ATLAS CYCLES (HARYANA) LIMITED
ATLAS CYCLES SONEPAT
Registered Office : Industrial Area, Atlas Road, Sonepat-131 001, (Haryana) India.
Corporate Identity Number L35923HR1950PLC001614

Date: 30th October, 2018

The Manager, Capital Market (Listing)
National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra-Kurla Complex
Bandra (E)
MUMBAI – 400051
FAX NO. 022-26598237/38

The Manager (Listing)
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
MUMBAI – 400001
FAX NO. 022-22721919/2037/2039/
2041/2061

SUB: ANNUAL REPORT UNDER REGULATION 34 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report for Financial Year 2017-18 approved by shareholders at 67th Annual General Meeting of the Company held on 26th October, 2018 at registered office of the Company at 4:00 P.M.

Kindly take this information in your record and oblige.

Thanking You.

For ATLAS CYCLES (HARYANA) LIMITED

LALIT LOHIA
COMPANY SECRETARY

ATLAS CYCLES
SONEPAT

Annual Report
2017-18

ATLAS
CYCLES (HARYANA) LTD.

ATLAS CYCLES (HARYANA) LIMITED

INDUSTRIAL AREA, ATLAS ROAD,
SONEPAT-131001
CIN : L35923HR1950PLC001614

BOARD OF DIRECTORS :

Mr. Hira Lal Bhatia (DIN: 00159258), Non Executive Director
Mr. I.D. Chugh (DIN: 00073257), Whole Time Director
Mr. Kartik Roop Rai (DIN: 06789287), Independent Director
Mr. Sanjiv Kavaljit Singh (DIN: 00015689), Independent Director
Ms. Sadhna Syal (DIN: 07837529), Independent Women Director

COMPANY SECRETARY
Mr. Lalit Lohia

REGISTERED OFFICE :
Industrial Area, Atlas Road,
Sonepat –131001 (Haryana)

SECRETARIAL AUDITORS :
Messers Mukesh Arora & Co.
Company Secretaries, Delhi

BANKERS :
Central Bank of India
Punjab National Bank
Bank of Baroda

BOARD COMMITTEES :

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

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

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

UNITS :

SONEPAT UNIT
Atlas Road, Industrial Area,
Sonepat - 131001 (Haryana)

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

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

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

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

STOCK EXCHANGE(S) WHERE COMPANY'S SECURITIES ARE REGISTERED
National Stock Exchange of India Limited
BSE Limited

E-MAIL
companysecretary@atlascycles.co.in

WEBSITE
www.atlasbicycles.com

CORPORATE IDENTITY NUMBER
CIN : L35923HR1950PLC001614

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BOARD'S REPORT / DIRECTORS' REPORT 2017-18

CIN: L35923HR1950PLC001614

TO THE MEMBERS:-

Your directors are delighted to present Sixty Seventh (67th) Annual Report of your Company along with the Audited Statement of Accounts for the year ended 31st March 2018.

FINANCIAL HIGHLIGHTS, STATE OF COMPANY AFFAIRS & FUTURE PROSPECTS

(₹ In Lacs)

Particulars	Standalone		Consolidated	
	F.Y. 2017-18	F.Y. 2016-17	F.Y. 2017-18	F.Y. 2016-17
Revenue from operations (Gross)	65327.46	69621.99	65327.46	69621.99
Total Income	65589.38	70017.81	65589.38	70017.81
Total Expenses	65786.14	69502.43	65787.36	69503.40
Profit Before Tax (after exceptional Item)	(196.76)	515.39	(197.98)	514.41
Tax Expenses (including Deferred tax)	36.20	(197.65)	36.20	(197.65)
Profit After tax	(160.55)	317.74	(161.78)	316.76

The Net Loss of the Company during the FY 2017-18 was ₹ 160.55 Lacs as against profit of ₹ 317.74 lacs during the FY 2016-17.

Annual Return

MGT-9 as required under sub-section (3) of section 92 of Companies Act, 2013 has been annexed to this report and forms its integral part.

PRODUCTION

During the year under consideration, the Company produced 22,99,529 bicycles as against 25,13,691 bicycles in the previous year.

SALES

Sales during the year amounted to ₹ 65327.46 lacs including the sales to foreign countries as against ₹ 69621.99 lacs including the sales to foreign countries in the previous year.

TRANSFER TO RESERVES

The Company proposes to transfer ₹ NIL to the General Reserve for the F.Y. 2017-18 as against ₹ NIL to General Reserve in the previous year.

EXPORTS

During the period under consideration your Company exported bicycles and bicycle components to several countries thereby earning valuable foreign exchange of ₹ 1679.13 Lacs.

SHARE CAPITAL & SUB-DIVISION

1. The paid up Equity Share Capital as at 31st March 2018 stood at ₹ 3,25,19,190/- i.e. 65,03,838 Equity Shares of ₹ 5/- Each. During the year under review, the company has on Record date 31.10.2017 (fixed vide Board Meeting dated 16.10.2017) sub-divided Equity Shares of the Company having a face value of ₹ 10/- each fully paid up into 2 (Two) Equity Shares having a face value of ₹ 5/- each fully paid up.
2. Effect of sub-division on paid up share capital of the Company:-

   PRE-SUB DIVISION:- Paid up capital comprises of 3251919 equity shares of ₹ 10/- each fully paid up.

   POST-SUB DIVISION:- Paid up capital comprises of 6503838 equity shares of ₹ 5/- each fully paid up.
3. The Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on 31st March 2018, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

DIVIDEND

Since the books are not in good shares, no Dividend has been declared in the Financial Year 2017-18.

CONSOLIDATED ACCOUNTS

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

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of business.

DEVELOPMENT OF NEW PRODUCT- TITANIUM

Atlas Cycles is proud to announce launch of India's 1st Titanium Bicyle. The bike was launched at Auto Expo 2018 held in Noida (India) and was the centre of attraction among the visitors and media. This premium bike for professional bikers is priced at ₹ 3 lakh and comes with following features:

1. Light weight Titanium frame (used in aircrafts)
2. Dual Disc Brakes (Shimano)
3. Shimano 30 Speed Gears
4. Alloy pedals
5. Maxxis tyre & tubes
6. Shimano hollow crank chain wheel

PERFORMANCE OF THE UNITS

Sahibabad unit continued to do well during the year. Value of sales increased as compared to last year. There was a substantial increase in supplies to state governments also. A series of new models was launched in high-end segment by

the name called PEAK.

Considering the production figures, Sonepat Unit performance has fallen compared to previous year. The manufacturing activity at Sonepat Unit of the company were suspended with effect from 24.02.2018, as per board's decision vide board meeting dated 24.02.2018. As per order of National Company Law Tribunal (NCLT), Principal Bench, New Delhi, on 02.08.2018, manufacturing activity of Sonepat Unit has been resumed.

Malanpur Unit of the Company is already closed and is in the process of being sold.

NON –PERFORMING ASSETS – NPA

During the year under review, the company's current account was declared NON –PERFORMING ASSETS – NPA by its consortium bankers in December, 2017. However, default was made good by company in December, 2017 itself and the company current accounts become active, normal and operative.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

DIRECTORS

Mr. Hira Lal Bhatia (DIN: 00159258) is retiring by rotation at 67th Annual General Meeting and, being eligible, offers himself for re-appointment.

Further, pursuant to Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the shareholders may take note that Mr. Hira Lal Bhatia, Non Executive Director of the Company holds 2625 equity shares in the Company as on the date of this report.

The members of the Company at 66th Annual General Meeting approved appointment of Ms. Sadna Syal (DIN: 07837529) as an Independent Director for a period of 5 years w.e.f 28.09.2017 and she will not be liable to retire by rotation.

Based on the recommendations of the Nomination and Remuneration Committee and subject to approval of members by special resolution at 67th Annual General Meeting and such other statutory and regulatory approvals as may be required, the Board of Directors of the Company at its meeting held on 16th January 2018, approved re-appointment of Mr. Ishwar Das Chugh (DIN:00073257) as Whole Time Director of the Company for a period of 3 years w.e.f. 31st March 2018 to 30th March, 2021 under the provisions of section 196,197,198 and 203 read with the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

In the Board Meeting held on 23rd May,2018, the Board of Directors perused and took note of the statement of declarations received from the Independent Directors viz; Mr. Sanjiv Kavaljit Singh (DIN: 00015689), Mr. Kartik Roop Rai (DIN: 06789287) and Ms. Sadhna Syal (DIN:- 07837529) that they fulfill all the criteria of Independent director envisaged in Regulation 16(1)(b) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under Section 149(6) of the Companies Act, 2013.

CRITERIA FOR MAKING PAYMENT TO NON-EXECUTIVE DIRECTORS

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

KEY MANAGERIAL PERSONNEL

In the capacity of Key Managerial Personnel, the Company has following officers:

1. Mr. Ishwar Das Chugh, Whole Time Director
2. Mr. Chander Mohan Dhall, Chief Financial Officer
3. Mr. Narendra Pal Singh, Chief Executive Officer
4. **Mr. Lalit Lohia, Company Secretary

** Mr. Lalit Lohia was appointed as Company Secretary of the Company w.e.f. 02.05.2017 and is Key Managerial Personnel of the Company from such date.

Mr. Chander Mohan Dhall whose tenure as Chief Financial Officer of the Company was expiring on 31st March 2018, was re-appointed as Chief Financial Officer of the Company in board meeting dated 16th January, 2018 for the period 1st April 2018 to 31st March 2019. Mr. Narendra Pal Singh whose tenure as Chief Executive Officer of the Company was expiring on 31st March 2018 was re-appointed as Chief Executive Officer of the Company in board meeting dated 16th January, 2018 for the period 1st April 2018 to 31st March 2019.

COMPLIANCE CERTIFICATE BY CHIEF FINANCIAL OFFICER AND CHIEF EXECUTIVE OFFICER

Board of Directors in the board meeting held on 17.09.2018 took note of the Compliance Certificate duly signed by Mr. Chander Mohan Dhall, Chief Financial Officer and Mr. Narendra Pal Singh, Chief Executive Officer that they have reviewed financial statements and cash flow statement etc. for the financial year ended 31st March, 2018 as per Regulation 17(8) read with Schedule II Part B of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Such certificate is annexed after Corporate Governance Report for F.Y. 2017-18 and forms Integral part of this Annual Report.

PERFORMANCE OF BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) & Regulation 25(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a healthy discussion was held among directors after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance in the Board Meeting held on 23rd May, 2018.

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

NUMBER OF MEETINGS OF THE BOARD

There were total of 10 number of Board Meetings held during the financial year 2017-18. Further details are provided in the

Corporate Governance Report.

DEPOSITS (INCLUDING LOANS FROM MEMBERS)

The Sahibabad Unit and Malanpur unit has already repaid to all its deposit holders. Sonepat Unit of the Company is in the process of repaying all its deposit holders. The Company has not accepted any further deposit from the public or members during the year.

The Company has been strictly complying with all orders passed by National Company Law Tribunal, Chandigarh Bench regarding application filed by company in F.Y 2015-16 under Section 74(2) of Companies Act, 2013 to National Company Law Tribunal (erstwhile Company Law Board) for extension of time in repayment of its deposits and interest thereon. As per latest order passed by such Honorable bench on 12th July, 2018 vide CP. No. 111/ND/2016, RT CP. NO. 150/CHD/HRY/2017 under section 74(2) of the Companies Act, 2013, the company has paid its pending fixed deposit along with overdue interest to its fixed deposit holders.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There were NIL Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013.

VIGIL MECHANISM / WHISTLE BLOWER MECHANISM

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

NOMINATION AND REMUNERATION POLICY

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

RISK MANAGEMENT POLICY

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

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

Since our company is not among top 100 listed companies determined on the basis of market capitalization at the end of F.Y 2017-18 (on the basis of list of top 100 companies available on NSE/ BSE websites), it is not mandatory for our company to maintain such committee. The Board of Directors at its meeting held on 4th August, 2017 has dissolved Risk Management committee on the basis of aforesaid grounds.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in form AOC-2 is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel and there are no related party transactions which exceeds ten percent of the annual consolidated turnover of the Company as per last audited financial statements of the Company. The Company has developed a Related Party Transactions framework through Standard Operating Procedures for the purpose of identification and monitoring of such transactions.

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

A Policy on Material Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company www.atlasbicycles.com. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

CORPORATE GOVERNANCE

The Company complies with the clauses of Listing Agreement entered into with the National Stock Exchange of India Limited and BSE Limited, where the Company's shares are listed and the Company complies with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, in terms of the provisions of Section C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has complied with the requirements of Corporate Governance and a Report on Corporate Governance together with certificate from the Company's Statutory Auditors confirming compliance, is set out in a statement, which forms part of this Annual Report.

STATUTORY AUDITORS AND AUDITORS' REPORT

The shareholders of the company vide 66th Annual General Meeting of the company held on 28th September, 2017 approved appointment of M/s Dinesh Nangru & Co., Chartered Accountants (Firm Registration No. 015003N) in place of M/s Mehra Khanna & Co., Chartered Accountants for a term of five years commencing from F.Y 31st March, 2018 to FY 31st March, 2022 and hold office from the conclusion of the 66th Annual General Meeting of the Company till the conclusion of the 71st Annual General Meeting on such remuneration plus GST, out of pocket expenses, as may be mutually agreed between Board and Dinesh Nangru & Co. The company shall place this matter for ratification by shareholders of the company at 67th Annual General Meeting.

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

SECRETARIAL AUDITOR AND SECRETARIAL AUDITOR'S REPORT

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

COST AUDIT

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

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an effective internal control and risk mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The Company has appointed for the F.Y 2017-18, Mr. Harish Kumar Arora as Internal Auditor for Sonepat Unit, Mr. Gopal D. Girdharwal, as Internal Auditor for Sahibabad Unit and Mr. Sanjay Kapur, Joint President for Malanpur Unit are reporting on internal control and audit procedures followed. However, Mr. Harish Arora, the Internal Auditor for Sonepat Unit has resigned from company w.e.f 16.04.2018. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATION

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

STATUTORY INFORMATION

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

PERSONNEL AND PARTICULARS OF EMPLOYEES

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

Particulars of the employees as required under section 197 (12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March 2018 is annexed to this report and forms an integral part of this report.

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

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

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

LISTING OF COMPANY'S EQUITY SHARE

Your Company's shares continue to be listed on BSE Limited and National Stock Exchange of India Limited. The annual listing Fee for the year 2017-2018 has been paid to BSE Limited and National Stock Exchange of India Limited within stipulated time.

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

The information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March 2018 is given here below:

CONSERVATION OF ENERGY

SONEPAT UNIT

The following measures were taken: -

a) Energy saving by installing new Hot Water Generator 4 Lac K Cal capacity dual fuel system PNG / HSD more efficient and Environment friendly (use HSD on emergency only) and also by using Tube wells through two nos 80 KL tanks (Settling) as the running hours of tube wells is being reduced.

b) Automatic power factor panel installed resulting into power saving.

c) Conveyors are being re layout according to sections re layout resulting into less material movements finally reduced operator fatigue.

d) Low temperature Chemicals introduce in Phosphating line resulting into saving in energy cost due to reduction in Boiler running hours Also improvement in product quality as fine crystalline coating of the phosphating layer having more coating life.

SAHIBABAD UNIT

The following measures were taken: -

LED lights were installed in the new area developed for stores and all ordinary lights in the management block were replaced with LED lights.

TECHNOLOGY ABSORPTION

The efforts made towards technology absorption were: -

SONEPAT UNIT

The following efforts were made: -

a. Converted all Brazing operation with PNG which is more efficient and Environment friendly (use HSD on emergency only).

SAHIBABAD UNIT

The following efforts were made: -

a. New alignment fixture was introduced for proper alignment of product for improved quality New SKD lines were installed for better quality and productivity improvement.

FOREIGN EXCHANGE EARNING AND OUTGO

Total foreign exchange earned: ₹ 1679.13 lacs

Total foreign exchange used: ₹ 4173.66 lacs

DIRECTORS' RESPONSIBILITY STATEMENT

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

I. In the preparation of the Annual Accounts for the year ended 31st March 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

II. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March 2018 and of the loss of the Company for the year ended on that date.

III. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, to the best of the knowledge and ability of the Directors

IV. The Annual Accounts have been prepared on a going concern basis.

V. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

VI. The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS

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

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

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

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

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

ACKNOWLEDGEMENT

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

HIRA LAL BHATIA
(DIN: 00159258)
3-B/11, N.E.A., Utri Marg,
New Delhi – 110060

ISHWAR DAS CHUGH
(DIN: 00073257)
I-73, Naraina Vihar,
New Delhi - 110028

DIRECTORS

Date : 17th September, 2018
Place : New Delhi

FORM MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

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

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Atlas Cycles (Haryana) Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz:-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable as the company did not issue any security during the financial year under review.)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable as the company has not granted any options to its employees during the financial year under review);**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable as the company has not issued any debt securities during the financial year under review);**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **(Not applicable as the company has not Delisted its Equity Shares during the financial year under review); and**

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 (**Not applicable as the company has not bought back any of its securities during the financial year under review);**

(vi) Any other applicable laws like Factories Act, 1948, The Payment of Gratuity Act, 1972;

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India i.e. Secretarial Standards-1(Meeting of the Board of Directors) & Secretarial Standards-2 (General Meetings)

(ii) The Listing Agreements entered into by the Company with National Stock Exchange **(NSE)** and Bombay Stock Exchange **(BSE).**

(iii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Further reported that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision at Board Meeting and Committee are carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the company took Corporate Action on 31.10.2017 for splitting of its equity shares of rupees ten (10) into two equity shares of face value of rupees five (5) each.

For Mukesh Arora & Co.

Practicing Company Secretaries
Mukesh Arora
F.C.S No. 4819
C.P No. 4405

Date: - 29th August, 2018
Place:- New Delhi

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

Annexure A

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

My report of even date is to be read along with this letter

1. Maintenance of Secretarial Record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of Accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the Verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
(Mukesh Arora)

Practicing Company Secretary
Member ship No. 4819
Certificate of Practice No. 4405

Date: 29th August, 2018
Place: New Delhi

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2018
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L35923HR1950PLC001614
2.	Registration Date	31st May,1950
3.	Name of the Company	Atlas Cycles (Haryana) Limited
4.	Category/Sub-category of the Company	Public company / Limited by shares
5.	Address of the Registered office & contact details	Atlas Cycles (Haryana) Limited, Industrial Area, Atlas Road, Sonepat –131001 (Haryana)
6.	Whether listed or Unlisted	Listed
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MAS SERVICES LIMITED T-34, 2nd floor, Okhla Industrial Area, phase-2, New Delhi-110020 Tel: (0110 26387281, 82, 83) Email : info@masserv.com

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

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

III. PARTICULARS OF HOLDING,SUBSISIARY AND ASSOCIATE COMPANIES

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

VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]**				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	763201	62639	825840	25.39	1524601	125278	1649879	25.37	-0.028
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	201638	392587	594225	18.27	1181274	7176	1188450	18.27	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	**964839**	**455226**	**1420065**	**43.67**	**2705875**	**132454**	**2838329**	**43.641**	**-0.028**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]**				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	953	953	0.0293	0	1906	1906	0.0293	0
b) Banks / FI	1656	0	1656	0.0509	152	0	152	0.0023	-0.049
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	**1656**	**953**	**2609**	**0.0802**	**152**	**1906**	**2058**	**0.0316**	**-0.049**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	331961	5073	337034	10.364	390219	10146	400365	6.1558	-4.208
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	1061431	180959	1242390	38.205	2381941	352668	2734609	42.046	3.8413
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	117177	11895	129072	3.969	368349	23790	392139	6.0293	2.0602
c) Others (specify)									
Non Resident Indians	34064	297	34361	1.057	47068	594	47662	0.7328	-0.324
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	86387	0	86387	2.656	83674	0	83674	1.2865	-1.37
Trusts	1	0	1	0	5002	0	5002	0.0769	0.0769
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	**1631021**	**198224**	**1829245**	**56.251**	**3276253**	**387198**	**3663451**	**56.328**	**0.076**
Total Public Shareholding (B)= (B)(1)+ (B)(2)	**1632677**	**199177**	**1831854**	**56.331**	**3276405**	**389104**	**3665509**	**56.359**	**0.028**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**2597516**	**654403**	**3251919**	**100**	**5982280**	**521558**	**6503838**	**100**	**0**

****Note:**

1. On Record Date 31.10.2017 (fixed vide Board Meeting dated 16.10.2017) each Equity Share of the Company having a face value of ₹ 10/- each fully paid up has been sub-divided into 2 (Two) Equity Shares having a face value of ₹ 5/- each fully paid up.
2. Effect of sub-division on paid up share capital of the Company:
   PRE-SUBDIVISION:- Paid up capital comprises of 3251919 equity shares of ₹ 10/- each fully paid up.
   POST-SUBDIVISION:- Paid up capital comprises of 6503838 equity shares of ₹ 5/- each fully paid up.

B) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2017]			Shareholding at the end of the year [As on 31-March-2018]**			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Sanjay Kapur	106599	3.28	0	213198	3.28	0	0
2	Sanjay Kapur (HUF)	18339	0.56	0	36678	0.56	0	0
3	Vikram Kapur	45534	1.40	0	91068	1.40	0	0
4	Vikram Kapur (HUF)	20660	0.64	0	41320	0.64	0	0
5	Gautam Kapur	129504	3.98	0	259008	3.98	0	0
6	Girish Kapur	61255	1.88	0	124242	1.91	0	0.03
7	Girish Kapur (HUF)	18465	0.57	0	0	0.00	0	-0.57
8	Rajiv Kapur	43145	1.33	0	86290	1.33	0	0
9	Rajiv Kapur (HUF)	47219	1.45	0	94438	1.45	0	0.00
10	Jai Dev Kapur	17442	0.54	0	34884	0.54	0	0
11	Salil Kapur	266	0.01	0	532	0.01	0	0
12	Arun Kapur	39276	1.21	0	78552	1.21	0	0
13	Neely Kapur	162	0.00	0	324	0.00	0	0
14	Angad Kapur	25900	0.80	0	51800	0.80	0	0
15	Meera Kapur	11823	0.36	0	23646	0.36	0	0
16	Bimla Kapur	15695	0.48	0	31390	0.48	0	0
17	B.D. Kapur (HUF)	18119	0.56	0	36238	0.56	0	0
18	Achla Bawa	950	0.03	0	99	0.00	0	-0.03
19	Rahul Kapur	12828	0.39	0	37388	0.57	0	0.18
20	Rishav Kapur	12829	0.39	0	37390	0.57	0	0.18
21	Radhika Girish Kapur	60617	1.86	0	132968	2.04	0	0.18
22	Bindu Kapur	12131	0.37	0	24262	0.37	0	0
23	Abhinav Kapur	24350	0.75	0	48700	0.75	0	0
24	Malti P Mehra	1	0.00	0	2	0.00	0	0
25	Ashwin Kapur	13099	0.40	0	26198	0.40	0	0
26	Prashant Kapur	13099	0.40	0	26198	0.40	0	0
27	Sakshi Kapur	6730	0.21	0	13460	0.21	0	0
28	Siddhant Kapur	21662	0.67	0	43324	0.67	0	0
29	Renu Aggarwal	1	0.00	0	2	0.00	0	0
30	Shri Jagdish Kapur (HUF)	17224	0.53		34448	0.53	0	0
31	Madhvi Malhotra	10916	0.34	0	21832	0.34	0	0
32	Milton cycles Industries Pvt. Ltd.	325846	10.02	0	651692	10.02	0	0
33	Limrose Engg. Works Pvt. Ltd.	257650	7.92	0	515300	7.92	0	0
34	Corona Rim Mfg. Co. Ltd	3588	0.11	0	7176	0.11	0	0
35	Jankidas & Sons Pvt. Ltd	7141	0.22	0	14282	0.22	0	0
	TOTAL	**1420065**	**43.669**	**0**	**2838329**	**43.641**	**0**	-0.03

****Note:**

1. On Record Date 31.10.2017 (fixed vide Board Meeting dated 16.10.2017) each Equity Share of the Company having a face value of ₹ 10/- each fully paid up has been sub-divided into 2 (Two) Equity Shares having a face value of ₹ 5/- each fully paid up.
2. Effect of sub-division on paid up share capital of the Company:

   PRE-SUBDIVISION:- Paid up capital comprises of 3251919 equity shares of ₹ 10/- each fully paid up.

   POST-SUBDIVISION:- Paid up capital comprises of 6503838 equity shares of ₹ 5/- each fully paid up.

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

S. No.	Name	Shareholding		Date	Increase/ (Decrease) in Shareholding**	Reason	Cumulative Shareholding During the Year** (01-04-17) to (31-03-18)	
		No. of shares at the beginning of the year (01-04-17)	% of total shares of the company				No. of shares	% of total shares of the company
1.	Girish Kapur (HUF)	36930	0.57	31/03/2017			18465	0.57
				16/02/2018	11732	Partition of H.U.F.	25198	0.39
				20/02/2018	25198	Partition of H.U.F.	0	0.00
2.	Radhika Girish Kapur	60617	1.86	31/03/2017		Received due to Partition of Girish Kapur-H.U.F.	60617	1.86
				20/02/2018	11734		132968	2.04
				3/31/2017			132968	2.04
3.	Rahul Kapur	12828	0.39	31/03/2017			12828	0.39
				20/02/2018	11732	Received due to Partition of Girish Kapur-H.U.F.	37388	0.57
				31/03/2018			37388	0.57
4.	Rishav Kapur	12829	0.39	31/03/2017			12829	0.39
				16/02/2018	11732	Received due to Partition of Girish Kapur-H.U.F.	37390	0.58
				31/03/2018			37390	0.58
5.	Girish Kapur	61255	1.88	31/03/2017			61255	1.88
				20/02/2018	1732	Received due to Partition of Girish Kapur-H.U.F.	124242	1.91
				31/03/2018			124242	1.91
6.	Achla Bawa	950	0.03	31/03/2017			950	0.03
				08/12/2017	10	Sale	1890	0.03
				15/12/2017	1791	Sale	99	0.002
				31/03/2018			99	0.002

****Note:**

1. On Record Date 31.10.2017 (fixed vide Board Meeting dated 16.10.2017) each Equity Share of the Company having a face value of ₹ 10/- each fully paid up has been sub-divided into 2 (Two) Equity Shares having a face value of ₹ 5/- each fully paid up.
2. Effect of sub-division on paid up share capital of the Company:

   PRE-SUBDIVISION:- Paid up capital comprises of 3251919 equity shares of ₹ 10/- each fully paid up.

   POST-SUBDIVISION:- Paid up capital comprises of 6503838 equity shares of ₹ 5/- each fully paid up.

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

S. No.	Name	Shareholding		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding During the Year (01-04-17) to (31-03-18)	
		No. of shares at the beginning of the year (01-04-17)	% of total shares of the company				No. of shares	% of total shares of the company
1	SANJEEV RAGHUBANS KANWAR.	13331	0.41	31/03/2017			13331	0.41
				3/11/2017	13331	Buy	26662	0.41
				31/03/2018			26662	0.41
2	VIJIT RAMAVAT	2656	0.08	8/9/2017			2656	0.08
				15/09/2017	7335	Buy	9991	0.31
				30/09/2017	1259	Buy	11250	0.35
				13/10/2017	1350	Buy	12600	0.39
				20/10/2017	900	Buy	13500	0.42
				3/11/2017	13500	Buy	27000	0.42
				24/11/2017	450	Sale	26550	0.41
				1/12/2017	4950	Buy	31500	0.48
				8/12/2017	5850	Buy	37350	0.57
				15/12/2017	994	Buy	38344	0.59
				29/12/2017	3956	Buy	42300	0.65
				9/2/2018	7233	Sale	35067	0.54
				16/02/2018	167	Sale	34900	0.54
				31/03/2018			34900	0.54
3	MY MONEY CAPITAL SERVICES PVT LIMITED	16831	0.52	31/03/2017			16831	0.52
				14/07/2017	1530	Buy	18361	0.56
				9/2/2018	24961	Buy	43322	0.67
				31/03/2018			43322	0.67
4	MY MONEY SECURITIES LIMITED	1750	0.054	28/04/2017			1750	0.05
				2/6/2017	6000	Buy	7750	0.24
				9/6/2017	2000	Buy	9750	0.30
				16/06/2017	400	Sale	9350	0.29
				23/06/2017	1000	Buy	10350	0.32
				30/06/2017	4000	Buy	14350	0.44
				7/7/2017	125	Buy	14475	0.45
				8/9/2017	1430	Buy	15905	0.49
				27/10/2017	3101	Buy	19006	0.58
				31/10/2017	3306	Buy	22312	0.69
				3/11/2017	23312	Buy	45624	0.70
				17/11/2017	1860	Sale	43764	0.67
				5/1/2018	1000	Buy	44764	0.69
				31/03/2018			44764	0.69
5	GLOBE CAPITAL MARKET LTD	25000	0.38	2/3/2018			25000	0.38
				31/03/2018			25000	0.38
6	SHASHANK S KHADE	7831	0.12	1/12/2017			7831	0.12
				8/12/2017	10380	Buy	18211	0.28
				15/12/2017	2731	Buy	20942	0.32
				22/12/2017	21600	Buy	42542	0.65
				31/03/2018			42542	0.65
7	VARSHA VORA	14571	0.45	31/03/2017			14571	0.45
				3/11/2017	14571	Buy	29142	0.45
				31/03/2018			29142	0.45
8	NIMISH LAXMICHAND KENIA	25003	0.38	30/03/2018			25003	0.38
				31/03/2018			25003	0.38

S. No.	Name	Shareholding		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding During the Year (01-04-17) to (31-03-18)	
		No. of shares at the beginning of the year (01-04-17)	% of total shares of the company				No. of shares	% of total shares of the company
9	RAMESH CHAND	30000	0.92	31/03/2017			30000	0.92
				8/9/2017	1840	Buy	31840	0.98
				3/11/2017	31840	Buy	63680	0.98
				31/03/2018			63680	0.98
10	MY MONEY SECURITIES LTD.	50000	1.54	31/03/2017			50000	1.54
				3/11/2017	50000	Buy	100000	1.54
				31/03/2018			100000	1.54
11	RAJEN ANIL SHAH	15000	0.46	31/03/2017			15000	0.46
				11/8/2017	8000	Sale	7000	0.22
				3/11/2017	7000	Buy	14000	0.22
				31/03/2018			14000	0.22
12	SI INVESTMENTS AND BROKING PRIVATE LIMITED	71634	2.20	31/03/2017			71634	2.20
				26/05/2017	18764	Sale	52870	1.63
				2/6/2017	52870		0	0.00
13	VIMAL SAGARMAL JAIN	21600	0.66	31/03/2017			21600	0.66
				28/07/2017	16713	Sale	4887	0.15
				11/8/2017	2879	Sale	2008	0.06
				25/08/2017			2008	0.06
				1/9/2017	2008	Sale	0	0.00
14	RENU KAPOOR	11895	0.37	31/03/2017			11895	0.37
				7/4/2017			0	0.00

E) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name	Shareholding		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding During the Year (01-04-17) to (31-03-18)	
		No. of shares at the beginning (01-04-17)	% of total shares of the company				No. of shares	% of total shares of the company
A	**DIRECTOR**							
1	Mr. Hira Lal Bhatia	0	0.00	1-Apr-17	2625	Buy	0	0.00
		2625	**0.04**	**31-Mar-18**			**2625**	**0.04**
2	Mr. Kartik Roop Rai.	0	0.00	1-Apr-17	0	Nil	0	0.00
		0	**0.00**	**31-Mar-18**		Movement	**0**	**0.00**
3	Mr. Sanjiv Kavaljit Singh	0	0.00	1-Apr-17	0	Nil	0	0.00
		0	**0.00**	**31-Mar-18**		Movement	**0**	**0.00**
4	#Ms. Sadhna Syal	0	0.00	1-Apr-17	0	Nil	0	0.00
		0	**0.00**	**31-Mar-18**		Movement	**0**	**0.00**
B	**Key Managerial Personnel**							
1	Mr. I.D Chugh	60	0.00	1-Apr-17	0	Nil	60	0.00
	(Whole time Director)	**120**	**0.00**	**31-Mar-18**		Movement	**120***	**0.00**
2	Mr. Chander Mohan Dhall	0	0.00	1-Apr-17	0	Nil	0	0.00
	(Chief Financial Officer)	**0**	**0.00**	**31-Mar-18**		Movement	**0**	**0.00**
3	Mr. Narendra Pal Singh	0	0.00	1-Apr-17	0	Nil	0	0.00
	(Chief Executive Officer)	**0**	**0.00**	**31-Mar-18**		Movement	**0**	**0.00**
4	**Mr. LalitLohia	0	0.00	1-Apr-17	0	Nil	0	0.00
	(Company Secretary)	**0**	**0.00**	**31-Mar-18**		Movement	**0**	**0.00**

#Ms. Sadhna Syal (DIN: 07837529) has been appointed as Additional Director on the Board on 02.06.2017 and regularized as Independent Director in 66th Annual General Meeting held on 28.09.2017.

***Note:**

1. On Record Date 31.10.2017 (fixed vide Board Meeting dated 16.10.2017) each Equity Share of the Company having a face value of ₹ 10/- each fully paid up has been sub-divided into 2 (Two) Equity Shares having a face value of ₹ 5/- each fully paid up.
2. Effect of sub-division on paid up share capital of the Company:

   PRE-SUBDIVISION:- Paid up capital comprises of 3251919 equity shares of ₹ 10/- each fully paid up.

   POST-SUBDIVISION:- Paid up capital comprises of 6503838 equity shares of ₹ 5/- each fully paid up.

   ****Mr. LalitLohia was appointed as Company Secretary of the Company w.e.f. 02.05.2017.**

F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment. (₹ in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5253.59	0	543.41	**5797**
ii) Interest due but not paid	0	0	40.57	**40.57**
iii) Interest accrued but not due	0	0	77.69	**77.69**
Total (i+ii+iii)	**5253.59**	0	**661.67**	**5915.26**
Change in Indebtedness during the financial year				
*** Addition**	76.03	0	0	**76.03**
*** Reduction**	1691.49	0	570.11	**2261.60**
Net Change	**-1615.46**	0	**-570.11**	**-2185.57**
Indebtedness at the end of the financial year				
i) Principal Amount	3609.88	0	79.27	**3689.15**
ii) Interest due but not paid	28.26	0	12.28	**40.54**
iii) Interest accrued but not due	0	0	0	**0**
Total (i+ii+iii)	**3638.14**	0	**91.55**	**3729.69**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ in lacs)

S. No.	Particulars of Remuneration	Whole Time Director (I.D Chugh)
1	**Gross salary**	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	**19.74**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL
2	**Stock Option**	NIL
3	**Sweat Equity**	NIL
4	**Commission**	
	- as % of profit	NIL
	- others, specify	0
	Total (A)	**19.74**

B. Remuneration to other directors (₹ in lacs)

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. HiraLal Bhatia	Mr. Kartik Roop Rai.	Mr. Sanjiv Kavaljit Singh	Ms.Sadhna Syal*	(in ₹)
1	**Independent Directors**					
	Fee for attending board meetings (in ₹)	N.A	1.58	1.58	**0.75**	**3.91**
	Commission		0	0	0	0
	Others, please specify		**0**	**0**	0	0
	Total (1)		**1.58**	**1.58**	**0.75**	**3.91**
2	**Other Non-Executive Directors**					
	Fee for attending board meetings (in ₹)	1.57	N.A		N.A	1.57
	Commission	**0**				0
	Others, please specify	0				0
	Total (2)	**1.57**				**1.57**
	Total (B)=(1+2) (in ₹)	**1.57**	**1.58**	**1.58**	**0.75**	**5.48**

***Ms. Sadhna Syal (DIN: 07837529) has been appointed as Additional Director on the Board on 02.06.2017 and regularized as Independent Director in 66th Annual General Meeting held on 28.09.2017.**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (₹ in lacs)

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO Mr. C.M. Dhall	*CS Mr. Lalit Lohia	CEO Mr. Narendra Pal Singh
1	**Gross salary**			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7.95	9.20	19.16
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.05	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	**Stock Option**	0	0	0
3	**Sweat Equity**	0	0	
4	**Commission**	0	0	0
	- as % of profit	0	0	0
	others, specify…	0	0	0
5	**Others, please specify**	0	0	0
	Total	**9.00**	**9.20**	**19.16**

*** Mr. Lalit Lohia was appointed as Company Secretary of the Company w.e.f. 02.05.2017.**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as at/ for the year ended 31st March, 2018

Part "A": Subsidiaries

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

Sl. No.	Particulars	Details		
1.	Name of the subsidiary	Atlas Cycles (Sahibabad) Limited (CIN : U35929HR1999 PLC034260)	Atlas Cycles (Malanpur) Limited (CIN:U35929HR1999 PLC034259)	Atlas Cycles Sonepat Limited (CIN: U35929HR1999 PLC034261)
2.	The date since when subsidiary was acquired	28-05-1999	28-05-1999	28-05-1999
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA
5.	Share capital	5,00,000	5,00,000	5,00,000
6.	Reserves & surplus	(3,59,658)	(3,81,546)	(3,59,286)
7.	Total assets	1,47,870	1,23,112	1,49,855
8.	Total Liabilities	1,47,870	1,23,112	1,49,855
9.	Investments	—	—	—
10.	Turnover	—	—	—
11.	Profit before taxation	(34,300)	(33,140)	(54,636)
12.	Provision for taxation	—	—	—
13.	Profit after taxation	(34,300)	(33,140)	(54,636)
14.	Proposed Dividend	—	—	—
15.	Extent of shareholding (in percentage)	100%	100%	100%

Notes:

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

Part "B": Associates and Joint Ventures

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

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

NOTES :

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

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

For **DINESH NANGRU & COMPANY**
Chartered Accountants
FRN: 015003N

CA. DINESH NANGRU
PARTNER
M. No. – 094779

Narendra Pal Singh
Chief Executive Officer

Chander Mohan Dhall
Chief Financial Officer

Lalit Lohia
Company Secretary

Hira Lal Bhatia
(DIN: 00159258)
Chiarman &
Non Executive Director

Ishwar Das Chugh
(DIN: 00073257)
Whole Time Director

Date : 17th September, 2018
Place : New Delhi

Part A:

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

Sr. No.	Requirements	Disclosure	
1.	The ratio of the remuneration of each director to the medianremuneration of the employees of the company for thefinancial year	**Name of the Director**	**Ratio**
		Mr. Hira Lal Bhatia (DIN: 00159258)	**NA**
		Mr. I. D. Chugh (DIN: 00073257)	**9.30X**
		Mr. Kartik Roop Rai (DIN: 06789287)	**NA**
		Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	**NA**
		Ms. Sadhna Syal (DIN: 07837529)*	**NA**
		Note: 1. The median remuneration of employees of the Company was ₹ 2,50,635/- p.a. 2. For this purpose, Sitting Fees paid to the Directors has not been considered as remuneration. Only Mr. I D Chugh, Whole Time Director is paid remuneration and other directors are paid only sitting fees for attending board meetings and committee meetings. 3. Figures have been rounded off wherever necessary * **Ms. Sadhna Syal (DIN: 07837529) has been appointed as Additional Director on the Board on 02.06.2017 and regularized as Independent Director in 66th Annual General Meeting held on 28.09.2017.**	
2.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief ExecutiveOfficer and Company Secretary in the financial year. ***	Mr. Hira Lal Bhatia (DIN: 00159258)*	**NA**
		Mr. I. D. Chugh (DIN: 00073257)	**19.13%**
		Mr. Kartik Roop Rai (DIN: 06789287)*	**NA**
		Mr. Sanjiv Kavaljit Singh(DIN: 00015689)*	**NA**
		Ms. Sadhna Syal (DIN: 07837529)*	**NA**
		Mr. Chander Mohan Dhall (CFO)	**0.00%**
		Mr. Narendra Pal Singh (CEO)	**47.11%**
		Mr. Lalit Lohia (CS)**	**0.00%**
		*** For this purpose, Sitting Fees paid to the Directors have not been considered as remuneration.** **** Mr. Lalit Lohia has been appointed as Company Secretary of the Company w.e.f. 02.05.2017** *****Increase in remuneration is made as per appraisal system and Remuneration and Nomination Policy of the Company**	
3.	The percentage increase in the median remuneration of employees in the financial year:	4.89%	
4.	The number of permanent employees on the rolls of company.	There were 426 employees as on March 31, 2018	
5.	Average percentage increase already made in the salaries of employees other than the managerial personnel in the lastfinancial year and its comparison with the percentage increasein the managerial remuneration and justification thereof andpoint out if there are any exceptional circumstances for increase in the managerial remuneration.	Same	
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed.	

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

Part-B

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

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

Sr. No.	Name	Designation	Remuneration Received	Nature of Employment	Qualification & Experience	Date of Joining	Age	Last Employment Before joining the Company	% of Equity Shres held
1.	MR. GAUTAM KAPUR	JOINT PRESIDENT (Sahibabad)	6,27,642	JOINT PRESIDENT (Sahibabad)	M.B.A 41 years	22.07.1977	62	NIL	4.35%
2.	MR. GIRISH KAPUR	JOINT PRESIDENT (Sahibabad)	6,27,642	JOINT PRESIDENT (Sahibabad)	M.B.A 41 years	22.07.1977	62	NIL	3.95%
3.	MR. VIKRAM KAPUR	PRESIDENT (Sonepat)	5,64,479	PRESIDENT (Sonepat)	B.com Hons. 46 years	11.07.1972	66	NIL	2.04%
4.	MR. RAJIV KAPUR	JOINT PRESIDENT (Sonepat)	5,64,364	JOINT PRESIDENT (Sonepat)	B.com Hons. 34 years	25.07.1984	55	NIL	2.78%
5.	MR. RISHAV KAPUR	SENIOR VICE PRESID(Sahibabad)	5,10,464	SENIOR VICE PRESID (Sahibabad)	B.A. Hons. 16 yrs	29.04.2002	38	NIL	0.57%
6.	MR. RAHUL KAPUR	SENIOR VICE PRESIDENT (Sahibabad)	4,97,233	SENIOR VICE PRESIDENT (Sahibabad)	M.B.A. 10 years	01.06.2008	33	NIL	0.57%
7.	MR. ANGAD KAPUR	SENIOR VICE PRESIDENT (Sonepat)	4,67,833	SENIOR VICE PRESIDENT (Sonepat)	B.com 19 years	20.07.1999	40	NIL	0.80%
8.	MR. ABHINAV KAPUR	SENIOR VICE PRESIDENT (Sahibabad)	4,44,561	SENIOR VICE PRESIDENT (Sahibabad)	B.Sc in Business Mgmt 10 years	01.08.2008	32	NIL	0.75%
9.	MR. M R AGRAWAL	CHIEF GENERAL MANAGER PURCHASE (Sahibabad)	2,00,231	CHIEF GENERAL MANAGER PURCHASE (Sahibabad)	M.B.A. 35 years	15.01.1983	63	MODI SPINNING MILL	0.00%
10.	MR. ISHWAR DAS CHUGH	WHOLE TIME DIRECTOR	1,94,249	WHOLE TIME DIRECTOR	M.B.A. 62 years	01.01.1977	79	JANKI DAS & CO.SOLE SELLING AGENTS ATLAS CYCLES	0.00%

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

* We have taken CTC received in the month of March, 2018 as the basis for calculation, considering only for those employees who are employed throughout the F.Y 2017-18.

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

Sr. No.	Name	Designation	Remuneration Received	Nature of Employment	Qualification & Experience	Date of Joining	Age	Last Employment Before joining the Company	% of Equity Shres held
1.	MR. GAUTAM KAPUR	JOINT PRESIDENT (Sahibabad)	6,27,642	JOINT PRESIDENT (Sahibabad)	M.B.A 41 years	22.07.1977	62	NIL	4.35%
2.	MR. GIRISH KAPUR	JOINT PRESIDENT (Sahibabad)	6,27,642	JOINT PRESIDENT (Sahibabad)	M.B.A 41 years	22.07.1977	62	NIL	3.95%
3.	MR. VIKRAM KAPUR	PRESIDENT (Sonepat)	5,64,479	PRESIDENT (Sonepat)	B.com Hons. 46 years	11.07.1972	66	NIL	2.04%
4.	MR. RAJIV KAPUR	JOINT PRESIDENT (Sonepat)	5,64,364	JOINT PRESIDENT (Sonepat)	B.com Hons. 34 years	25.07.1984	55	NIL	2.78%
5.	MR. RISHAV KAPUR	SENIOR VICE PRESID (Sahibabad)	5,10,464	SENIOR VICE PRESID (Sahibabad)	B.A. Hons. 16 yrs	29.04.2002	38	NIL	0.57%
6.	MR. RAHUL KAPUR	SENIOR VICE PRESIDENT (Sahibabad)	4,97,233	SENIOR VICE PRESIDENT (Sahibabad)	M.B.A. 10 years	01.06.2008	33	NIL	0.57%
7.	MR. ANGAD KAPUR	SENIOR VICE PRESIDENT(Sonepat)	4,67,833	SENIOR VICE PRESIDENT (Sonepat)	B.com 19 years	20.07.1999	40	NIL	0.80%
8.	MR. ABHINAV KAPUR	SENIOR VICE PRESIDENT (Sahibabad)	4,44,561	SENIOR VICE PRESIDENT (Sahibabad)	B.Sc in Business Mgmt 10 years	01.08.2008	32	NIL	0.75%
9.	MR. M R AGRAWAL	CHIEF GENERAL MANAGER PURCHASE (Sahibabad)	2,00,231	CHIEF GENERAL MANAGER PURCHASE (Sahibabad)	M.B.A. 35 years	15.01.1983	63	MODI SPINNING MILL	0.00%

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

- There was no such employees.

CORPORATE GOVERNANCE REPORT 2017-2018

CIN:L35923HR1950PLC001614

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2018, in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

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

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

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

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

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

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

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

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

2. BOARD OF DIRECTORS

Composition and category

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

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

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

Name of Director	Designation	Category of Directorship	Shareholding in the company	No. of other Directorships #	No. of Committee Memberships	
					Member ##	Chairman
Mr. Hira Lal Bhatia (DIN: 00159258)	Director	Non Executive	2625	3	3	1
*Mr. I. D. Chugh (DIN: 00073257)	Whole Time Director	Executive	120	3	1	NIL
Mr. Kartik Roop Rai (DIN: 06789287)	Director	Independent Non Executive	NIL	NIL	2	1
Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	Director	Independent Non Executive	NIL	3	2	1
**Ms. Sadhna Syal (DIN: 07837529)	Director	Independent Non Executive	NIL	NIL	NIL	NIL

Excluding private limited companies and foreign companies.

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

* Mr. Ishwar Das Chugh was re-appointed as Whole Time Director for a period of 3 years w.ef 31.03.2018 to 30.03.2021 vide Board Meeting held on 16.01.2018, subject to approval of shareholders' by way of Special resolution in 67th Annual General Meeting and approval from consortium bankers and central government (if required).

** Ms. Sadhna Syal was appointed as an Independent Director vide 66th Annual General Meeting held on 28-09-2017.

The ratio between Executive and Non-Executive Directors and Independent Directors is 1:1:3. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 (Act).

None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2018 have been made by the Directors.

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

Board Procedure

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

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

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

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed of every Board Meeting, on the overall performance of the Company, with presentations by business heads. Senior Management is invited to attend the Board Meeting so as to provide additional inputs to the items being discussed by the Board.

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

Attendance of each director at the meetings of the Company

The detail of attendance of each Director of the Company in Board Meetings held during the financial year 2017-18 is given below:

Name of the Directors	Attendance of Meeting during 2017-18	
	Board Meetings	Last AGM
Mr. Hira Lal Bhatia (DIN: 00159258)	10	Yes
Mr. I. D. Chugh (DIN: 00073257)	9	Yes
Mr. Sanjiv Kavaljit Singh (DIN: 000 15689)	10	Yes
Mr. Kartik Roop Rai (DIN: 06789287)	10	Yes
Ms. Sadhna Syal (DIN: 07837529)	7	No

Number of Board Meetings held and the dates on which held

Ten Board Meetings were held during the financial year 2017-18 The Company has held at least one Board Meeting in every three months and the maximum time gap between any two such meetings was not more than one hundred and twenty days.

The details of the Board Meetings are as under:

Date	Board Strength	No. of Directors present
April 04, 2017	5	4
May 19, 2017	5	4
June 19, 2017	5	4
August 04, 2017	5	5
August 25, 2017	5	5
October 16, 2017	5	4
November 29, 2017	5	5
December 14, 2017	5	5
January 16, 2018	5	5
February 24, 2018	5	5

Agenda and Minutes

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

The Company Secretary while preparing the agenda and minutes of the Board/Committee meeting has ensured adherence to the applicable provisions of the law including the Companies Act, 2013. The applicable Secretarial Standards

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

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

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

3. SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the Company meets at least once in a year as per the requirement of Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of Companies Act, 2013 read with Rules made thereunder. The Meetings of Independent Directors were held on 4th August, 2017 in which all Independent Directors were present.

The Independent Directors in the Meetings, inter-alia:

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

4. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

5. CODE OF CONDUCT

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

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

6. VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177(9) & (10) of the Companies Act, 2013, the Company has adopted the Code of Ethics & Business Conduct, which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of employees in pointing out such violations of the Code cannot be undermined. Accordingly, this Whistle blower Policy ("the Policy") has been formulated with a view to provide a mechanism for employees of the Company

to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. and no personnel has been denied access to audit committee.

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

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

7. AUDIT COMMITTEE

Broad Terms of Reference

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

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

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

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

The Audit Committee, while reviewing the Annual Financial Statements also reviewed the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the Financial Statements for the year ended March 31, 2018.

Composition

The Audit Committee comprised of three Directors one of them is Non-Executive Director and remaining two are Independent Directors of the Company. The Composition of Audit Committee is in accordance with the provisions of Regulation 18 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. All these Directors possess adequate knowledge of corporate finance, accounts and company law.

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

The constitution of Audit Committee as on 31st March, 2018 comprised of the following:

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

Meetings and attendance

The Audit committee held seven meetings during the financial year ended 31st March, 2018 and the gap between two meetings did not exceed one hundred and twenty days. The Audit Committee Meetings were held on 19.05.2017, 19.06.2017, 04.08.2017,25.08.2017,29.11.2017,14.12.2017 and 24.02.2018.

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

Name of Members	No. of meetings held	No. of meetings attended during	Leave of absence sought
Mr. Kartik Roop Rai (DIN: 06789287)	7	7	NIL
Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	7	7	NIL
Mr. Hira Lal Bhatia (DIN: 00159258)	7	7	NIL

8. NOMINATION AND REMUNERATION COMMITTEE

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

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

Evaluation Criteria

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for

appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c) The Company shall not appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Remuneration Policy

a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel is determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. is subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.

b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such issuance shall be treated as part of the remuneration.

The composition of Nomination & Remuneration Committee as on 31st March, 2018 comprised of the following:

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

Meetings and attendance

The Nomination and Remuneration Committee held six meetings during the financial year ended 31st March, 2018. The Nomination and Remuneration Committee Meetings were held on 04.04.2017, 19.05.2017, 19.06.2017, 04.08.2017, 14.12.2017 and 16.01.2018. The attendance of the members at the Nomination and Remuneration Committee Meetings are as under:

Name of Members	No. of meetings held	No. of meetings attended during	Leave of absence sought
Mr. Kartik Roop Rai (DIN: 06789287)	6	6	NIL
Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	6	6	NIL
Mr. Hira Lal Bhatia (DIN: 00159258)	6	6	NIL

A. Whole Time Director

- Salary and commission within the limits prescribed under the Companies Act, 2013.
- Annual increments depending upon individual's performance.
- The remuneration payable to Whole Time Director was decided by the Board of Directors vide board meeting dated 16.01.2018, while renewing his appointment for 3 years w.e.f.31.03.2018, subject to approval of shareholders by way of special resolution at 67th Annual General Meeting and approval from consortium bankers and central government (if required).
- No sitting fees.

Remuneration Policy

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

B. Non-Executive Directors

- Sitting fees for attending meetings.

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

Details of remuneration paid during 2017-2018.

A. Whole Time Director **(₹)**

Name	Shri I.D. Chugh
Basic Salary	8,82,340
House Rent Allowance	1,45,620
Long Service Allowance	2,625
Other Allowance	6,67,140
Super Annuation	-
Provident Fund Contribution	1,08,793
Management Commission	1,22,006
Medical Expenses	45,000
Leave Travel Allowance	-
Total	**19,73,524**

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

B. Non-Executive Directors

Name of Director	Sitting Fee (₹)
Mr. Hira Lal Bhatia (DIN: 00159258)	1,57,000/-
Mr. Kartik Roop Rai (DIN: 06789287)	1,58,000/-
Mr. Sanjiv Kavaljit Singh (DIN: 00015689)	158,000/-
Ms. Sadhna Syal (DIN: 07837529)	75,000/-

9. STAKEHOLDER'S RELATIONSHIP COMMITTEE

Composition

The Stakeholder's Relationship Committeeformulatedin compliance with Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and comprises of Executive and Non-Executive Directors. The composition of Stakeholder's Relationship Committee is as follows:

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

Terms of Reference

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

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

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

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

Meetings

Two Stakeholders Relationship Committee Meetings were held during the year on 19.05.2017, and 29.11.2017. The attendance of each member as at 31st March, 2018 is as given below:

Name of Members	No. of meetings held during tenure	No. of meetings attended during tenure	Leave of absence sought
Mr. Ishwar. Das. Chugh (DIN: 00073257)	2	2	NIL
Mr. Hira Lal Bhatia (DIN: 00159258)	2	2	NIL

Complaints received and redressed during the year 2017-18

During the year 9 complaints were received from shareholders / debentureholders all of which were replied / resolved to the full satisfaction of the shareholders, except 2 complaints registered on SCORES, which were resolved during quarter ended 30.06.2018.

10. SHARE TRANSFER SUB-COMMITTEE

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

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

11. RISK MANAGEMENT COMMITTEE

Since our company is not among top 100 listed companies determined on the basis of market capitalization at the end of F.Y 2017-18 (on the basis of list of top 100 companies available on NSE/ BSE websites) it is not mandatory for our company to maintain such committee. The Board of Directors at its meeting held on 4th August, 2017 has already dissolved Risk Management committee.

12. RELATED PARTY TRANSACTON POLICY

The Board of Directors of the Company formulates a policy for entering into Related Party Transactions in accordance with the Provisions of Section 188 of the Companies Act, 2013 read with Rules made there under and as per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All related party transactions are entered into at arm's length, in ordinary course of business and are not material.

A. APPROVAL AND REVIEW

a) All Related Party Transactions (including any modification/ renewal thereof) are entered with prior approval of the Audit Committee.

b) The Audit Committee grants omnibus approval to proposed Related Party Transactions in accordance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 accepting those transactions which fall under Section 188 of the Companies Act, 2013, subject to the following conditions:

   i. the omnibus approval must be as per the policy on related party transactions and for transaction which are repetitive in nature;

   ii. the Committee is satisfied of the need of such omnibus approval and that such approval is in the interest of the listed entity.

   iii. the omnibus approval shall specify (i) the name of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into (ii) the indicative base price/current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Committee may deem fit;

   Provided that where the need for Related Party Transaction can not before seen and aforesaid details are not available, the Committee grants omnibus approval for such transactions subject to their value not exceeding Rs. 1 crore per transaction.

c) All Related Party Transactions which are 'Material' shall also require prior approval of the shareholders by way of special resolution and all Related Parties shall abstain from voting, irrespective of whether they are party to the particular transaction or not. Provided that if the legal requirement is relaxed or made stringent on this requirement, then the same will be followed.

d) All Related Party Transactions are reviewed by the Audit Committeeon quarterly basis.

B. MATERIAL RELATED PARTY TRANSACTION

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

13. COMPLIANCE OFFICER

Mr. Lalit Lohia was the Company Secretary and Compliance Officer of the Company for the financial year 2017-18. He was appointed as Company Secretary of the Company w.e.f. 02.05.2017 and as Compliance Officer w.e.f. 19.05.2017 in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and requirements of SEBI (Prohibition of Insider Trading) Regulation, 1992 / 2015.

14. SUBSIDIARY COMPANIES

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

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

The minutes of Board Meetings of Atlas Cycles Sonepat Limited held on 19.05.2017, 04.08.2017, 29.11.2017 and 27.03.2018 were placed at the Board Meeting of the holding Company Atlas Cycles (Haryana) Limited for review on 04.08.2017, 14.12.2017 and 29.08.2018 respectively.

The minutes of Board Meetings of Atlas Cycles (Sahibabad) Limited held on 19.05.2017, 04.08.2017, 29.11.2017 and 27.03.2018 were placed at the Board Meeting of the holding Company Atlas Cycles (Haryana) Limited for review on 04.08.2017, 14.12.2017 and 29.08.2018 respectively.

The minutes of Board Meetings of Atlas Cycles (Malanpur) Limited held on 19.05.2017, 04.08.2017, 29.11.2017 and 27.03.2018 were placed at the Board Meeting of the holding Company Atlas Cycles (Haryana) Limited for review on 04.08.2017, 14.12.2017 and 29.08.2018 respectively.

15. CORPORATE GOVERNANCE MANUAL

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

16. LEGAL COMPLIANCE REPORTING

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

17. ANNUAL GENERAL MEETINGS

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

Year	AGM	Date	Time	Venue	Special Resolution passed
2014-15	64th AGM	30th September, 2015	4:00 p.m.	Atlas Cycles (Haryana) Limited, Industrial Area, Sonepat	• For appointment of Ms. Veena Buber as Independent Women Director. • Confirmation of Appointment & Approval of Remuneration of Mr. Chander Mohan Dhall as Manager of the Company. • Approval under Section 180(1)(C) of Companies Act, 2013 for exceeding Borrowing power of the Company.
2015-16	65th AGM	30th September, 2016	4:00 p.m		• For Charging Nominal Fee for Delivery of Documents to Members
2016-17	66th AGM	28th September, 2017	4:00 p.m		• To amend and Adopt New Articles of Association of the Company • Alteration of the Capital Clause of Memorandum of Association • Increment in remuneration of Mr. Ishwar Das Chugh, Whole Time Director of the Company

18. POSTAL BALLOT

During the financial year ended on 31st March 2018, no resolution has been passed through postal ballot.

19. EXTRAORDINARY GENERAL MEETING

During the financial year ended on 31st March 2018, No Extraordinary General Meeting was held.

20. DISCLOSURES

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

Related party transactions as per AS-18 have been dealt with in schedule 35 (Notes forming part of the accounts). However, these transactions are not in conflict with the interest of the Company.

b) ***Disclosure of Accounting Treatment***

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

c) ***Risk Management***

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

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

The Company has complied with all the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the last 3 years, there were delay in timely submission of Quarterly and Yearly Financial Results to the Stock Exchanges due to closing down of Malanpur Unit of the Company which had impacted the whole company. Accordingly, there were penalties imposed by the National Stock Exchange of India Limited amounting to ₹ 43,24,633 and BSE Limited amounting to ₹ 4,86,000 (approx.). The Company has paid the penalties of the National Stock Exchange of India Limited amounting to ₹ 43,24,633 and for BSE, the Company is in the process of considering possibilities of reduction of penalties or any condonation or waiver thereof and will pay the penalties thereafter. Apart from this, there were no strictures or penalties imposed either by SEBI or the Stock Exchange or any statutory authority for non-compliance of any matter related to the capital market since the listing of the Company.

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

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

21. MEANS OF COMMUNICATION

- The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results, in the Performa prescribed by Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The approved financial results are sent forthwith to the National Stock Exchange of India Limited and BSE Limited and are published in a National English language Newspaper, viz, Financial Express. In addition, the same are published in a local Hindi language Newspaper, viz., Jan Satta, with in forty-eight hours of approval thereof.
- The Company's financial results and official news releases are being displayed on the Company's website i.e. www.atlasbicycles.com.

22. MANAGEMENT DISCUSSION & ANALYSIS REPORT

A detailed review of the progress of the project and the future outlook of the Company and its business, as stipulated under Regulation 34 (2) read with Part B of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of this Annual Report.

23. CORPORATE ETHICS

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

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

The Company has adopted discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as to having separate posts of Chaiman and Chief Executive Officer. Mr. Hira Lal Bhatia is the Chairman and Mr. Narendra Pal Singh is the Chief Executive Officer.

24. CEO/CFO CERTIFICATION

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

25. REPORT ON CORPORATE GOVERNANCE

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

26. GENERAL SHAREHOLDERS INFORMATION

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

Annual General Meeting

Day, Date and Time — *Friday, 26th October, 2018, 4:00 p.m.*

Venue — *Atlas Cycles (Haryana) Limited*
Industrial Area, Atlas Road,
Sonepat-131001, Haryana

Financial Calendar

- Financial reporting for the quarter ending June 30, 2018 : 14th August, 2018
- Financial reporting for the half year ending September 30, 2018 : 14th November, 2018
- Financial reporting for the quarter ending December 31, 2018 : 14th February, 2019
- Financial reporting for the year ending March 31, 2019 : 30th May, 2019

Book Closure Period

20th October, 2018 to 26th October, 2018 **(Both days inclusive)**

Dividend payment Date

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

Listing of Equity Shares on Stock Exchange(s)

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

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

Listing Fees

Annual Listing Fee for the year 2017-2018 has been paid to National Stock Exchange of India Limited and BSE Limited, where the equity shares of the Company are listedwithin the stipulated time.

Stock Code

Scrip Code - National Stock Exchange of India Limited - "ATLASCYCLE"
BSE Limited - '505029'

ISIN for Equity Shares – Due to sub-division of equity shares w.e.f 31.10.2017 (from one equity share of ₹ 10/- each fully paid up into 2 equity shares of ₹ 5/- each fully paid up) as mentioned in Director's Report, ISIN of the company has changed from INE446A01017 to INE446A01025.

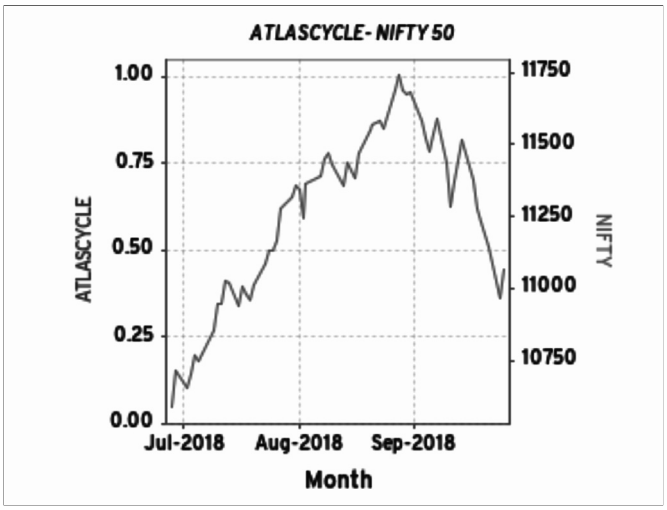
Stock Market Data

Monthly high and low prices of equity shares of Atlas Cycles (Haryana) Limited at the National Stock Exchange (NSE) and Bombay Stock Exchange Limited (BSE) during the year under review in comparison to NSE and BSE (Sensex) are given hereunder:

Month	Equity Share Price on NSE and BSE			
	Share Price on NSE		Share Price on BSE	
	HIGH ₹	LOW ₹	HIGH ₹	LOW ₹
April, 2017	480.00	412.60	481.00	410.00
May, 2017	440.20	296.85	451.00	294.60
June, 2017	481.00	271.25	485.00	270.00
July, 2017	420.00	350.00	422.00	356.00
August, 2017	417.00	347.00	422.00	351.00
Sep., 2017	434.00	370.00	434.00	371.05
**Oct., 2017	440.15	213.95	436.60	213.80
Nov., 2017	246.80	206.25	248.00	205.25
Dec., 2017	225.00	193.50	228.00	192.00
Jan.,2018	230.00	193.00	231.10	194.00
Feb., 2018	206.60	173.00	202.90	173.00
Mar., 2018	196.80	158.25	195.00	157.80

****During April, 2017 to October, 2017 (till 30.10.2017) the nominal value of equity share was ₹ 10/- per share. On 31.10.2017 –Record date fixed for sub-division, 1 equity share of ₹ 10/- per share fully paid up was sub-divided into 2 equity share of ₹ 5/- each fully paid up. From 31.10.2017 and onwards, the nominal value of equity share is ₹ 5/- per share fully paid up.**

Chart showing latest available quarterly comparison of NIFTY with company



The Company's shares are regularly traded on BSE Limited and National Stock Exchange of India Limited.

There are no outstanding global depository receipts or American depository receipts or warrants or any convertible instruments.

Shareholding Pattern by Size

DISTRIBUTION SCHEDULE AS ON 31/03/2018

NOMINAL VALUE OF EACH SHARE - ₹ 5/-

NO OF SH HOLDERS	% TO TOTAL	SHARE HOLDING OF NOMINAL VALUE OF ₹	NO OF SHARE	AMOUNT IN ₹	% TO TOTAL
12061	95.928	1 To 5000	1516353	7581765	23.315
239	1.901	5001 To 10000	368387	1841935	5.664
131	1.042	10001 To 20000	381964	1909820	5.873
44	0.350	20001 To 30000	224574	1122870	3.453
20	0.159	30001 To 40000	142429	712145	2.190
10	0.080	40001 To 50000	92942	464710	1.429
27	0.215	50001 To 100000	383572	1917860	5.898
41	0.326	100001 AND ABOVE	3393617	16968085	52.179
12573	**100.000**	**TOTAL**	**6503838**	**32519190**	**100.000**
TOTAL SHARE HOLDERS IN NSDL		6142	TOTAL SHARES IN NSDL		4239581
TOTAL SHARE HOLDERS IN CDSL		3817	TOTAL SHARES IN CDSL		1742699
TOTAL SHARE HOLDERS IN PHY		2729	TOTAL SHARES IN PHY		521558
	TOTAL	12688*		TOTAL	6503838

* 115 Holder are common in Demat and physical.

Registrar and Share Transfer Agent

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

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

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

Share Transfer System

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

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

- Shareholder submits the share certificates along with Dematerialization Request Form (DRF) to Depository Participant (DP).
- DP processes the DRF and generates a unique Dematerialization Request No.
- DP forwards DRF and share certificates to Registrar and Share Transfer Agent (RTA).
- RTA after processing the DRF confirms or rejects the request to Depositories.
- If confirmed by the RTA, Depositories give credit to shareholder in his account maintained with DP.

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

Categories of Equity Shareholders as on March 31, 2018

Category of Shareholder	No. of shares held	Percentage of shareholding
Promoters, Associates and Relatives	2838329	43.64
Mutual Funds/ UTI	1906	0.03
Financial Institution	152	0.00
Foreign Institutional Investors	0	0.00
Bodies Corporate	386371	5.94
General Public	3126748	48.07
NBFC Registered with RBI	13994	0.22
Non-Resident Indian / OCB	47662	0.73
Clearing Member	83674	1.29
Trust	5002	0.08
Total	**6503838**	**100.00**

Dematerialization of shares and liquidity

As on 31.03.2018 of the total equity shares, 91.98% were held in dematerialized Form and the balance 8.02% shares are in physical form. The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments which are pending for conversion.

Plant Locations

The Company's plants are located at Sonepat, Sahibabad, Malanpur, Bawal and Rasoi.

Nomination

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

Address for Correspondence

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

For Shares held in Physical Form:

MAS SERVICES LIMITED
T-34, IInd Floor,
Okhla Industrial Area,
Phase II, New Delhi – 110020
Tel.: 011-26387281, 7282, 7283
Fax: 011-26387384

Contact Person: Mr. Sharwan Mangla (General Manager)

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

For Shares held in Demat Form:

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

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

Company Law Department
Atlas Cycles (Haryana) Limited
Industrial Area, Atlas Road, Sonepat – 131001
Email:companysecretary@atlascycles.co.in
Website: www.atlasbicycles.com
Ph. No.: 0130-2200001 to 2200006
Fax No. 0130-2200018

COMPLIANCE CERTIFICATE OF THE AUDITORS

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance for the year ended March, 31, 2018 as stipulated in Regulation 24 & Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same forms part of this Annual Report.

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

RECONCILIATION OF SHARE CAPITAL AUDIT

As stipulated by SEBI, a qualified Chartered Accountant or Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out by Mr. Rajiv Bhasin, Chartered Accountant and the report thereon is submitted to the National Stock Exchange of India Limited and BSE Limited.

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

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

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

HIRA LAL BHATIA
(DIN: 00159258)
3-B/11, N.E.A., Utri Marg,
New Delhi – 110060

ISHWAR DAS CHUGH
(DIN: 00073257)
I-73, Naraina Vihar,
New Delhi - 110028

DIRECTORS

Date: 17th September, 2018
Place: Delhi

CEO/ CFO CERTIFICATION

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

a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2018 and that to the best of our knowledge and belief, we state that:
   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee:
   i. significant changes, if any, in internal control over financial reporting during the year;
   ii. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   iii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For ATLAS CYCLES (HARYANA) LIMITED
Sd/-
(NARENDRA PAL SINGH)
CHIEF EXECUTIVE OFFICER (CEO)

For ATLAS CYCLES (HARYANA) LIMITED
Sd/-
(CHANDER MOHAN DHALL)
CHIEF FINANCIAL OFFICER (CFO)

Date : 17th September, 2018
Place : New Delhi

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

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

Sd/-
NARENDRA PAL SINGH
CHIEF EXECUTIVE OFFICER

Date : 17th September, 2018
Place : New Delhi

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, 2018 as stipulated in Part E of the Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

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, 2018 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 **Dinesh Nangru & co.**
Chartered Accountants
FR No:- 015003N

CA. DINESH NANGRU
(Partner)
Mem.No: - 094779

Place : Delhi
Date :-17th September 2018

MANAGEMENT DISCUSSION & ANALYSIS

(for year ended 31st March, 2018)

FORWARD LOOKING STATEMENTS

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

INDUSTRY OVERVIEW

India produces approximately 10% of the world annual bicycle production, which is estimated at 150 Million units. The annual domestic demand of bicycles in India is approximately 12 million units, out of which around 4.0 million units is a government demand for the various welfare schemes. Exports out of India are largely to Africa and the less developed economies and negligible to western markets. Today, the Indian bicycle manufacturing and bicycle parts industry is widely recognized for its quality standards in the international market.

Bicycle market in India is projected to grow at a CAGR of over 11% till 2021 on account of growing population base, increasing discretionary spending and rising health consciousness among people. In India cycle is being swiftly adopted as a mean to stay fit and as a popular recreational activity. Growing urban population base and rising demand for roadster bicycles from rural population to derive growth in the countries bicycle market in the ensuring years.

The market for the premium or the lifestyle bikes targeted towards the lifestyle consumer is just about emerging on account of increasing individual incomes and higher aspiration levels of the middle income group. Growth in the "specials segment" (Sport Light Roadster, mountain terrain bike and children's bicycles) was higher than in the "standard segment". The definition of high end bikes itself is changing.

Not only are the price points changing, but even definitions of the segments. Cycles were simplistically segmented into gents, ladies, kids and high end. But now the lifestyle bikes are being segmented in line with the global trend that is based on their usage. There are Road bikes, Mountain tarrain bikes and Children bikes etc.

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

M/S Atlas Cycles (Haryana) Limited is a Public Limited Company having presence in bicycles segment with a track record of more than 67 Years, having established brand both in Indian as well as International Market. The company is engaged in manufacturing of bicycles and its components and steel tubes with units at Sonepat, Sahibabad, Malanpur, Bawal and Rasoi.

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

OPPORTUNITY AND THREATS

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

PRODUCTWISE PERFORMANCE

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

OUT – LOOK

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

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

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

RISK AND CONCERNS

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

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

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

FINANCIAL PERFORMANCE

The company achieved a turnover ₹ 65327.46 Lacs in FY 2017-18 compared to ₹ 69621.99 Lacs during the previous year.

HEALTH SAFETY AND ENVIRONMENT

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

HUMAN RESOURCE AND INDUSTRIAL RELATIONS

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

CAUTIONARY STATEMENT

Statements in the Directors' Report & Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal market, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factor.

APPRECIATION

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

HIRA LAL BHATIA
(DIN: 00159258)
3-B/11, N.E.A., Utri Marg,
New Delhi – 110060

ISHWAR DAS CHUGH
(DIN: 00073257)
I-73, Naraina Vihar,
New Delhi - 110028

DIRECTORS

Date : 17th September, 2018
Place : Delhi

INDEPENDENT AUDITOR'S AUDITOR

To the Members of M/s. ATLAS CYCLES (HARYANA) LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the standalone Ind AS Financial Statements of Atlas cycles (Haryana) Limited ("the Company"), which comprise the balance sheet as at 31st March 2018, and the statement of Profit and Loss including the statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its loss, including other comprehensive income its cash flows and the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A,** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, other comprehensive income, statement of change in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**"

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigation on the Balance Sheet date which would impact its financial positions substantially.

   ii. The Company did not have any foreseeable loss on long-term contracts including derivative contract on the Balance Sheet date.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

CA Dinesh Nangru
Partner
Membership No. : 094779

Place : Delhi
Date : 17th September, 2018

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

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

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone Ind AS Financial Statements for the year ended 31 March 2018, we report that:

1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

   (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

   (c) According to information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

2) (a) As explained to us, the inventories were physically verified during the year by the Management, wherever applicable, at reasonable intervals other than for inventories lying with third parties at the end of the year for which confirmations have been obtained in most of the cases.

   b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and I86 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

5) The Company has not accepted deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company and the such accounts and records are made and maintained by the company.

7) a) According to the information and explanation given to us, and the records of the company examined by us, the company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income-tax, sale tax, duty of excise, value added tax, cess. However, according to the information and explanation given to us, no undisputed material amounts payable in respect of statutory dues were in arrears as at 31st March, 2017 for a period more than six months from the date they became payable.

   b) According to the information and explanation given to us, there are no dues of income tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

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

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. However, term Loans raised by the company has been applied for which those are raised.

10) To the best of our knowledge and according to the information and explanations given to us, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) To the best of our knowledge and according to the information and explanations given to us, the managerial

remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable Ind AS.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

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

CA Dinesh Nangru
Partner
Membership No. : 094779

Place : Delhi
Date : 17th September, 2018

"ANNEXURE – B" TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ATLAS CYCLES (HARYANA) LIMITED ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statements in accordance with generally

accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountant of India".

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

CA Dinesh Nangru
Partner
Membership No. : 094779

Place : Delhi
Date : 17th September, 2018

Atlas Cycles (Haryana) Limited

STANDALONE BALANCE SHEET AS AT 31.03.2018

(Amount in ₹)

Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
ASSETS				
(1) Non - current assets				
(a) Property, plant and equipment	4	882,536,663	869,771,644	933,221,400
(b) Capital work-in-progress		13,173,932	4,470,738	-
(c) Financial assets				
(i) Investments	5	3,211,406	4,126,142	5,572,962
(ii) Other financial assets	6	11,716,995	1,425,749	1,425,749
(d) Deferred tax assets (net)	7	64,990,456	61,370,000	81,135,000
(e) Other non - current assets	8	168,344,946	168,413,412	166,896,624
Total non - curret assets		**1,143,974,398**	**1,109,577,685**	**1,188,251,735**
(2) Current assets				
(a) Inventories	9	605,791,932	490,001,277	386,455,429
(b) Financial assets				
(i) Investments	10	113,789,323	147,676,076	142,301,050
(ii) Trade receivables	11	1,690,189,273	1,385,264,875	1,054,528,902
(iii) Cash and cash equivalents	12	41,213,710	139,822,258	21,801,348
(iv) Bank balance other than cash and cash equivalent	13	6,099,218	6,099,218	5,897,876
(v) Loans	14	179,085,431	245,371,950	312,659,798
(vi) Other financial assets	15	34,523,192	32,633,192	31,938,966
(d) Other current assets	16	40,919,878	36,953,572	51,156,807
Total current assets		**2,711,611,957**	**2,483,822,418**	**2,006,740,176**
TOTAL ASSETS		**3,855,586,355**	**3,593,400,103**	**3,194,991,911**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	17	32,519,190	32,519,190	32,519,190
(b) Other equity	18	943,140,062	959,195,436	927,421,540
Total Equity		**975,659,252**	**991,714,626**	**959,940,730**
LIABILITIES				
(1) Non - current liabilities				
(a) Financial liabilities				
(i) Borrowings	19	4,664,729	16,057,530	16,072,655
(ii) Other financial liabilities	20	249,816,693	247,677,119	246,885,094
(b) Provisions	21	7,951,993	7,600,997	6,521,491
Total non - curret liabilities		**262,433,415**	**271,335,646**	**269,479,240**
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	22	503,409,481	835,361,015	589,477,058
(ii) Trade Payables	23	1,945,138,521	1,258,457,459	1,124,806,452
(iii) Other financial liabilities	24	19,452,138	77,353,188	97,785,679
(b) Other Current Liabilities	25	104,562,512	40,454,224	84,422,878
(c) Provisions	26	44,931,036	118,723,945	69,079,874
Total curret liabilities		**2,617,493,688**	**2,330,349,831**	**1,965,571,941**
Total Equity & Liabilities		**3,855,586,355**	**3,593,400,103**	**3,194,991,911**
Basis of Preparation & Significant Accounting Policies	**2&3**			

The Accompanying notes are integral part of these standalone financial statements

As per our Report of even date

For **DINESH NANGRU & COMPANY**
Chartered Accountants
FRN: 015003N

Narendra Pal Singh
Chief Executive Officer

Chander Mohan Dhall
Chief Financial Officer

CA. DINESH NANGRU
PARTNER
M. No. – 094779

Lalit Lohia
Company Secretary

Hira Lal Bhatia
(DIN: 00159258)
Chiarman &
Non Executive Director

Ishwar Das Chugh
(DIN: 00073257)
Whole Time Director

Date : 17th September, 2018
Place : New Delhi

Atlas Cycles (Haryana) Limited

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2018 (Amount in ₹)

Particulars	Note No.	Year ended 31.03.2018	Year ended 31.03.2017
I Income			
a Revenue from operations	28	6,532,746,026	6,962,198,776
b Other income	29	26,191,645	39,582,643
Total income (a + b)		**6,558,937,671**	**7,001,781,419**
II Expenses			
Cost of material consumed	30	4,170,315,340	4,800,476,549
Purchases of Stock-in-Trade	31	479,957,208	50,101,474
Change in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	32	2,016,604	-77,175,679
Excise duty on Sales		33,998,843	119,440,537
Employee benefits expenses	33	389,831,457	370,744,740
Finance costs	34	98,275,793	85,652,710
Depreciation and amortization expenses	35	42,814,691	47,424,968
Other expenses	36	1,361,403,565	1,553,577,224
Total expenses		**6,578,613,501**	**6,950,242,523**
III Profit / (loss) before exceptional items and tax		-19,675,830	51,538,896
IV Exceptional items		-	-
V Profit / (loss) before tax		**-19,675,830**	**51,538,896**
VI Tax expense			
(1) Current tax			
(2) Deferred tax (Assets/ Liability Utilization)		3,620,456	-19,765,000
VII Profit / (loss) for the Year from continuing operations		**-16,055,374**	**31,773,896**
VIII Other comprehensive income			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of net defined benefit plans			
(ii) Income tax relating to above items			
IX Total comprehensive income for the year		**-16,055,374**	**31,773,896**
X Earnings per equity share (Refer Note 48)			
(1) Basic		(2.47)	4.89
(2) Diluted		(2.47)	4.89
Basis of Prepartion & Significant Accounting Policies	**2&3**		

The accompanying notes are integral part of these standalone financial statements

As per our Report of even date

For **DINESH NANGRU & COMPANY**
Chartered Accountants
FRN: 015003N

Narendra Pal Singh
Chief Executive Officer

Chander Mohan Dhall
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Ishwar Das Chugh
(DIN: 00073257)
Whole Time Director

Date : 17th September, 2018
Place : New Delhi

Atlas Cycles (Haryana) Limited

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2018

A. Equity Share Capital (Amount in ₹)

Particulars	Amount
As at 01.04.2016	32,519,190.00
Changes in equity share capital	-
As at 31.03.2017	**32,519,190.00**
Changes in equity share capital	-
As at 31.03.2018	**32,519,190.00**

B. Other equity

Particulars	Reserves and Surplus	Reserves and Surplus	Reserves and Surplus	Reserves and Surplus	Total
	Retained earnings	General Reserves	Securities Premium	Fixed Assets Revaluation Reserve	
Balance as at 01.04.2016	**-307,890,630**	**1,115,883,070**	**60,620,185**	**38,974,063**	**907,586,688**
Impact of IND AS Adjustment	**19,834,852**				
Additions during the period	31,773,896	-			-
Deletion during the period					-
As at 31.03.2017	**-256,281,882**	**1,115,883,070**	**60,620,185**	**38,974,063**	**907,586,688**
Additions during the period	-16,055,374	-			-
Deletion during the period					-
As at 31.03.2018	**-272,337,256**	**1,115,883,070**	**60,620,185**	**38,974,063**	**907,586,688**

The accompanying notes are integral part of these standalone financial statements

As per our Report of even date

For **DINESH NANGRU & COMPANY**
Chartered Accountants
FRN: 015003N

Narendra Pal Singh
Chief Executive Officer

Chander Mohan Dhall
Chief Financial Officer

CA. DINESH NANGRU
PARTNER
M. No. – 094779

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Hira Lal Bhatia
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Non Executive Director

Ishwar Das Chugh
(DIN: 00073257)
Whole Time Director

Date : 17th September, 2018
Place : New Delhi

Atlas Cycles (Haryana) Limited

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018

(Amount in ₹)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before exceptional items and tax as per statement of profit and loss	-19,675,830	51,538,896
Adjustments for:		
Depreciation & Amortisation	42,814,691	47,424,968
(Gain)/Loss on disposal of property, plant & equipment	-6,495,430	-9,171,395
Profit on Sale of Current Investments	-10,542,092	-28,386,868
Bad Debts	-	63,372,030
Liability / Provisions no longer required written back	-3,360,141	-
Interest Income	-11,385,058	-29,097,772
Finance costs	98,275,793	85,652,710
Operating Profit before Working Capital Changes	**89,631,933**	**181,332,569**
Working capital adjustments:		
Decrease/ (Increase) in trade and other receivables	-304,924,398	-394,108,003
Decrease/ (Increase) in Inventories	-115,790,655	-103,545,848
Decrease/ (Increase) in Other Non Current Financial Assets	-10,291,246	-
Decrease/ (Increase) in Other Non Current Assets	68,466	-1,516,788
Decrease/ (Increase) in Current Loans	66,286,519	67,287,848
Decrease/ (Increase) in Other Current Assets	-3,966,306	14,203,235
Decrease/ (Increase) in Other Current Financial Assets	-1,890,000	-694,226
Decrease/ (Increase) in Bank Balances other than cash equivalents	-	-201,342
Increase/ (decrease) Other Non-Current Financial Liabilities	2,139,574	792,025
Increase/ (decrease) in Non Current Provisions	350,996	1,079,506
Increase/ (decrease) in trade and other payables	690,041,203	133,651,007
Increase/ (decrease) in Other Financial Liabilities	-57,901,050	-20,432,491
Increase/ (decrease) in Other Current Liabilities	64,108,288	-43,968,654
Increase/ (decrease) in Provisions	-73,792,909	49,644,071
Net cash flows generated from (used in) operating activities after exceptional items	**344,070,415**	**-116,477,091**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment, including CWIP and capital advances	-80,326,356	-43,292,480
Sale, plant & equipment, including CWIP and capital advances	22,538,882	64,017,929
Sale/(Purchase) of Investment	45,343,581	24,458,662
Interest Received	11,385,058	29,097,772
Net cash flows generated from (used in) investing activities	**-1,058,835**	**74,281,883**

(Amount in ₹)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from Short term Borrowings	-331,951,534	245,883,957
Net Proceeds from Long term Borrowings	-11,392,801	-15,125
Interest Paid	-98,275,793	-85,652,710
Net cash flows generated from (used in) financing activities	**-441,620,128**	**160,216,122**
Net increase (decrease) in cash and cash equivalents	-98,608,548	118,020,914
Net foreign exchange difference		
Cash and cash equivalents at the beginning of the year	139,822,258	21,801,348
Cash and cash equivalents at year end	**41,213,710**	**139,822,262**
Components of cash and cash equivalent as at		
Cash in hand	4,212,580	3,204,259
Balances with banks:		
- Current Account (Scheduled Bank)	36,197,788	135,949,155
- On Deposits with Original maturity of less than 3 months	42,323	42,323
- Unpaid Dividend Account	761,019	626,521
Cash and cash equivalents as per note 10	**41,213,710**	**139,822,258**

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

The accompanying notes are integral part of these standalone financial statements

As per our Report of even date

For **DINESH NANGRU & COMPANY**
Chartered Accountants
FRN: 015003N

Narendra Pal Singh
Chief Executive Officer

Chander Mohan Dhall
Chief Financial Officer

CA. DINESH NANGRU
PARTNER
M. No. – 094779

Lalit Lohia
Company Secretary

Hira Lal Bhatia
(DIN: 00159258)
Chiarman &
Non Executive Director

Ishwar Das Chugh
(DIN: 00073257)
Whole Time Director

Date : 17th September, 2018
Place : New Delhi

Note No.	DESCRIPTION

1. Company overview

The Company was incorporated under the provisions of the Companies Act applicable in India as a limited liability company by the name of Atlas Cycles (Haryana) Limited on 31st May 1950. Companies is engaged in manufacturing and selling of Bicycles and its spare parts. Shares of the company are listed on two stock exchanges in India i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

2. Basis of preparation of financial statements

These are the company's first financial statements for the year ended 31 March 2018 which have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, read with Ind AS based Schedule III, under the Companies Act, 2013.

For all periods up to and including for the year ended 31 March 2018, the company's financial statements prepared are complying in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule, 2014 and guidelines issued by the Securities and Exchange Board of India (SEBI).

The Company has consistently applied the accounting policies used in the preparation of its opening IND AS Balance Sheet at April 1, 2016 through out all periods presented, as if these policies had always been in effect and are covered by IND AS 101 ''First-time adoption of Indian Accounting Standards". The transition was carried out from accounting principles generally accepted in India (''Indian GAAP") which is considered as the previous GAAP, as defined in IND AS 101. The reconciliation of effects of the transition from Indian GAAP to IND AS is disclosed in note to these financial statements.

The Company's financial statements provide comparative information in respect to the previous year. In addition, the company presents Balance Sheet as at the beginning of the previous year, which is the transition date to IND AS.

The significant accounting policies used in preparing the financial statements are set out in Note no. 3 of the Notes to the Standalone Financial Statements. The preparation of the financial statements requires management to make Judgements, estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years **(refer Note no. 3.2 on significant accounting estimates, assumptions and judgments.)**

Overall principle

The Company has prepared the balance sheet as per Ind AS as on the transition date by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognized assets and liabilities. However, this principle is subject to certain optional exemptions availed by the Company.

IND AS 101 First-time adoption of Indian Accounting Standards allows first time adopters certain exemptions and exceptions from the retrospective application of certain requirements under IND AS, effective for April 1, 2016 opening balance sheet, as explained below :

Following exemptions availed from other IND AS as per Appendix D of IND AS 101.

Deemed cost for Property, Plant and Equipment (PPE) – The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets recognized as of transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Estimates: The estimate at 1st April 2016 and ended 31st March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustment to reflect any differences if any, in accounting policies) The estimates used by the company to present these amounts in accordance with Ind AS reflect conditions as at the transition date and as of 31st March 2016.

Derecognition of financial assets: The Company has chosen to apply derecognition criteria retrospectively. Accordingly, certain security deposits and borrowings have been re-recognized under Ind AS as at April 1, 2016.

Reconciliation between Previous GAAP and Ind AS

Equity Reconciliation (Amount in ₹)

Particulars	As at Mar 2017	As at Mar 2016
Equity as reported under previous GAAP	97,05,67,923	94,01,05,878
a) Impact on measurement of investments at fair market value through Profit & Loss Account	2,11,46,703	1,98,34,852
Total Amount	99,17,14,626	95,99,40,730
Tax effect of above adjustments		
Equity as per Ind AS	99,17,14,626	95,99,40,730

3. Significant accounting policies

3.1. Basis of measurement

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

3.2. Use of estimates and judgements

The presentation of the financial statements in conformity with Ind AS requires the managementto make estimates, judgements and assumptions affect the application of accounting policies and reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amount of revenue and expenses during the reporting period. The application of accounting policies that requires critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in Note 3.3. Accounting estimates could change from period to period. Actual result could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which such changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3.3. Critical accounting estimates

a) Revenue recognition

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

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

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

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

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable,

which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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

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

3.4. Property, plant and equipment

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

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

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company

and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

3.5. Impairment of assets

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

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

3.6. Intangible assets

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

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

3.7. Employee benefits

Defined contribution plan

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

Defined benefit plan

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

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

3.8. Financial instruments – initial recognition, subsequent measurement and impairment

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

a) Financial assets

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

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

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

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

Investment in equity shares

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

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

b) Financial liabilities

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

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

i) Financial liabilities at fair value through profit or loss

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

ii) Financial liabilities measured at amortised cost

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

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

3.9. Taxes on income

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

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

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

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

3.10. Provisions, contingent liabilities and contingent assets

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

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

3.11. Borrowing cost

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

3.12. Foreign currency transactions

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

3.13. Provision for bad debts

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

3.14. Government grant

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

3.15. Cash flow statements

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

Atlas Cycles (Haryana) Limited

Notes to Financial Statements

4 PROPERTY, PLANT AND EQUIPMENT

Financial Year 2017-18

(Amount in ₹)

Particulars	Gross Carrying Value				Depreciation				Net Carrying Value	
	Balance as at 1 April 2017	Additions	Disposals/ Write-off	Balance as at 31 Mar 2018	Balance as at 1 April 2017	Depreciation for the period	Other Adjustments	Balance as at 31 Mar 2018	Balance as at 31 Mar 2018	Balance as at 31 Mar 2017
Tangible assets	-	-	-	-	-	-	-	-	-	-
Land & Building	747,171,573	8,484,127	-	755,655,700	243,445,465	5,146,245	-	248,591,710	507,063,990	503,726,108
Plant & Machinery	774,041,133	53,449,885	2,595,539	824,895,479	516,718,461	20,922,473	76,200	537,564,734	287,330,745	257,322,672
Computer	56,181,753	959,804	-	57,141,557	54,170,498	902,687	-	55,073,185	2,068,372	2,011,255
Vehicles	193,179,448	2,415,813	36,624,783	158,970,478	100,343,760	13,412,150	21,098,571	92,657,339	66,313,139	92,835,688
Electrical Installation	26,179,865	168,361	-	26,348,226	26,385,314	312,619	6,472,837	20,225,096	6,123,130	-205,449
Furniture & Fixtures	80,477,730	1,674,434	-	82,152,164	66,396,360	2,118,517	-	68,514,877	13,637,287	14,081,370
Under Const. Installation Building/ Machinery	4,470,738	13,173,932	4,470,738	13,173,932	-	-	-	-	13,173,932	4,470,738
Total	1,881,702,240	80,326,356	43,691,060	1,918,337,536	1,007,459,858	42,814,691	27,647,608	1,022,626,941	895,710,595	874,242,382

Financial Year 2016-17

(Amount in ₹)

Particulars	Gross Carrying Value				Depreciation				Net Carrying Value	
	Balance as at 1 April 2016	Additions	Disposals/ Write-off	Balance as at 31 Mar 2017	Balance as at 1 April 2016	Depreciation for the period	Other Adjustments	Balance as at 31 Mar 2017	Balance as at 31 Mar 2017	Balance as at 31 Mar 2016
Tangible assets										
Land & Building	798,415,485	-	51,243,912	747,171,573	241,963,438	7,531,047	6,049,020	243,445,465	503,726,108	556,452,044
Plant & Machinery	756,427,696	17,169,192	-444,245	774,041,133	498,253,854	21,298,632	2,834,024	516,718,461	257,322,672	258,173,842
Computer	55,654,813	526,940	-	56,181,753	53,097,331	1,073,167	-	54,170,498	2,011,255	2,557,482
Vehicles	192,630,096	19,595,597	19,046,245	193,179,448	98,298,429	14,104,337	12,059,006	100,343,760	92,835,688	94,331,667
Electrical Installation	27,551,672	-	1,371,807	26,179,865	24,698,696	772,890	-913,728	26,385,314	-205,449	2,852,976
Furniture & Fixtures	80,751,555	1,530,013	1,803,838	80,477,730	61,898,166	2,644,895	-1,853,299	66,396,360	14,081,370	18,853,389
Under Const. Installation Building/Machinery	-	4,470,738	-	4,470,738	-	-	-	-	4,470,738	-
Total	1,911,431,316	43,292,480	73,021,557	1,881,702,240	978,209,913	47,424,968	18,175,023	1,007,459,858	874,242,382	933,221,400

Note : Rs 15.50 Crores and Rs.6.37 Crores received as advance against sale of land of Rasoi Plant and Bawal plant respectively.

Note : Fixed Assets of the Company are hypothicated as Ist Charge against short term borrowing facilites availed by company.

Notes to Financial Statements

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
5 NON-CURRENT INVESTMENT			
Investment in Equity Instruments (Unquoted, fully paid up)			
A) Subsidiary Companies (measured at cost)			
50,000 (2017: 50,000,2016: 50,000) Equity shares of ₹ 10 each fully paid up in Atlas Cycle (Malanpur) Limited	500,000	500,000	500,000
50,000 (2017: 50,000,2016: 50,000) Equity Shares of ₹ 10/- each fully paid up in ATLAS CYCLES(SAHIBABAD) LTD.	500,000	500,000	500,000
50,000 (2017: 50,000,2016: 50,000) Equity Shares of ₹ 10/- each fully paid up in ATLAS CYCLES SONEPAT LTD.	500,000	500,000	500,000
Equity Shares Fully Paid Up -Trade Un Quoted			
Ambojini Property Developers Pvt. Ltd. 1410 (2017: 1410,2016: 1410) Equity Shares of ₹ 10 each	14,100	14,100	14,100
Godrej Landmark Redevelopers Pvt.Ltd. NIL (2017: 66, 2016:66) Equity Shares of ₹ 1000 each	-	539,436	539,436
Mantri Hamlet Pvt. Ltd. NIL (2017: NIL, 2016: 2) Equity Shares of ₹ 10 each	-	-	20
	1,514,100	**2,053,536**	**2,053,556**
Investment in Debt Instruments (Unquoted, fully paid up)			
A) Others (measured at cost)			
10% OCD Godrej Landmark Redevelopers Pvt. Ltd. NIL (2017: 3753, 2016:10822) Debentures of ₹ 100 each	-	375,300	1,082,200
10% OCD Ambojini Property Developers Pvt. Ltd. 16062 (2017: 16062, 2016:16062) Debentures of ₹ 100 each	1,606,200	1,606,200	1,606,200
10% OCD Mantri Hamlet Pvt. Ltd. NIL (2017: NIL, 2016:7399) Debentures of ₹ 100 each	-	-	739,900
	1,606,200	**1,981,500**	**3,428,300**
Unquoted Government Securities			
12 years National Defence Certificate for the face value of ₹ 1750 each pledged with Government authorities	1,750	1,750	1,750
7 Years National Savings Cerificate pledged with Excise authorities	10,000	10,000	10,000
	11,750	**11,750**	**11,750**
Unquoated Mutual Fund			
THE OCIAN'S ART FUND-(D) (46000 units of ₹ 100 each)	4,600,000	4,600,000	4,600,000
Less: Provision for impairment	-4,600,000	-4,600,000	-4,600,000
	-	-	-
Investment in Equity Instruments (Quoted, fully paid up)			
Central Bank of India	79,356	79,356	79,356
7780 (2017: 7780, 2016:7780) Equity Shares of ₹ 10 each	**79,356**	**79,356**	**79,356**
Total	**3,211,406**	**4,126,142**	**5,572,962**
Aggregate Book Value of Quoted Investment	79,356	79,356	79,356
Aggregate Market Value of Quoted Investment	562,883	821,957	577,665
Aggregate Book Value of Un-Quoted Investment	6,114,100	6,653,536	6,653,556
Aggregate amount of impairment in value of investments	4,600,000	4,600,000	4,600,000

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
6 OTHER FINANCIAL ASSETS			
Fixed deposits	10,954,742	954,742	954,742
Accrued interest	762,253	471,007	471,007
Total	**11,716,995**	**1,425,749**	**1,425,749**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
7 DEFERRED TAX ASSETS (NET)			
Deferred tax assets			
Others	64,990,456	61,370,000	81,135,000
Net deferred tax assets	**64,990,456**	**61,370,000**	**81,135,000**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
8 OTHER NON-CURRENT ASSETS			
Capital advances	3,905,500	3,905,500	3,905,500
Deposit with governement authorities	-	67,681	67,681
Deposit with others	9,100,676	10,285,804	8,769,016
Claim Recoverable	20,107,212	20,107,212	20,107,212
Others	135,231,558	134,047,215	134,047,215
Total	**168,344,946**	**168,413,412**	**166,896,624**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
9 INVENTORIES			
(Value at lower of cost and net realisable value)			
(As taken, valued and certified by the management)			
Raw materials and packing material	313,759,276	201,363,752	179,277,697
Work-in-progress	17,108,959	24,124,052	38,260,590
Finished goods	135,126,234	160,443,235	66,111,713
Stock in trade	41,446,604	11,131,114	10,861,330
Scarp	-	-	3,289,089
Stores and spares	98,350,859	92,939,124	88,655,010
Total	**605,791,932**	**490,001,277**	**386,455,429**

Note: Inventories and Trade Receivables are hypothicated against working capital facilities availed by the company

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
10 CURRENT INVESTMENT			
Investments in Mutual Fund (Quoted) (valued at fair value through profit & loss)			
Birla Sunlife Short Term Opportunity Fund (G) 733617 (2017: NIL, 2016:NIL) Units of ₹ 10 each	21,168,725	-	-
HDFC Corporate Debt Opp.Fund - R-G 44075 (2017: 2681205, 2016:2681205) Units of ₹ 10 each	635,152	36,381,267	32,903,209
HDFC MIP- Short Term- G NIL (2017: 438245, 2016:438245) Units of ₹ 10 each	-	12,563,601	11,050,693
IDFC SSIF- Medium Term-Plan-A-G 719492 (2017: 427625, 2016:427625) Units of ₹ 10 each	20,927,641	10,000,000	13,915,104
Reliance Dynamic Bond Fund-G 160482 (2017: 3987514, 2016:1091996) Units of ₹ 10 each	22,490,772	56,469,978	21,904,847
BOI Axa Corporate Credit Spectrum Fund 2051443 (2017: 1240643, 2016:NIL) Units of ₹ 10 each	27,403,590	18,460,775	-
ICICI Prudential Corporate Bond Fund 786482 (2017: NIL, 2016:NIL) Units of ₹ 10 each	21,163,443	-	-
UTI Short Term Income Fund -Insti. -G NIL (2017: 598770, 2016:598770) Units of ₹ 10 each	-	11,938,578	10,877,677
Birla Sunlife Dynamic Bond Fund -Retail(G/(D) NIL (2017: NIL, 2016:475081) Units of ₹ 10 each	-	-	12,514,009
Templeton India Short Term Income Retail-G NIL (2017: NIL, 2016:4645) Units of ₹ 1000 each	-	-	14,156,066
Axis Short Term Fund-G NIL (2017: NIL, 2016:712721) Units of ₹ 10 each	-	-	12,628,565
IDFC SSIF- Short Term-Plan-A-G NIL (2017: NIL, 2016:451267) Units of ₹ 10 each	-	1,861,877	10,834,880
Reliance Medium Term Fund NIL (2017: NIL, 2016:144) Units of ₹ 10 each	-	-	2,000
Kotak Liquid Scheme Plan - A D/D NIL (2017: NIL, 2016:1238) Units of ₹ 1000 each	-	-	1,514,000
Total	**113,789,323**	**147,676,076**	**142,301,050**
Aggregate Book Value of Quoted Investment	106,196,408	126,529,371	122,466,723
Aggregate Market Value of Quoted Investment	113,789,323	147,676,076	142,301,050
Aggregate Book Value of Un-Quoted Investment	-	-	-
Aggregate amount of impairment in value of investments	-	-	-

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
11 TRADE RECEIVABLES			
Trade receivables outstanding for a period less than six months from the date they are due for payment			
Unsecured, considered good	1,620,036,381	1,296,499,431	862,847,515
Unsecured, considered doubtful	-	-	-
Less: Provision for doubtful debts	-	-	-
	1,620,036,381	**1,296,499,431**	**862,847,515**

Conted.. (Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good	70,152,892	88,765,444	191,681,387
Unsecured, considered doubtful	42,167,579	122,420,030	59,048,000
Less: Provision for doubtful debts	-42,167,579	-122,420,030	-59,048,000
	70,152,892	**88,765,444**	**191,681,387**
Total	**1,690,189,273**	**1,385,264,875**	**1,054,528,902**

Note : Inventories and Trade Receivables are hypothicated against working capital facilities availed by the company

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
12 CASH AND CASH EQUIVALENTS			
Cash in hand	4,212,580	3,204,259	4,368,711
Balances with banks in :			
- Current Account (Scheduled Bank)	36,197,788	135,949,155	1,817,587
- On Deposits with Original maturity of less than 3 months	42,323	42,323	14,988,529
- Unpaid Dividend Account	761,019	626,521	626,521
Total	**41,213,710**	**139,822,258**	**21,801,348**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
13 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT			
Other Bank Balances			
- Original maturity more than 12 months but maturing within one year from the Reporting Date	6,099,218	6,099,218	5,897,876
- Maturity more than 12 months from the Reporting Date	10,954,742	954,742	954,742
	17,053,960	7,053,960	6,852,618
Less: Amount disclosed under Other non-current assets (Refer note 6)	-10,954,742	-954,742	-954,742
Total	**6,099,218**	**6,099,218**	**5,897,876**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
14 CURRENT LOANS			
Employee Advance	112,798,707	110,207,475	108,510,978
Loans & Advances recoverable in cash or in kind	66,286,724	135,164,475	204,148,820
Total	**179,085,431**	**245,371,950**	**312,659,798**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
15 OTHER FINANCIAL ASSETS			
Interest Accrued on Investment/FDR	1,279,745	1,378,376	1,306,747
Security deposits	33,243,447	31,254,816	30,632,219
Total	**34,523,192**	**32,633,192**	**31,938,966**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
16 OTHER CURRENT ASSETS			
Prepaid expenses	2,421,947	1,200,758	1,248,296
Balances with governement authorities	21,160,852	3,927,720	22,500,114
Advances to Business Vendors	-	-	-
Advance income tax/ Tax deducted at source (Net of Provisions)	17,337,079	31,825,094	27,408,397
Total	**40,919,878**	**36,953,572**	**51,156,807**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
17 EQUITY SHARE CAPITAL			
Authorised			
30,000(30,000) 6 1/4% P.A. free of Income tax cumulative redeemable Preference shares of ₹ 100 each	3,000,000	3,000,000	3,000,000
194,00,000 Equity Shares of ₹ 5/- each (2017 : 97,00,000 Equity Shares of ₹ 10 each) (2016 : 97,00,000 Equity Shares of ₹ 10 each)	97,000,000	97,000,000	97,000,000
Issued, Subscribed & Fully Paid Up Capital			
65,03,838 Equity Shares of ₹ 5/-each fully paid up (2017 : 32,51,919 Equity shares of ₹ 10 each) (2016 : 32,51,919 Equity shares of ₹ 10 each)	32,519,190	32,519,190	32,519,190
Total	**32,519,190**	**32,519,190**	**32,519,190**

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

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

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

Name of shareholder	As at 31 March 18		As at 31 March 17		As at 01 April 16	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Milton Cycles Industries Ltd	325846	10.02%	325846	10.02%	325846	10.02%
Limrose Enng Works Pvt Ltd	257650	7.92%	257650	7.92%	257650	7.92%

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

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
	No. of Shares	No. of Shares	No. of Shares
Share outstanding as at the beginning of the year	3,251,919	3,251,919	3,251,919
Adidtions during the year	-	-	-
- Shares Split during the year	3,251,919		
Deletions during the year	-	-	-
Share outstanding as at the end of the year	6,503,838	3,251,919	3,251,919

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

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
18 OTHER EQUITY			
Retained Earning			
Balance as at the beginning of the year	-256,281,882	-288,055,778	-307,890,630
Restatement due to application of Ind AS	-	-	19,834,852
(+) Net Profit/(Net Loss) For the current year as per the statement of Profit and loss	-16,055,374	31,773,896	-
Balance as at the end of the year	-272,337,256	-256,281,882	-288,055,778
General Reserve			
Balance as at the beginning of the year	1,115,883,070	1,115,883,070	1,115,883,070
Addition	-	-	-
Deletion	-	-	-
Balance as at the end of the year	1,115,883,070	1,115,883,070	1,115,883,070
Securities Premium			
Balance as at the beginning of the year	60,620,185	60,620,185	60,620,185
Addition	-	-	-
Deletion	-	-	-
Balance as at the end of the year	60,620,185	60,620,185	60,620,185
Fixed Assets Revaluation Reserve			
Balance as at the beginning of the year	38,974,063	38,974,063	38,974,063
Addition	-	-	-
Deletion	-	-	-
Balance as at the end of the year	38,974,063	38,974,063	38,974,063
Item of other comprehensive income that will not be classified in profit & loss			
Re-measurement of the net defined benefit Plans	-	-	-
Addition	-	-	-
Deletion	-	-	-
Balance as at the end of the year	-	-	-
Total other equity	**943,140,062**	**959,195,436**	**927,421,540**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
19 NON-CURRENT BORROWING			
Secured loans			
- Vehicle loans From scheduled banks	16,189,867	27,582,668	29,998,112
- Public Deposits	7,927,000	55,340,857	76,868,857
	24,116,867	82,923,525	106,866,969
Less: Amount disclosed under the head other financial liabilities (note 24)	-19,452,138	-66,865,995	-90,794,314
Total	**4,664,729**	**16,057,530**	**16,072,655**

Note:

1 Vehicle loans are secured by way of hypothecation of vehicle concerned and carry interest from 8.5% p.a. to 13% p.a. on different loans and repayable in 36 / 48 equal installments.

2 The Company have fixed deposits from the public which carries interest @ 11% p.a. for FDRs less than ₹ 2,00,000/- for a period of one year and 11.5% p.a for more than one year irrespective of amount. Company has not repaid deposits as per requirement of companies act 2013. However, company has applied for extension for repayment of fixed deposits to NCLT and repayments are being made as per directions of NCLT.

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
20 OTHER FINANCIAL LIABILITIES			
Permanent Deposits from Dealers	15,223,915	14,373,415	14,125,231
Security Deposits from Others	15,892,778	14,603,704	12,939,252
Advance against sale of land #	218,700,000	218,700,000	218,700,000
'LADT Payable	-	-	1,120,611
Total	**249,816,693**	**247,677,119**	**246,885,094**

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

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
21 NON-CURRENT PROVISIONS			
Provision for employee benefits			
Gratuity	-	-	-
Leave encashment	7,951,993	7,600,997	6,521,491
Total	**7,951,993**	**7,600,997**	**6,521,491**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
22 CURRENT BORROWINGS			
a) Secured loans			
Working Capital Facilities from Banks			
Working capital loan	483,002,518	664,775,653	469,920,684
Short Term Loans	-	72,590,011	100,000
Bills Discounting from Banks/Financial Institution	20,406,963	97,995,351	119,456,374
Total	**503,409,481**	**835,361,015**	**589,477,058**

a) Working Capital Limit from Consortium banks is secured against Hypothecation of Inventory and Book Debts and Ist Charge over Fixed Assets of the Company which is repayable on demand and carries Interest @ 14.25% p.a.

b) Bills Discounting facility from Consortium banks is fully secured by the stock against the bills discounted and IInd charge over the Fixed Assets of the Company and carries interest@13.50% pa

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
23 TRADE PAYABLES			
Payable to MSME parties	550,468,258	301,770,840	283,645,095
Payable to Others	1,394,670,263	956,686,619	841,161,357
Total	**1,945,138,521**	**1,258,457,459**	**1,124,806,452**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
24 OTHER CURRENT FINANCIAL LIABILITIES			
Current maturities of long-term debt (refer note 19)	11,525,138	11,525,138	13,925,457
Current maturities of deposits (refer note 19)	7,927,000	55,340,857	76,868,857
Interest accrued	-	10,487,193	6,991,365
Total	**19,452,138**	**77,353,188**	**97,785,679**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
25 OTHER CURRENT LIABILITIES			
Statutory dues	24,804,089	6,339,878	8,832,333
Security deposits	9,070,489	10,201,968	9,156,752
Advance against sale of land	-	-	-
Employees related payables	3,301,364	3,144,201	6,412,439
Others payables	66,625,551	20,141,656	59,394,833
Unpaid dividends	761,019	626,521	626,521
Total	**104,562,512**	**40,454,224**	**84,422,878**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
26 CURRENT PROVISIONS			
Provision for employee benefits			
Provision for bonus	1,329,372	1,248,172	1,276,575
Others Employee Benefits	28,147,814	36,825,069	35,030,993
Provision for dealers discount	-	7,984,831	8,109,678
Provision for others	15,453,850	72,665,873	24,662,628
Total	**44,931,036**	**118,723,945**	**69,079,874**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
28 REVENUE FROM OPERATIONS		
Sale of finished goods	6,517,651,187	6,941,120,772
Other operating revenue		
Scrap sales	2,718,004	2,273,107
Export Incentive	12,376,835	18,804,897
Total	**6,532,746,026**	**6,962,198,776**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
29 OTHER INCOME		
Interest Income	842,966	710,904
Profit on Sale of Property, Plant and Equipments	6,685,518	9,171,395
Profit on Sale of Current Investments	10,542,092	28,386,868
Rental Income	335,148	604,519
Provision written back	3,360,141	-
Income From Investments	30,847	156,466
Miscellaneous Income	4,394,933	552,491
Total	**26,191,645**	**39,582,643**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
30 COST OF MATERIAL CONSUMED		
Raw Material Consumed	4,170,315,340	4,800,476,549
Total	**4,170,315,340**	**4,800,476,549**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
31 PURCHASES OF STOCK-IN-TRADE		
Purchases of Bicycles	479,957,208	50,101,474
Total	**479,957,208**	**50,101,474**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
32 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Openning stock		
Finished goods	160,443,235	93,966,321
Stock-in-trade	11,131,114	1,271,057
Scrap	-	3,289,089
Work-in-progress	24,124,052	19,996,255
	195,698,401	118,522,722
Closing stock		
Finished goods	135,126,234	160,443,235
Stock-in-trade	41,446,604	11,131,114
Scrap	-	-
Work-in-progress	17,108,959	24,124,052
	193,681,797	195,698,401
(Increase)/ Decrease in Stock	2,016,604	(77,175,679)
Total	**2,016,604**	**(77,175,679)**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
33 EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	318,010,432	308,613,479
Contribution to Provident and Other Funds	41,269,281	35,966,346
Staff Welfare and Training Expenses	30,551,744	26,164,915
Total	**389,831,457**	**370,744,740**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
34 FINANCE COSTS		
Interest Expense	92,570,992	70,082,880
Other Borrowing Costs	5,704,801	15,569,830
Total	**98,275,793**	**85,652,710**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
35 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation on property, plant & equipment	42,814,691	47,424,968
Total	**42,814,691**	**47,424,968**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
36 OTHER EXPENSES		
Freight outward & handling charges	371,613,936	352,949,383
Packing Material Consumed	197,912,643	243,438,548
Stores and Spare Parts Consumed	274,665,769	363,326,007
Power & Fuel	55,925,313	77,710,933
Repairs and Maintenance:		
Buildings	9,795,208	37,180,191
Plant & Machinery	13,898,188	17,807,931
Others	26,879,995	28,933,375
Travelling & conveyance	71,606,356	63,459,573
Advertisement and sales promotion	63,128,114	87,631,971
Rates & Taxes	40,904,638	3,034,265
Commission to agents	34,276,634	26,384,321
Printing & Stationery, Postage & Telephone	10,030,422	10,904,156
Insurance	5,914,522	4,657,566
Legal Fees	4,328,386	375,266
Rent	3,004,184	3,670,384
Payment to Auditors (Refer Note below 30.1)	3,984,117	3,838,585
Loss on sale of property, plant and equipment	190,088	-
Director Sitting fees	552,000	603,600
Donations	169,372	160,500
Bad debt written off	-	63,372,030
Miscellaneous Expenses	172,623,680	164,138,639
Total	**1,361,403,565**	**1,553,577,224**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
36.1 PAYMENT TO AUDITOR		
As Auditor:		
Statutory Audit fee	2,500,000	2,450,000
Tax Audit Fee	400,000	350,000
In other Capacity	-	
For Other Services including Certifications	1,084,117	1,038,585
Total	**3,984,117**	**3,838,585**

37 FINANCIAL RISK MANAGEMENT

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

I. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments.The sensitivity analyses in the following sections relate to the position as at 31st March 2018 and 31st March 2017.

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

(a) Interest rate risk

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

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

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17
Variable rate borrowings	483,002,518	664,775,653
Fixed rate borrowings	44,523,830	253,508,887
Total borrowings	**527,526,348**	**918,284,540**

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

Particulars	As at 31 March 18		As at 31 March 17	
	Balance	% of total loans	Balance	% of total loans
Loans repayable on demand (Cash Credit)	483,002,518	100.00%	664,775,653	100.00%
Net exposure to cash flow interest rate risk	**483,002,518**	**100%**	**664,775,653**	**100%**

(iii) Sensitivity

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

Particulars	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Decrease in Profit before Tax	+50	+50	2,415,013	3,323,878
Increase in Profit before Tax	- 50	- 50	-2,415,013	-3,323,878

(b) Foreign currency risk

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

Amount in Forex

Foreign currency exposure	Currency	As at 31 March 18	As at 31 March 17
Trade Receivables	USD	262,964	453,294

II. Credit risk

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

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

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

III. Liquidity Risk

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

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

Maturity patterns of borrowings & other Financial liablities (Amount in ₹)

As at 31-03-2018	Carrying Amount	On Demand	Less than 12 months	More than 1 years	Total
Borrowings	527,526,348	483,002,518	39,859,101	4,664,729	527,526,348
Trade payables	1,945,138,521	933,503,858	1,011,634,663		1,945,138,521
Other Liabiilities	269,268,831		19,452,138	249,816,693	269,268,831
Total	**2,741,933,700**	**1,416,506,376**	**1,070,945,902**	**254,481,422**	**2,741,933,700**

As at 31-03-2017	Carrying Amount	On Demand	Less than 12 months	More than 1 years	Total
Borrowings	918,284,540	664,775,653	237,451,357	16,057,530	918,284,540
Trade payables	1,258,457,459	804,001,836	454,455,623		1,258,457,459
Other Liabiilities	325,030,307		77,353,188	247,677,119	325,030,307
Total	**2,501,772,306**	**1,468,777,489**	**769,260,168.00**	**263,734,649**	**2,501,772,306**

38 CAPITAL MANAGEMENT

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

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17
Debt	527,526,348	918,284,540
Cash & bank balances	47,312,928	145,921,476
Net Debt (A)	480,213,420	772,363,064
Total Equity (B)	975,659,252	959,940,730
Total Equity and Net Debt ('C)	1,455,872,672	1,732,303,794
Gearing Ratio (A/C)	32.98%	44.59%

Notes-

(i) Debt is defined as long-term and short-term borrowings including current maturities (excluding derivatives).

(ii) Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

39 RECOGNITION OF OPENING AND CLOSING BALANCES OF DEFINED BENEFIT OBLIGATION

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which the Company contributes the as certained liability to Life Insurance Corporation of India with whom the plan assets are maintained.

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

Investment Risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated usinga discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest Rate Risk	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of themortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability
Salary Risk	Higher than expected increases in salary will increase the defined benefit obligation

The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

Movements in the present value of the defined benefit obligation are as follows :- (Amount in ₹)

GRATUITY	**Gratuity (Funded)**	
	2017-18	**2016-17**
Defined Benefit obligation at the beginning of the year	112,616,479	111,509,614
Current Service Cost	1,301,603	2,387,499
Interest cost	8,447,974	8,863,373
Benefit paid	10,735,767	10,144,004
Defined Benefit obligation at the year end	111,630,289	112,616,482

(Amount in ₹)

INVESTMENT DETAILS	**Investement as on 3/31/2018**		**Investement as on 3/31/2017**	
Investment Detail:	**Value**	**%**	**Value**	**%**
GOI Securities	43,496,335	15.52%	43,496,335	16.08%
Public Securities	65,062,459	23.22%	65,062,459	24.05%
State Government Securities	120,492,289	43.00%	75,089,889	27.76%
Private Securities	35,125,042	12.53%	71,144,347	26.30%
In banks	16,055,621	5.73%	15,728,018	5.81%
	280,231,746	**100.00%**	**270,521,048**	**100.00%**

Acturial assumptions	**Gratuity (Funded)**	
	2017-18	**2016-17**
Discount rate (Per Annum)	7.50%	8.00%
Expected rate of return plan (Per Annum)	8.25%	8.25%
Rate of escalation of salary (Per Annum)	8.00%	8.00%

The estimates of rate of escalation in salary considered in acturial valuation, takes into account seniority and promotion & other relevant factors.

As per the IND AS 21 " Employees benefit", the disclosure as defined in the accounting Standard are given below:

(Amount in ₹)

Defined Contribution Plan	31-Mar-18	31-Mar-17
Employer's Contribution to Provident Fund	16,494,116	13,084,726
Employers Contribution to Supper Annuation Fund	12,925,110	2,406,048
Employers Contribution to Gratuity Fund	3,897,689	3,782,031

40 CONTINGENT LIABILITIES IN RESPECT OF

(Amount in ₹)

	31-Mar-18	31-Mar-17
a) Surety bonds in favour of government	3,677,350	3,677,350
b) Guarantees given by bank	159,644,951	105,940,805
c) Guarantees In respect of Entry Tax matters	30,000	30,000
d) Guarantees In respect of Sales Tax matters	1,551,000	58,488,000

41 DETAILS OF RAW MATERIAL CONSUMED DURING THE YEAR

Particulars	2018			2017	
	Units	Quantity (in lacs)	Value ₹	Quantity (in lacs)	Value ₹
(i) Sheets & Strips	Kgs.	1,971,414	93,813,455	2,626,000	126,729,683
(ii) Tyres	Nos.	4,456,127	439,332,870	4,816,615	474,649,117
(iii) Tubes	Nos.	4,389,056	172,763,050	4,696,553	183,198,915
(iv) Rims	Nos.	4,741,831	433,610,202	5,350,714	462,171,610
(v) Other Items	-	-	123,409,684	-	164,854,588
(vi) Components	-		2,907,386,079		3,388,872,636
			4,170,315,340		**4,800,476,549**

42 VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL AND COMPONENTS CONSUMED DURING THE YEAR

DURING THE YEAR	Indigenous		Imported	
Particulars	Value (₹)	Percentage	Value (₹)	Percentage
(i) Raw Material	1,139,519,577	100	NIL	0
	(1246749325)	(100)	NIL	(0)
(ii) Components	2,628,579,472	86.73	402,216,291	13.27
	(3210340631)	(90.34)	(343386593)	(9.66)

Previous Year figures are shown in brackets.

43 VALUE OF TOTAL IMPORTS ON CIF BASIS

(Amount in ₹)

	2018	2017
(i) Raw Material, Components & Spare Parts	402,216,291	343,386,593
(ii) Capital Goods	-	-
	402,216,291	**343,386,593**

44 EXPENDITURE IN FOREING CURRENCY

(Amount in ₹)

	2018	2017
(i) Commission on export	3,145,252	3,952,404
(ii) Foreign Tours	12,004,516	6,929,172
(iii) Foreign Publicity & exhibition	-	472,221
	15,149,768	**11,353,797**

45 EARNINGS IN FOREIGN EXCHANGE

(Amount in ₹)

	2018	2017
F.O.B. Value of goods exported	167,912,862	194,231,649

46 RELATED PARTY DISCLOSURES

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

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

ii) **Subsidiary Companies are:** Atlas Cycles Sonepat Ltd, Atlas Cycles (Sahibabad) Ltd, Atlas Cycles (Malanpur) Ltd.,

Directors & Employees (As at 31.03.2018) : Sh. I.D.Chugh, Sh. H.L.Bhatia, Sh. Vikram Khosla, Sh. Kartik Roop Rai, Sh. Sanjiv Kavaljit Singh, Sh. Sadhna Syal, 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

(Amount in ₹)

	2018	2017
Sale of Goods	25,549,542	19,652,554
Rent	108,000	432,000
Purchase of Goods	430,372,897	415,164,688
Balance at year end	122,453,648	11,174,892
Guarantee Given	-	-

C. Transactions with key managerial persons:

(Amount in ₹)

	2018	2017
Remunerations:	53,384,820	48,348,000

47 EFFECT OF IND AS ADOPTION ON THE BALANCE SHEET AS AT APRIL 1, 2016

(Amount in ₹)

Particulars	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	933,221,400		933,221,400
(b) Capital work-in-progress	-		-
(c) Financial assets	-		-
(i) Investments	5,572,962		5,572,962
(ii) Other financial assets	1,425,749		1,425,749
(d) Deferred tax assets (net)	81,135,000		81,135,000
(e) Other non - current assets	166,896,624		166,896,624
Total non - curret assets	**1,188,251,735**	**-**	**1,188,251,735**
(2) Current assets			
(a) Inventories	386,455,429		386,455,429
(b) Financial assets	-		-
(i) Investments	122,466,198	19,834,852	142,301,050
(ii) Trade receivables	1,054,528,902		1,054,528,902
(iii) Cash and cash equivalents	21,801,348		21,801,348
(iv) Bank balance other than cash and cash equivalent	5,897,876		5,897,876
(v) Loans	312,659,798		312,659,798
(vi) Other financial assets	31,938,966		31,938,966
(d) Other current assets	51,156,807		51,156,807
Total curret assets	**1,986,905,324**	**19,834,852**	**2,006,740,176**
TOTAL ASSETS	**3,175,157,059**	**19,834,852**	**3,194,991,911**

(Amount in ₹)

Particulars	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	32,519,190		32,519,190
(b) Other equity	907,586,688	19,834,852	927,421,540
Total Equity	**940,105,878**	**19,834,852**	**959,940,730**
LIABILITIES			
(1) Non - current liabilities			
(a) Financial liabilities			-
(i) Borrowings	16,072,655		16,072,655
(ii) Other financial liabilities	246,885,094		246,885,094
(b) Provisions	6,521,491		6,521,491
Total non - curret liabilities	**269,479,240**	**-**	**269,479,240**
(2) Current liabilities			
(a) Financial liabilities			-
(i) Borrowings	589,477,058		589,477,058
(ii) Trade Payables	1,124,806,452		1,124,806,452
(iii) Other financial liabilities	97,785,679		97,785,679
(b) Other Current Liabilities	84,422,878		84,422,878
(c) Provisions	69,079,874		69,079,874
Total curret liabilities	**1,965,571,941**	**-**	**1,965,571,941**
Total Equity & Liabilities	**3,175,157,059**	**19,834,852**	**3,194,991,911**

48 EFFECT OF IND AS ADOPTION ON THE BALANCE SHEET AS AT 31ST MAR, 2017

(Amount in ₹)

Particulars	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	869,771,644		869,771,644
(b) Capital work-in-progress	4,470,738		4,470,738
(c) Financial assets	-		-
(i) Investments	4,126,142		4,126,142
(ii) Other financial assets	1,425,749		1,425,749
(d) Deferred tax assets (net)	61,370,000		61,370,000
(e) Other non - current assets	168,413,412		168,413,412
Total non - curret assets	**1,109,577,685**	**-**	**1,109,577,685**
(2) Current assets			
(a) Inventories	490,001,277		490,001,277
(b) Financial assets	-		-
(i) Investments	126,529,371	21,146,705	147,676,076
(ii) Trade receivables	1,385,264,875		1,385,264,875
(iii) Cash and cash equivalents	139,822,258		139,822,258
(iv) Bank balance other than cash and cash equivalent	6,099,218		6,099,218
(v) Loans	245,371,950		245,371,950
(vi) Other financial assets	32,633,192		32,633,192
(d) Other current assets	36,953,572		36,953,572
Total curret assets	**2,462,675,713**	**21,146,705**	**2,483,822,418**
TOTAL ASSETS	**3,572,253,398**	**21,146,705**	**3,593,400,103**

(Amount in ₹)

Particulars	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	32,519,190		32,519,190
(b) Other equity	938,048,731	21,146,705	959,195,436
Total Equity	**970,567,921**	**21,146,705**	**991,714,626**
LIABILITIES			
(1) Non - current liabilities			
(a) Financial liabilities			-
(i) Borrowings	16,057,530		16,057,530
(ii) Other financial liabilities	247,677,119		247,677,119
(b) Provisions	7,600,997		7,600,997
Total non - curret liabilities	**271,335,646**	**-**	**271,335,646**
(2) Current liabilities			
(a) Financial liabilities			-
(i) Borrowings	835,361,015		835,361,015
(ii) Trade Payables	1,258,457,459		1,258,457,459
(iii) Other financial liabilities	77,353,188		77,353,188
(b) Other Current Liabilities	40,454,224		40,454,224
(c) Provisions	118,723,945		118,723,945
(d) Current Tax Liabilities	-		-
Total curret liabilities	**2,330,349,831**	**-**	**2,330,349,831**
Total Equity & Liabilities	**3,572,253,398**	**21,146,705**	**3,593,400,103**

49 EFFECT OF IND AS ADOPTION ON STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31ST MAR 2017

(Amount in ₹)

Particulars	Year ended 31.03.2017		
	Previous GAAP	Effect of transition to Ind AS	Year ended 31.03.2017
I INCOME			
a Revenue from operations	6,842,758,239	119,440,537	6,962,198,776
b Other income	38,270,790	1,311,853	39,582,643
Total income (a + b)	**6,881,029,029**	**120,752,390**	**7,001,781,419**
II Expenses			
Cost of material consumed	4,800,476,549		4,800,476,549
Purchases of Stock-in-Trade	50,101,474		50,101,474
Change in Inventories of Finished Goods ,	-77,175,679		-77,175,679
Work-in-progress and Stock-in-Trade	-		-
Excise duty on Sales	-	119,440,537	119,440,537
Employee benefits expenses	370,744,740		370,744,740
Finance costs	85,652,710		85,652,710
Depreciation and amortization expenses	47,424,968		47,424,968
Other expenses	1,553,577,224		1,553,577,224
Total expenses	**6,830,801,986**	**119,440,537**	**6,950,242,523**

(Amount in ₹)

Particulars	Year ended 31.03.2017		
	Previous GAAP	Effect of transition to Ind AS	Year ended 31.03.2017
III Profit / (loss) before exceptional items and tax	50,227,043	1,311,853	51,538,896
IV Exceptional items			-
V Profit / (loss) before tax	**50,227,043**	**1,311,853**	**51,538,896**
VI Tax expense			
(1) Current tax			
(2) Deferred tax (Assets/ Liability Utilization)	-19,765,000		-19,765,000
VII Profit / (loss) for the Year from continuing operations	**30,462,043**	**1,311,853**	**31,773,896**
VIII Other comprehensive income			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of net defined benefit plans			
(ii) Income tax relating to above items			
IX Total comprehensive income for the year	**30,462,043**	**1,311,853**	**31,773,896**

50 EARNINGS PER SHARE

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

(Amount in ₹)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Issued Equity Shares (32,51919 of ₹ 10 each)		3,251,919
Issued Equity Shares (65,03,838 of ₹ 5 each)	6,503,838	
Add/ Less: Adjustments (Refer note)		3,251,919
Weighted average number of equity shares in calculating basic & diluted EPS (A)	6,503,838	6,503,838

Note : During the FY 2017-18, Face value of equity shares are splitted into two shares of ₹ 5 each. Hence FY 2016-17 figures are adjusted to comparable to FY 2017-18

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

(Amount in ₹)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Profit for the year	(16,055,374)	31,773,896
Add/ Less: Adjustments		-
Net profit/ (loss) as per Statement of Profit & Loss (for calculation of basic & diluted EPS (B)	(16,055,374)	31,773,896
Basic Earnings per Share (₹) (B/A)	(2.47)	4.89
Diluted Earnings per Share (₹) (B/A)	(2.47)	4.89

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

51 SEGMENT INFORMATION

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

52 PREVIOUS YEAR FIGURES

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

As per our Report of even date

For **DINESH NANGRU & COMPANY**
Chartered Accountants
FRN: 015003N

Narendra Pal Singh
Chief Executive Officer

Chander Mohan Dhall
Chief Financial Officer

CA. DINESH NANGRU
PARTNER
M. No. – 094779

Lalit Lohia
Company Secretary

Hira Lal Bhatia
(DIN: 00159258)
Chiarman &
Non Executive Director

Ishwar Das Chugh
(DIN: 00073257)
Whole Time Director

Date : 17th September, 2018
Place : New Delhi

INDEPENDENT AUDITOR'S OPINION

To the Members of Atlas Cycles (Haryana) Limited

Report on the Financial Statements

1. We have audited the accompanying consolidated financial statements of Atlas Cycles (Haryana) Limited ("the Company") and its Subsidiaries (collectively referred to as "the Group") which comprise the consolidated Balance Sheet as at 31st March, 2018, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

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

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, other than the unaudited Ind AS financial statements as certified by the management and referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
   (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2018;
   (b) in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date, and
   (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
   (b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiary included in the Group incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our

examination of those books and records of the Holding Company and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiary included in the Group incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies and its joint ventures incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary company and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements does not have any pending litigations which would impact its financial position.

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at 31st March 2018, in respect of such items as it relates to the Group.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company and joint ventures incorporated in India during the year ended 31st March 2018

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

CA Dinesh Nangru
Partner
Membership No. : 094779

Place : Delhi
Date : 17th September, 2018

"ANNEXURE – A" TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ATLAS CYCLES (HARYANA) LIMITED ("the Company") as of 31 March 2018 in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company and its subsidiary companies for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected

depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which are companies incorporated in India, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountant of India".

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

CA Dinesh Nangru
Partner
Membership No. : 094779

Place : Delhi
Date : 17th September, 2018

Atlas Cycles (Haryana) Limited

CONSOLIDATED BALANCE SHEET AS AT 31.03.2018

(Amount in ₹)

Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
ASSETS				
(1) Non - current assets				
(a) Property, plant and equipment	4	882,536,663	869,771,644	933,221,400
(b) Capital work-in-progress		13,173,932	4,470,738	-
(c) Financial assets				
(i) Investments	5	1,711,406	2,626,142	4,072,962
(ii) Other financial assets	6	11,716,995	1,425,749	1,425,749
(d) Deferred tax assets (net)	7	64,990,456	61,370,000	81,135,000
(e) Other non - current assets	8	168,344,946	168,413,412	166,896,624
Total non - curret assets		**1,142,474,398**	**1,108,077,685**	**1,186,751,735**
(2) Current assets				
(a) Inventories	9	605,791,932	490,001,277	386,455,429
(b) Financial assets				
(i) Investments	10	113,789,323	147,676,076	142,301,050
(ii) Trade receivables	11	1,690,189,273	1,385,264,875	1,054,528,902
(iii) Cash and cash equivalents	12	41,634,547	140,355,221	22,429,874
(iv) Bank balance other than cash and cash equivalent	13	6,099,218	6,099,218	5,897,876
(v) Loans	14	179,085,431	245,371,950	312,659,798
(vi) Other financial assets	15	34,523,192	32,633,192	31,938,966
(d) Other current assets	16	40,919,878	36,953,572	51,156,807
Total current assets		**2,712,032,794**	**2,484,355,381**	**2,007,368,702**
TOTAL ASSETS		**3,854,507,192**	**3,592,433,066**	**3,194,120,437**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	17	32,519,190	32,519,190	32,519,190
(b) Other equity	18	942,039,572	958,217,022	926,540,989
Total Equity		**974,558,762**	**990,736,212**	**959,060,179**
LIABILITIES				
(1) Non - current liabilities				
(a) Financial liabilities				
(i) Borrowings	19	4,664,729	16,057,530	16,072,655
(ii) Other financial liabilities	20	249,816,693	247,677,119	246,885,094
(b) Provisions	21	7,951,993	7,600,997	6,521,491
Total non - curret liabilities		**262,433,415**	**271,335,646**	**269,479,240**
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	22	503,409,481	835,361,015	589,477,058
(ii) Trade Payables	23	1,945,138,521	1,258,457,459	1,124,806,452
(iii) Other financial liabilities	24	19,452,138	77,353,188	97,785,679
(b) Other Current Liabilities	25	93,698,311	40,465,601	84,431,955
(c) Provisions	26	55,816,564	118,723,945	69,079,874
Total curret liabilities		**2,617,515,015**	**2,330,361,208**	**1,965,581,018**
Total Equity & Liabilities		**3,854,507,192**	**3,592,433,066**	**3,194,120,437**
Basis of preparation & significant accounting policies	**2&3**			

The Accompanying notes are integral part of these consolidated financial statements

As per our Report of even date

For **DINESH NANGRU & COMPANY**
Chartered Accountants
FRN: 015003N

Narendra Pal Singh
Chief Executive Officer

Chander Mohan Dhall
Chief Financial Officer

CA. DINESH NANGRU
PARTNER
M. No. – 094779

Lalit Lohia
Company Secretary

Hira Lal Bhatia
(DIN: 00159258)
Chiarman &
Non Executive Director

Ishwar Das Chugh
(DIN: 00073257)
Whole Time Director

Date : 17th September, 2018
Place : New Delhi

Atlas Cycles (Haryana) Limited

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2018

(Amount in ₹)

Particulars	Note No.	Year ended 31.03.2018	Year ended 31.03.2017
I Income			
a Revenue from operations	28	6,532,746,026	6,962,198,776
b Other income	29	26,191,645	39,582,643
Total income (a + b)		**6,558,937,671**	**7,001,781,419**
II Expenses			
Cost of material consumed	30	4,170,315,340	4,800,476,549
Purchases of Stock-in-Trade	31	479,957,208	50,101,474
Change in Inventories of Finished Goods , Work-in-progress and Stock-in-Trade	32	2,016,604	-77,175,679
Excise duty on Sales		33,998,843	119,440,537
Employee benefits expenses	33	389,831,457	370,744,740
Finance costs	34	98,275,793	85,652,883
Depreciation and amortization expenses	35	42,814,691	47,424,968
Other expenses	36	1,361,525,641	1,553,674,914
Total expenses		**6,578,735,577**	**6,950,340,386**
III Profit / (loss) before exceptional items and tax		-19,797,906	51,441,033
IV Exceptional items		-	-
V Profit / (loss) before tax		**-19,797,906**	**51,441,033**
VI Tax expense			
(1) Current tax			
(2) Deferred tax (Assets/ Liability Utilization)		3,620,456	-19,765,000
VII Profit / (loss) for the Year from continuing operations		**-16,177,450**	**31,676,033**
VIII Other comprehensive income			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of net defined benefit plans			
(ii) Income tax relating to above items			
IX Total comprehensive income for the year		**-16,177,450**	**31,676,033**
X Earnings per equity share (Refer Note 48)			
(1) Basic		(2.49)	4.87
(2) Diluted		(2.49)	4.87
Basis of preparation & significant accounting policies	**2&3**		

The Accompanying notes are integral part of these consolidated financial statements

As per our Report of even date

For **DINESH NANGRU & COMPANY**
Chartered Accountants
FRN: 015003N

Narendra Pal Singh
Chief Executive Officer

Chander Mohan Dhall
Chief Financial Officer

CA. DINESH NANGRU
PARTNER
M. No. – 094779

Lalit Lohia
Company Secretary

Hira Lal Bhatia
(DIN: 00159258)
Chiarman &
Non Executive Director

Ishwar Das Chugh
(DIN: 00073257)
Whole Time Director

Date : 17th September, 2018
Place : New Delhi

Atlas Cycles (Haryana) Limited

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2018

A. Equity Share Capital (Amount in ₹)

Particulars	Amount
As at 01.04.2016	32,519,190.00
Changes in equity share capital	-
As at 31.03.2017	**32,519,190.00**
Changes in equity share capital	-
As at 31.03.2018	**32,519,190.00**

B. Other equity (Amount in ₹)

Particulars	Reserves and Surplus	Reserves and Surplus	Reserves and Surplus	Reserves and Surplus	Total
	Retained earnings	General Reserves	Securities Premium	Fixed Assets Revaluation Reserve	
Balance as at 01.04.2016	**-308,113,070**	**1,115,883,070**	**60,620,185**	**38,974,063**	**907,364,248**
Impact of IND AS Adjustment	**19,176,741**				
Additions during the period	31,676,033	-			-
Deletion during the period					-
As at 31.03.2017	**-257,260,296**	**1,115,883,070**	**60,620,185**	**38,974,063**	**907,364,248**
Additions during the period	-16,177,450	-			-
Deletion during the period					-
As at 31.03.2018	**-273,437,746**	**1,115,883,070**	**60,620,185**	**38,974,063**	**907,364,248**

The accompanying notes are integral part of these consolidated financial statements

As per our Report of even date

For **DINESH NANGRU & COMPANY**
Chartered Accountants
FRN: 015003N

Narendra Pal Singh
Chief Executive Officer

Chander Mohan Dhall
Chief Financial Officer

CA. DINESH NANGRU
PARTNER
M. No. – 094779

Lalit Lohia
Company Secretary

Hira Lal Bhatia
(DIN: 00159258)
Chiarman &
Non Executive Director

Ishwar Das Chugh
(DIN: 00073257)
Whole Time Director

Date : 17th September, 2018
Place : New Delhi

Atlas Cycles (Haryana) Limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018

(Amount in ₹)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before exceptional items and tax as per statement of profit and loss	-19,797,906	51,441,033
Adjustments for:		
Depreciation & Amortisation	42,814,691	47,424,968
(Gain)/Loss on disposal of property, plant & equipment	-6,495,430	-9,171,395
Profit on Sale of Current Investments	-10,542,092	-28,386,868
Bad Debts	-	63,372,030
Liability / Provisions no longer required written back	-3,360,141	-
Interest Income	-11,385,058	-29,097,772
Finance costs	98,275,793	85,652,883
Operating Profit before Working Capital Changes	**89,509,857**	**181,234,879**
Working capital adjustments:		
Decrease/ (Increase) in trade and other receivables	-304,924,398	-394,108,003
Decrease/ (Increase) in Inventories	-115,790,655	-103,545,848
Decrease/ (Increase) in Other Non Current Financial Assets	-10,291,246	-
Decrease/ (Increase) in Other Non Current Assets	68,466	-1,516,788
Decrease/ (Increase) in Current Loans	66,286,519	67,287,848
Decrease/ (Increase) in Other Current Assets	-3,966,306	14,203,235
Decrease/ (Increase) in Other Current Financial Assets	-1,890,000	-694,226
Decrease/ (Increase) in Bank Balances other than cash equivalents	-	-201,342
Increase/ (decrease) Other Non-Current Financial Liabilities	2,139,574	792,025
Increase/ (decrease) in Non Current Provisions	350,996	1,079,506
Increase/ (decrease) in trade and other payables	690,041,203	133,651,007
Increase/ (decrease) in Other Financial Liabilities	-57,901,050	-20,432,491
Increase/ (decrease) in Other Current Liabilities	53,232,710	-43,966,354
Increase/ (decrease) in Provisions	-62,907,381	49,644,071
Net cash flows generated from (used in) operating activities after exceptional items	**343,958,289**	**-116,572,481**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment, including CWIP and capital advances	-80,326,356	-43,292,480
Sale, plant & equipment, including CWIP and capital advances	22,538,882	64,017,929
Sale/(Purchase) of Investment	45,343,581	24,458,662
Interest Received	11,385,058	29,097,772
Net cash flows generated from (used in) investing activities	**-1,058,835**	**74,281,883**

(Amount in ₹)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from Short term Borrowings	-331,951,534	245,883,957
Net Proceeds from Long term Borrowings	-11,392,801	-15,125
Interest Paid	-98,275,793	-85,652,883
Net cash flows generated from (used in) financing activities	**-441,620,128**	**160,215,949**
Net increase (decrease) in cash and cash equivalents	-98,720,674	117,925,351
Net foreign exchange difference		
Cash and cash equivalents at the beginning of the year	140,355,221	22,429,874
Cash and cash equivalents at year end	**41,634,547**	**140,355,225**
Components of cash and cash equivalent as at		
Cash in hand	4,212,580	3,204,259
Balances with banks:		
- Current Account (Scheduled Bank)	36,618,625	136,482,118
- On Deposits with Original maturity of less than 3 months	42,323	42,323
- Unpaid Dividend Account	761,019	626,521
Cash and cash equivalents as per note 10	**41,634,547**	**140,355,221**

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

The Accompanying notes are integral part of these consolidated financial statements

As per our Report of even date

For **DINESH NANGRU & COMPANY**
Chartered Accountants
FRN: 015003N

Narendra Pal Singh
Chief Executive Officer

Chander Mohan Dhall
Chief Financial Officer

CA. DINESH NANGRU
PARTNER
M. No. – 094779

Lalit Lohia
Company Secretary

Hira Lal Bhatia
(DIN: 00159258)
Chiarman &
Non Executive Director

Ishwar Das Chugh
(DIN: 00073257)
Whole Time Director

Date : 17th September, 2018
Place : New Delhi

Note No.	DESCRIPTION

1. Company overview

The Company was incorporated under the provisions of the Companies Act applicable in India as a limited liability company by the name of Atlas Cycles (Haryana) Limited on 31st May 1950. Companies is engaged in manufacturing and selling of Bicycles and its spare parts. Shares of the company are listed on two stock exchanges in India i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

2. Basis of preparation of financial statements

These are the company's first financial statements for the year ended 31 March 2018 which have been prepared in accordance with IND AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, read with Ind AS based Schedule III, under the Companies Act, 2013.

For all periods up to and including for the year ended 31 March 2018, the company's financial statements prepared are complying in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule, 2014 and guidelines issued by the Securities and Exchange Board of India (SEBI).

The Company has consistently applied the accounting policies used in the preparation of its opening IND AS Balance Sheet at April 1, 2016 throughout all periods presented, as if these policies had always been in effect and are covered by IND AS 101 ''First-time adoption of Indian Accounting Standards". The transition was carried out from accounting principles generally accepted in India (''Indian GAAP") which is considered as the previous GAAP, as defined in IND AS 101. The reconciliation of effects of the transition from Indian GAAP to IND AS is disclosed in note to these financial statements.

The Company's financial statements provide comparative information in respect to the previous year. In addition, the company presents Balance Sheet as at the beginning of the previous year, which is the transition date to IND AS.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company:

a) has power over the investee;

b) is exposed, or has rights, to variable returns from its involvement with the investee; and

c) has the ability to use its power to affect its returns.

All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of Incorporation	% of Holding and Voting Power		
			31st Mar 2018	31st Mar 2017	1st Apr 2016
Atlas Cycles Sonepat Ltd	Subsidiary	India	100%	100%	100%
Atlas Cycles (Malanpur) Ltd	Subsidiary	India	100%	100%	100%
Atlas Cycles (Sahibabad) Ltd	Subsidiary	India	100%	100%	100%

The significant accounting policies used in preparing the financial statements are set out in Note no. 3 of the Notes to the Consolidated Financial Statements. The preparation of the financial statements requires management to make Judgements, estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years **(refer Note no. 3.2 on significant accounting estimates, assumptions and judgments.)**

Overall principle

The Company has prepared the balance sheet as per Ind AS as on the transition date by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognized assets and liabilities. However, this principle is subject to certain optional exemptions availed by the Company.

IND AS 101 First-time adoption of Indian Accounting Standards allows first time adopters certain exemptions and exceptions from the retrospective application of certain requirements under IND AS, effective for April 1, 2016 opening balance sheet, as explained below :

Following exemptions were availed from other IND AS as per Appendix D of IND AS 101.

Deemed cost for Property, Plant and Equipment (PPE) – The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets recognized as of transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Estimates: The estimate at 1st April 2016 and ended 31st March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustment to reflect any differences if any, in accounting policies) The estimates used by the company to present these amounts in accordance with Ind AS reflect conditions as at the transition date and as of 31st March 2016.

Derecognition of financial assets: The Company has chosen to apply derecognition criteria retrospectively. Accordingly, certain security deposits and borrowings have been re-recognized under Ind AS as at April 1, 2016.

Reconciliation between Previous GAAP and Ind AS

Equity Reconciliation (Amount in ₹)

Particulars	As at Mar 2017	As at Mar 2016
Equity as reported under previous GAAP	97,02,47,618	93,98,83,438
a) Impact on measurement of investments at fair market value through Profit & Loss Account	2,04,88,594	1,91,76,741
Total Amount	99,07,36,212	95,90,60,179
Tax effect of above adjustments		
Equity as per Ind AS	99,07,36,212	95,90,60,179

3. Significant accounting policies

3.1. Basis of measurement

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

3.2. Use of estimates and judgements

The presentation of the financial statements in conformity with Ind AS requires the managementto make estimates, judgements and assumptions affect the application of accounting policies and reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amount of revenue and expenses during the reporting period. The application of accounting policies that requires critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in Note 3.3. Accounting estimates could change from period to period. Actual result could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which such changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3.3. Critical accounting estimates

a) Revenue recognition

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

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

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

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

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to

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

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

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

3.4. Property, plant and equipment

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

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

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

3.5. Impairment of assets

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

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

3.6. Intangible assets

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

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

3.7. Employee benefits

Defined contribution plan

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

Defined benefit plan

Retirement benefits in the form of Gratuity and Long term compensated leaves are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at

the date of the Balance Sheet. Other short-term absences are provided based on past experience of leave availed.

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

3.8. Financial instruments – initial recognition, subsequent measurement and impairment

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

a) Financial assets

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

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

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

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

Investment in equity shares

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

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

b) Financial liabilities

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

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

i) Financial liabilities at fair value through profit or loss

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

ii) Financial liabilities measured at amortised cost

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

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

3.9. Taxes on income

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

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

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

Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

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

3.10. Provisions, contingent liabilities and contingent assets

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

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

3.11. Borrowing cost

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

3.12. Foreign currency transactions

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

3.13. Provision for bad debts

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

3.14. Government grant

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

3.15. Cash flow statements

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

Atlas Cycles (Haryana) Limited

Notes to Financial Statements

4 PROPERTY, PLANT AND EQUIPMENT

Financial Year 2017-18

(Amount in ₹)

Particulars	Gross Carrying Value				Depreciation				Net Carrying Value	
	Balance as at 1 April 2017	Additions	Disposals/ Write-off	Balance as at 31 Mar 2018	Balance as at 1 April 2017	Depreciation for the period	Other Adjustments	Balance as at 31 Mar 2018	Balance as at 31 Mar 2018	Balance as at 31 Mar 2017
Tangible assets	-	-	-	-	-	-	-	-	-	-
Land & Building	747,171,573	8,484,127	-	755,655,700	243,445,465	5,146,245	-	248,591,710	507,063,990	503,726,108
Plant & Machinery	774,041,133	53,449,885	2,595,539	824,895,479	516,718,461	20,922,473	76,200	537,564,734	287,330,745	257,322,672
Computer	56,181,753	959,804	-	57,141,557	54,170,498	902,687	-	55,073,185	2,068,372	2,011,255
Vehicles	193,179,448	2,415,813	36,624,783	158,970,478	100,343,760	13,412,150	21,098,571	92,657,339	66,313,139	92,835,688
Electrical Installation	26,179,865	168,361	-	26,348,226	26,385,314	312,619	6,472,837	20,225,096	6,123,130	-205,449
Furniture & Fixtures	80,477,730	1,674,434	-	82,152,164	66,396,360	2,118,517	-	68,514,877	13,637,287	14,081,370
Under Const. Installation Building/ Machinery	4,470,738	13,173,932	4,470,738	13,173,932	-	-	-	-	13,173,932	4,470,738
Total	1,881,702,240	80,326,356	43,691,060	1,918,337,536	1,007,459,858	42,814,691	27,647,608	1,022,626,941	895,710,595	874,242,382

Financial Year 2016-17

(Amount in ₹)

Particulars	Gross Carrying Value				Depreciation				Net Carrying Value	
	Balance as at 1 April 2016	Additions	Disposals/ Write-off	Balance as at 31 Mar 2017	Balance as at 1 April 2016	Depreciation for the period	Other Adjustments	Balance as at 31 Mar 2017	Balance as at 31 Mar 2017	Balance as at 31 Mar 2016
Tangible assets										
Land & Building	798,415,485	-	51,243,912	747,171,573	241,963,438	7,531,047	6,049,020	243,445,465	503,726,108	556,452,044
Plant & Machinery	756,427,696	17,169,192	-444,245	774,041,133	498,253,854	21,298,632	2,834,024	516,718,461	257,322,672	258,173,842
Computer	55,654,813	526,940	-	56,181,753	53,097,331	1,073,167	-	54,170,498	2,011,255	2,557,482
Vehicles	192,630,096	19,595,597	19,046,245	193,179,448	98,298,429	14,104,337	12,059,006	100,343,760	92,835,688	94,331,667
Electrical Installation	27,551,672	-	1,371,807	26,179,865	24,698,696	772,890	-913,728	26,385,314	-205,449	2,852,976
Furniture & Fixtures	80,751,555	1,530,013	1,803,838	80,477,730	61,898,166	2,644,895	-1,853,299	66,396,360	14,081,370	18,853,389
Under Const. Installation Building/Machinery	-	4,470,738	-	4,470,738	-	-	-	-	4,470,738	-
Total	1,911,431,316	43,292,480	73,021,557	1,881,702,240	978,209,913	47,424,968	18,175,023	1,007,459,858	874,242,382	933,221,400

Note : Rs 15.50 Crores and Rs.6.37 Crores received as advance against sale of land of Rasoi Plant and Bawal plant Respectively.

Note : Fixed Assets of the Company are hypothicated as Ist Charge against shor term borrowing facilites availed by company.

Notes to Financial Statements

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
5 NON-CURRENT INVESTMENT			
Equity Shares Fully Paid Up -Trade Un Quoted			
Ambojini Property Developers Pvt. Ltd. 1410 (2017: 1410,2016: 1410) Equity Shares of ₹ 10 each	14,100	14,100	14,100
Godrej Landmark Redevelopers Pvt.Ltd. NIL (2017: 66, 2016:66) Equity Shares of ₹ 1000 each	-	539,436	539,436
Mantri Hamlet Pvt. Ltd. NIL (2017: NIL, 2016:2) Equity Shares of ₹ 10 each	-	-	20
	14,100	**553,536**	**553,556**
Investment in Debt Instruments (Unquoted, fully paid up)			
A) Others (measured at cost)			
10% OCD Godrej Landmark Redevelopers Pvt. Ltd. NIL (2017: 3753, 2016:10822) Debentures of ₹ 100 each	-	375,300	1,082,200
10% OCD Ambojini Property Developers Pvt. Ltd. 16062 (2017: 16062, 2016:16062) Debentures of ₹ 100 each	1,606,200	1,606,200	1,606,200
10% OCD Mantri Hamlet Pvt. Ltd. NIL (2017: NIL, 2016:7399) Debentures of ₹ 100 each	-	-	739,900
	1,606,200	**1,981,500**	**3,428,300**
Unquoted Government Securities			
12 years National Defence Certificate for the face value of ₹ 1750 each pledged with Government authorities	1,750	1,750	1,750
7 Years National Savings Cerificate pledged with Excise authorities	10,000	10,000	10,000
	11,750	**11,750**	**11,750**
Unquoated Mutual Fund			
THE OCIAN'S ART FUND-(D) (46000 units of ₹ 100 each)	4,600,000	4,600,000	4,600,000
Less: Provision for impairment	-4,600,000	-4,600,000	-4,600,000
	-	**-**	**-**
Investment in Equity Instruments (Quoted, fully paid up)			
Central Bank of India	79,356	79,356	79,356
7780 (2017: 7780, 2016:7780) Equity Shares of ₹ 10 each	**79,356**	**79,356**	**79,356**
Total	**1,711,406**	**2,626,142**	**4,072,962**
Aggregate Book Value of Quoted Investment	79,356	79,356	79,356
Aggregate Market Value of Quoted Investment	562,883	821,957	577,665
Aggregate Book Value of Un-Quoted Investment	4,614,100	5,153,536	5,153,556
Aggregate amount of impairment in value of investments	4,600,000	4,600,000	4,600,000

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
6 OTHER FINANCIAL ASSETS			
Fixed deposits	10,954,742	954,742	954,742
Accrued interest	762,253	471,007	471,007
Total	**11,716,995**	**1,425,749**	**1,425,749**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
7 DEFERRED TAX ASSETS (NET)			
Deferred tax assets			
Others	64,990,456	61,370,000	81,135,000
Net deferred tax assets	**64,990,456**	**61,370,000**	**81,135,000**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
8 OTHER NON-CURRENT ASSETS			
Capital advances	3,905,500	3,905,500	3,905,500
Deposit with governement authorities	-	67,681	67,681
Deposit with others	9,100,676	10,285,804	8,769,016
Claim Recoverable	20,107,212	20,107,212	20,107,212
Others	135,231,558	134,047,215	134,047,215
Total	**168,344,946**	**168,413,412**	**166,896,624**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
9 INVENTORIES			
(Value at lower of cost and net realisable value)			
(As taken, valued and certified by the management)			
Raw materials and packing material	313,759,276	201,363,752	179,277,697
Work-in-progress	17,108,959	24,124,052	38,260,590
Finished goods	135,126,234	160,443,235	66,111,713
Stock in trade	41,446,604	11,131,114	10,861,330
Scarp	-	-	3,289,089
Stores and spares	98,350,859	92,939,124	88,655,010
Total	**605,791,932**	**490,001,277**	**386,455,429**

Note: Inventories and Trade Receivables are hypothicated against working capital facilities availed by the company

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
10 CURRENT INVESTMENT			
Investments in Mutual Fund (Quoted) (valued at fair value through profit & loss)			
Birla Sunlife Short Term Opportunity Fund (G) 733617 (2017: NIL, 2016:NIL) Units of ₹ 10 each	21,168,725	-	-
HDFC Corporate Debt Opp.Fund - R-G 44075 (2017: 2681205, 2016:2681205) Units of ₹ 10 each	635,152	36,381,267	32,903,209
HDFC MIP- Short Term- G NIL (2017: 438245, 2016:438245) Units of ₹ 10 each	-	12,563,601	11,050,693
IDFC SSIF- Medium Term-Plan-A-G 719492 (2017: 427625, 2016:427625) Units of ₹ 10 each	20,927,641	10,000,000	13,915,104
Reliance Dynamic Bond Fund-G 160482 (2017: 3987514, 2016:1091996) Units of ₹ 10 each	22,490,772	56,469,978	21,904,847
BOI Axa Corporate Credit Spectrum Fund 2051443 (2017: 1240643, 2016:NIL) Units of ₹ 10 each	27,403,590	18,460,775	-
ICICI Prudential Corporate Bond Fund 786482 (2017: NIL, 2016:NIL) Units of ₹ 10 each	21,163,443	-	-
UTI Short Term Income Fund -Insti. -G NIL (2017: 598770, 2016:598770) Units of ₹ 10 each	-	11,938,578	10,877,677
Birla Sunlife Dynamic Bond Fund -Retail(G/(D) NIL (2017: NIL, 2016:475081) Units of ₹ 10 each	-	-	12,514,009
Templeton India Short Term Income Retail-G NIL (2017: NIL, 2016:4645) Units of ₹ 1000 each	-	-	14,156,066
Axis Short Term Fund-G NIL (2017: NIL, 2016:712721) Units of ₹ 10 each	-	-	12,628,565
IDFC SSIF- Short Term-Plan-A-G NIL (2017: NIL, 2016:451267) Units of ₹ 10 each	-	1,861,877	10,834,880
Reliance Medium Term Fund NIL (2017: NIL, 2016:144) Units of ₹ 10 each	-	-	2,000
Kotak Liquid Scheme Plan - A D/D NIL (2017: NIL, 2016:1238) Units of ₹ 1000 each	-	-	1,514,000
Total	**113,789,323**	**147,676,076**	**142,301,050**
Aggregate Book Value of Quoted Investment	106,196,408	126,529,371	122,466,723
Aggregate Market Value of Quoted Investment	113,789,323	147,676,076	142,301,050
Aggregate Book Value of Un-Quoted Investment	-	-	-
Aggregate amount of impairment in value of investments	-	-	-

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
11 TRADE RECEIVABLES			
Trade receivables outstanding for a period less than six months from the date they are due for payment			
Unsecured, considered good	1,620,036,381	1,296,499,431	862,847,515
Unsecured, considered doubtful	-	-	-
Less: Provision for doubtful debts	-	-	-
	1,620,036,381	**1,296,499,431**	**862,847,515**

Conted.. (Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good	70,152,892	88,765,444	191,681,387
Unsecured, considered doubtful	42,167,579	122,420,030	59,048,000
Less: Provision for doubtful debts	-42,167,579	-122,420,030	-59,048,000
	70,152,892	**88,765,444**	**191,681,387**
Total	**1,690,189,273**	**1,385,264,875**	**1,054,528,902**

Note : Inventories and Trade Receivables are hypothicated against working capital facilities availed by the company

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
12 CASH AND CASH EQUIVALENTS			
Cash in hand	4,212,580	3,204,259	4,368,711
Balances with banks in :			
- Current Account (Scheduled Bank)	36,618,625	136,482,118	2,446,113
- On Deposits with Original maturity of less than 3 months	42,323	42,323	14,988,529
- Unpaid Dividend Account	761,019	626,521	626,521
Total	**41,634,547**	**140,355,221**	**22,429,874**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
13 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT			
Other Bank Balances			
- Original maturity more than 12 months but maturing within one year from the Reporting Date	6,099,218	6,099,218	5,897,876
- Maturity more than 12 months from the Reporting Date	10,954,742	954,742	954,742
	17,053,960	7,053,960	6,852,618
Less: Amount disclosed under Other non-current assets (Refer note 6)	-10,954,742	-954,742	-954,742
Total	**6,099,218**	**6,099,218**	**5,897,876**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
14 CURRENT LOANS			
Employee Advance	112,798,707	110,207,475	108,510,978
Loans & Advances recoverable in cash or in kind	66,286,724	135,164,475	204,148,820
Total	**179,085,431**	**245,371,950**	**312,659,798**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
15 OTHER FINANCIAL ASSETS			
Interest Accrued on Investment/FDR	1,279,745	1,378,376	1,306,747
Security deposits	33,243,447	31,254,816	30,632,219
Total	**34,523,192**	**32,633,192**	**31,938,966**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
16 OTHER CURRENT ASSETS			
Prepaid expenses	2,421,947	1,200,758	1,248,296
Balances with governement authorities	21,160,852	3,927,720	22,500,114
Advances to Business Vendors	-	-	-
Advance income tax/ Tax deducted at source (Net of Provisions)	17,337,079	31,825,094	27,408,397
Total	**40,919,878**	**36,953,572**	**51,156,807**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
17 EQUITY SHARE CAPITAL			
Authorised			
30,000(30,000) 6 1/4% P.A. free of Income tax cumulative redeemable Preference shares of ₹ 100 each	3,000,000	3,000,000	3,000,000
194,00,000 Equity Shares of ₹ 5/- each (2017 : 97,00,000 Equity Shares of ₹ 10 each) (2016 : 97,00,000 Equity Shares of ₹ 10 each)	97,000,000	97,000,000	97,000,000
Issued, Subscribed & Fully Paid Up Capital			
65,03,838 Equity Shares of ₹ 5/-each fully paid up (2017 : 32,51,919 Equity shares of ₹ 10 each) (2016 : 32,51,919 Equity shares of ₹ 10 each)	32,519,190	32,519,190	32,519,190
Total	**32,519,190**	**32,519,190**	**32,519,190**

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

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

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

Name of shareholder	As at 31 March 18		As at 31 March 17		As at 01 April 16	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Milton Cycles Industries Ltd	325846	10.02%	325846	10.02%	325846	10.02%
Limrose Enng Works Pvt Ltd	257650	7.92%	257650	7.92%	257650	7.92%

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

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
	No. of Shares	No. of Shares	No. of Shares
Share outstanding as at the beginning of the year	3,251,919	3,251,919	3,251,919
Adidtions during the year	-	-	-
- Shares Split during the year	3,251,919		
Deletions during the year	-	-	-
Share outstanding as at the end of the year	6,503,838	3,251,919	3,251,919

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

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
18 OTHER EQUITY			
Retained Earning			
Balance as at the beginning of the year	-257,260,296	-288,936,329	-308,113,070
Restatement due to application of Ind AS	-	-	19,176,741
(+) Net Profit/(Net Loss) For the current year as per the statement of Profit and loss	-16,177,450	31,676,033	-
Balance as at the end of the year	-273,437,746	-257,260,296	-288,936,329
General Reserve			
Balance as at the beginning of the year	1,115,883,070	1,115,883,070	1,115,883,070
Addition	-	-	-
Deletion	-	-	-
Balance as at the end of the year	1,115,883,070	1,115,883,070	1,115,883,070
Securities Premium			
Balance as at the beginning of the year	60,620,185	60,620,185	60,620,185
Addition	-	-	-
Deletion	-	-	-
Balance as at the end of the year	60,620,185	60,620,185	60,620,185
Fixed Assets Revaluation Reserve			
Balance as at the beginning of the year	38,974,063	38,974,063	38,974,063
Addition	-	-	-
Deletion	-	-	-
Balance as at the end of the year	38,974,063	38,974,063	38,974,063
Item of other comprehensive income that will not be classified in profit & loss			
Re-measurement of the net defined benefit Plans	-	-	-
Addition	-	-	-
Deletion	-	-	-
Balance as at the end of the year	-	-	-
Total other equity	**942,039,572**	**958,217,022**	**926,540,989**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
19 NON-CURRENT BORROWING			
Secured loans			
- Vehicle loans From scheduled banks	16,189,867	27,582,668	29,998,112
- Public Deposits	7,927,000	55,340,857	76,868,857
	24,116,867	82,923,525	106,866,969
Less: Amount disclosed under the head other financial liabilities (note 24)	-19,452,138	-66,865,995	-90,794,314
Total	**4,664,729**	**16,057,530**	**16,072,655**

Note:

1 Vehicle loans are secured by way of hypothecation of vehicle concerned and carry interest from 8.5% p.a. to 13% p.a. on different loans and repayable in 36 / 48 equal installments.

2 The Company have fixed deposits from the public which carry interest @ 11% p.a. for FDRs less than ₹ 2,00,000/- for a period of one year and 11.5% p.a for more than one year irrespective of amount. Company has not repaid deposits as per requirement of companies act 2013. However, company has applied for extension for repayment of fixed deposits to NCLT and repayments are being made as per directions of NCLT.

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
20 OTHER FINANCIAL LIABILITIES			
Permanent Deposits from Dealers	15,223,915	14,373,415	14,125,231
Security Deposits from Others	15,892,778	14,603,704	12,939,252
Advance against sale of land #	218,700,000	218,700,000	218,700,000
'LADT Payable	-	-	1,120,611
Total	**249,816,693**	**247,677,119**	**246,885,094**

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

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
21 NON-CURRENT PROVISIONS			
Provision for employee benefits			
Gratuity	-	-	-
Leave encashment	7,951,993	7,600,997	6,521,491
Total	**7,951,993**	**7,600,997**	**6,521,491**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
22 CURRENT BORROWINGS			
a) Secured loans			
Working Capital Facilities from Banks			
Working capital loan	483,002,518	664,775,653	469,920,684
Short Term Loans	-	72,590,011	100,000
Bills Discounting from Banks/Financial Institution	20,406,963	97,995,351	119,456,374
Total	**503,409,481**	**835,361,015**	**589,477,058**

a) Working Capital Limit from Consortium banks is secured against Hypothecation of Inventory and Book Debts and Ist Charge over Fixed Assets of the Company which is repayable on demand and carries Interest @ 14.25% p.a.

b) Bills Discounting facility from Consortium banks is fully secured by the stock against the bills discounted and IInd charge over the Fixed Assets of the Company and carries interest@13.50% pa

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
23 TRADE PAYABLES			
Payable to MSME parties	550,468,258	301,770,840	283,645,095
Payable to Others	1,394,670,263	956,686,619	841,161,357
Total	**1,945,138,521**	**1,258,457,459**	**1,124,806,452**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
24 OTHER CURRENT FINANCIAL LIABILITIES			
Current maturities of long-term debt (refer note 19)	11,525,138	11,525,138	13,925,457
Current maturities of deposits (refer note 19)	7,927,000	55,340,857	76,868,857
Interest accrued	-	10,487,193	6,991,365
Total	**19,452,138**	**77,353,188**	**97,785,679**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
25 OTHER CURRENT LIABILITIES			
Statutory dues	13,918,561	6,339,878	8,832,333
Security deposits	9,070,489	10,201,968	9,156,752
Advance against sale of land	-	-	-
Employees related payables	3,301,364	3,144,201	6,412,439
Others Payables	66,646,878	20,153,033	59,403,910
Unpaid dividends	761,019	626,521	626,521
Total	**93,698,311**	**40,465,601**	**84,431,955**

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17	As at 01 April 16
26 CURRENT PROVISIONS			
Provision for employee benefits			
Provision for bonus	1,329,372	1,248,172	1,276,575
Others Employee Benefits	28,147,814	36,825,069	35,030,993
Provision for dealers discount	-	7,984,831	8,109,678
Provision for others	26,339,378	72,665,873	24,662,628
Total	**55,816,564**	**118,723,945**	**69,079,874**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
28 REVENUE FROM OPERATIONS		
Sale of finished goods	6,517,651,187	6,941,120,772
Other operating revenue		
Scrap sales	2,718,004	2,273,107
Export Incentive	12,376,835	18,804,897
Total	**6,532,746,026**	**6,962,198,776**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
29 OTHER INCOME		
Interest Income	842,966	710,904
Profit on Sale of Property, Plant and Equipments	6,685,518	9,171,395
Profit on Sale of Current Investments	10,542,092	28,386,868
Rental Income	335,148	604,519
Provision written back	3,360,141	-
Income From Investments	30,847	156,466
Miscellaneous Income	4,394,933	552,491
Total	**26,191,645**	**39,582,643**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
30 COST OF MATERIAL CONSUMED		
Raw Material Consumed	4,170,315,340	4,800,476,549
Total	**4,170,315,340**	**4,800,476,549**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
31 PURCHASES OF STOCK-IN-TRADE		
Purchases of Bicycles	479,957,208	50,101,474
Total	**479,957,208**	**50,101,474**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
32 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Openning stock		
Finished goods	160,443,235	93,966,321
Stock-in-trade	11,131,114	1,271,057
Scrap	-	3,289,089
Work-in-progress	24,124,052	19,996,255
	195,698,401	118,522,722
Closing stock		
Finished goods	135,126,234	160,443,235
Stock-in-trade	41,446,604	11,131,114
Scrap	-	-
Work-in-progress	17,108,959	24,124,052
	193,681,797	195,698,401
(Increase)/ Decrease in Stock	2,016,604	(77,175,679)
Total	**2,016,604**	**(77,175,679)**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
33 EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	318,010,432	308,613,479
Contribution to Provident and Other Funds	41,269,281	35,966,346
Staff Welfare and Training Expenses	30,551,744	26,164,915
Total	**389,831,457**	**370,744,740**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
34 FINANCE COSTS		
Interest Expense	92,570,992	70,082,880
Other Borrowing Costs	5,704,801	15,570,003
Total	**98,275,793**	**85,652,883**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
35 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation on property, plant & equipment	42,814,691	47,424,968
Total	**42,814,691**	**47,424,968**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
36 OTHER EXPENSES		
Freight outward & handling charges	371,613,936	352,949,383
Packing Material Consumed	197,912,643	243,438,548
Stores and Spare Parts Consumed	274,665,769	363,326,007
Power & Fuel	55,925,313	77,710,933
Repairs and Maintenance:		
Buildings	9,795,208	37,180,191
Plant & Machinery	13,898,188	17,807,931
Others	26,879,995	28,933,375
Travelling & conveyance	71,606,356	63,459,573
Advertisement and sales promotion	63,128,114	87,631,971
Rates & Taxes	40,957,134	3,055,253
Commission to agents	34,276,634	26,384,321
Printing & Stationery, Postage & Telephone	10,030,422	10,904,156
Insurance	5,914,522	4,657,566
Legal Fees	4,364,636	436,818
Rent	3,004,184	3,670,384
Payment to Auditors (Refer Note below 30.1)	3,991,197	3,845,485
Loss on sale of property, plant and equipment	190,088	-
Director Sitting fees	578,250	611,850
Donations	169,372	160,500
Bad debt written off	-	63,372,030
Miscellaneous Expenses	172,623,680	164,138,639
Total	**1,361,525,641**	**1,553,674,914**

(Amount in ₹)

Particulars	For the Year ended 31 March 18	For the Year ended 31 March 17
36.1 PAYMENT TO AUDITOR		
As Auditor:		
Statutory Audit fee	2,507,080	2,456,900
Tax Audit Fee	400,000	350,000
In other Capacity		
For Other Services including Certifications	1,084,117	1,038,585
Total	**3,991,197**	**3,845,485**

37 FINANCIAL RISK MANAGEMENT

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

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments.The sensitivity analyses in the following sections relate to the position as at 31st March 2018 and 31st March 2017.

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

(a) Interest rate risk

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

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

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17
Variable rate borrowings	483,002,518	664,775,653
Fixed rate borrowings	44,523,830	253,508,887
Total borrowings	**527,526,348**	**918,284,540**

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

Particulars	As at 31 March 18		As at 31 March 17	
	Balance	% of total loans	Balance	% of total loans
Loans repayable on demand (Cash Credit)	483,002,518	100.00%	664,775,653	100.00%
Net exposure to cash flow interest rate risk	**483,002,518**	**100%**	**664,775,653**	**100%**

(iii) Sensitivity

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

Particulars	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Decrease in Profit before Tax	+50	+50	2,415,013	3,323,878
Increase in Profit before Tax	- 50	- 50	-2,415,013	-3,323,878

(b) Foreign currency risk

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

Amount in Forex

Foreign currency exposure	Currency	As at 31 March 18	As at 31 March 17
Trade Receivables	USD	262,964	453,294

Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts recievable.The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, mutual funds and other financial instruments.

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

Liquidity Risk

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

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

Maturity patterns of borrowings & other Financial liablities (Amount in ₹)

As at 31-03-2018	Carrying Amount	On Demand	Less than 12 months	More than 1 years	Total
Borrowings	527,526,348	483,002,518	39,859,101	4,664,729	527,526,348
Trade payables	1,945,138,521	933,503,858	1,011,634,663		1,945,138,521
Other Liabiilities	269,268,831		19,452,138	249,816,693	269,268,831
Total	**2,741,933,700**	**1,416,506,376**	**1,070,945,902**	**254,481,422**	**2,741,933,700**

As at 31-03-2017	Carrying Amount	On Demand	Less than 12 months	More than 1 years	Total
Borrowings	918,284,540	664,775,653	237,451,357	16,057,530	918,284,540
Trade payables	1,258,457,459	804,001,836	454,455,623		1,258,457,459
Other Liabiilities	325,030,307		77,353,188	247,677,119	325,030,307
Total	**2,501,772,306**	**1,468,777,489**	**769,260,168.00**	**263,734,649**	**2,501,772,306**

38 CAPITAL MANAGEMENT

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

(Amount in ₹)

Particulars	As at 31 March 18	As at 31 March 17
Debt	527,526,348	918,284,540
Cash & bank balances	47,733,765	146,454,439
Net Debt (A)	479,792,583	771,830,101
Total Equity (B)	974,558,762	959,060,179
Total Equity and Net Debt ('C)	1,454,351,345	1,730,890,280
Gearing Ratio (A/C)	32.99%	44.59%

Notes-

(i) Debt is defined as long-term and short-term borrowings including current maturities (excluding derivatives) as described in notes 19 and 22.

(ii) Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

39 Recognition of opening and closing balances of Defined Benefit Obligation

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which the Company contributes the ascertained liability to Life Insurance Corporation of India with whom the plan assets are maintained.

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

Investment Risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated usinga discount rate which is determined by reference to market yields at the end of the reporting periodon government bonds. Currently for the plan in India, it has a relatively balanced mix of investments ingovernment securities, and other debt instruments.
Interest Rate Risk	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability
Salary Risk	Higher than expected increases in salary will increase the defined benefit obligation

The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

Movements in the present value of the defined benefit obligation are as follows :- (Amount in ₹)

GRATUITY	**Gratuity (Funded)**	
	2017-18	**2016-17**
Defined Benefit obligation at the beginning of the year	112,616,479	111,509,614
Current Service Cost	1,301,603	2,387,499
Interest cost	8,447,974	8,863,373
Benefit paid	10,735,767	10,144,004
Defined Benefit obligation at the year end	111,630,289	112,616,482

(Amount in ₹)

INVESTMENT DETAILS	**Investement as on 3/31/2018**		**Investement as on 3/31/2017**	
Investment Detail:	**Value**	**%**	**Value**	**%**
GOI Securities	43,496,335	15.52%	43,496,335	16.08%
Public Securities	65,062,459	23.22%	65,062,459	24.05%
State Government Securities	120,492,289	43.00%	75,089,889	27.76%
Private Securities	35,125,042	12.53%	71,144,347	26.30%
In banks	16,055,621	5.73%	15,728,018	5.81%
	280,231,746	**100.00%**	**270,521,048**	**100.00%**

Acturial assumptions	**Gratuity (Funded)**	
	2017-18	**2016-17**
Discount rate (Per Annum)	7.50%	8.00%
Expected rate of return plan (Per Annum)	8.25%	8.25%
Rate of escalation of salary (Per Annum)	8.00%	8.00%

The estimates of rate of escalation in salary considered in acturial valuation, takes into account seniority and promotion & other relevant factors.

As per the IND AS 21 " Employees benefit", the disclosure as defined in the accounting Standard are given below:

(Amount in ₹)

Defined Contribution Plan	31-Mar-18	31-Mar-17
Employer's Contribution to Provident Fund	16,494,116	13,084,726
Employers Contribution to Supper Annuation Fund	12,925,110	2,406,048
Employers Contribution to Gratuity Fund	3,897,689	3,782,031

40 CONTINGENT LIABILITIES IN RESPECT OF

(Amount in ₹)

		31-Mar-18	31-Mar-17
a)	Surety bonds in favour of government	3,677,350	3,677,350
b)	Guarantees given by bank	159,644,951	105,940,805
c)	Guarantees In respect of Entry Tax matters	30,000	30,000
d)	Guarantees In respect of Sales Tax matters	1,551,000	58,488,000

41 DETAILS OF RAW MATERIAL CONSUMED DURING THE YEAR

Particulars		2018			2017	
		Units	Quantity (in lacs)	Value ₹	Quantity (in lacs)	Value ₹
(i)	Sheets & Strips	Kgs.	1,971,414	93,813,455	2,626,000	126,729,683
(ii)	Tyres	Nos.	4,456,127	439,332,870	4,816,615	474,649,117
(iii)	Tubes	Nos.	4,389,056	172,763,050	4,696,553	183,198,915
(iv)	Rims	Nos.	4,741,831	433,610,202	5,350,714	462,171,610
(v)	Other Items	-	-	123,409,684	-	164,854,588
(vi)	Components	-		2,907,386,079		3,388,872,636
				4,170,315,340		**4,800,476,549**

42 VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL AND COMPONENTS CONSUMED DURING THE YEAR

DURING THE YEAR		Indigenous		Imported	
Particulars		Value (₹)	Percentage	Value (₹)	Percentage
(i)	Raw Material	1,139,519,577	100	NIL	0
		(1246749325)	(100)	NIL	(0)
(ii)	Components	2,628,579,472	86.73	402,216,291	13.27
		(3210340631)	(90.34)	(343386593)	(9.66)

Previous Year figures are shown in brackets.

43 VALUE OF TOTAL IMPORTS ON CIF BASIS

(Amount in ₹)

		2018	2017
(i)	Raw Material, Components & Spare Parts	402,216,291	343,386,593
(ii)	Capital Goods	-	-
		402,216,291	**343,386,593**

44 EXPENDITURE IN FOREING CURRENCY

(Amount in ₹)

		2018	2017
(i)	Commission on export	3,145,252	3,952,404
(ii)	Foreign Tours	12,004,516	6,929,172
(iii)	Foreign Publicity & exhibition	-	472,221
		15,149,768	**11,353,797**

45 EARNINGS IN FOREIGN EXCHANGE

(Amount in ₹)

	2018	2017
F.O.B. Value of goods exported	167,912,862	194,231,649

46 RELATED PARTY DISCLOSURES

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

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

ii) **Subsidiary Companies are:** Atlas Cycles Sonepat Ltd, Atlas Cycles (Sahibabad) Ltd, Atlas Cycles (Malanpur) Ltd.,

Directors & Employees (As at 31.03.2018) : Sh. I.D.Chugh, Sh. H.L.Bhatia, Sh. Vikram Khosla, Sh. Kartik Roop Rai, Sh. Sanjiv Kavaljit Singh, Sh. Sadhna Syal, 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

(Amount in ₹)

	2018	2017
Sale of Goods	25,549,542	19,652,554
Rent	108,000	432,000
Purchase of Goods	430,372,897	415,164,688
Balance at year end	122,453,648	11,174,892
Guarantee Given	-	-

C. Transactions with key managerial persons:

(Amount in ₹)

	2018	2017
Remunerations:	53,384,820	48,348,000

47 EFFECT OF IND AS ADOPTION ON THE BALANCE SHEET AS AT APRIL 1, 2016

(Amount in ₹)

Particulars	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	933,221,400		933,221,400
(b) Capital work-in-progress	-		-
(c) Financial assets	-		-
(i) Investments	4,072,962		4,072,962
(ii) Other financial assets	1,425,749		1,425,749
(d) Deferred tax assets (net)	81,135,000		81,135,000
(e) Other non - current assets	166,896,624		166,896,624
Total non - curret assets	**1,186,751,735**	**-**	**1,186,751,735**
(2) Current assets			
(a) Inventories	386,455,429		386,455,429
(b) Financial assets	-		-
(i) Investments	122,466,198	19,834,852	142,301,050
(ii) Trade receivables	1,054,528,902		1,054,528,902
(iii) Cash and cash equivalents	22,429,874		22,429,874
(iv) Bank balance other than cash and cash equivalent	5,897,876		5,897,876
(v) Loans	312,659,798		312,659,798
(vi) Other financial assets	31,938,966		31,938,966
(d) Other current assets	51,156,807		51,156,807
Total curret assets	**1,987,533,850**	**19,834,852**	**2,007,368,702**
TOTAL ASSETS	**3,174,285,585**	**19,834,852**	**3,194,120,437**

(Amount in ₹)

Particulars	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	32,519,190		32,519,190
(b) Other equity	907,364,248	19,176,741	926,540,989
Total Equity	**939,883,438**	**19,176,741**	**959,060,179**
LIABILITIES			
(1) Non - current liabilities			
(a) Financial liabilities			-
(i) Borrowings	16,072,655		16,072,655
(ii) Other financial liabilities	246,885,094		246,885,094
(b) Provisions	6,521,491		6,521,491
Total non - curret liabilities	**269,479,240**	**-**	**269,479,240**
(2) Current liabilities			
(a) Financial liabilities			-
(i) Borrowings	589,477,058		589,477,058
(ii) Trade Payables	1,124,806,452		1,124,806,452
(iii) Other financial liabilities	97,785,679		97,785,679
(b) Other Current Liabilities	83,773,844	658,111	84,431,955
(c) Provisions	69,079,874		69,079,874
Total curret liabilities	**1,964,922,907**	**658,111**	**1,965,581,018**
Total Equity & Liabilities	**3,174,285,585**	**19,834,852**	**3,194,120,437**

48 EFFECT OF IND AS ADOPTION ON THE BALANCE SHEET AS AT 31ST MAR, 2017

(Amount in ₹)

Particulars	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	869,771,644		869,771,644
(b) Capital work-in-progress	4,470,738		4,470,738
(c) Financial assets	-		-
(i) Investments	2,626,142		2,626,142
(ii) Other financial assets	1,425,749		1,425,749
(d) Deferred tax assets (net)	61,370,000		61,370,000
(e) Other non - current assets	168,413,412		168,413,412
Total non - curret assets	**1,108,077,685**	**-**	**1,108,077,685**
(2) Current assets			
(a) Inventories	490,001,277		490,001,277
(b) Financial assets	-		-
(i) Investments	126,529,371	21,146,705	147,676,076
(ii) Trade receivables	1,385,264,875		1,385,264,875
(iii) Cash and cash equivalents	140,355,221		140,355,221
(iv) Bank balance other than cash and cash equivalent	6,099,218		6,099,218
(v) Loans	245,371,950		245,371,950
(vi) Other financial assets	32,633,192		32,633,192
(d) Other current assets	36,953,572		36,953,572
Total curret assets	**2,463,208,676**	**21,146,705**	**2,484,355,381**
TOTAL ASSETS	**3,571,286,361**	**21,146,705**	**3,592,433,066**

(Amount in ₹)

Particulars	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	32,519,190		32,519,190
(b) Other equity	937,728,428	20,488,594	958,217,022
Total Equity	**970,247,618**	**20,488,594**	**990,736,212**
LIABILITIES			
(1) Non - current liabilities			
(a) Financial liabilities			-
(i) Borrowings	16,057,530		16,057,530
(ii) Other financial liabilities	247,677,119		247,677,119
(b) Provisions	7,600,997		7,600,997
Total non - curret liabilities	**271,335,646**	**-**	**271,335,646**
(2) Current liabilities			
(a) Financial liabilities			-
(i) Borrowings	835,361,015		835,361,015
(ii) Trade Payables	1,258,457,459		1,258,457,459
(iii) Other financial liabilities	77,353,188		77,353,188
(b) Other Current Liabilities	39,807,490	658,111	40,465,601
(c) Provisions	118,723,945		118,723,945
(d) Current Tax Liabilities	-		-
Total curret liabilities	**2,329,703,097**	**658,111**	**2,330,361,208**
Total Equity & Liabilities	**3,571,286,361**	**21,146,705**	**3,592,433,066**

49 EFFECT OF IND AS ADOPTION ON STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31ST MAR 2017

(Amount in ₹)

Particulars	Year ended 31.03.2017		
	Previous GAAP	Effect of transition to Ind AS	Year ended 31.03.2017
I INCOME			
a Revenue from operations	6,842,758,239	119,440,537	6,962,198,776
b Other income	38,270,790	1,311,853	39,582,643
Total income (a + b)	**6,881,029,029**	**120,752,390**	**7,001,781,419**
II Expenses			
Cost of material consumed	4,800,476,549		4,800,476,549
Purchases of Stock-in-Trade	50,101,474		50,101,474
Change in Inventories of Finished Goods ,	-77,175,679		-77,175,679
Work-in-progress and Stock-in-Trade	-		-
Excise duty on Sales	-	119,440,537	119,440,537
Employee benefits expenses	370,744,740		370,744,740
Finance costs	85,652,883		85,652,883
Depreciation and amortization expenses	47,424,968		47,424,968
Other expenses	1,553,674,914		1,553,674,914
Total expenses	**6,830,899,849**	**119,440,537**	**6,950,340,386**

(Amount in ₹)

Particulars	Year ended 31.03.2017		
	Previous GAAP	Effect of transition to Ind AS	Year ended 31.03.2017
III Profit / (loss) before exceptional items and tax	50,129,180	1,311,853	51,441,033
IV Exceptional items			-
V Profit / (loss) before tax	**50,129,180**	**1,311,853**	**51,441,033**
VI Tax expense			
(1) Current tax			
(2) Deferred tax (Assets/ Liability Utilization)	-19,765,000		-19,765,000
VII Profit / (loss) for the Year from continuing operations	**30,364,180**	**1,311,853**	**31,676,033**
VIII Other comprehensive income			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of net defined benefit plans			
(ii) Income tax relating to above items			
IX Total comprehensive income for the year	**30,364,180**	**1,311,853**	**31,676,033**

50 EARNINGS PER SHARE

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

(Amount in ₹)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Issued Equity Shares (32,51919 of ₹ 10 each)		3,251,919
Issued Equity Shares (65,03,838 of ₹ 5 each)	6,503,838	
Add/ Less: Adjustments (Refer note)		3,251,919
Weighted average number of equity shares in calculating basic & diluted EPS (A)	6,503,838	6,503,838

Note : During the FY 2017-18, Face value of equity shares are splitted into two shares of ₹ 5 each. Hence FY 2016-17 figures are adjusted to comparable to FY 2017-18

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

(Amount in ₹)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Profit for the year	(16,177,450)	31,676,033
Add/ Less: Adjustments		-
Net profit/ (loss) as per Statement of Profit & Loss (for calculation of basic & diluted EPS (B)	(16,177,450)	31,676,033
Basic Earnings per Share (₹) (B/A)	(2.49)	4.87
Diluted Earnings per Share (₹) (B/A)	(2.49)	4.87

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

51 SEGMENT INFORMATION

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

52 PREVIOUS YEAR FIGURES

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

As per our Report of even date

For **DINESH NANGRU & COMPANY**
Chartered Accountants
FRN: 015003N

Narendra Pal Singh
Chief Executive Officer

Chander Mohan Dhall
Chief Financial Officer

CA. DINESH NANGRU
PARTNER
M. No. – 094779

Lalit Lohia
Company Secretary

Hira Lal Bhatia
(DIN: 00159258)
Chiarman &
Non Executive Director

Ishwar Das Chugh
(DIN: 00073257)
Whole Time Director

Date : 17th September, 2018
Place : New Delhi

Notes

Notes

Book Post

ATLAS CYCLES
SONEPAT

ATLAS

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Atlas Cycles (Haryana) Limited

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