ATLAS CYCLES (HARYANA) LTD.

CIN:L35923HR1950PLC001614
Regd. Office : Industrial Area, Atlas Road, Sonepat - 131 001, Haryana (India)
E-mail : companylaw@atlascyclesonepat.com, Website : www.atlasbicycles.com

NOTICE

TO THE SHAREHOLDERS

Notice is hereby given that the Sixty Third Annual General Meeting of the members of Atlas Cycles (Haryana) Limited will be held at the Registered Office of the Company in the Industrial Area, Atlas Road, Sonepat-131001, Haryana(India) on Tuesday, the 30th December, 2014 at 4.00 P.M. (I.S.T.) to transact the following business(es):-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss Account for the year ended on that date along with the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Hira Lal Bhatia (DIN: 00159258) who retire by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. Hari Krishan Ahuja (DIN: 00315876) who retire by rotation and being eligible offers himself for re-appointment.
4. **Appointment of Statutory Auditors**

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

   "RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, Messer Mehra Khanna & Co., Chartered Accountants (ICAI Firm Registration No. 001141N) the retiring Auditors of the Company, be and is hereby re-appointed as Auditors of the Company to hold office from conclusion of this Annual General Meeting (AGM) until the conclusion of the Sixty Sixth AGM of the Company, to examine and audit the accounts of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors plus reimbursement of Service tax, travelling and out of pocket expenses."

SPECIAL BUSINESS

5. **Appointment of Mr. Vikram Khosla (DIN: 01574818) as an Independent Director**

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

   'RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, as amended from time to time read with Schedule IV to the Act and Clause 49 of the Listing Agreement, Mr. Vikram Khosla (DIN: 015748148), in respect of whom the Company has received a notice in writing along with deposit of ₹ 100,000/- from a Member proposing him as a candidate for the office of director under provisions of Section 160 of the Companies Act, 2013, and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company, with effect from 30th December, 2014 upto 29th December, 2019."
6. **Appointment of Mr. Kartik Roop Rai (DIN: 06789287) as an Independent Director**

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

   'RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, as amended from time to time read with Schedule IV to the Act and Clause 49 of the Listing Agreement, Mr. Kartik Roop Rai (DIN: 06789287), in respect of whom the Company has received a notice in writing along with deposit of ₹ 100,000/- from a Member proposing him as a candidate for the office of director under provisions of Section 160 of the Companies Act, 2013, and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company, with effect from 30th December, 2014 upto 29th December, 2019."

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7. **Appointment of Mr. Sanjiv Kavaljit Singh (DIN: 00015689) as an Independent Director**

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

'RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, as amended from time to time read with Schedule IV to the Act and Clause 49 of the Listing Agreement, Mr. Sanjiv Kavaljit Singh (DIN: 00015689), in respect of whom the Company has received a notice in writing along with deposit of ₹ 100,000/- from a Member proposing him as a candidate for the office of director under provisions of Section 160 of the Companies Act, 2013, and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company, with effect from 30th December, 2014 upto 29th December, 2019."

8. **To approve the remuneration payable to Cost Auditor, Mr. Satnam Singh Saggu for the Financial Year 2014-2015**

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditor, Mr. Satnam Singh Saggu, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31 March 2015, be paid a remuneration of ₹ 2,06,190/- Per annum plus out of pocket expenses, at actual.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, matter, deeds and things as may be necessary to give effect to the above resolution."

9. **Acceptance of Deposits by the Company from its members and from Public:**

To consider and, if thought fit, to pass the following resolution, with or without modification, as a special resolution:-

"RESOLVED THAT pursuant to the provisions of Section 73 and 76 of the Companies Act, 2013 (the Act) read with the Companies (Acceptance of Deposits) Rules, 2014 (the Rules) and other applicable provisions, if any, and subject to such conditions, approvals, permissions, as may be necessary, consent of the members be and is hereby accorded to the Company inviting/ accepting/ renewing unsecured deposits from its members and from public.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors be and is hereby authorised to do such acts, deeds, matters and things as they may in their absolute discretion consider necessary, proper, expedient, desirable or appropriate and take all necessary and desirable steps for the aforesaid purpose and matters incidental thereto."

BY ORDER OF THE BOARD OF DIRECTORS
For **ATLAS CYCLES (HARYANA) LTD.**

(JASPREET SINGH)
Company Secretary
& Compliance officer

Sonepat: the 19th November, 2014

NOTES:-

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("THE MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE INSTRUMENT APPOINTING PROXY SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. THE PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.**
2. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. Members attending the meeting are requested to bring with them the attendance slip attached to the notice duly filled in and signed and handover the same at the entrance place of the meeting. Proxy / Representative of a member should mark on the Attendance Slip as "Proxy" or "Representative" as the case may be. Members holding shares in electronic form and desirous of attending the meeting are required to bring along with them their Client ID and DP ID Numbers for easy identification.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday,

24th December, 2014 to Tuesday, 30th December, 2014 (both days inclusive) in term of section 91 of the Companies Act, 2013. Duly completed and valid applications for transfer of shares received in order at the Registered Office of the Company before 24th December, 2014 will be registered in time.

5. Members may get any change in their address/ their mandates registered with the Company before 24th December, 2014.

6. As per the amended Section 205A (5) of the Companies Act, 1956, with effect from 31st October, 1998, dividends remaining unclaimed for a period of 7 years from the date it became due for payment, shall be transferred by the Company to the Fund established by the Central Government and no claim thereof shall lie against the Fund of the Company on the expiry of the said period of seven years. Members who have not encashed their dividend warrants for the year ended 31.03.2007 onwards are requested to send unpaid dividend warrants to the Registered Office of the Company for payment in lieu thereof.

7. In terms of notification issued by Securities and Exchange Board of India, the company's shares are being traded compulsorily in demat form.

8. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring with them their copies of the Annual Report at the meeting.

9. Members who are holding shares in identical names in more than one folio are requested to write to the Company to enable the Company to consolidate their holdings in one folio.

10. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrar and Transfer Agent by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.

11. The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of the Special business under Item No(s) 5 to 9 above, is annexed hereto.

12. In Compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the general meeting.

The process and instructions for e-voting are as under:

i Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.

ii Now click on "Shareholder" to cast your votes.

iii Now, select the "COMPANY NAME" "ATLAS CYCLES (HARYANA) LIMITED" from the drop down menu and click on "SUBMIT"

iv Now, enter your User ID. The User ID will be provided in the communication being sent separately.

v If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.

vi Now, fill up the following details in the appropriate boxes:

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department, as mentioned in the communication being sent separately.
DOB*	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details*	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

* Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

vii After entering these details appropriately, click on "SUBMIT" tab.

viii Members holding shares in physical form will then reach directly to the voting screen.

ix Members holding shares in demat form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character

(@,#,$, etc.). Kindly note that this password is to be also used by the Demat holders for voting for resolution of any other company on which they are eligible to vote provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x For Members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions contained in this Notice.

xi Click on the EVSN for Atlas Cycles (Haryana) Limited to vote.

xii On the voting page, you will see Resolution Description and against the same the option 'YES/NO' for voting. Enter the number of shares (which represent number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding.

xiii Click on the Resolution File Link if you wish to view the entire Notice.

xiv After selection the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed, if you wish to confirm you vote, click on "OK", else to change your vote, click on "CANCEL."

xv Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify you vote.

xvi You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvii If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code and click on Forgot Password & enter the details as prompted by the system.

xviii Corporate/institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer at e-mail ID: dineshnangru@gmail.com With a copy marked to helpdesk.evoting@cdslindia.com the scanned copy image of the above mentioned documents should be in the naming format "Corporate Name_EVSN."

General Instructions:

(A) The e-voting period commences on 24th December, 2014 (09.00 a.m.) and ends on 25th December, 2014, (05.30 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 28th November, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under section or write an email to helpdesk.evoting@cdslindia.com.

(C) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 28th November, 2014.

(D) Mr. Dinesh Nangru, Chartered Accountant (Membership No. 094779), Partner, M/s Dinesh Nangru & Co., Chartered Accountants, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

(E) The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.atlasbicycles.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company.

13. At the ensuing Annual General Meeting Mr. Hira Lal Bhatia (DIN: 00159258) and Mr. Hari Krishan Ahuja (DIN: 00315876), Directors, liable to retire by rotation and being eligible offer themselves for re-appointment.

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

Name of Director	**Mr. Hira Lal Bhatia (DIN: 00159258)**
Date of Birth	15th March, 1943
Relationship with other Directors inter-se	None
Date of appointment	31st July, 1979
Expertise in specific functional area	In business for over Forty Five years
Qualification	Commerce Graduate
No. of equity shares held in the company	NIL
List of Public Companies (other than Atlas Cycles (Haryana) Limited) in which directorship held as on 31st March, 2014	Atlas Cycles Sonepat Limited Atlas Cycles (Sahibabad) Limited Atlas Cycles (Malanpur) Limited
Chairman/ Member of the Committees of the Board of Public Companies in which he is a director as on 31st March, 2014	Chairman Audit Committee (Atlas Cycles (Haryana) Limited) Shareholder/Investor Grievance Committee (Atlas Cycles (Haryana) Limited)

Name of Director	Mr. Hari Krishan Ahuja (DIN: 00315876)
Date of Birth	24th July, 1924
Relationship with other Directors inter-se	None
Date of appointment	6th August, 1990
Expertise in specific functional area	In business for over Forty Four years
Qualification	Commerce Graduate
No. of equity shares held in the company	200
List of Public Companies (other than Atlas Cycles (Haryana) Limited) in which directorship held as on 31st March, 2013	Atlas Cycles Sonepat Limited Atlas Cycles (Sahibabad) Limited Atlas Cycles (Malanpur) Limited
Chairman/ Member of the Committees of the Board of Public Companies in which he is a director as on 31st March, 2014	Membership Audit Committee (Atlas Cycles (Haryana) Limited)

IMPORTANT COMMUNICATION TO MEMBERS

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

BY ORDER OF THE BOARD OF DIRECTORS
For **ATLAS CYCLES (HARYANA) LTD.**

(JASPREET SINGH)
Company Secretary
& Compliance officer

Sonepat: the 19th November, 2014

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the special business mentioned under Item Nos. 5 to 9 of the accompanying Notice dated 19th November, 2014

AGENDA ITEM NOS. 5, 6 and 7

The Company had appointed Mr. Vikram Khosla (DIN: 01574818), Mr. Kartik Roop Rai (DIN: 06789287) and Mr. Sanjiv Kavaljit Singh (DIN: 00015689) as Additional Directors of the Company pursuant to Clause 49 of the Listing Agreement.

In accordance with Section 149 and 152 read with Schedule IV of the Companies Act, 2013 that have come into effect from 1 April, 2014 and subsequent notification by the Ministry of Corporate Affairs vide its General circular no. 14/2014 dated 9 June, 2014, the Company is required to appoint its Independent Directors, including its existing Independent Directors in accordance with the provisions of the Companies Act, 2013 before 31 March, 2015. Further, pursuant to the above provisions, the term of such Independent Directors is not liable to determination by rotation.

Accordingly, it is proposed to appoint Mr. Vikram Khosla (DIN: 01574818), Mr. Kartik Roop Rai (DIN: 06789287) and Mr. Sanjiv Kavaljit Singh (DIN: 00015689) as Independent Directors of the Company in accordance with Section 149 of Companies Act, 2013, not liable to retire by rotation and to hold office as under:

Name	No. of Year	Term
Mr. Vikram Khosla	5	Upto 29th December, 2019
Mr. Kartik Roop Rai	5	Upto 29th December, 2019
Mr. Sanjiv Kavaljit Singh	5	Upto 29th December, 2019

The Company has received from Mr. Vikram Khosla (DIN: 01574818), Mr. Kartik Roop Rai (DIN: 06789287) and Mr. Sanjiv Kavaljit Singh (DIN: 00015689) (i) consent in writing to act as Director in as per the provisions of Companies Act, 2013: (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to effect that they are not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) declaration that they meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

The Company has also received notices from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of each of the above Directors for the office of Directors of the Company.

In the opinion of the Board Mr. Vikram Khosla (DIN: 01574818), Mr. Kartik Roop Rai (DIN: 06789287) and Mr. Sanjiv Kavaljit Singh (DIN: 00015689) fulfill the conditions for their appointment as Independent Director as specified in the Companies Act, 2013 and the Listing Agreement and are independent of the management.

Mr. Vikram Khosla (DIN: 01574818), Mr. Kartik Roop Rai (DIN: 06789287) and Mr. Sanjiv Kavaljit Singh (DIN: 00015689) are interested in the resolution set out respectively at Item Nos 5, 6 and 7 of the Notice with regard to their respective appointments.

Mr. Vikram Khosla (DIN: 01574818), Mr. Kartik Roop Rai (DIN: 06789287) and Mr. Sanjiv Kavaljit Singh (DIN: 00015689) may be deemed to be interested in the

resolutions set out respectively at Item No. 5, 6 and 7 of the Notice, to the extent of their shareholding interest, if any, in the Company,

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the resolution set forth in the Item Nos 5, 6 and 7 of the Notice for approval of the members.

AGENDA ITEM NO. 8

The Board had approved the re – appointment of the Cost Auditors, Mr. Satnam Singh Saggu at a remuneration of ₹ 2,06,190/- per annum plus out of pocket expenses, at actual, to conduct the audit of the cost records of the Company for the financial year ending 31 March, 2015.

In accordance with the provisions of the Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing as Ordinary Resolution as set out at Item. No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31 March, 2015

None of the Directors/ Key Managerial Personnel/ their relatives are, in any way concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set forth in the Item No 8 of the Notice for approval of the members.

AGENDA ITEM NO. 9

The members are informed that the Company has a Fixed Deposit Scheme, pursuant to the provisions of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975, wherein it accepts/ renews deposits from members of the Company and from Public.

The members are further informed that vide Notification dated 26th March, 2014, the Ministry of Corporate Affairs (MCA), notified Section 73, 74(1) and 76 of the Companies Act, 2013 (the Act), relating to the acceptance of deposits by companies from its members and from public, to take effect from 1st April, 2014. The Companies (Acceptance and Deposits) Rules, 2014 (the Rules) also came into force on 1st April, 2014, to apply to public companies having net worth of not less than ₹ 100 crore (Rupees One Hundred crore) or turnover of not less than ₹ 500 crore (Rupees Five Hundred crore). Since the act and the Rules would be applicable to the Company's existing fixed Deposit Scheme, it would necessitate the Company to comply with the requirement of the Act and also to ensure compliance with the Rules, before commencing acceptance/renewal of unsecured deposits from its members and from public.

Attention of the members is drawn to the provisions of the Act, which require any company inviting/ accepting/ renewing deposits to obtain credit rating from a recognized credit rating agency. Also the Company shall be taking deposit insurance towards the unsecured deposits as may be accepted by it.

The Board of Directors of the Company at its meeting have subject to the approval of the members approved the acceptance/renewal of unsecured deposits by the Company from its members and from public. The Board has also approved the Circular for acceptance/ renewal of unsecured deposits from members of the Company and from public, and the same has been duly signed by the majority of Directors present at that Meeting.

None of the Directors/Key Managerial Personnel / their relatives is, in any way concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set forth in the Item No 9 of the Notice for approval of the members.

BY ORDER OF THE BOARD OF DIRECTORS
For **ATLAS CYCLES (HARYANA) LTD.**

(JASPREET SINGH)
Company Secretary
& Compliance officer

Sonepat: the 19th November, 2014

ATLAS CYCLES (HARYANA) LIMITED

CIN: L35923HR1950PLC001614
Regd. Office: Atlas Road, Industrial Area, Sonepat – 131001,(Haryana)
Tel: 091-130-2200001 to 2200006, **Fax:** 091-130-2200018
Website: www.atlasbicycles.com, E-mail : companylaw@atlascyclesonepat.com

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s)			
Registered address			
E-mail Id			
Folio No/ Client Id		DP ID	

I/We, being the member (s) of.....shares of the above named company, hereby appoint

1. Name: ..... E-mail Id : .....

   Address : .....

   ..... Signature : ....., or failing him

2. Name: ..... E-mail Id : .....

   Address : .....

   ..... Signature : ....., or failing him

3. Name: ..... E-mail Id : .....

   Address : .....

   ..... Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **63rd Annual General Meeting** of **Atlas Cycles (Haryana) Limited** on Tuesday, 30th day of December, 2014 at 4:00 P.M. (I.S.T.) at the registered office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	Optional	
		For	Against
1.	To adopt the Audited Balance Sheet of the Company as at 31st March, 2014 and the Statement of Profit and Loss Account for the year ended on that date along with the Reports of Directors' and Auditors' thereon.		
2.	To appoint a Director in place of Mr. Hira Lal Bhatia (DIN: 00159258) who retires by rotation and being eligible, offers himself for reappointment.		
3.	To appoint a Director in place of Mr. Hari Krishan Ahuja (DIN: 00315876) who retires by rotation and being eligible, offers himself for reappointment.		
4.	To consider and appoint M/s Mehra Khanna & Co, Chartered Accountants (ICAI Firm Registered No, 001141N), as Statutory Auditors, for a period of Three years from the conclusion of this AGM till the conclusion of the Annual General Meeting to be held for the Financial Year 2016-17.		
5.	To consider and appoint Mr. Vikram Khosla (DIN 01574818) as an Independent Directorfor a period of five years with effect from the date of this AGM.		
6.	To consider and appoint Mr. Kartik Roop Rai (DIN 06789287) as an Independent Director for a period of five years with effect from the date of this AGM.		
7.	To consider and appoint Mr. Sanjiv Kavaljit Singh (DIN 00015689) as an Independent Director for a period of five years with effect from the date of this AGM.		
8.	To consider and ratify remuneration payable to Cost Auditor of the Company, Mr. Satnam Singh Saggu for the Financial Year 2014-15.		
9.	To consider and approve the acceptance of Deposit of the Company from its Members and from Public.		

Signed this.....day of.....2014

Affix Revenue Stamp (₹ 1)

..... Signature of shareholder

..... Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting by 4:00 p.m. on 30th December, 2014.

ATLAS CYCLES
SONEPAT

Annual Report 2013-14

Striving *For* Success

ATLAS CYCLES

ATLAS CYCLES (HARYANA) LIMITED

SONEPAT-131001
CIN : L35923HR1950PLC001614
www.atlasbicycles.com

BOARD OF DIRECTORS :

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

COMPANY SECRETARY

Mr. Jaspreet Singh

REGISTERED OFFICE :

Atlas Road, Industrial Area
Sonepat –131001, (Haryana)

STATUTORY AUDITORS :

Messers Mehra Khanna & Co.
Chartered Accountants, Delhi

BANKERS :

Central Bank of India
Punjab National Bank
Bank of Baroda

BOARD COMMITTEES :

Audit Committee

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

Shareholders/ Investor Grievances Committee

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

SAHIBABAD UNIT

Plot No. 55, Site-IVUPSIDC,
Industrial Area,
Sahibabad–201010 (U.P.)

MALANPUR UNIT

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

REGISTRAR AND SHARE TRANSFER AGENTS :

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

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

National Stock Exchange
Bombay Stock Exchange
Delhi Stock Exchange

E-MAIL

companylaw@atlascyclesonepat.com

WEBSITE

www.atlasbicycles.com

CORPORATE IDENTITY NUMBER

CIN : L35923HR1950PLC001614

CONTENTS

PARTICULARS	Page No.
Directors' Report	2
Corporate Governance Report	5
Management Discussion & Analysis	14
Auditors' Report	16
Balance Sheet	18
Statement of Profit & Loss	19
Cash Flow Statement	20
Notes to Financial Statement	21
Consolidated Balance Sheet	49
Consolidated Statement of Profit & Loss	50
Consolidated Cash Flow Statement	51
Consolidated Notes to Financial Statement	52

DIRECTORS' REPORT

CIN: L35923HR1950PLC001614

TO THE MEMBERS:-

Your directors are delighted to present Sixty Third Annual Report of your Company along with the audited statement of accounts for the year ended 31st March 2014.

FINANCIAL HIGHLIGHTS

(₹ In Lacs)

Particulars		2013-14		2012-13
OPERATING PROFITS/(LOSSES)		40.02		2411.10
ADD : PROFIT ON SALE OF ASSETS	13.16		01.48	
ADD : PROFIT ON SALE OF MUTUAL FUND	74.52		83.66	
ADD : DIVIDEND INCOME	16.99	104.67	24.78	109.92
		144.69		2521.02
LESS : FINANCE COST	922.01		1459.94	
DEPRECIATION	713.34	1635.35	706.82	2166.76
		(1490.66)		354.26
LESS : PROVISION FOR TAX		483		77.00
		(1007.66)		277.26
ADD : PROFIT BROUGHT FORWARD		149.73		143.68
		(857.93)		420.94

DIVIDEND

During the year under review, your company had not declared any Dividend for the financial year ended 31st March 2014 as against ₹ 4.50 per share for the financial year 2012-2013 on the capital of 32,51,919 equity shares of ₹ 10/- each.

PRODUCTION

During the year under consideration, the Company produced 25,87,585/- bicycles as against 26,88,047 bicycles in the previous year.

SALES

Sales during the year amounted to ₹ 650.11 Crore including the sales to foreign countries as against ₹ 678.31 Crore including the sales to foreign countries 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 ₹ 2481.00 Lacs as against ₹ 2197.07 Lacs in the previous year.

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

PERFORMANCE OF THE UNITS

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

Revenue from operations grew in spite of sluggish market demand. The Unit introduces a new series of high end bicycles name 'ULTIMATE' which is expected to generate very good response in future.

Sonepat Unit has also enhanced Relay out of shop by putting press shop, weld shop and single piece flow manufacturing plant which has been resulting in the increase of production and reduction in the cost.

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

Malanpur unit and ASTI could not do well during last year due to liquidity issues and thus incurred losses. As production activity in both the plants was very low, nothing much was done for conservation of energy or technical improvement.

CAPITAL EXPENDITURE

During the year, the Company acquired capital assets worth ₹ 799.47 lacs as against ₹ 713.67 lacs in the previous year. This includes capital assets worth ₹ 51.68 lacs under construction/ installation as against ₹ 135.84 lacs in the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

DIRECTORS

Mr. Hira Lal Bhatia, (DIN: 00159258) Non-Executive Director and Mr. Hari Krishan Ahuja, (DIN: 00315876) Non-Executive Director are retiring by rotation at this Annual General Meeting and, being eligible, offer themself for reappointment.

Further, pursuant to clause 49 (IV) (E) (iv) of the Listing Agreement, the shareholders may take note that Mr. Hari Krishan Ahuja, Non Executive Director of the Company holds 200 equity shares in the Company as on the date of this report.

The Board of Directors of the Company at its Meeting held on 19th December, 2013 appointed Mr. Vikram Khosla (DIN: 01574818), Mr. Kartik Roop Rai (DIN: 06789287), and Mr. Surinder Mohan Mehra (DIN: 06789189) as Additional Directors. Mr. Surinder Mohan Mehra (DIN: 06789189) resigned from Directorship on 13th August, 2014 due to his advance age and ill heath and the Board, after due deliberation, appointed Mr. Sanjeev Kavaljit Singh (DIN: 00015689) as additional Director on 3rd September, 2014. They hold the office of Additional Directors up to the date of the ensuing AGM of the Company and are eligible for appointment as Independent Directors of the Company.

Impending notification of Section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of Mr. Vikram Khosla (DIN: 01574818), Additional Director, Mr. Kartik Roop Rai (DIN: 06789287), Additional Director and Mr. Sanjiv Kavaljit Singh (DIN: 00015689), Additional Director as Independent Directors for five consecutive years for a term up to 29th December, 2019. Details of their proposal for appointment are mentioned in the explanatory statement under Section 102 of the Companies Act, 2013 of the Notice of 63rd Annual General Meeting.

DEPOSITS (INCLUDING LOANS FROM MEMBERS)

a) Total number of depositors on 31.03.2014 who have not claimed their deposits after the date on which their deposits became due for payment is 45.

b) The aggregate amount of deposits due to the depositors on 31.03.2014 who have not claimed their deposits, including interest accrued, if any, after the dates on which their deposits became due for payment is ₹ 32.37 lacs.

Deposits aggregating ₹ 21.47 lacs pertaining to 15 depositors have since either been renewed or paid. Further unclaimed

deposits aggregating to ₹ 0.73 lacs have since been credited to investors Education and Protection Fund. The remaining depositors whose deposits, including interest, amount to ₹ 10.89 lacs have not sent any instructions for the disposal of their matured deposits. These will be renewed or repaid as soon as instructions are received from the concerned depositors.

TRANSFER TO RESERVES

The Company proposes to transfer ₹ NIL to the General Reserve for the year 2013-14 as against ₹ 100/- Lacs to General Reserve in the previous year.

CORPORATE GOVERNANCE

The Company complies with the clauses of Listing Agreement entered into with the National Stock Exchange, Bombay Stock Exchange and Delhi Stock Exchange where the Company's shares are listed. Further, in terms of the provisions of Clause 49 of the Listing Agreement, your Company has complied with the requirements of Corporate Governance and a Report on Corporate Governance together with certificate from the Company's Auditors confirming compliance, is set out in a statement, which forms part of this Annual Report.

AUDITORS AND AUDITORS' REPORT

M/s Mehra Khanna & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment for three year (i.e. upto conclusion of the Sixty Sixth AGM of the Company).

Auditors' Report & Qualification therein is self explanatory. An explanation is also given in Point No. 8 of the Notes to accounts under Note no. 1 i.e. Significant Accounting Policies of the Notes to the Consolidated Financial Statement.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATION

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

PARTICULARS OF EMPLOYEES

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

PERSONNEL AND PARTICULARS OF EMPLOYEES

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

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

Statement pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Amendment Rules, 2011 and forming part of the Directors' Report for the financial year ended 31st March, 2014

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

FOREIGN EXCHANGE EARNING AND OUTGO

Total foreign exchange earned : ₹ 2481.00 lacs

Total foreign exchange used : ₹ 54.79 lacs

LISTING OF COMPANY'S EQUITY SHARE

Your Company's shares continue to be listed on Delhi, Bombay and National Stock Exchanges. The annual listing Fee for the year 2014-2015 has been paid to all the three stock exchanges.

SUBSIDIARY COMPANIES

Statement of Accounts of the subsidiaries together with statement under section 129 of the Companies Act, 2013, are annexed herewith.

CONSERVATION OF ENERGY SONEPAT UNIT

The following measures were taken for Conservation of energy:-

a) All Sodium vapour fittings of 250 Walt replaced with led street lights of 40 Walt.

b) Led tube light of 18 Walt were installed in plant in replace of 80 Walt double tube light.

c) Transparent Sheet installed in the plant for natural light.

SAHIBABAD UNIT

The following measures were taken for Conservation of energy:-

a) Gas Fired Burners were introduced with Both the steam boilers instead of HSD Burners.

b) Dual Kit (Gas and Diesel) was introduced on 1250 KVA Generator.

TECHNOLOGY ABSORPTION

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

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

Sahibabad Unit designed and developed more models to fulfill the requirement of the markets and Phosphating Plant was redesigned by Hot Air Tank and higher capacity Rectifier 2 no. of 35 K.W., Two MIG welding set of 400 Amp were added in Tubular Department to increase productivity of Frames.

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

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

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

3. Future Plan of Action :-

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

Technology absorption, adaptation and innovation:-

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:-
   - a) Masking Room was installed on Paint Shop to introduce New Models Bicycles in the Market.
   - b) Two transporter system was installed on Phosphating line to increase the productivity of phosphasted items.
   - c) Automatic Box Packing Roller conveyor was installed in stores.
   - d) Higher capacity Rectifier 2 nos. of 35 K.W. were installed in Tubular Department to increase productivity of Frames.
   - e) Two MIG set of 400 Amp were added in Tubular Department to increase productivity of Frames.
   - f) To improve the Quality of Phosphated components, Hot Air Tank was installed in Phosphating line of Paint Shop.
   - g) One slat conveyor was installed in Assembly section to increase productivity of Frames.
   - h) Automatic Rim Hole Punching Machines were installed in Rim Plant.
   - i) Starting of transporter system on Phosphating line to increase the productivity of phosphasted items.
   - j) Two MIG welding set installed in Tubular Department to increase in the productivity of Frames.

DIRECTORS' RESPONSIBILITY STATEMENT

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

I. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

II. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the losses of the Company for that period.

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

IV. The directors had prepared the Annual Accounts on a going concern basis.

ACKNOWLEDGEMENT

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

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

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

} DIRECTORS

Date : 19th November, 2014
Place : Sonepat

CORPORATE GOVERNANCE REPORT 2013-2014

CIN:L35923HR1950PLC001614

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

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

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

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

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

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

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

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

2. BOARD OF DIRECTORS

Composition and category

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

Your Company's Board is represented by professionally qualified Executive, Non-Executive and Independent Directors. The Board as on date is comprised of one Executive director and five Non-executive directors.

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

Name of Director	Designation	Category of Directorship	Shareholding in the company	No. of other Director ships #	No. of Committee Memberships Member	Chairman
Mr. Hari Krishan Ahuja (DIN: 00315876)	Director	Non Executive	200	3	1	NIL
Mr. Hira Lal Bhatia (DIN: 00159258)	Director	Non Executive	NIL	3	2	2
Mr. I. D. Chugh (DIN: 00073257)	Whole Time Director	Executive Non-Independent	60	4	2	NIL
Mr. Vikram Khosla* (DIN: 01574818)	Additional Director	Non Executive	NIL	Nil	Nil	Nil
Mr. Kartik Roop Rai* (DIN: 06789287)	Additional Director	Non Executive	NIL	Nil	Nil	Nil
Mr. Surinder Mohan Mehra* (DIN: 06789189)	Additional Director	Non Executive	NIL	Nil	Nil	Nil

*excluding private limited companies and foreign companies.

* three new Directors were appointed as additional directors of the Company after the vacation of office by Mr. Prithvi Raj Chawla (DIN: 00084062), Non-Executive Director of the Company.

The ratio between Executive and Non-Executive Directors is 1:5.

None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors.

Board Procedure

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

The information as specified in Annexure I A to the Clause 49 of the Listing Agreement is regularly made available to the Board.

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

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

Attendance of each director at the meetings of the Company

The detail of attendance of each Director of the Company in Board Meetings held during the financial year 2013-14 is given below:

Name of the Directors	Attendance of Meeting during 2013-14	
	Board Meetings	Last AGM
Mr. Hari Krishan Ahuja (DIN: 00315876)	7	Yes
Mr. Hira Lal Bhatia (DIN: 00159258)	12	Yes
Mr. I. D. Chugh (DIN: 00073257)	12	Yes
Mr. Prithvi Raj Chawla (DIN: 00084062)	5	No
Mr. Vikram Khosla (DIN: 01574818)	2	No
Mr. Kartik Roop Rai (DIN: 06789287)	2	No
Mr. Surinder Mohan Mehra (DIN: 06789189)	2	No

Number of Board Meetings held and the dates on which held

Twelve Board Meetings were held during the financial year 2013-14. The Company has held at least one Board Meeting in every three months and the maximum time gap between any two such meetings was not more than four months.

The details of the Board Meetings are as under:

Date	Board Strength	No. of Directors present
May 8, 2013	4	4
May 15, 2013	4	4
May 30, 2013	4	4
June 19, 2013	4	4
July 5, 2013	4	4
August 14, 2013	4	3
September 3, 2013	3	2
October 10, 2013	3	2
November 15, 2013	3	3
December 19, 2013	3	2
February 12, 2014	6	5
March 24, 2014	6	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, 1956/2013. The applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) are also being followed by the Company. The draft minutes of the proceedings of each meeting duly initialed by the Chairman of the meeting are being circulated to the members for their comments and thereafter, confirmed by the Board/Committee in its next meeting. The Board also takes note of the minutes of the Committee Meetings duly approved by their respective Chairman.

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

- Annual operating plans and budgets and any updates thereon.
- Capital budgets and updates, if any.
- Quarterly results of the Company and its operating divisions or business segments.
- Minutes of meetings of Audit Committee and other committees of the Board.
- Legal compliance report and certificate
- Information on recruitment, resignation and remuneration of senior officers.

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

3. CODE OF CONDUCT

The Board of Directors of the Company has formulated a Code of Conduct for all Board Members and Senior Management Members of the Company. The Code of Conduct has been posted on the website of the Company.

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

4. AUDIT COMMITTEE

Broad Terms of Reference

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

The Terms of Reference of the Audit Committee are wide enough to cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as in Section 177 of the Companies Act, 2013 and inter-alia includes:

a. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b. recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees;

c. reviewing, with the management, the annual financial statement before submission to the Board for approval,

d. reviewing with the management, the quarterly financial statements before submission to the Board for approval;

e. reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

f. discussion with internal auditors any significant findings and follow up thereon;

g. discussion with statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

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

The Audit Committee, while reviewing the Annual Financial Statements also reviewed the applicability of various Accounting Standards (AS) referred to Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the Financial Statements for the year ended March 31, 2014.

Composition

The Audit Committee comprises of three Directors which includes 1 Executive Director & 2 Non-Executive Diretors. The Audit Committee is constituted in accordance with the provisions of Clause 49(II)(A) of the Listing Agreement and Section 177 of the Companies Act, 2013. All these Directors possess adequate knowledge of corporate finance, accounts and company law.

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

The constitution of Audit Committee comprised of the following:

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

Mr. Ishwar Das Chugh (DIN: 00073257) was appointed as the Member of the Committee after the vacation of office by Mr. Prithvi Raj Chawla (DIN: 00084062), Non-Executive Director of the Company.

Meetings and attendance

The Audit committee held Five meetings during the financial year ended March 31, 2014 and the gap between two meetings did not exceed four months. The Audit Committee Meetings were held on 15.05.2013, 30.05.2013, 14.08.2013, 15.11.2013 and 12.02.2014.

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

Name of Members	No. of meetings held	No. of meetings attended during	Leave of absence sought
Mr. Hari Krishan Ahuja (DIN: 00315876)	5	5	NIL
Mr. Prithvi Raj Chawla (DIN: 00084062)	5	2	NIL
Mr. Hira Lal Bhatia (DIN: 00159258)	5	5	NIL

5. REMUNERATION COMMITTEE

This Committee is yet to be formed.

Remuneration Policy

A. Whole Time Director

- Salary and commission within the limits prescribed under the Companies Act, 2013.

- Annual increments depending upon individual's performance.

- No sitting fees.

Non-Executive Directors

- Sitting fees and out of pocket expenses for attending meetings.

The remuneration payable to Whole Time Director was decided by the Board of Directors while renewing his appointment for five years from 31.03.2013 shareholders' approval was obtained at the Annual General Meeting held on 30.09.2013.

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

Details of remuneration paid during 2013-2014.

A. Whole Time Director

Name	Shri I.D. Chugh
Salary	1083563
Long Service Allowance	2220
Provident Fund Contribution	85920
Leave Travel Assistance	60270
Commission	129000
Medical Expenses	45000
Total	**1405973**

B. Non-Executive Directors

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

Name of Director	Sitting Fee (₹)	Out of Pocket expenses (₹)	Total (₹)
Mr. Hari Krishan Ahuja (DIN: 00315876)	67500/-	22500/-	90000/-
Mr. Hira Lal Bhatia (DIN: 00159258)	108000/-	36000/-	144000/-
Mr. Prithvi Raj Chawla (DIN: 00084062)	46500/-	15500/-	62000/-
Mr. Vikram Khosla (DIN: 01574818)	15000/-	5000/-	20000/-
Mr. Kartik Roop Rai (DIN: 06789287)	15000/-	5000/-	20000/-
Mr. Surinder Mohan Mehra (DIN: 06789189)	15000/-	5000/-	20000/-

6. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

Composition

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

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

Mr. Hira Lal Bhatia (DIN: 00159258) was appointed as the Member of the Committee after the vacation of office by Mr. Prithvi Raj Chawla (DIN: 00084062), Non-Executive Director of the Company.

Terms of Reference

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

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

The Minutes of the Shareholders'/Investors' Grievance Committee are noted by the Board of Directors at the Board Meetings.

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

Meetings

Three Committee Meetings were held during the year on 08.05.2013, 14.08.2013, and 12.02.2014. The attendance of each member as at 31st March, 2014 is as given below:

Name of Members	No. of meetings held during tenure	No. of meetings attended during tenure	Leave of absence sought
Mr. Prithvi Raj Chawla (DIN: 00084062)	3	2	NIL
Mr. I. D. Chugh (DIN: 00073257)	3	3	NIL
Mr. Hira Lal Bhatia (DIN: 00159258)	3	1	NIL

7. 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 as on the said date.

8. COMPLIANCE OFFICER

Mr. Ishwar Das Chugh (DIN: 00073257), Whole Time Director of the Company was the Compliance Officer of the Company till 14th October, 2013. However with effect from 14th October 2013. Mr. Jaspreet Singh, Company Secretary has been appointed as Company Secretary and the Compliance officer of the Company in Place of Mr. Ishwar Das Chugh (DIN: 00073257) for complying with the requirements of the Listing Agreement with the Stock Exchange and requirements of SEBI (Prohibition of Insider Trading) Regulation, 1992.

9. COMPLAINTS FROM INVESTORS

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

10. SUBSIDIARY COMPANIES

The Company has three wholly owned Subsidiary Companies viz. Atlas Cycles Sonepat Limited, Atlas Cycles (Sahibabad) Limited and Atlas Cycles (Malanpur) Limited. The minutes of the Board Meetings of the aforesaid Subsidiary Companies held on 19.06.2013, 14.08.2013, 15.11.2013, and 12.02.2014 were placed at the Board Meeting held on 14.08.2013, 15.11.2013, 12.02.2014 and 29.05.2014.

11. CORPORATE GOVERNANCE MANUAL

The Board of Directors of the Company approved and adopted a comprehensive Corporate Governance Manual setting out the procedures for effective functioning of the Board and its Committees. It also incorporates the Code of Conduct and Ethics for Directors and Senior Management. This policy is regularly monitored and reviewed.

12. LEGAL COMPLIANCE REPORTING

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

13. ANNUAL GENERAL MEETINGS

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

Year	AGM	Date	Time	Venue	Special Resolution passed
2010-11	60th AGM	30th September, 2011	4:00 p.m.	Atlas Cycles (Haryana) Limited Industrial Area, Sonepat	NIL
2011-12	61st AGM	29th September, 2012	4:00 p.m.		NIL
2012-13	62nd AGM	30th September, 2013	4:00 p.m.		Re-Appointment of Mr. ID. Chugh, WTD, for tenure of 5 years

14. POSTAL BALLOT

No special resolution was passed through Postal Ballot during the financial year 2013-2014.

15. EXTRAORDINARY GENERAL MEETING

No Extraordinary General Meeting was held during the financial year 2013-2014.

16. DISCLOSURES

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

Related party transactions as per AS-18 have been dealt with in scheduled 8 (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 and the Board was informed of the same.

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

The Company has complied with all the requirements of the Listing Agreement entered into with National Stock Exchange, Bombay Stock Exchange and Delhi Stock Exchange as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Sock Exchange or any statutory authority for non-compliance of any matter related to the capital market since the listing of the Company until 31st March, 2014.

17. MEANS OF COMMUNICATION

- The Board of Directors of the Company approves and

takes on record the quarterly, half yearly and yearly financial results, in the Performa prescribed by Clause 41 of the Listing Agreement within the time prescribed by that clause.

- The approved financial results are sent forthwith to the National Stock Exchange, Bombay Stock Exchange and Delhi Stock Exchange and are published in a National English Newspaper, viz, Financial Express. In addition, the same are published in a local language newspaper, viz., Dainik Tribune, with in forty-eight hours of approval thereof.
- The Company's financial results and official news releases are being displayed on the Company's website i.e. www.atlasbicycles.com.
- No formal presentations or analysis were made to the institutional investors during the year under review.
- Management Discussion and Analysis forms part of the Annual Report, which is posted to the shareholders of the Company.

18. MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

19. CORPORATE ETHICS

As a responsible corporate citizen, the Company consciously follows corporate ethics in both business and corporate interactions. The Company has framed various codes and policies, which act as guiding principles for carrying business in ethical way. Our policy is:

- Code of Conduct for Directors and Senior Management Personnel;

20. CEO/CFO CERTIFICATION

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

21. REPORT ON CORPORATE GOVERNANCE

The Company has submitted Quarterly Compliance Reports to the Stock Exchange within 15 days from the close of each quarter as per the format given in Clause 49, duly signed by the compliance Officer.

22. GENERAL SHAREHOLDERS INFORMATION

Registered office — Industrial Area, Atlas Road, Sonepat- 131001

Annual General Meeting

Day, Date and Time — Tuesday, 30th December, 2014, 4:00 p.m.

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

Financial Calendar

- Financial reporting for the quarter ending June 30, 2014 : Middle of August, 2014
- Financial reporting for the half year ending September 30, 2014 : End October, 2014
- Financial reporting for the quarter ending December 31, 2014 : End January, 2015
- Financial reporting for the year ending March 31, 2015 : End April, 2015

Book Closure Period

24th December, 2014 to 30th December, 2014 **(Both days inclusive)**

Listing of Equity Shares on Stock Exchange(s)

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

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

Delhi Stock Exchange of India Limited (DSE)
DSE House, 3/1, Asaf Ali Road
New Delhi – 110002

Listing Fees

Annual Listing Fee for the year 2014-2015 has been paid to National Stock Exchange, Bombay Stock Exchange and Delhi Stock Exchange where the equity shares of the Company are listed, in the Month of April, 2014 i.e. within the stipulated time.

Stock Code

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

Stock Market Data

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

Month	Equity Share Price on NSE and BSE			
	Share Price on NSE		Share Price on BSE	
	HIGH ₹	LOW ₹	HIGH ₹	LOW ₹
April, 2013	305.85	240.00	306.05	240.00
May, 2013	319.00	275.05	318.80	275.25
June, 2013	279.15	232.20	279.00	231.00
July, 2013	257.00	206.00	257.45	206.50
August, 2013	247.55	200.65	246.70	199.00
Sep., 2013	251.30	206.60	251.95	211.00
Oct., 2013	283.50	222.40	283.30	224.40

Month	Equity Share Price on NSE and BSE			
	Share Price on NSE		Share Price on BSE	
	HIGH ₹	LOW ₹	HIGH ₹	LOW ₹
Nov., 2013	268.50	238.20	268.00	238.80
Dec., 2013	303.90	239.00	301.80	236.10
Jan.,2014	269.00	217.10	269.30	218.00
Feb., 2014	240.65	208.30	241.00	208.50
Mar., 2014	246.80	221.09	246.70	221.20

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, 2014

Category of Shareholder	No. of shares held	Percentage of shareholding
Promoters, Associates and Relatives	1454365	44.73
Mutual Funds/ UTI	953	0.03
Financial Institution	6117	0.18
Bodies Corporate	228791	7.04
General Public	1531249	47.09
Non-Resident Indian / OCB	7390	0.23
Clearing Member	23054	0.70
Trust	0	0.00
Total	**3251919**	**100.00**

Shareholding Pattern by size

The distribution of shareholding as on 31st March, 2014 is given below:

(Range)	Number of share holders	% to total	No. of shares held	% of total
Upto 500	9784	95.03	673309	20.71
501-1000	260	2.52	195607	6.02
1001-2000	104	1.01	150291	4.62
2001-3000	46	0.45	116547	3.58
3001-4000	21	0.20	76490	2.35
4001-5000	10	0.10	46036	1.42
5001-10000	21	0.20	157736	4.85
100001 and Above	50	0.49	1835903	56.45
Total	**10296**	**100.00**	**3251919**	**100.00**

Dematerialization of shares and liquidity

As on 31.03.2014 of the total equity share, 72.63% were held in dematerialized Form and the balance 27.37% shares in physical form. The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments which are pending for conversion.

Plant Locations

The company's plants are located at 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 Company in Form 2B.

Address for Correspondence

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

For Shares held in Physical Form:

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

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

For Shares held in Demat Form:

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

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

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

23. COMPLIANCE CERTIFICATE OF THE AUDITORS

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with BSE, National Stock Exchange and Delhi Stock Exchange and the same forms part of this Annual Report.

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

24. RECONCILIATION OF SHARE CAPITAL AUDIT

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

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

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

The Institute of Company Secretaries of India (ICSI) has issued Secretarial Standards on important aspects like Board Meetings, General Meetings, Maintenance of Registers and Records, Minutes of Meetings and Transmission of Shares, etc. Though these standards are recommendatory in nature, the Company adheres to these standards voluntarily.

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

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

} DIRECTORS

Date : 19th November, 2014
Place : Sonepat

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

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

I confirm that the Company has in respect of the financial year ended March 31, 2014 received from the Directors and Senior Management Members a declaration of compliance with the Code of Conduct as applicable to them.

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

C.M DHALL
CEO

Sonepat, the 19th November, 2014

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

ATLAS CYCLES (HARYANA) LIMITED
CIN: L35923HR1950PLC001614

We have examined the compliance of condition of Corporate Governance by Atlas Cycles (Haryana) Ltd. for the year ended March 31, 2014 as stipulated in clause 49 of the listing agreement(s) of the said company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing agreement(s).

We state that in respect of investor grievances received during the year ended March 31, 2014 no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the company.

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

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

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

Place : Delhi
Date : 19th November, 2014

MANAGEMENT DISCUSSION & ANALYSIS

FORWARD LOOKING STATEMENTS

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

INDUSTRY OVERVIEW

India produces approximately 10% of the world annual bicycle production, which is estimated at 125 Million units. The annual domestic demand of bicycles in India is approximately 10 million units, out of which around 2.5 million units is a government demand for the various welfare schemes. Exports out of India are largely to Africa and the less developed economies and negligible to western markets. Today, the Indian bicycle manufacturing and bicycle parts industry is widely recognized for its quality standards in the international market.

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

Not only are the price points changing but even definitions of the segment are. Hitherto, cycles were simplistically segmented into gents, ladies, kids and high end. But now the lifestyle bikes are being segmented in line with the global trend that is based on their usage. There are Road bikes, Mountain 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 63 Years, having established brand both in Indian as well as International Market and ranks amongst the three largest cycle manufacturers in the world. The company is engaged in manufacturing of bicycles and its components and steel tubes with units at 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. Further volatile steel prices and a new burden of 2% excise duty are a deterrent to the growth of the cycle industry.

PRODUCTWISE PERFORMANCE

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

OUT – LOOK

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

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

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

RISK AND CONCERNS

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

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

To achieve effectiveness and efficiency of operation, reliability of financial reporting and compliance with applicable laws, rules, and regulations and compliance of significant policies,

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

FINANCIAL PERFORMANCE

The company achieved a turnover 650.11 crores during the year compared to ₹ 678.31 crores during the previous year. income from other sources is ₹ 1.79 crores as compared to ₹ 1.83 crores in previous year. Losses after taxtion, is ₹ 10.07 crores as compared to profit of ₹ 2.77 crores in the previous year.

HEALTH SAFETY AND ENVIRONMENT

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

HUMAN RESOURCE AND INDUSTRIAL RELATIONS

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

CAUTIONARY STATEMENT

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

APPRECIATION

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

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

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

} DIRECTORS

Date : 19th November, 2014
Place : Sonepat

Independent Auditor's Opinion

To the Members of Atlas Cycles (Haryana) Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Atlas Cycles (Haryana) Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Qualified Opinion

Attention is invited to Note 8 of the financial statements regarding certain loans and advances amounting to ₹ 14,03,73,171/- has been given where approval has not been obtained from Board of Directors as per the provision of Section 372A(2) of the Companies Act, 1956 and non-compliance with respect to interest rate as per the provision of Section 372A(3) of the Companies Act, 1956 as stated in the said note.

Net Profit for the year, loans & advances and reserve & surplus are without considering the above which cannot be ascertained or otherwise for the reason stated in paras above.

Qualified Opinion

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

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;

(b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date, and

(c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that:

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

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

   (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.

   (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

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

CA Rajiv Bhasin
Partner
Membership No:093845

Place: Delhi
Date: 19th Nov 2014

I. ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in paragraph 3 of Auditor's Report to the Members of ATLAS CYCLES (HARYANA) LIMITED on the accounts for the year ended 31st March 2014. We report that

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

(b) The management has carried out a physical verification of most of its fixed assets during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its fixed assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.

(c) In our opinion and according to the information and explanations given to us,a substantial part of fixed assets has not been disposed off by the company during the year.

(ii) (a) During the year, the inventories have been physically verified by the management except for inventory lying with third parties which have been confirmed by the parties. In our opinion, the frequency of verification is reasonable.

(b) In our opinion and according to the information and explanations given to us, the procedure of Physical verification of stock followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) On the basis of our examination of the record of inventories, we are of the opinion that, the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to books of records were not material and have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us, the company has neither granted nor taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the companies act, 1956. Accordingly, paragraphs 4 (iii) (b), (c) & (d) of the order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of inventories and fixed assets and with regard to sale of goods. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have informed of any instance of major weaknesses in the aforesaid internal control procedures.

(v) According to the information and explanations given to us, during the year, there was no transaction that needed to be entered into the register maintained under section 301 of the companies Act, 1956.

(vi) In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 58A and provision of section 58AA of the companies Act, 1956 and the companies (Acceptance of Deposits) rules, 1975, with regard to the deposits accepted from the public. As per information and explanations given to us, no order under the aforesaid section has been passed by the company law board on the company.

(vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

(viii) We have broadly reviewed the books of account maintained by the company in respect of products where pursuant to the rule made by the central government the maintenance of the cost records has been prescribed under section 209(1) (d) of the companies Act, 1956 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not however, made a determining whether they are accurate or complete.

(ix) (a) According to the information and explanations given to us and the records of the company examined by us, the company has been generally regular in deposited undisputing statutory dues including provident fund, investor education protection fund, employees state insurance, income-tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it except in case of Malanpur Unit, Bawal Unit and Rasoi Unit, where there is considerable delay in depositing of provident fund, employees state insurance, sales tax, excise duty, cess and other material statutory dues. We are informed that there are no undisputed statutory dues as at the year end outstanding for a period of more than six months from the date they become payable.

(b) Accordingly to the information and explanations given to us and the records of the company examined by us, there are no disputed dues of income tax, wealth-tax, custom duty and cess matters. The detail of disputed sale-tax and excise duty dues are as follows:-

Nature of the Statute	Nature of the dues	Forum where which Pending	Amount (in lacs) relates	Period to amount
Sales tax	CST	Appleate Board, Bhopal	3.68	1999-2000
		Appleate Board, Bhopal	81.56	2003-2004
		Dy. Commissioner, Gwl	280.81	2004-2005
		Appleate Board, Bhopal	66.41	2005-2006
		Dy. Commissioner	1.08	2006-2007
		Add. Commissioner, Gwl	7.43	2010-2011
	M.P.S.T.	Appleate Board, Bhopal	4.14	1998-1999
		Appleate Board, Bhopal	3.80	1999-2000
		Appleate Board, Bhopal	23.17	2003-2004
		Appleate Board, Bhopal	82.91	2004-2005
		Appleate Board, Bhopal	20.52	2005-2006

(x) The Company does not have accumulated losses at the end of the financial year march 31, 2014. Further, the company has incurred cash losses of ₹ 777.32 Lacs during the financial year ended 31st March, 2014 and NIL in the preceding financial year ended March 31, 2013.

(xi) According to the records of the company examined by us and the information and explanations given to us, the Malanpur Unit of the company during the year has delayed in repayment of dues to financial institutions, banks or debenture holders.

(xii) As the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, paragraph 4(xii) of the order is not applicable.

(xiii) The provision of any special statute as specified under paragraph 4(xiii) of the Order are not applicable to the company.

(xiv) The company has maintained proper records of transactions and contracts in respect of trading in mutual funds and timely entries have been made there in. All investments have been held in the name of the company.

(xv) In our opinion and according to the information and explanations given to us the company has not given guarantees during the year for loans taken by others from banks and financial institutions.

(xvi) In our opinion and according to the information and explanations given to us, the terms loans taken during the year have been applied for the purpose for which they were obtained.

(xvii) According to the information and explanations given to us on an overall Examination of the balance sheet of the company, we report that short term funds have not been used to finance long term investments and vice versa.

(xviii) As the company has not been made any preferential allotment of shares during the year, paragraph 4(xix) of the order not applicable.

(xix) During the year, since the company has not issued any debentures paragraph, 4(xix) of the order not applicable.

(xx) During the year, since the company has not raised any money by way of public issue, paragraph 4(xx) of the order is not applicable.

(xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit for the year ended 31st March, 2014.

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

CA Rajiv Bhasin
Partner
Membership No:093845

Place: Delhi
Date: 19th Nov 2014

Atlas Cycles (Haryana) Limited

Balance Sheet as at 31st March, 2014

(₹ in Lacs)

DESCRIPTION	Note No.	31.03.2014	31.03.2013
EQUITY AND LIABILITIES			
SHAREHOLDERS FUNDS			
Share Capital	2	325.19	325.19
Reserves and Surplus	3	11,296.80	12,304.46
		11,621.99	**12,629.65**
SHARE APPLICATION MONEY PENDING ALLOTMENT			
NON-CURRENT LIABILITIES			
Long-term borrowings	4	939.00	905.16
Deferred tax liabilities (net)	5	364.00	854.00
Other Long term liabilities	6	270.45	152.16
Long-term provisions	7	73.39	72.50
		1,646.84	**1,983.82**
CURRENT LIABILITIES			
Short-term borrowings	8	8,296.10	7,990.71
Trade payables	9	12,611.65	12,174.24
Other current liabilities	10	5,011.62	6,720.82
Short-term provisions	7	3,814.18	4,198.46
		29,733.55	**31,084.23**
TOTAL		**43,002.38**	**45,697.70**
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	11		
Tangible assets		9,037.05	9,094.49
Intangible assets		-	-
Capital work-in-progress		439.89	418.34
Intangible assets under development		-	-
Non-current investments	12	131.59	166.26
Deferred tax assets (net)	5	-	-
Long-term loans and advances	13	1,696.05	2,359.46
Other non-current assets	14	2.90	10.63
		11,307.48	**12,049.18**
CURRENT ASSETS			
Current investments	12	1,073.36	1,353.47
Inventories	15	9,267.73	11,274.27
Trade receivables	16	16,237.65	13,602.84
Cash and Bank Balances	17	287.27	1,562.13
Short-term loans and advances	13	4,815.25	5,845.28
Other current assets	18	13.64	10.53
		31,694.90	**33,648.52**
TOTAL		**43,002.38**	**45,697.70**

Significant Accounting Policies

C.M.Dhall	**Ganesh Iyer**	**S.Khanna**
C.E.O / C.F.O,	C.F.O	C.F.O
(Malanpur Unit)	(Sonepat Unit)	(Sahibabad Unit)

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

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

CA.RAJIV BHASIN
PARTNER
M.NO:093845

Delhi: the 19th November, 2014

HARI KRISHAN AHUJA
DIN: 00315876
Non-Executive Director

I.D.CHUGH
DIN: 00073257
Whole Time Director

DIRECTORS

New Delhi: the 19th November, 2014

Atlas Cycles (Haryana) Limited

Statement of Profit & Loss for the year ended 31st March, 2014

(₹ in Lacs)

DESCRIPTION	Note No.	31.03.2014	31.03.2013
INCOME			
Revenue from operations (gross)	19	68,478.98	71,126.86
Less :- Rebate		2,220.22	1,995.31
Less :- Excise Duty on sales		1,247.35	1,299.65
Revenue from operations (net)		**65,011.41**	**67,831.90**
Other Income	20	178.90	182.90
TOTAL		**65,190.31**	**68,014.80**
EXPENSES			
Cost of materials consumed	21	48,055.08	48,991.96
Purchases of trading goods		351.28	140.98
Changes in inventories of finished goods, work in progress and trading goods	22	(149.64)	287.14
Employee benefits expense	23	4,021.58	4,146.86
Finance costs	24	922.01	1,459.94
Depreciation and amortization expense	25	713.34	706.82
Other expenses	26		
Manufacturing expenses		7,933.15	6,968.50
Administration expenses		1,857.64	1,950.20
Selling expenses		2,976.53	3,008.14
TOTAL		**66,680.97**	**67,660.54**
Profit before exceptional and extraordinary items and tax		**(1,490.66)**	**354.26**
Profit before extraordinary items and tax		**(1,490.66)**	**354.26**
Profit before tax		**(1,490.66)**	**354.26**
Tax expense			
Provision for current tax		(7.00)	70.00
Provision for deferred tax		490.00	7.00
Profit / (Loss) for the year from continuing operations		(1,007.66)	277.26
Profit/(Loss) for the year		**(1,007.66)**	**277.26**
Earnings per share (in ₹)			
Basic		(30.99)	8.53
Diluted		(30.99)	8.53

Significant Accounting Policies

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

Ganesh Iyer
C.F.O
(Sonepat Unit)

S.Khanna
C.F.O
(Sahibabad Unit)

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

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

CA.RAJIV BHASIN
PARTNER
M.NO:093845

Delhi: the 19th November, 2014

HARI KRISHAN AHUJA
DIN: 00315876
Non-Executive Director

I.D.CHUGH
DIN: 00073257
Whole Time Director

DIRECTORS

New Delhi: the 19th November, 2014

Atlas Cycles (Haryana) Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in Lacs)

PARTICULARS	31.03.2014	31.03.2013
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit beforeInterest tax and extra ordinary items	(632.80)	1,670.30
Adjustments for		
Depreciation & Misc. Write Offs	713.34	706.82
Operating Profit before Working Capital Changes	**80.54**	**2,377.12**
Adjustments for:		
(Increase)/Decrease in Trade & other Receivables	(2,634.81)	1,285.58
(Increase)/Decrease in Inventories	2,006.54	78.44
(Increase)/Decrease in Loans and Advances	1,692.14	(685.35)
(Decrease)/Increase in Trade Payables	437.40	(1,018.55)
(Decrease)/Increase in Other Current Liabilities	(1,702.74)	1,178.66
Direct Taxes Paid /refund	(120.45)	16.40
Net Cash Flow from Operating Activities	**(241.38)**	**3,232.30**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(799.47)	(713.68)
Proceeds on Sale of Fixed Assets	135.18	50.18
Dividend Income	16.99	24.78
Net proceds /(Purchase) from sale of Investments	314.79	(199.01)
Net Cash Used in Investing Activities	**(332.51)**	**(837.73)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/ (Repayment) from Borrowings	325.99	(357.93)
Interest Paid	(922.01)	(1,459.94)
Interest Received	34.01	33.98
Dividends Paid	(148.07)	(146.40)
Net Cash Used in Financing Activities	**(710.08)**	**(1,930.29)**
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,283.97)	464.28
Cash & Cash Equivalents as on 01.04.2013	**1,539.41**	**1,075.13**
Cash and Cash Equivalents as on 31.03.2014	**255.44**	**1,539.41**

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

C.M.Dhall	**Ganesh Iyer**	**S.Khanna**
C.E.O / C.F.O,	C.F.O	C.F.O
(Malanpur Unit)	(Sonepat Unit)	(Sahibabad Unit)

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

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

CA.RAJIV BHASIN
PARTNER
M.NO:093845

Delhi: the 19th November, 2014

HARI KRISHAN AHUJA
DIN: 00315876
Non-Executive Director

I.D.CHUGH
DIN: 00073257
Whole Time Director

DIRECTORS

New Delhi: the 19th November, 2014

Note No.	DESCRIPTION
1	SIGNIFICANT ACCOUNTING POLICIES

TURNOVER:
Sales are net of excise duty and rebates.

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

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

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

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

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

RECOGNISATION OF INCOME AND EXPENDITURE:
Items of Income & Expenditure recognised on accrual basis.

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

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

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

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

Recognition of opening and closing balances of Defined Benefit Obligation.

GRATUITY	Gratuity (Funded)	
	2013-14	2012-13
Defined Benefit obligation at the beginning of the year	1264.00	1196.01
Current Service Cost	142.00	66.18
Interest cost	102.00	101.15
Benefit paid	-291.00	-99.34
Defined Benefit obligation at the year end	**1217.00**	**1264.00**

INVESTMENT DETAILS	Investement as on 3/31/2014		Investement as on 3/31/2013	
Investment Detail:	Value	%	Value	%
GOI Securities	43.77	16.69	43.77	18.13
Public Securities	94.01	35.84	94.01	38.94
State Government Securities	30.43	11.60	30.43	12.61
Private Securities	21.97	8.38	21.97	9.10
In banks	72.10	27.49	51.23	21.22
	262.28	**100**	**241.41**	**100**

Acturial assumptions	Gratuity (Funded) 2013-14	2012-13
Discount rate (Per Annum)	8.00	8.00
Expected rate of return plan (Per Annum)	9.40	9.40
Rate of escalation of salary (Per Annum)	7.00	7.00

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

Defined Contribution Plan	**31.3.2014**	**31.3.2013**
Employer's Contribution to Provident Fund	56.69	58.48
Employers Contribution to Supper Annuation Fund	38.63	70.45
Employers Contribution to Gratuity Fund	106.22	131.71

NOTES TO ACCOUNT

1	**CONTIGENT LIABILITIES IN RESPECT OF**	**2014**	**2013**
a)	Surety bonds executed in favour of President of India through Customs & Excise authorities for payment of Central Excise/Custom duty	165.00	165.00
b)	Two surety bonds in favour of government of Haryana for payment of Central & Local Sales Tax	30.40	30.40
c)	Guarantees given by bank	563.05	564.75
d)	In respect of Entry Tax matters	5.00	5.00
e)	In respect of Excise matters	52.00	52.00
f)	In respect of Sales Tax matters	568.07	568.07

2 DETAILS OF RAW MATERIAL CONSUMED DURING THE YEAR

Units			2014 Quantity (in lacs)	2014 Value ₹	2013 Quantity (in lacs)	2013 Value ₹
(i)	Sheets & Strips	Kgs.	41.07	2,462.38	51.74	2,696.17
(ii)	Tyres	Nos.	50.82	5,516.34	49.88	5,257.22
(iii)	Tubes	Nos.	48.55	2,047.16	48.31	2,069.62
(iv)	Rims	Nos.	37.18	3,229.73	41.85	4,010.82
(v)	Other Items	-		1,850.87		2,709.44
(vi)	Components	-		32,948.60		32,248.69
				48,055.08		**48,991.96**

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

	Indigenous Value (₹)	Indigenous Percentage	Imported Value (₹)	Imported Percentage
(i) Raw Material	13,255.61	100	NIL	0
	(14033.83)	(100)	NIL	(0)
(ii) Components	32,118.33	92.30	2,681.14	7.70
	(32813.13)	(93.86)	(2145.00)	(6.14)

Previous Year figures are shown in brackets.

4	VALUE OF TOTAL IMPORTS ON CIF BASIS	2014 ₹	2013 ₹
	(i) Raw Material, Components & Spare Parts	2,681.14	2,355.16
	(ii) Capital Goods	-	-
		2,681.14	**2,355.16**

5	EXPENDITURE IN FOREIGN CURRENCY		
	(i) Commission on export	30.26	46.45
	(ii) Foreign Tours	22.27	68.20
	(iii) Foreign Publicity & exhibition	2.26	1.36
		54.79	**116.01**

6	EARNINGS IN FOREIGN EXCHANGE		
	F.O.B. Value of goods exported	2,481.00	2,197.07

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

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

8 During the year it was revealed that Mr.Salil Kapur, President of Malanpur Unit had advanced funds to the tune of ₹ 14,03,73,171/- including ₹ 11,05,36,111/- to himself and ₹ 2,98,37,060/- to private limited companies controlled by him. These advances had been granted without any approval of board of directors and without any interest and stipulated period. Board has taken serious view of this and efforts are being made to recover this amount.

9 RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD 18

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

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

ii) Subsidiary Companies are: Atlas Cycles (Sonipat) Ltd, Atlas Cycles (Sahibabad) Ltd, Atlas Cycles (Malanpur) Ltd., Directors & Employees (As at 31.03.2014) : Sh. I.D.Chugh, Sh. H.K.Ahuja, Sh. H.L.Bhatia, Sh. Vikram Kapur, Sh. Salil Kapur, Sh. Gautam Kapur, Sh. Girish Kapur, Sh. Sanjay Kapur, Sh. Rajiv Kapur, Sh. Angad Kapur, Sh. Rishav Kapur, Sh.Prashant Kapur, Sh. Rahul Kapur,Sh.Sidhant Kapur,Sh.Abhinav Kapur,Sh.Ashwin Kapur.

B. Transactions with the Associated Parties and Subsidiaries ₹ in lacs

	2014	2013
Sale of Goods	638.27	2163.25
Rent	4.32	4.32
Purchase of Goods	4434.20	4842.87
Balances on year end	42.31	33.44
Guarantee Given	20.00	20.00

C. Transactions with key managerial persons:

Remunerations: ₹ 430.59 Lacs (Previous Year ₹ 403.65 Lacs)

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

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

	2014 ₹	2013 ₹
(a) Computation of profit for managerial remuneration		
Profit as per Profit &Loss A/c	-1511.99	354.26
Add : Directors remuneration including perquisites	14.06	13.89
Add : Bad debts	-	0.04
	-1497.93	368.19
Less : Profit on Sale of Assets	-13.16	-1.48
Add : Depreciation as per Profit & Loss A/c	713.34	706.82
Less : Depreciation as per Section 350 of companies Act, 1956	-869.86	-815.52
Net Profit	(1,667.61)	258.01
Commission eligible for payment @ 0.5% of the Net Profit (Previous Year 0.5%)	-	1.29
Actual Commission Paid to a Whole Time Director	1.29	1.63
(b) Remuneration paid to a whole time director		
Salary	10.84	10.32
Long Service Allowance	0.02	0.02
Provident Fund Contribution	0.86	0.81
Leave Travel Assistance	0.60	0.57
Medical Expenses	0.45	0.54
Commission	1.29	1.63
	14.06	**13.89**

C.M.Dhall	**Ganesh Iyer**	**S.Khanna**
C.E.O / C.F.O, (Malanpur Unit)	C.F.O (Sonepat Unit)	C.F.O (Sahibabad Unit)

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

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

CA.RAJIV BHASIN
PARTNER
M.NO:093845

Delhi: the 19th November, 2014

HARI KRISHAN AHUJA
DIN: 00315876
Non-Executive Director

I.D.CHUGH
DIN: 00073257
Whole Time Director

DIRECTORS

New Delhi: the 19th November, 2014

Notes to Financial Statements

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2014	31.03.2013
2	**SHARE CAPITAL**		
	AUTHORISED		
	30,000 (30,000) 6 1/4% P.A. free of Income tax cumulative redeemable Preference shares of ₹ 100 each	30.00	30.00
	97,00,000 (97,00,000) Equity Shares of ₹ 10/- each	970.00	970.00
		1,000.00	**1,000.00**
	ISSUED, SUBSCRIBED AND PAID UP		
	32,51,919 (32,51,919) Equity Shares of ₹ 10/- each fully paid up	325.19	325.19
	TOTAL - SHARE CAPITAL	**325.19**	**325.19**
	(a) RECONCILIATION OF THE NUMBER OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR	**No. of Shares**	**No. of Shares**
	Equity Shares outstanding at the beginning of the year	3,251,919	3,251,919
	Equity Shares issued during the year	-	-
	Shares outstanding at the end of the year	**3,251,919**	**3,251,919**

(b) TERMS/RIGHT ATTACHED TO EQUITY SHARES

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and also has equal right in distribution of Profit/Surplus in proportions to the number of equity shares held by the shareholders.

(c) EQUITY SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:

NAME OF THE EQUITY SHAREHOLDER	2014 No. of Shares	2014 %	2013 No. of Shares	2013 %
Milton Cycles Industries Ltd	325846	10.02%	325846	10.02%
Limrose Enng Works Pvt Ltd	257650	7.92%	257650	7.92%

d) Company has not issued any ESOP Plan,or Conversion of Bonds/Debentures

e) Company has not issued any shares by way of Bonus/ Right Shares and has not By-back any shares in the preceding five years

Note No.	DESCRIPTION	31.03.2014	31.03.2013
3	**RESERVES AND SURPLUS**		
	(a) SECURITY PREMIUM ACCOUNT		
	As per last account	606.20	606.20
	Add : On Conversion of Foreign Currency Convertible Bonds	-	-
		606.20	**606.20**
	(b) FIXED ASSETS REVALUATION RESERVE		
	As per last account	389.74	389.74
	Add:- Transferred from Statement of Profit and Loss	-	-
	Less:- Written Back during the year	-	-
		389.74	**389.74**
	(c) GENERAL RESERVE		
	As per last account	11,158.79	11,058.79
	Add : Transferred from Statement of Profit and Loss	-	100.00
		11,158.79	**11,158.79**
	(d) SURPLUS - STATEMENT OF PROFIT AND LOSS		
	As per last account	149.73	143.68
	Add : Profit after Tax for the year	(1,007.66)	277.26
	NET PROFIT	**(857.93)**	**420.94**
	Amount Available for appropriation	**(857.93)**	**420.94**
	APPROPRIATIONS		
	Debenture Redemption Reserve	-	-
	General Reserve	-	100.00
	Proposed Dividend	-	146.34
	Corporate Dividend Tax	-	24.87
	Net Surplus in the Statement of Profit and Loss	**(857.93)**	**149.73**
	TOTAL - RESERVE & SURPLUS	**11,296.80**	**12,304.46**

(₹ in Lacs)

Note No.	DESCRIPTION	Non-Current Portion 31.03.2014	Non-Current Portion 31.03.2013	Current Maturity 31.03.2014	Current Maturity 31.03.2013
4	**LONG-TERM BORROWINGS**				
	SECURED				
	(a) TERM LOAN FROM BANKS				
	Rupee term loan	-	100.00	661.39	312.42
	(b) CAR LOAN FROM BANKS	78.65	96.83	46.57	109.05
	TOTAL SECURED LONG TERM BORROWINGS	**78.65**	**196.83**	**707.96**	**421.47**
	UNSECURED LONG TERM BORROWINGS				
	(a) PUBLIC FIXED DEPOSITS	860.35	708.33	1,019.14	1,318.88
	TOTAL UNSECURED LONG TERM BORROWINGS	**860.35**	**708.33**	**1,019.14**	**1,318.88**
	TOTAL - LONG TERM BORROWINGS	**939.00**	**905.16**	**1,727.10**	**1,740.35**

1 Term Loan from Central Bank Of India is secured against first pari passu charge on respective unit's immovable property and future assets which it may acquire in future and carries interest @ 13% p.a and is repayable on 3 yearly equal installments.

2 The Company accepts fixed deposits from the public which carries interest @ 11% p.a. for FDRs less than ₹ 2,00,000/- for a period of one year and 11.5% p.a for more than one year irrespective of amount.

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

4 Term loan from Bank is secured against first pari passu charge on immovable property and future assets which it may acquire in future and carries interest @ 15% p.a and is repayable on six monthly equal installments from the date of disbursement i.e October 2013.

Note No.	DESCRIPTION	Deferred Tax Liability/Asset as at 31.03.2013	Charge/(Credit) for the year	Deferred Tax Liability/Asset as at 31.03.2014
5	**DEFERRED TAX LIABILITY (NET)**			
	(a) **DEFERRED TAX LIABILITY**			
	Difference between book & tax depreciation	854.00	(490.00)	364.00
	Total Deferred Tax Liability	**854.00**	**(490.00)**	**364.00**
	DEFERRED TAX LIABILITY (NET)	**854.00**	**(490.00)**	**364.00**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
6	**OTHER LONG TERM LIABILITIES**		
	Security Deposits	270.45	140.95
	LADT PAYABLE A/C	-	11.21
	TOTAL- OTHER LONG TERM LIABILITIES	**270.45**	**152.16**

Note No.	DESCRIPTION	Long-Term 31.03.2014	Long-Term 31.03.2013	Short-Term 31.03.2014	Short-Term 31.03.2013
7	**PROVISIONS**				
	For Employee Beneifts			-	182.58
	Leave Encashment etc	73.39	72.50	308.99	-
	For Taxation	-	-	1,949.10	2,059.36
	For Proposed Dividend	-	-	-	146.34
	For Corporate Dividend Tax	-	-	-	24.87
	For Dealers Discount			142.11	41.94
	For Bills Payable			v21.59	370.40
	Others	-	-	1,392.39	1,372.97
	TOTAL - PROVISIONS	**73.39**	**72.50**	**3,814.18**	**4,198.46**

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2014	31.03.2013
8	**SHORT TERM BORROWINGS**		
	SECURED SHORT TERM BORROWINGS		
	(a) Working Capital Facility from Bank	5,594.57	4,653.27
	(c) Short Term Loans	324.87	-
	(d) Bills Discounting from Bank/Financial Institution	2,375.66	3,172.44
	TOTAL SECURED SHORT TERM BORROWINGS	**8,295.10**	**7,825.71**
	UNSECURED SHORT TERM BORROWINGS		
	(a) Loan from Body Corporate	1.00	165.00
	TOTAL UNSECURED SHORT TERM BORROWINGS	**1.00**	**165.00**
	TOTAL - SHORT TERM BORROWINGS	**8,296.10**	**7,990.71**

1 Cash Credit Limit from Consortium banks is secured against Hypothecation of Inventory and Book Debts and Ist Charge over Fixed Assets of the Company which is repayable on demand and carries Interest @ 15.25% p.a.

2 Bills Discounting facility from SIDBI is fully secured by the stock against the bills discounted and IInd charge over the Fixed Assets of the Company and carries interest @ 13.50% p.a.

3 Overdraft Limit from HDFC Bank is Secured against the lien on the Mutual Funds and carries interest which is repayable on demand and carries interest @ 12.25% p.a.

4 Short Term Corporate Loans carries interest @ 18% p.a..

5 Bill Discounting Facility from IDBI bank is secured against second charge on current and fixed assets of Malanpur Unit.

6 Unsecured Billl Discounting Facility from India Factoring Finance Limited carries interest @ 15% p.a.

Note No.	DESCRIPTION	31.03.2014	31.03.2013
9	**TRADE PAYABLES**		
	Trade Payables (including Acceptances)		
	Dues to Micro and Small enterprises	4,040.92	3,274.76
	Dues to other than Micro and Small enterprises	8,570.73	8,899.48
	TOTAL TRADE PAYABLES	**12,611.65**	**12,174.24**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
10	**OTHER CURRENT LIABILITIES**		
	Current maturities of Long term Borrowings. (Refer note no 4)	1,727.10	1,740.35
	Interest accrued but not due on borrowings.	134.80	114.36
	Interest accrued and due on borrowings.	2.49	18.31
	Statutory Dues	174.37	241.03
	Due to Customer and others	363.66	479.61
	Security Deposits from Agents/Dealers/Others	99.62	214.69
	Advance Against Sale of Land #	2,371.00	2,187.00
	Other Outstanding Liabilities	120.45	1,709.07
	Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 not due		
	Unpaid dividend	18.13	16.40
	TOTAL OTHER CURRENT LIABILITIES	**5,011.62**	**6,720.82**

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

11. FIXED ASSETS

(₹ in Lacs)

Particulars	Land & Building	Plant & Machinery	Computer	Electrical Installation	Vehicles	Furniture & Fixtures	Under Const. Installation Building/ Machinery	Total
COST	₹	₹	₹	₹	₹	₹	₹	₹
As at 1st April, 2013	7,336.84	7,473.55	516.14	269.14	1,663.95	790.57	418.34	18,468.53
Additions	524.14	138.51	14.27	0.66	37.83	32.38	51.68	799.47
Sales/Adjustment	0.01	44.43	1.85	-	106.41	3.03	30.13	185.86
As at 31st March, 2014	7,860.97	7,567.63	528.56	269.80	1,595.37	819.92	439.89	19,082.14
DEPRECIATION								
As at 1st April, 2013	2,138.93	4,705.99	478.09	215.35	909.95	507.39	-	8,955.70
For the Year	183.20	336.17	16.43	3.52	145.50	28.52	-	713.34
Sales/Adjustment	-	0.22	1.08	-	61.74	0.80	-	63.84
As at 31st March, 2014	2,322.13	5,041.94	493.44	218.87	993.71	535.11	-	9,605.20
NET ASSETS								
As at 31st March, 2014	5,538.84	2,525.69	35.12	50.93	601.66	284.81	439.89	9,476.94
As at 31st March, 2013	5,197.91	2,767.56	38.05	53.79	754.00	283.18	418.34	9,512.83

Note No.	DESCRIPTION		31.03.2014				31.03.2013			
			Face Value	Nos	Amount	Amount	Face Value	Nos	Amount	Amount
12	**INVESTMENTS**									
	NON CURRENT INVESTMENTS									
A	**Investment in Shares of Wholly Owned Subsidiary Companies Fully Paid (Unquoated)**									
	50000 (Previous Year 50000) Equity Shares of ₹ 10/- each fully paid up in ATLAS CYCLES (SONIPAT) LTD.	[A]		50000	500,000			50000	500,000	
	50000 (Previous Year 50000) Equity Shares of ₹10/- each fully paid up in ATLAS CYCLES (SAHIBABAD) LTD.	[A]		50000	500,000			50000	500,000	
	50000 (Previous Year 50000) Equity Shares of ₹ 10/- each fully paid up in ATLAS CYCLES (MALANPUR) LTD.	[A]		50000	500,000			50000	500,000	
	Total A				**1,500,000**	**15.00**			**1,500,000**	**15.00**
B	**Equity Shares Fully Paid Up -Trade Un Quoted**									
	Ambojini Property Developers Pvt. Ltd.		10	1410	14,100			1410	14100	
	Amit Enterprises & Builders Pvt. Ltd.		10	2	20			2	20	
	Dardode Job Realities Pvt. Ltd.		100	2	200			2	200	
	Lavim Developers Pvt. Ltd.		30	10	300			10	300	
	Godrej Landmark Redevelopers Pvt.Ltd.			66	539,436			66	539,436	
	Mantri Hamlet Pvt. Ltd.		10	2	20			2	20	
	Total B				**554,076**	**5.54**			**554076**	**5.54**
C	**Debentures Fully Paid Up - Un Quoted**									
	10% OCD Godrej Landmark Redevelopers Pvt. Ltd.		100	19680	1,968,000			10472	1,047,200	
	10% OCD Ambojini Property Developers Pvt. Ltd.		100	16062	1,606,200			11981	1,198,100	
	10% OCD Amit Enterprises & Builders Pvt. Ltd.		100	9408	940,800			9408	940,800	
	10% OCD Dardode Jog Realities Pvt. Ltd.		100	8511	851,100			11713	1,171,300	
	15% OCD Lavim Developers Pvt. Ltd.		100	9512	951,200			9512	951,200	
	10% OCD Mantri Hamlet Pvt. Ltd.		100	7845	784,500			6611	661,100	
	Total C				**7,101,800**	**71.02**			**5,969,700**	**59.70**

D	**Unquoated Mutual Fund**							
	THE OCIAN'S ART FUND-(D)	100	46000	4,600,000		46000	4,600,000	
	LESS Provosion for Investment			4,600,000				
	Total D			**-**	**-**		**4,600,000**	**46.00**
E	**Unquoted Government Securities**							
	12 years National Defence Certificate for the face value of ₹ 1750 each pledged with Government authorities			1,750.00			1,750.00	
	7 Years National Savings Cerificate pledged with Excise authorities			10,000.00			10,000.00	
	Total E		**-**	**11,750.00**	**0.12**		**11,750.00**	**0.11**
F	**Unquoted Fixed Deposit**							
	Fixed Deposits having Maturity more than 12 Months			3911864			39,11,864	
	Total F			**3,911,864**	**39.12**	**-**	**3,911,864**	**39.12**
	TOTAL UNQUOTED NON CURRENT INVESTMENT							
	Total A-F			**11,579,490.00**	**115.79**		**15,047,397.00**	**150.47**
	Quoted Non Current Investment							
G	**Quoted Shares**							
	Central Bank of India	778	100.000	79,356			79,356	
	Total Quoted Non Current Investment G			79,356.00	0.79		79,356	0.79
	TOTAL NON CURRENT INVETMENT			**11,658,846.00**	**116.58**		**15,126,753.00**	**151.26**
	CURRENT INVESTMENTS (At lower of Cost and Fair Value)							
12(b)	**CURRENT INVESTMENTS**							
	Investment in Mutual Fund (Quoted)							
	BIRLA SUNLIFE MUTUAL FUND							
	Birla Sunlife Income Plus - Growth	10	186874	10,000,000		189127	10,000,000	
	Birla Sunlife Dynamic Bond Fund -Retail(D)	10	1243158	24,800,000		1426259	15,000,000	
	FRANKLIN TEMPLETON MUTUAL FUND							
	Templeton India Income Builder Plan-A G	10	0	-		258530	10,000,000	
	Templeton India Short Term Income Retail-G	1000	4645	9,999,900		4645	9,999,900	
	HDFC MUTUAL FUND							
	HDFC Income Fund - G	10	0	-		380355	10,000,000	
	ICICI MUTUAL FUND							
	ICICI Prudential Flexible Plan Premium	100	0	-		1190	215,047	
	IDFC MUTUAL FUND							
	IDFC SSIF-Short Term-Plan-A-G	10	451267	9,999,900		451267	9,999,900	
	IDFC SSIF-Medium Term-Plan-A-G	10	747317	15,000,000				
	IDFC SSIF-Investment-Plan-A-G	10	349676	10,000,000				
	RELIANCE MUTUAL FUND							
	Reliance Medium Term Fund	10	2608	27,572		152599	1,594,438	
	Reliance Regular Saving Fund-Debt Plan (QT_D)	10	0	-		1195507	14,920,198	
	Reliance Fixed Horizo XXIV Sr 9 G	10	1000000	10,000,000				
	HSBC MUTUAL FUND							
	HSBC Fixed Term Sr-94-Ten-G	10	500000	5,000,000				
	HSBC Capital Protection Oriented Fund	10	100000	1,000,000				
	SUNDARAM BNP PARIBAS MUTUAL FUND-(G)							
	BNP Paribas Money Plus (I) (G) BNP	10	0	-		20706	303,460	
	STATE BANK MUTUAL FUND-(G)							
	SBI Debt Fund Series -370D(G)	10	0	-		2000000	20,000,000	
	UTI MUTUAL FUND-(G)							
	UTI Treasuary Advatge Fund-G	1000	0	-		846	2,000,000	
	UTI Fixed Term Income Fund Series XI-VIII-G	10	0	-		2000000	20,000,000	
	KOTAK MUTUAL FUND-(D)							
	Kotak Bond (Short Term)-G	10	0	-		463094	10,000,000	

PRINCIPAL MUTUAL FUND-(D)							
Pnb Emerging Blue Chip Fund -Reg.-G	10	0	-		3528	100,000	
Principal PNB Fixed Maturity Plan	10	1020880	10,208,796				
MORGAN STANLAY MUTUAL FUND							
Morgan Stanlay Liquid Fund-D	1000	1102	1,300,000		1214	1,214,377	
SUB TOTAL [B]			**107,336,168**	**1,073.36**		**135,347,320**	**1,353.47**
NOTE : [GROWTH = (G) ; DIVIDEND = (D)]							
MARKET VALUE OF THE MUTUAL FUND			**110,320,450**	**1,103.20**		**96,945,661**	**969.46**
AGGERGATE VALUE OF CURRENT INVETMENTS			**107,336,168**	**1,073.36**		**135,347,320**	**1,353.47**
AGGREGATE VALUE OF UNQUOTED INVESTMENTS			13079490	130.80		16,547,390.00	165.47
TOTAL MARKET VALUE OF CURRENT INVETSMENTS			**110,320,450**	**1,103.20**		**96,945,661**	**969.46**
AGGREGATE VALUE OF QUOTED INVESTMENTS			107,415,524	1,074.16		135426676	1,354.27
MARKET VALUE OF QUOTED INVETMENTS			110359350	1,103.59		97025017	970.25

(₹ in Lacs)

Note No.	DESCRIPTION	Long-Term 31.03.2014	Long-Term 31.03.2013	Short-Term 31.03.2014	Short-Term 31.03.2013
13	**LOANS AND ADVANCES**				
	(Unsecured, Considered good unlesss otherwise stated)				
	Advance Recoverable in Cash or in kind or the value to be received	1,340.47	1,349.72	2,139.12	2,975.40
	Capital Advances	289.74	769.81	-	-
	Security Deposits	61.80	202.00	227.23	430.28
	Claims Recoverable	2.91	2.93		
	Prepaid Taxes			2,365.32	2,362.13
	Prepaid Expenses			34.20	33.00
	Balance with Goverment Authorities	1.13	35.00	49.38	44.47
	TOTAL - LOANS AND ADVANCES	**1,696.05**	**2,359.46**	**4,815.25**	**5,845.28**

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2014	31.03.2013
14	**OTHER NON CURRENT ASSETS**		
	Deposit with original Maturity of more then 12 month	-	9.28
	Interest accrued on Investment/FDR	2.90	1.35
	Total Other Non Current Assets	**2.90**	**10.63**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
15	**INVENTORIES**		
	(As taken,valued and certifed by the Management)		
	(valued at lower of cost and net realisable value unless otherwise stated)		
	Production Material	2,618.46	2,916.17
	Work in Progress	437.34	294.56
	Finished Goods	1,641.66	1,587.75
	Stock in Trade	25.25	108.82
	Store, Spares and Components	4,450.86	6,306.89
	Loose Tools	57.44	59.88
	Scrap	36.72	0.20
	TOTAL - INVENTORIES	**9,267.73**	**11,274.27**

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2014	31.03.2013
16	**TRADE RECEIVABLES**		
	(Unsecured, Considered goods unless otherwise stated)		
(a)	OVERDUE EXCEEDING SIX MONTHS		
	Unsecured, Considered good	1,728.81	2,433.77
	Doubtful	220.15	213.01
	Less : Provision for doubtful receivable	220.15	213.01
		1,728.81	**2,433.77**
(b)	OVERDUE LESS THAN SIX MONTHS	14,508.84	11,169.07
	TOTAL - TRADE RECEIVABLE	**16,237.65**	**13,602.84**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
17	**CASH AND BANK BALANCES**		
(a)	**CASH AND CASH EQUIVALENTS**		
	Balance with banks	92.75	1,380.33
	Bank deposits with original maturity of less than three month	97.01	66.00
	Unpaid dividend accounts	18.13	16.40
	Cash in hand	47.55	76.68
	Total Cash and Cash Equivalents	**255.44**	**1,539.41**
(b)	**OTHER BANK BALANCES**		
	Bank Deposits with original maturity of more than three month but less than 12 months	22.55	22.72
	Bank Deposits with original maturity of more than 12 months*	9.28	-
	TOTAL OTHER BANKS BALANCES	**31.83**	**22.72**
	TOTAL - CASH & BANK BALANCES	**287.27**	**1,562.13**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
18	**OTHER CURRENT ASSETS**		
	(Unsecured, Considered good unlesss otherwise stated)		
	Interest accrued on Investment /FDR	13.64	10.53
	Deferred Revenue Expenditure	-	-
	TOTAL OTHER CURRENT ASSETS	**13.64**	**10.53**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
19	**REVENUE FROM OPERATIONS**		
(a)	**SALE OF PRODUCTS**		
	Finished Goods	68,140.91	70,591.74
	Interunit Sales	-	-
		68,140.91	70,591.74
(b)	**OTHER OPERATING REVENUE**		
	Export Benefits	217.56	227.77
	Scrap Sales	120.51	193.76
	Miscellaneous Income	-	113.59
		338.07	**535.12**
	REVENUE FROM OPERATIONS (GROSS)	**68,478.98**	**71,126.86**
	Rebate	**2,220.22**	**1,995.31**
	EXCISE DUTY ON SALES	**1,247.35**	**1,299.65**
	REVENUE FROM OPERATIONS (NET)	**65,011.41**	**67,831.90**

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2014	31.03.2013
20	**OTHER INCOME**		
(a)	**INTEREST INCOME ON**		
	Loans and Advances	15.83	1.87
	Banks	18.18	32.12
		34.01	**33.99**
(b)	**Dividend Income on Current Investment**	**16.99**	**24.78**
(c)	**NET GAIN/(LOSS) ON SALE OF CURRENT INVESTMENTS**		
	Gain on Sale	74.52	83.66
		74.52	**83.66**
(d)	**NET GAIN/(LOSS) ON SALE OF FIXED ASSETS**		
	Gain on Sale	13.16	1.48
		13.16	**1.48**
(f)	**OTHER NON-OPERATING INCOME (NET)**		
	Lease Rent	2.50	6.00
	Misc Receipts	21.87	14.31
	Rent receipts	15.85	18.68
		40.22	**38.99**
	TOTAL OTHER INCOME	**178.90**	**182.90**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
21	**COST OF MATERIAL CONSUMED**		
	Raw Material Consumed*	48,055.08	48,991.96
	TOTAL COST OF MATERIAL CONSUMED	**48,055.08**	**48,991.96**
	***DETAIL OF RAW MATERIAL CONSUMED DURING THE YEAR**		
		31.03.2014	**31.03.2013**
(i)	Sheets & Strips	2,462.38	2,696.17
(ii)	Tyres	5,516.34	5,257.22
(iii)	Tubes	2,047.16	2,069.62
(iv)	Rims	3,229.73	4,010.82
(v)	Other Items	1,850.87	2,709.44
(vi)	Components	32,948.60	32,248.69
		48,055.08	**48,991.96**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
22	**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS**		
	OPENING STOCK		
	Finished Goods	1,587.75	1,885.84
	Work in Progress	294.56	324.55
	Scrap	0.20	4.09
	Stock In Trade	108.82	63.99
	TOTAL OPENING STOCK	**1,991.33**	**2,278.47**
	CLOSING STOCK		
	Finished Goods	1,641.66	1,587.75
	Work in Progress	437.34	294.56
	Scrap	36.72	0.20
	Stock In Trade	25.25	108.82
	TOTAL CLOSING STOCK	**2,140.97**	**1,991.33**
	TOTAL - CHANGES IN INVENTORIES	**(149.64)**	**287.14**

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2014	31.03.2013
23	**EMPLOYEE BENEFITS EXPENDITURE**		
	Salaries, Wages, Bonus and Other benefits	3,245.06	3,359.05
	Contribution to provident and other funds	435.76	505.47
	Staff Welfare Expenses	340.76	282.34
	TOTAL-EMPLOYEE BENEFITS EXPENDITURE	**4,021.58**	**4,146.86**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
24	**FINANCE COST**		
	Interest Expenses	835.64	1,313.27
	Other Borrowing Costs	86.37	146.67
	TOTAL - FINANCE COST	**922.01**	**1,459.94**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
25	**DEPRECIATION AND AMORTIZATION EXPENSES**		
	Depreciation on Fixed Assets	713.34	706.82
	Amortisation Expenses	-	-
	TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES	**713.34**	**706.82**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
26	**OTHER EXPENSES**		
(a)	**MANUFACTURING EXPENSES**		
	Consumption of Stores and Spare parts	3,901.98	3,379.10
	Packing Material Consumed	1,998.01	1,779.84
	Power and Fuel	993.04	807.68
	Labour Processing & Transportation Charges	357.55	399.35
	Repairs to Buildings	169.63	142.13
	Repairs to Plant & Machinery	183.41	137.49
	Other Repairs	329.53	322.91
		7,933.15	**6,968.50**
(b)	**ADMINISTRATIVE EXPENSES**		
	Insurance	35.17	41.90
	Rent	100.08	153.30
	Rates and Taxes	156.41	237.09
	Legal and Professional	57.86	19.49
	Printing & Stationary, Postage and Telephone	162.95	148.04
	Travelling & Conveyance	538.71	580.64
	Director' Meeting Fees	5.09	5.42
	Auditor's Remuneration*	24.23	20.74
	Donation	8.31	4.53
	Miscellaneous Expenses	768.83	739.05
		1,857.64	**1,950.20**

(c)	**SELLING EXPENSES**		
	Freight & Forwarding Expenses	2,407.43	2,283.75
	Commission on Sales	117.09	103.62
	Bad Debts Written off	53.16	0.04
	Advertisement & Publicity	398.85	620.73
		2,976.53	**3,008.14**
	TOTAL - OTHER EXPENSES	**12,767.32**	**11,926.84**
	*** Payment to Auditors Include followings**		
	(a) Audit Fee	18.60	16.91
	(b) Tax Audit	2.12	1.93
	(c) Other Certifications	3.51	1.90
	TOTAL	**24.23**	**20.74**

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

1 **Name of the subsidiary Comapny**	**Atlas Cycles (Sonepat) Ltd**	**Atlas Cycles (Sahibabad) Ltd**	**Atlas Cycles (Malanpur) Ltd**
2 Financial Year of the subsidiary Company ended on	31.03.2014	31.03.2014	31.03.2014
3 Holding Company's Interest	Holding of entire Subscribed and Paid Up Capital of 50000 Shares of ₹ 10/ each.	Holding of entire Subscribed and Paid Up Capital of 50000 Shares of ₹ 10/ each.	Holding of entire Subscribed and Paid Up Capital of 50000 Shares of ₹ 10/ each.
4 Net aggregate amount of Losses less Profits of the Subsidiary Company so far as it concerns the members of Atlas Cycles (Haryana) Limited			
a) Not dealt with in the Accounts of Atlas Cycles (Haryana) Ltd			
i) for the subsidiary's financial year above referred	-	-	-
ii) for previous years of the subsidiary since it became subsidiary of Atlas Cycles (Haryana) Ltd.	Nil	Nil	Nil
b) Dealt with in the accounts of Atlas Cycles (Haryana) Ltd			
i) for the Subsidiary's financial year above referred	Nil	Nil	Nil
ii) for the previous financial years of the Subsidiary since it became Subsidiary of Atlas Cycles (Haryana) Ltd	Nil	Nil	Nil
5 Changes in the interest of Atlas Cycles (Haryana) Ltd in the Subsidiary Company between the end of the financial year of the subsidiary and the financial year of the Company.	Not Applicable as Financial Year of Holding Company and Subsidiary Company ends on 31-03-2014	Not Applicable as Financial Year of Holding Company and Subsidiary Company ends on 31-03-2014	Not Applicable as Financial Year of HoldingCompany and Subsidiary Company ends on 31-03-2014
6 Material changes between the end of the financial year of the subsidiary and the financial year of the Company in respect of:			
* Subsidiary's fixed assets	-Do-	-Do-	-Do-
* Subsidiary's investments	-Do-	-Do-	-Do-
* Money lent by the subsidiary	-Do-	-Do-	-Do-
* Money borrowed by the subsidiary for the purpose other than that of meeting current liabilities.	-Do-	-Do-	-Do-

PLACE : NEW DELHI
Date : the 19th November, 2014

I.D. CHUGH
WHOLE TIME DIRECTOR

HARI KRISHAN AHUJA
DIN: 00315876
Non-Executive Director

I.D.CHUGH
DIN: 00073257
Whole Time Director

} DIRECTORS

ATLAS CYCLES SONEPAT LIMITED

Regd. Off.: Atlas Premises, Atlas Road, Sonepat, Haryana
CIN: U35929HR1999PLC034261

DIRECTOR'S REPORT

TO THE MEMBERS:

Your directors have pleasure in presenting their Fifteenth Annual Report together with the audited accounts of the Company for the year ended 31st March, 2014. No Profit & No Loss account has been prepared as the Company's operations have not yet commenced.

DEPOSITS

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

PARTICULARS OF EMPLOYEES

The Company has no employees drawing remuneration in excess of limits specified under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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

FOREIGN EXCHANGE EARNING AND OUTGO

Total foreign exchange earned	:	Nil
Total foreign exchange used	:	Nil

DIRECTORS' RESPONSIBILITY STATEMENT

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

a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.

b. The Directors had selected such accounting policies and applied them consistently and made 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, 2014.

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

d. The Directors had prepared the Annual Accounts on a going concern basis.

DIRECTORS

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

AUDITORS

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

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

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

} DIRECTORS

Date : 3rd September, 2014
Place : Sonepat

Independent Auditor's Opinion

To the Members of Atlas Cycles Sonepat Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of Atlas Cycles (Sonepat) Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014 and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the

Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that:

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

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

   (c) The Balance Sheet dealt with by this Report is in agreement with the books of account.

   (d) In our opinion, the Balance Sheet complies with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.

   (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

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

CA Rajiv Bhasin
(Partner)
Membership No:093845

Place : Delhi
Date : 3rd September, 2014

Annexure to the Auditors' Report

Annexure referred to in paragraph 3 of the Auditors' Report to the Members of M/s. Atlas Cycles (Sonepat) Limited on the accounts for the year ended 31st March, 2014.

1. The company has no fixed assets during the financial year2013-14. Hence clause 1(a), 1(b) &1(c) are not applicable.

2. The company has no inventory during the financial year 2013-14. Hence clause 2(a), 2(b) & 2(c) are not applicable.

3. We are informed that the company has not taken any unsecured loan from companies covered in the register maintained under Section 301 of the Act. Hence clause 3(a), 3(b) &3(c) are not applicable.

4. In our opinion and according to the information and explanations given to us, there were no purchases of Inventory, Fixed assets or any sale. Hence, this clause is not applicable.

5. a) In our opinion and according to the information and explanations provided by the management, we are of the opinion that there are no transactions needed to be entered into the register under Section 301. Therefore clause 5(b) is not applicable.

6. The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.

7. Based on our examination, the company has not commenced any business. Therefore, there is no internal audit system in the company.

8. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.

9. According to the records of the company, there are no statutory dues including provident fund, investor education fund, employees, state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other statutory dues applicable to it. Hence, Clause 9(b) is not applicable.

10. The company does not have any accumulated losses. The company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

11. Based on our examination and on the information and explanations given by the management, company has not borrowed any funds from any financial institution or bank.

12. Based on our examination of documents and records, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. The company is not a chit fund or a nidhi /mutual benefit fund /society. Therefore, the provisions of the clause of the companies (Auditors Repot) order, 2003 are not applicable.

14. The company is not a dealer or trader in shares, securities, debentures and other investments.

15. Based on our examination of the records, company has not held the shares, securities, debentures and other securities in its own name.

16. The company has not given any guarantee for loans taken by others from bank or financial institutions.

17. In our opinion and according to the information and explanations given to us, the company has not raised any short term borrowings.

18. We are informed that the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

19. The company has not issued debentures and hence requirement of reporting regarding creation of security in respect of debentures issued is not applicable.

20. The company has not raised any money by public issues.

21. Based upon the audit procedures performed and as per information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

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

CA Rajiv Bhasin
(Partner)
Membership No:093845

Place : Delhi
Date : 3rd September, 2014

ATLAS CYCLES SONIPAT LTD.

Balance Sheet as at 31st March, 2014

(₹)

DESCRIPTION	Note No.	31.03.2014	31.03.2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	500,000	500,000
Reserve and Surplus		0.00	0.00
Non-Current Liabilities		**0.00**	**0.00**
Current Liabilities			
Short Term Borrowings		0.00	0.00
Trade Payables		0.00	0.00
Other Current Liabilities	2	4412	4412
Short Term Provisions		0.00	0.00
TOTAL		**504,412**	**504,412**
ASSETS			
Non-Current Assets	3	**211,067**	**180,462**
Current Assets	4	**293,345**	**323,950**
TOTAL		**504,412**	**504,412**

The annexed Notes to accounts from part of the Balance Sheet

AS PER OUR REPORT OF EVEN DATE

For **MEHRA KHANNA & COMPANY**
Chartered Accountants
FRN : 001141N

CA. RAJIV BHASIN
PARTNER
M.No. - 093845

New Delhi
Date: 3rd September, 2014

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

(I.D. CHUGH)
DIN : 00073257
Address : I-73, Naraina Vihar
New Delhi - 110028

} DIRECTORS

Notes on Financial Statements for the Year ended 31st March, 2014

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

1 SHARE CAPITAL

	As at 31.03.2014	As at 31.03.2013
Authorised Share Capital:		
50,000 Equity Shares of ₹ 10/- each (50,000)	500,000.00	500,000.00
Issued, Subscribed and Paid up:		
50,000 Equity Shares of ₹ 10/- each fully paid up (50,000)	500,000.00	500,000.00
TOTAL	**500,000.00**	**500,000.00**

1.1 Nil (Nil) Shares out of the issued, subscribed and paid up share capital were allotted as Bonus Shares in the last five years by capitalisation of Securities Premium and Reserves.

1.2 Nil (Nil) Shares out of the issued, subscribed and paid up share capital were allotted in the last five years pursuant to the various Schemes of amalgamation without payments being received in cash.

1.3 Nil (Nil) Shares out of the issued, subscribed and paid up shares capital were allotted on conversion / surrender of Debentures and Bonds, conversion of Term Loans, exercise of warrants, against Global Depository Shares (GDS) and re-issue of forfeited equity shares, since inception

1.4 Nil (Nil) Shares out of the issued, subscribed and paid up share capital held by Subsidiaries do not have Voting Rights and are not eligible for Bonus Shares.

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

Name of the Shareholder	As at 31.03.2014 No.of Shares/ % held	As at 31.03.2013 No.of Shares/ % held
Atlas Cycles (Haryana) Ltd.	5,00,000 / 100%	5,00,000 / 100%

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

Particulars	31.03.2014 No .of Shares	31.03.2013 No. of Shares
Equity Shares at the beginning of the year	5,00,000	5,00,000
Equity Shares at the end of the year	**5,00,000**	**5,00,000**

2 OTHER CURRENT LIABILITIES

	As at 31.03.2014	As at 31.03.2013
Audit Fee Payable	4,412	4,412
TOTAL	**4,412**	**4,412**

3 NON CURRENT ASSETS

	As at 31.03.2014	As at 31.03.2013
Registration Charges	14,600	14,600
Legal Charges	7,400	7,400
Directors Fees	74,500	72,000
Bank Charges	2,316	2,158
Audit Fee	31,620	30,103
Filing Fees	80,631	54,201
TOTAL	**211,067**	**180,462**

4 CURRENT ASSETS

	As at 31.03.2014	As at 31.03.2013
Cash and Bank Balances		
Central Bank of India	293,345	323,950
TOTAL	**293,345**	**323,950**

AS PER OUR REPORT OF EVEN DATE

For **MEHRA KHANNA & COMPANY**
Chartered Accountants
FRN : 001141N

CA. RAJIV BHASIN
PARTNER
M.No. - 093845

New Delhi
Date: 3rd September, 2014

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

(I.D. CHUGH)
DIN : 00073257
Address : I-73, Naraina Vihar
New Delhi - 110028

} DIRECTORS

ATLAS CYCLES (SAHIBABAD) LIMITED

Regd. Off.: Atlas Premises, Atlas Road, Sonepat, Haryana
CIN : U35929HR1999PLC034260

DIRECTOR'S REPORT

TO THE MEMBERS:

Your directors have pleasure in presenting their Fifteenth Annual Report together with the audited accounts of the Company for the year ended 31st March, 2014. No Profit & No Loss account has been prepared as the Company's operations have not yet commenced.

DEPOSITS

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

PARTICULARS OF EMPLOYEES

The Company has no employees drawing remuneration in excess of limits specified under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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

FOREIGN EXCHANGE EARNING AND OUTGO

Total foreign exchange earned	:	Nil
Total foreign exchange used	:	Nil

DIRECTORS' RESPONSIBILITY STATEMENT

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

a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.

b. The Directors had selected such accounting policies and applied them consistently and made 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, 2014.

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

d. The Directors had prepared the Annual Accounts on a going concern basis.

DIRECTORS

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

AUDITORS

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

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

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

} DIRECTORS

Date : 3rd September, 2014
Place : Sonepat

Independent Auditor's Opinion

To the Members of Atlas Cycles (Sahibabad) Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of Atlas Cycles (Sahibabad) Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014 and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the

Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that:

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

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

   (c) The Balance Sheet dealt with by this Report is in agreement with the books of account.

   (d) In our opinion, the Balance Sheet complies with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.

   (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

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

CA Rajiv Bhasin
(Partner)
Membership No:093845

Place : Delhi
Date : 3rd September, 2014

Annexure to the Auditors' Report

Annexure referred to in paragraph 3 of the Auditors' Report to the Members of M/s. Atlas Cycles (Sahibabad) Limited on the accounts for the year ended 31st March, 2014.

1. The company has no fixed assets during the financial year2013-14. Hence clause 1(a), 1(b) &1(c) are not applicable.

2. The company has no inventory during the financial year 2013-14. Hence clause 2(a), 2(b) & 2(c) are not applicable.

3. We are informed that the company has not taken any unsecured loan from companies covered in the register maintained under Section 301 of the Act. Hence clause 3(a), 3(b) &3(c) are not applicable.

4. In our opinion and according to the information and explanations given to us, there were no purchases of Inventory, Fixed assets or any sale. Hence, this clause is not applicable.

5. a) In our opinion and according to the information and explanations provided by the management, we are of the opinion that there are no transactions needed to be entered into the register under Section 301. Therefore clause 5(b) is not applicable.

6. The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.

7. Based on our examination, the company has not commenced any business. Therefore, there is no internal audit system in the company.

8. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.

9. According to the records of the company, there are no statutory dues including provident fund, investor education fund, employees, state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other statutory dues applicable to it. Hence, Clause 9(b) is not applicable.

10. The company does not have any accumulated losses. The company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

11. Based on our examination and on the information and explanations given by the management, company has not borrowed any funds from any financial institution or bank.

12. Based on our examination of documents and records, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. The company is not a chit fund or a nidhi /mutual benefit fund /society. Therefore, the provisions of the clause of the companies (Auditors Repot) order, 2003 are not applicable.

14. The company is not a dealer or trader in shares, securities, debentures and other investments.

15. Based on our examination of the records, company has not held the shares, securities, debentures and other securities in its own name.

16. The company has not given any guarantee for loans taken by others from bank or financial institutions.

17. In our opinion and according to the information and explanations given to us, the company has not raised any short term borrowings.

18. We are informed that the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

19. The company has not issued debentures and hence requirement of reporting regarding creation of security in respect of debentures issued is not applicable.

20. The company has not raised any money by public issues.

21. Based upon the audit procedures performed and as per information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

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

CA Rajiv Bhasin
(Partner)
Membership No:093845

Place : Delhi
Date : 3rd September, 2014

ATLAS CYCLES (SAHIBABAD) LTD.

Balance Sheet as at 31st March, 2014

(₹)

DESCRIPTION	Note No.	31.03.2014	31.03.2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	500,000.00	500,000.00
Reserve and Surplus		Nil	Nil
Non-Current Liabilities		Nil	Nil
Current Liabilities			
Short Term Borrowings		Nil	Nil
Trade Payables		Nil	Nil
Other Current Liabilities	2	2,245.00	2,245.00
Short Term Provisions		Nil	Nil
TOTAL		**502,245.00**	**502,245.00**
ASSETS			
Non-Current Assets			
Pre - operative exp.	3	211,078.00	182,484.00
Current Assets			
Cash & Bank balances	4	291,167.00	319,761.00
TOTAL		**502,245.00**	**502,245.00**

The annexed Notes to accounts from part of the Balance Sheet

AS PER OUR REPORT OF EVEN DATE

For **MEHRA KHANNA & COMPANY**
Chartered Accountants
FRN : 001141N

CA. RAJIV BHASIN
PARTNER
M.No. - 093845

New Delhi
Date: 3rd September, 2014

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

(I.D. CHUGH)
DIN : 00073257
Address : I-73, Naraina Vihar
New Delhi - 110028

} DIRECTORS

Notes on Financial Statements for the Year ended 31st March, 2014

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

1 SHARE CAPITAL

	As at 31.03.2014	As at 31.03.2013
Authorised Share Capital:		
50,000 Equity Shares of ₹ 10/- each (50,000)	500,000.00	500,000.00
Issued, Subscribed and Paid up:		
50,000 Equity Shares of ₹ 10/- each fully paid up (50,000)	500,000.00	500,000.00
TOTAL	**500,000.00**	**500,000.00**

1.1 Nil (Nil) Shares out of the issued, subscribed and paid up share capital were allotted as Bonus Shares in the last five years by capitalisation of Securities Premium and Reserves.

1.2 Nil (Nil) Shares out of the issued, subscribed and paid up share capital were allotted in the last five years pursuant to the various Schemes of amalgamation without payments being received in cash.

1.3 Nil (Nil) Shares out of the issued, subscribed and paid up shares capital were allotted on conversion / surrender of Debentures and Bonds, conversion of Term Loans, exercise of warrants, against Global Depository Shares (GDS) and re-issue of forfeited equity shares, since inception

1.4 Nil (Nil) Shares out of the issued, subscribed and paid up share capital held by Subsidiaries do not have Voting Rights and are not eligible for Bonus Shares.

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

Name of the Shareholder	As at 31.03.2014 No.of Shares/ % held	As at 31.03.2013 No.of Shares/ % held
Atlas Cycles (H) Ltd.	50,000 / 100%	50,000 / 100%

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

Particulars	31.03.2014 No .of Shares	31.03.2013 No. of Shares
Equity Shares at the beginning of the year	50,000	50,000
Add : during the year	Nil	Nil
Less : during the year	Nil	Nil
Equity Shares at the end of the year	**50,000**	**50,000**

2 OTHER CURRENT LIABILITIES

	As at 31.03.2014	As at 31.03.2013
Audit Fee Payable	2,245.00	2,245.00
TOTAL	**2,245.00**	**2,245.00**

3 NON CURRENT ASSETS

	As at 31.03.2014	As at 31.03.2013
Pre - Operative Expenses		
Registration Charges	14,000.00	14,000.00
Legal Charges	7,400.00	7,400.00
Directors Fees	75,000.00	72,250.00
Bank Charges	2,318.00	2,160.00
Audit Fee	32,397.00	30,150.00
Filing Fees	20,659.00	18,512.00
Misc.Expenses	30.00	30.00
Professional Fee	59,274.00	37,982.00
TOTAL	**211,078.00**	**182,484.00**

4 CURRENT ASSETS

	As at 31.03.2014	As at 31.03.2013
Cash and Bank Balances		
Central Bank of India	291,167.00	319,761.00
TOTAL	**291,167.00**	**319,761.00**

AS PER OUR REPORT OF EVEN DATE

For **MEHRA KHANNA & COMPANY**
Chartered Accountants
FRN : 001141N

CA. RAJIV BHASIN
PARTNER
M.No. - 093845

New Delhi
Date: 3rd September, 2014

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

(I.D. CHUGH)
DIN : 00073257
Address : I-73, Naraina Vihar
New Delhi - 110028

} DIRECTORS

ATLAS CYCLES (MALANPUR) LIMITED

Regd. Off.: Atlas Premises, Atlas Road, Sonepat, Haryana
CIN: U35929HR1999PLC034259

DIRECTOR'S REPORT

TO THE MEMBERS:

Your directors have pleasure in presenting their Fifteenth Annual Report together with the audited accounts of the Company for the year ended 31st March, 2014. No Profit & No Loss account has been prepared as the Company's operations have not yet commenced.

DEPOSITS

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

PARTICULARS OF EMPLOYEES

The Company has no employees drawing remuneration in excess of limits specified under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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

FOREIGN EXCHANGE EARNING AND OUTGO]

Total foreign exchange earned	:	Nil
Total foreign exchange used	:	Nil

DIRECTORS' RESPONSIBILITY STATEMENT

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

a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.

b. The Directors had selected such accounting policies and applied them consistently and made 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, 2014.

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

d. The Directors had prepared the Annual Accounts on a going concern basis.

DIRECTORS

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

AUDITORS

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

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

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

} DIRECTORS

Date : 3rd September, 2014
Place : Sonepat

Independent Auditor's Opinion

To the Members of Atlas Cycles (Malanpur) Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of Atlas Cycles (Malanpur) Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014 and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the

Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that:
   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet dealt with by this Report is in agreement with the books of account.
   (d) In our opinion, the Balance Sheet complies with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
   (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

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

CA Rajiv Bhasin
(Partner)
Membership No:093845

Place : Delhi
Date : 3rd September, 2014

Annexure to the Auditors' Report

Annexure referred to in paragraph 3 of the Auditors' Report to the Members of M/s. Atlas Cycles (Malanpur) Limited on the accounts for the year ended 31st March, 2014.

1. The company has no fixed assets during the financial year2013-14. Hence clause 1(a), 1(b) &1(c) are not applicable.
2. The company has no inventory during the financial year 2013-14. Hence clause 2(a), 2(b) & 2(c) are not applicable.
3. We are informed that the company has not taken any unsecured loan from companies covered in the register maintained under Section 301 of the Act. Hence clause 3(a), 3(b) &3(c) are not applicable.
4. In our opinion and according to the information and explanations given to us, there were no purchases of Inventory, Fixed assets or any sale. Hence, this clause is not applicable.
5. a) In our opinion and according to the information and explanations provided by the management, we are of the opinion that there are no transactions needed to be entered into the register under Section 301. Therefore clause 5(b) is not applicable.
6. The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
7. Based on our examination, the company has not commenced any business. Therefore, there is no internal audit system in the company.
8. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.
9. According to the records of the company, there are no statutory dues including provident fund, investor education fund, employees, state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other statutory dues applicable to it. Hence, Clause 9(b) is not applicable.
10. The company does not have any accumulated losses. The company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. Based on our examination and on the information and explanations given by the management, company has not borrowed any funds from any financial institution or bank.
12. Based on our examination of documents and records, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a chit fund or a nidhi /mutual benefit fund /society. Therefore, the provisions of the clause of the companies (Auditors Repot) order ,2003 are not applicable.
14. The company is not a dealer or trader in shares, securities, debentures and other investments.
15. Based on our examination of the records, company has not held the shares, securities, debentures and other securities in its own name.
16. The company has not given any guarantee for loans taken by others from bank or financial institutions.
17. In our opinion and according to the information and explanations given to us, the company has not raised any short term borrowings.
18. We are informed that the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued debentures and hence requirement of reporting regarding creation of security in respect of debentures issued is not applicable.
20. The company has not raised any money by public issues.
21. Based upon the audit procedures performed and as per information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

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

CA Rajiv Bhasin
(Partner)
Membership No:093845

Place : Delhi
Date : 3rd September, 2014

ATLAS CYCLES (MALANPUR) LTD.

Balance Sheet as at 31st March, 2014

(₹)

DESCRIPTION	Note No.	31.03.2014	31.03.2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	500,000.00	500,000.00
Reserve and Surplus		Nil	Nil
Non-Current Liabilities		Nil	Nil
Current Liabilities			
Short Term Borrowings		Nil	Nil
Trade Payables		Nil	Nil
Other Current Liabilities	2	2,245.00	2,245.00
Short Term Provisions		Nil	Nil
TOTAL		**502,245.00**	**502,245.00**
ASSETS			
Non-Current Assets			
Pre - Operative exp.	3	219,990.00	186,551.00
Current Assets			
Cash & Bank Balances	4	282,255.00	315,694.00
TOTAL		**502,245.00**	**502,245.00**

The annexed Notes to accounts from part of the Balance Sheet

AS PER OUR REPORT OF EVEN DATE

For **MEHRA KHANNA & COMPANY**
Chartered Accountants
FRN : 001141N

CA. RAJIV BHASIN
PARTNER
M.No. - 093845

New Delhi
Date: 3rd September, 2014

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

(I.D. CHUGH)
DIN : 00073257
Address : I-73, Naraina Vihar
New Delhi - 110028

} DIRECTORS

Notes on Financial Statements for the Year ended 31st March, 2014

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

1 SHARE CAPITAL

	As at 31.03.2014	As at 31.03.2013
Authorised Share Capital:		
50,000 Equity Shares of ₹ 10/- each (50,000)	500,000.00	500,000.00
Issued, Subscribed and Paid up:		
50,000 Equity Shares of ₹ 10/- each fully paid up (50,000)	500,000.00	500,000.00
TOTAL	**500,000.00**	**500,000.00**

1.1 Nil (Nil) Shares out of the issued, subscribed and paid up share capital were allotted as Bonus Shares in the last five years by capitalisation of Securities Premium and Reserves.

1.2 Nil (Nil) Shares out of the issued, subscribed and paid up share capital were allotted in the last five years pursuant to the various Schemes of amalgamation without payments being received in cash.

1.3 Nil (Nil) Shares out of the issued, subscribed and paid up shares capital were allotted on conversion / surrender of Debentures and Bonds, conversion of Term Loans, exercise of warrants, against Global Depository Shares (GDS) and re-issue of forfeited equity shares, since inception

1.4 Nil (Nil) Shares out of the issued, subscribed and paid up share capital held by Subsidiaries do not have Voting Rights and are not eligible for Bonus Shares.

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

Name of the Shareholder	As at 31.03.2014 No.of Shares/ % held	As at 31.03.2013 No.of Shares/ % held
Atlas Cycles (H) Ltd.	5,00,000 / 100%	5,00,000 / 100%

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

Particulars	31.03.2014 No .of Shares	31.03.2013 No. of Shares
Equity Shares at the beginning of the year	500,000	5,00,000
Add : during the year	Nil	Nil
Less : during the year	Nil	Nil
Equity Shares at the end of the year	**500,000**	**500,000**

2 OTHER CURRENT LIABILITIES

	As at 31.03.2014	As at 31.03.2013
Audit Fee Payable	2,245.00	2,245.00
TOTAL	**2,245.00**	**2,245.00**

3 NON CURRENT ASSETS

	As at 31.03.2014	As at 31.03.2013
Pre - Operative Expenses		
Registration Charges	14,000.00	14,000.00
Legal Charges	7,400.00	7,400.00
Directors Fees	74,750.00	72,000.00
Bank Charges	1,925.00	1,430.00
Audit Fee	32,397.00	30,150.00
Filing Fees	25,207.00	20,912.00
Misc. Expenses	30.00	30.00
Professional Fee	64,281.00	40,629.00
TOTAL	**219,990.00**	**186,551.00**

4 CURRENT ASSETS

	As at 31.03.2014	As at 31.03.2013
Cash and Bank Balances		
Central Bank of India	282,255.00	315,694.00
TOTAL	**282,255.00**	**315,694.00**

AS PER OUR REPORT OF EVEN DATE

For MEHRA KHANNA & COMPANY
Chartered Accountants
FRN : 001141N

CA. RAJIV BHASIN
PARTNER
M.No. - 093845

New Delhi
Date: 3rd September, 2014

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

(I.D. CHUGH)
DIN : 00073257
Address : I-73, Naraina Vihar
New Delhi - 110028

DIRECTORS

Independent Auditor's Opinion

To the Members of Atlas Cycles (Haryana) Limited

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Atlas Cycles (Haryana) Limited ("the Company") and its Subsidiaries (collectively referred to as "the Group") which comprise the consolidated Balance Sheet as at 31st March, 2014, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

Basis of Qualified Opinion

Attention is invited to Note 8 of the financial statements regarding certain loans and advances amounting to ₹ 14,03,73,171/- has been given where approval has not been obtained from Board of Directors as per the provision of Section 372A(2) of the Companies Act, 1956 and non-compliance with respect to interest rate as per the provision of Section 372A(3) of the Companies Act, 1956 as stated in the said note.

Net Profit for the year, loans & advances and reserve & surplus are without considering the above which cannot be ascertained or otherwise for the reason stated in paras above.

Qualified Opinion

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

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014;

(b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date, and

(c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

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

CA Rajiv Bhasin
Partner
Membership No:093845

Place: Delhi
Date: 19th Nov 2014

Atlas Cycles (Haryana) Limited

Consolidated Balance Sheet as at 31st March, 2014

(₹ in Lacs)

DESCRIPTION	Note No.	31.03.2014	31.03.2013
EQUITY AND LIABILITIES			
SHAREHOLDERS FUNDS			
Share Capital	2	325.19	325.19
Reserves and Surplus	3	11,296.80	12,304.46
		11,621.99	**12,629.65**
SHARE APPLICATION MONEY PENDING ALLOTMENT			
NON-CURRENT LIABILITIES			
Long-term borrowings	4	939.00	905.16
Deferred tax liabilities (net)	5	364.00	854.00
Other Long term liabilities	6	270.45	152.16
Long-term provisions	7	73.39	72.50
		1,646.84	**1,983.82**
CURRENT LIABILITIES			
Short-term borrowings	8	8,296.10	7,990.71
Trade payables	9	12,611.65	12,174.24
Other current liabilities	10	5,011.71	6,720.91
Short-term provisions	7	3,814.18	4,198.46
		29,733.64	**31,084.32**
TOTAL		**43,002.47**	**45,697.79**
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	11		
Tangible assets		9,037.05	9,094.49
Intangible assets		-	-
Capital work-in-progress		439.89	418.34
Intangible assets under development		-	-
Non-current investments	12	116.59	151.26
Deferred tax assets (net)	5	-	-
Long-term loans and advances	13	1,696.05	2,359.46
Other non-current assets	14	9.32	16.13
		11,307.48	**12,049.18**
CURRENT ASSETS			
Current investments	12	1,073.36	1,353.47
Inventories	15	9,267.73	11,274.27
Trade receivables	16	16,237.65	13,602.84
Cash and Bank Balances	17	295.94	1,571.72
Short-term loans and advances	13	4,815.25	5,845.28
Other current assets	18	13.64	10.53
		31,703.57	**33,658.11**
TOTAL		**43,002.47**	**45,697.79**

Significant Accounting Policies

C.M.Dhall	**Ganesh Iyer**	**S.Khanna**
C.E.O / C.F.O,	C.F.O	C.F.O
(Malanpur Unit)	(Sonepat Unit)	(Sahibabad Unit)

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

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

CA.RAJIV BHASIN
PARTNER
M.NO:093845

Delhi: the 19th November, 2014

HARI KRISHAN AHUJA
DIN: 00315876
Non-Executive Director

I.D.CHUGH
DIN: 00073257
Whole Time Director

DIRECTORS

New Delhi: the 19th November, 2014

Atlas Cycles (Haryana) Limited

Consolidated Statement of Profit & Loss for the year ended 31st March, 2014

(₹ in Lacs)

DESCRIPTION	Note No.	31.03.2014	31.03.2013
INCOME			
Revenue from operations (gross)	19	68,478.98	71,126.86
Less :- Rebate		2,220.22	1,995.31
Less :- Excise Duty on sales		1,247.35	1,299.65
Revenue from operations (net)		**65,011.41**	**67,831.90**
Other Income	20	178.90	182.90
TOTAL		**65,190.31**	**68,014.80**
EXPENSES			
Cost of materials consumed	21	48,055.08	48,991.96
Purchases of trading goods		351.28	140.98
Changes in inventories of finished goods, work in progress and trading goods	22	(149.64)	287.14
Employee benefits expense	23	4,021.58	4,146.86
Finance costs	24	922.01	1,459.94
Depreciation and amortization expense	25	713.34	706.82
Other expenses	26		
Manufacturing expenses		7,933.15	6,968.50
Administration expenses		1,857.64	1,950.20
Selling expenses		2,976.53	3,008.14
TOTAL		**66,680.97**	**67,660.54**
Profit before exceptional and extraordinary items and tax		**(1,490.66)**	**354.26**
Profit before extraordinary items and tax		**(1,490.66)**	**354.26**
Profit before tax		**(1,490.66)**	**354.26**
Tax expense			
Provision for current tax		7.00	70.00
Provision for deferred tax		(490.00)	7.00
Profit / (Loss) for the year from continuing operations		(1,007.66)	277.26
Profit/(Loss) for the year		**(1,007.66)**	**277.26**
Earnings per share (in ₹)			
Basic		(30.99)	8.53
Diluted		(30.99)	8.53

Significant Accounting Policies

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

Ganesh Iyer
C.F.O
(Sonepat Unit)

S.Khanna
C.F.O
(Sahibabad Unit)

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

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

CA.RAJIV BHASIN
PARTNER
M.NO:093845

Delhi: the 19th November, 2014

HARI KRISHAN AHUJA
DIN: 00315876
Non-Executive Director

I.D.CHUGH
DIN: 00073257
Whole Time Director

DIRECTORS

New Delhi: the 19th November, 2014

Atlas Cycles (Haryana) Limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in Lacs)

PARTICULARS	31.03.2014	31.03.2013
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit beforeInterest tax and extra ordinary items	(632.80)	1,670.30
Adjustments for		
Depreciation & Misc. Write Offs	713.34	706.82
Preliminary Expenses Written Offs	8.67	-
Operating Profit before Working Capital Changes	**89.21**	**2,377.12**
Adjustments for:		
(Increase)/Decrease in Trade & other Receivables	(2,634.81)	1,285.58
(Increase)/Decrease in Inventories	2,006.54	78.44
(Increase)/Decrease in Loans and Advances	1,692.14	(685.35)
(Decrease)/Increase in Trade Payables	437.40	(1,018.55)
(Decrease)/Increase in Other Current Liabilities	(1,702.74)	1,178.66
Direct Taxes Paid /refund	(120.45)	16.40
Net Cash Flow from Operating Activities	**(232.71)**	**3,232.30**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(799.47)	(713.68)
Proceeds on Sale of Fixed Assets	135.18	50.18
Dividend Income	16.99	24.78
Net proceds /(Purchase) from sale of Investments	314.79	(199.01)
Net Cash Used in Investing Activities	**(332.51)**	**(837.73)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/ (Repayment) from Borrowings	325.99	(357.93)
Interest Paid	(922.01)	(1,459.94)
Interest Received	34.01	33.98
Dividends Paid	(148.07)	(146.40)
Net Cash Used in Financing Activities	**(710.08)**	**(1,930.29)**
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,275.30)	464.28
Cash & Cash Equivalents as on 01.04.2013	**1,539.41**	**1,075.13**
Cash and Cash Equivalents as on 31.03.2014	**264.11**	**1,539.41**

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

C.M.Dhall	**Ganesh Iyer**	**S.Khanna**
C.E.O / C.F.O,	C.F.O	C.F.O
(Malanpur Unit)	(Sonepat Unit)	(Sahibabad Unit)

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

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

CA.RAJIV BHASIN
PARTNER
M.NO:093845

Delhi: the 19th November, 2014

HARI KRISHAN AHUJA
DIN: 00315876
Non-Executive Director

I.D.CHUGH
DIN: 00073257
Whole Time Director

DIRECTORS

New Delhi: the 19th November, 2014

Note No.	DESCRIPTION	CONSOLIDATED
1	SIGNIFICANT ACCOUNTING POLICIES	

TURNOVER:
Sales are net of excise duty and rebates.

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

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

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

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

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

RECOGNISATION OF INCOME AND EXPENDITURE:
Items of Income & Expenditure recognised on accrual basis.

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

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

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

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

Recognition of opening and closing balances of Defined Benefit Obligation.

GRATUITY	Gratuity (Funded)	
	2013-14	2012-13
Defined Benefit obligation at the beginning of the year	1264.00	1196.01
Current Service Cost	142.00	66.18
Interest cost	102.00	101.15
Benefit paid	-291.00	-99.34
Defined Benefit obligation at the year end	**1217.00**	**1264.00**

INVESTMENT DETAILS	Investement as on 3/31/2014		Investement as on 3/31/2013	
Investment Detail:	Value	%	Value	%
GOI Securities	43.77	16.69	43.77	18.13
Public Securities	94.01	35.84	94.01	38.94
State Government Securities	30.43	11.60	30.43	12.61
Private Securities	21.97	8.38	21.97	9.10
In banks	72.10	27.49	51.23	21.22
	262.28	**100**	**241.41**	**100**

Acturial assumptions	Gratuity (Funded) 2013-14	2012-13
Discount rate (Per Annum)	8.00	8.00
Expected rate of return plan (Per Annum)	9.40	9.40
Rate of escalation of salary (Per Annum)	7.00	7.00

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

Defined Contribution Plan	**31.3.2014**	**31.3.2013**
Employer's Contribution to Provident Fund	56.69	58.48
Employers Contribution to Supper Annuation Fund	38.63	70.45
Employers Contribution to Gratuity Fund	106.22	131.71

NOTES TO ACCOUNT

1	**CONTIGENT LIABILITIES IN RESPECT OF**	**2014**	**2013**
a)	Surety bonds executed in favour of President of India through Customs & Excise authorities for payment of Central Excise/Custom duty	165.00	165.00
b)	Two surety bonds in favour of government of Haryana for payment of Central & Local Sales Tax	30.40	30.40
c)	Guarantees given by bank	563.05	564.75
d)	In respect of Entry Tax matters	5.00	5.00
e)	In respect of Excise matters	52.00	52.00
f)	In respect of Sales Tax matters	568.07	568.07

2 DETAILS OF RAW MATERIAL CONSUMED DURING THE YEAR

Units			2014 Quantity (in lacs)	2014 Value ₹	2013 Quantity (in lacs)	2013 Value ₹
(i)	Sheets & Strips	Kgs.	41.07	2,462.38	51.74	2,696.17
(ii)	Tyres	Nos.	50.82	5,516.34	49.88	5,257.22
(iii)	Tubes	Nos.	48.55	2,047.16	48.31	2,069.62
(iv)	Rims	Nos.	37.18	3,229.73	41.85	4,010.82
(v)	Other Items	-		1,850.87		2,709.44
(vi)	Components	-		32,948.60		32,248.69
				48,055.08		**48,991.96**

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

	Indigenous Value (₹)	Indigenous Percentage	Imported Value (₹)	Imported Percentage
(i) Raw Material	13,255.61	100	NIL	0
	(14033.83)	(100)	NIL	(0)
(ii) Components	32,118.33	92.30	2,681.14	7.70
	(32813.13)	(93.86)	(2145.00)	(6.14)

Previous Year figures are shown in brackets.

4	VALUE OF TOTAL IMPORTS ON CIF BASIS	2014 ₹	2013 ₹
	(i) Raw Material, Components & Spare Parts	2,681.14	2,355.16
	(ii) Capital Goods	-	-
		2,681.14	**2,355.16**

5	EXPENDITURE IN FOREIGN CURRENCY		
	(i) Commission on export	30.26	46.45
	(ii) Foreign Tours	22.27	68.20
	(iii) Foreign Publicity & exhibition	2.26	1.36
		54.79	**116.01**

6	EARNINGS IN FOREIGN EXCHANGE		
	F.O.B. Value of goods exported	2,481.00	2,197.07

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

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

8 During the year it was revealed that Mr.Salil Kapur, President of Malanpur Unit had advanced funds to the tune of ₹ 14,03,73,171/- including ₹ 11,05,36,111/- to himself and ₹ 2,98,37,060/- to private limited companies controlled by him. These advances had been granted without any approval of board of directors and without any interest and stipulated period. Board has taken serious view of this and efforts are being made to recover this amount.

9 RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD 18

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

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

ii) Subsidiary Companies are: Atlas Cycles (Sonipat) Ltd, Atlas Cycles (Sahibabad) Ltd, Atlas Cycles (Malanpur) Ltd., Directors & Employees (As at 31.03.2014) : Sh. I.D.Chugh, Sh. H.K.Ahuja, Sh. H.L.Bhatia, Sh. Vikram Kapur, Sh. Salil Kapur, Sh. Gautam Kapur, Sh. Girish Kapur, Sh. Sanjay Kapur, Sh. Rajiv Kapur, Sh. Angad Kapur, Sh. Rishav Kapur, Sh.Prashant Kapur, Sh. Rahul Kapur,Sh.Sidhant Kapur,Sh.Abhinav Kapur,Sh.Ashwin Kapur.

B. Transactions with the Associated Parties and Subsidiaries ₹ in lacs

	2014	2013
Sale of Goods	638.27	2163.25
Rent	4.32	4.32
Purchase of Goods	4434.20	4842.87
Balances on year end	42.31	33.44
Guarantee Given	20.00	20.00

C. Transactions with key managerial persons:

Remunerations: ₹ 430.59 Lacs (Previous Year ₹ 403.65 Lacs)

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

11 Detail of Priliminary and Preoperative Expenses	2014	2013
Registration Charges	0.43	0.43
Legal Charges	0.22	0.22
Bank Charges	0.06	0.06
Audit Fees	0.96	0.90
Filling Fees	1.26	0.94
Directors Fees	2.24	2.16
Misc Expenses	0.00	0.00
Professional Charges	1.24	0.79
Total	**6.41**	**5.50**

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

	2014 ₹	2013 ₹
(a) Computation of profit for managerial remuneration		
Profit as per Profit &Loss A/c	-1511.99	354.26
Add : Directors remuneration including perquisites	14.06	13.89
Add : Bad debts	-	0.04
	-1497.93	368.19
Less : Profit on Sale of Assets	-13.16	-1.48
Add : Depreciation as per Profit & Loss A/c	713.34	706.82
Less : Depreciation as per Section 350 of companies Act, 1956	-869.86	-815.52
Net Profit	(1,667.61)	258.01
Commission eligible for payment @ 0.5% of the Net Profit (Previous Year 0.5%)	-	1.29
Actual Commission Paid to a Whole Time Director	1.29	1.63
(b) Remuneration paid to a whole time director		
Salary	10.84	10.32
Long Service Allowance	0.02	0.02
Provident Fund Contribution	0.86	0.81
Leave Travel Assistance	0.60	0.57
Medical Expenses	0.45	0.54
Commission	1.29	1.63
	14.06	**13.89**

C.M.Dhall	**Ganesh Iyer**	**S.Khanna**
C.E.O / C.F.O,	C.F.O	C.F.O
(Malanpur Unit)	(Sonepat Unit)	(Sahibabad Unit)

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

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

CA.RAJIV BHASIN
PARTNER
M.NO:093845

Delhi: the 19th November, 2014

HARI KRISHAN AHUJA
DIN: 00315876
Non-Executive Director

I.D.CHUGH
DIN: 00073257
Whole Time Director

DIRECTORS

New Delhi: the 19th November, 2014

Notes to Consolidated Financial Statements

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2014	31.03.2013
2	**SHARE CAPITAL**		
	AUTHORISED		
	30,000 (30,000) 6 1/4% P.A. free of Income tax cumulative redeemable Preference shares of ₹ 100 each	30.00	30.00
	97,00,000 (97,00,000) Equity Shares of ₹ 10/- each	970.00	970.00
		1,000.00	**1,000.00**
	ISSUED, SUBSCRIBED AND PAID UP		
	32,51,919 (32,51,919) Equity Shares of ₹ 10/- each fully paid up	325.19	325.19
	TOTAL - SHARE CAPITAL	**325.19**	**325.19**
	(a) RECONCILIATION OF THE NUMBER OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR	**No. of Shares**	**No. of Shares**
	Equity Shares outstanding at the beginning of the year	3,251,919	3,251,919
	Equity Shares issued during the year	-	-
	Shares outstanding at the end of the year	**3,251,919**	**3,251,919**

(b) TERMS/RIGHT ATTACHED TO EQUITY SHARES

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and also has equal right in distribution of Profit/Surplus in proportions to the number of equity shares held by the shareholders.

(c) EQUITY SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:

NAME OF THE EQUITY SHAREHOLDER	2014 No. of Shares	2014 %	2013 No. of Shares	2013 %
Milton Cycles Industries Ltd	325846	10.02%	325846	10.02%
Limrose Enng Works Pvt Ltd	257650	7.92%	257650	7.92%

d) Company has not issued any ESOP Plan,or Conversion of Bonds/Debentures

e) Company has not issued any shares by way of Bonus/ Right Shares and has not By-back any shares in the preceding five years

Note No.	DESCRIPTION	31.03.2014	31.03.2013
3	**RESERVES AND SURPLUS**		
	(a) SECURITY PREMIUM ACCOUNT		
	As per last account	606.20	606.20
	Add : On Conversion of Foreign Currency Convertible Bonds	-	-
		606.20	**606.20**
	(b) FIXED ASSETS REVALUATION RESERVE		
	As per last account	389.74	389.74
	Add:- Transferred from Statement of Profit and Loss	-	-
	Less:- Written Back during the year	-	-
		389.74	**389.74**
	(c) GENERAL RESERVE		
	As per last account	11,158.79	11,058.79
	Add : Transferred from Statement of Profit and Loss	-	100.00
		11,158.79	**11,158.79**
	(d) SURPLUS - STATEMENT OF PROFIT AND LOSS		
	As per last account	149.73	143.68
	Add : Profit after Tax for the year	(1,007.66)	277.26
	NET PROFIT	**(857.93)**	**420.94**
	Amount Available for appropriation	**(857.93)**	**420.94**
	APPROPRIATIONS		
	Debenture Redemption Reserve	-	-
	General Reserve	-	100.00
	Proposed Dividend	-	146.34
	Corporate Dividend Tax	-	24.87
	Net Surplus in the Statement of Profit and Loss	**(857.93)**	**149.73**
	TOTAL - RESERVE & SURPLUS	**11,296.80**	**12,304.46**

(₹ in Lacs)

Note No.	DESCRIPTION	Non-Current Portion 31.03.2014	Non-Current Portion 31.03.2013	Current Maturity 31.03.2014	Current Maturity 31.03.2013
4	**LONG-TERM BORROWINGS**				
	SECURED				
	(a) TERM LOAN FROM BANKS				
	Rupee term loan	-	100.00	661.39	312.42
	(b) CAR LOAN FROM BANKS	78.65	96.83	46.57	109.05
	TOTAL SECURED LONG TERM BORROWINGS	**78.65**	**196.83**	**707.96**	**421.47**
	UNSECURED LONG TERM BORROWINGS				
	(a) PUBLIC FIXED DEPOSITS	860.35	708.33	1,019.14	1,318.88
	TOTAL UNSECURED LONG TERM BORROWINGS	**860.35**	**708.33**	**1,019.14**	**1,318.88**
	TOTAL - LONG TERM BORROWINGS	**939.00**	**905.16**	**1,727.10**	**1,740.35**

1 Term Loan from Central Bank Of India is secured against first pari passu charge on respective unit's immovable property and future assets which it may acquire in future and carries interest @ 13% p.a and is repayable on 3 yearly equal installments.

2 The Company accepts fixed deposits from the public which carries interest @ 11% p.a. for FDRs less than ₹ 2,00,000/- for a period of one year and 11.5% p.a for more than one year irrespective of amount.

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

4 Term loan from Bank is secured against first pari passu charge on immovable property and future assets which it may acquire in future and carries interest @ 15% p.a and is repayable on six monthly equal installments from the date of disbursement i.e October 2013.

Note No.	DESCRIPTION	Deferred Tax Liability/Asset as at 31.03.2013	Charge/(Credit) for the year	Deferred Tax Liability/Asset as at 31.03.2014
5	**DEFERRED TAX LIABILITY (NET)**			
	(a) **DEFERRED TAX LIABILITY**			
	Difference between book & tax depreciation	854.00	(490.00)	364.00
	Total Deferred Tax Liability	**854.00**	**(490.00)**	**364.00**
	DEFERRED TAX LIABILITY (NET)	**854.00**	**(490.00)**	**364.00**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
6	**OTHER LONG TERM LIABILITIES**		
	Security Deposits	270.45	140.95
	LADT PAYABLE A/C	-	11.21
	TOTAL- OTHER LONG TERM LIABILITIES	**270.45**	**152.16**

Note No.	DESCRIPTION	Long-Term 31.03.2014	Long-Term 31.03.2013	Short-Term 31.03.2014	Short-Term 31.03.2013
7	**PROVISIONS**				
	For Employee Beneifts			-	182.58
	Leave Encashment etc	73.39	72.50	308.99	-
	For Taxation	-	-	1,949.10	2,059.36
	For Proposed Dividend	-	-	-	146.34
	For Corporate Dividend Tax	-	-	-	24.87
	For Dealers Discount			142.11	41.94
	For Bills Payable			v21.59	370.40
	Others	-	-	1,392.39	1,372.97
	TOTAL - PROVISIONS	**73.39**	**72.50**	**3,814.18**	**4,198.46**

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2014	31.03.2013
8	**SHORT TERM BORROWINGS**		
	SECURED SHORT TERM BORROWINGS		
	(a) Working Capital Facility from Bank	5,594.57	4,653.27
	(c) Short Term Loans	324.87	-
	(d) Bills Discounting from Bank/Financial Institution	2,375.66	3,172.44
	TOTAL SECURED SHORT TERM BORROWINGS	**8,295.10**	**7,825.71**
	UNSECURED SHORT TERM BORROWINGS		
	(a) Loan from Body Corporate	1.00	165.00
	TOTAL UNSECURED SHORT TERM BORROWINGS	**1.00**	**165.00**
	TOTAL - SHORT TERM BORROWINGS	**8,296.10**	**7,990.71**

1 Cash Credit Limit from Consortium banks is secured against Hypothecation of Inventory and Book Debts and Ist Charge over Fixed Assets of the Company which is repayable on demand and carries Interest @ 15.25% p.a.

2 Bills Discounting facility from SIDBI is fully secured by the stock against the bills discounted and IInd charge over the Fixed Assets of the Company and carries interest @ 13.50% p.a.

3 Overdraft Limit from HDFC Bank is Secured against the lien on the Mutual Funds and carries interest which is repayable on demand and carries interest @ 12.25% p.a.

4 Short Term Corporate Loans carries interest @ 18% p.a..

5 Bill Discounting Facility from IDBI bank is secured against second charge on current and fixed assets of Malanpur Unit.

6 Unsecured Billl Discounting Facility from India Factoring Finance Limited carries interest@ 15% p.a.

Note No.	DESCRIPTION	31.03.2014	31.03.2013
9	**TRADE PAYABLES**		
	Trade Payables (including Acceptances)		
	Dues to Micro and Small enterprises	4,040.92	3,274.76
	Dues to other than Micro and Small enterprises	8,570.73	8,899.48
	TOTAL TRADE PAYABLES	**12,611.65**	**12,174.24**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
10	**OTHER CURRENT LIABILITIES**		
	Current maturities of Long term Borrowings. (Refer note no 4)	1,727.10	1,740.35
	Interest accrued but not due on borrowings.	134.80	114.36
	Interest accrued and due on borrowings.	2.49	18.31
	Statutory Dues	174.37	241.03
	Due to Customer and others	363.66	479.61
	Security Deposits from Agents/Dealers/Others	99.62	214.69
	Advance Against Sale of Land #	2,371.00	2,187.00
	Other Outstanding Liabilities	120.45	1,709.07
	Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 not due		
	Unpaid dividend	18.13	16.40
	TOTAL OTHER CURRENT LIABILITIES	**5,011.62**	**6,720.82**

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

11. FIXED ASSETS

(₹ in Lacs)

Particulars	Land & Building	Plant & Machinery	Computer	Electrical Installation	Vehicles	Furniture & Fixtures	Under Const. Installation Building/ Machinery	Total
COST	₹	₹	₹	₹	₹	₹	₹	₹
As at 1st April, 2013	7,336.84	7,473.55	516.14	269.14	1,663.95	790.57	418.34	18,468.53
Additions	524.14	138.51	14.27	0.66	37.83	32.38	51.68	799.47
Sales/Adjustment	0.01	44.43	1.85	-	106.41	3.03	30.13	185.86
As at 31st March, 2014	7,860.97	7,567.63	528.56	269.80	1,595.37	819.92	439.89	19,082.14
DEPRECIATION								
As at 1st April, 2013	2,138.93	4,705.99	478.09	215.35	909.95	507.39	-	8,955.70
For the Year	183.20	336.17	16.43	3.52	145.50	28.52	-	713.34
Sales/Adjustment	-	0.22	1.08	-	61.74	0.80	-	63.84
As at 31st March, 2014	2,322.13	5,041.94	493.44	218.87	993.71	535.11	-	9,605.20
NET ASSETS								
As at 31st March, 2014	5,538.84	2,525.69	35.12	50.93	601.66	284.81	439.89	9,476.94
As at 31st March, 2013	5,197.91	2,767.56	38.05	53.79	754.00	283.18	418.34	9,512.83

Note No.	DESCRIPTION	31.03.2014				31.03.2013			
		Face Value	Nos	Amount	Amount	Face Value	Nos	Amount	Amount
12	**INVESTMENTS**								
	NON CURRENT INVESTMENTS								
A	**Equity Shares Fully Paid Up -Trade Un Quoted**								
	Ambojini Property Developers Pvt. Ltd.	10	1410	14,100			1410	14100	
	Amit Enterprises & Builders Pvt. Ltd.	10	2	20			2	20	
	Dardode Job Realities Pvt. Ltd.	100	2	200			2	200	
	Lavim Developers Pvt. Ltd.	30	10	300			10	300	
	Godrej Landmark Redevelopers Pvt.Ltd.		66	539,436			66	539,436	
	Mantri Hamlet Pvt. Ltd.	10	2	20			2	20	
	Total A			**554,076**	**5.54**			**554076**	**5.54**
B	**Debentures Fully Paid Up - Un Quoted**								
	10% OCD Godrej Landmark Redevelopers Pvt. Ltd.	100	19680	1,968,000			10472	1,047,200	
	10% OCD Ambojini Property Developers Pvt. Ltd.	100	16062	1,606,200			11981	1,198,100	
	10% OCD Amit Enterprises & Builders Pvt. Ltd.	100	9408	940,800			9408	940,800	
	10% OCD Dardode Jog Realities Pvt. Ltd.	100	8511	851,100			11713	1,171,300	
	15% OCD Lavim Developers Pvt. Ltd.	100	9512	951,200			9512	951,200	
	10% OCD Mantri Hamlet Pvt. Ltd.	100	7845	784,500			6611	661,100	
	Total B			**7,101,800**	**71.02**			**5,969,700**	**59.70**
C	**Unquoated Mutual Fund**								
	THE OCIAN'S ART FUND-(D)	100	46000	4,600,000			46000	4,600,000	
	LESS Provosion for Investment			4,600,000					
	Total C			**-**	**-**			**4,600,000**	**46.00**

D	**Unquoted Government Securities**								
	12 years National Defence Certificate for the face value of ₹ 1750 each pledged with Government authorities				1,750.00			1,750.00	
	7 Years National Savings Cerificate pledged with Excise authorities				10,000.00			10,000.00	
	Total D			-	**11,750.00**	**0.12**		**11,750.00**	**0.11**
E	**Unquoted Fixed Deposit**								
	Fixed Deposits having Maturity more than 12 Months				3911864			39,11,864	
	Total E				**3,911,864**	**39.12**	-	**3,911,864**	**39.12**
	TOTAL UNQUOTED NON CURRENT INVESTMENT								
	Total A-E				**11,579,490.00**	**115.79**		**15,047,397.00**	**150.47**
	Quoted Non Current Investment								
F	**Quoted Shares**								
	Central Bank of India		778	100.000	79,356			79,356	
	Total Quoted Non Current Investment F				79,356.00	0.79		79,356	0.79
	TOTAL NON CURRENT INVETMENT				**11,658,846.00**	**116.58**		**15,126,753.00**	**151.26**
	CURRENT INVESTMENTS (At lower of Cost and Fair Value)								
12(b)	**CURRENT INVESTMENTS**								
	Investment in Mutual Fund (Quoted)								
	BIRLA SUNLIFE MUTUAL FUND								
	Birla Sunlife Income Plus - Growth		10	186874	10,000,000		189127	10,000,000	
	Birla Sunlife Dynamic Bond Fund -Retail(D)		10	1243158	24,800,000		1426259	15,000,000	
	FRANKLIN TEMPLETON MUTUAL FUND								
	Templeton India Income Builder Plan-A G		10	0	-		258530	10,000,000	
	Templeton India Short Term Income Retail-G		1000	4645	9,999,900		4645	9,999,900	
	HDFC MUTUAL FUND								
	HDFC Income Fund - G		10	0	-		380355	10,000,000	
	ICICI MUTUAL FUND								
	ICICI Prudential Flexible Plan Premium		100	0	-		1190	215,047	
	IDFC MUTUAL FUND								
	IDFC SSIF-Short Term-Plan-A-G		10	451267	9,999,900		451267	9,999,900	
	IDFC SSIF-Medium Term-Plan-A-G		10	747317	15,000,000				
	IDFC SSIF-Investment-Plan-A-G		10	349676	10,000,000				
	RELIANCE MUTUAL FUND								
	Reliance Medium Term Fund		10	2608	27,572		152599	1,594,438	
	Reliance Regular Saving Fund-Debt Plan (QT_D)		10	0	-		1195507	14,920,198	
	Reliance Fixed Horizo XXIV Sr 9 G		10	1000000	10,000,000				
	HSBC MUTUAL FUND								
	HSBC Fixed Term Sr-94-Ten-G		10	500000	5,000,000				
	HSBC Capital Protection Oriented Fund		10	100000	1,000,000				
	SUNDARAM BNP PARIBAS MUTUAL FUND-(G)								
	BNP Paribas Money Plus (I) (G)	BNP	10	0	-		20706	303,460	
	STATE BANK MUTUAL FUND-(G)								
	SBI Debt Fund Series -370D(G)		10	0	-		2000000	20,000,000	
	UTI MUTUAL FUND-(G)								
	UTI Treasuary Advatge Fund-G		1000	0	-		846	2,000,000	
	UTI Fixed Term Income Fund Series XI-VIII-G		10	0	-		2000000	20,000,000	
	KOTAK MUTUAL FUND-(D)								
	Kotak Bond (Short Term)-G		10	0	-		463094	10,000,000	
	PRINCIPAL MUTUAL FUND-(D)								
	Pnb Emerging Blue Chip Fund -Reg.-G		10	0	-		3528	100,000	
	Principal PNB Fixed Maturity Plan		10	1020880	10,208,796				
	MORGAN STANLAY MUTUAL FUND								
	Morgan Stanlay Liquid Fund-D		1000	1102	1,300,000		1214	1,214,377	
	SUB TOTAL [B]				**107,336,168**	**1,073.36**		**135,347,320**	**1,353.47**

NOTE : [GROWTH = (G) ; DIVIDEND = (D)]

MARKET VALUE OF THE MUTUAL FUND	**110,320,450**	**1,103.20**	**96,945,661**	**969.46**
AGGERGATE VALUE OF CURRENT INVETMENTS	**107,336,168**	**1,073.36**	**135,347,320**	**1,353.47**
AGGREGATE VALUE OF UNQUOTED INVESTMENTS	13079490	130.80	16,547,390.00	165.47
TOTAL MARKET VALUE OF CURRENT INVETSMENTS	**110,320,450**	**1,103.20**	**96,945,661**	**969.46**
AGGREGATE VALUE OF QUOTED INVESTMENTS	107,415,524	1,074.16	135426676	1,354.27
MARKET VALUE OF QUOTED INVETMENTS	110359350	1,103.59	97025017	970.25

(₹ in Lacs)

Note No.	DESCRIPTION	Long-Term 31.03.2014	Long-Term 31.03.2013	Short-Term 31.03.2014	Short-Term 31.03.2013
13	**LOANS AND ADVANCES**				
	(Unsecured, Considered good unlesss otherwise stated)				
	Advance Recoverable in Cash or in kind or the value to be received	1,340.47	1,349.72	2,139.12	2,975.40
	Capital Advances	289.74	769.81	-	-
	Security Deposits	61.80	202.00	227.23	430.28
	Claims Recoverable	2.91	2.93		
	Prepaid Taxes			2,365.32	2,362.13
	Prepaid Expenses			34.20	33.00
	Balance with Goverment Authorities	1.13	35.00	49.38	44.47
	TOTAL - LOANS AND ADVANCES	**1,696.05**	**2,359.46**	**4,815.25**	**5,845.28**

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2014	31.03.2013
14	**OTHER NON CURRENT ASSETS**		
	Deposit with original Maturity of more then 12 month	-	9.28
	Interest accrued on Investment/FDR	2.90	1.35
	Preliminary Expenses	6.42	5.50
	Total Other Non Current Assets	**9.32**	**16.13**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
15	**INVENTORIES**		
	(As taken, valued and certifed by the Management)		
	(valued at lower of cost and net realisable value unless otherwise stated)		
	Production Material	2,618.46	2,916.17
	Work in Progress	437.34	294.56
	Finished Goods	1,641.66	1,587.75
	Stock in Trade	25.25	108.82
	Store, Spares and Components	4,450.86	6,306.89
	Loose Tools	57.44	59.88
	Scrap	36.72	0.20
	TOTAL - INVENTORIES	**9,267.73**	**11,274.27**

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2014	31.03.2013
16	**TRADE RECEIVABLES**		
	(Unsecured, Considered goods unless otherwise stated)		
(a)	OVERDUE EXCEEDING SIX MONTHS		
	Unsecured, Considered good	1,728.81	2,433.77
	Doubtful	220.15	213.01
	Less : Provision for doubtful receivable	220.15	213.01
		1,728.81	**2,433.77**
(b)	OVERDUE LESS THAN SIX MONTHS	14,508.84	11,169.07
	TOTAL - TRADE RECEIVABLE	**16,237.65**	**13,602.84**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
17	**CASH AND BANK BALANCES**		
(a)	**CASH AND CASH EQUIVALENTS**		
	Balance with banks	101.42	1,389.92
	Bank deposits with original maturity of less than three month	97.01	66.00
	Unpaid dividend accounts	18.13	16.40
	Cash in hand	47.55	76.68
	Total Cash and Cash Equivalents	**264.11**	**1,549.00**
(b)	**OTHER BANK BALANCES**		
	Bank Deposits with original maturity of more than three month but less than 12 months	22.55	22.72
	Bank Deposits with original maturity of more than 12 months*	9.28	-
	TOTAL OTHER BANKS BALANCES	**31.83**	**22.72**
	TOTAL - CASH & BANK BALANCES	**295.94**	**1,571.72**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
18	**OTHER CURRENT ASSETS**		
	(Unsecured, Considered good unlesss otherwise stated)		
	Interest accrued on Investment /FDR	13.64	10.53
	Deferred Revenue Expenditure	-	-
	TOTAL OTHER CURRENT ASSETS	**13.64**	**10.53**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
19	**REVENUE FROM OPERATIONS**		
(a)	**SALE OF PRODUCTS**		
	Finished Goods	68,140.91	70,591.74
	Interunit Sales	-	-
		68,140.91	70,591.74
(b)	**OTHER OPERATING REVENUE**		
	Export Benefits	217.56	227.77
	Scrap Sales	120.51	193.76
	Miscellaneous Income	-	113.59
		338.07	**535.12**
	REVENUE FROM OPERATIONS (GROSS)	**68,478.98**	**71,126.86**
	Rebate	**2,220.22**	**1,995.31**
	EXCISE DUTY ON SALES	**1,247.35**	**1,299.65**
	REVENUE FROM OPERATIONS (NET)	**65,011.41**	**67,831.90**

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2014	31.03.2013
20	**OTHER INCOME**		
(a)	**INTEREST INCOME ON**		
	Loans and Advances	15.83	1.87
	Banks	18.18	32.12
		34.01	**33.99**
(b)	**Dividend Income on Current Investment**	**16.99**	**24.78**
(c)	**NET GAIN/(LOSS) ON SALE OF CURRENT INVESTMENTS**		
	Gain on Sale	74.52	83.66
		74.52	**83.66**
(d)	**NET GAIN/(LOSS) ON SALE OF FIXED ASSETS**		
	Gain on Sale	13.16	1.48
		13.16	**1.48**
(f)	**OTHER NON-OPERATING INCOME (NET)**		
	Lease Rent	2.50	6.00
	Misc Receipts	21.87	14.31
	Rent receipts	15.85	18.68
		40.22	**38.99**
	TOTAL OTHER INCOME	**178.90**	**182.90**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
21	**COST OF MATERIAL CONSUMED**		
	Raw Material Consumed*	48,055.08	48,991.96
	TOTAL COST OF MATERIAL CONSUMED	**48,055.08**	**48,991.96**
	***DETAIL OF RAW MATERIAL CONSUMED DURING THE YEAR**		
		31.03.2014	**31.03.2013**
(i)	Sheets & Strips	2,462.38	2,696.17
(ii)	Tyres	5,516.34	5,257.22
(iii)	Tubes	2,047.16	2,069.62
(iv)	Rims	3,229.73	4,010.82
(v)	Other Items	1,850.87	2,709.44
(vi)	Components	32,948.60	32,248.69
		48,055.08	**48,991.96**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
22	**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS**		
	OPENING STOCK		
	Finished Goods	1,587.75	1,885.84
	Work in Progress	294.56	324.55
	Scrap	0.20	4.09
	Stock In Trade	108.82	63.99
	TOTAL OPENING STOCK	**1,991.33**	**2,278.47**
	CLOSING STOCK		
	Finished Goods	1,641.66	1,587.75
	Work in Progress	437.34	294.56
	Scrap	36.72	0.20
	Stock In Trade	25.25	108.82
	TOTAL CLOSING STOCK	**2,140.97**	**1,991.33**
	TOTAL - CHANGES IN INVENTORIES	**(149.64)**	**287.14**

(₹ in Lacs)

Note No.	DESCRIPTION	31.03.2014	31.03.2013
23	**EMPLOYEE BENEFITS EXPENDITURE**		
	Salaries, Wages, Bonus and Other benefits	3,245.06	3,359.05
	Contribution to provident and other funds	435.76	505.47
	Staff Welfare Expenses	340.76	282.34
	TOTAL-EMPLOYEE BENEFITS EXPENDITURE	**4,021.58**	**4,146.86**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
24	**FINANCE COST**		
	Interest Expenses	835.64	1,313.27
	Other Borrowing Costs	86.37	146.67
	TOTAL - FINANCE COST	**922.01**	**1,459.94**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
25	**DEPRECIATION AND AMORTIZATION EXPENSES**		
	Depreciation on Fixed Assets	713.34	706.82
	Amortisation Expenses	-	-
	TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES	**713.34**	**706.82**

Note No.	DESCRIPTION	31.03.2014	31.03.2013
26	**OTHER EXPENSES**		
(a)	**MANUFACTURING EXPENSES**		
	Consumption of Stores and Spare parts	3,901.98	3,379.10
	Packing Material Consumed	1,998.01	1,779.84
	Power and Fuel	993.04	807.68
	Labour Processing & Transportation Charges	357.55	399.35
	Repairs to Buildings	169.63	142.13
	Repairs to Plant & Machinery	183.41	137.49
	Other Repairs	329.53	322.91
		7,933.15	**6,968.50**
(b)	**ADMINISTRATIVE EXPENSES**		
	Insurance	35.17	41.90
	Rent	100.08	153.30
	Rates and Taxes	156.41	237.09
	Legal and Professional	57.86	19.49
	Printing & Stationary, Postage and Telephone	162.95	148.04
	Travelling & Conveyance	538.71	580.64
	Director' Meeting Fees	5.09	5.42
	Auditor's Remuneration*	24.23	20.74
	Donation	8.31	4.53
	Miscellaneous Expenses	768.83	739.05
		1,857.64	**1,950.20**

(c)	**SELLING EXPENSES**		
	Freight & Forwarding Expenses	2,407.43	2,283.75
	Commission on Sales	117.09	103.62
	Bad Debts Written off	53.16	0.04
	Advertisement & Publicity	398.85	620.73
		2,976.53	**3,008.14**
	TOTAL - OTHER EXPENSES	**12,767.32**	**11,926.84**
	*** Payment to Auditors Include followings**		
	(a) Audit Fee	18.60	16.91
	(b) Tax Audit	2.12	1.93
	(c) Other Certifications	3.51	1.90
	TOTAL	**24.23**	**20.74**

Atlas Cycles (Haryana) Limited

CIN: L35923HR1950PLC001614
Registered office: Industrial Area, Atlas Road, sonepat-131001, Haryana (India).

Dear Shareholders,

Sub: Green Initiative

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

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

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

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

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

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

Soliciting your co-operation and continued patronage.

Thanking You

For **Atlas Cycles (Haryana) Limited**

(JASPREET SINGH)
Company Secretary
& Compliance officer

Notes

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ATLAS CYCLES
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ATLAS CYCLES

Atlas Cycles (Haryana) Limited

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