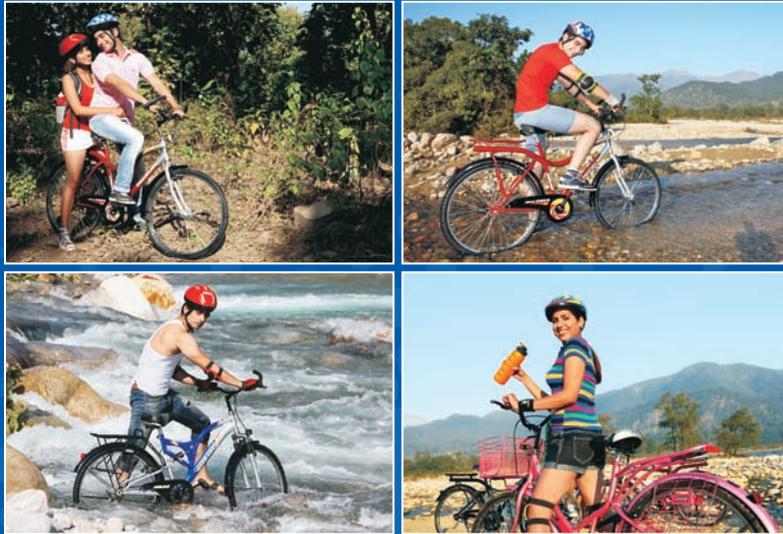


ANNUAL REPORT



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THE JOURNEY OF ACHIEVEMENTS

ATLAS
CYCLES

ATLAS CYCLES (HARYANA) LIMITED

SONEPAT-131001

BOARD OF DIRECTORS :

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

COMPANY SECRETARY & COMPLIANCE OFFICER

Shri Sanjeev Kumar

REGISTERED OFFICE :

Atlas Road
Industrial Area
Sonapat-131001
(Haryana)

BANKERS :

Central Bank of India
Punjab National Bank
Bank of Baroda

AUDITORS :

Messers Mehra Khanna & Co.
Chartered Accountants, Delhi

SHARE TRANSFER AGENTS

Mas Services Limited
T-34, 2nd Floor, Okhala Industrial
Area., Phase-2, New Delhi 110020
Tel: (011) 26387281,82,83
Fax: (011) 26387384

NOTICE

TO THE SHAREHOLDERS

Notice is hereby given that the Sixtieth Annual General Meeting of Atlas Cycles (Haryana) Limited, Sonapat will be held at the Registered Office of the Company in the Industrial Area, Sonapat on Friday, the 30th September 2011 at 4.00 P.M. (I.S.T.) to transact the following business:-

1. To receive, consider and adopt the Directors Report and the Audited Balance Sheet as on 31st March, 2011 and the Profit and Loss Account for the year ended on that date.
2. To declare dividend on equity shares.
3. To appoint a director in place of Shri Jai Narain Sawhney who retires by rotation. Being eligible, he offers himself for reappointment.
4. To appoint a director in place of Shri Prithvi Raj Chawla who retires by rotation. Being eligible, he offers himself for reappointment.
5. To appoint auditors for the current year and fix their remuneration. Messers Mehra Khanna & Co., Chartered Accountants, the present auditors, offer themselves for reappointment.

By order of the Board
For **ATLAS CYCLES (HARYANA) LTD.**
(SANJEEV KUMAR)
COMPANY SECRETARY

Sonapat : the 25th August, 2011

NOTES :-

1. The Register of Members of the Company will remain closed from 23.09.2011 to 30.09.2011 both days inclusive. Duly completed and valid applications for transfer of shares received in order at the Registered Office of the Company before 23.09.2011 will be registered in time for transferees to become eligible for dividend.
2. Members may get any change in their address/their mandates registered with the Company before 23.09.2011.
3. The dividend when declared will be paid through the company's bankers. The dividend warrants will be posted on or before 30.10.2011 to the Registered Addresses of the shareholders or their mandates whose names stand in the register of members on 30.09.2011.
4. **Any member unable to attend meeting personally is entitled to appoint another person (whether a member or not) as his/her proxy to attend and vote instead of himself/herself subject to the provisions of section 176 of the Companies Act 1956. Such proxy form should reach the Registered Office of the Company at least 48 hours before the time fixed for the meeting. A copy of the proxy form is enclosed.**

5. 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 or the Company on the expiry of the said period of seven years. Members who have not encashed their dividend warrants for the year ended 31.03.2004 onwards are requested to send unpaid dividend warrants to the Registered Office of the Company for payment in lieu thereof.
6. In terms of notification issued by Securities and Exchange Board of India, the company's shares are being traded compulsory in demat form.
7. Members are requested to kindly bring their copies of the report to the Meeting.
8. 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.
9. 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.
10. 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.
11. We are sending herewith all the documents required under section 219(1) of the Companies Act. The Directors' Report sent herewith is without its Annexure relating to Section 217 (2A). 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 30.09.2011. Any member interested in obtaining a copy of the annexure relating to section 217 (2A) may write to the Company Secretary at the Registered office of the Company and the same will be sent by post.
12. 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.

13. At the ensuing Annual General Meeting Shri Jai Narain Sawhney and Shri Prithvi Raj Chawla, Directors retire by rotation and being eligible offer themselves for reappointment.

The information in relation to the aforesaid directors is as under :-

- a) Shri Jai Narain Sawhney, aged 99 years, has been a Director of the Company Since 06.08.1990. He is a Law graduate and has been marketing consultant and agent for over fifty two years. At present he is a director in the following Companies :-
 - i) Atlas Cycles (Sonapat) Limited, Sonapat
 - ii) Atlas Cycles (Sahibabad) Limited, Sonapat
 - iii) Atlas Cycles (Malanpur) Limited, Sonapat and Managing Director in J.N Sawhney Co. Pvt. Ltd.

He is a Chairman of the Shareholders/Investors Grievances Committee of the Board.

- b) Shri Prithvi Raj Chawla, aged 86 years, has been a Director of the Company since 06-08-1990. He is a Commerce graduate. He has been in export business for over fifty two years. At present he is a director in the following Companies:-
 - i) Atlas Cycles (Sonapat) Limited, Sonapat
 - ii) Atlas Cycles (Sahibabad) Limited, Sonapat
 - iii) Atlas Cycles (Malanpur) Limited, Sonapat

He is a member of the Audit Committee of the Board.

IMPORTANT COMMUNICATION TO MEMBERS

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

**(SANJEEV KUMAR)
COMPANY SECRETARY**

Sonapat : the 25th August, 2011

DIRECTORS' REPORT

TO THE MEMBERS :-

Your directors have pleasure in submitting their Sixtieth Annual Report together with the audited accounts of the company for the year ended 31st March 2011.

FINANCIAL HIGHLIGHTS

(Lac/Rs.)

	2010-11	2009-10
OPERATING PROFITS/(LOSSES)	2242.91	1829.41
ADD : PROFIT ON SALE OF ASSETS	-	15.93
ADD : PROFIT ON SALE OF MUTUAL FUND	70.46	209.86
ADD : DIVIDEND INCOME	10.52	80.98
	2323.89	235.12
		2064.53
LESS : INTEREST	1157.49	1046.39
DEPRECIATION	570.10	1727.59
		596.30
		514.81
LESS : PROVISION FOR TAX		220.00
		376.30
		380.81
ADD : PROFIT BROUGHT FORWARD	154.29	144.12
	530.59	524.93

DIVIDEND

Your directors recommend dividend @ 45 % p.a. on 32,51,919 equity shares for the year under report.

The amount of dividend will total to Rs. 146.34 lacs (Previous year Rs. 146.34 lacs).

PRODUCTION

31,45,790/- bicycles were produced during the period under consideration.

SALES

Sales during the year amounted to Rs. 765.19 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. 2772.71 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

The Company achieved higher production during the year compared to previous year. Sahibabad Unit continued to do well in terms of sales & market share.

Sahibabad unit has further increased capacity of paint plant by putting up one more Disc Paint plant. It has also converted one bell Paint plant to disc plant to improve paint finish. 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.

In Sahibabad unit to improve the quality in tubular shop has also taken up the installation of 45 Tons chilling plant for debussing 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 segments. A number of process improvements have been done resulting in improvement in quality and cost reduction.

During the year under review Sonepat unit of the Company has obtained ISI mark on Frames and Mudguards.

CAPITAL EXPENDITURE

During the year, the Company acquired capital assets worth Rs. 2358.01 lacs as against Rs. 924.88 lacs in the previous year. This includes capital assets worth Rs 279.82 lacs under construction/installation as against Rs. 3.99 lacs in the previous year.

DEPOSITS (INCLUDING LOANS FROM MEMBERS)

a) Total number of depositors on 31.03.2011 who have not claimed their deposits after the date on which their deposits became due for payment -49.

b) The aggregate amount of deposits due to the depositors on 31.03.2011 who have not claimed their deposits, including interest accrued, if any, after the dates on which their deposits became due for payment is Rs. 57.94 lacs.

Deposits aggregating Rs. 46.12 lacs pertaining to 08 depositors have since either been renewed or paid. Further 6 unclaimed deposits aggregating to Rs. 1.59 Lacs have since been credited to investors Education and Protection Fund. The remaining depositors whose deposits, including interest, amount to Rs. 11.82 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.

CONSERVATION OF ENERGY

SONEPAT UNIT

The following measures were taken for Conservation of energy:-

- Introduction of 4 (Four) Natural (Exhauster) air ventilator in place of exhauster fans and more to follow.
- Energy efficient screw compressor have been put in place of old reciprocating Compressors.
- Energy efficient state of the disc or paint plant has been installed.
- In efficient Reciprocating compressors have been over hauled to get more efficiency.

SAHIBABAD UNIT

The following measures were taken for Conservation of energy:-

- Use of PNG in place of H.S.D & LPG in all 3 Disc Paint Plants, One bell paint plant & Two manual paint plant.
- Use of HSD being also replaced by PNG in two boilers.
- New DG set 1250 KVA has been installed to improve efficiency of captive power.

- A survey was done to study possible energy losses & steps to be taken for conservation. This includes not only major but small points also like increase of natural source of light by putting up more transparent roofing etc.

MALANPUR UNIT

Better and fuel efficient technology is being introduced and computerized controls are being installed in the burners. A very tight maintenance is being maintained for better fuel efficiency. Use of Gas flow of HSD in new paint shop.

TECHNOLOGY ABSORPTION

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

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

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.

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 :-

- New tool for bending & pressing Chain Stays developed.
- Mitering of Tubes on hydraulic machine introduced PLC monitored.
- Bending of Tubes on hydraulic machine introduced PLC monitored
- New Tubular Fork introduced for standard cycles.

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. 2772.71 lacs

Total foreign exchange used : Rs. 173.14 lacs

PARTICULARS OF EMPLOYEES

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

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 2011-2012 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.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement 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 explanation relating to material departures.
- 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 2011 and of the profit of the Company for that period.
- 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.

CORPORATE GOVERNANCE

A separate report on Corporate Governance is attached as a part of this report (Annexure-1). The Management Discussion and Analysis Report form a part of the Corporate Governance report.

AUDITORS

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

DIRECTORS

S/Shri Jai Narain Sawhney and Prithvi Raj Chawla are retiring by rotation at this Annual General Meeting and, being eligible, offer themselves for reappointment.

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

In the end, your directors wish to express their gratitude and appreciation to Central and State Governments, and Company's bankers for the continued support, assistance and encouragement accorded to the Company.

HARI KRISHAN AHUJA
HIRA LAL BHATIA
ISHWAR DAS CHUGH
JAI NARAIN SAWHNEY
PRITHVI RAJ CHAWLA

} DIRECTORS

New Delhi, the 25th August, 2011

CORPORATE GOVERNANCE REPORT 2010-2011

A. Company's philosophy

The Company believes in the principle of corporate governance and endeavors to maintain transparency and professionalism with fairness and integrity to enhance the interest of all its stakeholders.

B. Board of Directors

As at 31.03.2011, the Board of Directors comprises of four Non-Executive Directors and one Whole Time Director.

Name of Director	Category of Director ship	No. of Board meetings attended	Attended Last AGM	No. of other Directorships (excluding private limited companies and foreign companies)	No. of Committee Memberships	
					Member	Chairman
Shri Hari Krishan Ahuja	I-NED	11	30.09.2010	3	-	1
Shri Hira Lal Bhatia	I-NED	10	30.09.2010	3	1	-
Shri I.D. Chugh	WTD	12	30.09.2010	4	1	-
Shri Jai Narain Sawhney	I-NED	12	30.09.2010	3	-	1
Shri Prithvi Raj Chawla	I-NED	12	30.09.2010	3	1	-

I-NED - Independent Non-Executive Director

WTD- Whole Time Director

The ratio between Executive and Non-Executive Directors and Non-Independent Directors is 1:4

C. 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.

D. AUDIT COMMITTEE :

The Terms of reference of this Committee are in line with the norms specified under the Listing Agreement with the Stock Exchanges. The committee comprises of three Independent- Non-Executive Directors, with Shri Hari Krishan Ahuja as Chairman. Meetings of the Committee were held during the year on 30.04.2010, 08.07.2010, 31.07.2010, 20.08.2010, 29.10.2010 and 31.01.2011,

The attendance of each member of the Committee is given below:-

Name of Director	No. of Meetings Attended
Shri Hira Lal Bhatia	5
Shri Hari Krishan Ahuja	5
Shri Prithvi Raj Chawla	6

During the year twelve Board Meetings were held on 30.04.2010, 03.06.2010, 08.07.2010, 31.07.2010, 20.08.2010, 30.09.2010, 29.10.2010, 29.11.2010, 30.12.2010, 31.01.2011, 28.02.2011 & 31.03.2011.

The composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting as also number of other Directorships and Committee Membership/Chairmanship as on 31.03.2011 are as follows :

E. Remuneration Committee

This Committee is yet to be formed.

Remuneration Policy

A. Whole Time Director

- Salary and commission within the limits prescribed under the Company's 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 2010-2011.

A. Whole Time Director

Name	Shri I.D. Chugh
Salary	939004
Long Service Allowance	1500
Provident Fund Contribution	70612
Leave Travel Assistance	49670
Commission	138130
Medical Expenses	54490
Total	12,53,406

B. Non-Executive Directors

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

Name of Director	Sitting Fee	Out of Pocket expenses	Total
	Rs.	Rs.	Rs.
Shri Hari Krishan Ahuja	70,000	21,500	91,500
Shri Hira Lal Bhatia	65,000	20,000	85,000
Shri Jai Narain Sawhney	72,000	22,000	94,000
Shri Prithvi Raj Chawla	78,000	24,000	1,02,000

F) Shareholders/Investors Grievance Committee

(i) Terms of Reference :

The Committee shall look into the matters stipulated under clause 49 of the Listing Agreement.

(ii) Composition :

The Committee comprises of one Independent Non-Executive Director and one Whole Time Director. Shri Jai Narain Sawhney is the Chairman of the Committee. Shri Sanjeev Kumar, Company Secretary is Compliance Officer. Meetings of the Committee were held during the year on 30.04.2010, 31.07.2010, 29.10.2010 and 31.01.2011.

The attendance of each member of the Committee is given below :-

Name of the Directors	No. of meetings Attended
Shri J. N. Sawhney	4
Shri I.D. Chugh	4

G) Share Transfer Sub-Committee

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

As on 31.03.2011, no case of transfer was pending.

During the year 21 letters/complaints were received from shareholders/debentureholders all of which were replied/resolved to the full satisfaction of the shareholders/debentureholders.

H) Subsidiary Companies :

The Company has three wholly owned subsidiary companies viz. Atlas cycles (Sonapat) Limited, , Atlas Cycles (Sahibabad) Limited and Atlas Cycles (Malanpur) Limited. The minutes of the Board Meetings of the aforesaid subsidiary companies held on 08.07.2010, 31.07.2010, 30.09.2010, 30.12.2010 and 31.03.2011 were placed at the Board Meeting held on 20.08.2010, 30.12.2011, 28.02.2011, 30.05.2011 and 25.08.2011.

I) CEO/CFO Certification :

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

J) 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.

K) Compliance :

Certificate from the Auditors regarding compliance of Corporate Governance is annexed with the Directors' Report.

The said Certificate is also being sent to the Stock Exchanges along with the annual report filed by the Company.

L) General Body Meetings :

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Location
2009-2010	30.09.2010	4.00 PM	Industrial Area, Sonapat
2008-2009	30.09.2009	4.00 PM	Industrial Area, Sonapat
2007-2008	30.09.2008	4.00 PM	Industrial Area, Sonapat

No Special Resolution was passed in the last Annual General Meeting.

M) Disclosures :

Related party transactions as per AS-18 have been dealt with in scheduled 10 (Notes to the accounts). However, these transactions are not in conflict with the interest of the Company.

(ii) There were no instances by the company of non compliance by the Company or penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any other authority on any matter related to the capital markets during the last three years.

N) Means of Communication :

- Quarterly Results are usually published in one English Newspaper, Viz, Financial Express and one Hindi Newspaper, viz., Dainik Tribune.
- Management Discussion & Analysis Report is enclosed.
- The Result and other relevant information are also posted on the Company's Web Site: <http://www.atlasbicycles.com>.

O) General Shareholders Information :

- Next Annual General Meeting is proposed to be held on 30.09.2011 at Company's Registered Office in Industrial Area, Sonapat.
- Financial Calender

Accounting year	April to March
First Quarter results	Last week of July
Second Quarter results	Last week of October
Third Quarter results	Last week of January
Fourth Quarter results	Last week of April
- Date of book closure : 23.09.2011 to 30.09.2011
- 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 on Stock Exchanges and stock Codes: Equity Share are listed on Delhi Stock Exchange (Stock Code DSE: 01174), National Stock Exchange and the Stock Exchange, Mumbai(Stock Code BSE: 505029).

(vi) Equity Share Price data for the year 2010-2011

Month	Equity Share Price on NSE and BSE			
	Share Price on NSE		Share Price on BSE	
	HIGH Rs.	LOW Rs.	HIGH Rs.	LOW Rs.
2010 April	235.90	206.00	234.75	205.30
May	231.50	202.60	233.70	202.55
June	221.00	204.15	221.20	204.30
July	256.00	204.25	255.80	206.20
August	252.40	218.15	253.20	218.00
September	306.45	227.25	306.70	228.50
October	288.30	257.50	288.50	258.40
November	289.30	204.00	283.00	208.10
December	264.60	192.55	264.65	190.10
2011 January	260.35	209.00	260.40	204.00
February	250.00	201.05	242.50	201.05
March	252.70	208.05	252.85	208.00

vii) Registrar and Share Transfer Agent: With effect from 01.02.2003 M/s Mas Services Private Limited were appointed as the Registrar and Share transfer agent of the Company both in physical and electronic mode.

(viii) Share Transfer system : The Company's Shares are traded in the Stock exchanges compulsorily in demat mode. Physical shares which are lodged with the Company for transfer are processed and returned to the shareholders within a period of 30 days.

(ix) Distribution of Equity Shareholding as on 31.03.2011.

(Range)	No. of shareholders	% to total	No. of shares held	% to total
UPTO-500	9419	94.873	638568	19.637
501-1000	221	2.226	168171	5.171
1001-2000	117	1.178	171258	5.266
2001-3000	38	0.383	95798	2.946
3001-4000	28	0.282	97694	3.004
4001-5000	22	0.222	104282	3.207
5001-10000	31	0.312	234442	7.209
10001 and Above	52	0.524	1741706	53.559
Total	9928	100.00	3251919	100.00

(x) Categories of Equity Shareholder as on 31.03.2011.

Category	No. of fully paid up shares held	% shareholding
Promoters, Associates, Directors and relatives	1458789	44.86
Financial Institutions/Banks	2296	0.07
Foreign Institutional Investors/ overseas Corporate Bodies/ Non-Resident Indians	0	0.00
Mutual Funds	5666	0.18
Bodies Corporate	953	0.03
General Public	301162	9.26
Total	1483053	45.60
	3251919	100.00

(xi) Dematerialization of Equity shares and liquidity :

As on 31.03.2011 of the total equity share, 46.76% were held in dematerialized Form and the balance 53.24% shares in physical form. The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments which are pending for conversion.

(xii) Plant Locations :

The company's plants are located at Sonapat, Sahibabd, Malanpur, Bawal and Rasoi.

(xiii) Address for Correspondence:

The Company's registered office is situated in Industrial area, sonapat-131001. Correspondence by the Share holders/ Debenture holders should be addressed to the registered office. Security holders holding shares in electronic mode should address all their correspondence to their respective Depository participants.

Jai Narain Sawhney
I.D. Chugh
Hari Krishan Ahuja
Hira Lal Bhatia
Prithvi Raj Chawla

} DIRECTORS

New Delhi, the 25th August, 2011

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, 2011 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.

Rajesh Kapoor
CEO

New Delhi, 25th August, 2011

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, 2011 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, 2011 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 AND CO.
CHARTERED ACCOUNTANTS
FR No:- 001141N

CA. RAJIV BHASIN
(PARTNER)

PLACE: DELHI
DATE: 25th August, 2011

Mem.No: - 093845

MANAGEMENT DISCUSSION & ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian economy is estimated to have recorded a growth of 8.5% during 2010-11 following on the 7.3% growth achieved in the previous year, clearly emphasizing that India's high growth is sustainable in this phase of development.

The bicycle industry in India grew at a higher rate of 9% in 2010-11 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."

India is the largest producer of bicycles next only to China. It Produces around 1.70 crore bicycles every year; with almost each day witnessing new designs, colours and features. Today, the Indian bicycle manufacturing and bicycle parts industry is widely recognized for its quality standards in the international market.

The Indian bicycle industry is currently in the midst of making endeavors for enhanced and increased bicycle exports since the scope for export of Indian manufactured bicycle in the International Market is significant. Exports out of India are largely to Africa and the less developed economies and negligible to western markets Export of bicycles and parts falls within the range of Rs. 800 crore in 2010-11.

M/S Atlas Cycles (Haryana) Limited is a Public Limited Company having presence in bicycles segment with a track record of more than 60 Years, having established brand both in Indian as well as International Market and ranks amongst the three largest cycle manufacturers in the world, with sales of over Rs.7600 million. 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.

2. 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 ranks 3rd 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-avis non-acceptance of model could adversely affect the revenue stream and profitability. Further these are the major areas under business risk, promoters risk, financial risk and so on. Further volatile steel prices and a new burden of 1% excise duty are a deterrent to the growth of the cycle industry.

3. 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.

4. 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.

5. 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 sub-standard 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.

6. 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.

7. FINANCIAL PERFORMANCE

The company achieved a turnover 765.19.crores during the year compared to Rs. 654.33 crores during the previous year. Income from other sources is 4.09 crores as compared to Rs. 6.03 crores in previous year. Profit after taxation, is Rs. 3.76 crores as compared to 3.81 crores in the previous year.

8. HUMAN RESOURCES & INDUSTRIAL RELATIONS

Regular training as per ISO requirement is being provided at all levels. Cordial relations in the industry are being maintained in all units.

Training at all levels has been a continuous process in the Company. The Company continues to strengthen its human resources. Cordial industrial relations were maintained at all the units. The total manpower strength during the year was approx. 1900 employees.

HARI KRISHAN AHUJA
HIRA LAL BHATIA
ISHWAR DAS CHUGH
JAI NARAIN SAWHNEY
PRITHVI RAJ CHAWLA

} DIRECTORS

NEW DELHI, THE 25th AUGUST, 2011

AUDITORS' REPORT

To the Members of ATLAS CYCLES (HARYANA) LIMITED

- 1) We have audited the attached Balance Sheet of M/S Atlas Cycles (Haryana) Limited as at 31st March 2011 and also the profit and loss account of the company for the year ended on that date, annexed thereto and the cash flow statement for the year ended on that date. These Financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we annex here to a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 4) Further to our comments in the annexure referred to in paragraph 3 above, 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 purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - c) The balance sheet profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the mandatory accounting standards referred to in sub-section (3C) of section (211) of the Companies Act, 1956;
 - e) On the basis of written presentations received from the directors and taken on record by the Board of Directors of the Company, none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said account together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011;
 - (ii) In the case of profit and loss account, of the profit of the company for the year ended on that date; and
 - (iii) In the case of the cash flow statement, of the cash flows for the year ended on that date.

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

Place: Delhi
Date: 25th August, 2011

CA. RAJIV BHASIN
(Partner)
Mem. No.:-093845

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 2011.

- (i) (a) The Company is maintaining 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 regular in deposited 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, 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 disputed 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.) relates	Period to amount
Sales tax laws	Entry tax	Asst. Commissioner	1.88	1998-1999
		Asst. Commissioner	0.91	1999-2000
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	300.81	2004-2005
		Appellate Board, Bhopal	66.41	2005-2006
		Appellate Board, Bhopal	4.14	1998-1999
	M.P.S.T.	Appellate Board, Bhopal	3.80	1999-2000
		Appellate Board, Bhopal	23.17	2003-2004
		Appellate Board, Bhopal	82.91	2004-2005
		Appellate Board, Bhopal	20.34	2005-2006
		Jt. Commissioner Appeal	4.30	2002-2003
		Jt. Commissioner Appeal	4.24	2006-2007
		Jt. Commissioner Appeal	3.35	2006-2007
LST	Jt. Commissioner Appeal	3.46	2008-2009	
	Jt. Commissioner Appeal	1.52	2009-2010	

- (x) The Company does not have accumulated losses at the end of the financial year march 31, 2011. Further, the company has not incurred any cash losses during the financial year ended march 31, 2011 and in the preceding financial year ended March 31, 2010.
- (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 not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (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, 2011.

For Mehra Khanna & Co.
Chartered Accountants
FR No.-001141N
CA. RAJIV BHASIN
(Partner)
Mem. No.:-093845

Place: Delhi
Date: 25th August, 2011

ATLAS CYCLES (HARYANA) LIMITED

BALANCE SHEET AS AT 31-3-2011

	Schedules	2011	2010
		Rs.	Rs.
SOURCES OF FUNDS			
Shareholders Funds			
Issued Share Capital	1	3,25,19,190	3,25,19,190
Reserves & Surplus	2	<u>1,20,14,68,467</u>	<u>1,18,09,02,509</u>
		1,23,39,87,657	1,21,34,21,699
Loan Funds			
Secured Loans	3	73,06,25,144	88,13,13,619
Unsecured Loans		<u>14,28,74,000</u>	<u>10,97,05,000</u>
		87,34,99,144	99,10,18,619
		<u>2,10,74,86,801</u>	<u>2,20,44,40,318</u>
APPLICATION OF FUNDS			
Fixed Assets	4	1,00,06,51,254	83,42,82,398
Investments	5	26,36,60,758	8,56,30,428
Current assets, loans and advances	6	3,22,21,11,381	3,21,52,76,733
Less Current liabilities and provisions	7	<u>2,29,92,36,592</u>	<u>1,85,80,49,241</u>
Net Current Assets		92,28,74,789	1,35,72,27,492
Less Deferred Tax Liability		<u>7,97,00,000</u>	<u>7,27,00,000</u>
		<u>2,10,74,86,801</u>	<u>2,20,44,40,318</u>
Notes to the accounts	10		

SANJEEV KUMAR
COMPANY SECRETARY

SALIL KAPUR
PRESIDENT

JAI DEV KAPUR
PRESIDENT

VIKRAM KAPUR
PRESIDENT

RAJESH KAPOOR
C.E.O

GANESH IYER
C.F.O.

S.KHANNA
C.F.O

C.M.DHALL
C.F.O

The schedules referred to above form an integral part of the Accounts.
This is the Balance Sheet referred to in our report of even date.

For MEHRA KHANNA & CO
Chartered Accountants
FRN : 001141N

CA.RAJIV BHASIN
PARTNER
M No : 093845

Delhi:the 25th AUGUST, 2011

HARI KRISHAN AHUJA
HIRA LAL BHATIA
I.D.CHUGH
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

}

DIRECTORS

New Delhi:the 25th AUGUST, 2011

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	Schedules	2011	2010
		Rs.	Rs.
INCOME			
GROSS TURN OVER		7,93,30,99,459	6,76,90,80,643
LESS:EXCISE		9,69,72,481	6,90,64,609
SALE NET OFF EXCISE		7,83,61,26,978	6,70,00,16,034
LESS :REBATE		18,42,32,752	15,67,08,605
NET SALE		7,65,18,94,226	6,54,33,07,429
OTHER INCOME	8	4,08,95,117	6,02,58,111
		7,69,27,89,343	6,60,35,65,540
EXPENDITURE			
	9	7,62,63,94,157	6,54,63,69,693
PROFIT BEFORE EXTRA ORDINARY ITEMS		6,63,95,186	5,71,95,847
EXTRA ORDINARY ITEM:			
EXTRA ORDINARY ITEM :-LEGAL(SEE NOTE NO 14)		67,65,129	57,14,617
PROFIT BEFORE TAXATION		5,96,30,057	5,14,81,230
PROVISION FOR TAXATIONS:CURRENT, FBT AND DEFERRED		2,20,00,000	1,34,00,000
PROFIT AFTER TAXATION		3,76,30,057	3,80,81,230
PROFIT BROUGHT FORWARD		1,54,29,193	1,44,12,062
PROFIT FOR APPROPRIATION		5,30,59,250	5,24,93,292
APPROPRIATION			
PROPOSED DIVIDEND		1,46,33,635	1,46,33,635
DIVIDEND TAX		24,30,464	24,30,464
GENERAL RESERVE		2,00,00,000	2,00,00,000
SURPLUS CARRIED FORWARD		1,59,95,151	1,54,29,193
		5,30,59,250	5,24,93,292

Notes to the Accounts

10

SANJEEV KUMAR
COMPANY SECRETARY

SALIL KAPUR
PRESIDENT

JAI DEV KAPUR
PRESIDENT

VIKRAM KAPUR
PRESIDENT

RAJESH KAPOOR
C.E.O

GANESH IYER
C.F.O.

S.KHANNA
C.F.O

C.M.DHALL
C.F.O

The schedules referred to above form an integral part of the Accounts.
This is the Profit and Loss Account referred to in our report of even date.

For MEHRA KHANNA & CO
Chartered Accountants
FRN : 001141N

CA.RAJIV BHASIN
PARTNER
M No : 093845

Delhi:the 25th AUGUST, 2011

HARI KRISHAN AHUJA
HIRA LAL BHATIA
I.D.CHUGH
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

}

DIRECTORS

New Delhi:the 25th AUGUST, 2011

SCHEDULES FORMING PART OF THE BALANCE SHEET

1. SHARE CAPITAL		2011		2010	
		Rs.	Rs.	Rs.	Rs.
Authorised Share Capital					
30000	61/4% P.A. free of Income tax cumulative redeemable Preference shares of Rs.100 each	30,00,000		30,00,000	
9700000	Equity Shares of Rs.10 each	<u>9,70,00,000</u>		<u>9,70,00,000</u>	
			<u>10,00,00,000</u>		<u>10,00,00,000</u>
Issued,Subscribed & Paid Up Share Capital					
1387790	Equity Shares of Rs.10 each fully paid up for cash		1,38,77,900		1,38,77,900
1734792	Equity Shares of Rs.10 each fully paid up by way of Bonus shares by capitalisation of reserves		1,73,47,920		1,73,47,920
129337	Equity Shares of Rs.10 each fully paid up allotted in terms of the scheme of amalgamation of Atlas Auto Cycles Ltd. for consideration other than cash		<u>12,93,370</u>		<u>12,93,370</u>
			<u>3,25,19,190</u>		<u>3,25,19,190</u>
2. RESERVES & SURPLUS					
		Rs.	Rs.	Rs.	Rs.
Capital Reserve:					
Fixed Assets Revaluation Reserve					
	As per last Balance sheet		3,89,74,063		3,89,74,063
Revenue Reserves :					
A. General Reserve					
	As per last Balance sheet	1,06,58,79,068		1,04,58,79,068	
	Amount Transferred from Profit & loss Account	<u>2,00,00,000</u>	<u>1,08,58,79,068</u>	<u>2,00,00,000</u>	<u>1,06,58,79,068</u>
B.Share Premium Reserve					
	As per last Balance sheet		6,06,20,185		6,06,20,185
D.Profit & Loss Account					
	Surplus carried forward		<u>1,59,95,151</u>		<u>1,54,29,193</u>
			<u>1,20,14,68,467</u>		<u>1,18,09,02,509</u>

3. LOANS**2011****2010****Rs.****Rs.****A. Secured Loans**

i. Term Loan	29,18,71,729	24,07,54,280	
ii. Net loans from banks	20,65,81,381	46,53,44,748	
iii. Other Loans	23,21,72,034	17,52,14,591	
	73,06,25,144		88,13,13,619

B. Unsecured Loans

i. Fixed deposits from Share holders & Public	14,28,74,000	10,97,05,000	
	14,28,74,000		10,97,05,000
	87,34,99,144		99,10,18,619

NOTES:

- Net loans from banks are secured by way of hypothecation of stocks and trade debtors and all the immovable property of the Company by way of a first charge pertaining to existing properties and those which it may acquire in the future.
- Term loan from Banks are secured by way of first parri passu charge on concerned unit's existing immovable properties and those which it may acquire in the future.
- Other Secured loans includes Loan of Bill Discounting Limit are secured by way of second charge on fixed assets of respective units, and also includes loan against hypothecation of vehicles.

4.FIXED ASSETS

	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 31.3.2010	66,52,76,628	57,72,56,815	4,65,27,764	2,60,17,706	14,64,27,840	7,21,13,204	3,16,16,457	1,56,52,36,414
Additions	7,01,18,321	9,21,03,279	21,01,498	1,74,800	3,96,12,295	37,09,705	2,79,81,569	23,58,01,467
sales/Adjustment	0	1369450	105040	0	32430952	107347	10000	3,40,22,789
As at 31st March 2011	73,53,94,949	66,79,90,644	4,85,24,222	2,61,92,506	15,36,09,183	7,57,15,562	5,95,88,026	1,76,70,15,092
DEPRECIATION								
As at 31.3.2010	16,47,77,529	39,22,50,667	3,92,46,149	1,99,56,907	7,32,47,491	4,14,75,270	0	73,09,54,013
For the Year	1,44,06,839	1,99,88,352	41,50,310	6,64,285	1,41,86,488	36,13,597	0	5,70,09,871
sales/Adjustment	17,140	13,69,221	56,843	0	2,01,46,693	10,149	0	2,16,00,046
As at 31.3.2011	17,91,67,228	41,08,69,798	4,33,39,616	2,06,21,192	6,72,87,286	4,50,78,718	0	76,63,63,838
NET ASSETS								
As at 31st March 2011	55,62,27,721	25,71,20,846	51,84,606	55,71,314	8,63,21,897	3,06,36,844	5,95,88,026	1,00,06,51,254
As at 31st March 2010	50,04,99,096	18,50,06,150	72,81,614	60,60,799	7,31,80,349	3,06,37,933	3,16,16,457	83,42,82,398

5. INVESTMENTS

	Nominal Value	2011 No of Shares/Units	Amount Paid	2010 No. of Shares	Amount Paid
(i) Long term Investments (At Cost)					
(a) Non Trade Investemnts (Unquoted)					
i 12 years National Defence Certificate for face value of Rs.1750 pledged with Government departments as security	1,750	0	1,750	0	1,750
ii 7 years National Saving Certificates(II issue) pledged with Excise authorities	10,000	0	10,000	0	10,000
b) Non Trade Investment (Quoted)					
CENTRAL BANK OF INDIA	102	778	79,356	778	79,356
ADANI ENTERPRISES LTD.	-	-	-	924	4,43,495
AXIS BANK LTD.	10	403	5,29,015	-	-
BHARTI AIRTEL LTD.	-	-	-	941	2,98,146
BHARAT HEAVY ELECTRICALS LTD.	-	-	-	289	6,76,367
BAJAJ AUTO LTD.	10	576	8,19,743	-	-
COAL INDIA LTD.	10	720	2,20,929	-	-
COROMANDAL INTERNATIONAL LTD.	1	1,596	4,96,944	-	-
DIVIS LABORATORIES LTD.	2	1,624	10,90,413	476	2,75,147
EXIDE INDUSTRIES LTD.	1	4,408	7,24,820	-	-
ESS DEE ALUMINIUM LTD.	10	1,968	8,77,965	-	-
GREAVES LTD.	2	151	4,15,079	-	-
HDFC BANK LTD.	-	-	-	174	2,74,074
HOUSING DEVELOPMENT FINANCE CORPLTD.	2	847	5,25,663	259	6,41,323
HAVELLS INDIA LTD.	5	1,211	5,05,427	-	-
HIMADRI CHEMICALS LTD.	1	6,320	2,94,468	-	-
ITC LTD.	-	-	-	1,904	4,68,040
INFOSYS TECHNOLOGY LTD.	5	163	5,05,376	-	-
LARSON & TOURBO LTD.	-	-	-	352	5,33,832
LUPIN LTD.	2	2,560	10,34,690	-	-
MARUTI UDYOG LTD.	-	-	-	327	4,48,313
MOTHERSON SUMI SYSTEMS LTD.	1	2,588	5,00,002	-	0
NESTLE INDIA LTD.	10	99	3,24,343	2,100	4,48,699
OPTO CIRCUIT LTD.	10	3,871	10,52,057	-	0
RELIANCE INDUSTRIES LTD.	-	-	-	550	5,51,520
RURAL ELECTRIFICATION CORP. LTD.	-	-	-	2,495	5,60,249
RALLIES INDIA LTD.	10	536	7,18,853	-	-
STATE BANK OF INDIA	10	122	3,14,273	280	5,55,509
SUN PHARMACEUTICALS INDUSTRIES LTD.	1	964	4,03,520	178	2,71,101
SHRIRAM TRANSPORT FINANCE LTD.	10	646	4,91,326	-	-
TATA CONSULTANCY SERVICE LTD	-	-	-	372	2,73,148
TORRENT POWER LTD.	10	1,530	5,04,253	1,884	5,62,095
THERMAX LTD.	2	365	2,92,767	-	-
TITAN INDUSTRIES LTD.	10	75	2,40,239	-	-
TULIP TELCOM LTD.	2	2,217	4,08,024	-	-
YES BANK LTD.	10	3,354	9,97,461	-	-
			1,43,78,756		73,72,164
(c) Trade investment in shares of wholly Owned Subsidiary Companies Fully Paid (Unquoted)					
i) 50000 (Previous year 50000)Equity shares of Rs 10 each fully paid up in Atlas Cycles (Sonapat) Ltd.			5,00,000		5,00,000
ii) 50000 (Previous year 50000)Equity shares of Rs 10 each fully paid up in Atlas Cycles (Sahibabad) Ltd.			5,00,000		5,00,000
iii) 50000 (Previous year 50000)Equity shares of Rs 10 each fully paid up in Atlas Cycles (Malanpur) Ltd.			5,00,000		5,00,000
II) Current Investments (At Lower of Cost and Fair market value)					
AXIS MUTUAL FUND-(G)	10	10,00,000	1,00,00,000	0	-
BIRLA SUNLIFE MUTUAL FUND-(G)	10	36,04,458	4,03,15,068	6,10,583	1,00,00,000
CANARA ROBECO MUTUAL FUND-(G)	10	23,54,359	3,00,00,000	0	-
FIDELITY MUTUAL FUND-(G)	10	10,00,000	1,00,00,000		
HDFC MUTUAL FUND-(G)	10	10,90,627	1,50,31,496	6,24,961	1,00,00,000
ICICI MUTUAL FUND-(G)	100	1,190	2,15,047	0	-
IDFC MUTUAL FUND-(G)	10	10,89,811	1,50,35,987		
RELIANCE MUTUAL FUND-(G)	10	20,86,790	2,97,88,239	42,97,327	4,49,96,352
RELIGARE MUTUAL FUND-(G)	10	10,00,000	1,00,00,000		
SUNDARAM BNP PARIBAS MUTUAL FUND-(G)	10	23,64,638	3,00,00,000	0	-
STATE BANK MUTUAL FUND-(G)	10	20,00,000	2,00,00,000		
TATA MUTUAL FUND-(G)	100	6,40,246	1,00,00,000	0	-
UTI MUTUAL FUND-(G)	1,000	846	20,00,000		
KOTAK MAHINDRA MUTUAL FUND-(D)		49,501	6,00,000	49,501	600,000
PRINCIPAL CASH MANAGEMENT-(D)	10	4,18,905	62,87,598		
PRINCIPAL MUTUAL FUND-(D)	10	1,000	1,00,000	2,16,516	3,758,973
DSP BLACKROCK MUTUAL FUND-(D)	1,000	2,514	25,16,122	11,656	1,402,939
THE OCIAN'S ART FUND-(D)	100	50,000	50,00,000	50,000	5,000,000
PRINCIPAL MUTUAL FUND-(D)		10,000	10,00,000	10,000	1,000,000
			23,78,89,557		76,758,264
INVESTMENT IN BONDS					
10.75% DPSC BONDS 03/11/2020	2,00,000	48	9,89,24,445	0	-
Aggregate Total Investments At Cost			26,36,60,758	-	8,56,30,428

Note:during the year the company acquired and sold following current investments

Name of Fund	Face Value Rs.	No of Units	Purchase Cost Rs in Lacs
Mutual Fund			
BIRLA SUN LIFE MUTUAL FUND	10	38,29,500	902.16
HDFC MUTUAL FUND	10	29,70,707	401.42

6.CURRENT ASSETS, LOANS AND ADVANCES

	2011		2011	
	Rs.	Rs.	Rs.	Rs.
A. STOCKS (At lower of cost or net realisable value as certified by the management)				
1. Stores,spare parts,advertisement materials and other material	117782481		91470751	
2. Loose tools	5937029		4876705	
3. Production materials	688704319		497225869	
4. Finished Goods	216746636		155342213	
5. Work in Progress	32697103		25612070	
6. Scrap	828174		3302469	
7. Goods in transit	0		33957	
		1062695742		777864034
B. DEBTORS				
a. Debts exceeding six months considered good	260698548		290092114	
b. Debts exceeding six months considered doubtful	23622240		22367563	
c. Other debts considered good	1200199741		1336523405	
	1484520529		1648983082	
Less:Provision for doubtful debts	23622240		22367563	
		1460898289		1626615519
C. LOANS AND ADVANCES				
a. Unsecured considered good				
i. Advances recoverable in cash or kind or for value to be received (see note i a & b below)	385480196		382929308	
ii. Security deposits	32529890		30334269	
iii. Prepaid expenses	4454501		3646329	
iv) Claim recoverable	516114		1692854	
	422980701		418602760	
b. Advance tax and tax deducted at source	232886923		208416418	
		655867624		627019178
D. CASH AND BANK BALANCES				
a. Cash in Hand	5536448		2720997	
b. Dividend Accounts	2420187		6453618	
c. Unclaimed Debenture and Interest	0		3574932	
d. Fixed Deposits with banks	34693091		171028455	
		42649726		183778002
		3222111381		3215276733

* During the year certain amount was fraudulently withdrawn from unpaid Dividend account for the year 2008-09 against which FIR has been filed by the Bankers, exact amount of fraud is not quantifiable at present.

NOTES:

i. Loans & Advances include due from :

- a) Officers Rs.5,63,802/ (Previous Year Rs.5,82,103) Maximum amount due at any time during the year Rs .31,85,599(Previous Year Rs.25,01,914)
b) Advances to Whole-time Director Rs. Nil (Previous Year Rs.Nil) Maximum amount Due at any time during the year Rs.7,89,807 (Previous Year Rs 6,84,333)

7. CURRENT LIABILITIES AND PROVISIONS:

	2011		2010	
	Rs.	Rs.	Rs.	Rs.
a. Current Liabilities				
l) Sundry Creditors-SSI	335231891		397472174	
-Other Sundry Creditors*	1459745278		985371660	
ii) Interest accrued but not due on loans	10229710		5006845	
iii) Unclaimed Debenture and Interest*			3574932	
iv) Unclaimed dividends*	2420187	1807627066	6453618	1397879229
b) Provision for Taxation		187297427		178557913
c) Provision for Proposed Dividend		14633635		14633635
d) Provision for Dividend Tax		2430464		2430464
e) Provision for Extra Ordinary Item(Revenue Loss)		59518000		59518000
Provision for Extra Ordinary Item		50030000		50030000
f) Advance against sale of land **		177700000		155000000
		<u>2299236592</u>		<u>1858049241</u>

* Do not include any amount outstanding as on March 31st, 2011 which are required to be credited to Investor Education and Protection Fund.

** Includes Rs.15.50 crores and Rs.2.27 crores received as advance against sale of land of Rasoi plant and Ludhiana land respectively.

8. INCOME FROM OTHER SOURCES

	2011		2010	
	Rs.	Rs.	Rs.	Rs.
Miscellaneous Receipts		27994096		28793215
INTEREST:				
a) From banks	3549332		7929661	
b) Others	1253192	4802524	23611	7953272
Dividend from Current Investments		1052086		932699
Profit on sale of mutual funds		7046411		20986002
Profit on sale of assets		0		1592923
		<u>40895117</u>		<u>60258111</u>

(Tax deducted at source on interest from other sources including Rs. 5162218. (Previous Year Rs. 942295)

9 EXPENDITURE

	2011		2010	
	Rs.	Rs.	Rs.	Rs.
A. RAW MATERIAL CONSUMED				
Cost of Raw Material Consumed				
Opening Stock of Raw Material	497225869		385802122	
Add Purchases	5987833383		5025281077	
	<u>6485059252</u>		<u>5411083199</u>	
Less Closing Stock of Raw Material	688704319	5796354933	497225869	4913857330
(Increase)/decrease in Stock				
Opening stock:				
Finished goods	155342213		252828165	
Work In Progress	25612070		27199901	
Scrap	3302469		989346	
	<u>184256752</u>		<u>281017412</u>	
Closing stock:				
Finished goods	216746636		155342213	
WIP	32697103		25612070	
Scrap	828174		3302469	
	<u>250271913</u>		<u>184256752</u>	
(Increase)/decrease in Stock		-66015161		96760660
COST OF GOODS CONSUMED		<u>5730339772</u>		<u>5010617990</u>

B MANUFACTURING AND OTHER EXPENSES	2011		2010	
	Rs.	Rs.	Rs.	Rs.
Salaries,Wages & Bonus		325072654		276239713
Contribution to Employees Provident Fund, Pension Fund,Employees State Insurance and Gratuity Fund		43609511		38238474
Workers & Staff Welfare		26274988		24472375
Power & Fuel		86441176		75760253
Consumption Of stores & spare parts		420779394		243968442
Consumption of packing material		177311735		99715668
Repairs to machinery		24144885		37028950
Repairs to building		20462221		35643802
Other repairs		24623978		24903733
Rent		8753664		11315282
Rates & Taxes		22622208		10041084
Insurance Charges		4648594		3677575
Printing,Stationary & Postage Telephone		15283293		15961262
Advertisements & Sales Promotion		47929282		56369915
Directors Remuneration		497130		314000
Travelling Expenses		58168345		57124227
Research & Development		533132		367040
Auditors emoluments:				
Audit Fees	1347500		1223227	
Tax Audit fees	159500		146699	
For other Certifications	275270	1782270	<u>205643</u>	1575569
Transport & Railway Freight		259461013		235793037
Charity & Donations		842951		127131
Commission to Selling Agents		12168336		9096778
Cartage,Octroi etc.		52167041		33698411
Miscellaneous		89375759		88882925
Bad Debts W/off		3425		67081
Loss on sale of Assets		338736		<u>396382</u>
			1723295721	<u>1380779109</u>
C. INTEREST				
On term loans and unsecured fixed deposits		24974118		23561115
Others		90774675		<u>81078329</u>
			115748793	104639444
D. DEPRECIATION				
Depreciation		57009871		<u>50333150</u>
		7626394157		<u>6546369693</u>

SCHEDULE (10)**NOTES FORMING PART OF THE ACCOUNTS.****I. ACCOUNTING POLICIES:****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 at 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.

II. NOTES FORMING PART OF THE ACCOUNTS

	2011	2010
	Rs.	Rs.
1. CONTINGENT LIABILITIES IN RESPECT OF		
a) Surety bonds executed in favor of President of India through Customs & Excise authorities for payment of Central Excise/Custom duty	1,64,99,412	1,64,99,412
b) Two surety bonds in favour of government of Haryana for payment of Central & Local Sales Tax	30,40,000	30,40,000
c) Guarantees given by bank	15,09,72,561	14,01,77,319
d) In respect of Entry Tax matters	5,00,000	2,79,000
e) In respect of Excise matters	52,00,000	56,20,000
f) In respect of Sales Tax matters	6,01,49,000	6,59,65,000
2. LICENCED & INSTALLED CAPACITY AND PRODUCTION		
Class of Product	Licensed Capacity	Installed Capacity*
1. Bicycle/Exerciser	Nos	Production
	39,40,000	31,45,790
	(39,40,000)	(28,98,352)
2. Steel Tube	M.Tonnes	18316
	50,000	(18,975)
	(50,000)	

* Installed Capacity as certified by the Management.

3. SALE, OPENING AND CLOSING STOCK OF GOODS PRODUCED

a) Sales	Nos	2011	Nos	2010
		Value Rs.		Value Rs.
(i) Bicycles/Accessories	31,37,593	6,90,52,47,399	28,90,265	5,59,44,03,297
(ii) Bicycle components and accessories		16,04,51,585		48,44,71,925
(iii) Steel Tubes		83,69,36,777		66,67,63,063
(iv) Scrap		3,04,63,698		2,34,42,358
		<u>7,93,30,99,459</u>		<u>6,76,90,80,643</u>
b) Opening Stock				
(i) Bicycle components and accessories		15,92,75,270		26,00,13,665
(ii) Steel Tubes		2,16,79,013		2,00,14,401
(iii) Scrap		33,02,469		9,89,346
		<u>18,42,56,752</u>		<u>28,10,17,412</u>
c) Closing Stock				
(i) Bicycle components and accessories		20,61,99,336		15,92,75,270
(ii) Steel Tubes		4,32,44,403		2,16,79,013
(iii) Scrap		8,28,174		33,02,469
		<u>25,02,71,913</u>		<u>18,42,56,752</u>

Notes:

The quantitative details of bicycles components, accessories and quantity of steel tubes sold, opening stock & closing stock are not given as there are large number of components and accessories and so many sizes of steel tubes respectively.

4. DETAILS OF RAW MATERIAL CONSUMED DURING THE YEAR

	Units	Quantity	2011	Quantity	2010
			Value Rs.		Value Rs.
(i) Sheets & Strips	Kgs.	2,37,44,735	98,25,71,724	2,45,13,284	94,58,06,253
(ii) Tyres	Nos.	60,04,188	52,69,73,825	54,17,157	37,49,21,310
(iii) Tubes	Nos.	60,54,829	22,51,41,971	55,31,234	16,32,18,348
(iv) Rims	Nos.	45,79,491	43,04,78,902	41,86,312	34,39,03,148
(v) Other Items	-		34,09,36,193		32,60,02,853
(vi) Components	-		3,29,02,52,318		2,76,00,05,418
			<u>5,79,63,54,933</u>		<u>4,91,38,57,330</u>

5. 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	2,16,51,66,422 (1,82,78,49,059)	100 (100)	NIL (NIL)	0 (0)
(ii) Components	3,33,52,35,939 (2,77,00,61,082)	91.85 (82.12)	29,59,52,572 (31,59,47,189)	8.15 (10.24)

Previous Year figures are shown in brackets.

6. VALUE OF TOTAL IMPORTS ON CIF BASIS	2011	2010
	Rs.	Rs.
(i) Raw Material, Components & Spare Parts	29,90,13,925	36,87,39,579
(ii) Capital Goods	2,03,52,867	60,46,358
	<u>31,93,66,792</u>	<u>37,47,85,937</u>

7. EXPENDITURE IN FOREIGN CURRENCY

	2011	2010
	Rs.	Rs.
(i) Commission on export	38,34,328	55,26,204
(ii) Foreign Tours	1,34,80,077	1,19,35,243
(iii) Foreign Publicity & exhibition	-	1,77,955
	<u>1,73,14,405</u>	<u>1,76,39,402</u>

8. EARNINGS IN FOREIGN EXCHANGE

F.O.B. Value of goods exported	27,72,71,095	18,75,60,976
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9. 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.

- Inter segment revenue have been accounted on cost to the receiving segmental unit.
- 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."
- 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

(Figure in Rs. Lacs)

Particulars	TUBE MILL		CYCLE UNIT		TOTAL	
	2011	2010	2011	2010	2011	2010
Segment Revenue						
External Sales	8517.84	7637.93	70813.15	60052.88	79330.99	67690.81
Less Excise	911.8	690.65	57.92	0	969.72	690.65
Inter Segment Sales	928.19	1190.66	0	0	928.19	1190.66
Other Income	0.25	1.09	408.70	601.49	408.95	602.58
Total Revenue	8534.48	8139.03	71163.93	60654.37	79698.41	68793.40
Segment Results	86.45	21.31	1667.34	1539.89	1753.79	1561.20
Unallocated Expenses	-	-	-	-	-	-
Operating Profit	86.45	21.31	1667.34	1539.89	1753.79	1561.20
Interest Expenses	132.76	63.06	1024.73	983.33	1157.49	1046.39
Unallocated Interest	-	-	-	-	-	-
Net Profit before Tax	-46.31	-41.75	672.61	556.56	596.30	514.81

Particulars	TUBE MILL		CYCLE UNIT		TOTAL	
	2011	2010	2011	2010	2011	2010
Income Tax						
Current,deferred and FBT	-	-	-	-	220	134.00
Net Profit	-	--	-	---	376.3	380.81
Other Information						
Segment Assets	6480.15	6429.22	36561.51	33106.76	43041.66	39535.98
Common assets					1822.56	1815.21
Total Assets	6480.15	6429.22	36561.51	33106.76	44864.22	41351.89
Segment Liabilities						
Segmental Liabilities	3300.35	2831.34	38754.54	35727.85	42054.89	38559.17
Common Liabilities		-		-	2809.33	2792.72
Total Liabilities	3300.35	2831.34	38754.54	35727.85	44864.22	41351.89
Capital Expenditure	129.03	49.47	2228.98	875.41	2358.01	924.88
Depriciation	95.05	92.69	475.05	410.64	570.1	503.33

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

Kanwal Engg.Works,Hansa Tubes Pvt Ltd,Nagpal Enterprises,S.K.Aggarwal & co,Hansa Mettallics Ltd,Suriendra Cycles Pvt Ltd,Aditya Industries, Advance Plastics Industries,Gobind Cycles Pvt Ltd, Gupta Bikes Pvt Ltd,Jeet Enterprises,Jsts,K.S.Munjal Industries, Lion Industries, New Modern Steels Industries,Rana Enterprsie,Rider Bikes Pvt Ltd,Rolax Cycles Pvt Ltd,S.K.Sons,Sabharwal Enterprises ,Sandow Balls (India),Sood Industries,Sukhmani Steels, Sunny Cycles Pvt Ltd,Swastik Packaging,Swastik Polythene Industries, Synergy India,Vishal Cycles Pvt Ltd, Vishal Udyog Pvt Ltd,Vts Creations ,Amrit Industries,Shree Krishna Steels,Evershine Plastics Industries, Rishi Udyog,Pagan Paints & Chemical Pvt Ltd,Shree Thakur Engg. Works, Kamal Cycles Components, Auto Fans (India),Ark Engg. Pvt Ltd, Appu Cycles, Balbinder mechanical Works, V.J.Sales Corp.,Bider Engg. Co.,Birdi International, Bharat Cycles Udyog,Chandan Industries, Chopra Engineers,D.K.Industries, Ess Pee Industries,Emm Industries,Fit Right Engineer,Great Gear Pvt Ltd,Hainkain Industries,J.B.Industries,jain International, Jai Shiva Trading Co.,Kular Cycles Industries,Koon Cycles Industries,Kumar Enterprises,Kapson Industries,K.B.Kapoor Industries,Label &Sticker Industries,Meera Industries,Mukhtier Engg. Works, Mandeep Products,Naveen Enterprises, Nitya Enterprises,Om Shivam Cycles India,Om Industries,Partap Cycles Industries,Ranjeev Industries,Randhir Industrial Corp. Rahul Enterprises,S.S,Products India,Shree Attam Vallabh Industrial corp., Sahil Enterprises, Vee Pee Industries, Visvakarma Industries Pvt Ltd,Vinod Steel Craft, Arihant Product Pvt Ltd,Appar Packaging Pvt Ltd,Bajrang Industries, Carry Packers, Denzo Paints Pvt Ltd, Laxmi Chemicals , Margo Inds. India, Margo Fastners, Punjab Plastics Inds,Parko Industries, R.M.Industries,Amardeep Steels Industries,Anmol Industries, B.S.Lotey Brothers, Hindustan Tyres, Hightech Halftone, Mahaveer Steels, Durga Industries,H.K. Engineers,

11. EARNING PER SHARE

	2011	2010
(a) Profit after tax as per Profit & Loss A/c	3,76,30,057	3,80,81,230
(b) Weighted average number of shares of Rs. 10 each outstanding	3251919	32,51,919
(c) Earning per share	11.57	11.71

12. RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD 18

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

- I) i) **Associated companies:** Milton Cycles Inds Ltd, Janki Das & sons (P) Ltd, Janki Das & Co., Roamer Engineering Works (P) Ltd., Exotic Flora (P) Ltd..
- ii) **Subsidiary Companies are:** Atlas Cycles (Sonipat) Ltd, Atlas Cycles (Sahibabad) Ltd, Atlas Cycles (Malanpur) Ltd.
- II) **Directors & Employees (As on 31.03.2011) :** Sh. I.D. Chugh, Sh. H.K. Ahuja, Sh. H.L. Bhatia, Sh. J.N. Sawhney, Sh. P.R. Chawla, Sh. Jai Dev Kapur, 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)**

	2010-11	Associated Companies	2009-10
Sale of Goods	1409.43		1150.44
Purchase of Goods	6202.54		5583.51
Balances on year end	38.75		33.65
Guarantee Given	20.00		20.00

C. Transactions with key managerial persons:

Remunerations: Rs. 486.09 lacs (Previous Year Rs. 425.31 lacs)

13. DETAIL OF PROVISION FOR DEFERRED TAXATION

Timing difference on account of:

	Increase in Deferred Tax Liabilities	Rs. in lacs
	31.3.2011	31.3.2010
Difference between Book Depreciation And as per I Tax Act	70	34
Total	70	34
Net Deferred Tax Liabilities.	70	34

14 EXTRAORDINARY ITEMS - LEGAL & PROFESSIONAL

In order to recover the damage and loss which has been perpetrated by the ex. Malanpur Head, the legal actions initiated by the company in the recovery and its fight for its patent rights has caused the company legal expenses amounting to **Rs.67.65** lacs (Previous Year Rs. 57.14 lacs).

15. Figure of the Previous Year have been re-arranged, wherever necessary.**16.** The Computation of Net Profit in accordance with Section 198 of the Companies Act, 1956 and commission payable to Directors:

	2011 Rs.	2010 Rs.
(a) Computation of profit for managerial remuneration		
Profit as per Profit & Loss A/c	5,96,30,057	5,14,81,230
Add: Directors remuneration including perquisites	12,53,406	11,00,391
Add Bad debts	3,425	67,081
	6,08,86,888	5,26,48,702
Less: Profit on Sale of Assets	0	15,92,923
Add: Depreciation as per Profit & Loss A/c	5,70,09,871	5,03,33,150
Less Depreciation as per Section 350 of companies Act, 1956	7,73,07,541	737,62,949
Net Profit	4,05,89,218	2,76,25,980
Commission eligible for payment @ 0.5% of the Net Profit (Previous Year 0.5%)	2,02,946	1,38,130
Actual Commission Paid to a Whole Time Director	1,38,130	83,735

	2011 Rs.	2010 Rs.
(b) Remuneration paid to a whole time director		
Salary	9,39,004	8,65,902
Long Service Allowance	1,500	1,500
Provident Fund Contribution	70,612	66,344
Leave Travel Assistance	49,670	46,760
Medical Expenses	54,490	36,150
Commission	1,38,130	83,735
	<u>12,53,406</u>	<u>11,00,391</u>

SANJEEV KUMAR
COMPANY SECRETARY

SALIL KAPUR
PRESIDENT

JAI DEV KAPUR
PRESIDENT

VIKRAM KAPUR
PRESIDENT

RAJESH KAPOOR
C.E.O

GANESH IYER
C.F.O.

S.KHANNA
C.F.O

C.M.DHALL
C.F.O

HARI KRISHAN AHUJA
HIRA LAL BHATIA
I.D.CHUGH
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

}

DIRECTORS

New Delhi: the 25th AUGUST, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Statement showing particulars as described in the amendment to Schedule VI Companies Act 1956, vide notification No. G.S.R. 388 (E) dated May 15, 1995

I REGISTRATION DETAILS

Registration number	H 1 6 1 4
State Code	0 0 5
Balance Sheet Date	3 1 3 2 0 1 1

II CAPITAL RAISED DURING THE YEAR ENDED 31ST MARCH, 2011

Public Issue	-
Rights Issue	-
Bonus Issue	-
Private Placement	-
Others	-

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS AS AT 31ST MARCH, 2011

Total Liabilities	2 1 0 7 4 8 6 8 0 1
Total Assets	2 1 0 7 4 8 6 8 0 1

Sources of Funds

Paid up Capital	3 2 5 1 9 1 9 0
Reserves and Surplus	1 2 0 1 4 6 8 4 6 7
Secured Loans	7 3 0 6 2 5 1 4 4
Unsecured Loans	1 4 2 8 7 4 0 0 0

Application of Funds

Net Fixed Assets	1 0 0 0 6 5 1 2 5 4
Investments	2 6 3 6 6 0 7 5 8
Deferred Tax Liability	7 9 7 0 0 0 0 0
Net Current Assets	9 2 2 8 7 4 7 8 9

IV PERFORMANCE OF THE COMPANY FOR THE YEAR ENDED 31st MARCH 2011

Turnover (Net Sales and Other Income)	7 6 9 2 7 8 9 3 4 3
Total Expenditures	7 6 3 3 1 5 9 2 8 6
Profit before Tax	5 9 6 3 0 0 5 7
Profit after Tax	3 7 6 3 0 0 5 7
Earning Per Share	1 1 . 5 7
Dividend Rate (%)	4 5

V GENERIC NAME OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

(as per monetary terms)

Item Code no	Product Description
8 7 1 2 0 0 0	Bicycles
7 3 0 6 9 0	ERW Precision Tube

For MEHRA KHANNA & COMPANY

Chartered Accountants

FRN : 001141N

CA. RAJIV BHASIN

Partner

M No : 093845

Delhi

Dated : 25th August, 2011

HARI KRISHAN AHUJA

HIRA LAL BHATIA

I.D.CHUGH

PRITHVI RAJ CHAWLA

JAI NARAIN SAWHNEY

}

DIRECTORS

New Delhi

Dated : 25th August, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	31st March 11	31st March 10
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extra ordinary items	175935649	146041780
Adjustments for		
Depreciation & Misc. Write Offs	57009871	50333150
Operating Profit before Working Capital Changes	232945520	196374930
Adjustments for:		
(Increase)/Decrease in Trade & other Receivables	165717230	-97452685
(Increase)/Decrease in Inventories	-284831708	-39291098
(Increase)/Decrease in Loans and Advances	-4377941	85490381
(Decrease)/Increase in Trade Payables	438827939	-269883983
(Decrease)/Increase in Other Current Liabilities	5222865	928610
Cash Generated from Operations	553503905	-123833845
Direct Taxes Paid/Refund	-40730991	-13183712
Net Cash Flow from Operating Activities	512772914	-137017557
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	-235801470	-92488192
Proceeds on Sale of Fixed Assets	12422743	4737335
Dividend Income	-1052086	932699
Purchase of Investments	-178030330	74853001
Proceeds from sale of investment	0	0
Net Cash Used in Investing Activities	-402461143	-11965157
C. Cash Flow from Financing Activities		
Proceeds from Borrowings	-117519475	321225546
Repayment of Borrowings	0	0
Interest Paid	-122160202	-104639444
Interest Received	4802524	7953272
Dividends Paid	-18667066	-11121938
Net Cash Used in Financing Activities	-253544219	213417436
Net Increase/(Decrease) in Cash and Cash Equivalents	-141128276	64434722
Cash & Cash Equivalents as on 1.04.2010	183778002	119343280
Cash and Cash Equivalents as on 31.03.2011	42649726	183778002

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

SANJEEV KUMAR
COMPANY SECRETARY

SALIL KAPUR
PRESIDENT

JAI DEV KAPUR
PRESIDENT

VIKRAM KAPUR
PRESIDENT

RAJESH KAPOOR
C.E.O

GANESH IYER
C.F.O.

S.KHANNA
C.F.O

C.M.DHALL
C.F.O

This cash Flow Statement as referred to in our report to even date

For MEHRA KHANNA & CO
Chartered Accountants
FRN : 001141N

CA.RAJIV BHASIN
PARTNER
M No : 093845

Delhi:the 25th AUGUST, 2011

HARI KRISHAN AHUJA
HIRA LAL BHATIA
I.D.CHUGH
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

}

DIRECTORS

New Delhi:the 25th AUGUST, 2011

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

1 Name of the subsidiary Company	Atlas Cycles (Sonepat) Ltd 31.03.2011	Atlas Cycles (Sahibabad) Ltd 31.03.2011	Atlas Cycles (Malanpur) Ltd 31.03.2011
2 Financial Year of the subsidiary Company ended on	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.
3 Holding Company's Interest	-	-	-
4 Net aggregate amount of Losses less Profits of the Subsidiary Company so far as it concerns the members of Atlas Cycles (Haryana) Limited	Nil	Nil	Nil
a) Not dealt with in the Accounts of Atlas Cycles (Haryana) Ltd	-	-	-
i) for the subsidiary's financial year above referred	Nil	Nil	Nil
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	Nil	Nil	Nil
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 31-3-2011	Not Applicable as Financial Year of Holding Company and Subsidiary Company ends on 31-3-2011	Not Applicable as Financial Year of Holding Company and Subsidiary Company ends on 31-3-2011
6 Material changes between the end of the financial year of the subsidiary and the financial year of the Company in respect of:	-Do-	-Do-	-Do-
* 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
Date : 25th August, 2011

I.D. CHUGH
WHOLE TIME DIRECTOR

HARI KRISHAN AHUJA
HIRA LAL BHATIA
ISHWAR DAS CHUGH
JAI NARAIN SAWHNEY
PRITHVI RAJ CHAWLA

} DIRECTORS

ATLAS CYCLES (SONEPAT) LIMITED

DIRECTORS' REPORT

TO THE MEMBERS:

Your directors have pleasure in presenting their Eleventh Annual Report together with the audited accounts of the Company for the year ended 31st March, 2011. 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:

- a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- b. 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 31st March, 2011.
- c. 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.
- d. 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
JAI NARAIN SAWHNEY
PRITHVI RAJ CHAWLA



DIRECTORS

New Delhi, the 30th July, 2011

AUDITORS' REPORT

To the Members of **ATLAS CYCLES (SONEPAT) LIMITED**

- 1) We have audited the attached Balance Sheet of M/S Atlas Cycles (Sonepat) Limited as at 31st March 2011 annexed thereto which we have signed under reference to this report. These Financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we state that paragraphs 4 and 5 of the said order do not apply to the company.
- 4) Further to our comments in the annexure referred to in paragraph 3 above, 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 purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - c) The balance sheet profit dealt with by this report is in agreement with the books of account.
 - d) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the mandatory accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written presentations received from the directors and taken on record by the Board of Directors of the Company, none of the directors is disqualified as on 31st March, 2011, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said account together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011;

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

CA. RAJIV BHASIN
(Partner)
Mem. No.-093845

Place: Delhi
Date: 30th July, 2011

ATLAS CYCLES (SONEPAT) LIMITED
BALANCE SHEET AS ON 31ST MARCH, 2011

LIABILITIES	2010-11	2009-10	ASSETS	2010-11	2009-10
	Rs	Rs		Rs	Rs
SHARE CAPITAL			Bank Balance		
AUTHORISED CAPITAL			CURRENT ASSETS LOANS AND ADVANCES		
50000 Equity Shares of Rs.10/ each	<u>500000</u>	<u>500000</u>	Central Bank of India	375067	391206
ISSUED,SUBSCRIBED AND PAID UP CAPITAL			PRELIMINARY EXPENSES TO THE EXTENT NOT WRITTEN OFF	127133	111000
50000 Equity Shares of RS.10/ Each	500000	500000			
CURRENT LIABILITIES AND PROVISIONS					
Audit fee payable	<u>2200</u>	<u>2206</u>			
	<u>502200</u>	<u>502206</u>		<u>502200</u>	<u>502206</u>

The annexed Notes to the accounts form part of the Balance Sheet

AS PER OUR REPORT OF EVEN DATE

For MEHRA KHANNA & CO

Chartered Accountants

FRN : 001141N

RAJIV BHASIN

PARTNER

M No : 093845

Delhi:the 30th July, 2011

HARI KRISHAN AHUJA

I.D.CHUGH

HIRA LAL BHATIA

PRITHVI RAJ CHAWLA

JAI NARAIN SAWHNEY

} DIRECTORS

New Delhi: the 30th July, 2011

NOTES TO ACCOUNTS

1. The accounts of the Company are prepared under the historical convention in accordance with applicable standards and the relevant presentational requirements.
- 2.No Profit and Loss Account has been prepared as the Company's operations have not yet commenced
- 3.Details of Preliminary Expenses

	Rs	Rs
	2011	2010
Registration Charges	14600	14600
Legal Charges	7400	7400
Bank Charges	1774	1609
Audit Fees	25691	23491
Directors Fees	60750	54500
Filling Fees	16918	9400
	<u>127133</u>	<u>111000</u>

HARI KRISHAN AHUJA

I.D.CHUGH

HIRA LAL BHATIA

PRITHVI RAJ CHAWLA

JAI NARAIN SAWHNEY

} DIRECTORS

New Delhi: the 30th July, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Statement showing particulars as described in the amendment to Schedule VI Companies Act 1956, vide notification No. G.S.R. 388 (E) dated May 15, 1995

I REGISTRATION DETAILS

Registration number	34261
State Code	005
Balance Sheet Date	31.3.2011

II CAPITAL RAISED DURING THE YEAR ENDED 31ST MARCH, 2011

Public Issue	-
Rights Issue	-
Bonus Issue	-
Private Placement	-
Others	-

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS AS AT 31ST MARCH, 2011

Total Liabilities	502200
Total Assets	502200

Sources of Funds

Paid up Capital	500000
Reserves and Surplus	-
Secured Loans	-
Unsecured Loans	-

Application of Funds

Net Fixed Assets	-
Investments	-
Net Current Assets	500000

IV PERFORMANCE OF THE COMPANY FOR THE YEAR ENDED 31st MARCH 2011

Turnover (Net Sales and Other Income)	-
Total Expenditures	-
Profit before Tax	-
Profit after Tax	-
Earning Per Share	-
Dividend Rate (%)	-

V GENERIC NAME OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

(as per monetary terms)

Item Code no	Product Description
ITC Code	
8712000	Bicycles

for MEHRA KHANNA & COMPANY

Chartered Accountants
FRN : 001141N

CA. RAJIV BHASIN
Partner

M No : 093845

Delhi Dated : 30th July, 2011

HARI KRISHAN AHUJA
I.D.CHUGH
HIRA LAL BHATIA
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

}

DIRECTORS

New Delhi Dated : 30th July, 2011

ATLAS CYCLES (SAHIBABAD) LIMITED

DIRECTORS' REPORT

TO THE MEMBERS:

Your directors have pleasure in presenting their Eleventh Annual Report together with the audited accounts of the Company for the year ended 31st March, 2011. 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:

- a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- b. 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 31st March, 2011.
- c. 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.
- d. 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
JAI NARAIN SAWHNEY
PRITHVI RAJ CHAWLA



DIRECTORS

New Delhi, the 30th July, 2011

AUDITORS' REPORT

To the Members of **ATLAS CYCLES (SAHIBABAD) LIMITED**

- 1) We have audited the attached Balance Sheet of M/S Atlas Cycles (Sahibabad) Limited as at 31st March 2011 annexed thereto which we have signed under reference to this report. These Financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we state that paragraphs 4 and 5 of the said order do not apply to the company.
- 4) Further to our comments in the annexure referred to in paragraph 3 above, 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 purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - c) The balance sheet profit dealt with by this report is in agreement with the books of account.
 - d) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the mandatory accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written presentations received from the directors and taken on record by the Board of Directors of the Company, none of the directors is disqualified as on 31st March, 2011, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said account together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011;

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

CA. RAJIV BHASIN
(Partner)
Mem. No.: -093845

Place: Delhi
Date: 30th July, 2011

**ATLAS CYCLES (SAHIBABAD) LTD.
BALANCE SHEET AS AT 31ST MARCH, 2011**

CAPITAL & LIABILITIES	31-3-2011	31-3-2010	ASSETS	31-3-2011	31-3-2010
	Rs.	Rs.		Rs.	Rs.
SHARE CAPITAL			CURRENT ASSETS LOANS AND ADVANCES		
AUTHORISED			Bank Balances		
5000 Equity Shares of Rs.10/- each	<u>5,00,000</u>	<u>5,00,000</u>	Central Bank of India C/A	3,75,099	3,87,758
ISSUED, SUBSCRIBED & PAID UP			PRILIMINARY EXPENSES TO THE EXTENT		
50000 Equity Shares of Rs.10/- each (fully paid up)	5,00,000	5,00,000	NOT WRITTEN OFF	1,29,311	1,16,652
CURRENT LIABILITIES & PROVISIONS					
Audit Fee payable	4,410	4,410			
	<u>5,04,410</u>	<u>5,04,410</u>		<u>5,04,410</u>	<u>5,04,410</u>

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

HARI KRISHAN AHUJA
I.D.CHUGH
HIRA LAL BHATIA
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

} DIRECTORS

CA. RAJIV BHASIN
PARTNER
M No : 093845

DELHI :
Dated : 30th July, 2011

NEW DELHI :
Dated : 30th July, 2011

NOTES TO ACCOUNTS

- 1 The accounts of the Company are prepared under the historical convention in accordance with applicable standards and relevant presentational requirements of the Companies Act, 1956.
- 2 No Profit & Loss Account has been prepared as the Company's operations have not yet commenced.
- 3 Detail of Preliminary Expenses :

	(31-3-2011)	(31-3-2010)
— Registration Charges	14,000	14,000
— Legal Charges	7,400	7,400
— Directors Fees	63,000	57,250
— Bank Charges	1,727	1,233
— Audit Fee	25,656	23,450
— Filing Fees	10,880	9,980
— Misc.Expenses	30	30
— Professional Fee	6,618	3,309
	<u>1,29,311</u>	<u>1,16,652</u>

HARI KRISHAN AHUJA
I.D.CHUGH
HIRA LAL BHATIA
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

} DIRECTORS

NEW DELHI :
Dated : 30th July, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Statement showing particulars as described in the amendments to Schedule VI
Companies Act 1956, vide notification No.G.S.R. 388 (E) dated May 15, 1995

I) REGISTRATION DETAILS

Registration Number
State Code
Balance Sheet Date

3 4 2 6 0

0 0 5

31st March 2011

II) CAPITAL RAISED DURING THE YEAR ENDED 31ST MARCH, 2011

Public Issue
Rights Issue
Bonus Issue
Private Placement
Others

—

—

—

—

—

III) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS AS AT 31ST MARCH, 2011

Total Liabilities
Total Assets

5 0 4 4 1 0

5 0 4 4 1 0

Sources of Funds

Paid up Capital
Reserves and Surplus
Secured Loans
Unsecured Loans

5 0 0 0 0 0

—

—

—

Application of Funds

Net Fixed Assets
Investments
Net Current Assets

—

—

5 0 0 0 0 0

IV) PERFORMANCE OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH 2011

Turnover (Net Sales and other Income)
Total Expenditure
Profit before tax
Profit after tax
Earning Per Share
Dividend Rate (%)

—

—

—

—

—

—

FOR MEHRA KHANNA & COMPANY
CHARTERED ACCOUNTANTS
FRN : 001141N

HARI KRISHAN AHUJA
I.D.CHUGH
HIRA LAL BHATIA
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

} DIRECTORS

CA. RAJIV BHASIN
PARTNER

M NO : 093845

Delhi :

Dated : 30th July, 2011

New Delhi :

Dated : 30th July, 2011

ATLAS CYCLES (MALANPUR) LIMITED.

DIRECTORS' REPORT

TO THE MEMBERS:

Your directors have pleasure in presenting their Eleventh Annual Report together with the audited accounts of the Company for the year ended 31st March, 2011. 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:

- a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- b. 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 31st March, 2011.
- c. 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.
- d. 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
JAI NARAIN SAWHNEY
PRITHVI RAJ CHAWLA



DIRECTORS

New Delhi
Dated : 30th July, 2011

AUDITORS' REPORT

To the Members of **ATLAS CYCLES (MALANPUR) LIMITED**

- 1) We have audited the attached Balance Sheet of M/S Atlas Cycles (Malanpur) Limited as at 31st March 2011 annexed thereto which we have signed under reference to this report. These Financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we state that paragraphs 4 and 5 of the said order do not apply to the company.
- 4) Further to our comments in the annexure referred to in paragraph 3 above, 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 purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - c) The balance sheet profit dealt with by this report is in agreement with the books of account.
 - d) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the mandatory accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written presentations received from the directors and taken on record by the Board of Directors of the Company, none of the directors is disqualified as on 31st March, 2011, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said account together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011;

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

Place: Delhi
Date: 30th July, 2011

CA. RAJIV BHASIN
(Partner)
Mem. No.: -093845

**ATLAS CYCLES (MALANPUR) LTD.
BALANCE SHEET AS AT 31ST MARCH, 2010**

CAPITAL & LIABILITIES	31-3-2011	31-3-2010	ASSETS	31-3-2011	31-3-2010
	Rs.	Rs.		Rs.	Rs.
SHARE CAPITAL			CURRENT ASSETS LOANS AND ADVANCES		
AUTHORISED			Bank Balances		
5000 Equity Shares of Rs.10/- each	<u>5,00,000</u>	<u>5,00,000</u>	Central Bank of India C/A	3,76,648	3,88,073
ISSUED, SUBSCRIBED & PAID UP			PRILIMINARY EXPENSES TO THE EXTENT NOT WRITTEN OFF	1,27,762	1,16,337
50000 Equity Shares of Rs.10/- each (fully paid up)	5,00,000	5,00,000			
CURRENT LIABILITIES & PROVISIONS					
Audit Fee payable	<u>4,410</u>	<u>4,410</u>			
	5,04,410	5,04,410		5,04,410	5,04,410

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

HARI KRISHAN AHUJA
I.D.CHUGH
HIRA LAL BHATIA
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

} DIRECTORS

CA. RAJIV BHASIN
PARTNER
M No : 093845

DELHI :
Dated : 30th July, 2011

NEW DELHI :
Dated : 30th July, 2011

NOTES TO ACCOUNTS

- 1 The accounts of the Company are prepared under the historical convention in accordance with applicable standards and relevant presentational requirements of the Companies Act, 1956.
- 2 No Profit & Loss Account has been prepared as the Company's operations have not yet commenced.
- 3 Detail of Preliminary Expenses :

	(31-3-2011)	(31-3-2010)
— Registration Charges	14,000	14,000
— Legal Charges	7,400	7,400
— Directors Fees	62,750	57,250
— Bank Charges	1,028	918
— Audit Fee	25,656	23,450
— Filing Fees	10,280	9,980
— Misc.Expenses	30	30
— Professional Expenses	<u>6,618</u>	<u>3,309</u>
	1,27,762	1,16,337

HARI KRISHAN AHUJA
I.D.CHUGH
HIRA LAL BHATIA
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

} DIRECTORS

NEW DELHI :
Dated : 30th July, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Statement showing particulars as described in the amendments to Schedule VI
Companies Act 1956, vide notification No.G.S.R. 388 (E) dated May 15, 1995

I) REGISTRATION DETAILS

Registration Number
State Code
Balance Sheet Date

3 4 2 5 9

0 0 5

31st March 2011

II) CAPITAL RAISED DURING THE YEAR ENDED 31ST MARCH, 2011

Public Issue
Rights Issue
Bonus Issue
Private Placement
Others

—
—
—
—
—

III) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS AS AT 31ST MARCH, 2011

Total Liabilities
Total Assets

5 0 4 4 1 0

5 0 4 4 1 0

Sources of Funds

Paid up Capital
Reserves and Surplus
Secured Loans
Unsecured Loans

5 0 0 0 0 0

—
—
—

Application of Funds

Net Fixed Assets
Investments
Net Current Assets

—
—

5 0 0 0 0 0

IV) PERFORMANCE OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH 2011

Turnover (Net Sales and other Income)
Total Expenditure
Profit before tax
Profit after tax
Earning Per Share
Dividend Rate (%)

—
—
—
—
—
—

FOR MEHRA KHANNA & COMPANY
CHARTERED ACCOUNTANTS
FRN : 001141N

HARI KRISHAN AHUJA
I.D.CHUGH
HIRA LAL BHATIA
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

}

DIRECTORS

CA. RAJIV BHASIN
PARTNER
M NO : 093845

Delhi
Dated : 30th July, 2011

New Delhi
Dated : 30th July, 2011

**AUDITORS REPORT TO THE BOARD OF DIRECTORS OF
ATLAS CYCLES (HARYANA) LIMITED ON THE CONSOLIDATED
FINANCIAL STATEMENT OF ATLAS CYCLES (HARYANA) LIMITED
AND ITS SUBSIDIARIES**

We have examined the attached Consolidated Balance Sheet of Atlas Cycles (Haryana) Limited and its subsidiaries as at March 31, 2011, the consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year then ended.

These Financial statements are the responsibility of Atlas Cycles (Haryana) Ltd. management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted Auditing Standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared in all material aspects, in accordance with audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

We report that the Consolidated Financial Statement have been prepared by the company in accordance with the requirements of Accounting Standard (AS-21- Consolidated financial Statements), issued by the institute of Chartered Accountants of India and on the separate audit financial statements of Atlas Cycles (Haryana) Ltd. and that of its subsidiaries includes in the Consolidated Financial Statements.

On the basis of the information and explanations given to us we are of the opinion that:

- a) The Consolidated Balance Sheet gives a true and fair view in conformity with the Accounting Principles generally accepted in India, of the Consolidated State of Affairs of Atlas Cycles (Haryana) Ltd. and its subsidiaries as at March 31, 2011;
- b) The Consolidated Profit and Loss Account gives a true and fair view in conformity with the accounting principles generally accepted in India of the Consolidated results of operations of Atlas Cycles (Haryana) Ltd. and its subsidiaries for the year then ended;
- c) The Consolidated Cash Flow Statement gives a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated cash flow of Atlas Cycles (Haryana) Ltd. and its subsidiaries for the year then ended.

For MEHRA KHANNA AND CO.
CHARTERED ACCOUNTANTS
FR No.:-001141N

CA. RAJIV BHASIN
(PARTNER)
Mem. No:-093845

PLACE: DELHI
DATE: 25th August, 2011

ATLAS CYCLES (HARYANA) LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31-3-2011

	Schedules	2011		2010	
		Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS					
Shareholders Funds					
Issued Share Capital	1	3,25,19,190		3,25,19,190	
Reserves & Surplus	2	<u>1,20,14,68,467</u>		<u>1,18,09,02,509</u>	
			1,23,39,87,657		1,21,34,21,699
Loan Funds					
Secured Loans	3	72,94,98,330		88,01,46,582	
Unsecured Loans		<u>14,28,74,000</u>		<u>10,97,05,000</u>	
			87,23,72,330		98,98,51,582
			<u>2,10,63,59,987</u>		<u>2,20,32,73,281</u>
APPLICATION OF FUNDS					
Fixed Assets	4	1,00,06,51,254		83,42,82,398	
Investments	5	26,21,60,758		8,41,30,428	
Current assets, loans and advances	6	3,22,21,11,381		3,21,52,76,733	
Less Current liabilities and provisions	7	<u>2,29,92,47,612</u>		<u>1,85,80,60,261</u>	
Net Current Assets			92,28,63,769		1,35,72,16,472
Less Deferred Tax Liability			7,97,00,000		7,27,00,000
Priliminary and preoperative expenses			3,84,206		3,43,983
			<u>2,10,63,59,987</u>		<u>2,20,32,73,281</u>
Notes to the Accounts	10				

SANJEEV KUMAR
COMPANY SECRETARY

SALIL KAPUR
PRESIDENT

JAI DEV KAPUR
PRESIDENT

VIKRAM KAPUR
PRESIDENT

RAJESH KAPOOR
C.E.O

GANESH IYER
C.F.O.

S.KHANNA
C.F.O

C.M.DHALL
C.F.O

The schedules referred to above form an integral part of the Accounts.
This is the Balance Sheet referred to in our report of even date.

For MEHRA KHANNA & CO
Chartered Accountants
FRN : 001141N

CA.RAJIV BHASIN
PARTNER
M No : 093845

HARI KRISHAN AHUJA
HIRA LAL BHATIA
I.D.CHUGH
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

}

DIRECTORS

Delhi:the 25th AUGUST, 2011

New Delhi:the 25th AUGUST, 2011

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	Schedules	2011	2010
		Rs.	Rs.
INCOME			
GROSS TURN OVER		7,93,30,99,459	6,76,90,80,643
LESS:EXCISE		9,69,72,481	6,90,64,609
SALE NET OFF EXCISE		7,83,61,26,978	6,70,00,16,034
LESS :REBATE		18,42,32,752	15,67,08,605
NET SALE		7,65,18,94,226	6,54,33,07,429
OTHER INCOME	8	4,08,95,117	6,02,58,111
		7,69,27,89,343	6,60,35,65,540
EXPENDITURE			
	9	7,62,63,94,157	6,54,63,69,693
PROFIT BEFORE EXTRA ORDINARY ITEMS		6,63,95,186	5,71,95,847
EXTRA ORDINARY ITEM:			
EXTRA ORDINARY ITEM :-LEGAL(SEE NOTE NO 14)		67,65,129	57,14,617
PROFIT BEFORE TAXATION		5,96,30,057	5,14,81,230
PROVISION FOR TAXATIONS:CURRENT, FBT AND DEFERRED		2,20,00,000	1,34,00,000
PROFIT AFTER TAXATION		3,76,30,057	3,80,81,230
PROFIT BROUGHT FORWARD		1,54,29,193	1,44,12,062
PROFIT FOR APPROPRIATION		5,30,59,250	5,24,93,292
APPROPRIATION			
PROPOSED DIVIDEND		1,46,33,635	1,46,33,635
DIVIDEND TAX		24,30,464	24,30,464
GENERAL RESERVE		2,00,00,000	2,00,00,000
SURPLUS CARRIED FORWARD		1,59,95,151	1,54,29,193
		5,30,59,250	5,24,93,292
Notes to the Accounts	10		
SANJEEV KUMAR COMPANY SECRETARY	SALIL KAPUR PRESIDENT	JAI DEV KAPUR PRESIDENT	VIKRAM KAPUR PRESIDENT
RAJESH KAPOOR C.E.O	GANESH IYER C.F.O.	S.KHANNA C.F.O	C.M.DHALL C.F.O

The schedules referred to above form an integral part of the Accounts.
This is the Profit and Loss Account referred to in our report of even date.

For MEHRA KHANNA & CO
Chartered Accountants
FRN : 001141N

CA.RAJIV BHASIN
PARTNER
M No : 093845

Delhi:the 25th AUGUST, 2011

HARI KRISHAN AHUJA
HIRA LAL BHATIA
I.D.CHUGH
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

}

DIRECTORS

New Delhi:the 25th AUGUST, 2011

SCHEDULES FORMING PART OF THE BALANCE SHEET

1. SHARE CAPITAL		2011		2010	
		Rs.	Rs.	Rs.	Rs.
Authorised Share Capital					
30000	61/4% P.A. free of Income tax cumulative redeemable Preference shares of Rs.100 each	30,00,000		30,00,000	
9700000	Equity Shares of Rs.10 each	9,70,00,000		9,70,00,000	
			<u>10,00,00,000</u>		<u>10,00,00,000</u>
Issued,Subscribed & Paid Up Share Capital					
1387790	Equity Shares of Rs.10 each fully paid up for cash		1,38,77,900		1,38,77,900
1734792	Equity Shares of Rs.10 each fully paid up by way of Bonus shares by capitalisation of reserves		1,73,47,920		1,73,47,920
129337	Equity Shares of Rs.10 each fully paid up allotted in terms of the scheme of amalgamation of Atlas Auto Cycles Ltd. for consideration other than cash		12,93,370		12,93,370
			<u>3,25,19,190</u>		<u>3,25,19,190</u>
2. RESERVES & SURPLUS					
		2011		2010	
		Rs.	Rs.	Rs.	Rs.
Capital Reserve:					
Fixed Assets Revaluation Reserve					
	As per last Balance sheet		3,89,74,063		3,89,74,063
Revenue Reserves :					
A. General Reserve					
	As per last Balance sheet	1,06,58,79,068		1,04,58,79,068	
	Amount Transferred from Profit & loss Account	2,00,00,000	1,08,58,79,068	2,00,00,000	1,06,58,79,068
B.Share Premium Reserve					
	As per last Balance sheet		6,06,20,185		6,06,20,185
D.Profit & Loss Account					
	Surplus carried forward		1,59,95,151		1,54,29,193
			<u>1,20,14,68,467</u>		<u>1,18,09,02,509</u>

3. LOANS	2011	2010
	Rs.	Rs.
A. Secured Loans		
i. Term Loan	29,18,71,729	24,07,54,280
ii. Net loans from banks	20,54,54,567	46,41,77,711
iii. Other Loans	<u>23,21,72,034</u>	<u>17,52,14,591</u>
	72,94,98,330	88,01,46,582
B. Unsecured Loans		
i. Fixed deposits from Share holders & Public	14,28,74,000	10,97,05,000
	<u>14,28,74,000</u>	<u>10,97,05,000</u>
	87,23,72,330	98,98,51,582

NOTES:

1. Net loans from banks are secured by way of hypothecation of stocks and trade debtors and all the immovable property of the Company by way of a first charge pertaining to existing properties and those which it may acquire in the future.
2. Term loan from Banks are secured by way of first parri passu charge on concerned unit's existing immovable properties and those which it may acquire in the future.
3. Other Secured loans includes Loan of Bill Discounting Limit are secured by way of second charge on fixed assets of respective units, and also includes loan against hypothecation of vehicles.

4.FIXED ASSETS

	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 31.3.2010	66,52,76,628	57,72,56,815	4,65,27,764	2,60,17,706	14,64,27,840	7,21,13,204	3,16,16,457	1,56,52,36,414
Additions	7,01,18,321	9,21,03,279	21,01,498	1,74,800	3,96,12,295	37,09,705	2,79,81,569	23,58,01,467
sales/Adjustment	0	1369450	105040	0	32430952	107347	10000	3,40,22,789
As at 31st March 2011	73,53,94,949	66,79,90,644	4,85,24,222	2,61,92,506	15,36,09,183	7,57,15,562	5,95,88,026	1,76,70,15,092
DEPRECIATION								
As at 31.3.2010	16,47,77,529	39,22,50,667	3,92,46,149	1,99,56,907	7,32,47,491	4,14,75,270	0	73,09,54,013
For the Year	1,44,06,839	1,99,88,352	41,50,310	6,64,285	1,41,86,488	36,13,597	0	5,70,09,871
sales/Adjustment	17,140	13,69,221	56,843	0	2,01,46,693	10,149	0	2,16,00,046
As at 31.3.2011	17,91,67,228	41,08,69,798	4,33,39,616	2,06,21,192	6,72,87,286	4,50,78,718	0	76,63,63,838
NET ASSETS								
As at 31st March 2011	55,62,27,721	25,71,20,846	51,84,606	55,71,314	8,63,21,897	3,06,36,844	5,95,88,026	1,00,06,51,254
As at 31st March 2010	50,04,99,096	18,50,06,150	72,81,614	60,60,799	7,31,80,349	3,06,37,933	3,16,16,457	83,42,82,398

5. INVESTMENTS

	Nominal Value	2011 No of Shares/Units	Amount Paid	2010 No. of Shares	Amount Paid
(I) Long term Investments (At Cost)					
(a) Non Trade Investemnts (Unquoted)					
i 12 years National Defence Certificate for face value of Rs.1750 pledged with Government departments as security	1,750	0	1,750	0	1,750
ii 7 years National Saving Certificates(II issue) pledged with Excise authorities	10,000	0	10,000	0	10,000
(b) Non Trade Investment (Quoted)					
CENTRAL BANK OF INDIA	102	778	79,356	778	79,356
ADANI ENTERPRISES LTD.	-	-	-	924	4,43,495
AXIS BANK LTD.	10	403	5,29,015	-	-
BHARTI AIRTEL LTD.	-	-	-	941	2,98,146
BHARAT HEAVY ELECTRICALS LTD.	-	-	-	289	6,76,367
BAJAJ AUTO LTD.	10	576	8,19,743	-	-
COAL INDIA LTD.	10	720	2,20,929	-	-
COROMANDAL INTERNATIONAL LTD.	1	1,596	4,96,944	-	-
DIVIS LABORATORIES LTD.	2	1,624	10,90,413	476	2,75,147
EXIDE INDUSTRIES LTD.	1	4,408	7,24,820	-	-
ESS DEE ALUMINIUM LTD.	10	1,968	8,77,965	-	-
GREAVES LTD.	2	151	4,15,079	-	-
HDFC BANK LTD.	-	-	-	174	2,74,074
HOUSING DEVELOPMENT FINANCE CORP.LTD.	2	847	5,25,663	259	6,41,323
HAVELLS INDIA LTD.	5	1,211	5,05,427	-	-
HIMADRI CHEMICALS LTD.	1	6,320	2,94,468	-	-
ITC LTD.	-	-	-	1,904	4,68,040
INFOSYS TECHNOLOGY LTD.	5	163	5,05,376	-	-
LARSON & TOURBO LTD.	-	-	-	352	5,33,832
LUPIN LTD.	2	2,560	10,34,690	-	-
MARUTI UDYOG LTD.	-	-	-	327	4,48,313
MOTHERSON SUMI SYSTEMS LTD.	1	2,588	5,00,002	-	0
NESTLE INDIA LTD.	10	99	3,24,343	2,100	4,48,699
OPTO CIRCUIT LTD.	10	3,871	10,52,057	-	0
RELIANCE INDUSTRIES LTD.	-	-	-	550	5,51,520
RURAL ELECTRIFICATION CORP. LTD.	-	-	-	2,495	5,60,249
RALLIES INDIA LTD.	10	536	7,18,853	-	-
STATE BANK OF INDIA	10	122	3,14,273	280	5,55,509
SUN PHARMACEUTICALS INDUSTRIES LTD.	1	964	4,03,520	178	2,71,101
SHRIRAM TRANSPORT FINANCE LTD.	10	646	4,91,326	-	-
TATA CONSULTANCY SERVICE LTD	-	-	-	372	2,73,148
TORRENT POWER LTD.	10	1,530	5,04,253	1,884	5,62,095
THERMAX LTD.	2	365	2,92,767	-	-
TITAN INDUSTRIES LTD.	10	75	2,40,239	-	-
TULIP TELCOM LTD.	2	2,217	4,08,024	-	-
YES BANK LTD.	10	3,354	9,97,461	-	-
			<u>1,43,78,756</u>		<u>73,72,164</u>
(II) Current Investments (At Lower of Cost and Fair market value)					
AXIS MUTUAL FUND-(G)	10	10,00,000	1,00,00,000	0	-
BIRLA SUNLIFE MUTUAL FUND-(G)	10	36,04,458	4,03,15,068	6,10,583	1,00,00,000
CANARA ROBECO MUTUAL FUND-(G)	10	23,54,359	3,00,00,000	0	-
FIDELITY MUTUAL FUND-(G)	10	10,00,000	1,00,00,000	-	-
HDFC MUTUAL FUND-(G)	10	10,90,627	1,50,31,496	6,24,961	1,00,00,000
ICICI MUTUAL FUND-(G)	100	1,190	2,15,047	0	-
IDFC MUTUAL FUND-(G)	10	10,89,811	1,50,35,987	-	-
RELIANCE MUTUAL FUND-(G)	10	20,86,790	2,97,88,239	42,97,327	4,49,96,352
RELIGARE MUTUAL FUND-(G)	10	10,00,000	1,00,00,000	-	-
SUNDARAM BNP PARIBAS MUTUAL FUND-(G)	10	23,64,638	3,00,00,000	0	-
STATE BANK MUTUAL FUND-(G)	10	20,00,000	2,00,00,000	-	-
TATA MUTUAL FUND-(G)	100	6,40,246	1,00,00,000	0	-
UTI MUTUAL FUND-(G)	1,000	846	20,00,000	-	-
KOTAK MAHINDRA MUTUAL FUND-(D)	-	49,501	6,00,000	49,501	600,000
PRINCIPAL CASH MANAGEMENT-(D)	10	4,18,905	62,87,598	-	-
PRINCIPAL MUTUAL FUND-(D)	10	1,000	1,00,000	2,16,516	3,758,973
DSP BLACKROCK MUTUAL FUND-(D)	1,000	2,514	25,16,122	11,656	1,402,939
THE OCJIAN'S ART FUND-(D)	100	50,000	50,00,000	50,000	5,000,000
PRINCIPAL MUTUAL FUND-(D)	-	10,000	10,00,000	10,000	1,000,000
			<u>23,78,89,557</u>		<u>76,758,264</u>
INVESTMENT IN BONDS					
10.75% DPSC BONDS 03/11/2020	2,00,000	48	9,89,24,445	0	-
Aggregate Total Investments At Cost			<u>26,21,60,758</u>	-	<u>8,41,30,428</u>

Note: during the year the company acquired and sold following current investments

Name of Fund	Face Value Rs.	No of Units	Purchase Cost Rs in Lacs
Mutual Fund			
BIRLA SUN LIFE MUTUAL FUND	10	38,29,500	902.16
HDFC MUTUAL FUND	10	29,70,707	401.42

6.CURRENT ASSETS, LOANS AND ADVANCES

	2011		2011	
	Rs.	Rs.	Rs.	Rs.
A. STOCKS (At lower of cost or net realisable value as certified by the management)				
1. Stores, spare parts, advertisement materials and other material	117782481		91470751	
2. Loose tools	5937029		4876705	
3. Production materials	688704319		497225869	
4. Finished Goods	216746636		155342213	
5. Work in Progress	32697103		25612070	
6. Scrap	828174		3302469	
7. Goods in transit	0		33957	
	<u>1062695742</u>		<u>777864034</u>	
B. DEBTORS				
a. Debts exceeding six months considered good	260698548		290092114	
b. Debts exceeding six months considered doubtful	23622240		22367563	
c. Other debts considered good	1200199741		1336523405	
	<u>1484520529</u>		<u>1648983082</u>	
Less: Provision for doubtful debts	23622240		22367563	
	<u>1460898289</u>		<u>1626615519</u>	
C. LOANS AND ADVANCES				
a. Unsecured considered good				
i. Advances recoverable in cash or kind or for value to be received (see note i a & b below)	385480196		382929308	
ii. Security deposits	32529890		30334269	
iii. Prepaid expenses	4454501		3646329	
iv) Claim recoverable	516114		1692854	
	<u>422980701</u>		<u>418602760</u>	
b. Advance tax and tax deducted at source	232886923		208416418	
	<u>655867624</u>		<u>627019178</u>	
D. CASH AND BANK BALANCES				
a. Cash in Hand	5536448		2720997	
b. Dividend Accounts	2420187		6453618	
c. Unclaimed Debenture and Interest	0		3574932	
d. Fixed Deposits with banks	34693091		171028455	
	<u>42649726</u>		<u>183778002</u>	
	<u>3222111381</u>		<u>3215276733</u>	

* During the year certain amount was fraudulently withdrawn from unpaid Dividend account for the year 2008-09 against which FIR has been filed by the Bankers, exact amount of fraud is not quantifiable at present.

NOTES:

i. Loans & Advances include due from :

- a) Officers Rs.5,63,802/ (Previous Year Rs.5,82,103) Maximum amount due at any time during the year Rs .31,85,599(Previous Year Rs.25,01,914)
b) Advances to Whole-time Director Rs.nil(Previous Year Rs.Nil) Maximum amount Due at any time during the year Rs.7,89,807(Previous Year Rs 6,84,333)

7. CURRENT LIABILITIES AND PROVISIONS:

	2011		2010	
	Rs.	Rs.	Rs.	Rs.
a. Current Liabilities				
l) Sundry Creditors-SSI	335231891		397472174	
-Other Sundry Creditors*	1459756298		985382680	
ii) Interest accrued but not due on loans	10229710		5006845	
iii) Unclaimed Debenture and Interest*			3574932	
iv) Unclaimed dividends*	2420187	1807638086	6453618	1397890249
b) Provision for Taxation		187297427		178557913
c) Provision for Proposed Dividend		14633635		14633635
d) Provision for Dividend Tax		2430464		2430464
e) Provision for Extra Ordinary Item(Revenue Loss)		59518000		59518000
Provision for Extra Ordinary Item		50030000		50030000
f) Advance against sale of land **		177700000		155000000
		<u>2299247612</u>		<u>1858060261</u>

* Do not include any amount outstanding as on March 31st,2011 which are required to be credited to Investor Education and Protection Fund.

** Includes Rs.15.50 crores and Rs.2.27 crores received as advance against sale of land of Rasoi plant and Ludhiana land respectively.

8. INCOME FROM OTHER SOURCES

	2011		2010	
	Rs.	Rs.	Rs.	Rs.
Miscellaneous Receipts		27994096		28793215
INTEREST:				
a) From banks	3549332		7929661	
b) Others	1253192	4802524	23611	7953272
Dividend from Current Investments		1052086		932699
Profit on sale of mutual funds		7046411		20986002
Profit on sale of assets		0		1592923
		<u>40895117</u>		<u>60258111</u>

(Tax deducted at source on interest from other sources including Rs. 5162218. (Previous Year Rs. 942295)

9 EXPENDITURE

	2011		2010	
	Rs.	Rs.	Rs.	Rs.
A. RAW MATERIAL CONSUMED				
Cost of Raw Material Consumed				
Opening Stock of Raw Material	497225869		385802122	
Add Purchases	5987833383		5025281077	
	<u>6485059252</u>		<u>5411083199</u>	
Less Closing Stock of Raw Material	688704319	5796354933	497225869	4913857330
(Increase)/decrease in Stock				
Opening stock:				
Finished goods	155342213		252828165	
Work In Progress	25612070		27199901	
Scrap	3302469		989346	
	<u>184256752</u>		<u>281017412</u>	
Closing stock:				
Finished goods	216746636		155342213	
WIP	32697103		25612070	
Scrap	828174		3302469	
	<u>250271913</u>		<u>184256752</u>	
(Increase)/decrease in Stock		-66015161		96760660
COST OF GOODS CONSUMED		<u>5730339772</u>		<u>5010617990</u>

B MANUFACTURING AND OTHER EXPENSES	2011		2010	
	Rs.	Rs.	Rs.	Rs.
Salaries,Wages & Bonus		325072654		276239713
Contribution to Employees Provident Fund, Pension Fund,Employees State Insurance and Gratuity Fund		43609511		38238474
Workers & Staff Welfare		26274988		24472375
Power & Fuel		86441176		75760253
Consumption Of stores & spare parts		420779394		243968442
Consumption of packing material		177311735		99715668
Repairs to machinery		24144885		37028950
Repairs to building		20462221		35643802
Other repairs		24623978		24903733
Rent		8753664		11315282
Rates & Taxes		22622208		10041084
Insurance Charges		4648594		3677575
Printing,Stationary & Postage Telephone		15283293		15961262
Advertisements & Sales Promotion		47929282		56369915
Directors Remuneration		497130		314000
Travelling Expenses		58168345		57124227
Research & Development		533132		367040
Auditors emoluments:				
Audit Fees	1347500		1223227	
Tax Audit fees	159500		146699	
For other Certifications	275270	1782270	<u>205643</u>	1575569
Transport & Railway Freight		259461013		235793037
Charity & Donations		842951		127131
Commission to Selling Agents		12168336		9096778
Cartage,Octroi etc.		52167041		33698411
Miscellaneous		89375759		88882925
Bad Debts W/off		3425		67081
Loss on sale of Assets		338736		<u>396382</u>
			1723295721	1380779109
C. INTEREST				
On term loans and unsecured fixed deposits		24974118		23561115
Others		90774675		<u>81078329</u>
			115748793	104639444
D. DEPRECIATION				
Depreciation		57009871		<u>50333150</u>
		7626394157		<u>6546369693</u>

SCHEDULE (10)**NOTES FORMING PART OF THE ACCOUNTS.****I. ACCOUNTING POLICIES:****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 at 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.

II. NOTES FORMING PART OF THE ACCOUNTS**2011****2010****Rs.****Rs.****1. CONTINGENT LIABILITIES IN RESPECT OF**

a) Surety bonds executed in favor of President of India through Customs & Excise authorities for payment of Central Excise/Custom duty	1,64,99,412	1,64,99,412
b) Two surety bonds in favour of government of Haryana for payment of Central & Local Sales Tax	30,40,000	30,40,000
c) Guarantees given by bank	15,09,72,561	14,01,77,319
d) In respect of Entry Tax matters	5,00,000	2,79,000
e) In respect of Excise matters	52,00,000	56,20,000
f) In respect of Sales Tax matters	6,01,49,000	6,59,65,000

2. LICENCED & INSTALLED CAPACITY AND PRODUCTION

Class of Product		Licensed Capacity	Installed Capacity*	Production
1. Bicycle/Exerciser	Nos	39,40,000	46,00,000	31,45,790
		(39,40,000)	(46,00,000)	(28,98,352)
2. Steel Tube	M.Tonnes	50,000	50,000	18316
		(50,000)	(50,000)	(18,975)

* Installed Capacity as certified by the Management.

3. SALE, OPENING AND CLOSING STOCK OF GOODS PRODUCED

a) Sales	2011		Nos	2010	
	Nos	Value Rs.		Value Rs.	
(i) Bicycles/Accessories	31,37,593	6,90,52,47,399	28,90,265	5,59,44,03,297	
(ii) Bicycle components and accessories		16,04,51,585		48,44,71,925	
(iii) Steel Tubes		83,69,36,777		66,67,63,063	
(iv) Scrap		3,04,63,698		2,34,42,358	
		<u>7,93,30,99,459</u>		<u>6,76,90,80,643</u>	
b) Opening Stock					
(i) Bicycle components and accessories		15,92,75,270		26,00,13,665	
(ii) Steel Tubes		2,16,79,013		2,00,14,401	
(iii) Scrap		33,02,469		9,89,346	
		<u>18,42,56,752</u>		<u>28,10,17,412</u>	
c) Closing Stock					
(i) Bicycle components and accessories		20,61,99,336		15,92,75,270	
(ii) Steel Tubes		4,32,44,403		2,16,79,013	
(iii) Scrap		8,28,174		33,02,469	
		<u>25,02,71,913</u>		<u>18,42,56,752</u>	

Notes:

The quantitative details of bicycles components, accessories and quantity of steel tubes sold, opening stock & closing stock are not given as there are large number of components and accessories and so many sizes of steel tubes respectively.

4. DETAILS OF RAW MATERIAL CONSUMED DURING THE YEAR

	Units	Quantity	2011		2010	
			Value Rs.	Quantity	Value Rs.	
(i) Sheets & Strips	Kgs.	2,37,44,735	98,25,71,724	2,45,13,284	94,58,06,253	
(ii) Tyres	Nos.	60,04,188	52,69,73,825	54,17,157	37,49,21,310	
(iii) Tubes	Nos.	60,54,829	22,51,41,971	55,31,234	16,32,18,348	
(iv) Rims	Nos.	45,79,491	43,04,78,902	41,86,312	34,39,03,148	
(v) Other Items	-		34,09,36,193		32,60,02,853	
(vi) Components	-		3,29,02,52,318		2,76,00,05,418	
			<u>5,79,63,54,933</u>		<u>4,91,38,57,330</u>	

5. 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	2,16,51,66,422 (1,82,78,49,059)	100 (100)	NIL (NIL)	0 (0)
(ii) Components	3,33,52,35,939 (2,77,00,61,082)	91.85 (82.12)	29,59,52,572 (31,59,47,189)	8.15 (10.24)

Previous Year figures are shown in brackets.

6. VALUE OF TOTAL IMPORTS ON CIF BASIS	2011	2010
	Rs.	Rs.
(i) Raw Material, Components & Spare Parts	29,90,13,925	36,87,39,579
(ii) Capital Goods	2,03,52,867	60,46,358
	<u>31,93,66,792</u>	<u>37,47,85,937</u>

7. EXPENDITURE IN FOREIGN CURRENCY

	2011	2010
	Rs.	Rs.
(i) Commission on export	38,34,328	55,26,204
(ii) Foreign Tours	1,34,80,077	1,19,35,243
(iii) Foreign Publicity & exhibition	-	1,77,955
	<u>1,73,14,405</u>	<u>1,76,39,402</u>

8. EARNINGS IN FOREIGN EXCHANGE

F.O.B. Value of goods exported	27,72,71,095	18,75,60,976
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9. 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.

- Inter segment revenue have been accounted on cost to the receiving segmental unit.
- 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."
- 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

(Figure in Rs. Lacs)

Particulars	TUBE MILL		CYCLE UNIT		TOTAL	
	2011	2010	2011	2010	2011	2010
Segment Revenue						
External Sales	8517.84	7637.93	70813.15	60052.88	79330.99	67690.81
Less Excise	911.8	690.65	57.92	0	969.72	690.65
Inter Segment Sales	928.19	1190.66	0	0	928.19	1190.66
Other Income	0.25	1.09	408.70	601.49	408.95	602.58
Total Revenue	8534.48	8139.03	71163.93	60654.37	79698.41	68793.40
Segment Results	86.45	21.31	1667.34	1539.89	1753.79	1561.20
Unallocated Expenses	-	-	-	-	-	-
Operating Profit	86.45	21.31	1667.34	1539.89	1753.79	1561.20
Interest Expenses	132.76	63.06	1024.73	983.33	1157.49	1046.39
Unallocated Interest	-	-	-	-	-	-
Net Profit before Tax	-46.31	-41.75	672.61	556.56	596.30	514.81

Particulars	TUBE MILL		CYCLE UNIT		TOTAL	
	2011	2010	2011	2010	2011	2010
Income Tax						
Current,deferred and FBT	-	-	-	-	220	134.00
Net Profit	-	--	-	---	376.30	380.81
Other Information						
Segment Assets	6480.15	6429.22	36561.51	33106.76	43041.66	39535.98
Common assets	-	-	-	-	1822.56	1815.21
Total Assets	6480.15	6429.22	36561.51	33106.76	44864.22	41351.89
Segment Liabilities						
Segmental Liabilities	3300.35	2831.34	38754.54	35727.85	42054.89	38559.17
Common Liabilities		-		-	2809.33	2792.72
Total Liabilities	3300.35	2831.34	38754.54	35727.85	44864.22	41351.89
Capital Expenditure	129.03	49.47	2228.98	875.41	2358.01	924.88
Depriciation	95.05	92.69	475.05	410.64	570.10	503.33

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

Kanwal Engg.Works,Hansa Tubes Pvt Ltd,Nagpal Enterprises,S.K.Agarwal & co,Hansa Mettallics Ltd,Suriendra Cycles Pvt Ltd,Aditya Industries, Advance Plastics Industries,Gobind Cycles Pvt Ltd, Gupta Bikes Pvt Ltd,Jeet Enterprises,Jsts,K.S.Munjal Industries, Lion Industries, New Modern Steels Industries,Rana Enterpsies,Rider Bikes Pvt Ltd,Rolex Cycles Pvt Ltd,S.K.Sons,Sabharwal Enterprises ,Sandow Balls (India),Sood Industries,Sukhmani Steels, Sunny Cycles Pvt Ltd,Swastik Packaging,Swastik Polythene Industries, Synergy India,Vishal Cycles Pvt Ltd, Vishal Udyog Pvt Ltd,Vts Creations ,Amrit Industries,Shree Krishna Steels,Evershine Plastics Industries, Rishi Udyog,Pagan Paints & Chemical Pvt Ltd,Shree Thakur Engg. Works, Kamal Cycles Components, Auto Fans (India),Ark Engg. Pvt Ltd, Appu Cycles, Balbinder mechanical Works, V.J.Sales Corp.,Bider Engg. Co.,Birdi International, Bharat Cycles Udyog,Chandan Industries, Chopra Engineers,D.K.Industries, Ess Pee Industries,Emm Industries,Fit Right Engineer,Great Gear Pvt Ltd,Hainkain Industries,J.B.Industries,jain International, Jai Shiva Trading Co.,Kular Cycles Industries,Koon Cycles Industries,Kumar Enterprises,Kapson Industries,K.B.Kapoor Industries,Label &Sticker Industries,Meera Industries,Mukhtier Engg. Works, Mandeep Products,Naveen Enterprises, Nitya Enterprises,Om Shivam Cycles India,Om Industries,Partap Cycles Industries,Ranjeev Industries,Randhir Industrial Corp. Rahul Enterprises,S.S,Products India,Shree Attam Vallabh Industrial corp., Sahil Enterprises, Vee Pee Industries, Visvakarma Industries Pvt Ltd,Vinod Steel Craft, Arihant Product Pvt Ltd,Appar Packaging Pvt Ltd,Bajrang Industries, Carry Packers, Denzo Paints Pvt Ltd, Laxmi Chemicals , Margo Inds. India, Margo Fastners, Punjab Plastics Inds,Parko Industries, R.M.Industries,Amardeep Steels Industries,Anmol Industries, B.S.Lotey Brothers, Hindustan Tyres, Hightech Halftone, Mahaveer Steels, Durga Industries,H.K. Engineers,

11. EARNING PER SHARE

	2011	2010
(a) Profit after tax as per Profit & Loss A/c	3,76,30,057	3,80,81,230
(b) Weighted average number of shares of Rs. 10 each outstanding	32,51,919	32,51,919
(c) Earning per share	11.57	11.71

12. RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD 18

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

- I) i) **Associated companies:** Milton Cycles Inds Ltd, Janki Das & sons (P) Ltd, Janki Das & Co., Roamer Engineering Works (P) Ltd., Exotic Flora (P) Ltd..
- ii) **Subsidiary Companies are:** Atlas Cycles (Sonipat) Ltd, Atlas Cycles (Sahibabad) Ltd, Atlas Cycles (Malanpur) Ltd.
- II) **Directors & Employees (As on 31.03.2011) :** Sh. I.D. Chugh, Sh. H.K. Ahuja, Sh. H.L. Bhatia, Sh. J.N. Sawhney, Sh. P.R. Chawla, Sh. Jai Dev Kapur, 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)**

	2010-11	Associated Companies	2009-10
Sale of Goods	1409.43		1150.44
Purchase of Goods	6202.54		5583.51
Balances on year end	38.75		33.65
Guarantee Given	20.00		20.00

C. Transactions with key managerial persons:

Remunerations: Rs. 486.09 lacs (Previous Year Rs. 425.31 lacs)

13. DETAIL OF PROVISION FOR DEFERRED TAXATION

Timing difference on account of:

	Increase in Deferred Tax Liabilities 31.3.2011	31.3.2010
Difference between Book Depreciation And as per I Tax Act	70	34
Total	70	34
Net Deferred Tax Liabilities.	70	34

14 EXTRAORDINARY ITEMS - LEGAL & PROFESSIONAL

In order to recover the damage and loss which has been perpetrated by the ex. Malanpur Head, the legal actions initiated by the company in the recovery and its fight for its patent rights has caused the company legal expenses amounting to **Rs.67.65** lacs (Previous Year Rs. 57.14 lacs).

15. DETAILS OF PRILIMINARY AND PREOPERATIVE EXPENSES.

	2011 Rs.	2010 Rs.
Registration Charges	42,600	42,000
Legal Charges	22,200	22,200
Bank Charges	4,529	3,760
Audit Fees	77,003	70,385
Filing Fee	38,078	29,360
Directors Fees	1,86,500	1,69,000
Misc Expenses	60	60
Professional Charges	13,236	6,618
	<u>3,84,206</u>	<u>3,43,983</u>

16. Figure of the Previous Year have been re-arranged, wherever necessary.

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

	2011 Rs.	2010 Rs.
(a) Computation of profit for managerial remuneration		
Profit as per Profit & Loss A/c	5,96,30,057	5,14,81,230
Add: Directors remuneration including perquisites	12,53,406	11,00,391
Add Bad debts	3,425	67,081
	<u>6,08,86,888</u>	<u>5,26,48,702</u>
Less: Profit on Sale of Assets	0	15,92,923
Add: Depreciation as per Profit & Loss A/c	5,70,09,871	5,03,33,150
Less Depreciation as per Section 350 of companies Act, 1956	7,73,07,541	737,62,949
Net Profit	<u>4,05,89,218</u>	<u>2,76,25,980</u>
Commission eligible for payment @ 0.5% of the Net Profit (Previous Year 0.5%)	2,02,946	1,38,130
Actual Commission Paid to a Whole Time Director	1,38,130	83,735

	2011 Rs.	2010 Rs.
(b) Remuneration paid to a whole time director		
Salary	9,39,004	8,65,902
Long Service Allowance	1,500	1,500
Provident Fund Contribution	70,612	66,344
Leave Travel Assistance	49,670	46,760
Medical Expenses	54,490	36,150
Commission	1,38,130	83,735
	<u>12,53,406</u>	<u>11,00,391</u>

SANJEEV KUMAR
COMPANY SECRETARY

SALIL KAPUR
PRESIDENT

JAI DEV KAPUR
PRESIDENT

VIKRAM KAPUR
PRESIDENT

RAJESH KAPOOR
C.E.O

GANESH IYER
C.F.O.

S.KHANNA
C.F.O

C.M.DHALL
C.F.O

HARI KRISHAN AHUJA
HIRA LAL BHATIA
I.D.CHUGH
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

}

DIRECTORS

New Delhi:the 25th AUGUST, 2011

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	31st March 11	31 st March 10
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extra ordinary items	17,59,35,649	14,60,41,780
Adjustments for		
Depreciation & Misc. Write Offs	5,70,09,871	5,03,33,150
Operating Profit before Working Capital Changes	23,29,45,520	19,63,74,930
Adjustments for:		
(Increase)/Decrease in Trade & other Receivables	16,57,17,230	-9,74,52,685
(Increase)/Decrease in Inventories	-28,48,31,708	-3,92,91,098
(Increase)/Decrease in Loans and Advances	-43,77,941	8,54,90,381
(Decrease)/Increase in Trade Payables	43,88,27,939	-26,98,83,983
(Decrease)/Increase in Other Current Liabilities	52,22,865	9,28,610
Priliminary exp		
Cash Generated from Operations	55,35,03,905	-12,38,33,845
Direct Taxes Paid/Refund	-4,07,30,991	-1,31,83,712
Net Cash Flow from Operating Activities	51,27,72,914	-13,70,17,557
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	-23,58,01,470	-9,24,88,192
Proceeds on Sale of Fixed Assets	1,24,22,743	47,37,335
Dividend Income	-10,52,086	9,32,699
Purchase of Investments	-17,80,30,330	7,48,53,001
Proceeds from sale of investment	0	0
Net Cash Used in Investing Activities	-40,24,61,143	-1,19,65,157
C. Cash Flow from Financing Activities		
Proceeds from Borrowings	-11,75,19,475	32,12,25,546
Repayment of Borrowings	-	-
Interest Paid	-12,21,60,202	-10,46,39,444
Interest Received	48,02,524	79,53,272
Dividends Paid	-1,86,67,066	-1,11,21,938
Net Cash Used in Financing Activities	-25,35,44,219	21,34,17,436
Net Increase/(Decrease) in Cash and Cash Equivalents	-14,11,28,276	6,44,34,722
Cash & Cash Equivalents as on 1.04.2010	18,37,78,002	11,93,43,280
Cash and Cash Equivalents as on 31.03.2011	4,26,49,726	18,37,78,002

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

SANJEEV KUMAR
COMPANY SECRETARY

JAI DEV KAPUR
PRESIDENT

SALIL KAPUR
PRESIDENT

VIKRAM KAPUR
PRESIDENT

RAJESH KAPOOR
C.E.O

GANESH IYER
C.F.O.

S.KHANNA
C.F.O

C.M.DHALL
C.F.O

This cash flow statement as referred to in our report to even date.

For MEHRA KHANNA & CO
Chartered Accountants
FRN : 001141N

CA.RAJIV BHASIN
PARTNER
M No : 093845
Delhi: the 25th AUGUST, 2011

HARI KRISHAN AHUJA
HIRA LAL BHATIA
I.D.CHUGH
PRITHVI RAJ CHAWLA
JAI NARAIN SAWHNEY

}

DIRECTORS

New Delhi: the 25th AUGUST, 2011

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**, 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/-

Sanjeev Kumar

Company Secretary

