONS</b>				
	For Employee Benefits				
	Leave Encashment	72.50	60.36	182.58	5.54
	For Taxation	-	-	2059.36	1989.36
	For Proposed Dividend	-	-	146.34	146.34
	For Corporate Dividend Tax	-	-	24.87	23.74
	For Dealers Discount	-	-	41.94	465.74
	For Bills Payable	-	-	370.40	221.81
	Others	-	-	1372.97	1123.86
	<b>TOTAL - PROVISIONS</b>	<b>72.50</b>	<b>60.36</b>	<b>4198.46</b>	<b>3976.39</b>

		(₹ in Lacs)	
Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>8</b>	<b>SHORT TERM BORROWINGS</b>		
	<b>SECURED SHORT TERM BORROWINGS</b>		
	(a) Working Capital Facility from Bank	4653.27	3610.09
	(b) Short Term Loans	-	356.93
	(c) Bills Discounting from Bank/Financial Institution	3172.44	2,881.88
	<b>TOTAL SECURED SHORT TERM BORROWINGS</b>	<b>7825.71</b>	<b>6,848.90</b>
	<b>UNSECURED SHORT TERM BORROWINGS</b>		
	(a) Loan from Body Corporate	165.00	480.00
	<b>TOTAL UNSECURED SHORT TERM BORROWINGS</b>	<b>165.00</b>	<b>480.00</b>
	<b>TOTAL - SHORT TERM BORROWINGS</b>	<b>7990.71</b>	<b>7328.90</b>
1	Cash Credit Limit from Consortium banks is secured against Hypothecation of Inventory and Book Debts and 1st 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 11nd 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 @ 11.75% p.a.		
4	Packing Credit Limit from CITI Bank is secured against the lein of the Mutual Fund and carries interest of Libour plus 3%		
5	Short Term Corporate Loans carries interest @ 18% p.a..		
6	Bill Discounting Facility from IDBI bank is secured against second charge on current and fixed assets of Malanpur Unit.		
7	Unsecured Billl Discounting Facility from India Factoring Finance Limited carries interest@ 15% p.a.		
8	Unsecured Loans from Birla Global Finance against Promoters personal guarantee carries interest @ 18% p.a.		
<b>Note No.</b>	<b>DESCRIPTION</b>	<b>31.03.2013</b>	<b>31.3.2012</b>
<b>9</b>	<b>TRADE PAYABLES</b>		
	Trade Payables (including Acceptances)		
	Dues to Micro and Small enterprises	3274.76	2108.25
	Dues to other than Micro and Small enterprises	8899.48	11066.78
	<b>TOTAL TRADE PAYABLES</b>	<b>12174.24</b>	<b>13175.03</b>
<b>Note No.</b>	<b>DESCRIPTION</b>	<b>31.03.2013</b>	<b>31.3.2012</b>
<b>10</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Current maturities of Long term Borrowings. ( Refer Note 4)	1740.35	3111.23
	Interest accrued but not due on borrowings.	114.36	102.20
	Interest accrued and due on borrowings.	18.31	25.71
	Statutory Dues	241.03	184.61
	Due to Customer and others	479.61	18.51
	Security Deposits from Agents/Dealers/Others	214.69	251.69
	Advance Against Sale of Land #	2187.00	1550.00
	Other Outstanding Liabilities	1709.07	1818.43
	Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 not due		
	Unpaid dividend	16.40	16.48
	<b>TOTAL OTHER CURRENT LIABILITIES</b>	<b>6720.82</b>	<b>7078.86</b>

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

**11. FIXED ASSETS**

(₹ in Lacs)

PARTICULARS	LAND & BUILDING	PLANT & MACHINERY	COMPUTER	ELECTRICAL INSTALLATION	VEHICLES	FURNITURE & FIXTURES	UNDER CONST. INSTALLATION BUILDING/ MACHINERY	TOTAL
COST	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 1st April 2012	7,241.97	7,181.14	503.56	261.92	1,557.53	781.65	316.17	17,843.94
<b>Additions</b>	<b>94.87</b>	<b>312.45</b>	<b>12.58</b>	<b>7.40</b>	<b>140.57</b>	<b>9.96</b>	<b>135.84</b>	<b>713.67</b>
<b>sales/Adjustment</b>	<b>-</b>	<b>20.04</b>	<b>-</b>	<b>0.18</b>	<b>34.15</b>	<b>1.04</b>	<b>33.67</b>	<b>89.08</b>
<b>As at 31st March 2013</b>	<b>7336.84</b>	<b>7473.55</b>	<b>516.14</b>	<b>269.14</b>	<b>1663.95</b>	<b>790.57</b>	<b>418.34</b>	<b>18468.53</b>
<b>DEPRECIATION</b>								
As at 1st April 2012	1,963.23	4,390.83	457.96	209.41	786.90	480.94	-	8,289.27
<b>For the Year</b>	<b>175.70</b>	<b>329.69</b>	<b>20.13</b>	<b>5.94</b>	<b>148.76</b>	<b>26.60</b>	<b>-</b>	<b>706.82</b>
<b>sales/Adjustment</b>	<b>-</b>	<b>14.53</b>	<b>-</b>	<b>-</b>	<b>25.71</b>	<b>0.15</b>	<b>-</b>	<b>40.39</b>
<b>As at 31st March 2013</b>	<b>2138.93</b>	<b>4705.99</b>	<b>478.09</b>	<b>215.35</b>	<b>909.95</b>	<b>507.39</b>	<b>-</b>	<b>8955.70</b>
<b>NET ASSETS</b>								
<b>As at 31st March 2013</b>	<b>5197.91</b>	<b>2767.56</b>	<b>38.05</b>	<b>53.79</b>	<b>754.00</b>	<b>283.18</b>	<b>418.34</b>	<b>9512.83</b>
As at 31st March 2012	5,278.74	2,790.31	45.60	52.51	770.63	300.71	316.17	9,554.67

**Note No. DESCRIPTION**
**31.03.2013**
**31.3.2012**

	Face Value (₹)	Nos	Amount (₹)	Amount (₹)	Face Value (₹)	Nos	Amount (₹)	Amount (₹)
<b>12 INVESTMENTS</b>								
<b>NON - CURRENT INVESTMENTS</b>								
<b>LONG TERM INVESTMENTS - AT COST</b>								
<b>A Investment in Shares of Wholly Owned Subsidiary Companies</b>								
Fully Paid (Unquoted)								
50000 (Previous Year 50000) Equity Shares of Rs.10/- each fully paid up in ATLAS CYCLES (SONEPAT) LTD.	10	50000	500,000.00	5.00	10	50000	500,000.00	5.00
50000 (Previous Year 50000) Equity Shares of Rs.10/- each fully paid up in ATLAS CYCLES (SAHIBABAD) LTD.	10	50000	500,000.00	5.00	10	50000	500,000.00	5.00
50000 (Previous Year 50000) Equity Shares of Rs.10/- each fully paid up in ATLAS CYCLES (MALANPUR) LTD.	10	50000	500,000.00	5.00	10	50000	500,000.00	5.00
<b>Total ( A )</b>			<b>1,500,000.00</b>	<b>15.00</b>			<b>1,500,000.00</b>	<b>15.00</b>
<b>B Equity Shares Fully Paid Up -Trade Unquoted</b>								
Ambojini Property Developers Pvt. Ltd.	10	1410	14,100.00	0	1410	14100.00		
Amit Enterprises & Builders Pvt. Ltd.	10	2	20.00	0	2	20.00		
Dardode Job Realities Pvt. Ltd.	100	2	200.00	0	2	200.00		
Lavim Developers Pvt. Ltd.	30	10	300.00	0	10	300.00		
Godrej Landmark Redevelopers Pvt.Ltd.		66	539436.00	0	0	-		
Mantri Hamlet Pvt. Ltd.	10	2	20.00	0	2	20.00		
<b>Total ( B )</b>			<b>554076.00</b>	<b>5.54</b>			<b>14640</b>	<b>0.15</b>
<b>C Debenturers Fully Paid Up -Trade Unquoted</b>								
10% OCD Godrej Landmark Redevelopers Pvt. Ltd.	1,00	10472	1047200		-	-		
10% OCD ATS Township Pvt. Ltd.	1,00	-	-		1115	1115000		
10% OCD Ambojini Property Developers Pvt. Ltd.	100	11981	1198100		11046	1104600		
10% OCD Amit Enterprises & Builders Pvt. Ltd.	100	9408	940,800		9408	940800		
10% OCD Dardode Jog Realities Pvt. Ltd.	100	11713	1,171,300		11713	1171300		
15% OCD Lavim Developers Pvt. Ltd.	100	9512	951200		8834	883400		
10% OCD Mantri Hamlet Pvt. Ltd.	100	6611	661100		6499	649900		
<b>Total ( C )</b>			<b>5,969,700.00</b>	<b>58.65</b>			<b>5865000</b>	<b>58.65</b>

<b>D</b>	<b>Unquoted Mutual Fund</b>								
	The Ocian'S Art Fund-(D)	100	46,000	4,600,000		100	46,000	4,600,000	
	<b>Total ( D )</b>			<b>4,600,000.00</b>	<b>46.00</b>			<b>46,00,000.00</b>	<b>46.00</b>
<b>E</b>	<b>Unquoted Government Securities</b>								
	12 years National Defence Certificate for the face value of Rs.1750 each pledged with Government authorities			1,750.00				1,750.00	
	7 Years National Savings Certificate pledged with Excise authorities			10,000.00				10,000.00	
	<b>Total ( E )</b>			<b>11,750.00</b>	<b>0.11</b>			<b>11,750.00</b>	<b>0.11</b>
<b>F</b>	<b>Unquoted Fixed Deposit</b>								
	Fixed Deposits having Maturity more than 12 Months			3911864.00	-			2536886.00	-
				<b>3911864.00</b>	<b>39.12</b>			<b>2536886.00</b>	<b>25.37</b>
	<b>TOTAL UNQUOTED NON CURRENT INVESTMENT</b>			<b>16547390.00</b>	<b>165.47</b>			<b>14528276.00</b>	<b>145.28</b>
<b>G</b>	<b>Quoted Mutual Fund</b>								
	Principal Mutual Fund	0	-	-		100,000	1,000,000.00		
	<b>Quoted Shares</b>								
	Central Bank of India	100	778	79,356.00		778.00	79,356.00		
	<b>TOTAL QUOTED NON CURRENT INVESTMENT</b>			<b>79356.00</b>	<b>0.79</b>			<b>1079356.00</b>	<b>10.79</b>
	<b>TOTAL NON CURRENT INVESTMENT</b>			<b>16626746.00</b>	<b>166.26</b>			<b>15607632.00</b>	<b>156.08</b>
	<b>CURRENT INVESTMENTS</b>								
	<b>( At lower of Cost and Fair Value )</b>								
<b>A</b>	<b>Equity Shares Fully Paid Up - Trade Quoted</b>								
	Axis Bank Ltd.	10				38	41948.00		
	Bajaj Auto Ltd.	10				294	424343.00		
	Bayer (India) Ltd.	10				53	44078.00		
	Bajaj Finserv Ltd.	5				481	278723.00		
	Coromandal International Ltd.	1				1423	389469.00		
	Castrol India Ltd.	10				77	32713.00		
	Clariant Chemicals Ltd.	10				63	39081.00		
	Divis Laboratories Ltd.	2				755	482739.00		
	Dabur India Ltd.	1				4325	446955.00		
	Exide Industries Ltd.	1				3620	487532.00		
	Greaves Ltd.	2/(10)				4727	415079.00		
	Hdfc Bank Ltd.	2				85	38948.00		
	Hero Motor Corp Ltd.	2				248	511556.00		
	Itc Ltd.	1				155	32369.00		
	Infosys Technology Ltd.	5				16	41249.00		
	Kotak Mahindra Ltd.	5				982	494114.00		
	Lupin Ltd.	2				1249	464044.00		
	Nestle India Ltd.	10				8	32216.00		
	Opto Circuit Ltd.	10				2892	513811.00		
	Pidilite Industries Ltd.	1				2165	370276.00		
	Rallies India Ltd.	1/(10)				3418	488556.00		
	Sun Pharmaceuticals Industries Ltd.	1				1126	560842.00		
	Tata Consultancy Service Ltd	1				500	532565.00		
	Thermax Ltd.	2				789	538888.00		
	Titan Industries Ltd.	1/(10)				2416	183826.00		
	Yes Bank Ltd.	10				1332	386912.00		
	<b>Total ( A )</b>							<b>8272834.00</b>	<b>82.73</b>
	<b>MARKET VALUE OF QUOTED SHARES</b>							<b>10409256.00</b>	<b>104.09</b>
<b>B</b>	<b>Investment in Mutual Fund ( Quoted)</b>								
	<b>BIRLA SUNLIFE MUTUAL FUND</b>								
	Birla Sunlife Income Plus - Growth	10	189127	10,000,000.00		-	-		
	Birla Sunlife Dynamic Bond Fund -Retail(D)	10	1426259	15,000,000.00		1426259	15,000,000.00		
	<b>FRANKLIN TEMPLETON MUTUAL FUND</b>								
	Templeton India Income Builder Plan-A G	10	258530	10,000,000.00		-	-		
	Templeton India Short Term Income Retail-G	1000	4645	9999900.00		-	-		
	HDFC Equity Fund	100	-	-		16932	4500000.00		
	HDFC Income Fund-G	10	380355	10000000.00		-	-		
	ICICI Prudential Flexible Plan Premium	100	1190	215,047.00		1190	215047.00		
	ICICI Prudential Short Term Plan	10	-	-		460965	9999900.00		
	IDFC SSIF- Medium Term-Plan-A-G	10	451267	9999900.00		-	-		
	Reliance Medium Term Fund	10	152599	1594438		229522	2396571.00		
	Reliance Regular Saving Fund-Debt Plan (QT_D)	10	1195507	14,920,198.00		1195507	14920198.00		
	Reliance Equity Opportunities Fund -Retail(G)	10	-	-		97486	3400,000.00		
	Reliance Pharma Fund -(G)	10	-	-		49151	2720000.00		
	Reliance Regular Saving Fund-Equity (G)	10	-	-		66044	2250000.00		
	Reliance Fixed Horizon Fund-XVII-7- (G)	10	-	-		2000000	20000000.00		



BNP Paribas Money Plus (I) (G)	10	20706	303,460.00	20706	303460.00
SBI Debt Fund Series -370D(G)	10	2000000	20,000,000.00	2000000	20000000.00
UTI Treasury Advantge Fund -G	1000	846	2,000,000.00	846	2000000.00
UTI Fixed Term Income Fund Series XI-VIII-G	10	2000000	20,000,000.00	-	-
Kotak Bond (Short Term)- G	10	463094	10000000.00	-	-
Pnb Emerging Blue Chip Fund -Reg.-G	10	10000	100,000.00	10000	100000.00
Principal Cash Management Fund	10			537	885204.00
Morgan Stanlay Liquid Fund-D	1000	1214	1214377.00	1135	1135500
<b>Total ( B )</b>			<b>135347320.00</b>		<b>99825880.00</b>
<b>Market Value of the Mutual Fund</b>			<b>96945661.00</b>		<b>105171383.00</b>
Aggregate value of Current Investment			135347320.00		108098714.00
Aggregate value of unquoted investment			16547390.00		14528276.00
<b>TOTAL MARKET VALUE OF CURRENT INVETMENTS</b>			<b>96945661.00</b>		<b>115580639.00</b>
Aggregate value of quoted investment			135347320.00		109098714.00
Market value of quoted investment			97025017.00		116659995.00

(₹ in Lacs)

Note No.	DESCRIPTION	Long-Term		Short-Term	
		31.03.2013	31.3.2012	31.03.2013	31.3.2012
<b>13</b>	<b>LOANS AND ADVANCES</b>				
	(Unsecured, Considered good unless otherwise stated)				
	Advance Recoverable in Cash or in kind or the value to be received	1349.72	1,340.48	2975.40	2,310.05
	Capital Advances	769.81	692.06	-	-
	Security Deposits	202.00	139.77	430.28	190.92
	Claims Recoverable	2.93	5.16	-	-
	Prepaid Taxes	-	-	2362.13	2,385.54
	Prepaid Expenses	-	-	33.00	18.15
	Balance with Government Authorities	35.00	2.82	44.47	162.86
	<b>TOTAL - LOANS AND ADVANCES</b>	<b>2359.46</b>	<b>2,180.29</b>	<b>5845.28</b>	<b>5,067.52</b>

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>14</b>	<b>OTHER NON CURRENT ASSETS</b>		
	Deposit with original Maturity of more than 12 months	9.28	12.28
	Interest accrued on Investment /FDR	1.35	1.63
	Deffered Revenue Expenses	-	28.16
	<b>Total Other Non Current Assets</b>	<b>10.63</b>	<b>42.07</b>

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>15</b>	<b>INVENTORIES</b>		
	(As taken, valued and certified by the Management)		
	(valued at lower of cost and net realisable value unless otherwise stated )		
	Production Material	2916.17	3,733.01
	Work in Progress	294.56	324.55
	Finished Goods	1587.75	1,885.84
	Stock in Trade	108.82	63.99
	Store and Spares	6306.89	5,288.06
	Loose Tools	59.88	53.17
	Scrap	0.20	4.09
	<b>TOTAL - INVENTORIES</b>	<b>11274.27</b>	<b>11,352.71</b>

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>16</b>	<b>TRADE RECEIVABLES</b>		
	(Unsecured, Considered good unless otherwise stated)		
(a)	<b>OVERDUE EXCEEDING SIX MONTHS</b>		
	Unsecured, Considered good	2433.77	2,302.77
	Doubtful	213.01	213.01
	Less : Provision for doubtful receivables	213.01	213.01
		<u>2433.77</u>	<u>2,302.77</u>
(b)	<b>OVERDUE LESS THAN SIX MONTHS</b>	11169.07	12,585.66
	<b>TOTAL - TRADE RECEIVABLES</b>	<u>13602.84</u>	<u>14,888.43</u>

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>17</b>	<b>CASH AND BANK BALANCES</b>		
(a)	<b>CASH AND CASH EQUIVALENTS</b>		
	Balance with banks	1380.33	955.01
	Bank deposits with original maturity of less than three months	66.00	41.79
	Unpaid dividend accounts	16.40	16.48
	Cheques in hand / money in transit	-	0.60
	Cash in hand	76.68	61.25
	<b>Total Cash and Cash Equivalents</b>	<u>1539.41</u>	<u>1,075.13</u>
(b)	<b>OTHER BANK BALANCES</b>		
	Bank Deposits with original maturity of more than three months but less than 12 months	22.72	246.54
	Bank Deposits with original maturity of more than 12 months	-	-
	<b>TOTAL OTHER BANKS BALANCES</b>	<u>22.72</u>	<u>246.54</u>
	<b>TOTAL - CASH &amp; BANK BALANCES</b>	<u>1562.13</u>	<u>1321.67</u>

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>18</b>	<b>OTHER CURRENT ASSETS</b>		
	(Unsecured, Considered good unless otherwise stated)		
	Interest accrued on Investment /FDR	10.53	6.81
	Deferred Revenue Expenditure	-	43.44
	<b>TOTAL OTHER CURRENT ASSETS</b>	<u>10.53</u>	<u>50.25</u>

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>19</b>	<b>REVENUE FROM OPERATIONS</b>		
(a)	<b>SALE OF PRODUCTS</b>		
	Finished Goods	70591.74	90,270.63
	Interunit Sales	-	-
		<u>70591.74</u>	<u>90,270.63</u>
(b)	<b>OTHER OPERATING REVENUE</b>		
	Export Benefits	227.77	55.27
	Scrap Sales	193.76	251.56
	Miscellaneous Income	113.59	46.38
		<u>535.12</u>	<u>353.21</u>
	<b>REVENUE FROM OPERATIONS (GROSS)</b>	<u>71126.86</u>	<u>90,623.84</u>
	Rebate	1995.31	1,595.30
	<b>EXCISE DUTY ON SALES</b>	<u>1299.65</u>	<u>1,496.47</u>
	<b>REVENUE FROM OPERATIONS (NET)</b>	<u>67831.90</u>	<u>87,532.07</u>

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>20</b>	<b>OTHER INCOME</b>		
(a)	<b>INTEREST INCOME ON</b>		
	Loans and Advances	1.06	1.06
	Banks	47.37	47.37
		<b>48.43</b>	<b>48.43</b>
(b)	<b>Dividend Income on Current Investment</b>	<b>23.21</b>	<b>23.21</b>
(c)	<b>NET GAIN/(LOSS) ON SALE OF CURRENT INVESTMENTS</b>		
	Gain on Sale	109.24	109.24
		<b>109.24</b>	<b>109.24</b>
(d)	<b>NET GAIN/(LOSS) ON SALE OF FIXED ASSETS</b>		
	Gain on Sale	35.40	35.40
		<b>35.40</b>	<b>35.40</b>
(f)	<b>OTHER NON-OPERATING INCOME (NET)</b>		
	Lease Rent	6.00	6.00
	Misc Receipts	1.16	1.16
	Rent receipts	17.47	17.47
		<b>24.63</b>	<b>24.63</b>
	<b>TOTAL OTHER INCOME</b>	<b>240.91</b>	<b>240.91</b>
			(₹ in Lacs)
Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>21</b>	<b>COST OF MATERIAL CONSUMED</b>		
	Raw Material Consumed #	48991.96	66,649.88
	<b>TOTAL COST OF MATERIAL CONSUMED</b>	<b>48991.96</b>	<b>66,649.88</b>
	<b># DETAILS OF RAW MATERIAL CONSUMED DURING THE YEAR</b>		
		<b>31.03.2013</b>	<b>31.03.2012</b>
(i)	Sheets & Strips	2696.17	8,040.60
(ii)	Tyres	5257.22	6,647.41
(iii)	Tubes	2069.62	2,705.30
(iv)	Rims	4010.82	5,344.82
(v)	Other Items	2709.44	3,805.98
(vi)	Components	32248.69	40,105.77
		<b>48991.96</b>	<b>66,649.88</b>
Note No.	DESCRIPTION	31.03.2013	31.03.2012
<b>22</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS</b>		
	<b>OPENING STOCK</b>		
	Finished Goods	1885.84	2,167.47
	Work in Progress	324.55	326.97
	Scrap	4.09	8.28
	Stock In Trade	63.99	-
	<b>TOTAL OPENING STOCK</b>	<b>2278.47</b>	<b>2,502.72</b>
	<b>CLOSING STOCK</b>		
	Finished Goods	1587.75	1,885.84
	Work in Progress	294.56	324.55
	Scrap	0.20	4.09
	Stock In Trade	108.82	63.99
	<b>TOTAL CLOSING STOCK</b>	<b>1991.33</b>	<b>2,278.47</b>

<b>TOTAL - CHANGES IN INVENTORIES</b>		<b>287.14</b>	<b>224.25</b>
<b>Note No.</b>	<b>DESCRIPTION</b>	<b>31.03.2013</b>	<b>31.3.2012</b>
<b>23</b>	<b>EMPLOYEE BENEFITS EXPENDITURE</b>		
	Salaries, Wages, Bonus and Other benefits	3359.05	3440.43
	Contribution to provident and other funds	505.47	641.43
	Staff Welfare Expenses	282.34	280.53
	<b>TOTAL - EMPLOYEE BENEFITS EXPENDITURE</b>	<b>4146.86</b>	<b>4362.39</b>
<b>Note No.</b>	<b>DESCRIPTION</b>	<b>31.03.2013</b>	<b>31.3.2012</b>
<b>24</b>	<b>FINANCE COST</b>		
	Interest Expenses	1313.27	1715.34
	Other Borrowing Costs	146.67	230.90
	<b>TOTAL - FINANCE COST</b>	<b>1459.94</b>	<b>1946.24</b>
<b>Note No.</b>	<b>DESCRIPTION</b>	<b>31.03.2013</b>	<b>31.3.2012</b>
<b>25</b>	<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>		
	Depreciation on Fixed Assets	706.82	694.52
	Amortisation Expenses	-	-
	<b>TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES</b>	<b>706.82</b>	<b>722.69</b>
			(₹ in Lacs)
<b>Note No.</b>	<b>DESCRIPTION</b>	<b>31.03.2013</b>	<b>31.3.2012</b>
<b>26</b>	<b>OTHER EXPENSES</b>		
<b>(a)</b>	<b>MANUFACTURING EXPENSES</b>		
	Consumption of Stores and Spare parts	3379.10	3254.23
	Packing Material Consumed	1779.84	1494.08
	Power and Fuel	807.68	912.20
	Labour Processing & Transportation Charges	399.35	1764.15
	Repairs to Buildings	142.13	286.63
	Repairs to Plant & Machinery	137.49	85.57
	Other Repairs	322.91	236.60
		<b>6968.50</b>	<b>8033.46</b>
<b>(b)</b>	<b>ADMINISTRATIVE EXPENSES</b>		
	Insurance	41.90	34.98
	Rent	153.30	75.29
	Rates and Taxes	237.09	451.07
	Legal and Professional	19.49	38.64
	Printing & Stationary, Postage and Telephone	148.04	212.58
	Travelling & Conveyance	580.64	705.62
	Director' Meeting Fees	5.42	5.20
	Auditor's Remuneration*	20.74	19.98
	Donation	4.53	2.33
	Miscellaneous Expenses	739.05	1142.58
		<b>1950.20</b>	<b>2688.27</b>

(c)

**SELLING EXPENSES**

Freight & Forwarding Expenses	2283.75	1663.51
Commission on Sales	103.62	145.00
Bad Debts Written off	0.04	69.45
Advertisement & Publicity	620.73	529.69

3008.14                      2407.65

**TOTAL - OTHER EXPENSES**

11926.84                      13129.38

**\* Payment to Auditors Include followings**

(a) Audit Fee	16.91	14.04
(b) Tax Audit	1.93	1.70
(c) Other Certifications	1.90	4.24
	20.74	19.98

Note No.	DESCRIPTION
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1	<b>SIGNIFICANT ACCOUNTING POLICIES</b>
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**TURNOVER:**

Sales are net of excise duty and rebates.

**FIXED ASSETS:**

Fixed assets are valued at cost. Land and Building at Sonapat and at Rasoi were revalued on 30th June, 1986. Subsequent additions to these units are shown at cost.

**DEPRECIATION:**

In case of Sahibabad , Malanpur and Bawal units depreciation is calculated at straight line method. All other units the written down value method has been followed.

**INVENTORIES:**

Raw material, Components and spare parts are valued at weighted average basis cost concept. Finished goods and work in progress are valued at cost. The cost includes material cost plus appropriate share of labour and overheads.

**INVESTMENTS:**

Long term Investments are valued at cost. Current Investment is valued at cost or market Value which ever is less.

**CONTIGENT LIABILITIES:**

Contingent Liabilities are not provided for in accounts and are shown separately.

**RECOGNISATION OF INCOME AND EXPENDITURE:**

Items of Income & Expenditure recognised on accrual basis.

**RETIREMENT/GRATUITY BENEFITS:**

Liabilities in respect of gratuity benefits, Provident Fund and Superannuation benefits, for its senior employees are provided for by the company via Gratuity Fund Trust and Superannuation Trust maintained with LIC. Earned leave has been provided for on actuarial valuation.

**RESEARCH AND DEVELOPMENT EXPENSES:**

Revenue Expenditure on Research and Development is charged to the Profit and Loss Account in the year in which it is incurred, while the capital expenditure is shown as an addition to the Fixed Assets.

**TAX ON INCOME:**

Current Tax is determined as the amount of Tax Payable in respect of Taxable income for the year.

Deferred Tax is recognised, subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

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

**GRATUITY**

	Gratuity(Funded)	
	2012-13	2011-12
Defined Benefit obligation at the beginning of the year	1196.01	977.81
Current Service Cost	66.18	249.69
Interest cost	101.15	85.91
Benefit paid	99.34	117.40
Defined Benefit obligation at the year end	<u>1264.00</u>	<u>1196.01</u>

**INVESTMENT DETAILS**

	As at	%	As at	%
Investment Detail:	31.3.2013		31.3.2012	
GOI Securities	43.77	18.13	65.26	23.67
Public Securities	94.01	38.94	102.69	37.25
State Government Securities	30.43	12.61	31.30	11.35
Private Securities	21.97	9.10	38.68	14.03
In banks	51.23	21.22	37.73	13.69
	<u>241.41</u>	<u>100</u>	<u>275.66</u>	<u>100</u>

**Actuarial assumptions**

	Gratuity (Funded)	
	2012-13	2011-12
Discount rate (Per Annum)	8	8.5
Expected rate of return plan (Per Annum)	9.4	8.5
Rate of escalation of salary (Per Annum)	7	4.5

The estimates of rate of escalation in salary considered in actuarial 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**

	31.3.2013	31.3.2012
Employer's Contribution to Provident Fund	58.48	62.35
Employers Contribution to Super Annuation Fund	70.45	69.47
Employers Contribution to Gratuity Fund	131.71	249.69

**NOTES TO ACCOUNT**

	2013 Rs.	2012 Rs.
<b>1. CONTINGENT LIABILITIES IN RESPECT OF</b>		
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	564.75	1324.89
d) In respect of Entry Tax matters	5.00	6.31
e) In respect of Excise matters	52.00	52.00
f) In respect of Sales Tax matters	568.07	608.38

**2 DETAILS OF RAW MATERIAL CONSUMED DURING THE YEAR**

Units	2013		2012	
	Quantity (in lacs)	Value Rs.	Quantity (in lacs)	Value Rs.
(i) Sheets & Strips Kgs.	51.74	2696.17	177.29	8040.60
(ii) Tyres Nos.	49.88	5257.22	66.34	6647.41
(iii) Tubes Nos.	48.31	2069.62	65.56	2705.30
(iv) Rims Nos.	41.85	4010.82	53.51	5344.82
(v) Other Items -	-	2709.44	-	3805.98
(vi) Components -	-	32248.69	-	40340.13
		<u>48991.96</u>		<u>66884.24</u>

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

	Indigenous		Imported	
	Value (Rs.)	Percentage	Value (Rs.)	Percentage
(i) Raw Material	14033.83	100	NIL	0
	(22738.13)	(100)	(NIL)	(0)
(ii) Components	32813.13	93.86	2145.00	6.14
	(40054.02)	(91.21)	(4092.09)	(8.79)

Previous Year figures are shown in brackets.

<b>4 VALUE OF TOTAL IMPORTS ON CIF BASIS</b>	<b>2013</b>	<b>2012</b>
	<b>Rs.</b>	<b>Rs.</b>
(i) Raw Material, Components & Spare Parts	2355	3793.00
(ii) Capital Goods	-	-
	<u>2355</u>	<u>3793.00</u>
<b>5 EXPENDITURE IN FOREIGN CURRENCY</b>		
(i) Commission on export	46.45	35.79
(ii) Foreign Tours	68.20	117.11
(iii) Foreign Publicity & exhibition	1.36	1.13
	<u>116.01</u>	<u>154.03</u>
<b>6 EARNINGS IN FOREIGN EXCHANGE</b>		
F.O.B. Value of goods exported	2197.07	3048.29

#### **7 SEGMENT REPORTING**

Based on the guiding principles given in Accounting Standard -17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Companies business segment includes bicycle manufacturing and Steel tube manufacturing.

#### **SEGMENT ACCOUNTING POLICIES**

The accounting policies adopted for the segment reporting are in line with the accounting policies of the company with the following additional policies for the segment reporting.

- (i) Inter segment revenue have been accounted on cost to the receiving segmental unit.
- (ii) Expenses have been included to the segment on the basis of their relationship to the accounting activities of the segment. Expenses which relate to the enterprise as a whole and are not allocable to the segments on a reasonable basis, have been included under "unallocated corporate expenses."
- (iii) Segments assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities.

#### **INFORMATION ABOUT BUSINESS SEGMENTS**

Particulars	(Figs. Rs. Lacs)					
	TUBE MILL		CYCLE UNIT		TOTAL	
	2013	2012	2013	2012	2013	2012
<b>Segment Revenue</b>						
External Sales	742.37	5494.00	70384.49	85129.84	71126.86	90623.84
Less Excise	73.33	578.58	1226.32	917.89	1299.65	1496.47
Inter Segment Sales	10.33	794.80	0.00	0.00	10.33	794.80
Other Income	0.12	12.87	182.78	228.04	182.90	240.91
<b>Total Revenue</b>	<b>679.49</b>	<b>5723.09</b>	<b>69340.95</b>	<b>84439.99</b>	<b>70020.44</b>	<b>90163.08</b>
Segment Results	-475.64	-278.81	2289.84	2728.90	1814.20	2450.09
Unallocated Expenses	0.00	0.00	0.00	0.00	0.00	0.00
<b>Operating Profit</b>	<b>-475.64</b>	<b>-278.81</b>	<b>2289.84</b>	<b>2728.90</b>	<b>1814.20</b>	<b>2450.09</b>
Interest Expenses	249.68	240.01	1210.26	1706.23	1459.94	1946.24
Unallocated Interest	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net Profit before Tax</b>	<b>-725.32</b>	<b>-518.82</b>	<b>1079.58</b>	<b>1022.67</b>	<b>354.26</b>	<b>503.85</b>
<b>Income Tax</b>						
Current,deferred and FBT	0.00	0.00	0.00	0.00	77.00	150.00
<b>Net Profit</b>	<b>-725.32</b>	<b>-518.82</b>	<b>1079.58</b>	<b>1022.67</b>	<b>277.26</b>	<b>353.85</b>



**Other Information**

Segment Assets	4848.00	5211.00	39160.84	38741.49	44008.84	43952.49
Common assets					1688.86	1742.20
<b>Total Assets</b>	<b>4848.00</b>	<b>5211.00</b>	<b>39160.84</b>	<b>38741.49</b>	<b>45697.70</b>	<b>45694.69</b>
<b>Segment Liabilities</b>						
Segmental Liabilities	1220.00	2304.00	41508.88	41154.99	42728.88	43458.99
Common Liabilities					2968.82	2235.20
<b>Total Liabilities</b>	<b>1220.00</b>	<b>2304.00</b>	<b>41508.88</b>	<b>41154.99</b>	<b>45697.70</b>	<b>45694.69</b>
Capital Expenditure	101.34	12.02	612.33	1005.47	713.67	1017.49
Depreciation	95.29	95.15	611.53	599.38	706.82	694.52

**8. LIST OF SMALL SCALE SUPPLIERS WHERE THE OUTSTANDING ARE OVER 30 DAYS:**

Auto Fan (India), Advance Plastic Industries, Ark Engineering Pvt. Ltd., Appu Cycles, Balbinder Mechanical Works, V.J Sales Corp., Bidar Engineering Co., Birdi International, Bharat Cycle Udyog, Chandan Industries, Chopra Engineers, D.K.Industries, Ess Pee Industries, Emm Industries India, Fit Right Engineer, Govind cycles Pvt. Ltd., Great Gears Pvt.Ltd., HiankenIndustries, J.B. Industries, Jain International,Jai Shiva Trading Co., Kular Cycle Industries,Koon Cycle Industries, Kumar Enterprises, Kapson Industries,K.B. Kapoor Industries, Lion Industries, Label & Stickers Industries, Meera Ind., Mukhtiar Engg. Works, Mandeep Products,Naveen Enterprises,Nitya Enterprises,Om Shivam Cycle India,Om Industries, Partap Cycle Ind.,Ranjeev Industries, Randhir Industrial Corp.,Ravi Industries, Rahul Enterprises, Rider Bikes Pvt. Ltd. Rana Enterprises, Seval Screw Co.,Sukhmani Steels,S.S.Product India, Shri Atamballabh Industrial Corp, Subhash & Sons, Sahil Enterprises, Vee Pee Industries,Visvakarma Industries Pvt. Ltd., Vinod Steel Craft, Watson Engg. Works, Watson Industries, Arihant Product Pvt. Ltd.,Appar Packaging Pvt. Ltd.,Bajrang Industries Carry Packers,Denzo Paints Pvt. Ltd., Laxmi Chemicals, Margo Ind. India, Margo Fastners, Punjab Plastic Ind. Parko Industries, Rishi Udyog, R.M. Industries, Amardeep Steel Industries, Anmol Industries, B.S. Lotey Brothers, Gupta Bikes Pvt. Ltd., Hindustan Tyers, Hightech Halftone, Joginder Singh Tejender Singh, Kamal Cycles Components, Mahaveer Steels, Durga Industries, H.K.Engineers, Jeet Enterprises.

**9. 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 ExoticFlora(P)Ltd  
**ii) Subsidiary Companies are:** Atlas Cycles (Sonipat) Ltd, Atlas Cycles (Sahibabad) Ltd, Atlas Cycles (Malanpur) Ltd.  
**Directors & Employees (As at 31.03.2013) :** Sh. I.D.Chugh, Sh. H.K.Ahuja, Sh. H.L.Bhatia, Sh.P.R.Chawla, Sh. VikramKapur, 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**

	Rs. In lacs	
	<b>Associated Companies</b>	
	<b>2013</b>	<b>2012</b>
Sale of Goods	2163.25	1830.48
Rent	4.32	3.70
Purchase of Goods	4842.87	7086.33
Balances on year end	33.44	36.54
Guarantee Given	20.00	20.00

**Transactions with key managerial persons:****C. Remunerations: Rs.403.65 lacs (Previous Year Rs. 460.84 lacs)****10. Figure of the Previous Year have been re-arranged, wherever necessary.**

**11. The Computation of Net Profit in accordance with Section 198 of the Companies Act, 1956 and commission payable to Directors:**

	<b>2013</b>	<b>2012</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>(a) Computation of profit for managerial remuneration</b>		
Profit as per Profit & Loss A/c	354.26	503.85
Add: Directors remuneration including perquisites	13.89	12.87
Add: Bad debts	0.04	69.45
	<b>368.19</b>	<b>586.17</b>
Less: Profit on Sale of Assets	1.48	35.40
Add: Depreciation as per Profit & Loss A/c	706.82	694.52
Less: Depreciation as per Section 350 of companies Act, 1956	815.52	918.79
<b>Net Profit</b>	<b>258.01</b>	<b>326.50</b>
Commission eligible for payment @ 0.5% of the Net Profit (Previous Year 0.5%)	1.29	1.63
Actual Commission Paid to a Whole Time Director	1.63	2.03
<b>(b) Remuneration paid to a whole time director</b>		
Salary	10.32	8.99
Long Service Allowance	0.02	0.02
Provident Fund Contribution	0.81	0.77
Leave Travel Assistance	0.57	0.55
Medical Expenses	0.54	0.51
Commission	1.63	2.03
	<b>13.89</b>	<b>12.87</b>

Ganesh Iyer  
C.E.O / C.F.O

S.Khanna  
C.F.O.

C. M. Dhall  
C.F.O

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 : 001141N

HARI KRISHAN AHUJA  
HIRA LAL BHATIA  
I.D.CHUGH

}

DIRECTORS

CA.RAJIV BHASIN  
PARTNER  
M No : 093845

Delhi: the 14th August 2013

New Delhi: the 14th August, 2013

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in lacs)

PARTICULARS	31st March, 2013	31st March, 2012
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Interest - tax and extra ordinary items	1670.30	2233.81
Adjustments for		
Depreciation & Misc. Write Offs	706.82	694.52
Operating Profit before Working Capital Changes	<u>2377.12</u>	<u>2928.33</u>
Adjustments for:		
(Increase)/Decrease in Trade & other Receivables	1285.58	(284.39)
(Increase)/Decrease in Inventories	78.44	(725.75)
(Increase)/Decrease in Loans and Advances	(685.35)	(736.04)
(Decrease)/Increase in Trade Payables	(1018.55)	352.06
(Decrease)/Increase in Other Current Liabilities	1178.66	(727.69)
Direct Taxes Paid/Refund	16.40	(103.38)
<b>Net Cash Flow from Operating Activities</b>	<u>3232.30</u>	<u>703.14</u>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(713.68)	(1017.49)
Proceeds on Sale of Fixed Assets	50.18	810.20
Dividend Income	24.78	23.21
Net Proceeds/(Purchase) from Sale of Investments	(199.01)	1508.79
<b>Net Cash Used in Investing Activities</b>	<u>(837.73)</u>	<u>1325.71</u>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds/(Repayment) from Borrowings	(357.93)	664.94
Interest Paid	(1459.94)	(1946.24)
Interest Received	33.98	48.42
Dividends Paid	(146.40)	(146.34)
<b>Net Cash Used in Financing Activities</b>	<u>(1930.29)</u>	<u>(1379.22)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	<u>464.28</u>	<u>648.63</u>
<b>Cash &amp; Cash Equivalents as on 1.04.2012</b>	<u>1075.13</u>	<u>426.50</u>
<b>Cash and Cash Equivalents as on 31.03.2013</b>	<u>1539.41</u>	<u>1075.13</u>

Note: Figures of the previous year have been re-grouped & re-arranged, wherever necessary.

Figures and brackets represent negative figures.

Ganesh Iyer  
C.E.O / C.F.O

S.Khanna  
C.F.O.

C. M. Dhall  
C.F.O

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 : 001141N

HARI KRISHAN AHUJA  
HIRA LAL BHATIA  
I.D.CHUGH

} DIRECTORS

CA.RAJIV BHASIN  
PARTNER  
M No : 093845

Delhi: the 14th August, 2013

New Delhi: the 14th August, 2013

**STATEMENT REGARDING SUBSIDIARY COMPANIES PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956**

<b>1 Name of the subsidiary Company</b>	<b>Atlas Cycles (Sonepat) Ltd</b>	<b>Atlas Cycles (Sahibabad) Ltd</b>	<b>Atlas Cycles (Malanpur) Ltd</b>
2 Financial Year of the subsidiary Company ended on	31.03.2013	31.03.2013	31.03.2013
3 Holding Company's Interest	Holding of entire Subscribed and Paid Up Capital of 50000 Shares of Rs.10/ each.	Holding of entire Subscribed and Paid Up Capital of 50000 Shares of Rs.10/ each.	Holding of entire Subscribed and Paid Up Capital of 50000 Shares of Rs.10/ each.
4 Net aggregate amount of Losses less Profits of the Subsidiary Company so far as it concerns the members of Atlas Cycles (Haryana) Limited			
a) Not dealt with in the Accounts of Atlas Cycles (Haryana) Ltd	-	-	-
i) for the subsidiary's financial year above referred			
ii) for previous years of the subsidiary since it became subsidiary of Atlas Cycles (Haryana) Ltd.	Nil	Nil	Nil
b) Dealt with in the accounts of Atlas Cycles (Haryana) Ltd			
i) for the Subsidiary's financial year above referred	Nil	Nil	Nil
ii) for the previous financial years of the Subsidiary since it became Subsidiary of Atlas Cycles (Haryana) Ltd	Nil	Nil	Nil
5 Changes in the interest of Atlas Cycles (Haryana) Ltd in the Subsidiary Company between the end of the financial year of the subsidiary and the financial year of the Company.	Not Applicable as Financial Year of Holding Company and Subsidiary Company ends on 31-03-2013	Not Applicable as Financial Year of Holding Company and Subsidiary Company ends on 31-03-2013	Not Applicable as Financial Year of Holding Company and Subsidiary Company ends on 31-03-2013
6 Material changes between the end of the financial year of the subsidiary and the financial year of the Company in respect of:			
* Subsidiary's fixed assets	-Do-	-Do-	-Do-
* Subsidiary's investments	-Do-	-Do-	-Do-
* Money lent by the subsidiary	-Do-	-Do-	-Do-
* Money borrowed by the subsidiary for the purpose other than that of meeting current liabilities.	-Do-	-Do-	-Do-
PLACE: NEW DELHI	I.D. CHUGH	HARI KRISHAN AHUJA	} DIRECTORS
Date : the 14th August, 2013	WHOLE TIME DIRECTOR	HIRA LAL BHATIA ISHWAR DAS CHUGH	

## ATLAS CYCLES (SONEPAT) LIMITED

### DIRECTORS' REPORT

#### TO THE MEMBERS:

Your directors have pleasure in presenting their Fourteenth Annual Report together with the audited accounts of the Company for the year ended 31<sup>st</sup> March, 2013. No Profit & Loss account has been prepared as the Company's operations have not yet commenced.

#### DEPOSITS

The Company has not accepted any deposits from the public during the year under review.

#### PARTICULARS OF EMPLOYEES

During the year no person was employed with a remuneration of Rs. 60,00,000/- p.a. or more.

#### CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

As the Company has not commenced manufacturing activities, information on the above is not required to be given.

#### FOREIGN EXCHANGE EARNING AND OUTGO

Total foreign exchange earned : Nil

Total foreign exchange used : Nil

#### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of section 217(2AA) of the Companies Act, 1956, Directors hereby confirm that:

- In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- The Directors had selected such accounting policies and applied them consistently and made judgements 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 31<sup>st</sup> March, 2013.
- 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.
- The Directors had prepared the Annual Accounts on a going concern basis.

#### DIRECTORS

S/Shri I. D. Chugh and Prithvi Raj Chawla are retiring at this Annual General Meeting and, being eligible, offer themselves for reappointment.

#### AUDITORS

M/s Mehra Khanna & Company, Chartered Accountants, retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for reappointment.

HARI KRISHAN AHUJA  
ISHWAR DAS CHUGH  
HIRA LAL BHATIA



**DIRECTORS**

Sonepat : the 14th August, 2013

#### Independent Auditor's Opinion

#### To the Members of Atlas Cycles (Sonipat) Limited Report on the Financial Statements

We have audited the accompanying financial statements of Atlas Cycles (Sonipat) Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2013, 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 financial statements that give a true and fair view of the financial position and financial performance the Company in accordance with the 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 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 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 financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company'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 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, 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:

- in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2013;

#### Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Said Order do not apply to the Company.
- As required by Section 227(3) of the Act, we report that:
  - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - The Balance Sheet dealt with by this Report is in agreement with the books of account.
  - In our opinion, the Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
  - On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**For Mehra Khanna & Co**  
**Chartered Accountants**  
**Firm Registration No: 001141N**  
**CA. Rajiv Bhasin**  
**(Partner)**  
**Membership No:093845**

Place: Delhi

Date: the 14th August, 2013

## ATLAS CYCLES (SONEPAT) LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in Lacs)

DESCRIPTION	Note No.	31.03.2013	31.3.2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	500000.00	500000.00
Reserve and Surplus		0.00	0.00
<b>Non-Current Liabilities</b>		<b>0.00</b>	<b>0.00</b>
<b>Current Liabilities</b>			
Short Term Borrowings		0.00	0.00
Trade Payables		0.00	0.00
Other Current Liabilities	2	4412.00	2206.00
Short Term Provisions		0.00	0.00
<b>TOTAL</b>		<b><u>504412.00</u></b>	<b><u>502206.00</u></b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
	3	<b>180462.00</b>	<b>141813.00</b>
<b>Current Assets</b>			
	4	<b><u>323950.00</u></b>	<b><u>360393.00</u></b>
<b>TOTAL</b>		<b><u>504412.00</u></b>	<b><u>502206.00</u></b>

The annexed Notes to accounts from part of the Balance Sheet

AS PER OUR REPORT OF EVEN DATE

For MEHRA KHANNA & COMPANY

Chartered Accountants

FRN : 001141N

CA. RAJIV BHASIN

PARTNER

M.No. - 093845

Delhi : the 14th August, 2013

HARI KRISHAN AHUJA

HIRA LAL BHATIA

I.D.CHUGH

} DIRECTORS

### Notes on Financial Statements for the Year ended 31st March, 2013

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

1 SHARE CAPITAL	As at 31st March, 2013	As at 31st March, 2012
<b>Authorised Share Capital:</b>		
50,000 Equity Shares of Rs. 10 each (50,000)	500,000.00	500,000.00
<b>Issued, Subscribed and Paid up:</b>		
50,000 Equity Shares of Rs. 10 each fully paid up (50,000)	500,000.00	500,000.00
<b>TOTAL</b>	<b>500,000.00</b>	<b>500,000.00</b>

- 1.1 Nil Shares out of the issued, subscribed and paid up share capital were allotted as Bonus Shares (Nil) in the last five years by capitalisation of Securities Premium and Reserves.
- 1.2 Nil Shares out of the issued, subscribed and paid up share capital were allotted in the last five years pursuant to the various Schemes of amalgamation without payments being received in cash. (Nil)
- 1.3 Nil Shares out of the issued, subscribed and paid up shares capital were allotted on conversion (Nil) / surrender of Debentures and Bonds, conversion of Term Loans, exercise of warrants, against Global Depository Shares (GDS) and re-issue of forfeited equity shares, since inception
- 1.4 Nil Shares out of the issued, subscribed and paid up share capital held by Subsidiaries do not have (Nil) Voting Rights and are not eligible for Bonus Shares.

1.5 The details of Shareholders holding more than 5% shares:

<b>Name of the Shareholder</b>	<b>As at 31st March, 2013 No.of Shares/ %held</b>	<b>As at 31st March, 2012 No.of Shares/ %held</b>
Atlas Cycles (Haryana) Ltd.	5,00,000 / 100%	5,00,000 / 100%

1.6 The reconciliation of the number of shares outstanding is set out below:

<b>Particulars</b>	<b>31st March, 2013 No .of Shares</b>	<b>31st March, 2012 No. of Shares</b>
Equity Shares at the beginning of the year	5,00,000	5,00,000
Equity Shares at the end of the year	5,00,000	5,00,000

## 2 OTHER CURRENT LIABILITIES

	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Audit Fee Payable	4412.00	2206.00
<b>TOTAL</b>	<b>4412.00</b>	<b>2206.00</b>

## 3 NON CURRENT ASSETS

	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Registration Charges	14600.00	14600.00
Legal Charges	7400.00	7400.00
Directors Fees	72000.00	65000.00
Bank Charges	2158.00	1835.00
Audit Fee	30103.00	27897.00
Filing Fees	54201.00	25081.00
<b>TOTAL</b>	<b>180462.00</b>	<b>141813.00</b>

## 4 CURRENT ASSETS

	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
<b>Cash and Bank Balances</b>		
Central Bank of India	323950.00	360393.00
<b>TOTAL</b>	<b>323950.00</b>	<b>360393.00</b>

AS PER OUR REPORT OF EVEN DATE

For MEHRA KHANNA & COMPANY

Chartered Accountants

FRN : 001141N

CA. RAJIV BHASIN

PARTNER

M.No. - 093845

Delhi : the 14th August, 2013

HARI KRISHAN AHUJA

HIRA LAL BHATIA

I.D.CHUGH

New Delhi : the 14th August, 2013

} DIRECTORS

## ATLAS CYCLES (SAHIBABAD) LIMITED

### DIRECTORS' REPORT

#### TO THE MEMBERS:

Your directors have pleasure in presenting their Fourteenth Annual Report together with the audited accounts of the Company for the year ended 31<sup>st</sup> March, 2013. No Profit & Loss account has been prepared as the Company's operations have not yet commenced.

#### DEPOSITS

The Company has not accepted any deposits from the public during the year under review.

#### PARTICULARS OF EMPLOYEES

During the year no person was employed with a remuneration of Rs. 60,00,000/- p.a. or more.

#### CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

As the Company has not commenced manufacturing activities, information on the above is not required to be given.

#### FOREIGN EXCHANGE EARNING AND OUTGO

Total foreign exchange earned : Nil

Total foreign exchange used : Nil

#### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of section 217(2AA) of the Companies Act, 1956, Directors hereby confirm that:

- In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- The Directors had selected such accounting policies and applied them consistently and made judgements 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 31<sup>st</sup> March, 2013.
- 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.
- The Directors had prepared the Annual Accounts on a going concern basis.

#### DIRECTORS

S/Shri I. D. Chugh and Prithvi Raj Chawla are retiring at this Annual General Meeting and, being eligible, offer themselves for reappointment.

#### AUDITORS

M/s Mehra Khanna & Company, Chartered Accountants, retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for reappointment.

HARI KRISHAN AHUJA  
ISHWAR DAS CHUGH  
HIRA LAL BHATIA



**DIRECTORS**

Sonepat : the 14th August, 2013

#### Independent Auditor's Opinion

#### To the Members of Atlas Cycles (Sahibabad) Limited Report on the Financial Statements

We have audited the accompanying financial statements of Atlas Cycles (Sahibabad) Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2013, 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 financial statements that give a true and fair view of the financial position and financial performance the Company in accordance with the 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 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 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 financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company'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 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, 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:

- in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;

#### Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Said Order do not apply to the Company.
- As required by Section 227(3) of the Act, we report that:
  - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - The Balance Sheet dealt with by this Report is in agreement with the books of account.
  - In our opinion, the Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
  - On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**For Mehra Khanna & Co**  
**Chartered Accountants**  
**Firm Registration No: 001141N**  
**CA. Rajiv Bhasin**  
**(Partner)**  
**Membership No:093845**

**Place: Delhi**  
**Date: the 14th August, 2013**



## ATLAS CYCLES (SAHIBABAD) LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in Lacs)

DESCRIPTION	Note No.	31.03.2013	31.3.2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	500000.00	500000.00
Reserve and Surplus		0.00	0.00
<b>Non-Current Liabilities</b>		<b>0.00</b>	<b>0.00</b>
<b>Current Liabilities</b>			
Short Term Borrowings		0.00	0.00
Trade Payables		0.00	0.00
Other Current Liabilities	2	2245.00	2254.00
Short Term Provisions		0.00	0.00
<b>TOTAL</b>		<b><u>502245.00</u></b>	<b><u>502245.00</u></b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
	3	<b>182484.00</b>	<b>160101.00</b>
<b>Current Assets</b>			
	4	<b><u>319761.00</u></b>	<b><u>342144.00</u></b>
<b>TOTAL</b>		<b><u>502245.00</u></b>	<b><u>502245.00</u></b>

The annexed Notes to accounts from part of the Balance Sheet

AS PER OUR REPORT OF EVEN DATE

For MEHRA KHANNA & COMPANY

Chartered Accountants

FRN : 001141N

CA. RAJIV BHASIN

PARTNER

M.No. - 093845

Delhi : the 14th August, 2013

HARI KRISHAN AHUJA

HIRA LAL BHATIA

I.D.CHUGH

} DIRECTORS

### Notes on Financial Statements for the Year ended 31st March, 2013

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

1 SHARE CAPITAL	As at 31st March, 2013	As at 31st March, 2012
<b>Authorised Share Capital:</b>		
50,000 Equity Shares of Rs. 10 each (50,000)	500,000.00	500,000.00
<b>Issued, Subscribed and Paid up:</b>		
50,000 Equity Shares of Rs. 10 each fully paid up (50,000)	500,000.00	500,000.00
<b>TOTAL</b>	<b>500,000.00</b>	<b>500,000.00</b>

- 1.1 Nil Shares out of the issued, subscribed and paid up share capital were allotted as Bonus Shares (Nil) in the last five years by capitalisation of Securities Premium and Reserves.
- 1.2 Nil Shares out of the issued, subscribed and paid up share capital were allotted in the last five years pursuant to the various Schemes of amalgamation without payments being received in cash. (Nil)
- 1.3 Nil Shares out of the issued, subscribed and paid up shares capital were allotted on conversion (Nil) / surrender of Debentures and Bonds, conversion of Term Loans, exercise of warrants, against Global Depository Shares (GDS) and re-issue of forfeited equity shares, since inception
- 1.4 Nil Shares out of the issued, subscribed and paid up share capital held by Subsidiaries do not have (Nil) Voting Rights and are not eligible for Bonus Shares.

1.5 The details of Shareholders holding more than 5% shares:

<b>Name of the Shareholder</b>	<b>As at 31st March, 2013 No.of Shares/ %held</b>	<b>As at 31st March, 2012 No.of Shares/ %held</b>
Atlas Cycles (Haryana) Ltd.	5,00,000 / 100%	5,00,000 / 100%

1.6 The reconciliation of the number of shares outstanding is set out below:

<b>Particulars</b>	<b>31st March, 2013 No .of Shares</b>	<b>31st March, 2012 No. of Shares</b>
Equity Shares at the beginning of the year	500,000	5,00,000
Equity Shares at the end of the year	5,00,000	5,00,000

## 2 OTHER CURRENT LIABILITIES

	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Audit Fee Payable	2245.00	2245.00
<b>TOTAL</b>	<b>2245.00</b>	<b>2245.00</b>

## 3 NON CURRENT ASSETS

	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Registration Charges	14000.00	14000.00
Legal Charges	7400.00	7400.00
Directors Fees	72250.00	67250.00
Bank Charges	2160.00	1837.00
Audit Fee	30150.00	27903.00
Filing Fees	18512.00	17900.00
Misc. Expenses	30.00	30.00
Professional Fee	37982.00	23781.00
<b>TOTAL</b>	<b>182484.00</b>	<b>160101.00</b>

## 4 CURRENT ASSETS

	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
<b>Cash and Bank Balances</b>		
Central Bank of India	319761.00	342144.00
<b>TOTAL</b>	<b>319761.00</b>	<b>342144.00</b>

AS PER OUR REPORT OF EVEN DATE

For MEHRA KHANNA & COMPANY

Chartered Accountants

FRN : 001141N

CA. RAJIV BHASIN

PARTNER

M.No. - 093845

Delhi : the 14th August, 2013

HARI KRISHAN AHUJA

HIRA LAL BHATIA

I.D.CHUGH

New Delhi : the 14th August, 2013

} DIRECTORS

## ATLAS CYCLES (MALANPUR) LIMITED

### DIRECTORS' REPORT

#### TO THE MEMBERS:

Your directors have pleasure in presenting their Fourteenth Annual Report together with the audited accounts of the Company for the year ended 31<sup>st</sup> March, 2013. No Profit & Loss account has been prepared as the Company's operations have not yet commenced.

#### DEPOSITS

The Company has not accepted any deposits from the public during the year under review.

#### PARTICULARS OF EMPLOYEES

During the year no person was employed with a remuneration of Rs. 60,00,000/- p.a. or more.

#### CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

As the Company has not commenced manufacturing activities, information on the above is not required to be given.

#### FOREIGN EXCHANGE EARNING AND OUTGO

Total foreign exchange earned : Nil

Total foreign exchange used : Nil

#### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of section 217(2AA) of the Companies Act, 1956, Directors hereby confirm that:

- In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- The Directors had selected such accounting policies and applied them consistently and made judgements 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 31<sup>st</sup> March, 2013.
- 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.
- The Directors had prepared the Annual Accounts on a going concern basis.

#### DIRECTORS

S/Shri I.D. Chugh and Prithvi Raj Chawla are retiring at this Annual General Meeting and, being eligible, offer themselves for reappointment.

#### AUDITORS

M/s Mehra Khanna & Company, Chartered Accountants, retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for reappointment.

HARI KRISHAN AHUJA  
ISHWAR DAS CHUGH  
HIRA LAL BHATIA

} DIRECTORS

Sonepat : the 14th August, 2013

#### Independent Auditor's Opinion

#### To the Members of Atlas Cycles (Malanpur) Limited Report on the Financial Statements

We have audited the accompanying financial statements of Atlas Cycles (Malanpur) Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2013, 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 financial statements that give a true and fair view of the financial position and financial performance the Company in accordance with the 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 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 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 financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company'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 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, 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:

- in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;

#### Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Said Order do not apply to the Company.
- As required by Section 227(3) of the Act, we report that:
  - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - The Balance Sheet dealt with by this Report is in agreement with the books of account.
  - In our opinion, the Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
  - On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Mehra Khanna & Co  
Chartered Accountants  
Firm Registration No: 001141N  
CA. Rajiv Bhasin  
(Partner)  
Membership No:093845

Place: Delhi  
Date: the 14th August, 2013

## ATLAS CYCLES (MALANPUR) LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in Lacs)

DESCRIPTION	Note No.	31.03.2013	31.3.2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	500000.00	500000.00
Reserve and Surplus		0.00	0.00
<b>Non-Current Liabilities</b>		<b>0.00</b>	<b>0.00</b>
<b>Current Liabilities</b>			
Short Term Borrowings		0.00	0.00
Trade Payables		0.00	0.00
Other Current Liabilities	2	2245.00	2245.00
Short Term Provisions		0.00	0.00
<b>TOTAL</b>		<b><u>502245.00</u></b>	<b><u>502245.00</u></b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
	3	<b>186551.00</b>	<b>164199.00</b>
<b>Current Assets</b>			
	4	<b>315694.00</b>	<b>338046.00</b>
<b>TOTAL</b>		<b><u>502245.00</u></b>	<b><u>502245.00</u></b>

The annexed Notes to accounts from part of the Balance Sheet

AS PER OUR REPORT OF EVEN DATE

For MEHRA KHANNA & COMPANY

Chartered Accountants

FRN : 001141N

CA. RAJIV BHASIN

PARTNER

M.No. - 093845

Delhi : the 14th August, 2013

HARI KRISHAN AHUJA

HIRA LAL BHATIA

I.D.CHUGH

} DIRECTORS

### Notes on Financial Statements for the Year ended 31st March, 2013

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

1 SHARE CAPITAL	As at 31st March, 2013	As at 31st March, 2012
<b>Authorised Share Capital:</b>		
50,000 Equity Shares of Rs. 10 each (50,000)	500,000.00	500,000.00
<b>Issued, Subscribed and Paid up:</b>		
50,000 Equity Shares of Rs. 10 each fully paid up (50,000)	500,000.00	500,000.00
<b>TOTAL</b>	<b>500,000.00</b>	<b>500,000.00</b>

- 1.1 Nil Shares out of the issued, subscribed and paid up share capital were allotted as Bonus Shares (Nil) in the last five years by capitalisation of Securities Premium and Reserves.
- 1.2 Nil Shares out of the issued, subscribed and paid up share capital were allotted in the last five years pursuant to the various Schemes of amalgamation without payments being received in cash. (Nil)
- 1.3 Nil Shares out of the issued, subscribed and paid up shares capital were allotted on conversion (Nil) / surrender of Debentures and Bonds, conversion of Term Loans, exercise of warrants, against Global Depository Shares (GDS) and re-issue of forfeited equity shares, since inception
- 1.4 Nil Shares out of the issued, subscribed and paid up share capital held by Subsidiaries do not have (Nil) Voting Rights and are not eligible for Bonus Shares.

1.5 The details of Shareholders holding more than 5% shares:

<b>Name of the Shareholder</b>	<b>As at 31st March, 2013 No.of Shares/ %held</b>	<b>As at 31st March, 2012 No.of Shares/ %held</b>
Atlas Cycles (Haryana) Ltd.	5,00,000 / 100%	5,00,000 / 100%

1.6 The reconciliation of the number of shares outstanding is set out below:

<b>Particulars</b>	<b>31st March, 2013 No .of Shares</b>	<b>31st March, 2012 No. of Shares</b>
Equity Shares at the beginning of the year	500,000	5,00,000
Equity Shares at the end of the year	5,00,000	5,00,000

## 2 OTHER CURRENT LIABILITIES

	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Audit Fee Payable	2245.00	2245.00
<b>TOTAL</b>	<b>2245.00</b>	<b>2245.00</b>

## 3 NON CURRENT ASSETS

	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Registration Charges	14000.00	14000.00
Legal Charges	7400.00	7400.00
Directors Fees	72000.00	67000.00
Bank Charges	1430.00	1138.00
Audit Fee	30150.00	27903.00
Filing Fees	20912.00	20300.00
Misc. Expenses	30.00	30.00
Professional Fee	40629.00	26428.00
<b>TOTAL</b>	<b>186551.00</b>	<b>164199.00</b>

## 4 CURRENT ASSETS

	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
<b>Cash and Bank Balances</b>		
Central Bank of India	315694.00	338046.00
<b>TOTAL</b>	<b>315694.00</b>	<b>338046.00</b>

AS PER OUR REPORT OF EVEN DATE

For MEHRA KHANNA & COMPANY

Chartered Accountants

FRN : 001141N

CA. RAJIV BHASIN

PARTNER

M.No. - 093845

Delhi : the 14th August, 2013

HARI KRISHAN AHUJA

HIRA LAL BHATIA

I.D.CHUGH

New Delhi : the 14th August, 2013

} DIRECTORS

## **Independent Auditor's Opinion**

### **To the Members of Atlas Cycles (Haryana) Limited**

#### **Report on the Consolidated 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, 2013, 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 Consolidated 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, the consolidated 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, 2013;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit 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.

**Place: Delhi**  
**Date: the 14th August, 2013**

**For Mehra Khanna & Co**  
**Chartered Accountants**  
**Firm Registration No: 001141N**  
**CA. Rajiv Bhasin**  
**(Partner)**  
**Membership No:093845**

## ATLAS CYCLES (HARYANA) LIMITED

### CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in Lacs)

DESCRIPTION	Note No.	31.03.2013	31.3.2012
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS FUNDS</b>			
Share Capital	2	325.19	325.19
Reserves and Surplus	3	12,304.46	12,198.41
		<u>12,629.65</u>	<u>12,523.60</u>
<b>SHARE APPLICATION MONEY PENDING ALLOTMENT</b>			
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings	4	905.16	554.02
Deferred tax liabilities (net)	5	854.00	847.00
Other Long term liabilities	6	152.16	150.53
Long-term provisions	7	72.50	60.36
		<u>1,983.82</u>	<u>1,611.91</u>
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	8	7,990.71	7,328.90
Trade payables	9	12,174.24	13,175.03
Other current liabilities	10	6,720.91	7,078.93
Short-term provisions	7	4,198.46	3,976.39
		<u>31,084.32</u>	<u>31,559.25</u>
<b>TOTAL</b>		<u><b>45,697.79</b></u>	<u><b>45,694.76</b></u>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	11		
Tangible assets		9,094.49	9,238.50
Intangible assets		-	-
Capital work-in-progress		418.34	316.17
Intangible assets under development		-	-
Non-current investments	12	151.26	141.08
Deferred tax assets (net)	5	-	-
Long-term loans and advances	13	2,359.46	2,180.29
Other non-current assets	14	16.13	46.73
		<u>12,039.68</u>	<u>11,922.77</u>
<b>CURRENT ASSETS</b>			
Current investments	12	1,353.47	1,081.00
Inventories	15	11,274.27	11,352.71
Trade receivables	16	13,602.84	14,888.43
Cash and Bank Balances	17	1,571.72	1,332.08
Short-term loans and advances	13	5,845.28	5,067.52
Other current assets	18	10.53	50.25
		<u>33,658.11</u>	<u>33,771.99</u>
<b>TOTAL</b>		<u><b>45,697.79</b></u>	<u><b>45,694.76</b></u>

#### **Significant Accounting Policies**

Ganesh Iyer  
C.E.O / C.F.O

S.Khanna  
C.F.O.

C. M. Dhall  
C.F.O

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 : 001141N

HARI KRISHAN AHUJA  
HIRA LAL BHATIA  
I.D.CHUGH

} DIRECTORS

CA.RAJIV BHASIN  
PARTNER  
M No : 093845

Delhi: the 14th August, 2013

New Delhi: the 14th August, 2013

## ATLAS CYCLES (HARYANA) LIMITED

### STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Lacs)

DESCRIPTION	Note No.	31.03.2013	31.3.2012
<b>INCOME</b>			
Revenue from operations (gross)	19	71,126.86	90,623.84
Less :- Rebate		1,995.31	1,595.30
Less :- Excise Duty on sales		1,299.65	1,496.47
Revenue from operations (net)		<u>67,831.90</u>	<u>87,532.07</u>
Other Income	20	182.90	240.91
<b>TOTAL</b>		<b><u>68,014.80</u></b>	<b><u>87,772.98</u></b>
<b>EXPENSES</b>			
Cost of materials consumed	21	48,991.96	66,884.24
Purchases of trading goods		140.98	-
Changes in inventories of finished goods, work in progress and trading goods	22	287.14	224.25
Employee benefits expense	23	4,146.86	4,362.39
Finance costs	24	1,459.94	1,946.24
Depreciation and amortization expense	25	706.82	722.69
<b>Other expenses</b>	26		
Manufacturing expenses		6,968.50	8,033.46
Administration expenses		1,950.20	2,688.27
Selling expenses		3,008.14	2,407.65
<b>TOTAL</b>		<b><u>67,660.54</u></b>	<b><u>87,269.19</u></b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>354.26</b>	<b>503.79</b>
<b>Profit before extraordinary items and tax</b>		<b>354.26</b>	<b>503.79</b>
<b>Profit before tax</b>		<b>354.26</b>	<b>503.79</b>
<b>Tax expense</b>			
Provision for current tax		70.00	100.00
Provision for deferred tax		7.00	50.00
<b>Profit / (Loss) for the year from continuing operations</b>		<b><u>277.26</u></b>	<b><u>353.79</u></b>
<b>Profit/(Loss) for the year</b>		<b><u>277.26</u></b>	<b><u>353.79</u></b>
<b>Earnings per share (in ₹)</b>			
Basic		8.53	10.88
Diluted		8.53	10.88

#### **Significant Accounting Policies**

Ganesh Iyer  
C.E.O / C.F.O

S.Khanna  
C.F.O.

C. M. Dhall  
C.F.O

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 : 001141N

HARI KRISHAN AHUJA  
HIRA LAL BHATIA  
I.D.CHUGH

} DIRECTORS

CA.RAJIV BHASIN  
PARTNER  
M No : 093845

Delhi: the 14th August, 2013

New Delhi: the 14th August, 2013



## ATLAS CYCLES (HARYANA) LIMITED

### NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>2</b>	<b>SHARE CAPITAL</b>		
	<b>AUTHORISED</b>		
	30,000(30,000) 6 1/4% P.A. free of Income tax cumulative redeemable Preference shares of Rs.100 each	30.00	30.00
	97,00,000(97,00,000) Equity Shares of Rs.10/- each	970.00	970.00
		<u>1,000.00</u>	<u>1,000.00</u>
	<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
	32,51,919 (32,51,919) Equity Shares of Rs 10/-each fully paid up	325.19	325.19
	<b>TOTAL - SHARE CAPITAL</b>	<u>325.19</u>	<u>325.19</u>
(a)	<b>RECONCILIATION OF THE NUMBER OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
	Equity Shares outstanding at the beginning of the year	3,251,919	3,251,919
	Equity Shares issued during the year	-	-
	Shares outstanding at the end of the year	<u>3,251,919</u>	<u>3,251,919</u>
(b)	<b>TERMS/RIGHT ATTACHED TO EQUITY SHARES</b>		
	The company has only one class of equity shares having a par value of Rs 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)	<b>EQUITY SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:</b>		
		<b>2013</b>	<b>2012</b>
	<b>NAME OF THE EQUITY SHAREHOLDER</b>	<b>No. of Shares</b>	<b>%</b>
		<b>No. of Shares</b>	<b>%</b>
	Milton Cycles Industries Ltd	325846	10.02%
	Limrose Enng Works Pvt Ltd	257650	7.92%
(d)	Company has not issued any ESOP Plan, or Conversion of Bonds/Debentures.		
(e)	Company has not issued any share by way of Bonus / Right Shares and has not Buy-back any shares in the preceding five years		
Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>3</b>	<b>RESERVES AND SURPLUS</b>		
(a)	<b>SECURITY PREMIUM ACCOUNT</b>		
	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)	<b>FIXED ASSETS REVALUATION RESERVE</b>		
	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)	<b>GENERAL RESERVE</b>		
	As per last account	11,058.79	10,858.79
	Add : Transferred from Statement of Profit and Loss	100.00	200.00
		<u>11,158.79</u>	<u>11,058.79</u>
(f)	<b>SURPLUS - STATEMENT OF PROFIT AND LOSS</b>		
	As per last account	143.68	159.91
	Add : Profit after Tax for the year	277.26	353.85
	<b>NET PROFIT</b>	<b>420.94</b>	<b>513.76</b>
	<b>Amount Available for appropriation</b>	<b>420.94</b>	<b>513.76</b>
	<b>APPROPRIATIONS</b>		
	Debenture Redemption Reserve	-	-
	General Reserve	100.00	200.00
	Proposed Dividend	146.34	146.34
	Corporate Dividend Tax	24.87	23.74
	<b>Net Surplus in the Statement of Profit and Loss</b>	<u>149.73</u>	<u>143.68</u>
	<b>TOTAL - RESERVE &amp; SURPLUS</b>	<u>12,304.46</u>	<u>12,198.41</u>

(₹ in Lacs)

Note No.	DESCRIPTION	Non-Current Portion		Current Maturity	
		31.03.2013	31.3.2012	31.03.2013	31.3.2012
<b>4</b>	<b>LONG-TERM BORROWINGS</b>				
	<b>SECURED</b>				
	(a) TERM LOAN FROM BANKS				
	Rupee term loan	100.00	367.08	3,12.42	1961.25
	(b) CAR LOAN FROM BANKS	96.83	40.43	109.05	72.02
	<b>TOTAL SECURED LONG TERM BORROWINGS</b>	<b>196.83</b>	<b>407.51</b>	<b>421.47</b>	<b>2033.27</b>
	<b>UNSECURED LONG TERM BORROWINGS</b>				
	(a) PUBLIC FIXED DEPOSITS	708.33	146.51	1318.88	1077.96
	<b>TOTAL UNSECURED LONG TERM BORROWINGS</b>	<b>708.33</b>	<b>146.51</b>	<b>1318.88</b>	<b>1077.96</b>
	<b>TOTAL - LONG TERM BORROWINGS</b>	<b>905.16</b>	<b>554.02</b>	<b>1740.35</b>	<b>3111.23</b>
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 Rs 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 of Baroda 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 @ 17% 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 31.03.2012	Charge/( Credit ) for the year	Deferred Tax Liability/Asset as at 31.03.2013
<b>5</b>	<b>DEFERRED TAX LIABILITY (NET)</b>			
	(a) <b>DEFERRED TAX LIABILITY</b>			
	Difference between books & tax depreciation	847.00	7.00	854.00
	<b>Total Deferred Tax Liability</b>	<b>847.00</b>	<b>7.00</b>	<b>854.00</b>
	<b>DEFERRED TAX LIABILITY (NET )</b>	<b>847.00</b>	<b>7.00</b>	<b>854.00</b>
	# The management is confident about recoverability of the same from future earnings.			

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>6</b>	<b>OTHER LONG TERM LIABILITIES</b>		
	Security Deposits	140.95	139.32
	LADT Payable A/c	11.21	11.21
	<b>TOTAL - OTHER LONG TERM LIABILITIES</b>	<b>152.16</b>	<b>150.53</b>

Note No.	DESCRIPTION	Long-Term		Short-Term	
		31.03.2013	31.3.2012	31.03.2013	31.3.2012
<b>7</b>	<b>PROVISIONS</b>				
	For Employee Benefits				
	Leave Encashment	72.50	60.36	182.58	5.54
	For Taxation	-	-	2059.36	1989.36
	For Proposed Dividend	-	-	146.34	146.34
	For Corporate Dividend Tax	-	-	24.87	23.74
	For Dealers Discount	-	-	41.94	465.74
	For Bills Payable	-	-	370.40	221.81
	Others	-	-	1372.97	1123.86
	<b>TOTAL - PROVISIONS</b>	<b>72.50</b>	<b>60.36</b>	<b>4198.46</b>	<b>3976.39</b>

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>8</b>	<b>SHORT TERM BORROWINGS</b>		
	<b>SECURED SHORT TERM BORROWINGS</b>		
	(a) Working Capital Facility from Bank	4653.27	3610.09
	(b) Short Term Loans	-	356.93
	(c) Bills Discounting from Bank/Financial Institution	3172.44	2,881.88
	<b>TOTAL SECURED SHORT TERM BORROWINGS</b>	<b>7825.71</b>	<b>6,848.90</b>
	<b>UNSECURED SHORT TERM BORROWINGS</b>		
	(a) Loan from Body Corporate	165.00	480.00
	<b>TOTAL UNSECURED SHORT TERM BORROWINGS</b>	<b>165.00</b>	<b>480.00</b>
	<b>TOTAL - SHORT TERM BORROWINGS</b>	<b>7990.71</b>	<b>7328.90</b>
1	Cash Credit Limit from Consortium banks is secured against Hypothecation of Inventory and Book Debts and 1st 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 11nd 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 @ 11.75% p.a.		
4	Packing Credit Limit from CITI Bank is secured against the lein of the Mutual Fund and carries interest of Libour plus 3%		
5	Short Term Corporate Loans carries interest @ 18% p.a..		
6	Bill Discounting Facility from IDBI bank is secured against second charge on current and fixed assets of Malanpur Unit.		
7	Unsecured Billl Discounting Facility from India Factoring Finance Limited carries interest@ 15% p.a.		
8	Unsecured Loans from Birla Global Finance against Promoters personal guarantee carries interest @ 18% p.a.		

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>9</b>	<b>TRADE PAYABLES</b>		
	Trade Payables (including Acceptances)		
	Dues to Micro and Small enterprises	3274.76	2108.25
	Dues to other than Micro and Small enterprises	8899.48	11066.78
	<b>TOTAL TRADE PAYABLES</b>	<b>12174.24</b>	<b>13175.03</b>

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>10</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Current maturities of Long term Borrowings. ( Refer Note 4)	1740.35	3111.23
	Interest accrued but not due on borrowings.	114.36	102.20
	Interest accrued and due on borrowings.	18.31	25.71
	Statutory Dues	241.03	184.61
	Due to Customer and others	479.61	18.51
	Security Deposits from Agents/Dealers/Others	214.69	251.69
	Advance Against Sale of Land #	2187.00	1550.00
	Other Outstanding Liabilities	1709.16	1818.50
	Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 not due		
	Unpaid dividend	16.40	16.48
	<b>TOTAL OTHER CURRENT LIABILITIES</b>	<b>6720.91</b>	<b>7078.93</b>

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

**11. FIXED ASSETS**

(₹ in Lacs)

PARTICULARS	LAND & BUILDING	PLANT & MACHINERY	COMPUTER	ELECTRICAL INSTALLATION	VEHICLES	FURNITURE & FIXTURES	UNDER CONST. INSTALLATION BUILDING/ MACHINERY	TOTAL
COST	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 1st April 2012	7,241.97	7,181.14	503.56	261.92	1,557.53	781.65	316.17	17,843.94
<b>Additions</b>	<b>94.87</b>	<b>312.45</b>	<b>12.58</b>	<b>7.40</b>	<b>140.57</b>	<b>9.96</b>	<b>135.84</b>	<b>713.67</b>
<b>sales/Adjustment</b>	<b>-</b>	<b>20.04</b>	<b>-</b>	<b>0.18</b>	<b>34.15</b>	<b>1.04</b>	<b>33.67</b>	<b>89.08</b>
<b>As at 31st March 2013</b>	<b>7336.84</b>	<b>7473.55</b>	<b>516.14</b>	<b>269.14</b>	<b>1663.95</b>	<b>790.57</b>	<b>418.34</b>	<b>18468.53</b>
<b>DEPRECIATION</b>								
As at 1st April 2012	1,963.23	4,390.83	457.96	209.41	786.90	480.94	-	8,289.27
<b>For the Year</b>	<b>175.70</b>	<b>329.69</b>	<b>20.13</b>	<b>5.94</b>	<b>148.76</b>	<b>26.60</b>	<b>-</b>	<b>706.82</b>
<b>sales/Adjustment</b>	<b>-</b>	<b>14.53</b>	<b>-</b>	<b>-</b>	<b>25.71</b>	<b>0.15</b>	<b>-</b>	<b>40.39</b>
<b>As at 31st March 2013</b>	<b>2138.93</b>	<b>4705.99</b>	<b>478.09</b>	<b>215.35</b>	<b>909.95</b>	<b>507.39</b>	<b>-</b>	<b>8955.70</b>
<b>NET ASSETS</b>								
<b>As at 31st March 2013</b>	<b>5197.91</b>	<b>2767.56</b>	<b>38.05</b>	<b>53.79</b>	<b>754.00</b>	<b>283.18</b>	<b>418.34</b>	<b>9512.83</b>
As at 31st March 2012	5,278.74	2,790.31	45.60	52.51	770.63	300.71	316.17	9,554.67

**Note No. DESCRIPTION**
**31.03.2013**
**31.3.2012**

Note No.	DESCRIPTION	31.03.2013		31.3.2012			
		Face Value (₹)	Nos	Amount (₹)	Face Value (₹)	Nos	Amount (₹)
<b>12</b>	<b>INVESTMENTS</b>						
	<b>NON - CURRENT INVESTMENTS</b>						
	<b>LONG TERM INVESTMENTS - AT COST</b>						
<b>A</b>	<b>Equity Shares Fully Paid Up -Trade Unquoted</b>						
	Ambojini Property Developers Pvt. Ltd.	10	1410	14,100.00	0	1410	14100.00
	Amit Enterprises & Builders Pvt. Ltd.	10	2	20.00	0	2	20.00
	Dardode Job Realities Pvt. Ltd.	100	2	200.00	0	2	200.00
	Lavim Developers Pvt. Ltd.	30	10	300.00	0	10	300.00
	Godrej Landmark Redevelopers Pvt.Ltd.		66	539436.00	0	0	-
	Mantri Hamlet Pvt. Ltd.	10	2	20.00	0	2	20.00
	<b>Total ( A )</b>			<b>554076.00</b>	<b>5.54</b>		<b>14640</b>
<b>B</b>	<b>Debentures Fully Paid Up -Trade Unquoted</b>						
	10% OCD Godrej Landmark Redevelopers Pvt. Ltd.	1,00	10472	1047200		-	-
	10% OCD ATS Township Pvt. Ltd.	1,00	-	-		1115	1115000
	10% OCD Ambojini Property Developers Pvt. Ltd.	100	11981	1198100		11046	1104600
	10% OCD Amit Enterprises & Builders Pvt. Ltd.	100	9408	940,800		9408	940800
	10% OCD Dardode Jog Realities Pvt. Ltd.	100	11713	1,171,300		11713	1171300
	15% OCD Lavim Developers Pvt. Ltd.	100	9512	951200		8834	883400
	10% OCD Mantri Hamlet Pvt. Ltd.	100	6611	661100		6499	649900
	<b>Total ( B )</b>			<b>5,969,700.00</b>	<b>59.70</b>		<b>5865000</b>
							<b>58.65</b>

<b>C</b>	<b>Unquoted Mutual Fund</b>								
	The Ocian'S Art Fund-(D)	100	46,000	4,600,000		100	46,000	4,600,000	
	<b>Total ( D )</b>			<b>4,600,000.00</b>	<b>46.00</b>			<b>46,00,000.00</b>	<b>46.00</b>
<b>D</b>	<b>Unquoted Government Securities</b>								
	12 years National Defence Certificate for the face value of Rs.1750 each pledged with Government authorities			1,750.00				1,750.00	
	7 Years National Savings Certificate pledged with Excise authorities			10,000.00				10,000.00	
	<b>Total ( E )</b>			<b>11,750.00</b>	<b>0.11</b>			<b>11,750.00</b>	<b>0.11</b>
<b>E</b>	<b>Unquoted Fixed Deposit</b>								
	Fixed Deposits having Maturity more than 12 Months			3911864.00	-			2536886.00	-
				<b>3911864.00</b>	<b>39.12</b>			<b>2536886.00</b>	<b>25.37</b>
	<b>TOTAL UNQUOTED NON CURRENT INVESTMENT</b>			<b>15047390.00</b>	<b>150.47</b>			<b>13028276.00</b>	<b>145.28</b>
<b>F</b>	<b>Quoted Mutual Fund</b>								
	Principal Mutual Fund	0	-	-		100,000	1,000,000.00		
	<b>Quoted Shares</b>								
	Central Bank of India	100	778	79,356.00		778.00	79,356.00		
	<b>TOTAL QUOTED NON CURRENT INVESTMENT</b>			<b>79356.00</b>	<b>0.79</b>			<b>1079356.00</b>	<b>10.79</b>
	<b>TOTAL NON CURRENT INVESTMENT</b>			<b>15126746.00</b>	<b>151.26</b>			<b>14107632.00</b>	<b>141.08</b>
	<b>CURRENT INVESTMENTS</b>								
	<b>( At lower of Cost and Fair Value )</b>								
<b>A</b>	<b>Equity Shares Fully Paid Up - Trade Quoted</b>								
	Axis Bank Ltd.	10				38	41948.00		
	Bajaj Auto Ltd.	10				294	424343.00		
	Bayer (India) Ltd.	10				53	44078.00		
	Bajaj Finserv Ltd.	5				481	278723.00		
	Coromandal International Ltd.	1				1423	389469.00		
	Castrol India Ltd.	10				77	32713.00		
	Clariant Chemicals Ltd.	10				63	39081.00		
	Divis Laboratories Ltd.	2				755	482739.00		
	Dabur India Ltd.	1				4325	446955.00		
	Exide Industries Ltd.	1				3620	487532.00		
	Greaves Ltd.	2/(10)				4727	415079.00		
	Hdfc Bank Ltd.	2				85	38948.00		
	Hero Motor Corp Ltd.	2				248	511556.00		
	Itc Ltd.	1				155	32369.00		
	Infosys Technology Ltd.	5				16	41249.00		
	Kotak Mahindra Ltd.	5				982	494114.00		
	Lupin Ltd.	2				1249	464044.00		
	Nestle India Ltd.	10				8	32216.00		
	Opto Circuit Ltd.	10				2892	513811.00		
	Pidilite Industries Ltd.	1				2165	370276.00		
	Rallies India Ltd.	1/(10)				3418	488556.00		
	Sun Pharmaceuticals Industries Ltd.	1				1126	560842.00		
	Tata Consultancy Service Ltd	1				500	532565.00		
	Thermax Ltd.	2				789	538888.00		
	Titan Industries Ltd.	1/(10)				2416	183826.00		
	Yes Bank Ltd.	10				1332	386912.00		
	<b>Total ( A )</b>							<b>8272834.00</b>	<b>82.73</b>
	<b>MARKET VALUE OF QUOTED SHARES</b>							<b>10409256.00</b>	<b>104.09</b>
<b>B</b>	<b>Investment in Mutual Fund ( Quoted)</b>								
	<b>BIRLA SUNLIFE MUTUAL FUND</b>								
	Birla Sunlife Income Plus - Growth	10	189127	10,000,000.00		-	-		
	Birla Sunlife Dynamic Bond Fund -Retail(D)	10	1426259	15,000,000.00		1426259	15,000,000.00		
	<b>FRANKLIN TEMPLETON MUTUAL FUND</b>								
	Templeton India Income Builder Plan-A G	10	258530	10,000,000.00		-	-		
	Templeton India Short Term Income Retail-G	1000	4645	9999900.00		-	-		
	HDFC Equity Fund	100	-	-		16932	4500000.00		
	HDFC Income Fund-G	10	380355	10000000.00		-	-		
	ICICI Prudential Flexible Plan Premium	100	1190	215,047.00		1190	215047.00		
	ICICI Prudential Short Term Plan	10	-	-		460965	9999900.00		
	IDFC SSIF- Medium Term-Plan-A-G	10	451267	9999900.00		-	-		
	Reliance Medium Term Fund	10	152599	1594438		229522	2396571.00		
	Reliance Regular Saving Fund-Debt Plan (QT_D)	10	1195507	14,920,198.00		1195507	14920198.00		
	Reliance Equity Opportunities Fund -Retail(G)	10	-	-		97486	3400,000.00		
	Reliance Pharma Fund -(G)	10	-	-		49151	2720000.00		
	Reliance Regular Saving Fund-Equity (G)	10	-	-		66044	2250000.00		
	Reliance Fixed Horizon Fund-XVII-7- (G)	10	-	-		2000000	20000000.00		

BNP Paribas Money Plus (I) (G)	10	20706	303,460.00	20706	303460.00
SBI Debt Fund Series -370D(G)	10	2000000	20,000,000.00	2000000	20000000.00
UTI Treasury Advantge Fund -G	1000	846	2,000,000.00	846	2000000.00
UTI Fixed Term Income Fund Series XI-VIII-G	10	2000000	20,000,000.00	-	-
Kotak Bond (Short Term)- G	10	463094	10000000.00	-	-
Pnb Emerging Blue Chip Fund -Reg.-G	10	10000	100,000.00	10000	100000.00
Principal Cash Management Fund	10	-	-	537	885204.00
Morgan Stanlay Liquid Fund-D	1000	1214	1214377.00	1135	1135500
<b>Total ( B )</b>			<b>135347320.00</b>	<b>1353.47</b>	<b>99825880.00</b>
<b>Market Value of the Mutual Fund</b>			<b>96945661.00</b>	<b>969.46</b>	<b>105171383.00</b>
Aggregate value of Current Investment			135347320.00	1353.47	108098714.00
Aggregate value of unquoted investment			16547390.00	165.47	14528276.00
<b>TOTAL MARKET VALUE OF CURRENT INVETMENTS</b>			<b>96945661.00</b>	<b>969.46</b>	<b>115580639.00</b>
Aggregate value of quoted investment			135347320.00	1353.47	109098714.00
Market value of quoted investment			97025017.00	970.25	116659995.00

(₹ in Lacs)

Note No.	DESCRIPTION	Long-Term		Short-Term	
		31.03.2013	31.3.2012	31.03.2013	31.3.2012
<b>13</b>	<b>LOANS AND ADVANCES</b>				
	(Unsecured, Considered good unless otherwise stated)				
	Advance Recoverable in Cash or in kind or the value to be received	1349.72	1,340.48	2975.40	2,310.05
	Capital Advances	769.81	692.06	-	-
	Security Deposits	202.00	139.77	430.28	190.92
	Claims Recoverable	2.93	5.16	-	-
	Prepaid Taxes	-	-	2362.13	2,385.54
	Prepaid Expenses	-	-	33.00	18.15
	Balance with Government Authorities	35.00	2.82	44.47	162.86
	<b>TOTAL - LOANS AND ADVANCES</b>	<b>2359.46</b>	<b>2,180.29</b>	<b>5845.28</b>	<b>5,067.52</b>

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>14</b>	<b>OTHER NON CURRENT ASSETS</b>		
	Deposit with original Maturity of more than 12 months	9.28	12.28
	Interest accrued on Investment /FDR	1.35	1.63
	Preliminary Expenses	5.50	4.66
	Deffered Revenue Expenses	-	28.16
	<b>Total Other Non Current Assets</b>	<b>16.13</b>	<b>46.73</b>

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>15</b>	<b>INVENTORIES</b>		
	(As taken, valued and certified by the Management)		
	(valued at lower of cost and net realisable value unless otherwise stated )		
	Production Material	2916.17	3,733.01
	Work in Progress	294.56	324.55
	Finished Goods	1587.75	1,885.84
	Stock in Trade	108.82	63.99
	Store and Spares	6306.89	5,288.06
	Loose Tools	59.88	53.17
	Scrap	0.20	4.09
	<b>TOTAL - INVENTORIES</b>	<b>11274.27</b>	<b>11,352.71</b>

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>16</b>	<b>TRADE RECEIVABLES</b>		
	(Unsecured, Considered good unless otherwise stated)		
(a)	<b>OVERDUE EXCEEDING SIX MONTHS</b>		
	Unsecured, Considered good	2433.77	2,302.77
	Doubtful	213.01	213.01
	Less : Provision for doubtful receivables	213.01	213.01
		<u>2433.77</u>	<u>2,302.77</u>
(b)	<b>OVERDUE LESS THAN SIX MONTHS</b>	11169.07	12,585.66
	<b>TOTAL - TRADE RECEIVABLES</b>	<u>13602.84</u>	<u>14,888.43</u>

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>17</b>	<b>CASH AND BANK BALANCES</b>		
(a)	<b>CASH AND CASH EQUIVALENTS</b>		
	Balance with banks	1389.92	965.42
	Bank deposits with original maturity of less than three months	66.00	41.79
	Unpaid dividend accounts	16.40	16.48
	Cheques in hand / money in transit	-	0.60
	Cash in hand	76.68	61.25
	<b>Total Cash and Cash Equivalents</b>	<u>1549.00</u>	<u>1,085.54</u>
(b)	<b>OTHER BANK BALANCES</b>		
	Bank Deposits with original maturity of more than three months but less than 12 months	22.72	246.54
	Bank Deposits with original maturity of more than 12 months	-	-
	<b>TOTAL OTHER BANKS BALANCES</b>	<u>22.72</u>	<u>246.54</u>
	<b>TOTAL - CASH &amp; BANK BALANCES</b>	<u>1571.72</u>	<u>1332.08</u>
			(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>18</b>	<b>OTHER CURRENT ASSETS</b>		
	(Unsecured, Considered good unless otherwise stated)		
	Interest accrued on Investment /FDR	10.53	6.81
	Deferred Revenue Expenditure	-	43.44
	<b>TOTAL OTHER CURRENT ASSETS</b>	<u>10.53</u>	<u>50.25</u>

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>19</b>	<b>REVENUE FROM OPERATIONS</b>		
(a)	<b>SALE OF PRODUCTS</b>		
	Finished Goods	70591.74	90,270.63
	Interunit Sales	-	-
		<u>70591.74</u>	<u>90,270.63</u>
(b)	<b>OTHER OPERATING REVENUE</b>		
	Export Benefits	227.77	55.27
	Scrap Sales	193.76	251.56
	Miscellaneous Income	113.59	46.38
		<u>535.12</u>	<u>353.21</u>
	<b>REVENUE FROM OPERATIONS (GROSS)</b>	<u>71126.86</u>	<u>90,623.84</u>
	Rebate	1995.31	1,595.30
	<b>EXCISE DUTY ON SALES</b>	<u>1299.65</u>	<u>1,496.47</u>
	<b>REVENUE FROM OPERATIONS (NET)</b>	<u>67831.90</u>	<u>87,532.07</u>

Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>20</b>	<b>OTHER INCOME</b>		
(a)	<b>INTEREST INCOME ON</b>		
	Loans and Advances	1.87	1.06
	Banks	32.12	47.37
		<b>33.99</b>	<b>48.43</b>
(b)	<b>Dividend Income on Current Investment</b>	<b>24.78</b>	<b>23.21</b>
(c)	<b>NET GAIN/(LOSS) ON SALE OF CURRENT INVESTMENTS</b>		
	Gain on Sale	83.66	109.24
		<b>83.66</b>	<b>109.24</b>
(d)	<b>NET GAIN/(LOSS) ON SALE OF FIXED ASSETS</b>		
	Gain on Sale	1.48	35.40
		<b>1.48</b>	<b>35.40</b>
(f)	<b>OTHER NON-OPERATING INCOME (NET)</b>		
	Lease Rent	6.00	6.00
	Misc Receipts	14.31	1.16
	Rent receipts	18.68	17.47
		<b>38.99</b>	<b>24.63</b>
	<b>TOTAL OTHER INCOME</b>	<b>182.90</b>	<b>240.91</b>
			(₹ in Lacs)
Note No.	DESCRIPTION	31.03.2013	31.3.2012
<b>21</b>	<b>COST OF MATERIAL CONSUMED</b>		
	Raw Material Consumed #	48991.96	66,649.88
	<b>TOTAL COST OF MATERIAL CONSUMED</b>	<b>48991.96</b>	<b>66,649.88</b>
	<b># DETAILS OF RAW MATERIAL CONSUMED DURING THE YEAR</b>		
		<b>31.03.2013</b>	<b>31.03.2012</b>
(i)	Sheets & Strips	2696.17	8,040.60
(ii)	Tyres	5257.22	6,647.41
(iii)	Tubes	2069.62	2,705.30
(iv)	Rims	4010.82	5,344.82
(v)	Other Items	2709.44	3,805.98
(vi)	Components	32248.69	40,105.77
		<b>48991.96</b>	<b>66,649.88</b>
Note No.	DESCRIPTION	31.03.2013	31.03.2012
<b>22</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS</b>		
	<b>OPENING STOCK</b>		
	Finished Goods	1885.84	2,167.47
	Work in Progress	324.55	326.97
	Scrap	4.09	8.28
	Stock In Trade	63.99	-
	<b>TOTAL OPENING STOCK</b>	<b>2278.47</b>	<b>2,502.72</b>
	<b>CLOSING STOCK</b>		
	Finished Goods	1587.75	1,885.84
	Work in Progress	294.56	324.55
	Scrap	0.20	4.09
	Stock In Trade	108.82	63.99
	<b>TOTAL CLOSING STOCK</b>	<b>1991.33</b>	<b>2,278.47</b>



<b>TOTAL - CHANGES IN INVENTORIES</b>		<b>287.14</b>	<b>224.25</b>
<b>Note No.</b>	<b>DESCRIPTION</b>	<b>31.03.2013</b>	<b>31.3.2012</b>
<b>23</b>	<b>EMPLOYEE BENEFITS EXPENDITURE</b>		
	Salaries, Wages, Bonus and Other benefits	3359.05	3440.43
	Contribution to provident and other funds	505.47	641.43
	Staff Welfare Expenses	282.34	280.53
	<b>TOTAL - EMPLOYEE BENEFITS EXPENDITURE</b>	<b>4146.86</b>	<b>4362.39</b>
<b>Note No.</b>	<b>DESCRIPTION</b>	<b>31.03.2013</b>	<b>31.3.2012</b>
<b>24</b>	<b>FINANCE COST</b>		
	Interest Expenses	1313.27	1715.34
	Other Borrowing Costs	146.67	230.90
	<b>TOTAL - FINANCE COST</b>	<b>1459.94</b>	<b>1946.24</b>
<b>Note No.</b>	<b>DESCRIPTION</b>	<b>31.03.2013</b>	<b>31.3.2012</b>
<b>25</b>	<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>		
	Depreciation on Fixed Assets	706.82	694.52
	Amortisation Expenses	-	-
	<b>TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES</b>	<b>706.82</b>	<b>722.69</b>
			(₹ in Lacs)
<b>Note No.</b>	<b>DESCRIPTION</b>	<b>31.03.2013</b>	<b>31.3.2012</b>
<b>26</b>	<b>OTHER EXPENSES</b>		
<b>(a)</b>	<b>MANUFACTURING EXPENSES</b>		
	Consumption of Stores and Spare parts	3379.10	3254.23
	Packing Material Consumed	1779.84	1494.08
	Power and Fuel	807.68	912.20
	Labour Processing & Transportation Charges	399.35	1764.15
	Repairs to Buildings	142.13	286.63
	Repairs to Plant & Machinery	137.49	85.57
	Other Repairs	322.91	236.60
		<b>6968.50</b>	<b>8033.46</b>
<b>(b)</b>	<b>ADMINISTRATIVE EXPENSES</b>		
	Insurance	41.90	34.98
	Rent	153.30	75.29
	Rates and Taxes	237.09	451.07
	Legal and Professional	19.49	38.64
	Printing & Stationary, Postage and Telephone	148.04	212.58
	Travelling & Conveyance	580.64	705.62
	Director' Meeting Fees	5.42	5.20
	Auditor's Remuneration*	20.74	19.98
	Donation	4.53	2.33
	Miscellaneous Expenses	739.05	1142.58
		<b>1950.20</b>	<b>2688.27</b>

(c)

**SELLING EXPENSES**

Freight & Forwarding Expenses	2283.75	1663.51
Commission on Sales	103.62	145.00
Bad Debts Written off	0.04	69.45
Advertisement & Publicity	620.73	529.69
	<u>3008.14</u>	<u>2407.65</u>
<b>TOTAL - OTHER EXPENSES</b>	<u><b>11926.84</b></u>	<u><b>13129.38</b></u>

**\* Payment to Auditors Include followings**

(a) Audit Fee	16.91	14.04
(b) Tax Audit	1.93	1.70
(c) Other Certifications	1.90	4.24
	20.74	19.98

Note No.	DESCRIPTION	(CONSOLIDATED)
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1	<b>SIGNIFICANT ACCOUNTING POLICIES</b>	
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**TURNOVER:**

Sales are net of excise duty and rebates.

**FIXED ASSETS:**

Fixed assets are valued at cost. Land and Building at Sonapat and at Rasoi were revalued on 30th June, 1986. Subsequent additions to these units are shown at cost.

**DEPRECIATION:**

In case of Sahibabad, Malanpur and Bawal units depreciation is calculated at straight line method. All other units the written down value method has been followed.

**INVENTORIES:**

Raw material, Components and spare parts are valued at weighted average basis cost concept. Finished goods and work in progress are valued at cost. The cost includes material cost plus appropriate share of labour and overheads.

**INVESTMENTS:**

Long term Investments are valued at cost. Current Investment is valued at cost or market Value which ever is less.

**CONTINGENT LIABILITIES:**

Contingent Liabilities are not provided for in accounts and are shown separately.

**RECOGNISATION OF INCOME AND EXPENDITURE:**

Items of Income & Expenditure recognised on accrual basis.

**RETIREMENT/GRATUITY BENEFITS:**

Liabilities in respect of gratuity benefits, Provident Fund and Superannuation benefits, for its senior employees are provided for by the company via Gratuity Fund Trust and Superannuation Trust maintained with LIC. Earned leave has been provided for on actuarial valuation.

**RESEARCH AND DEVELOPMENT EXPENSES:**

Revenue Expenditure on Research and Development is charged to the Profit and Loss Account in the year in which it is incurred, while the capital expenditure is shown as an addition to the Fixed Assets.

**TAX ON INCOME:**

Current Tax is determined as the amount of Tax Payable in respect of Taxable income for the year.

Deferred Tax is recognised, subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

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

**GRATUITY**

	Gratuity(Funded)	
	2012-13	2011-12
Defined Benefit obligation at the beginning of the year	1196.01	977.81
Current Service Cost	66.18	249.69
Interest cost	101.15	85.91
Benefit paid	99.34	117.40
Defined Benefit obligation at the year end	<u>1264.00</u>	<u>1196.01</u>

**INVESTMENT DETAILS**

	As at	%	As at	%
Investment Detail:	31.3.2013		31.3.2012	
GOI Securities	43.77	18.13	65.26	23.67
Public Securities	94.01	38.94	102.69	37.25
State Government Securities	30.43	12.61	31.30	11.35
Private Securities	21.97	9.10	38.68	14.03
In banks	51.23	21.22	37.73	13.69
	<u>241.41</u>	<u>100</u>	<u>275.66</u>	<u>100</u>

**Acturial assumptions**

	Gratuity (Funded)	
	2012-13	2011-12
Discount rate (Per Annum)	8	8.5
Expected rate of return plan (Per Annum)	9.4	8.5
Rate of escalation of salary (Per Annum)	7	4.5

The estimates of rate of escalation in salary considered in actuarial 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**

	31.3.2013	31.3.2012
Employer's Contribution to Provident Fund	58.48	62.35
Employers Contribution to Super Annuation Fund	70.45	69.47
Employers Contribution to Gratuity Fund	131.71	249.69

**NOTES TO ACCOUNT**

	2013 Rs.	2012 Rs.
<b>1. CONTINGENT LIABILITIES IN RESPECT OF</b>		
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	564.75	1324.89
d) In respect of Entry Tax matters	5.00	6.31
e) In respect of Excise matters	52.00	52.00
f) In respect of Sales Tax matters	568.07	608.38

**2 DETAILS OF RAW MATERIAL CONSUMED DURING THE YEAR**

Units	2013		2012	
	Quantity (in lacs)	Value Rs.	Quantity (in lacs)	Value Rs.
(i) Sheets & Strips Kgs.	51.74	2696.17	177.29	8040.60
(ii) Tyres Nos.	49.88	5257.22	66.34	6647.41
(iii) Tubes Nos.	48.31	2069.62	65.56	2705.30
(iv) Rims Nos.	41.85	4010.82	53.51	5344.82
(v) Other Items -	-	2709.44	-	3805.98
(vi) Components -	-	32248.69	-	40340.13
		<u>48991.96</u>		<u>66884.24</u>

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

	Indigenous		Imported	
	Value (Rs.)	Percentage	Value (Rs.)	Percentage
(i) Raw Material	14033.83	100	NIL	0
	(22738.13)	(100)	(NIL)	(0)
(ii) Components	32813.13	93.86	2145.00	6.14
	(40054.02)	(91.21)	(4092.09)	(8.79)

Previous Year figures are shown in brackets.

<b>4 VALUE OF TOTAL IMPORTS ON CIF BASIS</b>	<b>2013</b>	<b>2012</b>
	<b>Rs.</b>	<b>Rs.</b>
(i) Raw Material, Components & Spare Parts	2355	3793.00
(ii) Capital Goods	-	-
	<u>2355</u>	<u>3793.00</u>
<b>5 EXPENDITURE IN FOREIGN CURRENCY</b>		
(i) Commission on export	46.45	35.79
(ii) Foreign Tours	68.20	117.11
(iii) Foreign Publicity & exhibition	1.36	1.13
	<u>116.01</u>	<u>154.03</u>
<b>6 EARNINGS IN FOREIGN EXCHANGE</b>		
F.O.B. Value of goods exported	2197.07	3048.29

#### **7 SEGMENT REPORTING**

Based on the guiding principles given in Accounting Standard -17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Companies business segment includes bicycle manufacturing and Steel tube manufacturing.

#### **SEGMENT ACCOUNTING POLICIES**

The accounting policies adopted for the segment reporting are in line with the accounting policies of the company with the following additional policies for the segment reporting.

- (i) Inter segment revenue have been accounted on cost to the receiving segmental unit.
- (ii) Expenses have been included to the segment on the basis of their relationship to the accounting activities of the segment. Expenses which relate to the enterprise as a whole and are not allocable to the segments on a reasonable basis, have been included under "unallocated corporate expenses."
- (iii) Segments assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities.

#### **INFORMATION ABOUT BUSINESS SEGMENTS**

Particulars	(Figs. Rs. Lacs)					
	TUBE MILL		CYCLE UNIT		TOTAL	
	2013	2012	2013	2012	2013	2012
<b>Segment Revenue</b>						
External Sales	742.37	5494.00	70384.49	85129.84	71126.86	90623.84
Less Excise	73.33	578.58	1226.32	917.89	1299.65	1496.47
Inter Segment Sales	10.33	794.80	0.00	0.00	10.33	794.80
Other Income	0.12	12.87	182.78	228.04	182.90	240.91
<b>Total Revenue</b>	<b>679.49</b>	<b>5723.09</b>	<b>69340.95</b>	<b>84439.99</b>	<b>70020.44</b>	<b>90163.08</b>
Segment Results	-475.64	-278.81	2289.84	2728.90	1814.20	2450.09
Unallocated Expenses	0.00	0.00	0.00	0.00	0.00	0.00
<b>Operating Profit</b>	<b>-475.64</b>	<b>-278.81</b>	<b>2289.84</b>	<b>2728.90</b>	<b>1814.20</b>	<b>2450.09</b>
Interest Expenses	249.68	240.01	1210.26	1706.23	1459.94	1946.24
Unallocated Interest	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net Profit before Tax</b>	<b>-725.32</b>	<b>-518.82</b>	<b>1079.58</b>	<b>1022.67</b>	<b>354.26</b>	<b>503.85</b>
<b>Income Tax</b>						
Current,deferred and FBT	0.00	0.00	0.00	0.00	77.00	150.00
<b>Net Profit</b>	<b>-725.32</b>	<b>-518.82</b>	<b>1079.58</b>	<b>1022.67</b>	<b>277.26</b>	<b>353.85</b>

**Other Information**

Segment Assets	4848.00	5211.00	39160.84	38741.49	44008.84	43952.49
Common assets					1688.86	1742.20
<b>Total Assets</b>	<b>4848.00</b>	<b>5211.00</b>	<b>39160.84</b>	<b>38741.49</b>	<b>45697.70</b>	<b>45694.69</b>
<b>Segment Liabilities</b>						
Segmental Liabilities	1220.00	2304.00	41508.88	41154.99	42728.88	43458.99
Common Liabilities					2968.82	2235.20
<b>Total Liabilities</b>	<b>1220.00</b>	<b>2304.00</b>	<b>41508.88</b>	<b>41154.99</b>	<b>45697.70</b>	<b>45694.69</b>
Capital Expenditure	101.34	12.02	612.33	1005.47	713.67	1017.49
Depreciation	95.29	95.15	611.53	599.38	706.82	694.52

**8. LIST OF SMALL SCALE SUPPLIERS WHERE THE OUTSTANDING ARE OVER 30 DAYS:**

Auto Fan (India), Advance Plastic Industries, Ark Engineering Pvt. Ltd., Appu Cycles, Balbinder Mechanical Works, V.J Sales Corp., Bidar Engineering Co., Birdi International, Bharat Cycle Udyog, Chandan Industries, Chopra Engineers D.K. Industries, Ess Pee Industries, Emm Industries India, Fit Right Engineer, Govind cycles Pvt. Ltd., Great Gears Pvt. Ltd., Hianken Industries, J.B. Industries, Jain International, Jai Shiva Trading Co., Kular Cycle Industries, Koon Cycle Industries, Kumar Enterprises, Kapson Industries, K.B. Kapoor Industries, Lion Industries, Label & Stickers Industries, Meera Ind., Mukhtiar Engg. Works, Mandeep Products, Naveen Enterprises, Nitya Enterprises, Om Shivam Cycle India, Om Industries, Partap Cycle Ind., Ranjeev Industries, Randhir Industrial Corp., Ravi Industries, Rahul Enterprises, Rider Bikes Pvt. Ltd. Rana Enterprises, Seval Screw Co., Sukhmani Steels, S.S. Product India, Shri Atamballabh Industrial Corp, Subhash & Sons, Sahil Enterprises, Vee Pee Industries, Visvakarma Industries Pvt. Ltd., Vinod Steel Craft, Watson Engg. Works, Watson Industries, Arihant Product Pvt. Ltd., Appar Packaging Pvt. Ltd., Bajrang Industries Carry Packers, Denzo Paints Pvt. Ltd., Laxmi Chemicals, Margo Ind. India, Margo Fastners, Punjab Plastic Ind. Parko Industries, Rishi Udyog, R.M. Industries, Amardeep Steel Industries, Anmol Industries, B.S. Lotey Brothers, Gupta Bikes Pvt. Ltd., Hindustan Tyers, Hightech Half-tone, Joginder Singh Tejender Singh, Kamal Cycles Components, Mahaveer Steels, Durga Industries, H.K. Engineers, Jeet Enterprises.

**9. 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 Exotic Flora (P) Ltd  
**ii) Subsidiary Companies are:** Atlas Cycles (Sonipat) Ltd, Atlas Cycles (Sahibabad) Ltd, Atlas Cycles (Malanpur) Ltd.  
**Directors & Employees (As at 31.03.2013) :** Sh. I.D. Chugh, Sh. H.K. Ahuja, Sh. H.L. Bhatia, Sh. P.R. Chawla, 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**

	Rs. In lacs	
	<b>Associated Companies</b>	
	<b>2013</b>	<b>2012</b>
Sale of Goods	2163.25	1830.48
Rent	4.32	3.70
Purchase of Goods	4842.87	7086.33
Balances on year end	33.44	36.54
Guarantee Given	20.00	20.00

**Transactions with key managerial persons:****C. Remunerations: Rs.403.65 lacs (Previous Year Rs. 460.84 lacs)****10. Figure of the Previous Year have been re-arranged, wherever necessary.**

**11. Detail of Priliminary and Preoperative Expenses**

	<b>2013</b>	<b>2012</b>
Registration Charges	0.43	0.43
Legal Charges	0.22	0.22
Bank Charges	0.06	0.05
Audit Fees	0.90	0.84
Filling Fees	0.94	0.63
Directors Fees	2.16	1.99
Misc Expenses	0.00	0.00
Professional Charges	0.79	0.50
	<b>5.50</b>	<b>4.66</b>

**12. The Computation of Net Profit in accordance with Section 198 of the Companies Act, 1956 and commission payable to Directors:**

	<b>2013</b>	<b>2012</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>(a) Computation of profit for managerial remuneration</b>		
Profit as per Profit & Loss A/c	354.26	503.85
Add: Directors remuneration including perquisites	13.89	12.87
Add: Bad debts	0.04	69.45
	<b>368.19</b>	<b>586.17</b>
Less: Profit on Sale of Assets	1.48	35.40
Add: Depreciation as per Profit & Loss A/c	706.82	694.52
Less: Depreciation as per Section 350 of companies Act, 1956	815.52	918.79
<b>Net Profit</b>	<b>258.01</b>	<b>326.50</b>
Commission eligible for payment @ 0.5% of the Net Profit (Previous Year 0.5%)	1.29	1.63
Actual Commission Paid to a Whole Time Director	1.63	2.03
<b>(b) Remuneration paid to a whole time director</b>		
Salary	10.32	8.99
Long Service Allowance	0.02	0.02
Provident Fund Contribution	0.81	0.77
Leave Travel Assistance	0.57	0.55
Medical Expenses	0.54	0.51
Commission	1.63	2.03
	<b>13.89</b>	<b>12.87</b>

Ganesh Iyer  
C.E.O / C.F.O

S.Khanna  
C.F.O.

C. M. Dhall  
C.F.O

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 : 001141N

HARI KRISHAN AHUJA  
HIRA LAL BHATIA  
I.D.CHUGH

}

DIRECTORS

CA.RAJIV BHASIN  
PARTNER  
M No : 093845

Delhi: the 14th August, 2013

New Delhi: the 14th August, 2013

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in lacs)

PARTICULARS	31st March, 2013	31st March, 2012
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Interest - tax and extra ordinary items	1670.30	2233.81
Adjustments for		
Depreciation & Misc. Write Offs	706.82	694.52
Preliminary Expenses Written Offs	(0.84)	(0.82)
Operating Profit before Working Capital Changes	<u>2376.28</u>	<u>2927.51</u>
Adjustments for:		
(Increase)/Decrease in Trade & other Receivables	1285.58	(284.39)
(Increase)/Decrease in Inventories	78.44	(725.75)
(Increase)/Decrease in Loans and Advances	(685.35)	(736.04)
(Decrease)/Increase in Trade Payables	(1018.55)	352.06
(Decrease)/Increase in Other Current Liabilities	1178.70	(727.74)
Direct Taxes Paid/Refund	16.40	(103.38)
<b>Net Cash Flow from Operating Activities</b>	<u>3231.50</u>	<u>702.27</u>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(713.68)	(1017.49)
Proceeds on Sale of Fixed Assets	50.18	810.20
Dividend Income	24.78	23.21
Net Proceeds/(Purchase) from Sale of Investments	(199.01)	1508.79
<b>Net Cash Used in Investing Activities</b>	<u>(837.73)</u>	<u>1324.71</u>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds/(Repayment) from Borrowings	(357.93)	664.94
Interest Paid	(1459.94)	(1946.24)
Interest Received	33.98	48.43
Dividends Paid	(146.41)	(146.34)
<b>Net Cash Used in Financing Activities</b>	<u>(1930.30)</u>	<u>(1379.21)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	<u>463.47</u>	<u>647.77</u>
<b>Cash &amp; Cash Equivalents as on 1.04.2012</b>	<u>1085.53</u>	<u>437.76</u>
<b>Cash and Cash Equivalents as on 31.03.2013</b>	<u>1549.00</u>	<u>1085.53</u>

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

Ganesh Iyer  
C.E.O / C.F.O

S.Khanna  
C.F.O.

C. M. Dhall  
C.F.O

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 : 001141N

HARI KRISHAN AHUJA  
HIRA LAL BHATIA  
I.D.CHUGH

} DIRECTORS

CA.RAJIV BHASIN  
PARTNER  
M No : 093845

Delhi: the 14th August, 2013

New Delhi: the 14th August, 2013



**ATLAS CYCLES (HARYANA) LIMITED**

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/delay in 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](http://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/-

**I.D. Chugh**

Compliance Officer

# NOTES

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# ATTENDANCE SLIP

## ATLAS CYCLES (HARYANA) LTD.

Registered Office: Industrial Area, Sonipat – 131001 (Haryana)

PLEASE COMPLETE THE ADMISSION SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING

I hereby record my presence at the **SIXTY SECOND ANNUAL GENERAL MEETING** of Atlas Cycles (Haryana) Limited on **Monday the 30th September, 2013** at 4:00 at the registered office of the Company

\_\_\_\_\_  
Signature of Shareholder/ Proxy



## PROXY

## ATLAS CYCLES (HARYANA) LTD.

Registered Office ; Industrial Area, Sonipat – 131001 (Haryana)

I/ We ..... of ..... In the district of .....  
being a member/ members of Atlas Cycles (Haryana) Limited hereby appoint ..... or  
failing him ..... of ..... in the district of .....  
as my/our proxy to attend and vote for me/us behalf at the ANNUAL GENERAL MEETING of the Company to be held  
on Monday, the 30th September, 2013 at 4:00 P.M. and at any adjournment thereof.

signed this ..... day of ....., 2013

Signature.....



Note: The form duly completed and signed be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

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