



September 06, 2023

To,
The Department of Corporate Services,
BSE Limited, Mumbai

To,
The Listing Compliance Dept.
National Stock Exchange of India Ltd, Mumbai

BSE Script Code: 531795

NSE Script Symbol: ATULAUTO

SUB: ANNUAL REPORT FOR FY 2022-23 ALONG WITH NOTICE OF THIRTY FIFTH ANNUAL GENERAL MEETING TO BE HELD ON SEPTEMBER 30, 2023

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements), 2015, we are submitting here with the Annual Report for the Financial Year 2022-23 of Atul Auto Limited ("the Company") along with Notice of the 35th Annual General Meeting of the Company scheduled to be held on Saturday, September 30, 2023 at 01.00 pm (IST), through Video Conferencing (VC)/ Other Audio Visual Means (OAVM). The said notice forms part of the Annual Report of the Company for the financial year ended March 31, 2023 and are being sent to the shareholders through electronic mode only on their registered e-mail addresses and are also available on the website of the Company at www.atulauto.co.in/annual-reports.aspx

Yours faithfully,
For Atul Auto Limited,

(Paras J Viramgama)
Company Secretary & Compliance Officer

ATUL AUTO LIMITED

(Corporate Identification Number: L54100GJ1986PLC016999)

Regd. Office & Factory: National Highway 8-B, Near Microwave Tower, Shapar (Veraval), Rajkot – 360024 (Gujarat)

Phone: 02827 235500 **Website:** www.atulauto.co.in **E-Mail:** info@atulauto.co.in



atulauto.co.in



MORE MILES MORE MOVES

THE JOURNEY CONTINUES.... >>>>



Atul Auto Limited

INTEGRATED >>>>>
ANNUAL REPORT 2022-23

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VISION

Our vision is to contribute towards making the common people self-reliant, with our state-of-the-art technology, products and services. We strive to contribute in the eradication of poverty.



MISSION

Our mission is to fulfill our customers' needs and aspirations for mobility and solidity and to set benchmarks in technology, style and quality. We devote ourselves to cater to the common man's transportation needs by introducing environment friendly vehicles, empowered by technological advances.



CORPORATE INFORMATION



AUDIT COMMITTEE

Aarti J Juneja, Chairperson
Mohan Jit Walia
Jaichander Swaminathan
Vijay Kumar Goel

NOMINATION AND REMUNERATION COMMITTEE

Mohan Jit Walia, Chairman
Aarti J Juneja
Jaichander Swaminathan
Vijay Kumar Goel

STAKEHOLDERS RELATIONSHIP COMMITTEE

Vijay Kumar Goel, Chairman
Aarti J Juneja
Mohan Jit Walia
Jaichander Swaminathan

RISK MANAGEMENT COMMITTEE

Mahendra J Patel
Neeraj J Chandra
Jaichander Swaminathan
Hiren V Patel

SECURITIES ALLOTMENT COMMITTEE

Aarti J Juneja
Mahendra J Patel
Jaichander Swaminathan

STATUTORY AUDITORS

M/s. Maharishi & Co.

INTERNAL AUDITORS

M/s. KPMG Assurance and
Consulting Services LLP

COMPANY SECRETARY AND COMPLIANCE OFFICER

Paras J. Viramgama

REGISTERED OFFICE

Atul Auto Limited
Survey No. 86, Plot No. 1-4,
National Highway 8-B,
Near Microwave Tower,
Shapar (Veraval),
Dist. Rajkot, Gujarat, India 360024
Phone: 02827-235500
E-Mail: investorrelations@atulauto.co.in/
info@atulauto.co.in
Website: www.atulauto.co.in

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited
C101, 247 Park, L B S Marg,
Vikhroli West,
Mumbai, Maharashtra, India 400 083
Phone: 022 4918 6270
E-Mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in
SEBI Reg. No: INR000004058

BANKERS

IDBI Bank
EXIM Bank
ICICI Bank

STOCK EXCHANGES

BSE Limited
Script Code - 531795

National Stock Exchange of
India Limited
Script Symbol - ATULAUTO



*Committee status as on March 31, 2023



CHAIRMAN'S LETTER



The quest for 'MORE' is on!

Dear Shareholders,

'More Miles, More Moves', the theme of this Annual Report indicates a splash of positivity and outlines all new possibilities. We flagged off the Financial Year with a mission to overtake the shadows of pandemic. Together, we defined strategic plans, meticulously worked on the execution front, maintained the momentum and the results are paying off. We have witnessed an impressive increase in the sales and numbers are inspiring. We undertook a re-structuring process and the corrective measures helped us redefine the roadmap and reshape our perspective. This brought in a positive approach and added new dimensions to the growth story. I would like to thank all of you for this incredible team spirit. Your support and passionate endeavours has been instrumental in this growth journey!

Transforming India's E-transportation

Taking India's E-mobility to the next level, we launched Mobili & Energie, the passenger and cargo variants in the E-Three Wheelers Segment. Both Mobili and Energie are built with industry-leading European Technology, Advanced Telematics and Battery Management Systems (BMS). With our new electric additions, we aim to be technology leaders and provide intelligent, data-driven last-mile connectivity. Our advanced processes and infrastructure is the backbone of our business and empowers us to create and deliver world-class products.

These products ensure super safety with fire resistant battery. Advanced Telematics and tracking system help in offering customers remote maintenance reducing the downtime. Stylish design and utility features make it a truly Next-Gen offering. Robust platform, body structure and power lead to sturdy performance and unbeatable load carrying capabilities. We have initiated dealer appointment drive and soon these E-Three Wheelers will be available across India. Mobili & Energie have unfolded a new era of high tech e-mobility in India.

New Plant...New Possibilities!

Indian Economy is growing at an impressive pace. Various sectors have been witnessing a promising upsurge. This is leading to an increasing demand for the high performance last mile transportation. Keeping in mind these growing demands, we had initiated an expansion of our Manufacturing capabilities. We have established a new plant and it is fully operational now. This new facility features manufacturing systems with advanced technology. It has helped us increase our manufacturing capabilities. We are now well-equipped to cater to the rising demands.

Our Research and Development division had been analyzing the product performance and key measures had been taken on the vehicle feedbacks. We have upgraded our existing vehicles and delivered the output as per customer expectations. Robust feedback management system and technological advances help us keep our products updated and in line with the changing times. This ultimately results into customer satisfaction which our supreme motto.

The brighter way ahead...

Our journey in the current financial year has been truly inspiring. There has been an incredible rise on the sales front. New Launches and Upgrades in the existing product-line are leading us to a brighter way ahead. We are adding new business partners in our sales network. This will help us reaching out to the demands across all multiple states in India. Our Sales and Service Network is all set to take this growth journey to the next level with rising numbers and benchmark customer experience. Together, we all promise you a glorious way forward towards new horizons of progress, prospects and promising possibilities!

Looking forward to more miles...more moves!

J J Chandra

Chairman & Managing Director



MANAGEMENT TEAM >>>>>



Jayantibhai J Chandra
Chairman and Whole-time Director



Aarti J Juneja
Independent Director



Mohan Jit Walia
Independent Director



Jaichander Swaminathan
Independent Director



Gurudeo M Yadwadkar^{\$}
Independent Director⁺



J V Adhia
President – Accounts & Finance



Neeraj J Chandra
Managing Director



Mahendra J Patel
Whole-time Director & CFO



Vijay K Kedia
Non-Executive Director

^{\$} Appointed w.e.f. 11.08.2023
⁺ Subject to approval of shareholders at AGM

OUR DIVERSIFIED PORTFOLIO OF PRODUCTS

ATUL // Gemini
(For export only)



PASSENGER 3+1

ATUL // GEM
DIESEL/CNG/LPG



CARGO

ATUL RIK
CNG/LPG



PASSENGER

ATUL RIK+



PASSENGER

ATUL // smart
CARGO - CNG



CARGO

ATUL // Shakti
DIESEL CARGO



CARGO

ATUL // Elite
ELECTRIC



PASSENGER

MOBILI



PASSENGER



CARGO



CARGO



PASSENGER

ATUL GEMi PAXX



PASSENGER



CARGO



CARGO



CARGO

ENERGIE



CARGO



PASSENGER 3+1



PASSENGER

ATUL GEMi DIESEL CARGO



CARGO

OUR PRESENCE

Overseas Presence

With quality and proven products, we have been expanding our reach in globe; the focus is to strategically enter the newer countries and expand the network in existing countries with product innovations and service commitment

India Presence

Within India, we are creating a stronger distribution network towards pan India presence. We are also creating a greater push towards the urban markets of our country with the product range of Diesel, Petrol, LPG, CNG and E-Rickshaw variants in addition to rural and semi urban markets.

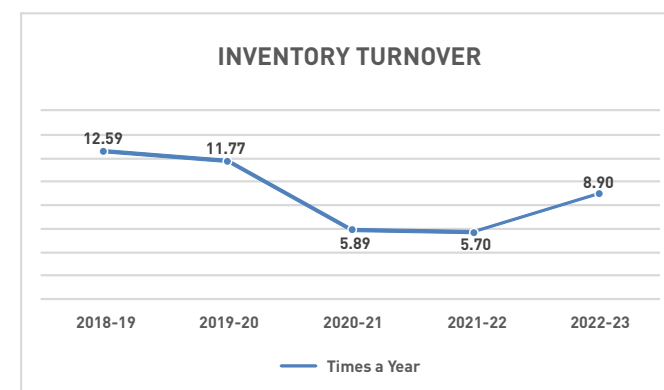
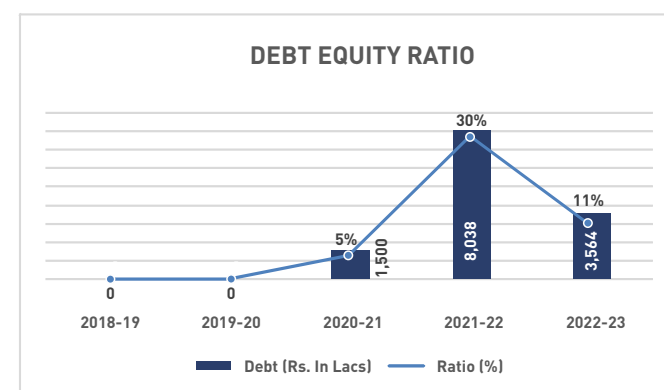
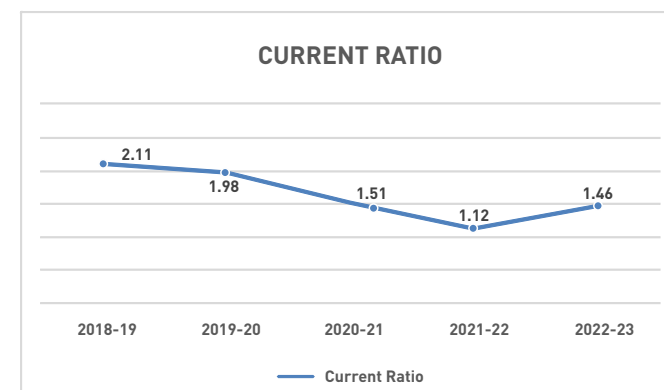
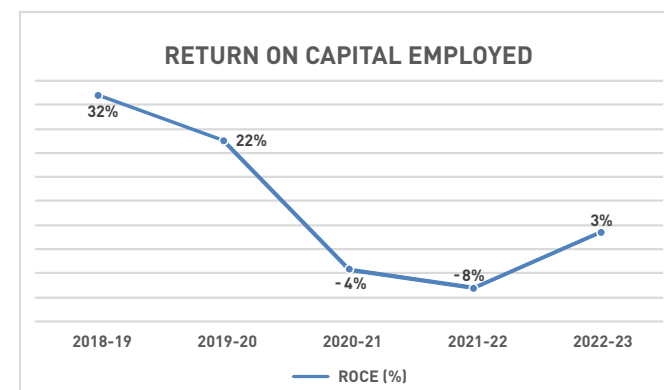
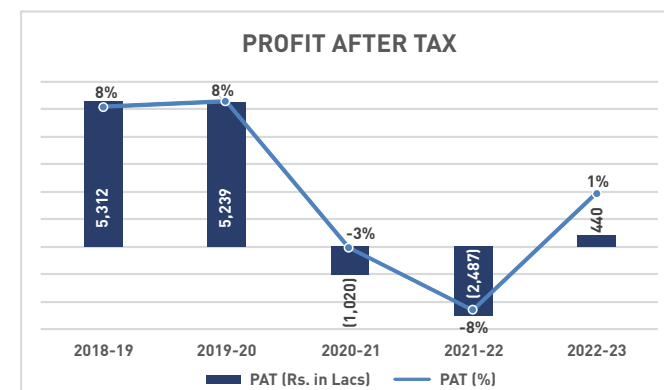
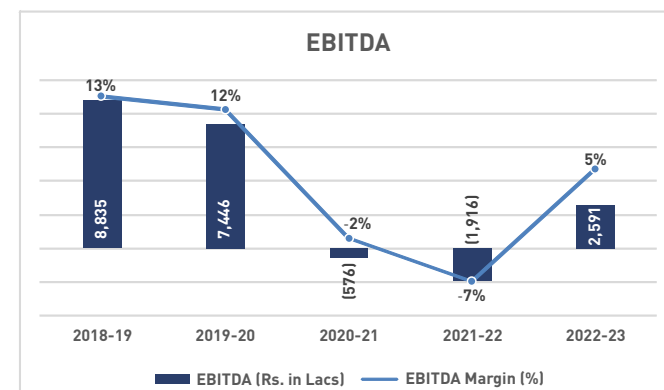
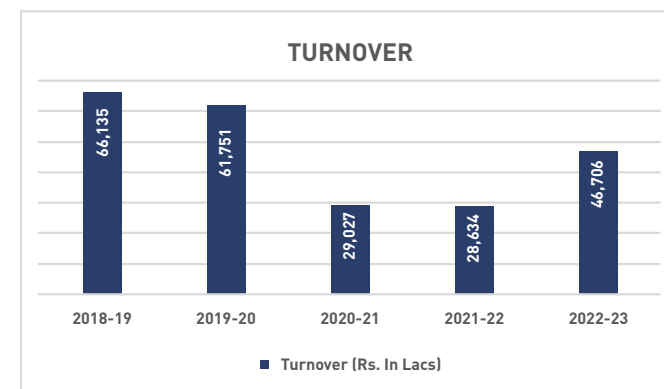
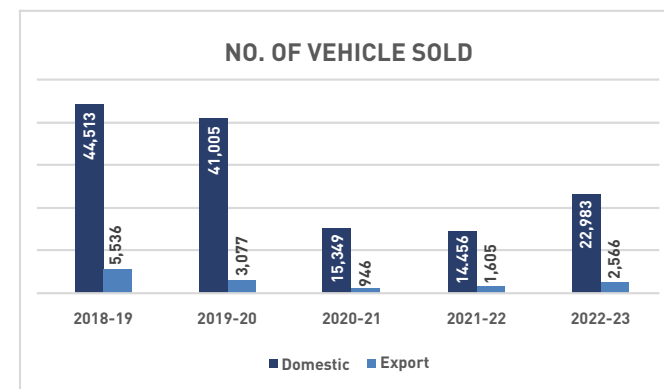


Financial Scorecard

(Rs. in Lacs except per share data, ratio and vehicles)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
No. of vehicles sold	42,744	50,049	44,082	16,295	16,061	25,549
Total Revenue	55,855	67,363	62,848	29,776	29,621	47,750
Revenue from Operation	55,598	66,676	62,534	29,590	29,382	47,470
Profit before tax (PBT)	6,943	8,195	6,703	(1,320)	(3,249)	598
Profit before tax (%)	12.49%	12.29%	10.72%	-4.46%	-11.06%	1.26%
Profit after tax (PAT)	4,619	5,312	5,239	(1,020)	(2,487)	440
Net Profit Ratio	8.31%	7.97%	8.38%	-3.45%	-8.46%	0.93%
EBITDA (in Lacs)	7,512	8,835	7,446	(576)	(1,916)	2,591
EBITDA Margin (%)	13.51%	13.25%	11.91%	-1.95%	-6.52%	5.46%
Paid up Share Capital (Equity)	1,097	1,097	1,097	1,097	1,097	1,194
Free Reserves & Surplus	20,842	24,763	29,228	28,226	25,782	31,878
Long Term Debt	-	-	-	1,500	6,786	3,214
Equity / Shareholders' Fund	21,939	25,860	30,325	29,323	26,879	33,072
Earnings per Share (Face Value Rs. 5/-)	21.05	24.21	23.88	(4.65)	(11.33)	2.00
Dividend %	105%	80%	30%	--	--	--
Dividend Payout Ratio	30.04%	19.92%	7.57%	--	--	--
Market Capitalization	96,813	74,596	30,578	39,223	35,427	74,837
No of vehicles manufactured	42,660	50,153	43,408	16,432	16,277	25,224

Key Trends





NOTICE OF THIRTY FIFTH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Fifth Annual General Meeting (AGM) of Members of Atul Auto Limited (CIN: L54100GJ1986PLC016999) will be held on Saturday, September 30, 2023 at 01:00 pm through Video Conference ("VC")/ Other Audio Visual Means ("OAVM") facility, to transact the following businesses:

ORDINARY BUSINESS:

- 1. Consideration and adoption of the audited standalone financial statements of the Company for the financial year ended March 31, 2023 together with Board's Report thereon and Auditors' Reports thereto.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT the audited standalone financial statements of the Company for the financial year ended March 31, 2023 and the Board's Report thereon and Auditors' Reports thereto, as circulated to the Members, be considered and adopted."

- 2. Consideration and adoption of the audited consolidated financial statements of the Company for the financial year ended March 31, 2023 and Auditors' Reports thereto.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT the audited consolidated financial statements of the Company for the financial year ended March 31, 2023 and Auditors' Reports thereto, as circulated to the Members, be considered and adopted."

- 3. Re-appointment of Shri Jayantibhai J Chandra (DIN: 00057722) as a Director retire by rotation.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Jayantibhai J Chandra (DIN: 00057722), who retires by rotation and being eligible for re-appointment, be re-appointed as a Director of the Company."

SPECIAL BUSINESS:

- 4. Appointment of Shri Gurudeo Madhukar Yadwadkar (DIN: 01432796) as Independent Director**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in pursuant to the provisions of Sections 149, 150, 152 and 160 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, as well as regulation 25(2A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Gurudeo Madhukar Yadwadkar (DIN: 01432796) in respect of whom the Company has received a Notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of three years from August 11, 2023 to August 10, 2026."

"RESOLVED FURTHER THAT the Board of Directors and/or the

Company Secretary, be and are hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary or desirable for the purpose of giving effect to this Resolution and to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

- 5. To approve material related party transaction(s) with Khushbu Auto Private Limited for sale/ supply of goods and rendering of services**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Regulations 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("SEBI Listing Regulations") and pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Meeting of Board and its Powers) Rules, 2014 including any modifications or amendments or clarifications thereon, if any, and read with Company's policy on dealing with Related Party Transactions and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, the approval of the shareholders be and is hereby accorded to the Board of Directors of the Company to sale/ supply of vehicles/ chassis/ spares/ engines/ services/ payment of incentives, commission, warranty, sales promotion etc. (whether individual transaction or transaction(s) taken together or series of transaction(s) or otherwise) to Khushbu Auto Private Limited ("KAPL"), a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations on such terms and conditions as Board may deem fit, up to a maximum aggregate amount Rs.80,00,00,000/- (Rupees Eighty Crore Only) annually during a financial year 2023-24 with an increase of 25% on the previous year limit year on year upto FY 2027-28, provided that the transactions so carried out shall at all times be in the ordinary course of company's business and also at arm's length basis."

"RESOLVED FURTHER THAT the Board of Directors of the company and/or the Audit Committee as may be applicable from time to time be authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above Resolution; sign and execute necessary documents and papers on an ongoing basis and to do and perform all such acts, deeds and things as may be necessary or in its absolute discretion deem necessary, proper, desirable and to finalize any documents and writings in this regard."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any committee of Directors of the Company as it may consider appropriate in order to give effect to this resolution."

- 6. To approve material related party transaction(s) by Atul Greentech Private Limited with Khushbu Auto Private Limited for sale/ supply of goods and rendering of services**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Regulations 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("SEBI Listing Regulations") and pursuant to Section 188 and

other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Meeting of Board and its Powers) Rules, 2014 including any modifications or amendments or clarifications thereon, if any, and read with Company's policy on dealing with Related Party Transactions and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, the approval of the shareholders be and is hereby accorded to the sale/ supply of vehicles/ chassis/ spares/ engines/ services/ payment of incentives, commission, warranty, sales promotion etc. (whether individual transaction or transaction(s) taken together or series of transaction(s) or otherwise) by Atul Greentech Private Limited ("AGPL") to Khushbu Auto Private Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations on such terms and conditions as Board may deem fit, up to a maximum aggregate amount of Rs.50,00,00,000/- (Rupees Fifty Crore Only) annually during a financial year 2023-24 with an increase of 25% on the previous year limit year on year upto FY 2027-28, provided that the transactions so carried out shall at all times be in the ordinary course of company's business and also at arm's length basis."

"RESOLVED FURTHER THAT the Board of Directors of the company and/or the Audit Committee as may be applicable from

time to time be authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above Resolution; sign and execute necessary documents and papers on an ongoing basis and to do and perform all such acts, deeds and things as may be necessary or in its absolute discretion deem necessary, proper, desirable and to finalize any documents and writings in this regard."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any committee of Directors of the Company as it may consider appropriate in order to give effect to this resolution."

**By order of the Board of Directors of
Atul Auto Limited**

**(Paras J Viramgama)
Company Secretary & Compliance Officer**

Signed at Bhayla (Dist. Ahmedabad) on August 11, 2023

Notes:

1. The Thirty Fifth Annual General Meeting ("AGM") of Members of Atul Auto Limited ("the Company") will be held through Video Conference ("VC")/ Other Audio Visual Means ("OAVM") in accordance with circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 28, 2022 as issued by Ministry of Corporate Affairs ("MCA") and circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, issued by the Securities and Exchange Board of India (collectively referred to as 'AGM Circulars') without the physical presence of the Members at a common venue. In compliance with the provisions of the above MCA Circulars, the Companies Act, 2013 ("Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM on platform of National Securities Depositories Limited ("NSDL") for which detailed instructions are annexed to this Notice. Members attending the AGM through VC/OVAM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. Since the AGM will be held through VC/ OAVM, the route map is not provided.
2. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rules issued thereunder and the SEBI Listing Regulations, 2015, the business may be transacted through electronic voting system and the Company is providing facility for voting by electronic means ("e-voting") to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on closing of September 23, 2023 i.e. cut-off date only shall be entitled to avail the facility of remote e-voting. The members may cast their votes on electronic voting system from place other than the venue of the meeting ("remote e- voting"). The Members attending AGM through VC/ OAVM who have not cast their vote by remote e-voting shall be eligible to vote through the same system during AGM till 15 minutes after the AGM is over. The detailed instructions for e- voting (including remote e-voting) are annexed to this notice.

The remote e-voting period will commence at 9.00 AM (IST) on September 27, 2023 and will end at 5.00 PM (IST) on September 29, 2023. The remote e-voting module shall be disabled by NSDL for voting thereafter.
3. The deemed venue for thirty fifth AGM shall be the registered office of the Company at Survey No. 86, Plot No. 1 to 4, 8B National Highway, Near Microwave Tower, Shapar (Veraval), Dist. Rajkot, Gujarat, India 360024 for all secretarial compliance and other purpose.
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Corporate/ Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/ Institutional Members intending to authorize their representatives to participate and vote at the meeting are requested to upload necessary documents as per instructions for remote e-voting.
6. Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/OAVM and vote thereat.
7. An Explanatory Statement pursuant to Section 102(1) of the Act, in respect of businesses to be transacted at AGM, as set out under Item No(s). 4 to 6 above along with the relevant details of the Directors as mentioned under Item No(s). 4 to 6 above as required by Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("the SEBI Listing Regulations") and as required under Secretarial Standards - 2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed thereto.
8. The Board of Directors have considered and decided to include the Item No(s). 4 to 6 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Act and relevant documents referred to in this Notice of AGM and explanatory statement, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send a request email to investorrelations@atulauto.co.in
10. The Register of Members and Share Transfer Books of the Company shall remain closed from September 24, 2023 to September 30, 2023 (both days inclusive) for the purpose of AGM.
11. In compliance with the AGM Circulars as referred above, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice calling AGM along with the explanatory statement and Annual Report 2022-23 are available on the website of the Company at www.atulauto.co.in/annual-reports.aspx, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The Company's web-link as mentioned above will also be provided in advertisement being published in the newspapers.
12. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
13. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ Folio Number, PAN, Contact Number at investorrelations@atulauto.co.in till September 27, 2023. Those members who have registered themselves as a

speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

14. Member may also send their query in writing to investorrelations@atulauto.co.in on or before September 27, 2023, mentioning their name, DP ID and Client ID/ Folio Number, PAN, Contact Number etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting. Members can also post their questions during AGM through active chat-board, which is available in the VC/OAVM Facility.
15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before September 27, 2023 through email on investorrelations@atulauto.co.in. The same will be replied by the Company suitably.
16. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in physical form who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the website of the Company at <https://atulauto.co.in/kyc-update.aspx> and is also available on the website of the RTA at <https://web.linkintime.co.in/KYC-downloads.html> whilst those Members holding shares in demat mode should file their nomination with their Depository Participant.
17. KYC Update: Members are requested to update/ intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, specimen Signature, Nomination bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,
 - For shares held in electronic form: to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the Members.
 - For shares held in physical form: to the Company's RTA in prescribed Form pursuant to SEBI circular dated March 16, 2023, as per instructions mentioned in the form. The said forms can be downloaded from the Company's website at <https://atulauto.co.in/kyc-update.aspx> and is also available on the website of the RTA at <https://web.linkintime.co.in/KYC-downloads.html>
 - Members are requested to note that in line with SEBI Circular dated March 16, 2023, RTA will accept only operative PAN (those linked with Aadhar) with effect from June 30, 2023 or such other date as may be notified by Central Board of Direct Taxes (CBDT). Those folios in which PAN is not linked with Aadhar subsequent to the due date, shall be frozen by the RTA.
 - Further, in line with this circular, RTAs are required to freeze folios wherein PAN, KYC and nomination is not available on or after October 1, 2023. Any service request

in respect of these frozen folios will be undertaken only after the complete details are lodged with the RTA.

- Members may note that with effect from April 1, 2024, the Company will not be able to pay dividend, in respect of frozen folios until the complete details as required including bank account details are furnished to the RTA. Further, from December 31, 2025 or such due date as may be notified by the Authority, the RTA is required to refer the details of the frozen folios to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.
- Considering the aforementioned restrictions, Members whose details are not updated with the RTA are urged to immediately register their details with the RTA in Form ISR-1. Any clarifications in this regard may be addressed to the RTA at rnt.helpdesk@linkintime.co.in
- SEBI vide its Circular dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the Company's website at <https://atulauto.co.in/kyc-update.aspx> and is also available on the website of the RTA at <https://web.linkintime.co.in/KYC-downloads.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
- 18. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form through your DP. Members can contact the Company Secretary or Link Intime India Private Limited, Company's Registrar and Share Transfer Agents ("RTA") for assistance in this regard.
- 19. To receive shareholders' communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their e-mail address with their respective depository participant, where shares are held in electronic form. Where shares are held in physical form, members are advised to register their e-mail address with RTA of the Company by sending an e-mail on rnt.helpdesk@linkintime.co.in along with signed scanned copy of the request letter providing the email address, mobile number, self-attested copy of the PAN card and copy of the Share Certificate for registering their email address and receiving the AGM Notice and the e-voting instructions.
- 20. SEBI has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or RTA.

21. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Company's RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
22. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
23. Non-Resident Indian Members are requested to inform the Company's RTA immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
24. In terms of section 124(5) of the Act, the dividend amount remaining unclaimed for a period of 7 (seven) consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Further, in terms of section 124(6) of the Act, in case of such shareholders whose dividends are unpaid for a continuous period of seven years, the corresponding shares shall be transferred to the IEPF demat account. Members who have not claimed dividends are requested to approach the Company or RTA for claiming the same as early as possible, to avoid transfer of the relevant shares to the IEPF demat account. The details of unclaimed dividend is uploaded on website of the Company <https://atulauto.co.in/unclaimed-dividend.aspx>
25. The Board of Directors has appointed Shri Hardik Hudda (ICSI Membership No.: A39621, CP No: 14697), Practicing Company Secretary as the Scrutinizer to scrutinize e-voting process in a fair and transparent manner.
26. The results shall be declared within two working days from conclusion of the Meeting. The results declared along with the Scrutiniser's Report will be placed on the website of the Company at <https://atulauto.co.in/announcements.aspx> and the website of NSDL at www.evoting.nsdl.com immediately after the results are declared and will simultaneously be forwarded to BSE Limited and National Stock Exchange of India Limited, where equity shares of the Company are listed and shall be displayed at the Registered Office of the Company.
27. For more details on shareholders' matters, please refer to the chapter on General Shareholder Information, included in the Annual Report.
28. Instructions for e-voting and attending the AGM through VC/OAVM are annexed to this Notice.

INSTRUCTIONS IN RESPECT TO E-VOTING

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/ websites of Depositories/ DPs in order to increase the efficiency of the voting process.

The remote e-voting period begins on September 27, 2023 at 09:00 A.M. and ends on September 29, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting





thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 23, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 23, 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speed-e" facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">   </div> <div style="text-align: center;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

Type of shareholders	Login Method
	<p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

'Shareholder/Member' section.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under

- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a. For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is In300*** and Client ID is 12***** then your user ID is IN300***12*****.
b. For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c. For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:
 - If you are already registered for e-Voting, then you can

use your existing password to login and cast your vote.

- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was

communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
 - i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to huddahardik@yahoo.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000 or send a request to Shri Ketankumar Patel at evoting@nsdl.co.in

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E-MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investorrelations@atulauto.co.in
2. In case shares are held in demat mode, please provide DPID -CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investorrelations@atulauto.co.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID

correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After

successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investorrelations@atulauto.co.in. The same will be replied by the company suitably.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

Item No. 4:

The Board of Directors on the recommendation of the Nomination and Remuneration Committee, appointed Shri Gurudeo Madhukar Yadwadkar (DIN: 01432796) as an Additional Director effective from August 11, 2023 who can hold office upto the date of forthcoming AGM. The Board proposed to shareholders the appointment of Shri Gurudeo M Yadwadkar (DIN: 01432796), as an Independent Director for a term of three years from August 11, 2023 to August 10, 2026.

Shri Gurudeo M Yadwadkar, being eligible in terms of Section 149 and other applicable provisions of the Companies Act, 2013, offers himself for appointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The Company has received a declaration from him that he meets the criteria of independence as prescribed under subsection (6) of Section 149 of the Act and under the SEBI Listing Regulations. A Notice has been received from a member proposing him as a candidate for the office of Director of the Company. The Committee/ Board finds that he possesses the skills and capabilities required for the role and meets such requirements being experience in banking an finance industry. It is proposed to appoint him as an Independent Director for three years from August 11, 2023 to August 10, 2026. The remuneration to him in form of sitting fees shall be governed by the Remuneration Policy of the Company.

Regulation 25(2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires passing of special resolution for the appointment of Independent Director. Further, it is stated as proviso to the said regulation that a special resolution for the appointment of an independent director fails to get the requisite majority of votes but the votes cast in favour of the resolution exceed the votes cast against the resolution and the votes cast by the public shareholders in favour of the resolution exceed the votes cast against the resolution, then the appointment of such an independent director shall be deemed to have been made under sub-regulation 25(2A).

A copy of the draft letter for appointment of Shri Gurudeo M Yadwadkar as an Independent Director setting out the terms and conditions will be available for inspection without any fee by the members at the registered office of the Company during normal business hours on any working day.

He does not hold by himself or together with his relatives two percent or more of the total voting power of the Company.

His brief profile, nature of expertise and the details required under 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard are provided as annexure to this Notice of AGM.

Accordingly, the Board is of the view that his association will be beneficial to the Company and the Board recommends the resolution in Item No. 4 in relation to appointment of Shri Gurudeo M Yadwadkar as an Independent Director for a term of three years for the approval of the members as a Special Resolution.

Item No. 5 & 6:

Khushbu Auto Private Limited ("KAPL") is one of the prominent dealers of the Company's products for more than three decades. Due to its strong marketing reach in various locations of Gujarat, the Company could maintain its top position in three wheeler industry in Gujarat. KAPL has network of more than 15 sub-dealers in Gujarat mainly located in the nearby districts of Ahmedabad. KAPL plays crucial role in building brand of Atul in Gujarat through its presence in Ahmedabad. The Company foresee the same business performance between Atul Greentech Private Limited, a Subsidiary of the Company and KAPL in respect of sales of L5 category electric three wheelers.

KAPL is run by relative/s of Shri Mahendra J Patel, Director of Atul Auto Limited and the shares of KAPL are held by promoter group of Atul Auto Limited. Hence, KAPL is covered under the definition of related party under section 2(76) of the Companies Act, 2013 and 2(1)(zb) of the SEBI Listing Regulations. Hence, the transactions between (i) the Company and KAPL (ii) Atul Greentech Private Limited, the subsidiary of the Company and KAPL are considered as related party transactions under regulation 2(1)(zc) of the SEBI Listing Regulations.

Further, pursuant to Regulation 23(4) of the SEBI Listing Regulations, transactions with a Related Party where the transaction(s) to be entered individually or taken together with previous transaction(s) during a financial year exceeds Rs.1,000 Crores or 10% of the annual consolidated turnover as per last audited financial statements, whichever is lower, would be considered as Material Related Party Transactions and such transactions require prior approval of the Members through an Ordinary Resolution.

KAPL's share in total sales of Atul ranges from 7% to 10% of annual consolidated total revenue from operations of the Company in past few years. Considering the quantum of transactions with KAPL during the previous years, the business projections for coming years and the market/ industry trend, the Company expects that the aggregate value of transactions with KAPL would be in the range of Rs.50 Crore to Rs.80 Crores in FY 2023-24 by Atul Auto Limited and in the range of Rs.30 Crore to Rs.50 Crore by Atul Greentech Private Limited and may increase in near future year on year. The transactions will be in the nature of sale/ supply of vehicles/ chassis/ spares/ engines/ services/ payment of incentives, commission, warranty, sales promotion etc. Hence, approval of the Members of the Company is sought by way of an Ordinary Resolution for the transactions with KAPL for next five years.

Members are requested to note that the transactions between the Company and KAPL as well as between Atul Greentech Private Limited and KAPL would be in the ordinary course of business and at arm's length basis.

Members are requested to take note that the Company is not entering into these transactions for the first time. KAPL is the authorized dealer of the Company for more than two decades. Till now, the transactions were done with omnibus approval of Audit Committee/ Board of Directors as it was within the limit of 10% of annual consolidated turnover of the Company. This time, due to higher business projections and recovery of the market/ industry, the sales to KAPL may cross the above said limit, beyond which

the approval of members are required.

The particulars of the transaction(s) as required under Regulation

23 of the SEBI Listing Regulations read with SEBI Circular dated November 22, 2021 on disclosure obligations in relation to Related Party Transactions is provided as under:

Particulars	Item No. 5	Item No. 6
Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Khushbu Auto Private Limited ("KAPL") (CIN: 31909GJ2020PTC112350) Nature of Relationship: The relative of Shri Mahendra J Patel, Director of the Company is Director of KAPL and relatives of Director/s and Promoters of the Company hold shares in KAPL.	
Name of Director(s) or Key Managerial Personnel who is related, if any	Shri Mahendra J Patel	
Type, Material terms and particulars of transaction	To sale/ supply of vehicles/ chassis/ spares/ engines/ services/ payment of incentives, commission, warranty, sales promotion etc. to KAPL The transactions shall be carried out at an arm's length basis and in the ordinary course of business of the Company.	
Tenure	5 years with effect from FY 2023-24	
Value of the Transaction	Rs.80 Crore for FY 2023-24 and with an increase of 25% on the previous year limit year on year upto FY 2027-28	Rs.50 Crore for FY 2023-24 and with an increase of 25% on the previous year limit year on year upto FY 2027-28
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	16% of the annual consolidated turnover/ consolidated revenue from operations of the Company as per audited financial statements as on March 31, 2023.	10% of the annual consolidated turnover/ consolidated revenue from operations of the Company as per audited financial statements as on March 31, 2023.
RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided	-	AGPL, subsidiary company has launched the vehicles and started the business recently, hence the value proposed is 9804% of the annual standalone turnover/ revenue from operations of AGPL as on March 31, 2023.
Details of the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable	
Justification as to why the RPT is in the interest of the listed entity	KAPL is one of the prominent dealers of the Company having good track record and hence the transactions with KAPL are commercially beneficial and in the best interest of the Company.	
Any valuation or other external report relied upon by the listed entity in relation to the transactions	The pricing mechanism of RPTs would be as per Arm's length criteria. Any valuation or other external report relied upon by the listed entity in relation to the transactions: Nil	
Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis	-	-
Any other information that may be relevant	-	-

The Audit Committee and the Board of Directors at their respective meetings held on August 11, 2023 have recommended the Material Related Party Transactions with KAPL for consideration and approval by the Members.

The Audit Committee and the Board of Directors are of the opinion that the arrangements are commercially beneficial to the Company and hence the transactions are in the best interest of the Company.

It may be noted that no related party shall vote to approve this Resolution whether the entity is a related party to the transaction or not.

Shri Mahendra J Patel, Director of the Company and their relatives are interested in the transaction upto their stake in KAPL and his relative being Director on the Board of KAPL. None of the Directors and Key Managerial Personnel of the Company and their relatives except as mentioned are, in any way interested or concerned, financially or otherwise in the aforesaid Resolution.

The Board recommends the ordinary resolution as set forth in Item No. 5 and 6 for the approval of the Members.

PROFILE OF DIRECTORS BEING APPOINTED/ RE-APPOINTED

Name of Director	Jayantibhai J Chandra	Gurudeo Madhukar Yadwadkar
DIN	00057722	01432796
Date of Birth	20/10/1956	12/09/1962
Date of Appointment/ Re-appointment	01/06/2023	11/08/2023
Date of First Appointment on the Board	18/06/1986	11/08/2023
Brief Profile and Expertise in specific functional Area	Shri J J Chandra has wide experience in Automobile Industry of more than four decades. He has a far reaching vision with a keen insight to help Company to emerge as one of the leading manufacturers of small commercial vehicles. He has expertise in overall business strategy.	Shri G. M. Yadwadkar is a retired deputy Managing Director of IDBI Bank. He has completed his Bachelor's Degree in Engineering from V J Technical Institute, Mumbai and further completed his Masters of Management Studies from Jamnalal Bajaj Institute of Management Studies, Mumbai. He has done ICWA Intermediate with First Class and has cleared CAIIB with First Class. He has a very rich and varied experience of more than three decades in serving the Banking Industry. He has been instrumental in framing and executing various core policies in IDBI successfully. Currently He is acting as an independent Director in Sanghi Industries Limited w.e.f 23/06/2022.
Academic Qualification	Under Graduate	Certified Associate of India Institute of Bankers (CAIIB), Master of Management Studies (MMS)
Name of other Companies in which he holds Directorship	Nil	Sanghi Industries Limited
Name of other companies in which he holds Chairmanship/ Membership of Committees of Board	Nil	Sanghi Industries Limited Member of (i) Audit Committee and (ii) Nomination and Remuneration Committee
Details of listed entities from which Director resigned during last three years	None	None
No. of Board Meetings attended during FY 2022-23	Five	Not Applicable
No. of Shares held in Atul Auto Limited as on date of Notice	14,52,752	Nil
Relationship with other directors	Father of Shri Neeraj J Chandra	None

BOARD'S REPORT

Dear Members,

The Board of Directors are pleased to present Thirty Fifth Annual Report along with the audited financial statements for the financial year ended March 31, 2023.

FINANCIAL RESULTS

The financial performance of the Company on standalone basis for the year ended March 31, 2023 is summarized below:

(Rs. in lacs except per share data)

Particulars	2022-23	2021-22
Revenue from Operations	47,470	29,382
Other Income	280	239
Total Income	47,750	29,621
Operating Costs	45,159	31,537
Profit Before Depreciation, Interest, Exceptional Items and Tax (PBDIT)	2,591	-1,916
Depreciation & Amortization Expense	1,360	933
Profit before Interest, Exceptional Items and Tax	1,231	-2,849
Interest	633	400
Exceptional Items	-	-
Profit before Tax (PBT)	598	-3,249
Tax Expense	158	-762
Profit after Tax (PAT)	440	-2,487
Other Comprehensive Income	2	43
Total Comprehensive Income for the period	442	-2,444
Opening Balance in Profit and Loss Account	23,157	25,601
Balance carried to Balance Sheet as Retained Earnings	23,599	23,157
Earnings per Share (Rs.)	2.00	-11.33

FINANCIAL REVIEW AND HIGHLIGHTS

During the financial year 2022-23, the performance of the company has improved and the Company could successfully achieved the positive year-end results. The highlights of the standalone financial statements for the year are as under:

- The Company sold 25,549 vehicles in FY 2022-23 in compare to 16,061 in previous year. Thus, sale of the Company increased by 59.07%.
- The Company has achieved total revenue from operations of Rs.47,470 Lacs in FY 2022-23 in compare to Rs.29,382 Lacs in FY 2021-22. Thus it is increased by 61.56%.
- Export revenue of the Company increased to Rs.4,098 Lacs in compare to Rs.2,562 Lacs in Previous year. Thus it is increased by 59.95%
- Profit before depreciation, interest and tax reached to Rs.2,591 Lacs against the loss of Rs.1,916 Lacs in previous year.
- Profit before taxes reached to Rs.598 Lacs compare to loss before tax of Rs.3,249 Lacs in previous year.
- Net Profit after tax reached to Rs.440 Lacs compare to net loss after tax of Rs.2,487 Lacs previous year.

The highlights of consolidated results with performance of associate and subsidiary company are described in this report separately.

DIVIDEND

Considering the future need of the fund for business operations of

the Company, the Board of Directors of the Company does not declare dividend for the year ended March 31, 2023.

CAPITAL STRUCTURE AND PREFERENTIAL ISSUE OF WARRANTS

Upon receipt of necessary approvals of the members of the Company, stock exchanges, the Company has issued made a preferential issue of warrants of Rs.115 Crore during the year. Upon receipt of an amount aggregating to Rs.28.75 Crore, being 25% of the total consideration payable ("Warrant Subscription Price"), the Securities Allotment Committee of the Board of Directors of the Company at its meeting held on November 15, 2022 allotted 58,08,080 Fully Convertible Warrants ("Warrants") to Shri Jayantibhai J Chandra, M/s. Khushbu Auto Private Limited and Mr. Vijay K Kedia (collectively called the "Allottees") on preferential issue basis with a right to the warrant holders to apply for and be allotted 1 (one) equity share of Rs.5/- each of the Company at an issue price of Rs.198/- per share (including premium of Rs.193/- per share) for each warrant, within a period of eighteen months from the date of allotment of the said warrants in compliance with the provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

During the year under review, the paid up share capital increased from Rs.10,97,16,000/- (Rupees Ten Crore Ninety Seven Lac Sixteen Thousand Only) divided into 2,19,43,200 equity shares of Rs.5/- each to Rs.11,93,96,135/- (Rupees Eleven Crore Ninety Three Lac Ninety Six Thousand One Hundred and Thirty Five Only) divided into 2,38,79,227 upon allotment of 19,36,027 equity shares against receipt of exercise price aggregating to Rs.28.75

Crore on 19,36,027 warrants. Further, the Securities Allotment Committee of Board of Directors of the Company at its meeting held on June 26, 2023 allotted 21,71,717 equity shares against receipt of exercise price aggregating to Rs.32.25 Crore on 21,71,717 warrants. Thus, the Company has received Rs.89.75 Crore out of preferential issue of Rs.115 Crore and the remaining amount is expected to be received soon.

The equity shares allotted upon conversion of the warrants, shall rank pari passu in all respects with the existing equity shares of the Company.

As on March 31, 2023, the company's authorised share capital was Rs.15,00,00,000/- (Rupees Fifteen Crores Only) divided into 3,00,00,000 (Three Crore only) equity shares of Rs.5/- (Rupees Five only) each. During the year under review, there is no change in authorized share Capital.

There is no change in share capital of the Company during the year except mention above.

CONSOLIDATED FINANCIAL STATEMENTS

As per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable provisions of the Companies Act, 2013 read with the rules issued thereunder, the Consolidated Financial Statements of the Company for the financial year 2022-23 have been prepared in compliance with applicable Accounting Standards and on the basis of audited financial statements of the Company and its subsidiary companies, as approved by the respective Board of Directors.

In accordance with Section 136 of the Act, the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements are available for inspection at Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays upto the date of the AGM. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The financial statements including consolidated financial statements of subsidiaries and all other documents required to be attached to this report have been uploaded on the website of the Company at <https://atulauto.co.in/subsidiaries-reports.aspx>

PERFORMANCE OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

Pursuant to provisions of Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's subsidiaries, Associates and Joint Ventures in Form AOC-1 is attached to the consolidated financial statements.

During the year under review, there are no companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies. The Company does not have any Associate Company or Joint Venture. The performance of subsidiary companies during financial year 2022-23 are as under:

Khushbu Auto Finance Limited

Khushbu Auto Finance Limited ("KAFL") a Non-Banking Finance Company categorized as Investment and Credit Company (NBFC-ICC), earlier Asset Finance Company (AFC) is wholly owned subsidiary of the Company. KAFL is primarily in the business of financing of three-wheelers of Atul Auto Limited and two-wheelers of various brands. KAFL provides the finance to the

customers of Atul Auto Limited in the regions where other financiers are not available.

With more than 20% growth in business, FY 2022-23 has been a remarkable year for KAFL. The revenue from financing activities showed a strong growth of 20% and the bottom line for reflected a significant increase of 140% with profit of Rs.389 lakhs.

With COVID effect averaging out in market, total disbursement for FY 22-23 stood at Rs.116.51 Crore.

KAFL has opened 17 new location in the year 22-23 covering a total of 12 states resulting in presence at total 53 locations at the end of the year.

As per explanation provided under the Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, the term "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. KAFL, wholly owned subsidiary of the Company is to be considered as unlisted material subsidiary since net-worth of KAFL is more than 20% of net-worth of the Company as on March 31, 2022.

Smt. Aarti J Juneja (DIN: 06872059), Independent Director of the Company is Director of KAFL in compliance with regulation 24 of the SEBI Listing Regulations.

Atul Green Automotive Private Limited

Atul Green Automotive Private Limited is wholly owned subsidiary of the Company. It is in the business of sales of spare parts of Atul vehicles to certain international markets.

The Investment in share capital of Atul Green Automotive Private Limited was Rs.45 Lacs as on March 31, 2023. Its revenue during the year was Rs.114 Lacs and earned after tax profit of Rs.7 Lacs.

Atul Greentech Private Limited

Atul Greentech Private Limited ("AGPL"), incorporated in the year 2020 is in the business of electric three wheelers as well as electric vehicle spares and parts including battery packs, battery management system, battery charger etc. for the purpose of L5 Category electric vehicles of Atul Auto Limited and various other applications and electric motor vehicles.

At the end of financial year 2022-23, the investment in share capital of AGPL was Rs.999.99 Lacs. In the month of May 2022, AGPL has raised Rs.15 Crore by way of allotment of 25,00,000 equity shares of Rs.10/- each at a price of Rs.60/- each (evaluated by Registered Valuer) on private placement basis to the shareholder/s other than the Company including Mr. Vijay K Kedia, Non-Executive Director of the Company. Post-allotment, the Company holds eighty percent stake in AGPL.

AGPL announced its foray into the electric space with the unveiling of 2 electric three-wheelers, Atul Mobili & Atul Energie at the Auto Expo 2023 in New Delhi. Atul Mobili is a passenger vehicle and Atul Energie is a cargo variant with distinct looks, robust build quality and powerful performance.

During the year, AGPL has collaborated with Honda Power Pack Energy India Pvt. Ltd. and Valeo to develop the prototype Cargo and Passenger three wheeler with the most reliable Honda Mobile Power Pack e: Swap & Valeo powertrain system. AGPL would launch the e-vehicle after successful completion of field trials. The vehicle with swapping battery will be equipped with Valeo's

integrated compact electric powertrain system. This world class swappable solution from AGPL will enable our fleet and individual customers to lower the Total Cost of Ownership and up front capital expenditure.

LOANS, GUARANTEES AND INVESTMENTS

Particulars of the loans given, investment made or guarantee given pursuant to section 186 of the Companies Act, 2013 and the purpose for which the loan or guarantee or investment is proposed to be utilized by the recipient of the loan or guarantee are provided in Note No. 45 to the Standalone Financial Statements. These loan, guarantee and investments are in compliance with section 186 of the Companies Act, 2013.

No security has been provided during the year 2022-23.

LIQUIDITY

The Company has cash and cash equivalents of Rs.336 Lacs as on March 31, 2023. Moreover, the Company has sanctioned working capital facilities Rs.3000 Lacs from IDBI Bank, Rs.750 Lacs from ICICI Bank and pre/post shipment credit facilities of USD 3.50 Million or equivalent INR from Export Import Bank of India as on March 31, 2023 to meet the liquidity requirement.

TERM DEBT

The company has been sanctioned a term loan of Rs.90 Crore from EXIM Bank, for part financing the green field project at Bhayla, Dist. Ahmedabad from which the company has utilised Rs.7500 Lacs as on March 31, 2023 only. Out of the proceeds of the preferential issue, the Company has started pre-payment and the same has been pre-paid in full in FY 2023-24. Now, it's Debt free company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri Jayantibhai J Chandra is liable to retire by rotation at the ensuing AGM in compliance with the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of the Company and being eligible has offered himself for reappointment. The Independent Directors of Company are not liable to retire by rotation as per provisions of section 149(13) of the Companies Act, 2013.

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under 149(6) of the Companies Act, 2013 read with Rules issued there under as well as Regulation 16(1)(b) of the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force). The Board is of the opinion that Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfil their duties as Independent Directors.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (IICA). Smt. Aarti Juneja, Shri Mohan Jit Walia and Dr. Jaichander Swaminathan have cleared the test. Shri Vijay Goel is exempted for passing the test pursuant to third proviso of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The details of policy on Directors' Appointment, its remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under subsection (3) of section 178; and performance evaluation has been described in detail in the report on Corporate Governance of the Company which forms and integral part of the report.

During the year under review, the first term of Shri Mohan Jit Walia and Shri Jaichander Swaminathan as Independent Directors of the Company has been completed on August 09, 2022 and August 25, 2022 respectively and as they further qualifies and being eligible, on the recommendations of the Nomination and Remuneration Committee of the Company, the Board of Directors has reappointed Shri Walia by passing the resolution through circulation on August 08, 2022 and Shri Swaminathan at its Meeting held on August 13, 2022, for three more years i.e. upto August 08, 2025 and August 24, 2025 respectively and the same has been approved by shareholders at its Thirty Fourth Annual general Meeting held on September 27, 2022.

Further, the Board at its meeting held on August 11, 2023 has accepted the Resignation of Shri Vijay Kumar Goel (DIN: 05014980) from the post of Independent Director w.e.f. close of business hours on June 02, 2023 in compliance with section 168 of the Companies Act, 2013 and to fill this casual vacancy, the Board, on the recommendations of Nomination and Remuneration Committee, appointed Shri Gurudeo M Yadwadkar (DIN: 01432796) as Additional Independent Director with effect from August 11, 2023 and it is proposed to regularize him in ensuing Annual general Meeting of the Company. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing his candidatures for the office of Independent Director. His brief profile is annexed to the notice of AGM.

The Board at its meeting held on May 20, 2023 appointed Shri Jayantibhai J Chandra as Chairman and Whole-time Director (DIN: 00057722) (Holding the position of Chairman and Managing Director) with effect from June 01, 2023 and appointed of Shri Neeraj J Chandra as Managing Director (DIN: 00065159) (Holding the position of Whole-time Director) with effect from June 01, 2023. The company has issued the postal ballot notice dated July 13, 2023 for seeking approval of shareholders for the said appointments.

There was no change in the Key Managerial Personnel during the year except mentioned above.

NUMBERS OF MEETINGS OF BOARD

The Board met six times during financial year 2022-23, the details of which are provided in the Corporate Governance Report. The gap between any two meetings was within the period prescribed by the Act and the SEBI Listing Regulations.

COMMITTEES OF THE BOARD

The Board of Directors has the following Committees as on March 31, 2023:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholders' Relationship Committee
- d. Risk Management Committee
- e. Securities Allotment Committee

As the liability for CSR for FY 2022-23 for the Company was Rs.14,13,487/-, the Board of directors at its meeting held on May 27, 2022 dissolved the CSR Committee. The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

PERFORMANCE EVALUATION

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee to formulate a process for evaluating the performance of Individual Directors, Committees of the Board and the Board as a whole.

In terms of the requirement of the Companies Act, 2013 and the SEBI Listing Regulations, an annual performance evaluation is undertaken. The details of the evaluation process, parameters etc. are set out in the Corporate Governance Report which forms a part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013, the Directors, based on the information and representations received from the Board of Directors confirm that:

- in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards had been followed and there are no material departures from the same;
- they have 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 at March 31, 2023 and of the Profit of the company for that period;
- they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively during the financial year ended March 31, 2023; and
- they had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively throughout the financial year ended March 31, 2023.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis forms an integral part of this report and gives details of the overall industry structure, economic developments, outlook, operational performance and state of affairs of your Company.

CORPORATE GOVERNANCE

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with certificate from the Auditors on its compliance forms an integral part of this report.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. Maharishi & Co., Chartered Accountants (ICAI Firm Registration No. 124872W) ("Existing Auditors") were appointed

as statutory auditors of the Company at Thirty Fourth AGM to hold office upto thirty ninth AGM of the Company to audit the financial statements from FY 2022-23 to FY 2026-27. They have confirmed that they are not disqualified from continuing as Auditors of the Company. The peer review certificate of M/s. Maharishi & Co. is valid upto May 31, 2025.

The Auditors' Reports for the financial year ended March 31, 2023 on the financial statements (Standalone and consolidated) of the Company is a part of Annual Report. The auditors' report does not contain any qualification, reservation or adverse remark.

During the year under review, the tenure of five year as Statutory Auditors of the Company has been completed by M/s. Kamlesh Rathod & Associates, Chartered Accountants (ICAI Firm Registration No. 117930W) on the conclusion of the thirty forth AGM of the Company held on September 27, 2022.

Secretarial Auditors

The Board of Directors of the Company at its Meeting held on May 20, 2023 has appointed CS Hardik Hudda (ICSI Membership No.: A39621, CP No.:14697), Proprietor of M/s. Hardik Hudda & Associates in whole time practice having valid peer review certificate No.1805/2022 to undertake the Secretarial Audit of the Company for the financial year 2022-23. The Secretarial Audit Report for the financial year ended March 31, 2023 is set out in Annexure [A] to this report. Further, the Secretarial Audit Report for the financial year ended March 31, 2023 of Khushbu Auto Finance Limited (Material Unlisted Subsidiary of the Company) is set out in Annexure [B] to this Report as per requirement of regulation 24A of the SEBI Listing Regulations. The secretarial auditors' report does not contain any qualification, reservation or adverse remark except non-appointment of internal auditors which have been appointed now.

The Company is not required to get its cost records audited for the financial year 2022-23.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee or Central Government under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

INTERNAL FINANCIAL CONTROLS

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

RELATED PARTY TRANSACTIONS

All transactions entered with related parties for the financial year 2022-23 were on arm's length basis and in the ordinary course of business and that the provisions of Section 188(1) of the Companies Act, 2013 and the Rules made thereunder are not attracted. Thus, disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required. Further, there is no material transaction with any related party during the year under review. The Company complies with the policy on related party transactions while identification and monitoring it.

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on

Related Party Transactions formulated by the Company. There are no materially significant related party transactions that may have potential conflict with interest of the Company at large.

During the year, the Company has obtained the approval of the shareholders through postal ballot on April 22, 2023 to material related party transactions with Atul Greentech Private Limited, Subsidiary of Company (i) to provide/ extend guarantee to lending banks/ financial institutions up to a maximum aggregate amount which shall not exceed Rs.125 Crore at any point of time during the period of five years w.e.f. FY 2023-24 and (ii) to sale/ supply of goods and rendering of services including jobwork up to a maximum aggregate amount Rs.125 Crore during a financial year 2023-24 with an increase of 25% on the previous year limit year on year upto FY 2027-28.

All related party transactions are placed before the Audit Committee as also to the Board for review and approval. Omnibus approval of the Audit Committee was obtained for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are reviewed by Audit Committee and a statement giving details of all related party transactions are placed before the Audit Committee and the Board for review on a quarterly basis. The Company has made necessary modifications to the said policy in line with the amendments introduced by the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021.

The details of the related party transactions as per Indian Accounting Standards (Ind AS) - 24 are set out in Note No. 41 to the Standalone Financial Statements of the Company.

ANNUAL RETURN

The Companies (Management and Administration) Amendment Rules, 2020 has done away the requirement of attaching extract of Annual Return in Form MGT-9 to Board's Report. The annual return in Form MGT-7 as required under Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company at <https://atulauto.co.in/subsidiaries-reports.aspx>

EMPLOYEE AND RELATED DISCLOSURES

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

During FY 2022-23, there was no such employee in the Company who employed throughout the year and was in receipt of remuneration of not less than one crore and two lakh rupees or not less than eight lakh and fifty thousand rupees per month if employed for a part of the financial year. Further, there is no such employees who was in receipt of remuneration in excess of drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

Details of top ten employee as per Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available at the Registered Office of the Company during working hours, 21 days before the Annual General Meeting and shall be made available to any Shareholder on request. Such details are also available on your Company's website <https://atulauto.co.in/subsidiaries-reports.aspx>

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of

the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as Annexure [C].

CORPORATE SOCIAL RESPONSIBILITY

The Company has always laid emphasis on progress with social commitment. We believe strongly in our core values of empowerment and betterment of not only the employees but also our communities. Following this principle, the Company had laid the foundation of a comprehensive approach towards promoting and facilitating various aspects of our surrounding communities. The Company has undertaken projects in the area Eradicating Hunger and Poverty. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy. The Report on CSR activities which is reviewed by the Board at its meeting held on May 20, 2023 as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as Annexure [D] and forms an integral part of this Report.

The Board of directors at its meeting held on May 27, 2022 dissolved the CSR Committee with immediate effect in compliance with section 135 of the Companies Act, 2013.

The Board has approved a policy for Corporate Social Responsibility and same has been uploaded on the website at <https://atulauto.co.in/corporate-governance-reports.aspx>.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the Internal Rules/ Code of Conduct of the Company. The details of the same have been described in more depth in Corporate Governance Report.

The Company has established system for reporting, investigation and suitable action in line with the whistle blower policy. The whistle blower Policy is also available on Company's website at weblink <https://atulauto.co.in/corporate-governance-reports.aspx>.

CREDIT RATING

During the year under review, CRISIL Limited, the Credit Rating Agency, has assigned CRISIL BBB+/Negative (Downgraded from 'CRISIL A-/Stable') to long term bank facilities and CRISIL A2 (Downgraded from 'CRISIL A2+') to short term bank facilities of the Company. Further, CRISIL Limited, the Credit Rating Agency, has assigned CRISIL BBB+/Stable (Outlook revised from 'Negative'; Rating Reaffirmed) to long term bank facilities and CRISIL A2 (Reaffirmed) to short term bank facilities of the Company vide its letter dated August 02, 2023.

Further, CRISIL Limited has also withdrawn its rating on the Rs.71.46 crore long-term bank facility on the request of the company as the same has been paid in full. This is in line with the withdrawal policy of CRISIL Ratings.

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

The particulars of conservation of energy, research and development, technology absorption and foreign exchange earnings and outgo in terms of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the year ended March 31, 2023 are annexed to this report as Annexure [E].

RISK MANAGEMENT

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks help in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board of Directors.

The Company has Risk Management Committee with the following Members as on March 31, 2023:

Mahendra J Patel	Member
Neeraj J Chandra	Member
Jaichander Swaminathan	Member
Hiren V Patel	Member

Some of the risks that the Company is exposed to are: Financial Risk, Commodity Price Risk, Regulatory Risk, Human Resource Risk, Strategic Risk, Pandemic Risk etc.

SECRETARIAL STANDARDS OF ICSI

Pursuant to the approval given on April 10, 2015 by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India (ICSI), the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from July 1, 2015. The Company is in compliance with the same.

INDIAN ACCOUNTING STANDARDS

The Company adopted Indian Accounting Standards (Ind AS) from April 1, 2017. Accordingly, the financial statements have been prepared in compliance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Act and other relevant provisions of the Act. In the preparation of financial statements, no treatment which is different from that prescribed in an Accounting Standard has been followed.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In accordance with applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unclaimed dividends are required to be transferred by the Company to IEPF, after completion of seven (7) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven (7) consecutive years or more shall be transferred to the demat account of the IEPF Authority. The details relating to amount of dividend transferred to IEPF is provided in the General Shareholders Information section of this Annual Report.

OTHER DISCLOSURES

Few statutory disclosures the Company is required to do are as under:

- The Board of Director of the Company has not proposed any amount for transfer to the reserve for the financial year ended March 31, 2023.
- During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

- The phase-II of Bhayla (Dist. Ahmedabad) Plant has been commenced.
- The Company has not paid any commission to any of its Directors and hence, provision of disclosure of commission paid to any Director as mentioned in Section 197(14) is not applicable.
- The Managing Director of the Company has not received any remuneration or commission from any of Company's subsidiaries;
- There has been no instance of any revision in the Board's Report or the financial statement under Section 131(1) of the Act.
- During the year under review, there were no complaints/ cases filed/ pending/ disposed-off pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Company has complied with the provisions relating to the constitution of Internal Complaints Committee and other provisions under the said Act.
- No application made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the financial year ended March 31, 2023.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- There have been no material changes/ commitments, affecting the financial position of the company which have occurred between end of the financial year of the company to which the financial statements relate and the date of the report. There has been no changes in nature of business of the Company.
- All the recommendations made by the Audit Committee were accepted by the Board of Directors
- The Company does not have any scheme or provision of money for the purchase of its own shares by employees/ Directors or by trustees for the benefit of employees/ Directors.
- The Dividend Distribution Policy is uploaded on https://atulauto.co.in/upload/investor-relation/attachment/140/aal_dividend-distributionpolicy_august-2021.pdf
- The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof – Not Applicable

APPRECIATION

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to dealers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

**For and on behalf of the Board of
Atul Auto Limited**

Neeraj J Chandra
Managing Director
DIN: 00065159

Mahendra J Patel
Whole-time Director & CFO
DIN: 00057735

Place: Bhayla (Dist. Ahmedabad)
Date: August 11, 2023

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ATUL AUTO LIMITED
Survey No. 86, Plot No. 1 to 4,
8B National Highway,
Near Microwave Tower,
Shapar (Veraval), Dist. Rajkot,
Gujarat, INDIA 360024

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Atul Auto Limited (CIN: L54100GJ1986PLC016999) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended March 31, 2023 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not Applicable to the Company as there was no reportable event during the Audit period under review)
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021

(Not Applicable to the Company as there was no reportable event during the Audit period under review)

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company as there was no reportable event during the Audit period under review)
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company there was no reportable event during the Audit period under review); and
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

- i) The Motor Vehicles Act, 1988 and the Rules made thereunder to the extent of product certification before production and from time to time primarily in respect of vehicles manufactured by the Company

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

- i) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India.
- ii) Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

The Company has not appointed Internal Auditor as required under section 138(1) of the Companies Act, 2013 for the period under review. The Company has appointed Internal Auditor for current financial year.

I further report that -

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

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except meetings convened at a shorter notice), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the

meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

I further report that during the audit period, the company has not undertaken any event/action having a major bearing on the Company's affairs except below which is in pursuance/ compliance of/ with the above referred laws, rules, regulations, guidelines, standards, etc.:

The Company has made preferential issue/ allotment of 58,08,080 warrants of face value of Rs.5/- each at Rs.198/- per warrant fully convertible into equal number of equity shares of face value of Rs.5/- each of the Company to the specified investors. Upon receipt of the exercise price, 19,36,027 warrants

have been converted and equal number of equity shares have been allotted to the specified investors during the year under review.

**For Hardik Hudda & Associates,
Practicing Company Secretaries**

**CS Hardik Hudda
Proprietor
Membership No: A39621 CP No: 14697
Peer Review No: 1805/2022
UDIN: A039621E000783353**

Place : Ahmedabad

Date : August 11, 2023

SECRETARIAL AUDIT REPORT OF KHUSHBU AUTO FINANCE LIMITED, A MATERIAL SUBSIDIARY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of
the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**To,
The Members,
KHUSHBU AUTO FINANCE LIMITED**

SH 111, 112 Jimmy Tower,
Opp Swaminarayan Gurukul, Gondal Road,
Bhaktinagar, Rajkot, Gujarat- 360002, India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Khushbu Auto Finance Limited (CIN: U74999GJ1994PLC022816) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended March 31, 2023 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under
(Not Applicable during the audit period);
- iii) The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable during the audit period);

I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

- i) Reserve Bank of India Act, 1934
- ii) Master Directions issued by RBI

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

- i) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India.

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

I further report that -

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

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except meetings called at a shorter notice with required approvals), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

I further report that during the audit period, the company has not undertaken any event/action having a major bearing on the Company's affairs.

**For Hardik Hudda & Associates,
Practicing Company Secretaries**

CS Hardik Hudda
Proprietor
Membership No: A39621 CP No.: 14697
Peer Review No: 1805/2022
UDIN: A039621E000780031

Date: August 10, 2023
Place: Ahmedabad

Statement of Disclosures under Section 197 of the Companies Act, 2013 and rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2022-23, ratio of the remuneration of each

Director to the median remuneration of the employees of the Company for the Financial Year 2022-23 are as under:

Sr No	Name of Director/ KMP	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
1	Jayantibhai J Chandra	Chairman and Managing Director	54.62	33.13%
2	Mahendra J Patel	Whole-time Director & CFO	47.41	31.23%
3	Neeraj J Chandra	Whole-time Director	26.47	29.46%
4	Vijay K Kedia	Non-Executive Director	0.32	-8.54%
5	Aarti Juneja	Independent Director	0.71	21.01%
6	Mohan jit Walia	Independent Director	0.65	10.87%
7	Jaichander Swaminathan	Independent Director	0.74	20.00%
8	Vijay Kumar Goel	Independent Director	0.62	11.45%
9	Paras J Viramgama	Company Secretary and Compliance Officer	3.07	15.16%

Notes:

a) Percentage increase / decrease in remuneration and ratios for Independent Directors may not be relevant since they are calculated on the basis of sitting fees paid which primarily depend upon number of meetings held and attended during the financial year.

b) Though the remuneration of executive directors during FY 2022-23 are higher than ones paid in FY 2021-22, they are still withdrawing overall 39% less than the amounts approved by the shareholders in FY 2022-23.

c) The median and other employee related comparative figures have been calculated on the basis of employees worked throughout the years and hence, those figures may differ from the ones published last year.

- ii) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year:

The median remuneration of employees of the Company during the Financial Year was Rs.2,35,710/- and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the above table.

- iii) The percentage increase in the median remuneration of employees in the Financial Year

In the financial year 2022-23, there was an Increase of 13.43% in the median remuneration of employees.

- iv) The number of permanent employees on the rolls of Company: There were 615 permanent employees on the rolls of the Company as on March 31, 2023.

- v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year i.e. 2022-23 was 19.49% whereas there was an Increase of 13.43% in the managerial remuneration during FY 2022-23. Though there was an increase in managerial remuneration during FY 2022-23 in compare to last year, they are still withdrawing overall 20% less than the amounts approved by the shareholders.

The remuneration of Non-Executive Director and Independent Directors consist of sitting fees only. While deciding the remuneration, various factors such as Director's participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, etc. were taken into consideration.

- vi) Affirmation that the remuneration is as per the remuneration policy of the company:

It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company - <https://atulauto.co.in/corporate-governance-reports.aspx>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) - Not Applicable
5. a) Average net profit of the company as per sub-section (5) of section 135 : Rs.7,06,74,335/-
b) Two percent of average net profit of the company as per section 135(5) : Rs.14,13,487/-
c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : NIL
d) Amount required to be set off for the financial year, if any : Rs.39,873/-
e) Total CSR obligation for the financial year [(b)+(c)-(d)] : Rs.13,73,614/-
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : Rs. 36,37,095/-
(b) Amount spent in Administrative Overheads: NIL
(c) Amount spent on Impact Assessment, if applicable : NIL
(d) Total amount spent for the Financial Year [(a)+(b)+(c)] : Rs.36,37,095/-
(e) CSR amount spent or unspent for the Financial Year :

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
36,37,095/-	–	–	–	–	–

- (f) Excess amount for set-off, if any:

Sr. No.	Particular	Amount
(1)	(2)	(3)
(i)	Two per cent of average net profit of the company as per sub-section (5) of section 135	14,13,487
(ii)	Total amount spent for the Financial Year	36,37,095
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	22,23,608
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	22,63,481

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
1	FY-1							
2	FY-2				Nil			
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes ☒ No

If Yes, enter the number of Capital assets created/acquired

9. Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
— Not Applicable ----							

For and on behalf of Atul Auto Limited

(Jayantibhai J Chandra)
Chairman and Managing Director
DIN: 00057722

Bhayla (Dist. Ahmedabad)
May 20, 2023

Details of Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo

[Pursuant to Section 134 of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014]

A) Conservation of Energy

Your Company is committed to follow responsible business practices by contributing to environmental conservation and protection. The Company has always been conscious of need for conservation of energy. Energy conservation measures have been implemented at plant and more efforts are continuously made by the Company to minimize wastages and reduce the consumption rate of power per unit of production. Your Company ensures strict compliance with all the statutory requirements, and has taken various initiatives for energy conservation and preserving natural resources like replacing conventional lights with LED lights, use of renewable energy etc. The consumption of units of electricity per vehicle increased from 180.46 units in FY 2021-22 to 183.40 units in FY 2022-23 due to low level of capacity utilization against available production capacity of plants.

Particulars	2022-23	2021-22
Electricity purchased		
Units	46,26,008	29,37,268
Amount (Rs.)	4,18,12,079	2,46,39,673
Production in no.	25,224	16,277
Unit consumed per unit of production	183.40	180.46

The Company is maintaining a wind turbine (KW 600) at village Gandhvi (Lamba), Ta. Kalyanpur in Jamnagar District for utilizing renewable energy.

The Company makes investment of revenue nature for conservation of energy on regular basis. No separate capital investment has been made for energy conservation during the year.

B) Technology Absorption

Your Company continues to derive sustainable benefit from the strong foundation and long tradition of R&D which differentiates it from others. New models, variants, processes and benefits flow from work done in R&D Centre. The R&D of the Company based at Pune work closely with the business to create exciting innovations that help us win with our consumers. During the year under review, your Company continued to work on technology upgradation and capability development in the critical areas of Powertrain, Gasoline Engines, Transmission, CED, Simulations, Emission, Safety, Weight reduction, Alternate fuels, Automotive electronics and Connected Vehicles. These technology focus areas are important to stay competitive in the market today and in the times to come.

To serve the customers with better, innovative and latest technology product, the Company has invested the amount in R&D activities in financial year 2022-23 as under:

(₹ In Lakhs)		
Particulars	2022-23	2021-22
Revenue expenditure	368	492
Capital expenditure	-	-
Total	368	492

The Company gets benefits in the form of upgradation of the existing products on utilization of latest technology.

The Company has imported following technology for the product improvement in last three financial years:

Sr. No.	Technology Imported	Year of Import	Status
1.	Vehicle engine gas emission checking	2020	Technology Absorbed
2.	Horizontal Machining Centre for machining of parts	2020	Technology Absorbed

Future Plan of Action

The Company is investing further in people and equipment so as to strengthen its R&D and thereby enhance its capability to achieve better position in the future. In the future, we will continue following more innovative, environment friendly and practical automobile vehicles considering changes in market trends.

C) Foreign Exchange Earnings and Outgo

As part of its core strategy, the Company is tapping on export markets where our product is suitable to the needs of the customers. During the year, 8.29% of our revenues were derived from export. The Company is taking further steps to widen its international marketing network.

Foreign exchange earnings and outgoes during the year under review are as under:

(₹ In Lakhs)	
Particulars	2022-23
Earning	3,734
Expenditure	723
Net Foreign Exchange Earning (NFE)	3,011
NFE/Earning (%)	80.64%

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMY DURING FISCAL 2023

Global

During fiscal 2023, the global economy appears poised for a gradual recovery from the devastating effects of the pandemic and of war in Ukraine. China is rebounding strongly following the reopening of its economy. Supply-chain disruptions are unwinding, while the dislocations to energy and food markets caused by the war are receding. Simultaneously, the massive and synchronous tightening of monetary policy by most central banks should start to yield results, with inflation slowly going down. Although inflation has declined as central banks have raised interest rates and food and energy prices have come down, underlying price pressures are proving sticky, with labor markets tight in a number of economies. Side effects from the fast rise in policy rates are becoming apparent, as banking sector vulnerabilities are coming into focus and fears of contagion have risen across the broader financial sector, including nonbank financial institutions. Policymakers are taking forceful actions to stabilize the banking system.

Global growth is projected to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. Global headline inflation is expected to fall from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. For advanced economies, the growth slowdown projected for 2023 remains significant: from 2.7 percent in 2022 to 1.5 percent in 2023. About 93 percent of advanced economies are projected to have lower growth in 2023, and growth in 2024 among this group of economies is projected to remain at 1.4 percent. For emerging market and developing economies, growth is projected to be broadly stable at 4.0 percent in 2023 and 4.1 percent 2024. However, this stable average masks divergences, with about 61 percent of the economies in this group growing faster in 2023 and the rest - including low-income countries and most geographic regions growing more slowly.

(Source: IMF WEO, July 2023)

Indian

According to the second advance estimates released by the National Statistical Office (NSO) in May this year India's real GDP growth for FY23 is placed at 7.2%, driven by private consumption and public investment. Economic activity remained resilient in Q4. Index of Industrial Production (IIP) expanded by 5.2% indicative of the strength of industrial activity. In the services sector, domestic air passenger traffic, port freight traffic, e-way bills and toll collections posted healthy growth in Q4, while railway freight traffic registered a modest growth. Purchasing Managers Indices (PMI) pointed towards sustained expansion in both manufacturing (56.4) and services in March (57.8).

A good rabi crop should strengthen rural demand, while the sustained buoyancy in contact-intensive services should support urban demand. The government's thrust on capital expenditure, above trend capacity utilization in manufacturing, double digit credit growth and the moderation in commodity prices are expected to bolster manufacturing and investment activity. GOI in the Union Budget 2023-24 increased total capex outlay by 33.0% to Rs.10 lakh Crore, 100 critical transport infrastructure projects, for last and first mile connectivity for ports, coal, steel, fertilizer, and food grains sectors have been identified. Budgetary allocation for MoRTH saw a 25% increase totaling to Rs.2.6 lakh Crore. The external demand drag could accentuate, given slowing global trade and output. Taking all these factors into

consideration, RBI has forecasted India's real GDP growth for FY24 at 6.5%.

The inflation trajectory for 2023-24 would be shaped by both domestic and global factors. The expectation of a record food grains production bodes well for the food prices outlook. The impact of recent unseasonal rains and hailstorms, however, needs to be watched. Crude oil prices outlook is subject to high uncertainty. Taking into account these factors and assuming an annual average crude oil price (Indian basket) of US\$ 85/barrel and a normal monsoon, CPI inflation is projected at 5.2% for FY24.

AUTO INDUSTRY

Indian Auto Industry sold 2.60 Crore vehicles in FY 2022-23 which was 2.32 Crore in FY2021-22.

Domestic Market

Total domestic vehicles sale increased from 1.76 Crore to 2.12 Crore vehicles in FY 2022-23 showing a growth of 20%. Within this, total Passenger Vehicle Sales increased from 30,69,523 to 38,90,114 units and the overall Commercial Vehicles sales increased from 7,16,566 to 9,62,468 units. Whereas 3W sales increased from 2,61,385 to 4,88,768 vehicles showing a growth of 87% and 2W sales increased from 1.35 Crore to 1.58 Crore registering a growth of 17%.

International Market

Due to global market disruptions on account of severe inflation, geo-political tension and forex issues, auto sales has been decreased from 56.17 Lakh to 47.61 Lakh, de-growth of 15%. Within this, total Passenger Vehicle Sales increased from 5,77,875 to 6,62,891 units and the overall Commercial Vehicles sales decreased from 92,297 to 78,645 units. Whereas 3W sales was most hit segment as the sales decreased by 27% from 4,99,730 to 3,65,549 vehicles and 2W decreased by 18% from 44.43 Lakh to 36.52 Lakh Units.

RESEARCH AND DEVELOPMENT

The Company has been strategically making required investment in Research and Development Activities. The main focus of the Company in sphere of R&D is on electric vehicle capable of providing the comfort that is being given by the alternate fuel three wheelers. The Company has also in the process of launching more models and variants in Alternate Fuel Three Wheelers with a capacity of 0.50 tonne on the back of a strong support of R&D.

The R&D team continues their efforts in developing cutting-edge technologies that are relevant for the near and long-term requirements of the Company's business plans. These developments are centered on customers, emerging mobility needs, providing advanced safety systems and sustainability. The Company continues to leverage global talent through several co-operations with Indian and global expert organizations.

Alternate Fuel 3W

The Company has been moving progressively into Alternate Fuel 3W (Petrol/ CNG/ LPG) space. As part of Company's commitment to make constant embellishments in its Alternate Fuel 3W space, the Company has been focused on improving its Alternate Fuel 3W in terms of comfort and economy in 0.35 tonne as well as 0.50 tonne segment.

Electric Vehicles (EV)

Backed with the rich experience in the three wheeler industry, the Company has ventured into the world of electric vehicles by launch of EV i.e. Atul Mobili and Atul Energie this year. Having confidence upon the models launched, the Board foresees this as a new era for the industry as well as for the Company. Considering the benefits provided under FAME II (Faster Adoption and Manufacturing of Hybrid & Electric Vehicles) and fuel costs, the Board believes in bright future of electric three wheeler and necessary developments are going into this segment. Further, AGPL has tied-up with Honda Power Pack Energy India and Valeo to develop the prototype Cargo and Passenger three wheeler with the most reliable Honda Mobile Power Pack e: Swap & Valeo powertrain system. This is considered as a remarkable step towards providing swappable battery solution in 3W segment.

OPPORTUNITIES AND THREATS

The whole automobile industry has been transforming towards greater safety and greener environment. Considering the importance of automobile industry to the economy, its potential for generating employment opportunities and its backward and forward linkage with several sectors, the Government is keen to support its development.

The BS6 OBD 2 norms were a big engineering change. The notification of the OBD norms splitting it into OBD 2A and 2B came in only in November 2022. The powertrain and vehicle configurations had to be adjusted to meet the new norms rapidly. Such changes increase the capital investment and increase the cost.

The Government is actively pursuing the plan for electrification of the vehicle fleet and has announced the benefits under FAME II (Faster Adoption and Manufacturing of Hybrid & Electric Vehicles) policy. The industry is gearing up for meeting this challenge on the technology and product fronts. Having required technology support and R&D strength, the Company is satisfactorily progressing to launch electric three wheeler with Lithium-ion battery.

With new range of Alternate Fuel 3W (Petrol/ CNG/ LPG) and recovery of economic activities upon disappearing COVID-19 impact, the Company expects to have deeper penetration in existing markets.

The strategic move by making Khushbu Auto Finance Limited, a Wholly Owned Subsidiary, is becoming helpful in having retail financing facilities to the customers of Atul and acting as a spirit to expand or strengthen the reach of the Company where the dealers were in need of the retail financiers to boost the business. When this finance arm is available, it would also become beneficial to EV from AGPL where the financiers may be reluctant in initial face.

RISKS AND CONCERNS

The geo political tension that emerged last year, though localized, had global ramifications. This situation remains persistent and unresolved. This issue hangs over the global economy and trade. Any escalation or delayed resolution would impact global liquidity, food and energy demand supply. These could adversely impact many low income and emerging markets. Even though the India story remains buoyant, the speed of growth may be impacted by global factors.

The global liquidity and inflationary trends could also lead to slowdown in private investments and consumption. These could

adversely impact the global economy and slow down the Indian recovery. The Indian urban consumption which has seen a smart recovery may be susceptible to challenges on liquidity, especially in the emerging start up ecosystem.

In international business, there is risk of slower than expected recovery due to currency depreciation, inflation, forex shortage and socio-political turmoil in select geographies.

The broader risk of supply chain disturbances is expected to be lower than previous years. However, some EV specific components may continue to face challenges leading to delayed service levels and impacted financial performance.

The Company manages a diversified, multi-source, global supply chain. Any new developments arising out of geo political strife, which impact the global supply chain, causing short-term or mid-term disruptions in the supply of essential raw materials or utilities could also have an impact.

The Company has repaid its term loan and become the debt-free, hence adverse externalities will affect less to the company.

Demand growth in India will need to be preceded by an improvement in consumer sentiment. The consumer sentiment index, though on the mend, is yet to recover to pre-COVID levels. This could be adversely impacted by slower than projected GDP growth. The consumption demand may also be impacted by persistent high inflation directly and by raising of interest rates by RBI to counter inflation. When a large section of the Indian three wheeler buyers rely on retail finance, any increase in cost of credit could impact Sales.

Monsoon still delivers majority of the irrigation needs of Indian agriculture. This year due to predicted El-Nino conditions if the monsoons are less than normal, this could significantly impact and delay recovery in rural demand further.

Additionally, three wheeler export industry is influenced by changing regulatory policies in some specific markets. Country specific retail prices may be adversely impacted by currency devaluations due to global inflation, supply disruptions and liquidity situation.

OUTLOOK

FY'23 has been a year which showed the revival in the economy and particularly in three wheeler segment. The Company could gain the business from the increased demand in the market post-covid and could be able to make its balance sheet positive.

While inflation continued to affect every one of us during the year, your Company was able to more than neutralize through better price realization on account of product-mix and increase in sale of diesel vehicles.

Auto Expo held at New Delhi in January this year provided a great opportunity to demonstrate the technological readiness for the future. Atul Mobili, a passenger 3W and Atul Energie, a Cargo 3W in L5 EV segment are launched by Atul Greentech Private Limited (AGPL). The Company is confident on these products to achieve the new milestones in emerging EV segment not only in India, but in international market, too.

The factors affecting the international markets are expected to move towards favorable to auto industry in coming year. This may boost up the business development attempts of the Company. The scrappage policy as well as increasing urbanization is seen to be

positive for the business.

Growth in fiscal 2024 and coming years is expected to be holistic, supported by following factors:

- i) Strong rural demand by favorable agri season
- ii) A pickup in urban consumption demand
- iii) Improving consumer sentiment
- iv) Increase in CNG dispensing units
- v) Extension of FAME II Incentives
- vi) Possibility of fuel prices remained moderated
- vii) Uptick in capex spends by the Central and State governments

The Company has been analyzing what has been happening in the economy specifically concerning the supply and demand, and taking steps to align the business with it to overcome the risk and grab the opportunity wherever it is available. The Company is also eyeing over the opportunity lying in three wheeler EV segment across the globe.

INTERNAL CONTROL SYSTEMS

Your company maintains adequate internal control system which is continuously evaluated by professional auditors of repute. The company continues to improve the present internal control systems by implementation of appropriate policy and processes. The Company is focused on incorporating the controls and checks in ERP system of SAP. Further, the Company has appointed KPMG as Internal Auditors for FY 2023-24 and FY 2024-25 which also includes Atul Greentech Private Limited and Khushbu Auto Finance Limited.

An increased emphasis has been laid on Internal Control Systems and Vigilance Systems to ensure efficacy and monitoring of the Company's operations.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

Human Resource Development activity includes workforce planning, employee engagement, performance and compensation management, learning and development, career & succession planning and organization development. Towards sustenance and delivering improved results, these activities have a structured approach, policies and standard operating procedures which are reviewed and updated periodically. The

Company is committed to nurturing, enhancing and retaining top talent through superior Learning and Organizational Development. As on March 31, 2023, the number of employees working with the Company was 615 excluding contractual labour. The Company continuously maintain good industrial relations without any disruption at work.

COMPANY'S OPERATIONAL PERFORMANCE

The details of company's financial performance vis-a-vis operational performance during the financial year ended March 31, 2023 are as under:

- The Company sold 25,549 vehicles in FY 2023 in compare to last year figure of 16,061 vehicles. Out of this, 2,566 vehicles sold in international market in compared to 1,691 vehicles last year.
- The ratio of cargo, passenger and E-Rickshaw to total number of three wheelers sold during FY 2023 were 41%, 41% and 18% respectively.
- The income from operations increased to Rs.47,470 Lacs in FY 2023 compared to Rs.29,382 Lacs last year. The Income from operations consists of Vehicle Sales Turnover in export of Rs.3,719 Lacs.
- EBITDA margin for the year is 5.46% which was (-) 6.52% during last financial year.
- Average Sales Realization P/Vehicle has gone down to Rs.1,67,828/- by 2.03% on account of change in product mix.
- Material cost in FY 2023 stood at Rs.37,072 Lacs in compare to Rs.24,039 Lacs in last year.
- Employee benefits expenses stood at Rs.4,496 Lacs in FY 2023 as compared to Rs.3,966 Lacs last year.
- Finance cost increased to Rs.633 Lacs in FY 2023 from Rs.400 Lacs in FY 2022.
- Product Development Charges decreased to Rs.52 Lacs this year in compare to Rs.95 Lacs last year.
- Achieved Net Profit for the year of Rs.440 Lacs as against loss of Rs.2,487 Lacs during last financial year.

KEY FINANCIAL RATIOS

The key financial ratios of the Company are as under:

Particulars	2022-23	2021-22	Details of significant changes
Debtors Turnover (Days)	23	28	–
Inventory Turnover (Days)	41	64	The turnover has increased by more than 60% and hence the inventory turnover ratio has improved.
Interest Coverage Ratio (Times)	1.94	-7.12	The company has pre-paid considerable amount of debt during the year hence debt has been reduced and so the debt equity ratio has improved.
Debt Equity Ratio	0.11	0.30	
Current Ratio (Times)	1.46	1.12	As on 31.03.2023, the company has surplus cash and liquid investment are in excess and hence ratio has improved, comparatively.
Operating Profit (Before Tax) (%)	0.67	-11.87	During the year, the company has sold 25049 vehicles as against 16061 vehicles last year, which has resulted in favorable ratios.
Net Profit Margin (%)	0.93	-8.46	
Return on Net Worth (%)	1.33	-9.25	

Cautionary Statement

This document contains statements about expected future events, financial and operating results of Atul Auto Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place

undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Atul Auto Limited's Annual Report FY 2023.

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY

At Atul Auto, Good corporate governance is considered essential to achieve long term corporate goals and enhance stakeholders' value. The Company firmly takes Corporate Governance as a culture under which an organization is nurtured and flourishes by using its core values and the means by which it fulfils the public trust and confidence. It is not just a compliance with laws, instead it is important business investment which is not only necessary to preserve Company's reputation but also crucial for obtaining and retaining the business.

The Company has adopted the values of good governance, sustainability and teamwork to create long-term value for its stakeholders. The practice of responsible governance has enabled it to achieve sustainable growth, while meeting the aspirations of its stakeholders and fulfilling societal expectations. Leveraging the principles of integrity, execution excellence, customer orientation and leadership in an ethical manner, the Company continues to take the necessary steps towards growth and to enhance value for its shareholders. The sound governance processes and systems guide the Company on its journey towards continued success.

The Company is in compliance with the requirements stipulated under various provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations" or "Listing Regulations") as applicable, with regard to corporate governance.

A. BOARD OF DIRECTORS

The Board of Directors ('the Board') has ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Company is headed by the Chairman and Managing Director and has business/ functional heads, which look after the management of the day-to-day affairs of the Company.

BOARD COMPOSITION

The Board of the Company has a good mix of Executive and Non-Executive Directors with half of the Board of the Company comprising Independent Directors. As on March 31, 2023, the Board comprise of eight Directors comprising three Executive

Directors (including Chairman), one Non-Executive Director and Four Independent Directors (including One Women Director). All three Executive Directors are Promoters/ Promoter Group Members. There is no Nominee or Shareholders' Director on the Board of the Company.

The composition of the Board represents an optimal mix of professionalism, knowledge, experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board has put in place the plans for orderly succession for appointment to the Board and senior management. As part of its succession planning exercise, it reviews its composition periodically to ensure that the same is closely aligned with the strategy and long-term needs of the Company.

The composition of the Board is in compliance with the requirements of Regulation 17 of the Listing Regulations read with Section 149 and 152 of the Companies Act.

On an annual basis, the Company obtains from each Director details of the Board and Board Committee positions he/ she occupies in other Companies and changes, if any, regarding their Directorships. Further, all Directors provide an annual confirmation that they do not attract any disqualification as prescribed under section 164 of the Companies Act, 2013 and Independent Directors confirm annually that they meet the criteria of independence as defined under Section 149(6) of the Companies Act, 2013 and Listing Regulations. Based on the confirmation/ declarations received from the Independent Directors and on evaluation of the relationships disclosed, the Board is of the opinion that the Independent Directors fulfill the conditions specified in Listing Regulations and are independent of the management.

DIRECTORSHIP(S) / COMMITTEE MEMBERSHIP(S)/ CHAIRMANSHIP(S) AND OTHER DETAILS AS ON MARCH 31, 2023

The details of each member of the Board along with the number of Directorship(s) / Committee Membership(s)/ Chairmanship(s), date of joining the Board and their shareholding in the Company as on March 31, 2023 are provided herein below:

DIN	Name of Director	Date of Joining the Board	No of Shares/ Convertible Warrants held in the Company	No. of Directorship in other Companies*	Name of Other Listed Entity (Type of Directorship)	Membership / Chairpersonship of Committees in other Companies#	Inter-Se Relations
Executive Directors							
00057722	Jayantibhai J Chandra Chairman & Managing Director	18.06.1986	13,85,412 (Shares) 67,340 (Warrants)	—	—	—	Father of Shri Neeraj J Chandra
00057735	Mahendra J Patel Whole-time Director & CFO	30.11.1994	2,77,848	—	—	—	—

DIN	Name of Director	Date of Joining the Board	No of Shares/ Convertible Warrants held in the Company	No. of Directorship in other Companies*	Name of Other Listed Entity (Type of Directorship)	Membership / Chairpersonship of Committees in other Companies#	Inter-Se Relations
00065159	Neeraj J Chandra <i>Whole-time Director</i>	01.03.2012	1,05,118	–	–	–	Son of Jayantibhai J Chandra
Non-Executive Non-Independent Director							
00230480	Vijay K Kedia	31.01.2009	16,83,502 (Shares) 33,67,003 (Warrants)	2	Shalby Limited (Non-Executive Director)	–	–
Independent Directors							
06872059	Aarti J Juneja	09.02.2019	–	1	–	1	–
08535435	Mohan Jit Walia	10.08.2019	–	–	–	–	–
08537472	Jaichander Swaminathan	26.08.2019	–	–	–	–	–
05014980	Vijay Kumar Goel	25.08.2020	–	–	–	–	–

* Excluding Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

Includes only Audit Committee and Stakeholders' Relationship Committee.

The number of Directorship(s), Committee Membership(s) / Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 and SEBI Listing Regulations.

APPOINTMENT/ RE-APPOINTMENT OF DIRECTORS & TENURE

The Directors of the Company are appointed/ re-appointed by the Board after considering the recommendations of the Nomination and Remuneration Committee, results of performance evaluation, as part of succession planning etc. All Directors, except Independent Directors of the Company, are liable to retire by rotation at the AGM and, if eligible, offer themselves for re-appointment. The Executive Directors on the Board have been appointed as per the provisions of the Companies Act, 2013 and serve in accordance with the terms of their contract of service with the Company.

Pursuant to section 152(6) of the Companies Act, 2013, the term of office of Shri Jayantibhai J Chandra is liable to retire by rotation. Being eligible, he offers himself for reappointment. This has been put up as one of the agenda items in the Notice of ensuing Annual General Meeting for the voting by shareholders.

Selection and Appointment of New Directors

The Board is responsible for the appointment of new directors. The Board has delegated the screening and selection process for new directors to Nomination and Remuneration Committee. Considering the existing composition of the Board and requirement of new domain expertise, if any, Nomination and Remuneration Committee reviews potential candidates. The assessment of candidates to the Board is based on a combination of criteria that include ethics, personal and professional stature,

domain expertise, gender diversity and specific qualification required for the position. For appointment of an Independent Director, Nomination and Remuneration Committee evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepares a description of the role and capabilities required of an Independent Director. The potential Independent Director is also assessed on the basis of independence criteria defined in Section 149(6) of the Act read with rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. If the Board approves, the person is appointed as an Additional Director whose appointment is subject to the approval of the Members.

The first term of Shri Mohan Jit Walia and Shri Jaichander Swaminathan as Independent Directors of the Company expired on August 09, 2022 and August 25, 2022 respectively. As they further qualifies and being eligible offer themselves for appointment, have been re-appointed as Independent Directors for second term of three more years i.e. upto August 08, 2025 and August 24, 2025 respectively by passing the special resolution at thirty fourth AGM of the Company held on September 27, 2022. Shri Vijay Kumar Goel, Independent Director of the Company has resigned from the Board on June 02, 2023 due to personal commitments. It is also confirmed that there are no other material reasons other than those provided. The resultant vacancy has been filled by the Board of Directors upon recommendations of Nomination and Remuneration Committee at its meeting held on August 11, 2023 by the appointment of Shri Gurudeo M Yadwadkar (DIN: 01432796) from August 11, 2023 as Independent Director (Additional). The Additional Independent Director shall hold the office till the upcoming AGM. With recommendation of Nomination and Remuneration Committee, the Board has recommended the regularization of office of Shri Gurudeo M Yadwadkar as Independent Director in ensuing AGM for approval of

shareholders. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing his candidature for the office of Independent Director. His brief profile is annexed to the notice of AGM.

Letter of appointment issued to Independent Directors

The Independent Directors on the Board of the Company are given a formal appointment letter inter alia containing the term of appointment, role, duties and responsibilities, time commitment, remuneration, insurance, code of conduct, training and development, performance evaluation process, disclosure, confidentiality, etc. The terms and conditions of appointment of IDs are available on the Company's website at <https://atulauto.co.in/corporate-governance-reports.aspx>

Considering the succession planning for the position of Managing Director and on the recommendations of Nomination and Remuneration Committee, the Board of Directors have proposed the appointment of Shri J J Chandra as Chairman and Whole-time Director (Holding position of Chairman and Managing Director) for three years from June 01, 2023 and to promote Shri Neeraj Chandra as Managing Director (Holding position of Whole-time Director) for five years from June 01, 2023 which is subject to approval of shareholder.

In accordance with the provisions of Regulation 26(5) and 26(6) of the Listing Regulations, the Key Managerial Personnel, Director(s) and Promoter(s) of the Company have affirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

DECLARATIONS OF INDEPENDENCE

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that Independent Directors meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act and that they are independent of the management.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business policy and strategy apart from other Board businesses. The tentative date of Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meetings.

Six Board Meetings were held during the year. The details of attendance of the Directors are given below:

Name of Director	Board Meeting Dates and Attendance						Last AGM Date and Attendance
	27.05.22	13.08.22	08.10.22	12.11.22	04.02.23	06.03.23	27.09.22
J J Chandra	Y	Y	Y	Y	Y	N	Y
Mahendra J Patel	Y	Y	Y	Y	Y	Y	Y
Neeraj J Chandra	Y	Y	Y	Y	Y	Y	Y
Vijay K Kedia	Y	Y	Y	Y	Y	N	Y
Aarti Juneja	Y	Y	Y	Y	Y	Y	Y
Mohan Jit Walia	Y	Y	Y	Y	Y	Y	Y
Jaichander Swaminathan	Y	Y	Y	Y	Y	Y	Y
Vijay Kumar Goel	Y	Y	Y	Y	Y	Y	Y

Y: Attended, N: Not Attended

The maximum interval between any two meetings was well within the maximum allowed gap as per the Companies Act, 2013 and SEBI Listing Regulations, 2015.

BOARD PROCEDURES

The Board has complete access to all information of the Company and is regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report by CFO/ President - Finance is

presented in the quarterly Board meetings, encompassing all facets of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, corporate social responsibility etc. The Company provides the information as set out in Regulation 17 read with Part-A of Schedule II of Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. The Board periodically reviews compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances.

The Company Secretary attends the Board and Committee meetings and advises the Board on Compliances with applicable laws and governance. The important decisions taken at the Board/ Committee meetings are communicated to the concerned departments/ divisions. The draft minutes of the Board and its Committees are sent to the members for their comments and then the minutes are entered in the minute book within the time period provided in the Secretarial Standard.

SEPARATE INDEPENDENT DIRECTORS' MEETINGS

In compliance with Schedule IV to the Companies Act, 2013 and regulation 25(3) of the SEBI Listing Regulations, the Independent Directors meet at least once in a year, without the presence of Executive Directors or Management representatives. During the financial year ended March 31, 2023, the Independent Directors met on March 06, 2023. All Independent Directors were present in the meeting. They review the performance of non-Independent Directors and the Board as a whole and the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non- Executive Directors. They have also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARISATION PROGRAMME

At the time of appointing a Director, a formal letter of appointment is given to him/ her, which inter alia explains the role, function, duties and responsibilities expected of him/ her as a Director of the Company. The Director is also explained in detail the Compliance required from him/her under the Companies Act, 2013, SEBI Listing Regulations and other various statutes and an affirmation is obtained. The Chairman and Managing Director also has one to one discussion with the newly appointed Director to familiarize him/ her with the Company's operations.

On an ongoing basis, the familiarization activities are done in the separate session on the day of meeting of board of directors, preferably after the completion of the meetings. Two such sessions around two and half hours each have been held during the year. The sessions have been conducted by Shri Paras Viramgama, Company Secretary, Shri J V Adhia, President - Finance and Shri Neeraj J Chandra, Director of the Company. All Independent Directors have attended the same.

The details of familiarization programme have been posted on the website of the Company and can be accessed through the following link: <https://atulauto.co.in/corporate-governance-reports.aspx>

PERFORMANCE EVALUATION

In terms of applicable provisions of the Companies Act, 2013 read with Rules framed thereunder and Part D of Schedule II of Listing Regulations and on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has put in place

performance evaluation policy to formally evaluate the effectiveness of the Board, its Committees along with performance evaluation of each Director including Independent Directors to be carried out on an annual basis. The same can be accessed through web- link: <https://atulauto.co.in/corporate-governance-reports.aspx>

Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the financial year 2022-23. A structured questionnaire was prepared after circulating the draft forms, covering various parameters. The performance evaluations of all the independent directors have been done by the entire Board of Directors, excluding the director being evaluated. Independent Directors have evaluated the performance of non-independent directors and Board as a whole at the separate meeting of Independent Directors. Independent directors have also reviewed the performance of the Chairperson of the company, taking into account the views of executive directors, non-executive directors and members of senior management. The guidance note issued by SEBI on Board Evaluation was duly considered while conducting the evaluation exercise.

The parameters of the performance evaluation process for the Board, inter alia, considers work done by the Board around long term strategy, rating the composition & mix of Board members, discharging its governance & fiduciary duties, handling critical and dissenting suggestions etc. The parameters of the performance evaluation process for Directors including Independent Directors includes effective participation in meetings of the Board, domain knowledge, vision, strategy, attendance of Director(s), etc. The performance evaluation of committee's was carried out based on the degree of fulfillment of key responsibilities as outlined by the charter, adequacy of committee composition, effectiveness of meetings, quality of deliberations at the meetings and information provided to the Committees.

The Board of Directors at its meeting held on May 20, 2023, has noted the overall feedback on the performance of the Directors and the Board as a whole and its Committees. Based on the outcome of the evaluation, the Board and Committees have agreed on the action plan to improve on the identified parameters.

KEY BOARD QUALIFICATIONS, EXPERTISE AND ATTRIBUTES

The Company's core business is manufacturing and sales of three wheeler automobiles which also includes sells of spare parts and after sales support to the customers through dealership network.

In terms of requirement of Listing Regulations, the Board has identified the following skills/ expertise/ competencies of the Directors as required in the context of the Company's aforesaid business for it to function effectively and those available with the Board as a whole as given below:

Skills / expertise / competencies	J J Chandra	Mahendra J Patel	Neeraj J Chandra	Vijay Kedia	Aarti Juneja	Mohan Jit Walia	Jaichander Swaminatha	Vijay Kumar Goel
Understanding of the consumer and automobile industry	✓	✓	✓	✓		✓		
Managing Sales and After Sales Service through Dealership Network	✓		✓			✓		
International Business Expansion			✓			✓		
Manufacturing the quality products including its testing, homologation, designing, upgradations, research and development etc.	✓	✓				✓	✓	
Strategic thinking, decision making to protect interest of all stakeholders	✓	✓	✓	✓			✓	✓
Financial management, risk management, taxes and duties, legal and regulatory aspects etc.		✓		✓	✓			✓
Good Corporate Governance	✓		✓		✓	✓	✓	✓

B. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas and activities as mandated by applicable regulations; which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Chairman of the respective Committees inform the Board about the summary of the discussions held in the Committee Meetings. The minutes of the

meetings of all Committees are placed before the Board for review.

The Board has established the following statutory Committees:

AUDIT COMMITTEE

The Audit Committee met five times during the financial year 2022-23. The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year 2022-23 are detailed below:

Name of Director	Designation	27.05.22	13.08.22	12.11.22	04.02.23	06.03.23
Aarti J Juneja	Chairperson	Y	Y	Y	Y	Y
Mohan Jit Walia	Member	Y	Y	Y	Y	Y
Jaichander Swaminathan	Member	Y	Y	Y	Y	Y
Vijay Kumar Goel	Member	Y	Y	N	Y	Y

Y: Attended, N: Not Attended

All members of audit committee are financially literate and Smt. Aarti J Juneja has accounting and related financial management expertise.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia, performs the following functions:

- overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement are correct, sufficient and credible;
- reviewing and examining with management the quarterly and annual financial results and the auditors' report thereon before submission to the Board for approval;
- reviewing management discussion and analysis of financial condition and results of operations;
- reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
- reviewing and monitoring the auditor's independence and performance and effectiveness of audit process; reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- reviewing with management, Statutory Auditors, the adequacy of internal control systems;
- reviewing the adequacy of internal audit function and discussing any significant finding and reviewing the progress of corrective actions on such issues;
- evaluating internal financial controls and risk management systems;
- reviewing the functioning of the Code of Conduct and Whistle Blowing mechanism.
- reviewing the utilization of the issue proceeds.

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Companies Act, 2013 and the Listing Regulations. The detailed terms of reference of the Audit Committee is contained in 'Charter of Audit Committee' which is available on the website of the Company at <https://atulauto.co.in/corporate-governance-reports.aspx>. The Audit Committee ensures that it has reviewed each area that it is required to review under its terms of reference and under applicable legislation or by way of good practice. This periodic review ensures that all areas within the scope of the Committee are reviewed.

The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors and President - Finance as permanent invitee. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the Board Meeting. The Audit Committee also meets auditors separately, without the presence the Management representatives.

NOMINATION AND REMUNERATION COMMITTEE

The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2022-23 is detailed below:

Name of Director	Designation	06.08.22
Mohan Jit Walia	Chairman	Y
Aarti J Juneja	Member	Y
Jaichander Swaminathan	Member	Y
Vijay Kumar Goel	Member	Y

Y: Attended, N: Not Attended

The composition, powers, role and terms of reference of Nomination and Remuneration Committee are as per Part D of the Schedule II of SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments. The role of Nomination and Remuneration Committee, inter alia, includes:

- Determine/ recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- Determine/ recommend the criteria for qualifications, positive attributes and independence of Director;
- Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonuses, stock options, pension etc.;
- Specify the manner for effective evaluation of performance of Board, its committees and individual directors.

The Board of Directors is collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board which is available on website of the Company at <https://atulauto.co.in/corporate-governance-reports.aspx>. The Committee also recommends to the Board on extension or continuation of the term of appointment of Independent Directors on the basis of the report of performance evaluation of Directors.

Remuneration of Directors

The detailed terms of reference of the Nomination and Policy of Remuneration is contained in the 'Nomination and Remuneration Policy' which is available on the website of the Company at <https://atulauto.co.in/corporate-governance-reports.aspx>.

- Shri Vijay Kedia holds 8.43% equity shares of the Company with persons acting in concert with him and holding of 33,67,003 warrants convertible into equal number of equity shares of face value of Rs.5 each. No pecuniary relationship exists between the Company and Non-Executive Directors except mentioned above.
- During the financial year 2022-23, the Company has issued

and allotted 50,50,505 warrants to Shri Vijay Kedia as part of the preferential issue of Rs.115 Crore against receipt of 25% of the warrant issue price in the month of November-2022. Further, upon receipt of the exercise price, he has been allotted 16,83,502 equity shares upon conversion of warrants in the month of March-2023. Further, all Non-Executive Directors have also been paid sitting fees for attending Board and Committee Meetings. No other transaction has been made with Non-Executive Directors.

- The Directors have not been paid any commission, performance linked incentives, and performance linked remuneration or any stock option during financial year 2022-23.
- The following is the bifurcation of fixed component of the remuneration package of executive Directors paid during FY 2022-23:

Fixed Component of Remuneration	Annual Remuneration (Amount in Rs.)		
	J J Chandra	Mahendra Patel	Neeraj Chandra
Basic	1,27,23,600	1,10,02,800	60,68,40
Contribution to Super Annuation Fund	1,50,000	1,50,000	1,50,000
Contribution to Provident Fund	--	21,600	21,600
Total	1,28,73,600	1,11,74,400	62,40,000

- The Executive Directors have forgiven their approximately twenty percent of the remuneration during FY 2022-23. The annual remuneration approved by the Shareholders for Shri J J Chandra, Shri Mahendra Patel and Shri Neeraj Chandra are Rs.1,60,92,000/-, Rs.1,39,68,000/- and Rs.78,00,000/- per annum respectively.
- In addition to the above, the Company pays for the health insurance of Director and his family members upto Rs.40,000/- per Executive Director annually and yearly premium for personal accident cover upto Rs.30,000/- per Executive Director as part of the Company policy.
- The contract period of employment for Shri Jayantibhai J Chandra and Shri Mahendra J Patel are of three years from April 01, 2022 to March 31, 2027 and for Shri Neeraj J Chandra is of three years from April 01, 2021 to March 31, 2024.
- The notice period applicable to all three executive directors is three months. There is no severance fees.

Particulars of senior management personnel

Senior Management Personnel of the Company includes Shri Jitendra V Adhia, President - Finance and Shri Hiren V Patel, VP - Supply Chain Management. The details of his experience, past employer and remuneration are mentioned in the list of top ten employees available on the website of the Company at <https://atulauto.co.in/subsidiaries-reports.aspx> There is no change in Senior Management Personnel since the close of last previous financial year.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The composition of the Stakeholders Relationship Committee of the Board of Directors of the Company along with the details of the

meetings held and attended by the members of the Committee during the financial year 2022-23 is detailed below:

Name of Director	Designation	27.05.22
Vijay Kumar Goel	Chairman	Y
Aarti Juneja	Member	Y
Mohan Jit Walia	Member	Y
Jaichander Swaminathan	Member	Y

Y: Attended, N: Not Attended

The role of Stakeholders' Relationship Committee includes supervision of shareholder grievances mechanism, ensuring expeditious share transmission/ transposition process, evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company. The Committee also reviews matters relating to unclaimed equity shares and dividend/shares transferred to Investor Education and Protection Fund (IEPF) pursuant to the IEPF Rules. The Committee considers and resolves the grievances of the security holders of the listed entity including complaints related to transmission/ transposition of shares, non-receipt of annual report and non-receipt of declared dividends etc.

The Committee has periodic interaction with the representatives of the Registrar and Transfer Agent of the Company.

Shri Paras Viramgama, Company Secretary, is Compliance Officer for resolution of Shareholder's/ Investor's complaints. During the Financial Year ended March 31, 2023, four complaints were received from the shareholders and resolved to the satisfaction of shareholders during the year. No complaint was pending or unresolved as on March 31, 2023.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE ("CSR Committee")

With notification of the Companies (Amendment) Act, 2020, the requirement of having CSR Committee waived off where the amount to be spent for CSR does not exceed fifty lakh rupees and the functions of such Committee provided under section 135 can be discharged by the Board of Directors of such company. As the liability for CSR for FY 2022-23 for the Company was Rs.14,13,487/-, the Board of directors at its meeting held on May 27, 2022 dissolved the CSR Committee with immediate effect.

During FY 2022-23, the last meeting of CSR Committee of the Board of Directors of the Company held on May 27, 2022 which was attended by Shri J J Chandra as Chairman of the Committee and Smt. Aarti Juneja, Shri Mohan Jit Walia and Shri Jaichander Swaminathan as Members.

The roles and responsibilities of CSR Committee will now be taken by Board of Directors. The details of the CSR initiatives as per the CSR Policy of the Company forms part of the CSR Section in the Annual Report.

Shri Paras Viramgama, Company Secretary and Compliance Officer of the Company remained present in all meetings of Board and Committees and acted as secretary to all meetings held during the year.

RISK MANAGEMENT COMMITTEE

Pursuant to regulation 21(5) read with 3(2) of the SEBI Listing Regulations, 2015, the provisions in respect of Risk Management

Committee is applicable to the Company for FY 2022-23 even if it was not falling in the list of top 1000 listed entities based on market capitalization as on March 31, 2022. The Board of Directors of the Company has reconstituted the Risk Management Committee at its Board Meeting held on August 13, 2022.

The composition of Risk Management Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2022-23 is detailed below:

Name of Director/ Member	Designation	16.09.22	13.03.23
Mahendra J Patel	Chairman	Y	Y
Neeraj J Chandra	Member	Y	Y
Jaichander Swaminathan	Member	Y	Y
Hiren V Patel	Member	Y	Y

Y: Attended, N: Not Attended

The role of Risk Management Committee includes:

- Formulate a detailed risk management policy.
- Monitor and review risk management plan (including plan for cyber security).
- Monitor and review the process and progress of risk identification and definition, risk classification, risk assessment and prioritization, risk mitigation, risk tracking and reporting mechanism
- Review periodically and suggest changes in the Risk Management Policy to the Board.

SECURITIES ALLOTMENT COMMITTEE

Considering the preferential issue of warrants of Rs.115 Crore, the Board of Directors of the Company at its meeting held on October 08, 2022 constituted Securities Allotment Committee consisting of three Directors namely Shri Mahendra J Patel, Smt. Aarti J Juneja and Shri Jaichander Swaminathan to deal with the matters related to allotment of warrants and shares upon conversion of warrants and related matters.

During FY 2022-23, the Committee met on November 15, 2022 and March 15, 2023 in which all members of the Committee were present.

C. GOVERNANCE OF SUBSIDIARY COMPANY

The Board of Directors of the Company is also responsible for governance of the subsidiary companies namely Atul Green Automotive Private Limited (CIN: U74999GJ2018PTC100815) and Khushbu Auto Finance Limited (CIN: U74999GJ1994PLC022816), Wholly-owned subsidiary companies and Atul Greentech Private Limited (CIN: U31909GJ2020PTC112350), Subsidiary Company as on March 31, 2023.

The minutes of the Board Meetings of all the subsidiary companies along with the details of significant transactions and arrangements entered into by the subsidiary companies are shared with the Board of Directors. The financial statements of subsidiary companies are presented to the Audit Committee.

The Board of Directors of the Company has approved to manufacture, assemble and sale electric three-wheelers by Atul

Greentech Private Limited ("AGPL"). To meet the fund requirements of AGPL, AGPL has raised Rs.15 Crore by way of allotment of 25,00,000 equity shares of Rs.10/- each at a price of Rs.60/- each (Evaluated by Registered Valuer) through private placement to the shareholder/s other than Atul Auto Limited including Shri Vijay Kedia, Non-Executive Director (DIN: 00230480) of Atul Auto Limited in the month of May 2022. Post-allotment, Atul Auto Limited holds eighty percent stake in AGPL.

As per explanation provided under Regulation 24 of the SEBI Listing Regulations, 2015, the term "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Khushbu Auto Finance Limited incorporated on August 19, 1994 at Ahmedabad (Gujarat), wholly owned subsidiary of the Company is to be considered as unlisted material subsidiary since net-worth of KAFL (Rs.100 Crore) is more than 20% of net-worth of AAL (Rs.276 Crore) as on March 31, 2022.

Smt. Aarti Juneja (DIN: 06872059), Independent Director of the Company has been appointed on the Board of KAFL as per the said regulation which states that at least one independent director of the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary. CA Dinesh Kumar Jain (Membership No. 039139) is the Statutory Auditors of KAFL appointed at Twenty Fifth AGM of KAFL held on September 28, 2019 to audit the financial statements of KAFL from FY 2019-20 to FY 2023-24.

Whereas Atul Green Automotive Private Limited is in the business of sales of spare parts of Atul vehicles to certain international markets.

D. COMPANY POLICIES

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to Section 177(9) and 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct.

The Company has provided dedicated e-mail address whistleblowing@atulauto.co.in for reporting such concerns. Alternatively, employees can also send written communications to the Company. The employees are encouraged to voice their concerns by way of whistle blowing and all the employees have been given access to the Audit Committee. No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy. The Company Secretary and CFO have been made responsible for effective implementation of the policy and dealing with the complaints registered under the policy. All cases registered under the Whistle Blower Policy of the Company, are reported to the Audit Committee and are subject to the review of the Audit Committee.

The Whistle Blower Policy is available on the website of the Company <https://atulauto.co.in/corporate-governance-reports.aspx>

CODE OF CONDUCT

The Board of Directors is responsible for ensuring that rules are in

place to avoid conflict of interest by the Board Members and Senior Management Personnel. The Company has adopted a Code of Conduct for members of the Board and the Senior Management Personnel. The same have been posted on the website. The Codes aim at ensuring consistent standards of conduct and ethical business practices across the Company. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended March 31, 2023. The declaration to this effect signed by Shri J J Chandra, Chairman and Managing Director of the Company forms part of the report. A copy of the said Code of Conduct is available on the website of the Company <https://atulauto.co.in/corporate-governance-reports.aspx>

POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS

The Company has not entered into any material Related Party Transaction during the financial year 2022-23 that may have potential conflict with the interests of listed entity at large. In line with requirement of the Companies Act, 2013 and Listing Regulations, the Company has formulated a Policy on Related Party Transactions which is also available at Company's website under the web link: <https://atulauto.co.in/corporate-governance-reports.aspx> The Company has made necessary modifications to the said policy in line with the amendments introduced by the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021.

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

This policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. As per policy, the Audit Committee and Board of Directors consider total income from operations on consolidated basis for determining material related party transactions. All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the ordinary course of business and are at Arm's Length. All Related Party Transactions entered during the year were in Ordinary Course of the business and on Arm's Length basis. The details of the related party transactions are set out in the Notes to Financial Statements forming part of this Annual Report.

INSIDER TRADING CODES

The Company has adopted a Code of Conduct to Regulate, Monitor and Report trading by Designated Persons (Insider Trading Code) under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (SEBI Insider Trading Regulations). The Code of Conduct to Regulate, Monitor and Report trading by Designated Persons and Code of Fair Disclosure Policy have been uploaded on website of the Company and can be accessed through <https://atulauto.co.in/corporate-governance-reports.aspx>

The Company has been updating its Code/ Policy from time to time to comply with the several amendments made by SEBI to the SEBI Insider Trading Regulations.

POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES

The Company has formulated a Policy for determining 'Material' Subsidiaries as defined in Regulation 16 of the SEBI Listing

Regulations. This Policy has also been posted on the website of the Company and can be accessed through the web link: <https://atulauto.co.in/corporate-governance-reports.aspx>

E. OTHER DISCLOSURES AND AFFIRMATIONS

Risk Management: The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization. The Board of Directors has approved the framework of Risk Management Policy. The implementation and monitoring of the same is being reviewed periodically by Risk Management Committee/ Board.

Disclosure of pending cases / Instances of non-compliance: There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

Secretarial Compliance Report: SEBI vide its Circular No. CIR/CFD/ CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial Compliance Audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. This Report is in addition to the Secretarial Audit Report by Practicing Company Secretaries in Form MR-3 and is required to be submitted to Stock Exchanges within sixty days from the end of the financial year.

The Company has engaged the services of CS Hardik Hudda, M/s. Hardik Hudda & Associates (Membership No: A39621, CP No.: 14697), Peer Reviewed Practicing Company Secretary and Secretarial Auditor of the Company for providing the said report. The said report has been submitted with the stock exchanges within the time-limit.

Secretarial Audit of Material Unlisted Indian Subsidiary: The Secretarial Audit of Khushbu Auto Finance Limited ("KAFL"), a material unlisted subsidiary of the Company carried out for the Financial Year 2022-23 pursuant to section 204 of the Companies Act, 2013 and Regulation 24A of the Listing Regulations. The Secretarial Audit Report of KAFL has been issued by CS Hardik Hudda, M/s. Hardik Hudda & Associates (Membership No: A39621, CP No.: 14697).

Description of voting rights: All equity shares issued by the Company carry equal voting rights.

Total fees paid to Statutory Auditors of the Company: Total fees of Rs.29 Lacs for financial year 2022-23, for all services, was paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Disclosure of accounting treatment in preparation of financial statements: The Company adopted Indian Accounting Standards (Ind AS) from April 01, 2017. Accordingly, the financial statements have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Act and other relevant provisions of the Act.

Commodity price risks and Commodity hedging activities: The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through efficient Inventory management, proactive vendor development practices, and increase in product

pricing as per risk management policy of the Company. The Company's reputation for quality, products differentiation and after sale service, coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods. The Company don't do any other commodity hedging activities other than mentioned above.

The Company does not have direct exposure in the commodity. Accordingly, the Board does not consider it material. Hence, the disclosure of commodity and commodity risks faced by the entity as required under SEBI Circular dated November 15, 2018 is not applicable.

CEO/CFO Certification: As required under Regulation 17 of the Listing Regulations, the CEO/ CFO Certificate for the financial year 2022-23 signed by Shri J J Chandra, Chairman and Managing Director and Shri Mahendra J Patel, Whole-time Director & CFO, was placed before the Board of Directors of the Company at its meeting held on May 20, 2023. The same has been annexed.

Certificate on Non-Disqualification of Directors: The Certificate as required under Part C of Schedule V of Listing Regulations, received from CS Hardik Hudda, M/s. Hardik Hudda & Associates, Practicing Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on July 10, 2023. The same has been annexed.

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): The Company has made preferential issue of 58,08,080 warrants at Rs.198/- per warrants total issue size of Rs.115 Crore to specified investors on private placement basis during the year. Against the said issue, the Company has received and fully utilized Rs.57.50 Crore (Upfront money of Rs.28.75 Crore received at the time of issue of warrants and Rs.28.75 Crore received as exercise price while partial conversion of warrants into equity shares) during the year. The Company has utilized Rs.37.16 Crore towards part-prepayment of borrowings and Rs.20.34 Crore towards working capital i.e. in line with the purpose for which it was raised. There is no unutilized amount as on March 31, 2023.

Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year: None

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The details of number of complaints filed and disposed of during the year and pending as on March 31, 2023 is given in the Directors' report.

Disclosure by listed entity and its subsidiaries of loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount: Atul Green Automotive Private Limited (AGAPL), Wholly-owned subsidiary has given ICD of Rs.41 Lakh to Khushbu Auto Private Limited in which Directors are interested. The same was repaid during the year with interest at 9% per annum. Since this money was not required for near future, AGAPL has given ICD of Rs.43 Lakh to Khushbu Auto Finance Limited, Wholly-owned Subsidiary at interest rate of 9% per annum. The same has been repaid to AGAPL during the year. As on March 31, 2023, there is no loan or advances by AGAPL in the nature of loans to firms/ companies in which directors are interested. No such loan or advances are given by Atul Auto Limited or any of its subsidiaries during FY 2022-23 except mentioned above.

Disclosure of certain types of agreements binding listed entities as described under clause 5A of paragraph A of Part A of Schedule III of SEBI Listing Regulations: None

Compliance with Discretionary Requirements of regulation 27(1): In addition to mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has also complied with following discretionary requirements of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

- Unmodified opinion in audit report: During the year under review, there was no audit modification/ qualification on the Company's financial statements.

GENERAL SHAREHOLDER INFORMATION

GENERAL BODY MEETINGS OF LAST THREE YEARS:

(i) Annual General Meetings held during past three years

Financial Year	Date and Time	Venue*	Details of special resolutions passed
2019-20	September 29, 2020 03.00 pm (IST)	Through VC/OAVM	<ul style="list-style-type: none"> Re-appointment of Shri Neeraj J Chandra (DIN: 00065159) as Whole-time Director
2020-21	September 28, 2021 03.30 pm (IST)	Through VC/OAVM	<ul style="list-style-type: none"> Re-appointment of Smt. Aarti J Juneja (DIN: 06872059) as Independent Director Re-appointment of Shri Jayantibhai J Chandra (DIN: 00057722) as Chairman and Managing Director Re-appointment of Shri Mahendra J Patel (DIN: 00057735) as Whole-time Director & CFO
2021-22	September 27, 2022 11:00 am (IST)	Through VC/OAVM	<ul style="list-style-type: none"> Re-appointment of Shri Mohan Jit Walia (DIN: 08535435) as Independent Director Re-appointment of Shri Jaichander Swaminathan (DIN: 08537472) as Independent Director

(ii) Extra-Ordinary General Meetings held during past three years

Financial Year	Date and Time	Venue*	Details of special resolutions passed
2022-23	November 05, 2022 11:00 am (IST)	Through VC/OAVM	<ul style="list-style-type: none"> To consider and approve the alteration of articles of association of the company (in respect of issue of warrants) To issue fully convertible warrants on a preferential issue basis

* For statutory purposes, the above meetings are considered to be held at registered office of the Company at R.S. No. 86, Plot No. 1 to 4, 8B National Highway, Near Microwave Tower, Shapar (Veraval), Dist. Rajkot, Gujarat, INDIA 360024

(iii) Resolution(s) passed through Postal Ballot during FY 2022-23

The following two resolutions have been passed through postal ballot on April 22, 2023 for which the voting started on March 24, 2023 and ended on April 22, 2023:

- To approve material related party transaction(s) with Atul Greentech Private Limited to provide/ extend guarantee to lending banks/ financial institutions
- To approve material related party transaction(s) with Atul Greentech Private Limited for sale/ supply of goods and rendering of services including jobwork

The details of voting pattern, person who conducted the postal ballot exercise etc. are available on website of the Company at https://atulauto.co.in/Announcements/BSEnse_ResultsReport_PostalBallot_25042023_Signed.pdf

No special resolution is proposed to be conducted through postal ballot procedure for postal ballot.

ANNUAL GENERAL MEETING FOR FY 2022-23:

Date : Saturday, September 30, 2023
Time : 01:00 pm (IST)
Venue : VC/ OAVM

DATE OF BOOK CLOSURE:

From : September 24, 2023
To : September 30, 2023

DIVIDEND DETAILS:

No Dividend declared during Financial Year 2022-23

FINANCIAL YEAR:

From April 01, 2022 to March 31, 2023

LISTING DETAILS:

- (i) BSE Limited - Scrip Code : 531795
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
- (ii) National Stock Exchange of India Limited - Scrip Symbol: ATULAUTO
Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai-400051

ISIN

ISIN for equity share of Rs.5/- each : INE951D01028

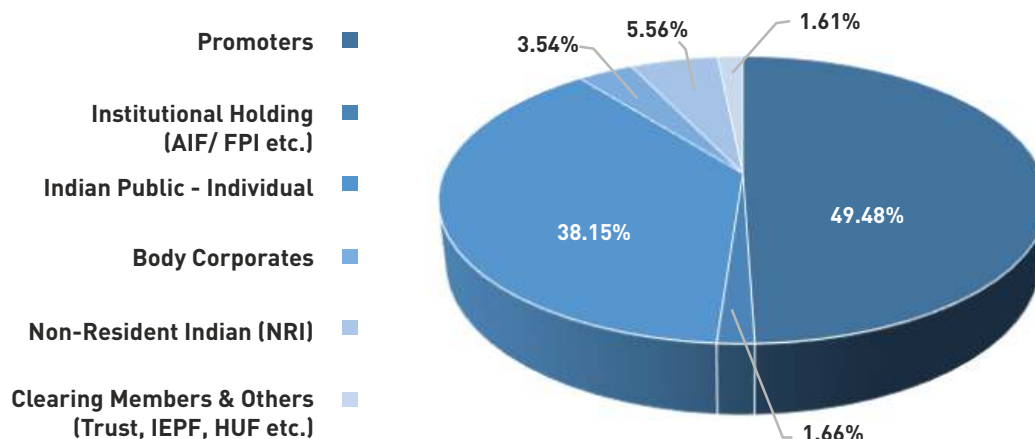
ISIN for warrants of Rs.5/- each : INE951D13015

The Company has paid the listing fees to BSE and NSE and the custodian charges to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year ended March 31, 2023.

DISTRIBUTION OF SHAREHOLDING

Distribution of shareholding of shares of the Company as on March 31, 2023 is as follows:

No. of Shares		Shareholders		Shareholding	
From	To	No. of holders	% of holders	Total Shares	% of Shares
1	500	38653	93.40%	2602803	10.90%
501	1000	1544	3.73%	1174583	4.92%
1001	2000	600	1.45%	882441	3.70%
2001	3000	189	0.46%	488153	2.04%
3001	4000	71	0.17%	253591	1.06%
4001	5000	87	0.21%	412534	1.73%
5001	10000	117	0.28%	854450	3.58%
10001	Above	124	0.30%	17210672	72.07%
Total		41385	100.00%	23879227	100.00%

CATEGORY-WISE SHAREHOLDING PATTERN AS ON MARCH 31, 2023

OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY;

As on March 31, 2023, 38,72,053 warrants issued at Rs.198/- per warrant of face value of Rs.5/- each convertible into equal number of equity shares were outstanding. The holders of warrants can exercise their right of conversion on or before May 14, 2024 i.e. 18 months from the date of allotment of warrants. Upon conversion of all these warrants, the paid-up equity share capital of the Company will increase from Rs.11,93,96,135/- as on March 31, 2023 to Rs.13,87,56,400/-.

DEMATERIALIZATION AND LIQUIDITY

The break-up of shares in physical and dematerialized form as on March 31, 2023 are as under:

Mode of Holding	No. of shares	% of shares
NSDL Holding	1,74,32,063	73.00%
CDSL Holding	62,64,842	26.24%
Physical Mode	1,82,322	0.76%
Total	2,38,79,227	100.00%

The shares of the Company can be held and traded in electronic form only. As stipulated by SEBI, the shares of the Company are accepted in the Stock Exchanges for delivery only in dematerialization form.

The shareholders holding shares in physical form are requested to update their KYC and dematerialize their shares at the earliest and avail various benefits of dealing in securities in electronic/dematerialized form. For any clarification, assistance or information, please contact the Registrar and Transfer Agent of the Company. Necessary details in this regard are part of notes to the Notice of Annual General Meeting for FY 2022-23.

UNCLAIMED DIVIDEND/ SHARE CERTIFICATE

Pursuant to provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer, such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125 of the Act.

The details of unclaimed/ unpaid dividend are available on the website of the Company viz. <https://atulauto.co.in/unclaimed-dividend.aspx>

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time), the shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be transferred. Upon transfer of such shares, all benefits (like bonus,

etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the aforesaid rules.

In terms of the provisions of the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, Rs.4,31,344/- of unpaid/ unclaimed dividend and 1,646 shares of face value of Rs.5/- each transferred during the financial year 2022-23 to the Investor Education and Protection Fund/ Demat account of IEPAF.

Shri Paras Viramgama, Company Secretary and Compliance Officer is a Nodal Officer under the provisions of IEPF rules, the details of which are available on the website of the Company: <https://atulauto.co.in/unclaimed-dividend.aspx>

Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

SHARE TRANSFER SYSTEM

M/s. Link Intime India Private Limited is the Company's Registrar and Share Transfer Agent (RTA) for carrying out share related activities like transmission of shares, transposition of shares, name deletion, change of address amongst others.

The Board of Directors of the Company have delegated the authority to approve the transmission of shares or requests for deletion of name of the shareholder etc., as mentioned in regulation 9 of the Listing Regulations to the designated official of the Company. The transactions in respect of loss of share certificates, split, rematerialization, consolidation and renewal of share certificates are approved by the designated official of the Company and reviewed by the Stakeholders' Relationship Committee.

A summary of approved transmissions, deletion requests etc. are placed before the Board of Directors from time to time as per the Listing Regulations.

The Company obtains a yearly compliance certificate from a Company Secretary in Practice certifying the Compliance of Regulation 40 (9) of the SEBI Listing Regulations and files a copy of the said certificate with Stock Exchanges.

CREDIT RATING

During FY 2022-23, CRISIL has reaffirmed its rating of CRISIL BBB+/ Negative for long term bank loan facilities and CRISIL A2 for short term bank loan facilities. On August 2, 2023, CRISIL has revised its outlook to 'Stable' from 'Negative' while reaffirming its rating CRISIL BBB+ to long term bank facilities and reaffirmed CRISIL A2 to short term bank facilities of the Company. At the same time, CRISIL has also withdrawn its rating on Rs.71.46 crore long-term bank facility as the same has been paid in full.

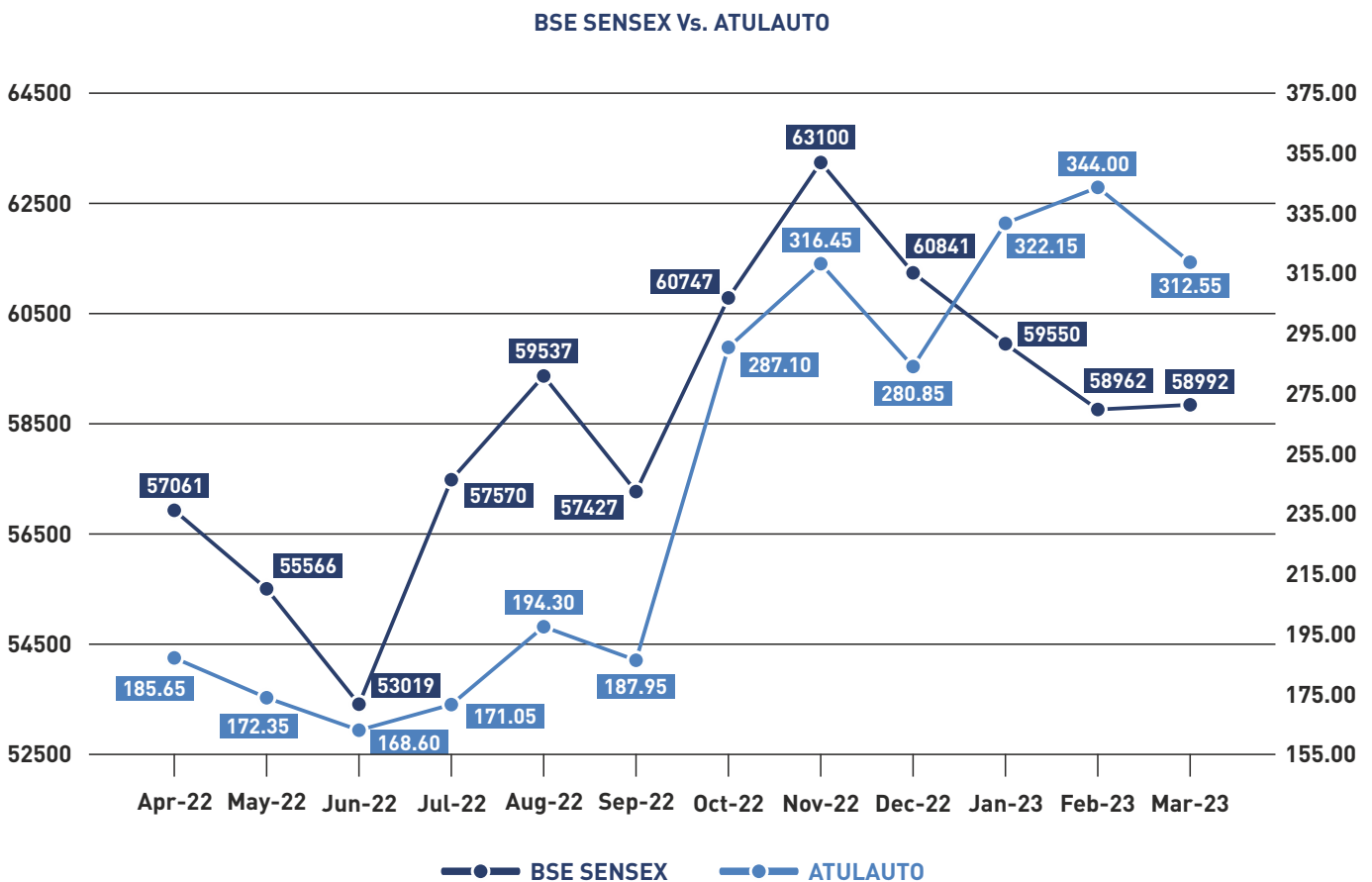
MARKET PRICE DATA:

The monthly high and low prices and volumes of the Company's shares at BSE and NSE for the financial year ended March 31, 2023 are as under:

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Volume in Lakh (No. of Shares)	High (Rs.)	Low (Rs.)	Volume in Lakh (No. of Shares)
Apr-22	213.00	161.00	6.92	213.30	160.75	51.68
May-22	196.95	164.60	1.65	197.00	157.80	13.31
Jun-22	185.00	145.10	0.99	186.00	152.05	10.08
Jul-22	180.15	167.20	0.75	182.15	166.90	8.50
Aug-22	196.90	167.90	2.12	197.00	171.05	17.77
Sep-22	212.05	179.75	3.80	211.80	180.95	40.02
Oct-22	297.15	184.35	10.13	297.50	184.40	118.90
Nov-22	331.20	261.10	10.03	331.40	261.00	80.18
Dec-22	325.00	239.80	5.69	325.05	239.30	44.89
Jan-23	369.05	272.80	9.69	368.90	272.70	112.91
Feb-23	397.70	312.70	11.09	397.80	313.05	128.28
Mar-23	363.95	305.60	5.36	363.80	305.80	56.56

PERFORMANCE IN COMPARISON TO BROAD-BASED INDICE

The Chart below shows the comparison of Company's share price movement on BSE vis-à-vis the movement of BSE Sensex for the financial year ended March 31, 2023 (based on month end closing):



MEANS OF COMMUNICATIONS

Publication of quarterly financial results

Quarterly, half-yearly and annual financial results of the Company were published in leading English and vernacular newspaper like Indian Express, Financial Express.

Website and News Releases

A separate section under “INVESTORS” on the Company’s website www.atulauto.co.in gives information on various announcements made by the Company, status of unclaimed dividend/ share, stock quotes, Annual Report, Quarterly, Half-yearly and Annual financial results along with the applicable policies of the Company. The Company’s official news releases and presentations made to the institutional investors and analysts are also available on the Company’s website.

Stock Exchange

The Company makes timely disclosures of necessary information to BSE Limited and National Stock Exchange of India Limited in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other Rules and Regulations issued by SEBI.

Designated Email Address for Investor Services

The designated email address for investor complaints is investorrelations@atulauto.co.in

Physical Communication

For any queries related to shares of the Company, the correspondence may please be addressed to the Company’s

Registrar & Share Transfer Agent or to the Company at following address:

Link Intime India Private Limited

(Unit: Atul Auto Limited)

C101, 247 Park,

Lal Bahadur Shastri Marg,

Vikhroli (West),

Mumbai – 400083

Phone : 022 4918 6270

E-Mail : rnt.helpdesk@linkintime.co.in

Web : www.linkintime.co.in

Atul Auto Limited

Survey No. 86, Plot No. 1 to 4, 8B National Highway,

Near Microwave Tower, Shapar (Veraval),

Dist. Rajkot, Gujarat, INDIA 360024

Phone : 02827 235500

E-Mail : investorrelations@atulauto.co.in

Web : www.atulauto.co.in

PLANT LOCATION:

Shapar Plant

R.S. No. 86, Plot No. 1 to 4,

8B National Highway,

Near Microwave Tower,

Shapar (Veraval),

Dist. Rajkot, Gujarat, INDIA 360024

Ahmedabad Plant

New R. S. No. 521, 525, 530, 541, 542,

Rajkot-Ahmedabad Highway,

Near Super Gas Plant,

Village: Bhayla, Taluka: Bavla,

Dist. Ahmedabad, Gujarat, INDIA 382220

ANNEXURE TO REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm that Atul Auto Limited ("the Company") has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended March 31, 2023.

Place: Bhayla (Dist. Ahmedabad)
Date: May 20, 2023

Jayantibhai J Chandra
Chairman and Managing Director
DIN: 00057722

CEO/CFO CERTIFICATE UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors,
Atul Auto Limited,

We, Shri Jayantibhai J Chandra (DIN: 00057722), Chairman and Managing Director and Shri Mahendra J Patel (DIN: 00057735), Whole-time Director & CFO of Atul Auto Limited ("the Company") hereby certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the step we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee that:
 - i) Significant changes, if any in internal control over financial reporting during the year;
 - ii) Significant changes, if any in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

(Jayantibhai J Chandra)
Chairman and Managing Director
(DIN: 00057722)

(Mahendra J Patel)
Whole-time Director & CFO
(DIN: 00057735)

Place: Bhayla (Dist. Ahmedabad)
Date: May 20, 2023

Place: Shapar (Dist. Rajkot)
Date: May 20, 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of Atul Auto Limited
Survey No.86, Plot No. 1 to 4,
8B National Highway,
Nr. Microwave Tower,
Shapar (Veraval),
Rajkot - 360024, Gujarat, INDIA

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Atul Auto Limited** having **CIN L54100GJ1986PLC016999** and having registered office at Survey No. 86, Plot No. 1 to 4, 8B National Highway, Nr. Microwave Tower, Shapar (Veraval), Rajkot, Gujarat, INDIA - 360024 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Jayantibhai Jagjivanbhai Chandra	00057722	18/06/1986
2	Mahendra Jamnadas Patel	00057735	30/11/1994
3	Neeraj Jayantibhai Chandra	00065159	01/03/2012
4	Vijay Kishanlal Kedia	00230480	31/01/2009
5	Aarti Jeetendra Juneja	06872059	09/02/2019
6	Mohan Jit Walia	08535435	10/08/2019
7	Swaminathan Jaichander	08537472	26/08/2019
8	Vijay Kumar Goel	05014980	25/08/2020

Ensuring the eligibility of for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Hardik Hudda & Associates,
Practicing Company Secretaries**

CS Hardik Hudda
Proprietor
Membership No: A39621 CP No.: 14697
Peer Review No. 1805/2022
UDIN: A039621E000575596

Place: Ahmedabad
Date: July 10, 2023

INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
the Members of Atul Auto Limited

- 1) This certificate is issued in accordance with the terms of our engagement letter dated June 25, 2022.
- 2) We, Maharishi & Co, Chartered Accountants, the Statutory Auditors of Atul Auto Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

- 3) The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliances with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

- 4) 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 statements of the Company.
- 5) Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2023.
- 6) We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certificate of Corporate Governance issued by the institute of the Chartered Accountants of India (ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for special Purpose issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- 7) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

- 8) In our opinion and to the best of our information and according to explanations given to us, and the representations made by the Directors and the Management we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
- 9) We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Emphasis of Matter

- 10) We would like to draw your attention to related party section of the Corporate Governance Report, wherein the company has considered consolidated total revenue from operation as per last audited financial year for the purpose determining material related party transaction. Our opinion is not modified in respect of this matter.

Restriction on use

- 11) The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For, Maharishi & Co.
Chartered Accountants
FRN: 124872W

Kapil Sanghvi
Partner
Membership No: 141168
UDIN: 23141168BGVRWF1233

Place: Jamnagar
Date: August 11, 2023

INDEPENDENT AUDITOR'S REPORT



On the Standalone Indian Accounting Standards (Ind AS) Financial Statements

To the Members of
ATUL AUTO LIMITED

Opinion

We have audited the accompanying Ind AS Standalone financial statements of ATUL AUTO LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss which also includes Other Comprehensive Income and Cash Flow Statement and the statement of Changes in Equity for the year ended, and notes to financial statements including summary of significant accounting policies and other explanatory information (hereinafter referred to as 'Standalone Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies

Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the Key Audit Matters to be communicated in our Report:-

Sr. No.	Key Audit Matter	Auditor's Response
1.	Issue of Convertible warrants /Equity Shares	<p>Principal Audit Procedures-</p> <p>Company has issued share warrants on preferential allotment as per private placement offer letter dated 12th November, 2022.</p> <p>For purpose of issue of this warrants company have passed resolution dated 18th November,2022 and the same is obtained by us.</p> <p>Further part of this warrants were converted into Equity shares and the amount for the same was received by the company on 15th March, 2023.</p> <p>We have checked PAS-03 filled by the company with ROC dated 15th March,2023.</p>
2.	Capitalisation of Phase-2 Bhayla Plant	<p>Matter- Evaluation of Capitalisation of Bhayla Plant Phase 2 and its borrowing costs thereon</p> <p>Principal Audit Procedures-</p> <p>We have vouched Additions to Fixed Assets with its Invoices and Other Documents on Sampling Basis.</p> <p>We have obtained Completion certificates of Engineers and also Physically verified the Plant to obtain sufficient and appropriate audit evidences as to whether the conditions to Capitalise the Project as per Ind AS 16&Ind AS 23 has been met.</p> <p>We have also reviewed the Board Meetings and correspondences with regards to their future plans to use the Plant.</p>

when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:-
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account. The company is having SAP system for maintenance of books of accounts through which Standard Trial Balance of both units(Shapar&Bhayla) is being generated and consolidated through the system.
 - d. In our opinion, the aforesaid IND AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
 - e. The observations relating to the maintenance of accounts and other matters connected therewith are as stated in the Emphasis of Matter paragraph above.
 - f. On the basis of written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the managerial remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act, read with Schedule V of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
 - h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - i. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or

loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (I) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (I) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note No. 34 to the Ind AS financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note No. 35 to the Ind AS financial statements.

For Maharishi & Co.,
Chartered Accountants
ICAI Firm Registration No. 124872W

Kapil Sanghavi
Partner
Membership No. 141168
UDIN : 23141168BGVRTS9834
Date: May 20, 2023

Place : Jamnagar

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. However, we have nothing to report in this matter.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under.

This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that

an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore reported as key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or

Annexure-A to Independent Auditor's Report

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date of Atul Auto Limited

i. Fixed Assets

- (i) The Company is maintaining the Property, Plant & Equipment records on SAP platform. Property, Plant & Equipment records contain full particulars including classification, quantitative details and location.
- (ii) The Company is maintaining the Intangible Assets records on SAP platform. Intangible records contain full particulars.
- (b) According to information provided by the management, the company has performed physical verification, and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets.
- (c) Based on the information and explanation provided to us, we are of the opinion that the title deeds of certain immovable properties, as disclosed in Note No. 02 to the Ind AS financial statements, are not held in the name of the Company as under :

Descripti on	Gross Carrying Value	Held in Name of	Relationship with person in whose name Held	Period Held	Reasons for not being held in name of company
Right to use Common Approach Road to Bhayla Plant (Ahmedabad)	Rs. 30 Lacs	Jayantilal Jagjivandas Chandra	Chairman and Managing Director (Key Managerial Personnel)	Since 2014	It is an Agricultural Land and agreement of right to use of road has been entered into the name of Managing Director.

- (d) Based on the information and explanation provided to us, the company has carried not out any revaluation activity of its Property Plant and Equipment and therefore this clause is not applicable to the company.
- (e) Based on information and explanation provided to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and therefore this clause is not applicable to the company.

ii. Inventories

- (a) As informed to us, Physical verification (PV) of Inventory(Except WIP & Stock with third parties)has been carried out by the company during the year. The discrepancies, wherever noticed have been adjusted in the books of accounts as excess/short inventory. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its Inventory.
- (b) Refer to Note no. 10 & Note no.17 of Financial Statements and based on information and explanation provided to us, the company has been sanctioned working capital limits in excess of limits specified in the order, in aggregate, from banks or financial institutions on the basis of security of

current assets & the periodic returns as well as revised returns filed by the Company with such banks are in agreement with the books of accounts of the Company.

iii. Loans/ Guarantees/ Securities Provided

- a) Refer to Note no. 45 of Financial Statements and as informed to us, company has made investments in, provided guarantee and/or security and/or granted loans or advances in the nature of secured/unsecured loans to companies, firms, Limited Liability Partnerships, and other Parties.

(I) Details of Aggregate amount of Loans, Advances, Guarantees and Securities made to Subsidiaries, Associates and Joint Ventures are as below-

(₹ In Lakhs)

Nature	Aggregate Amount (Rs.)	Balance Outstanding (Rs.)	Party	Relationship With Party
Inter-Corporate Deposit	1,000	500	Atul Greentech Private Limited	Subsidiary (upto 15-05-2022 wholly owned subsidiary)
Guaranteeto Chola Mandalam Financein respect of finance made as per tri-party agreement	468	468	Khushbu Auto Finance Limited	Wholly Owned Subsidiary (w.e.f. 01/09/2021)
Guarantee to Bankers	5,000	2,258	Atul Greentech Private Limited	Subsidiary (upto 15-05-2022 wholly owned subsidiary)
Guarantee to Bankers	13,000	7,862	Khushbu Auto Finance Limited	Wholly Owned Subsidiary (w.e.f. 01/09/2021)

(ii) Details of Aggregate amount of Loans, Advances, Guarantees and Securities made to other than Subsidiaries, Associates and Joint Ventures are as below-

(₹ In Lakhs)

Nature	Aggregate Amount (Rs.)	Balance Outstanding (Rs.)	Party
Guaranteeto Chola Mandalam Financein respect of finance made to end user	2,228	2,228	End Users of AAL (Considering business requirement and rationale of the company)
Staff Advances	4	4	Employees of Atul Auto Limited.

- (b) Based on the information and explanation provided to us, the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
- (c) As informed to us, the schedule of repayment of principal and payment of interest of Loans has been stipulated and repayments or receipts are regular.

(d) As informed to us, no amount of loan is overdue for more than 90 Days.

(e) Refer to Note no. 45 of Financial Statements and based upon information and explanation provided to us, the company has not renewed any loans or granted fresh loans for the loans falling due this year and therefore this sub-clause is not applicable to the company.

(f) Refer to Note no. 45 of Financial Statements and based upon information and explanation provided to us, the company has granted following loans which are either repayable on demand or loans without any terms or period of repayment.

(₹ In Lakhs)

Party To Which Loan Is Granted	Relation with Party to which the Loan is granted	Aggregate Amount of Loan Outstanding (Rs.)	Percentage (%) to Total Loans Granted
Atul Greentech Private Limited	Subsidiary	500	99%
Staff Advances	Employees	4	1%

iv. Loans, Investments, Guarantees and Securities

In our opinion and according to the information and explanations given to us, there are no loans, guarantees and securities given in respect of which provisions of section 185 of the Act are applicable and hence not commented upon. In our opinion and according to the information and explanations given to us, provision of section 186 of the Act with respect to loan, guarantee and investments made have been complied with by company.

v. Deposits

In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted is not applicable to the Company. Therefore, the provision of Clause (v) of paragraph 3 of "the Order" is not applicable to the Company.

vi. Cost Records

The Central Government has not prescribed maintenance of cost records under section 148 (1) of the Companies Act, 2013 therefore clause (v) of paragraph 3 of "the Order" is not applicable to the Company.

vii. Statutory Dues

(a) According to the information given to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty, GST, CESS and other applicable statutory dues with the appropriate authorities. As per information and explanations given to us there are no arrears of undisputed statutory dues outstanding as at 31st March, 2023, for the period of more than six months from the date they become payable.

(b) According to the information and explanations to the extent provided to us, the details of the disputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty, GST, CESS and other applicable

statutory dues, which have not been deposited on account of dispute, are as under:-

Name of Statute	Nature Of The Dues	Period	Amount Demanded (in Lakh)	Amount Deposited (in Lakh)	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	2012-13	5	-	Commissioner (Appeals)
The Income Tax Act, 1961	Income Tax	2014-15	8	-	Commissioner (Appeals)
The Income Tax Act, 1961	Income Tax	2017-18	29	-	Commissioner (Appeals)
The Gujarat VAT Act, 2006	Sales Tax	2001-02 and 2002-03	15	3	Supreme Court
The Gujarat VAT Act, 2006	VAT	2006-07	14	-	VAT Tribunal
The Central Sales Tax, 1956	CST	2001-02 And 2002-03	3	-	Supreme Court
Central Excise Act, 1944	Excise	2007-10	1	1	CESTAT

viii. Undisclosed Income

As informed to us and on basis of explanations provided to us, the company has not surrendered or disclosed any transaction not recorded in books of accounts as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. Repayment of Loans and Other Borrowings

- As informed to us and on basis of explanations provided to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- As informed to us, company is not declared as a wilful defaulter by any bank or financial institution or other lender.
- As informed to us, the company has availed term loan from Exim bank for its Ahmedabad Expansion Project and other Capex. Moreover, the company has initially funded all capex through its internal accruals. Post that company has taken disbursement of term loan in the form of reimbursement.
- As informed to us, the company has not utilised the funds raised on short term basis for long term purposes.
- According to the information and explanations to the extent provided to us, the company has not taken obtained any funds from lenders to meet the obligations of its subsidiaries, associates and joint ventures.
- According to the information and explanations to the extent provided to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and therefore this sub-clause is not applicable to the company.

x. IPO/FP0/Private Placement/Preferential Allotment

- (a) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of Initial Public Offer or further Public Offer during the Year.
- (b) In our opinion and according to the information and explanations given to us, the Company has raised money by way of Private Placement and the same have been utilised for the purpose for which they were raised
- a. By issue of convertible warrants which were issued for Rs. 198/- (Face value 5 and securities premium 193) per warrant out of which Rs 49.5/- were received on issue of warrant, pending Rs 148.5/- receivable on conversion into shares.

Sr No	Name Of The Allottee	No. Of Warrants	Total Amount
1	Vijay Kishanlal Kedia	50,50,505	2500 Lacs
2	Jayantibhai Jagjivanbhai Chandra	6,56,565	325 Lacs
3	Khushbu Auto Private Limited	1,01,010	50 Lacs
	Total amount		2875 Lacs

- b. Further part of this warrants were converted into equity shares for which Rs 148.5/- were received during the year details of which are as under.

Sr No	Name Of The Allottee	No. of Shares	Total Amount
1	Vijay Kishanlal Kedia	16,83,502	2500 Lacs
2	Jayantibhai Jagjivanbhai Chandra	2,18,855	324 Lacs
3	Khushbu Auto Private Limited	33,670	50 Lacs
	Total amount		2875 Lacs

xi. Fraud

- (a) During our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud by the Company or any fraud on the company has been noticed or reported during the year.
- (b) No report has been filed by the us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government under sub-section 12 of Section 143 of Companies Act, 2013.
- (c) We have not come across any whistle-blower complaints made in the company during the year.

xii. Nidhi Company

The Company is not a Nidhi Company as defined under section 406

of Companies Act, 2013. Therefore, clause (xii) of paragraph 3 of the order is not applicable to the Company.

xiii. Related Party Transactions

In our opinion and according to the information and explanations given to us the Company is in compliance with section 188 and 177 of the Companies Act, 2013, where applicable, for all the transactions with related parties and the details of related party transactions have been disclosed in Note No. 41 to the financial statements.

xiv. Internal Audit

- (a) On the basis of Information and explanations given to us the company has Internal Audit Division. Hence, internal audit system commensurate with the size & nature of the business are under development.
- (b) As company is under process of appointment of Internal Auditor, no Internal Audit has been carried out by the external Chartered Accountant/Cost Accountant. Hence, no report of Internal Auditor has been considered by us.

xv. Non-Cash Transactions with Directors

As per the information and explanation given to us, Company has not entered into any non-cash transactions with directors or persons connected with him/her.

xvi. NBFC Registration

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as NBFC. Therefore, clause (xvi) of paragraph 3 of "the order" is not applicable to the Company.

xvii. Cash Losses

During our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the company has not incurred cash losses in the Financial Year but has incurred in immediately preceding financial year

(₹ In Lakhs)

Financial Year	Net Profit/(Loss)	Cash Profit/(Loss)
2021-22	(2,487)	(2,387)

xviii. Resignation by Statutory Auditors

As informed to us and on basis of explanations provided to us, we are the statutory auditors from current financial years. Therefore, clause (xviii) of paragraph 3 of "the order" is not applicable to the Company.

xix. Material Uncertainty

According to the information and explanations to the extent provided to us and on basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of opinion that no material uncertainty exists as on the date of the audit report and that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

management plans, we are of opinion that no material uncertainty exists as on the date of the audit report and that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. Corporate Social Responsibility

- (a) According to the information and explanations to the extent provided to us, no amount is required to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the Act.
- (b) As informed to us, the company has transferred unspent amount under section 135(5) of Companies Act, 2013 to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

**For Maharishi & Co.,
Chartered Accountants
ICAI Firm Registration No. 124872W**

**Kapil Sanghavi
Partner
Membership No. 141168
UDIN : 23141168BGVRTS9834
Date: May 20, 2023
Place: Jamnagar**



ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls for financial reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the act')

We have audited the internal financial control over financial reporting of ATUL AUTO LIMITED ('the company') as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statement of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Control over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally

accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of the management and directors of the company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023 based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

However, looking to the expansion of the company in terms of volume & capital expenditure an appointment of external audit professional is suggested. Our opinion is not modified for this matter.

**For Maharishi & Co.,
Chartered Accountants
ICAI Firm Registration No. 124872W**

**Kapil Sanghavi
Partner
Membership No. 141168
UDIN: 23141168BGVRTS9834
Date: May 20, 2023
Place : Jamnagar**

STANDALONE BALANCE SHEET

as at March 31, 2023



(₹ In Lacs)

Sr. No.	Particulars	Note No.	March 31, 2023	March 31, 2022
	ASSETS			
(1)	Non-current Assets			
	(a) Property, Plant and Equipment	2(I)	23,359	19,485
	(b) Capital Work-In-Progress	2(ii)	129	4,274
	(c) Right-of-use Asset	2(I)	22	35
	(d) Investment Property	3	121	276
	(e) Intangible Assets	4	52	49
	(f) Financial Assets			
	(i) Investments	5(a)	6,823	6,823
	(ii) Trade Receivables	8(a)	211	153
	(g) current tax	6	224	241
	(h) Deferred Tax Assets	7	607	780
	(i) Other Non-current Assets	9(a)	462	883
	Total Non-current Assets		32,010	32,999
(2)	Current Assets			
	(a) Inventories	10	5,396	4,977
	(b) Financial Assets			
	(i) Investments	5(b)	1,665	-
	(ii) Trade Receivables	8(b)	2,779	2,076
	(iii) Cash and Cash Equivalents	11	336	505
	(iv) Bank balance other than (iii) above	12	91	31
	(v) Loans	13	504	555
	(vi) Other Financial Assets	14	39	44
	(c) Other Current Assets	9(b)	1,331	705
	Total Current Assets		12,141	8,893
	Total Assets		44,151	41,892
	EQUITY AND LIABILITIES			
(3)	EQUITY			
	(a) Equity Share Capital	15	1,194	1,097
	(b) Other Equity	16	31,878	25,782
	Total Equity		33,072	26,879
	LIABILITIES			
(4)	Non-current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17(a)	2,143	6,429
	(ii) Lease Liabilities	18(a)	15	21
	(iii) Other Financial Liabilities	19(a)	583	559
	(b) Provisions	20(a)	49	78
	Total Non-current Liabilities		2,790	7,087
(5)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17(b)	1,421	1,609
	(ii) Trade Payables	21		
	(A) Total Outstanding dues of Micro Enterprise and Small Enterprise		1,445	1,536

Sr. No.	Particulars	Note No.	March 31, 2023	March 31, 2022
	(B) Total Outstanding dues other than Micro Enterprise and Small Enterprise		3,027	2,582
	(iii) Lease Liabilities	18(b)	9	16
	(iv) Other Financial Liabilities	19(b)	716	930
	(b) Provisions	20(b)	558	375
	(C) Other Current Liabilities	22	1,113	878
	Total Current Liabilities		8,289	7,926
	Total Liabilities		11,079	15,013
	Total Equity and Liabilities		44,151	41,892
	Significant Accounting Policies	1		

The accompanying notes are an integral part of these financial statements

As per our report of even date

For, Maharishi & Co.

Chartered Accountants

FRN 124872W

Kapil Sanghvi

Partner

Membership No. 141168

Signed at Jamnagar on May 20, 2023

**For an on behalf of Board of Directors of
Atul Auto Limited**

Jayantibhai J Chandra

Chairman and Managing Director

DIN : 00057722

Mahendra J Patel

Whole-time Director & CFO

DIN : 00057735

Paras J. Viramgama

Company Secretary & Compliance Officer

Signed at Bhayla (Dist. Ahmedabad) on May 20, 2023

STATEMENT OF PROFIT & LOSS

for the Year Ended March 31, 2023

(₹ In Lacs)

Sr. No.	Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
1	REVENUE FROM OPERATIONS			
	a. Revenue from Sale of Products	23	46,706	28,634
	b. Other Operating Income	23	764	748
	TOTAL REVENUE FROM OPERATIONS		47,470	29,382
2	Other Income	24	280	239
3	TOTAL INCOME		47,750	29,621
4	EXPENSES			
	a. Cost of Materials Consumed	25	36,600	24,327
	b. Change in inventory of Finished Goods, Work-in-progress and Stock-in-Trade	26	472	(288)
	c. Employee Benefits Expense	27	4,496	3,966
	d. Finance Costs	28	633	400
	e. Depreciation and Amortisation Expense	29	1,360	933
	f. Other Expenses	30	3,591	3,532
5	TOTAL EXPENSES		47,152	32,870
6	Profit Before Exceptional Items		598	(3,249)
7	Exceptional Items		-	-
8	Profit/(Loss) Before Tax		598	(3,249)
9	TAX EXPENSE			
	a. Current Tax	31	4	71
	b. Deferred Tax	31	154	(833)
	TOTAL TAX EXPENSE		158	(762)
10	Profit / (Loss) for the Period		440	(2,487)
11	Other Comprehensive Income, Net of Tax	32	2	43
	a. Items that will not be Reclassified to Profit or Loss			
	(i) Remeasurement of Post Employment Benefit Obligation		3	57
	(ii) Income Tax Relating to Remeasurement of Defined Benefit Obligation		(1)	(14)
	b. Items that will be Reclassified to Profit or Loss		-	-
12	Total Comprehensive Income / (Expense) for the Period		442	(2,444)
13	Earnings Per Equity Share	33		
	Basic & Diluted		2.00	(11.33)

The accompanying notes are an integral part of these financial statements

As per our report of even date

For, Maharishi & Co.

Chartered Accountants

FRN 124872W

Kapil Sanghvi

Partner

Membership No. 141168

Signed at Jamnagar on May 20, 2023

**For an on behalf of Board of Directors of
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Jayantibhai J Chandra

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DIN : 00057722

Mahendra J Patel

Whole-time Director & CFO

DIN : 00057735

Paras J. Viramgama

Company Secretary & Compliance Officer

Signed at Bhayla (Dist. Ahmedabad) on May 20, 2023

STATEMENT OF CASH FLOW

for the year ended March 31, 2023



(₹ In Lacs)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A.	Cash Flow from Operating Activities		
	Net Profit Before Taxation	598	(3,249)
	Adjustment for:		
	Add/(Less):-		
	Provision for Doubtful Debts	142	43
	Depreciation & Impairment	1,360	933
	Finance Cost	633	400
	Sub Total	2,135	1,376
	Less :-		
	Loss/(Profit) on Sale of Fixed Assets	-	1
	Profit on Redemption/Revaluation of Mutual Fund	11	31
	Interest Received on Deposits	64	69
	Unrealised Foreign Exchange Gain	-	(26)
	Sub Total	75	75
	Operating Profit Before Working Capital Changes	2,658	(1,948)
	Movements in Working Capital:		
	Decrease/-Increase in Trade Receivable	(903)	170
	Decrease/-Increase in Inventories	(418)	135
	Decrease/-Increase in Loans and Other Assets	(604)	(128)
	Increase/-Decrease in Trade Payables	355	(395)
	Increase/-Decrease in Liabilities/Provisions	86	314
	Total Movement in Working Capital	(1,484)	96
	Cash Generated from Operations	1,174	(1,852)
	Direct Taxes Paid (Net of Refunds)	32	(46)
	NET CASH FROM OPERATING ACTIVITIES	1,206	(1,898)
B.	Cash Flow from Investing Activities		
	Purchase of Fixed Assets, Capital WIP and Advances for Capital Goods & of Payable	(414)	(1,051)
	Proceeds from Sale of Fixed Assets	8	36
	Net (Investment)/ Net Proceeds from Sale of Mutual Fund	(1,654)	1,081
	Investment in Wholly owed Subsidiary Company	-	(4,957)
	(Increase)/Decrease in Other Bank Balance	(60)	107
	(increase)/Decrease in Inter Corporate Deposits	51	302
	Interest Received on Deposits	64	69
	NET CASH FLOW FROM INVESTING ACTIVITIES	(2,005)	(4,413)
C.	Cash Flow form Financing Activities		
	Decrease in Lease Liability	(13)	(32)
	Proceeds from Issue of Share Warrant	5,750	-
	Proceeds from Bank Borrowing	(4,474)	6,538
	Other Borrowing Cost	(633)	(400)
	NET CASH FLOW FROM FINANCING ACTIVITIES	630	6,106
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(169)	(205)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Effect of Change in Cash or Cash Equivalent held in Foreign Currency due to Exchange Rate Fluctuation		
	Cash and Cash Equivalents at the Beginning of the Year	505	710
	Cash and Cash Equivalents at the End of the Year	336	505
	Components of Cash and Cash Equivalents as at the End of the Year		
	Cash on Hand	1	2
	Cheques on Hand	-	-
	With Bank		
	- In Current Accounts	335	503
	TOTAL	336	505

Notes

- 1 Previous year's figures have been regrouped wherever necessary.
- 2 The cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard - 7 on Cash Flow Statement

The accompanying notes are an integral part of these financial statements

As per our report of even date

For, Maharishi & Co.

Chartered Accountants

FRN 124872W

Kapil Sanghvi

Partner

Membership No. 141168

Signed at Jamnagar on May 20, 2023

**For an on behalf of Board of Directors of
Atul Auto Limited**

Jayantibhai J Chandra

Chairman and Managing Director

DIN : 00057722

Mahendra J Patel

Whole-time Director & CFO

DIN : 00057735

Paras J. Viramgama

Company Secretary & Compliance Officer

Signed at Bhayla (Dist. Ahmedabad) on May 20, 2023

STATEMENT OF CHANGES IN EQUITY >>>>>

for the year ended March 31, 2023

(A) Equity Share Capital (Note No. 15)

(₹ In Lacs)

Particulars	Note No.	31-Mar-23	31-Mar-22
At the beginning of the year	15	1,097	1,097
Changes in equity share capital during the year		97	-
At the end of the year		1,194	1,097

(B) Other Equity (Note No. 16)

(₹ in Lacs)

Particulars	Note No.	Capital Reserve	Equity Share Warrant	Security Premium On Share Warrant	Security Premium	General Reserve	Shares Forfeiture	Retained Earnings	Total Other Equity
Balance as at April 01, 2021	16	30	-	-	478	2,094	23	25,601	28,226
Profit /(Loss) for the year	-	-	-	-	-	-	-	-2,487	-2,487
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	43	43
Total comprehensive income for the year ended March 31, 2022	-	-	-	-	-	-	-	-2,444	-2,444
Transaction with owners in their capacity as owners	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022		30	-	-	478	2,094	23	23,157	25,782
Proceeds from issue	-	-	73	2,802	3,737	-	-	-	6,612
Profit /(Loss) for the year	-	-	-	-	-	-	-	440	440
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	2	2
Warrants converted into Equity Shares	-	-	24	934	-	-	-	-	958
Total comprehensive income for the year ended March 31, 2023	-	-	-	-	-	-	-	442	442
Transaction with owners in their capacity as owners	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023		30	49	1,868	4,215	2,094	23	23,599	31,878

The accompanying notes are an integral part of these financial statements

As per our report of even date

For, Maharishi & Co.

Chartered Accountants

FRN 124872W

Kapil Sanghvi

Partner

Membership No. 141168

Signed at Jamnagar on May 20, 2023

For an on behalf of Board of Directors of

Atul Auto Limited

Jayantibhai J Chandra

Chairman and Managing

Director

DIN : 00057722

Mahendra J Patel

Whole-time

Director & CFO

DIN : 00057735

Paras J. Viramgama

Company Secretary & Compliance Officer

Signed at Bhayla (Dist. Ahmedabad) on May 20, 2023

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ In Lacs)

Background

Atul Auto Limited (the company) is a public company domiciled in India and situated at Shapar(Gujarat), incorporated on June 18, 1986. Its shares are listed on two stock exchanges in India - Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company manufactures and sales Auto rickshaws in domestic and overseas market.

The standalone financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on May 20, 2023

1 Basis of Preparation

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013

The financial statements are presented in ₹, which is also the Company's functional currency and all values are rounded to the nearest lacs (₹,00,000), except when otherwise indicated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Summary of Significant Accounting Policies followed by the Company

1.1 System of Accounting

- (i) The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis except in case of significant uncertainties. This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Use of Estimates, Judgement & Assumptions

- (ii) Estimates, judgements and assumptions used in the preparation of these financial statements and disclosures made therein are based upon Management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date. The following are items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about basis of calculation for each affected line item in the financial statement.
- (a) Provision for warranty claims
 - (b) Valuation of employee benefits
 - (c) Provision for tax expenses
 - (d) Provision for expected credit loss
 - (e) Provision for after sales activities

Estimates and judgments are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company.

1.2 Revenue Recognition

(A) Sales

- (i) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue is presented exclusive of Goods & Services tax. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company.
- (ii) Domestic sales are accounted for on dispatch from the point of sale corresponding to transfer of significant risks and rewards of ownership to the buyer. The nature of contracts of the Company are such that no material part performance obligations would remain unfulfilled at the end of any accounting period.
- (iii) Export sales are recognised on the date of the shipped on board signifying transfer of risks and rewards of ownership to the buyer as per terms of sale and initially recorded at the relevant exchange rates prevailing on the date of the transaction.

(iv)	<p>Sale of Products:</p> <p>The Company earns revenue primarily from sale of automotive vehicles, parts and accessories.</p> <p>Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.</p> <p>The Company's contracts with customers do not provide for any right to returns, refunds or similar obligations. The nature of contracts of the Company are such that no material part performance obligations would remain unfulfilled at the end of any accounting period</p> <p>The Company provides warranties for general repairs of defects as per terms of the contract with ultimate customers. These warranties are considered as assurance type warranties and are accounted for under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets Refer Note 34.</p> <p>Revenue is recognised when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the goods, customer has possession and legal title to the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied.</p> <p>The Company, on behalf of its customers (dealers and distributors), dispatch the goods to agreed locations for an agreed fee. The Company has determined that the performance obligation of the Company is to arrange for those goods and services (Company is an agent) to the dealers and hence the amount charged to the customer offset by freight charges paid to the freight service providers is shown as revenue and disclosed as other operating income or other operating expenses, depending upon the results of the offsetting.</p>
(B)	<p>Export Incentives</p> <p>Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.</p>
(C)	<p>Other Income</p> <p>The Company recognises income (including rent etc.) on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.</p>
1.3	<p>Property, Plant and Equipment and Depreciation</p>
(i)	<p>Capital work in process, Property, plant and equipment except land are carried at historical cost of acquisition, construction or manufacturing cost, as the case may be, less accumulated depreciation and impairment thereon if any. Freehold land is carried at cost of acquisition. Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended.</p>
(ii)	<p>Costs incurred to manufacture property, plant and equipment and intangible are charged to particular property plant & equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.</p>
(iii)	<p>Land and buildings acquired/constructed, not intended to be used in the operations of the Company and held for earning long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, are categorised as investment property.</p>
(iv)	<p>Other Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.</p>
(v)	<p>Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset are capitalised where the asset is available for use.</p>
(vi)	<p>Depreciation and Amortisation methods, estimated useful lives and residual value</p> <p>On Tangible Assets</p> <p>(a) Depreciation is provided on a pro rata basis on the straight line method to allocate the cost, net of residual value over the estimated useful lives of the assets.</p> <p>(b) Useful life of assets are determined by the Management by internal technical assessments and such useful life is in conformity with Schedule - II of companies act. Depreciation on additions is being provided on pro rata basis from the month of such additions.</p> <p>(c) Depreciation on assets sold, discarded or demolished during the year is being provided up to the month in which such assets are sold, discarded or demolished.</p> <p>The property taken under operating lease is depreciated over the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.</p>

(v)	Impairment of Assets Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units).
1.4	Intangible Assets Product Development Cost Product Development Cost incurred on new vehicles platforms, variants on existing platforms and new vehicles aggregates are recognized as intangible assets and are included under fixed assets. These amounts are amortized over sixty months from the commencement of commercial production. SAP Implementation Charges Expenses incurred for implementation of SAP are recognized as intangible assets and are included under fixed assets. The amounts are amortized over sixty months from the implementation of SAP.
1.5	Investment Property Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. Depreciation on investment property is provided on a pro rata basis on straight line method over the estimated useful lives. Useful life of assets, as assessed by the Management, corresponds to those prescribed in Part 'C' Schedule II of companies act.
1.6	Investments, Financial Assets and Financial Liability (a) Other Investments and Financial Assets (i) Classification The Company classifies its financial assets in the following measurement categories: * Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those measured at amortised cost. * The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will be recorded in profit or loss. (ii) Measurement At initial recognition, the Company measures a financial asset at its fair value. Fair value through Profit or Loss: Assets that do not meet the criteria for amortised cost, are measured at fair value through profit or loss e.g. investments in mutual funds. (iii) Impairment of Financial Assets The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk and if so, assess the need to provide for the same in the Statement of Profit and Loss. (iv) Derecognition of Financial Assets A financial asset is derecognised only when Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. (v) Income Recognition Dividend Company recognises dividend in the statement of profit & loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company and the amount of the dividend can be measured reliably. Interest Income Interest income from fixed deposits, corporate guarantee and from dealers overdue are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

(b)	Financial Liability
(i)	<p>Classification as Debt or Equity</p> <p>Debt and equity instruments issued by the Company are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.</p> <p>An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.</p>
(ii)	<p>Initial Recognition and Measurement</p> <p>All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.</p>
(iii)	<p>Subsequent Measurement</p> <p>The measurement of financial liabilities depends on their classification, as described below:</p> <p>Trade and Other Payable</p> <p>These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and payables are subsequently measured at amortised cost using the effective interest rate method.</p>
	<p>Derecognition</p> <p>Liability is removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/ (losses).</p> <p>When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.</p> <p>Liability is classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.</p>
1.7	Foreign Currency Transactions
(i)	Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is Company's functional and presentation currency.
(ii)	On initial recognition, all foreign currency transactions are recorded at foreign exchange rate on the date of transaction.
(iii)	Monetary items of current assets and liabilities in foreign currency outstanding at the close of financial year are revalued at the appropriate exchange rates prevailing at the close of the year.
(iv)	The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in case of monetary current assets and liabilities in foreign currency, are recognised in the Statement of Profit and Loss.
1.8	Inventories
	Cost of inventories have been computed to include all costs of purchases (including materials), cost of conversion and other costs incurred, as the case may be, in bringing the inventories to their present location and condition.
(i)	Finished stocks of vehicles are valued at cost of manufacturing or net realisable value whichever is lower.
(ii)	Raw materials, Stores, Packing Materials, tools and components are valued at cost arrived at on simple average basis or net realisable value, whichever is lower, as circumstances demand. However, obsolete and slow moving items are valued at cost or estimated realisable value whichever is lower.
(iii)	Goods in transit are stated at actual cost incurred up to the date of Balance Sheet. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
1.9	Research & Development Expenditure
	Research & Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.
1.10	Taxation
	Provision for tax is made for the current accounting period (reporting period) on the basis of the taxable profits computed

	<p>in accordance with the Income-tax Act, 1961 and the Income Computation and Disclosure Standards prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.</p> <p>Deferred taxes are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences.</p> <p>Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.</p>
1.11	<p>Provisions and Contingent Liabilities</p> <p>The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation such as product warranty costs. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.</p>
1.12	<p>Operating lease including Investment Properties</p> <p>As a Lessor</p> <p>The company has leased out its assets and such leases where the company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the statement of profit & loss on a straight line basis over the lease term in a manner which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the statement of profit & loss in the period in which they are incurred.</p> <p>Under operating lease, the asset is capitalised within property plant & equipment and depreciated over its useful economic life. Therefore, Ind AS 116 does not have an impact for leases where the company is the lessor.</p> <p>As a Lessee</p> <p>Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease. The Company's lease asset primarily consists of Building. The company assesses whether a contract contains a lease, at inception of contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:</p> <ul style="list-style-type: none"> (i) the contract involves the use of an identified asset (ii) the Company has substantially all the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. <p>At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases), and lease contract for which the underlying asset is of low value (low-value assets). For these short-term, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.</p> <p>The right-of-use assets are initially recognised at cost, which comprises the initial measurement of the lease liability adjusted plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate of cost of capital. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.</p> <p>In calculating the present value of lease payments, the company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.</p>
1.13	<p>Government Grants</p> <p>Grants and subsidies from the government are recognized when there is reasonable assurance that</p> <ul style="list-style-type: none"> (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. <p>When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and transfer to income in equal amounts over the expected useful life of the related asset.</p> <p>Where the company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.</p>
1.14	<p>Dividends</p> <p>Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.</p>

1.15	Cash and Cash Equivalents For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, balance with banks.
1.16	Employee benefits Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment towards un-availed leave, compensated absences, and other terminal benefits.
(i)	Gratuity Payment for present liability of future payment of gratuity is being made to approved gratuity fund, which fully covers the same under Cash Accumulation Policy and Debt fund of the Life Insurance Corporation of India (LIC). However, any deficit in plan assets managed by LIC as compared to the liability based on an independent actuarial valuation is recognised as a liability. The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method in conformity with the principles and manner of computation specified in Ind AS 19. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.
(ii)	Provident fund contributions are made to Company's Provident Fund . The contributions are accounted for as defined benefit plans and the contributions are recognised as employee benefit expense when they are due.
(iii)	Defined contribution to superannuation fund is being made as per the scheme of the Company and recognised as expense as and when due.
1.17	Earnings per Share Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive and anti-dilutive potential equity shares.
1.18	Segment Reporting The company is engaged mainly in the business of automobile products. These, in the context of Indian Accounting Standard 108 on Operating Segment, as specified in the Companies (Indian Accounting Standards) Rules, 2015, are considered to constitute one single primary segment. Operating segments are reported in a manner consistent with the internal reporting provided to the Core Management Committee which includes the Managing Director who is the Chief Operating Decision Maker.
1.19	Borrowing Cost Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Note - 2 Property, Plant and Equipment

(i) Tangible Assets

Current Year

(₹ In Lakhs)

Particulars	Gross Block					Depreciation					Net Block
	As at April 01, 2022	Additions	Adjustments / Internal Transfer*	Disposals/ Transfer	As at March 31, 2023	As at April 01, 2022	Additions	Adjustments / Internal Transfer*	Disposals/ Transfer	As at March 31, 2023	As at March 31, 2023
Freehold Land	4,047	1	152	-	4,200	-	-	-	-	-	4,200
Buildings	8,689	235	23	-	8,947	1,014	316	-	-	1,330	7,617
Plant & Machinery (Including Electric Fitting)	11,861	4,748	(23)	-	16,584	5,270	785	-	-	6,055	10,529
Furniture & Fittings	1,007	55	-	-	1,063	190	134	-	-	324	739
Computers	360	15	-	-	375	308	22	-	-	330	45
Office Equipment	215	3	-	-	218	149	17	-	-	166	52
Vehicles	534	4	-	10	528	297	55	-	-	352	176
TOTAL	26,713	5,057	152	7	31,915	7,228	1,329	-	-	8,557	23,359
Leasehold Assets (Right-of-Use Asset)	140	3	-	-	143	105	16	-	-	121	22

* During the Year assets are Re-grouped for better presentation of Financial Statement and the resultant effect for the same is shown as Adjustments.

Previous Year

(₹ In Lakhs)

Particulars	Gross Block					Depreciation					Net Block
	As at April 01, 2021	Additions	Adjustments / Internal Transfer*	Disposals/ Transfer	As at March 31, 2022	As at April 01, 2021	Additions	Adjustments / Internal Transfer*	Disposals/ Transfer	As at March 31, 2022	As at March 31, 2022
Freehold Land	4,213	-	-	166	4,047	-	-	-	-	-	4,047
Buildings	1,993	6,785	-	89	8,689	825	189	-	-	1,014	7,675
Plant & Machinery (Including Electric Fitting)	7,784	4,077	-	-	11,861	4,695	575	-	-	5,270	6,591
Furniture & Fittings	239	768	-	-	1,007	151	39	-	-	190	817
Computers	312	48	-	-	360	286	22	-	-	308	52
Office Equipment	147	68	-	-	215	138	11	-	-	149	66
Vehicles	533	21	-	20	534	252	53	-	8	297	237
TOTAL	15,221	11,767	-	275	26,713	6,347	889	-	8	7,228	19,485
Leasehold Assets (Right-of-Use Asset)	153	23	-	36	140	90	28	-	13	105	35

(ii). Capital Work-In-Progress

Current Year

(₹ In Lakhs)

Particulars	As at April 01, 2022	Additions	Disposals/ Transfer	As at March 31, 2023
Capital Work-In-Progress	4,274	-	4,145	129
TOTAL	4,274	-	4,145	129

Previous Year

(₹ In Lakhs)

Particulars	As at April 01, 2022	Additions	Disposals/ Transfer	As at March 31, 2023
Capital Work-In-Progress	14,850	1,113	11,689	4,274
TOTAL	14,850	1,113	11,689	4,274

2(ii).1 (a) For CWIP Ageing Schedule

Current Year

(₹ In Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	129	-	-	-	129
Projects Temporarily Suspended	-	-	-	-	-

2(ii).1 (b) For CWIP whose Completion is Overdue

(₹ In Lakhs)

CWIP	To be completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	129	-	-	-	129
Projects Temporarily Suspended	-	-	-	-	-

2(ii).1 (c) For CWIP whose cost has exceeded compared to its original plan : None

2(ii).1 (a) For CWIP aging schedule

Previous Year

(₹ In Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	194	568	2,350	1,162	4,274
Projects Temporarily Suspended	-	-	-	-	-

2(ii).1 (b) For CWIP whose Completion is Overdue

(₹ In Lakhs)

CWIP	To be completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	4,274	-	-	-	4,274
Projects Temporarily Suspended	-	-	-	-	-

2(ii).1 (c) For CWIP whose cost has exceeded compared to its original plan : None

Notes :

- As per IND AS - 40 'Investment Property' assets which is held to earn rentals or for capital appreciation or both is treated as investment property
- Refer to clause 1.3 of notes to significant accounting policies
- IND AS 116 requires leases to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease. The Company's lease asset primarily consists of Building. The right-of-use assets are initially recognised at cost, which comprises the initial measurement of the lease liability adjusted plus any initial direct costs less any lease incentives.

(* Depreciation amount includes impairment loss of INR 18.02 Lacs for current and previous period)

Note - 3 Investment Property

Current Year

(₹ In Lakhs)

Particulars	Gross Block				Depreciation				Net Block
	As at April 01, 2022	Additions	Disposals/ Transfer	As at March 31, 2023	As at April 01, 2022	Additions	Disposals/ Transfer	As at March 31, 2023	As at March 31, 2023
Investment Property	304	-	152	152	28	3	-	31	121
TOTAL	304	-	152	152	28	3	-	31	121

Previous Year

(₹ In Lakhs)

Particulars	Gross Block				Depreciation				Net Block
	As at April 01, 2022	Additions	Disposals/ Transfer	As at March 31, 2023	As at April 01, 2022	Additions	Disposals/ Transfer	As at March 31, 2023	As at March 31, 2023
Investment Property	50	254	-	304	22	6	-	28	276
TOTAL	50	254	-	304	22	6	-	28	276

Disclosure Income from Investment Property as per Sch III

(₹ In Lakhs)

CWIP	Rental Income		Direct operating expense from property that generated income		Profit from investment before depreciation		Depreciation		Net Profit from investment property	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	30	19	-	-	30	19	3	6	27	13

Fair Value

(₹ In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Investment Property	193	345

The best evidence of fair value is current prices in an active market for similar properties. Since investment properties leased out by the Company are cancellable, the market rate for sale/purchase of such premises are representative of fair values. Company's investment properties are at a location where active market is available for similar kind of properties. Hence, fair value is ascertained on the basis of market rates prevailing for similar properties in those location determined by the valuer vide report dated 27th June, 2017 and consequently classified as a level 2 valuation. For Bhayla (Ahmedabd) Properties the Purchase Value or the value as capitalized in the books of account has been considered as Fair Value.

Note - 4 Intangible Assets
Current Year

(₹ In Lakhs)

Particulars	Gross Block				Amortization				Net Block
	As at April 01, 2022	Additions	Disposals/ Transfer	As at March 31, 2023	As at April 01, 2022	Additions	Disposals/ Transfer	As at March 31, 2023	As at March 31, 2023
Product Development	195	-	-	195	195	-	-	195	-
Computer Software	186	16	-	202	137	13	-	150	52
TOTAL	381	16	-	397	332	13	-	345	52

Previous Year

(₹ In Lakhs)

Particulars	Gross Block				Amortization				Net Block
	As at April 01, 2021	Additions	Disposals/ Transfer	As at March 31, 2022	As at April 01, 2021	Additions	Disposals/ Transfer	As at March 31, 2022	As at March 31, 2022
Product Development	195	-	-	195	195	-	-	195	-
Computer Software	165	21	-	186	127	10	-	137	49
TOTAL	360	21	-	381	322	10	-	332	49

Note - 5 Investments

(A) Non-Current Investment

(₹ In Lakhs) Except No. of Shares

Particulars	31-Mar-23	31-Mar-22
Investment in Wholly Owned Subsidiaries		
(I) Investment carried at cost (Unquoted)		
a. Khushbu Auto Finance Limited		
Extent of holding	100%	100%
No. of Shares owned	3,94,00,000	3,94,00,000
Amount	5,778	5,778
b. Atul Green Automotive Private Limited		
Extent of holding	100%	100%
No. of Shares owned	4,50,000	4,50,000
Amount	45	45
(ii) Investment in Subsidiaries		
a. Atul Greentech Private Limited (Wholly Owned Subsidiary up to May-22)		
Extent of holding	80%	100%
No. of Shares owned	99,99,900	99,99,900
Amount	1,000	1,000
Sub-Total (A)	6,823	6,823

(B) Current Investment

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Investment in Mutual Fund		
Investment carried at fair value through Profit & Loss		
Quoted :		
Aditya Birla Sun Life Overnight Fund [Growth]	325	-
(Units: PY - Nil , CY - 26,814)		
Market Value of above fund in P.Y. is Nil and in C.Y. is Rs. 325 lacs		
Tata Overnight Fund [Growth]	325	-
(Units: PY - Nil , CY - 27,490)		
Market Value of above fund in P.Y. is Rs. Nil and in C.Y. is Rs. 325 Lacs		
SBI Overnight Fund [Growth]	300	-
(Units: PY - Nil , CY - 8,222)		
Market Value of above fund in P.Y. is Rs. Nil and in C.Y. is Rs. 300 lacs		
HDFC Overnight Fund [Growth]	350	-
(Units: PY - Nil , CY - 10518)		
Market Value of above fund in P.Y. is Rs. Nil and in C.Y. is Rs. Rs 350 Lacs		
ICICI Prudential Overnight Fund [Growth]	365	-
(Units: PY - Nil , CY - 30,214)		
Market Value of above fund in P.Y. is Rs. Nil and in C.Y. is Rs. 365 Lacs		
Sub-Total (B)	1,665	-
Total Investment (A)+(B)	8,488	6,823

Particulars	Book Value		Market Value	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Quoted	1,665	-	1,665	-
Unquoted	6,823	6,823	6,823	6,823

Note - 6 Current Tax Asset

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Current Tax Asset	224	241
Total current Tax Asset	224	241

Note - 7 Deferred Tax Asset

Statement of Deferred Tax

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Deferred tax liabilities		
On account of timing difference in		
Property, Plant and Equipment	837	604
Gross Deferred Tax Liabilities	837	604
Deferred Tax Assets		
On account of timing difference in-		
Impairment of Property, Plant and Equipment	-	6
Lease Liability	6	9
Retiral and Other Benefits	18	8
Provision for Bad/Doubtful Debts	179	143
Current Year Loss & Unabsorbed Depreciation	1,241	1,218
Gross Deferred Tax Assets	1,444	1,384
Net Deferred Tax Assets	607	780

Note - 7.1 Movement in Deffered Tax Liabilities

(₹ In Lakhs)

Particulars	Property, Plants & Equipment	Retrial and Other Benefits	Other Items	Total
As At April 01, 2022	(604)	8	1,376	780
Charged				
to Profit & Loss	(233)	-	(1,191)	(1,424)
to Current Year Loss & Depreciation	-	-	1,241	1,241
to Other Comprehensive Income	-	10	-	10
As At March 31, 2023	(837)	18	1,426	607
As At April 01, 2021	412	(23)	(351)	38
Charged				
to Profit & Loss	192	29	(1,025)	(804)
to Current Year Loss & Depreciation	-	-	-	-
to Other Comprehensive Income	-	(14)	-	(14)
As At March 31, 2022	(604)	8	1,376	780

Note - 8 Financial Assets - Trade Receivables

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
(A) Non Current Trade Receivables		
Significant Increase in Credit Risk	913	716
Less: Provision for Expected Credit Loss	(702)	(563)
Sub-Total (A)	211	153
(B) Current Trade Receivables		
Unsecured, Considered Good	2,677	1,637
Unbilled Revenue	109	443
Less: Provision for Expected Credit Loss	(7)	(4)
Sub-Total (B)	2,779	2,076
Total Trade Receivables	2,990	2,229
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member	1,183	18

Note - 8.1 The Age wise Analysis of the Trade Receivable as per Sub Ledger is given below:-

(₹ In Lakhs)

Particulars	31-Mar-2023					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables-considered good	2,766	9	4	-	-	2,779
(ii) Undisputed Trade Receivables-significant increase in credit risk (Including Unbilled Revenue)	5	33	19	3	151	211
(iii) Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables-significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-

(₹ In Lakhs)

Particulars	31-Mar-2022					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables-considered good	2,020	33	10	11	2	2,076
(ii) Undisputed Trade Receivables-significant increase in credit risk (Including Unbilled Revenue)	-	-	2	14	137	153
(iii) Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables-significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-

Note - 9 Other Assets

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
(A) Other Non Current Assets		
Security Deposit	108	124
Advances to Suppliers for Capital Goods	350	755
Balance with Govt. Authorities	4	4
Sub-Total (A)	462	883
(B) Other Current Asset		
Advances for Goods and Services	161	185
Prepaid Expenses	47	23
Balances with Government Authorities	1,027	451
Other Receivables	96	46
Sub-Total (B)	1,331	705
Total Other Assets (A+B)	1,793	1,588
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member	-	-

Note - 10 Inventories

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Raw Materials (including Goods in Transit)	3,782	2,868
Consumables (including Goods in Transit)	744	904
Work in Progress	15	64
Semi Finished Goods	462	326
Finished Goods (including Goods in Transit)	389	797
Stock of Traded Goods	4	18
Total Inventories	5,396	4,977
Less: Provision for Obsolete Inventory / Short Inventory	-	-
Total inventories at the Lower of Cost and Net Realisable Value	5,396	4,977

The Company has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company.

Note - 11 Cash & Cash Equivalents

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Balances with banks		
Cash on hand	1	2
Balances with Banks - In current account including sweep-in-deposit	335	503
Cheques on Hand	-	-
Total Cash & Cash Equivalents	336	505

Note - 12 Bank Balances other than Cash and Cash Equivalents

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Unpaid Dividend Bank Balances	21	21
Bank deposits with original maturity of more than three months but upto twelve months. (Including bank guarantee, margin money, etc.)	70	10
Total Other Bank Balances	91	31

The company is having its deposits with bank having maturity less than 12 months. The same are under lien against guarantees given by the bank.

Note - 13 Current Financial Assets - Loans

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Unsecured, Considered Good		
To Related Parties		
Inter Corporate Deposit	500	550
To Others		
Loans to Staff	4	5
Total Loans	504	555

Note - 13.1 Following Loans has been given on Demand by the company which has no repayment terms

Party to which Loan is Granted	Relation With the Party to Which Loan is Granted	31-Mar-23		31-Mar-22	
		Aggregate Amount of Loan outstanding	Percentage of total loan granted	Aggregate Amount of Loan outstanding	Percentage of total loan granted
Atul Greentech Private Limited	Subsidiary	500	99%	550	99%
Staff Advances	Employees	4	1%	5	1%

Note - 14 Other Current Financial Assets

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Other Income Receivable	39	44
Total Other Current Financial Assets	39	44

Note - 15 Share Capital

(₹ In Lakhs) Except No. of Shares

Particulars	31-Mar-23	31-Mar-22
(a) Authorised Shares		
Equity Shares of ₹ 5 each		
No. of Shares	3,00,00,000	3,00,00,000
Amount (₹)	1,500	1,500
Issued and Subscribed Shares		
Equity Shares of ₹ 5 each		
No. of Shares	2,51,60,627	2,32,24,600
Amount (₹)	1,258	1,161
Paid up Shares		
Equity Shares of ₹ 5 each		
No. of Shares	2,38,79,227	2,19,43,200
Amount (₹)	1,194	1,097
Total Share Capital	1,194	1,097

b. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period - Equity Shares

Particulars	31-Mar-23		31-Mar-22	
	No. of Shares	Amount (in ₹ Lacs)	No. of Shares	Amount (in ₹ Lacs)
At Beginning of the Period	2,19,43,200	1,097	2,19,43,200	1,097
Issued during the Year	19,36,027	97	-	-
Outstanding at the End of the Period	2,38,79,227	1,194	2,19,43,200	1,097

c. Terms/Rights attached to Equity Shares

The company has only one class of equity shares having a value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. Details of Promoters' Share Holding

Particulars	No. of Shares	% of Holding	No. of Shares	% of Holding
Maheshbhai Jagjivandas Chandra	19,69,242	8.25%	19,69,242	8.97%
Jayantibhai Jagjivandas Chandra	13,85,412	5.80%	13,51,742	6.16%
Dharmendrabhai Jagjivandas Chandra	12,67,326	5.31%	12,67,326	5.78%
Harishbhai Jagjivandas Chandra	11,64,786	4.88%	11,64,786	5.31%
Bharat Jagjivandas Chandra	9,75,906	4.09%	9,75,906	4.45%
Manishaben Atulkumar Chandra	9,32,220	3.90%	9,32,220	4.25%
Ramaben Jamnadas Patel	3,15,488	1.32%	3,15,488	1.44%
Mahendrakumar Jamnadas Patel	2,77,848	1.16%	2,77,848	1.27%
Prafullaben Jayantibhai Chandra	2,69,686	1.13%	2,69,686	1.23%
Rekhaben Maheshbhai Chandra	2,55,300	1.07%	2,55,300	1.16%
Ushaben Dharmendrabhai Chandra	2,44,274	1.02%	2,44,274	1.11%
Vasantraai Kurjibhai Patel	2,28,000	0.95%	2,28,000	1.04%
Chetankumar Vasantraai Patel	2,20,536	0.92%	2,20,536	1.01%
Harshaben Harishbhai Chandra	2,11,800	0.89%	2,11,800	0.97%
Krunal J. Chandra	2,02,650	0.85%	2,02,650	0.92%
Manjulaben Vasantraai Patel	1,91,304	0.80%	1,91,304	0.87%
Ramaben Dayalal Patel	1,61,504	0.68%	1,61,504	0.74%
Hetal Alpesh Chandra	1,53,720	0.64%	1,53,720	0.70%
Alpesh Bharatbhai Chandra	1,46,160	0.61%	1,46,160	0.67%
Kapilaben Bharatbhai Chandra	1,41,504	0.59%	1,41,504	0.64%
Hiren Vasantraai Patel	1,38,960	0.58%	1,38,960	0.63%
Ashokkumar Jamnadas Patel	1,36,944	0.57%	1,36,944	0.62%
Anita Nirajbhai Chandra	1,31,000	0.55%	1,31,000	0.60%
Krishnaben Chetankumar Patel	1,27,368	0.53%	1,27,368	0.58%
Manishaben Mahendrakumar Patel	1,21,712	0.51%	1,21,712	0.55%
Minaben Ashokkumar Patel	1,21,712	0.51%	1,21,712	0.55%
Niraj Jayantibhai Chandra	1,05,118	0.44%	1,05,118	0.48%
Khushbu Auto Pvt Ltd	2,18,855	0.92%	-	-

As per records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Note - 16 Other Equity

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
a. Capital Reserve		
Balance at the beginning of the Year	30	30
Additions during the Year	-	-
Deductions during the Year	-	-
Balance at the end of the Year	30	30
b. Securities Premium		
Balance at the beginning of the Year	478	478
Additions during the Year	3,737	-
Deductions during the Year	-	-
Balance at the end of the Year	4,215	478
c. Equity Share Warrant		
Balance at the beginning of the Year	-	-
Issued during the Year	73	-
Converted to Equity Shares during the Year	24	-
Balance at the end of the Year	49	-
d. Security Premium On Share Warrant		
Balance at the beginning of the Year	-	-
Additions during the Year	2,802	-
Transferred to Security Premium Account during the Year	934	-
Balance at the end of the Year	1,868	-
e. General reserve		
Balance at the beginning of the Year	2,094	2,094
Additions during the Year	-	-
Deductions during the Year	-	-
Balance at the end of the Year	2,094	2,094
f. Share Forfeiture		
Balance at the beginning of the Year	23	23
Additions during the Year	-	-
Deductions during the Year	-	-
Balance at the end of the Year	23	23
g. Retained Earnings		
Balance of profit and loss at the beginning of the Year	23,157	25,601
Add: Profit/(Loss) for the Year	440	(2,487)
Actuarial Gain/Loss on Defined Benefit Plans	2	43
Balance at the end of the Year	23,599	23,157
Total Other Equity	31,878	25,782

Note - 16.1 Detail of Warrants Issued

Particulars	No. of Warrants	% of Holding
Vijay Kishanlal Kedia	33,67,003	86.96%
Khushbu Auto Private Limited	4,37,710	11.30%
Jayantibhai Jagjivanbhai Chandra	67,340	1.74%

Note - 17 Financial Liabilities - Borrowings

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
(A) Non Current Borrowings		
EXIM Bank Term Loan	2,143	6,429
Sub-Total (A)	2,143	6,429
(B) Current Borrowings		
FCNR (B) Loan- IDBI Bank	-	538
EXIM Bank WCTL	350	-
EXIM Bank Term Loan (Current Maturities)	1,071	1,071
Sub-Total (B)	1,421	1,609
Total Borrowings	3,564	8,038

17.1 Terms & Conditions of Term Loan

i) The company has part financed its Greenfield project at Bhayla Ahmedabad by way of sanction of Term Loan from EXIM Bank. The said loan is a Reimbursement basis Term Loan i.e, the company had to first spend its own funds on the project out of which 32.14% will be reimbursed by the Bank on capitalisation of the project.

Further company had spent its own fund and reimbursement of 31% has been done by the bank

ii) Term Loan is secured by First Charge on the entire movable and immovable fixed assets of AAL at plant at Bhayla, Ahmedabad,

both present & future, Second pari passu charge on entire current assets of AAL, both present & future and personal guarantee of Mr Jayantibhai J Chandra and Mr Mahendrabhai J. Patel.

iii) Rate of Interest was 7.75% p.a. which was subject to reset at yearly basis and accordingly was revised to 8.75% p.a. for F.Y. 2022-23.

iv) Loan was repayable in 21 Equal Quarterly Instalments commencing from Oct-2022 as at March 2023 9 instalments are due

17.2 Terms & Conditions of WCTL

i) The Company has been sanctioned facility of Working Capital Term Loan along with Pre shipment and Post Shipment credit from EXIM Bank to meet its working capital requirement. The utilization of the WCTL will be at discretion of EXIM Bank and total loan amount is capped at USD 3.5 million

ii) Working Capital Term Loan is secured by first Pari-Passu charge on entire Current Assets of the company, Second charge on entire Fixed Asset of the company situated at Shapur, Rajkot

Pari-Passu with IDBI Bank, Second Pari-Passu charge on entire Fixed Asset of the company situated at Bhayla, Ahmedabad and Unconditional and irrevocable personal guarantee of the promoters namely Mr. Jayantibhai J. Chandra & Mr. Mahendrabhai J. Patel.

iii) Interest is payable on current o/s at 8.40% with monthly reset

iv) Lending will be on pre/post shipment terms which is fully interchangeable with working capital term loan

Note - 18 Lease Liabilities

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
(a) Non-current Lease Liability	15	21
(b) Current Lease Liability	9	16
Total Lease Liability	24	37

Note - 19 Other Financial Liabilities

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
(A) Non Current		
Dealer's Deposit	583	559
	583	559
(B) Current		
Unpaid Dividends*	21	21
*Investor Education and Protection Fund will be credited by amount (as and when due)		
Expenses Payable	561	888
Payable for Capital Goods	134	21
Sub-Total (B)	716	930
Total Other financial Liabilities (A+B)	1,299	1,489

19.1 Total other financial liabilities

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Total outstanding dues of Micro Enterprises and Small Enterprises	59	9
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	75	12

Note - 20 Provisions

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
(A) Non-Current Provisions		
Warranty Claims	49	78
Sub-Total (A)	49	78
(B) Current Provisions		
Gratuity	72	32
Provision for After Sales Services	86	68
Provision for Warranty Claims	250	112
P.D.I./WRC Coupon Exp. Payable	10	6
Provision for Expected Credit loss on Risk Sharing Arrangement	140	157
Sub-Total (B)	558	375
Total Provisions (A+B)	607	453

20.1 Provision for After Sales Activities

The estimated liability for after sales activities are recorded when products are sold. The estimate of such after sales activities related costs is revised annually.

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
At the beginning of the Year	74	81
Arising during the Year	113	77
Utilised during the Year	101	84
At the end of the Year	86	74

20.2 Provision for Warranties

Provision is made for estimated warranty claims in respect of product sold which are still under warranty at the end of the reporting period. These claims are expected to be settled in the next financial year. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
At the beginning of the Year	190	92
Arising during the Year	370	388
Utilised during the Year	261	290
At the end of the Year	299	190

20.3 Provision for Expected Credit Loss on Risk Sharing Arrangement

The company has entered into risk sharing arrangement with Cholamandalam Investment and Finance Co. Limited ("Chola") for sales of vehicle on finance. On account of this arrangement company has agreed to pay non-refundable delinquency fund ('Fund') of ₹2000/- per vehicle to Chola towards each of the vehicle sold under this arrangement, irrespective of the loan granted on the said vehicles which shall be used for setting off loss arising out of sale of vehicle repossessed/commission of default by customers.

In event of any vehicle financed under this arrangement is repossessed/surrendered due to non-payment of loan & default

as per loan agreement and on sale of vehicle or on making 100% provisioning towards loan accounts than AAL agrees to share loss with Chola on the outstanding (principal & instalment) of loan accounts over and above 30% during current year & 20% during previous year of such outstanding. Company has recognized the provision based on Ind AS - 109 'Financial Instruments'.

Company has also provided guarantee to its wholly owned subsidiary company KAFL for loss in respect of similar arrangement entered into by KAFL with chola for respect of similar arrangements entered into by KAFL with Cholamandalam for vehicle of our company

Particulars	31-Mar-23	31-Mar-22
At the beginning of the year		
Additional Provision	157	178
Arising during the Year		
Additional Provision	354	850
Utilised during the Year		
Additional Provision	371	871
At the end of the Year		
Additional Provision	140	157

Note - 21 Current Financial Liabilities - Trade Payables

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Total outstanding dues of Micro Small and Medium Enterprises	1,445	1,536
Total outstanding dues other than Micro Small and Medium Enterprises	3,027	2,582
Total Trade Payables	4,472	4,118

21.1 MSME

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
The principal amount due to suppliers	1,445	1,536
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006	-	-
The amount of interest due and payable for the period of delay in making payment.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years as per Section 23 of MSMED Act, 2006.	-	-

21.2 The age wise analysis of the Trade Payables as per Sub Ledger is given below:-

(₹ In Lakhs)

Particulars	31-Mar-23				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	1,445	-	-	-	1,445
(ii) Others	3,016	5	3	3	3,027
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

(₹ In Lakhs)

Particulars	31-Mar-22				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	1,536	-	-	-	1,536
(ii) Others	2,570	3	6	3	2,582
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

Note - 22 Other Current Liabilities and Tax Liabilities

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
(A) Other Current Liabilities		
Advance from Dealers	490	715
Statutory Dues	552	92
Others	-	-
Sub-Total (A)	1,042	807
(B) Tax Liabilities		
Current Tax Liability	71	71
Sub-Total (B)	71	71
Total Other Current Liabilities and Tax Liabilities	1,113	878

Note - 23 Revenue from Operations

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
(A) Revenue from Sale of Products		
Sale of Vehicles		
Domestic	39,323	23,412
Export (Including Merchant Export)	3,555	2,091
Total Sale of Vehicles	42,878	25,503
Sale of Spares		
Domestic	3,285	2,660
Export (Including Merchant Export)	543	471
Total Sale of Spares	3,828	3,131
Total Revenue from Sale of Products (A)	46,706	28,634
(B) Other Operating Revenue		
Export Incentive	129	79
Other Income	39	38
Freight Income	80	56
Royalty Income	322	238
Technical Service Income	35	32
Jobwork Income	1	291
Scrap Sale	20	14
Recovery of Vehicle Testing Expenses & Other Expenses	138	-
Total Other Operating Revenue (B)	764	748
Total Revenue from Operation (A+B)	47,470	29,382

Particulars		31-Mar-23	31-Mar-22
Details of Product Sold under Broad Category - Domestic			
Cargo	Amount	19,980	11,695
	Nos.	10,319	6,399
Passenger	Amount	13,767	9,986
	Nos.	7,936	6,269
E-Rickshaw	Amount	5,576	1,731
	Nos.	4,728	1,702
Spares	Amount	3,285	2,660
Total Value of Domestic Sales		42,608	26,072
Details of Product Sold under Broad Category - Export			
Cargo	Amount	207	293
	Nos.	146	224
Passenger	Amount	3,348	1,798
	Nos.	2,420	1,467
E-Rickshaw Amount	Amount	-	-
	Nos.	-	-
Spares	Amount	543	471
Total Value of Export Sales		4,098	2,562

Note - 24 Other Income

Particulars		31-Mar-23	31-Mar-22
Interest income on			
Deposits with Banks		1	1
Loans		59	67
Dealer Outstanding		77	52
Income Tax Refund		13	-
Other Deposits		4	3
Sub-Total (A)		154	123
Other non-operating income			
Gain on Sale /Revaluation of Mutual Fund		11	31
Insurance Claim Income		5	1
Corporate Guarantee Fee		76	64
Profit on Sale of Fixed Assets		-	1
Rent Income		30	19
Profit Sharing from Chola		4	-
Sub-Total (B)		126	116
Total Other Income (A+B)		280	239

Refer to Note No. 41 for transaction with Related Parties.

Note - 25 Cost of Material Consumed

Particulars		31-Mar-23	31-Mar-22
Consumption of Materials		35,937	23,910
Consumables		62	46
Direct Expenses (Including Purchase Expenses)		601	371
Total Cost of Material Consumed		36,600	24,327

Note - 26 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Work in Progress		
Opening Stock	64	29
Closing Stock	15	64
	49	(35)
Finished Goods		
Opening Stock	798	550
Closing Stock	389	798
	409	(248)
Stock in Trade		
Opening Stock	18	13
Closing Stock	4	18
	14	(5)
Total Changes in Inventories	472	(288)

Note - 27 Employee Benefits Expense

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Salaries, Wages, Allowance and Other Benefits	3,633	3,237
Director's Remuneration	298	226
Contribution towards Employees Provident Fund and Gratuity	335	292
Staff Welfare Expenses	230	211
Total Employee Benefit Expenses	4,496	3,966

Note - 28 Finance Cost

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Interest Expense on		
Bank Borrowings	560	349
Dealer Deposits	15	17
Lease Liability	2	1
Sub-Total (A)	577	367
Other Borrowing Costs		
Loan Processing Fees and Expenses	22	24
Bank Charges	34	9
Sub-Total (B)	56	33
Total Finance Cost (A+B)	633	400

28.1 Interest on Bank Borrowings

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Total Interest on Term Loan	566	395
Less : Interest Capitalized	59	120
Balance Interest on Term Loan (Revenue)	507	275
Add : Interest on Working Capital	53	74
Interest on Bank Borrowings	560	349

Note - 29 Depreciation and Amortization

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Depreciation on Property, Plant and Equipment	1,328	889
Amortisation of Intangible Asset	13	10
Depreciation of Right to use Asset	16	28
Depreciation on Investment Property	3	6
Total Depreciation And Amortization	1,360	933

Note - 30 Other Expenses

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Advertising & Sales Promotion	513	1,066
Communication Cost	20	18
CSR Expenditure	14	90
Director's Sitting Fees	7	6
Donation	-	1
Expected Credit Loss	142	43
Foreign Exchange Rate Difference	12	22
Freight & Forwarding Expense	740	587
Insurance	44	31
Legal & Consultancy Charges	101	107
Office Admin Expenses	67	60
Other Miscellaneous Expenses	121	125
Payment to Auditor	12	6
Power & Fuel	378	191
Printing & Stationary	16	13
Product Development Expenses	52	95
Rates and Taxes	80	14
Rent	37	32
Repairs to Buildings	23	24
Repairs to Machinery	215	55
Repairs to Others	176	116
Testing Expenses	106	135
Travelling & Conveyance	290	221
Warranty & After Sales Services	413	462
Windmill Operation Charges	12	12
Total Other Expenses	3,591	3,532

30.1 Payment to Auditor Includes

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
For Audit Fees	6	5
For Limited Review	2	1
For Tax Audit	3	-
For certificate on Corporate governance	2	-
Other certification	3	-
Total Payment Made to Auditors	16	6

Note - 31 Tax Expenses

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Current Tax on Profits for the Year	-	-
Adjustment for Current Tax of Prior Periods	4	71
	4	71
Deferred Tax	154	(833)
Total Tax Expenses	158	(762)
Reconciliation of Tax Expense and the Accounting Profit multiplied by India's Tax Rate		
Profit /(Loss) Before Tax	598	(3,249)
Tax at the Indian Tax of 25.168%	150	(818)
Tax effect of amount which are not deductible (taxable) in calculating taxable income :		
Donation Expense which is not allowable	4	23
Tax effect of amount which are deductible (non- taxable) in calculating taxable income :		
Deduction for wages paid to additional employees		-
Other Deductions	4	33
Total Tax Expenses	158	(762)

Note - 32 Other Comprehensive Income

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Items that will not be Reclassified to Tax		
Remeasurement of Post Employment Benefit Obligation	3	57
Income tax relating to Remeasurement of Defined Benefit Obligation	(1)	(14)
	2	43

Note - 33 Earnings per Share

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Net profit /(loss) as per statement of Profit & Loss	440	(2,487)
Weighted average number of shares outstanding during the year (Nos)	2,20,28,067	2,19,43,200
Earning per share (Basic & Diluted)	2.00	(11.33)
Face Value per Share in ₹	5	5

Note - 34 Contingent Liabilities not Acknowledged as Debt

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
A. Disputed Liabilities*		
Sales Tax	27	27
Excise Duty	1	1
Income Tax	42	50
Case Pending before Consumer Forum	55	52
Case filed for Infringement of copyright where company is one of the defendant	200	200
B. Financial Guarantees		
Financial Gaurantees in respect of loan given by finance company to end user - Amount outstanding	2,696	6,215
Financial Gaurantees in respect of loan given by Banks to Subsidiary company - Amount outstanding (Amount of Guarantee is ₹13,000 lacs for Khushbu Auto Finance Limited)	7,862	4,797
Amount of gurantee for Atul Greentech Private limited (Amount of total gurantee is ₹ 3,100 lacs during CY which was ₹ 2,000 lacs during PY)	2,258	1,653
* (Show-cause notices received from various Government Agencies & pending formal demand notices have not been considered as contingent liabilities.)		
Total Contingent Liabilities	13,141	12,995

Note - 35 Estimated Amount of Contracts Remaining to be Executed on Capital Accounts and Not Provided

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
For Purchase of Assets	515	584
TOTAL	515	584

Note - 36 Corporate Social Responsibility Expenditure

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Amount required to be spent by the company during the year,	14	90
Amount of Expenditure incurred,	36	91
Excess paid during the Year	22	-
Shortfall at the end of the Year	-	-
Total of previous year shortfall	-	-
Reason for shortfall,	NA	NA
Nature of CSR activities	As below	As below
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Atul Chandra Charitable Trust	Atul Chandra Charitable Trust
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA
Nature of CSR activities		
Contribution to trusts/associations for Education	-	46
Contribution to trusts/associations for National Heritage and Culture	-	2
Contribution to trusts/associations for Disaster Management	-	4
Contribution to trusts/associations for Promoting Healthcare	-	2
Contribution to trusts/associations for Women Empowerment	-	15
Contribution to trusts/associations for Eradicating Hunger, Poverty	14	21
CSR Expenditure	14	90
Administrative Overheads for CSR Activity	-	1
Total CSR Expenditure	14	91

During the year the company has spent Rs. 22 lakhs in excess which is entitled to be carried forward in next year in accordance with Section 135 of Companies Act, 2013. The excess amount spent has been utilized for Contribution to trusts/associations for eradicating hunger, poverty.

Note - 37 Lease

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
As a Lessor :		
The Company has given premises on operating leases. This lease arrangement is renewable for further period on mutually agreeable terms and also includes escalation clauses.		
The total future minimum lease rentals receivable at the balance sheet date is as under :		
Within one year	6	12
After one year but not more than five year	-	-
TOTAL	6	12
As a Lessee :		
The company has entered into commercial leases on office building. These leases have an average life of between one and three years with renewal option included in the contracts. There are no restrictions placed upon the company by entering into these leases.		
The total future minimum rentals payable under non-cancellable leases are as follows:		
Within one year	19	27
After one year but not more than five year	15	25
TOTAL	34	52

Note - 38 Exchange Difference Gain / (Loss) Recognised in the Statement of Profit & Loss

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Relating to export during the year as a part of sales / other Income	(9)	(20)
On settlement of other transaction as part of other expenses & import	(3)	(2)
TOTAL	(12)	(22)

Note - 39 Particulars of Unhedged Foreign Currency at the Reporting Period

(₹ In Lakhs)

Particulars		31-Mar-23	31-Mar-22
Export Trade Receivable	USD	2	2
	₹	151	152
	€	-	-
	₹	-	3

Note - 40 Employee Benefits

a. Gratuity

Payment for present liability of future payment of gratuity is being made to approved gratuity fund, which fully covers the same under Cash Accumulation Policy of the Life Insurance Corporation of India (LIC). However, any deficit in plan assets managed by LIC as compared to the liability on the basis of an independent actuarial valuation is recognised as a liability.

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined

benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method in conformity with the principles and manner of computation specified in Ind AS 19.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Particulars	31-Mar-23	31-Mar-22
Amount Recognised in Balance Sheet		
Present Value of Funded Defined Benefit Obligation	498	479
Fair Value of Plan Assets	(426)	(447)
Net Funded Obligation	72	32
Expense Recognised in the Statement of Profit & Loss		
Current Service Cost	41	42
Interest on Net Defined Benefit Liability /(Assets)	2	6
Total Expense Charged to Profit & Loss	43	48
Amount Recorded as Other Comprehensive Income		
Opening Amount Recognised in OCI Outside Profit & Loss Account	(59)	(2)
Remeasurements during the Period due to		
Actuarial (Gain)/Losses on Obligation for the Period	(5)	(58)
Actual Return on Plan Assets less Interest on Plan Assets	2	1
Closing Amount Recognised in OCI Outside Profit & Loss Account	(62)	(59)
Reconciliation of Net Liability/(Assets)		
Opening Net Defined Benefit Liability/(Assets)	32	91
Expense Charged to Profit & Loss Account	43	48
Amount Recognised Outside Profit & Loss Account	(3)	(57)
Employer Contributions	-	(50)
Closing Net Defined Benefit Liability/(Assets)	72	32
Movement in Benefit Obligation		
Opening of Defined Benefit Obligation	479	549
Current Service Cost	41	42
Interest on Defined Benefit Obligation	35	37
Past Service Cost		
Remeasurements due to :-		
Actuarial Loss /(Gain) Arising from Change in Financial Assumptions	(13)	(26)
Actuarial Loss /(Gain) Arising on Account of Experience Changes	8	(32)
Benefits Paid	(52)	(91)
Closing of Defined Benefit Obligation	498	479
Movement in Plan Assets		
Opening Fair Value of Plan Assets	447	458
Employer Contributions	-	50
Interest on Plan Assets	33	31
Remeasurements due to :-		
Actual Return on Plan Assets less Interest on Plan Assets	(2)	(1)
Benefits paid	(52)	(91)
Closing fair value of plan assets	426	447
Disaggregation of Assets		
Category of Assets		
Insurer Managed Funds	426	447
Grand Total	426	447

Particulars	31-Mar-23	31-Mar-22
Key Actuarial Assumptions		
Discount Rate (p.a)	7.52%	7.28%
Expected Return on Plan Assets	7.28%	6.81%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	for service 4 years and below 15% p.a. and above 2% p.a.	for service 4 years and below 15% p.a. and above 2% p.a.

Sensitivity Analysis

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would

occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Projected Benefit Obligation on Current Assumptions	498	479
Delta Effect of +0.5% Change in Rate of Discounting	(25)	(26)
Delta Effect of -0.5% Change in Rate of Discounting	28	29
Delta Effect of +1% Change in Rate of Salary Increase	52	55
Delta Effect of -1% Change in Rate of Salary Increase	(46)	(48)
Delta Effect of +5% Change in Rate of Employee Turnover	15	11
Delta Effect of -5% Change in Rate of Employee Turnover	(7)	(5)
Delta Effect of +1% Change in Rate of Discounting	-	-
Delta Effect of -1% Change in Rate of Discounting	-	-
Delta Effect of +1% Change in Rate of Employee Turnover	-	-
Delta Effect of -1% Change in Rate of Employee Turnover	-	-

b. Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already

paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund. Amount recognised in statement of Profit & Loss is Rs. 277 lacs (Previous year Rs.229 lacs).

Note - 41 Disclosure of transaction with related parties as required by the Indian Accounting Standard - 24

(₹ In Lakhs)

Name Of Related Party		Nature Of Transaction	31-Mar-23			31-Mar-22		
			Transactions	Closing Balance	Dr / Cr	Transactions	Closing Balance	Dr / Cr
Atul Green Automotive Private Limited	Wholly Owned Subsidiary	Investment in Equity Shares (4,50,000 shares of ₹ 10 each)	-	45	Dr	-	45	Dr
		Sale of Spares	-	-	-	30	-	-
		Sale of Vehicles	107	-	-	151	-	-
		Management Fees	2	-	-	2	-	-
		Total	109	45	Dr	183	45	Dr
Atul Greentech Private Limited (Wholly Owned Subsidiary up to May-22)	Subsidiary (Wholly Owned Subsidiary during previous year)	Investment in Equity Shares (99,99,900 shares of ₹10 each)	-	1,000	Dr	500	1,000	Dr
		Inter Corporate Deposit Repaid During the year	(50)	500	Dr	300	550	Dr
		Sales of Vehicles and Spares (Exclusive of Taxes)	158	119	Dr	-	-	-
		Sale of Raw Material (Purchased on behalf of Subsidiary)	-	-	-	-	12	Dr
		Interest on inter corporate deposit	59	14	Dr	67	-	-
		Debit note for miscellaneous expenses like postage, courier, stationary etc.	152	-	-	-	-	-
		Corporate Guarantee Fee	16	-	-	4	-	-
		Rent Income	24	-	-	13	-	-
		Outstanding Amount of loans in books of Subsidiary company for which Guarantee is given to Bank on behalf of a Subsidiary						
		Amount of Rs. 3,100 lakhs Guarantee given on behalf of Subsidiary which was Rs. 2,000 lakhs during previous year	-	2,258	Cr	-	1,653	Cr
		Total	359	1,633	Dr	884	1,562	Dr

Name Of Related Party		Nature Of Transaction	31-Mar-23			31-Mar-22		
			Transactions	Closing Balance	Dr / Cr	Transactions	Closing Balance	Dr / Cr
Khushbu Auto Finance Limited	(Upto 31.08.2021 the company was an Associate Company & w.e.f. 01.09.2021 the company has become the Wholly Owned Subsidiary Company)	Investment in Equity Shares (3,94,00,000 shares of ₹ 10 each)	-	5,778	Dr	4,457	5,778	Dr
		Receipt of Lease/ Rent (Exclusive of Taxes)	6	-	-	6	8	Dr
		Payment of Subvention Charges /Incentive (Exclusive of Taxes)	57	2	Dr	13	-	-
		Chola Loss						
		Reimbursement KAFL	99	-	-	72	-	-
		Sale of vehicle/Spares	3	-	-	-	-	-
		Corporate Guarantee Fee (Exclusive of Taxes)	60	-	-	60	-	-
		Outstanding Amount of loans in books of Subsidiary company for which Guarantee is given to Bank on behalf of a Subsidiary Amount of Rs. 13,000 lakhs Guarantee given on behalf of Subsidiary	-	7,862	Cr	-	4,797	Cr
Total		225	5,780	Dr	4,608	5,786	Dr	

Key management personnel and their relatives :-

Jayantibhai J Chandra	Chairman and Managing Director	Short term Employee Benefits	129	7	Cr	97	2	Cr
Mahendra J Patel	Whole Time Director and Chief Financial Officer	Short term Employee Benefits	112	6	Cr	85	2	Cr
Niraj J Chandra	Whole Time Director	Short term Employee Benefits	62	2	Dr	48	1	Cr
Paras Viramgama	Company Secretary	Short term Employee Benefits	7	-	-	6	-	-
Vijay Kedia	Independent Director	Sitting Fees	1	-	-	1	-	-
Aarti Juneja	Independent Director	Sitting Fees	2	-	-	1	-	-
Mohan Jit Walia	Independent Director	Sitting Fees	2	-	-	1	-	-
Jaichander Swaminathan	Independent Director	Sitting Fees	2	-	-	1	-	-
Vijay Kumar Goel	Independent Director	Sitting Fees	1	-	-	1	-	-

Name Of Related Party		Nature Of Transaction	31-Mar-23			31-Mar-22		
			Transactions	Closing Balance	Dr / Cr	Transactions	Closing Balance	Dr / Cr
Other entities :-								
Atul Auto Industries	Entity owend and controlled by relatives of key managerial personal	Sale (Exclusive of Tax)	-	-	-	1		
		Purchase of Raw Material Spares	419	2	Cr	320	6	Cr
		Purchase of Fixed Asset	1	-	-	2		
		Debit note for miscellaneous expenses like postage, courier, stationary etc.	-	-	-	-		
		Warranty Claims/After Sales Service/PDI/WRC Charges/Freight Charges	6	-	-	-		
		Total	426	2	Cr	323	6	Cr
Atul Motors Private Limited	Entity owend and controlled by relatives of key managerial personal	Purchase of Fixed Asset	4	-	-	12	-	-
		Other Expenses	1	-	-	2	-	-
		Total	5	-	-	14	-	-
Khushbu Auto Private Limited	Entity owend and controlled by relatives of key managerial personal	Sale (Exclusive of Tax)	3,150	-	-	1,592	6	Cr
		Warranty Claims/After Sales Service/PDI/WRC Charges	24	-	-	38	-	-
		Discount on sales vehicle / Sales Promotion	33	-	-	38	-	-
		Interest on dealer deposit	-	-	-	-	-	-
		Purchase or repair or other related exp	-	-	-	1	-	-
		Dealer Deposit	1	3	Cr	-	2	Cr
		Total	3,208	3	Cr	1,669	8	Cr
Citizen Automobiles		Sale (Exclusive of Tax)	2,117	1,123	Dr	-	-	-
		Sales Incentive and Sales promotion	50	-	-	-	-	-
		Total	2,167	1,123	Dr	-	-	-
New Chandra Motor Cycle Agency	Entity owend and controlled by relatives of key managerial personal	Sale (Exclusive of Tax)	408	60	Dr	157	16	Dr
		Warranty Claims/After Sales Service/PDI/WRC Charges/LGO Meet Exp	2	-	-	3	-	-
		Debit Note for Freight & DMS	4	-	-	-	-	-
		Discount on sales vehicle / Sales Promotion	-	-	-	1	-	-
		Other Expense	-	-	-	1	-	-
		Total	414	60	Dr	162	16	Dr

Name Of Related Party		Nature Of Transaction	31-Mar-23			31-Mar-22		
			Transactions	Closing Balance	Dr / Cr	Transactions	Closing Balance	Dr / Cr
New Chandra Motor Cycle House	Entity owned and controlled by relatives of key managerial personal	Sale (Exclusive of Tax)	25	-	-	23	-	-
		Purchase of Raw Material Spares	4	-	-	1	-	-
		Total	29	-	-	24	-	-
Atul Automotives	Entity owned and controlled by relatives of key managerial personal	Purchase of Raw Material	-	-	-	1	-	-
		Total	-	-	-	1	-	-
Atul Motors Jam LLP	Entity owned and controlled by relatives of key managerial personal	Purchase of Fixed Asset & other Expense	-	-	-	11	-	-
		Total	-	-	-	11	-	-
Atul Chandra Charitable Trust	Entity owned and controlled by relatives of key managerial personal	CSR amount Spent through Implementing Agency	35	-	-	45	-	-
		Total	35	-	-	45	-	-

Purchase of Shares of Khushbu Auto Finance Limited (Subsidiary w.e.f. 01/09/2021) on execution of MOU Dt. 30/10/2020 on receipt of approval from RBI

(1) Related Parties Transactions as per The Companies Act, 2013

Mahendra Patel	Director	Purchase of Equity Shares of KAFL	-	-	-	63	-	-
Manisha Patel	Relative of Director	Purchase of Equity Shares of KAFL	-	-	-	69	-	-
Mahendrakumar J Patel - HUF	HUF of Director	Purchase of Equity Shares of KAFL	-	-	-	27	-	-
Ashok Patel	Relative of Director	Purchase of Equity Shares of KAFL	-	-	-	8	-	-
Jayantilal Chandra	Chairman & Managing Director	Purchase of Equity Shares of KAFL	-	-	-	478	-	-
Prafulla Chandra	Relative of Chairman & Managing Director	Purchase of Equity Shares of KAFL	-	-	-	32	-	-
Anita N Chandra	Relative of Director	Purchase of Equity Shares of KAFL	-	-	-	4	-	-
Tithi K Chandra	Relative of Chairman & Managing Director	Purchase of Equity Shares of KAFL	-	-	-	8	-	-
Jayantibhai J Chandra - HUF	HUF of Chairman & Managing Director	Purchase of Equity Shares of KAFL	-	-	-	5	-	-
Niraj J Chandra - HUF	HUF of Director	Purchase of Equity Shares of KAFL	-	-	-	22	-	-
Krunal J Chandra - HUF	HUF of Relative of Director	Purchase of Equity Shares of KAFL	-	-	-	24	-	-
Bharat Chandra	Relative of Chairman & Managing Director	Purchase of Equity Shares of KAFL	-	-	-	48	-	-
Mahesh Chandra	Relative of Chairman & Managing Director	Purchase of Equity Shares of KAFL	-	-	-	141	-	-

Name Of Related Party		Nature Of Transaction	31-Mar-23			31-Mar-22		
			Transactions	Closing Balance	Dr / Cr	Transactions	Closing Balance	Dr / Cr
Dharmendra Chandra	Relative of Chairman & Managing Director	Purchase of Equity Shares of KAFL	-	-	-	227	-	-
Harishkumar J Chandra	Relative of Chairman & Managing Director	Purchase of Equity Shares of KAFL	-	-	-	209	-	-
Vijay K Kedia	Director	Purchase of Equity Shares of KAFL	-	-	-	81	-	-
Manju Vijay Kedia	Relative of Director	Purchase of Equity Shares of KAFL	-	-	-	1,082	-	-
Kedia Securities Private Limited	Entity owned and controlled by relatives of key managerial personal	Purchase of Equity Shares of KAFL	-	-	-	339	-	-

(2) Related Parties Transactions as per Ind AS 24

Meena Patel	Relative of Director	Purchase of Equity Shares of KAFL	-	-	-	25	-	-
Ashokkumar J Patel - HUF	HUF of Relative of Director	Purchase of Equity Shares of KAFL	-	-	-	119	-	-
Kapila Chandra	Relative of Director	Purchase of Equity Shares of KAFL	-	-	-	5	-	-
Rekha Chandra	Relative of Director	Purchase of Equity Shares of KAFL	-	-	-	39	-	-
Ushaben Chandra	Relative of Director	Purchase of Equity Shares of KAFL	-	-	-	20	-	-
Harsha Chandra	Relative of Director	Purchase of Equity Shares of KAFL	-	-	-	5	-	-
Manisha Chandra	Relative of Director	Purchase of Equity Shares of KAFL	-	-	-	174	-	-

Note - 42 Financial Instruments

a. Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern, while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements. The Company is currently utilizing term loan to

meet long term requirements and have adequate sanctioned limits available to meet its short term capital requirements. The Company is not subject to any externally imposed capital requirements. The management of the Company reviews the capital structure of the Company on regular basis.

The following table summarises the capital of the Company:

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Equity Share Capital	1,194	1,097
Other Equity	31,878	25,782
TOTAL EQUITY	33,072	26,879
Term Loan	3,214	7,500
Working Capital Loan	350	538
Total Debt	3,564	8,038
Debt to Equity Ratio	11%	30%

b. Category-wise classification for applicable financial assets

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Measured at fair value through Profit or Loss (FVTPL):		
Investment in Mutual Fund	1,665	-
	1,665	-
Measured at amortised cost:		
Trade Receivable	2,990	2,229
Cash & Cash Equivalents	336	505
Loans to Staff & Inter corporate Deposit	504	555
Balance in Unpaid Dividend	21	21
Investment in Fixed Deposits	70	10
Other Income Receivable	39	44
	3,960	3,364
Measured at cost in accordance with para 10 of Ind AS 27		
Investment in Unquoted Equity Shares of wholly owned subsidiary		
Khushbu Auto Finance Limited	5,778	5,778
Atul Green Automotives Private Limited	45	45
Atul Greentech Private Limited	-	1,000
	5,823	6,823
Investment in Unquoted Equity Shares of subsidiary		
Atul Greentech Private Limited	1,000	-
	1,000	-
TOTAL	12,448	10,187

c. Category-wise classification for applicable financial liabilities

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Measured at amortised cost:		
Term Loan	3,214	7,500
Working Capital Loan	350	538
Lease Liability	24	37
Trade Payable	4,472	4,118
Unpaid Dividend	21	21
Outstanding Expenses	561	888
Dealer's Deposits	583	559
Other Payables	134	21
	9,359	13,682

Note - 43 Fair Value Measurement

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed the Indian accounting standards. Explanation of each level as follows :-

Level - 1 Hierarchy includes financial instruments measured using quoted price. This includes mutual funds & listed Equity shares that have quoted price. The mutual funds are valued using the closing NAV.

Level - 2 The fair value of financial instruments that are not traded in an active market (for example trade bond, over-the-counter derivatives) is determined using valuation technique which maximise the use of observable market data and rely as little as possible on entity -specific estimates. If all significant inputs required to fair value of instrument are observable, the instrument is included in Level-2.

Level - 3 If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

During the year under consideration there is no transfer between level 1, level 2 and level 3 hierarchy.

Financial Assest Measured at Fair Value Measurements Recurring:-

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Level-I		
Financial Investment at FVTPL		
Investment in Mutual Fund	1,665	-
Level-II	-	-
Level-III	-	-
TOTAL	1,665	-

Valuation Techniques used to Ddetermine Fair Value :-

Mutual funds are valued at the price quoted in active market at the closing of reporting date.

Fair Value of Financial Assets and Liabilities Measured at Amortised Cost :-

The carrying amounts of trade receivables, trade payable, other financial assets/liabilities, loans and cash & cash equivalents are considered to be the same as their fair values.

Note - 44 Financial Risk Management Objectives and Policies

Financial risk management objectives

The Company's management monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's risk management is done in close co-ordination with the board of

directors and focuses on actively securing the Company's short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The most significant risks to which the Company is exposed are described below

Risk	Exposure Arising From	Measurement	Management
Credit Risk	"Cash and cash equivalents, financial assets and trade receivables"	Aging analysis/ Credit Rating	Analysis of no. of overdue days and track record of debtors. Levy of interest on overdue balances of trade receivables
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable investments
Interest Risk	Bank Borrowing	External Benchmark Interest Rate	Maintaining lower level of leverage and negotiation with banker for interest rates
Market Risk- Foreign Exchange	Trade receivable from export transaction and trade payable for import transaction	Sensitivity analysis	Export of goods shall be made after receiving payments from customer and in other case original Bill of landing is held by company till payment received.

The Board provides guiding principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk and investment of surplus liquidity. The Company's risk management is carried out by the finance department as per the policies approved by the Board of Directors.

Credit Risk :-

Credit risk arises from cash and cash equivalents, financial assets measured at amortised cost and fair value through profit or loss and trade receivables.

Credit Risk Management

For other financial assets the Company has an investment policy which allows the Company to invest only with counter parties

having credit rating equal to or above AA+ and P1+. The company reviews the creditworthiness of these counterparties on an ongoing basis. Another source of credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss on the basis of past data and experience. Expected credit losses of financial assets receivable in the next 12 months are estimated on the basis of historical data provided the Company has reasonable and supportable data. On such an assessment the expected losses are nil or negligible, as evidenced in the table below, and hence no further provision than that already made is considered necessary.

Reconciliation of Provision for Expected Credit Loss – Trade Receivable

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Loss allowance at the beginning of the year	567	524
Addition in loss allowance during the year	135	43
Loss allowance as at the end of the year	702	567

Liquidity Risk :-

The Company's sources of liquidity are cash and cash equivalent, cash flows that are generated from operations and the company also has short term borrowings in the form of WCTL. The Company has term current outstanding borrowings of Rs 3,214 lacs which was availed for CAPEX, where company have paid all installments

on time . The Company believes that it has sufficient capital to meet its current requirements. Additionally, the Company has sizable surplus funds invested in securities or instruments ensuring safety of capital and availability of liquidity if and when required. Hence the Company does not perceive any liquidity risk.

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Net working capital funds	3,852	967
Which includes;		
i. Cash & Cash Equivalents	336	505
ii. Current Investment	1,665	-

Contractual maturities of significant Financial Liabilities as on 31 March 2023 & 31 March 2022
Maturities of Financial Liabilities

(₹ In Lakhs)

Particulars	Less than & equal to 1 Year	More than 1 Year	Total
As at March 31, 2023			
Trade Payable	4,472	-	4,472
Other Financial Liabilities	716	583	1,299
Term Loan	1,071	2,143	3,214
Working Capital Loan	350	-	350
Lease Liabilities	9	15	24
As at March 31, 2022			
Trade Payable	4,118	-	4,118
Other Financial Liabilities	1,489	-	1,489
Term Loan	1,071	6,429	7,500
Working Capital Loan	538	-	538
Lease Liabilities	16	21	37

Interest Risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Company currently has floating rate borrowings charged at EXIM bank one year MCLR + 260 bps, interest rate risk subject to change in benchmark rate, where benchmark rate is updated on yearly basis. Considering loan outstanding management estimates that it will not impact the company's financials as benchmark rate will not change significantly, hence the company perceives minimal interest risk.

Market Risk :-

Foreign Currency Risk

The Company operates, in addition to domestic markets, significantly in international markets through its exports and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$. Foreign exchange risk arises from highly probable forecast transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (₹).

Open Exposure

The Company's exposure to foreign currency risk at the end of the reporting period is as follows:

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Receivable (Amount in USD)	2	2
Payable (Amount in USD)	-	-
Payable (Amount in Euro)	-	-

(₹ In Lakhs)

Particulars	Currency	Change in Rate	Effect on PBT/ Pre-Tax Equity
Year Ended March 31, 2023	US \$	+10%	15
Year Ended March 31, 2023	US \$	-10%	(15)
Year Ended March 31, 2022	US \$	+10%	15
Year Ended March 31, 2022	US \$	-10%	(15)

Note - 45 Transaction of Loans, Investment, Guarantees and Securities Given in Respect of which Provision of Section 186 of the Companies Act, 2013 and are within limits.

Particulars	Investment	ICD	Guarantee	Purpose	Proposed Utilization
Khushbu Auto Finance Limited	5,778	-	-	Investment in Subsidiary (w.e.f. 01/09/2021)	Amount is proposed to be utilised by Subsidiary company for its three wheeler finance business as well as financing other product for risk diversification.
Khushbu Auto Finance Limited	-	-	13,000	Amount of Loans sanctioned to subsidiary company for which guarantee is given to bank on behalf of a Subsidiary	
Cholamandalam Investment and Finance Co. Limited	-	-	2,696	For finance of three wheelers of the company to end user and guaranteed by the company	For purchase of company's three wheeler by end user
Atul Green Automotive Private Limited	45	-	-	Investment in Wholly Owned Subsidiary	Business Purpose
Atul Greentech Private Limited	1,000	-	-	Investment in Subsidiary	Business Purpose
Atul Greentech Private Limited	-	500	-		Business Purpose
Atul Greentech Private Limited	-	-	3,100		Amount is proposed to be utilised for setting up battery management system plant and working capital requirement of the company

Note - 46 Other Regulatory Notes

1. The Title deeds of the immovable properties (other than Common Approach Road As referred to Note No 2 & other properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

2. As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

3. The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013), which are repayable on demand or without specifying any terms or period of repayments.

4. No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

5. The Company has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company.

6. The Company has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

7. There are no transactions with the Companies whose name are

struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended 31st March 2023.

8. All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended 31st March 2023.

9. The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

10. No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

11. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary

12. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

13. The Company has not operated in any crypto currency or Virtual Currency transactions.

14. During the year the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.

15. The Code on Social Security, 2020 which received the President's assent on 28th September 2020 subsumes nine laws relating to Social security, retirement and employee benefits, including the Provident Fund and Gratuity. The effective date of the Code and rules thereunder are yet to be notified. The impact of the changes, if any, will be assessed and recognised post notification of the relevant date.

Note - 47 Ratios

(₹ In Lakhs)

Ratio	Numerator	Denominator	Numer-ator	Denom-inator	FY 22-23	Numer-ator	Denom-inator	FY 21-22	% of Variance
A. Current Ratio	Current Assets	Current Liabilities	12,141	8,289	1.46	8,893	7,926	1.12	30.54%
B. Debt-Equity Ratio	Borrowings + Interest Accrued	Total Equity	3,564	33,072	0.11	8,038	26,879	0.30	(63.96%)
C. Debt Service Coverage Ratio	Earnings for Debt Service = Net Profit after Taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + Other Adjustments like loss on sale of Fixed Assets etc.	Debt Service = Interest & Lease Payments + Principal Repayments	2,433	4,934	0.49	(1,154)	428	(2.70)	81.71%
D. Return on Equity Ratio	Net Profit After Taxes	Average Shareholder's Equity	440	29,976	1.47%	(2,487)	28,101	(8.85%)	83.41%
E. Trade Payables Turnover	Net Credit Purchases	Avg Trade Payables	37,490	4,295	8.73	23,905	4,384	5.45	60.08%
F. Net Capital Turnover Ratio	Net Sales	Net Working Capital	47,470	2,410	19.70	29,382	2,213	13.28	48.39%
G. Net Profit Ratio	Net Profit	Net Sales	440	47,470	0.93%	(2,487)	29,382	(8.46%)	89.05%
H. Return on Capital Employed	Earning before interest & taxes	Capital Employed	1,231	36,636	0.03	(2,849)	34,917	(0.08)	58.82%
I. Return on Investment	{MV(T1) - MV(T0) - Sum [C(t)]}	{MV(T10) + Sum [W(t)* C(t)]}	11	227	4.85%	29	1,006	2.88%	68.10%

Reasons for Variances

During the year company had received Rs 5,750 lacs on issue of share warrants which has been utilised for prepayment of term loan of Rs 3,214 lacs and balance amount is utilised for working capital. Hence DSCR, debt equity ratio and current ratio of the company have improved.

During the year company's revenue from operations have increased from Rs 29,382 Lacs to 47,740 lacs. Hence company is able to absorb its fixed cost and generate profit resulting in better net profit ratio.

Due to increase in repo rate during the year compared to previous year return on investment made by company in liquid asset & mutual fund has increased.

Note - 48 Others

Figures relating to corresponding/previous periods have been regrouped/reclassified wherever necessary to confirm to current period figures.

INDEPENDENT AUDITORS' REPORT

On the Consolidated Indian Accounting Standards (Ind AS) Financial Statements
To the Members of ATUL AUTO LIMITED

Opinion

We have audited the accompanying consolidated Ind AS financial statement of ATUL AUTO LIMITED ('the Holding Company') and its Subsidiary (collectively referred to as 'the Company' or 'the Group') and its associate; (refer no. 1 to the attached consolidated financial statement) comprising of the consolidated balance sheet as at March 31, 2023, the consolidated statement of profit and loss (including other Comprehensive income), the consolidated cash flow statement and the consolidated statement of change in equity for the year ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on separate financial statements and other financial information of the subsidiary the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), accounting principles generally accepted in India, of the consolidated state of affairs of the Company, as at March 31, 2023, consolidated profit, their consolidated cash flow and consolidated change in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those

Standards are further described in the Auditor's Responsibility for the Audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Sr. No	Key Audit Matters	How our audit addressed the key audit matter
1.	Evaluation of consolidation process	
	<p>The Group's consolidation process is complex on account of its conversion of financial statements of NBFC subsidiary into Ind AS which were prepared under Previous GAAP.</p> <p>The consolidation process includes evaluation of the significant influence, alignment of Associate accounting policies with that of parent, and resultant tax adjustments which may require a high level of judgment.</p>	<p>We performed the following key audit procedures:</p> <ul style="list-style-type: none">Assessed the design, implementation and operating effectiveness of key controls in respect of Group's process of consolidation and management's procedures for alignment of group accounting policies, consolidation adjustments, and the resultant tax impact;Read the underlying documents relating to significant group entities, including agreements to review the management's evaluation of significant influence;Tested the relevant general IT and applications controls over the consolidation process to confirm the appropriateness of the alignment of Associate accounting policies with that of parent; andEvaluated whether the methodology applied by management for alignment of accounting policies is appropriate by reading the accounting policies of the significant group entities and matching it with the Group's accounting policies.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the consolidated financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and joint ventures audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and

using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the

disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such business activities included in the consolidated financial statements of which we are the independent auditors. For the business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. Our opinion on the consolidated financial statement and our report on other legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditor and the financial statement/financial information certified by the management.
2. We did not audit the financial statement of an NBFC subsidiary company, whose financial statement reflect assets of Rs. 77 Lacs as at March 31, 2023; total revenue of Rs. 3,626 Lacs and net profit of Rs. 389 Lacs for the year ended on that date. These financial statements and other financial information have been audited by other auditor, whose audit report together with the financial statement, and other financial information have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiary, and our report in terms of sub-sections (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of other auditor

Report on other legal and regulatory requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- a. We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
- b. In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept by the Company so far as appears from our examination of those books and reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated Ind AS Financial Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure A", and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act, read with Schedule V of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us;
- i) The consolidated financial statements disclose the

impact, if any, of pending litigations on its financial position in its financial statements refer Note No. 18 to the consolidated financial statements;

- ii) There are no long-term contracts including derivative contracts, hence the question of reporting any material foreseeable losses does not arise;
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company.

For Maharishi & Co.
Chartered Accountants
ICAI Firm Reg. No.124872W

Kapil Sanghvi
Partner
Membership No: 141168
UDIN: 23141168BGVRTT4124
Signed at Jamnagar on May 20, 2023

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the Internal Financial Controls over financial reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the act')

In Conjunction with our audit of the consolidated financial statements of Atul Auto Limited as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of the group, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their report referred to in other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the

Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Control over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of the management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the company and its subsidiary which are companies incorporated in India have, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023 based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

However, looking to the expansion of the group in terms of volume & capital expenditure either separate audit division or an appointment of external audit professional is suggested. Our opinion is not modified for this matter.

Other Matters

Our aforesaid reports under Section 143(3)(I) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to three subsidiary company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India

For Maharishi & Co
Chartered Accountants
FRN 124872W

Kapil Sanghvi
Partner
M.NO. 141168
UDIN: 23141168BGVRTT4124

Signed at Jamnagar on May 20, 2023

CONSOLIDATED BALANCE SHEET

as at March 31, 2023

(₹ In Lakhs)

Sr. No.	Particulars	Note No.	March 31, 2023	March 31, 2022
	ASSETS			
(1)	Non-current Assets			
	(a) Property, Plant and Equipment	2(i)	25,118	19,842
	(b) Capital Work-In-Progress	2(ii)	129	6,040
	(c) Right to use Asset	2(i)	22	35
	(d) Intangible Assets	3	700	72
	(e) Financial Assets			
	(i) Investments	4	-	-
	(ii) Loans	5	11,554	9,433
	(iii) Other Financial Assets		-	-
	(iv) Trade Receivables	8	211	153
	(f) Current Tax	6	262	281
	(g) Deferred Tax Assets	7	1,209	1,340
	(h) Other Non-current Assets	9	506	1,336
	Total Non-current Assets		39,711	38,532
(2)	Current Assets			
	(a) Inventories	10	6,674	5,243
	(b) Financial Assets			
	(i) Investments	4	1,665	-
	(ii) Trade Receivables	8	2,675	1,995
	(iii) Cash and Cash Equivalents	11	391	622
	(iv) Bank balance other than (iii) above	12	166	60
	(iv) Loans	5	6,938	6,225
	(v) Other Financial Assets	13	25	220
	(c) Other Current Assets	9	2,625	1,627
	Total Current Assets		21,159	15,992
	Total Assets		60,870	54,524
	EQUITY AND LIABILITIES			
(3)	Equity			
	(a) Equity Share Capital	14	1,194	1,097
	(b) Other Equity	15	33,620	26,562
	(c) Non Controlling Intrest		404	-
	Total Equity		35,218	27,659
	Liabilities			
(4)	Non-current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	7,057	11,899
	(ii) Lease Liabilities	17	15	21
	(iii) Other Financial Liabilities	18	583	559
	(b) Provisions	19	23	81
	(c) Other Non-current Liabilities	20	415	308
	Total Non-current Liabilities		8,093	12,868

(₹ In Lakhs)

Sr. No.	Particulars	Note No.	March 31, 2023	March 31, 2022
(5)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	9,994	6,856
	(ii) Trade Payables	21		
	(A) Total Outstanding dues to MSME		1,456	1,536
	(B) Total Outstanding dues of creditors other than MSME		3,255	2,645
	(iii) Lease Liabilities	17	9	16
	(iii) Other Financial Liabilities	18	661	1,069
	(b) Provisions	19	626	441
	(c) Other Current Liabilities	22	1,558	1,434
	Total Current Liabilities		17,559	13,997
	Total Liabilities		25,652	26,865
	Total Equity and Liabilities		60,870	54,524
	Significant Accounting Policy	1		

The accompanying notes are an integral part of these financial statements

As per our report of even date

For, Maharishi & Co.

Chartered Accountants

FRN 124872W

Kapil Sanghvi

Partner

Membership No. 141168

Signed at Jamnagar on May 20, 2023

**For an on behalf of Board of Directors of
Atul Auto Limited**

Jayantibhai J Chandra

Chairman and Managing Director

DIN : 00057722

Mahendra J Patel

Whole-time Director & CFO

DIN : 00057735

Paras J. Viramgama

Company Secretary & Compliance Officer

Signed at Bhayla (Dist. Ahmedabad) on May 20, 2023

CONSOLIDATED STATEMENT OF PROFIT & LOSS

for the Year Ended March 31, 2023

(₹ In Lakhs)

Sr. No.	Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
1	REVENUE FROM OPERATIONS			
	a. Revenue from Sale of Products	23	46,584	28,637
	b. Revenue from Finance Business	23	3,876	2,031
	c. Other Operating Income	24	852	874
	TOTAL INCOME FROM OPERATIONS		51,312	31,542
2	Other Income	25	150	130
3	TOTAL INCOME			
		51,462	31,672	
4	EXPENSES			
	a. Cost of Material Consumed	26	36,805	24,328
	b. Change in inventory of Finished Goods, Work-in-progress and Stock-in-Trade	27	141	(287)
	c. Employee Benefits Expense	28	5,102	4,238
	d. Finance Costs	29	1,648	829
	e. Depreciation and Amortisation Expense	30	1,550	962
	f. Loan Losses and Provisions	31	1,431	1,234
	g. Other Expenses	31	4,207	3,658
5	TOTAL EXPENSES		50,884	34,962
6	Profit before Exceptional Items		578	(3,290)
7	Exceptional Items		-	-
8	Profit/(Loss) before Tax		578	(3,290)
9	Tax Expense			
	a. Current Tax	32	196	365
	b. Deferred Tax	32	69	(1,107)
	Total Tax Expense		265	(742)
10	Profit/(Loss) for the Year		313	(2,548)
11	Share of Profit from Associates		-	54
12	Other Comprehensive Income			
	a. Items that will not be reclassified to profit or Loss			
	(i) Remeasurement of Post Employment Benefit Obligation		2	27
	(ii) Income tax relating to remeasurement of Defined Benefit Obligation		-	-
	b. Items that will be reclassified to profit or Loss		-	-
	Total Other Comprehensive Income/ (Expense) for the Year		2	27
13	Total Comprehensive Income/ (Expense) for the Year		315	(2,467)
	Profit Attributable to			
	Owner of the company (including share of profit from associates)		400	(2,494)
	Non Controlling Interest		(87)	-
			313	(2,494)

(₹ In Lakhs)

Sr. No.	Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
	Total Comprehensive Income Attributable to			
	Owners of the company		402	(2,467)
	Non Controlling Intrest		(87)	-
			315	(2,467)
14	Earnings Per Share	33		
	Basic& Diluted		1.82	(11.37)

The accompanying notes are an integral part of these financial statements

As per our report of even date

For, Maharishi & Co.

Chartered Accountants

FRN 124872W

Kapil Sanghvi

Partner

Membership No. 141168

Signed at Jamnagar on May 20, 2023

**For an on behalf of Board of Directors of
Atul Auto Limited**

Jayantibhai J Chandra

Chairman and Managing Director

DIN : 00057722

Mahendra J Patel

Whole-time Director & CFO

DIN : 00057735

Paras J. Viramgama

Company Secretary & Compliance Officer

Signed at Bhayla (Dist. Ahmedabad) on May 20, 2023

CONSOLIDATED STATEMENT OF CASH FLOW >>>>>

for the year ended March 31, 2023

(₹ In Lakhs)

Sr. No.	Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
A.	Cash Flow from Operating Activities		
	Net Profit Before Taxation	578	(3,290)
	Adjustment for:		
	Add/(Less):-		
	Provision for Doubtful Debts	142	43
	Depreciation & Impairment	1,550	962
	Finance Cost	1,648	829
	Interest on Income Tax	-	-
	Sub Total	3,340	1,834
	Less :-		
	Loss/(Profit) on Sale of Fixed Assets	-	1
	Profit on Redemption/Revaluation of Mutual Fund	38	31
	Interest Received on Deposits	69	69
	Rental Income	-	8
	Unrealised Foreign Exchange Gain	-	(26)
	Sub Total	107	83
	Operating Profit Before Working Capital Changes	3,811	(1,539)
	Movements in Working Capital:		
	Decrease/-Increase in Trade Receivable	(880)	225
	Decrease/-Increase in Inventories	(1,431)	(131)
	Decrease/-Increase in Loans, Other assets and Loans of Finance Activities	(3,650)	(15,659)
	Increase/-Decrease in Trade Payables	530	(527)
	Increase/-Decrease in Liabilities/Provisions	46	1,246
	Total Movement in Working Capital	(5,385)	(14,846)
	Cash Generated from Operations	(1,574)	(16,385)
	Direct Taxes Paid (Net of Refunds)	(191)	(532)
	NET CASH FROM OPERATING ACTIVITIES	(1,765)	(16,917)
B.	Cash Flow from Investing Activities		
	Purchase of Fixed Assets, Capital WIP and Advances for Capital Goods & of Payable	(695)	(980)
	Proceeds from Sale of Fixed Assets	8	36
	Net (Investment)/ Net Proceeds from Sale of Mutual Fund	(1,627)	1,081
	Investment in Wholly Owned Subsidiary Company	-	-
	Proceeds from disposal of associates at group level	-	203
	Rental Income	-	8
	(Increase)/Decrease in Other Bank Balance	(106)	-
	(increase)/Decrease in Inter Corporate Deposits & Loans and Advances	-	-
	Interest Received on Deposits	69	69
	NET CASH FLOW FROM INVESTING ACTIVITIES	(2,351)	417

CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended March 31, 2023

(₹ In Lakhs)

Sr. No.	Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
C.	Cash Flow from Financing Activities		
	Increase in Lease Liability	(13)	(32)
	Proceeds from Issue of Shares	7,250	-
	Proceeds from/(Repayment of) Bank Borrowing	(1,704)	17,254
	Other Borrowing Cost	(1,648)	(829)
	NET CASH CLOW FROM FINANCING ACTIVITIES	3,885	16,393
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(231)	(107)
	Effect of Change in Cash or Cash Equivalent held in Foreign Currency due to Exchange Rate Fluctuation		
	Cash and Cash Equivalents at the Beginning of the Year	622	729
	Cash and Cash Equivalents at the End of the Year	391	622
	Components of Cash and Cash Equivalents as at the End of the Year		
	Cash on Hand	25	28
	Cheques on Hand	-	-
	With Bank		
	- In Current Accounts	366	594
	TOTAL	391	622

Notes

- 1 Previous year's figures have been regrouped wherever necessary.
- 2 The cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard - 7 on Cash Flow Statement

The accompanying notes are an integral part of these financial statements

As per our report of even date

For, Maharishi & Co.

Chartered Accountants

FRN 124872W

Kapil Sanghvi

Partner

Membership No. 141168

Signed at Jamnagar on May 20, 2023

**For an on behalf of Board of Directors of
Atul Auto Limited**

Jayantibhai J Chandra

Chairman and Managing Director

DIN : 00057722

Mahendra J Patel

Whole-time Director & CFO

DIN : 00057735

Paras J. Viramgama

Company Secretary & Compliance Officer

Signed at Bhayla (Dist. Ahmedabad) on May 20, 2023

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

(A) Equity Share Capital (Note No. 14)

(₹ In Lacs)

Particulars	Note No.	31-Mar-23	31-Mar-22
At the beginning of the year	14	1,097	1,097
Changes in equity share capital during the year		97	-
At the end of the year		1,194	1,097

(B) Other Equity (Note No. 15)

(₹ in Lacs)

Particulars	Note No.	Capital Reserve	Equity Share Warrant	Security Premium On Share Warrant	Security Premium	General Reserve	Shares Forfeiture	Retained Earnings	Total Other Equity
Balance as at April 01, 2021	15	30	-	-	478	2,094	23	26,260	28,885
Addition									
Gain on bargain purchase		144	-	-	-	-	-	-	144
Profit/(Loss) for the year		-			-	-	-	-2,494	-2,494
Other comprehensive income (net of tax)		-			-	-	-	27	27
Total comprehensive income for the year ended March 31, 2022		-	-	-	-	-	-	-2,467	-2,467
Transaction with owners in their capacity as owners									
Balance as at March 31, 2022		174	-	-	478	2,094	23	23,793	26,562
Proceeds from Issue			-	73	2,802	3,737			6,612
Gain on deemed disposal		-	-	-	-	-	-	1,002	1,002
Profit/(Loss) for the year								400	400
Other comprehensive income (net of tax)			-	-	-	-	-	2	2
Warrants converted into Equity Shares		-	24	934	-	-	-	-	958
Total comprehensive income for the year ended March 31, 2023			-	-	-	-	-	402	402
Transaction with owners in their capacity as owners									
Balance as at March 31, 2023		174	49	1,868	4,215	2,094	23	25,197	33,620

The accompanying notes are an integral part of these financial statements

As per our report of even date
For, Maharishi & Co.
Chartered Accountants
FRN 124872W

Kapil Sanghvi
Partner

Membership No. 141168
Signed at Jamnagar on May 20, 2023

For an on behalf of Board of Directors of
Atul Auto Limited

Jayantibhai J Chandra
Chairman and Managing
Director
DIN : 00057722

Mahendra J Patel
Whole-time
Director & CFO
DIN : 00057735

Paras J. Viramgama
Company Secretary & Compliance Officer

Signed at Bhayla (Dist. Ahmedabad) on May 20, 2023

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

1. (a) The consolidated financial statements comprise financial statements of Atul Auto Limited (the 'Company'), and its subsidiaries (collectively, the 'Group') for the year ended 31st March 2023. The consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on
- (b) The consolidated financial statements include results of the subsidiaries company of Atul Auto Limited; consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'.

Sr.No	Name of Company	Country of Incorporation	%Holding of AAL	% of Holding by others	Consolidated as
1	Atul Green Automotive Private Limited (AGAPL)	India	100%	0%	Wholly-owned Subsidiary
2	Atul Greentech Private Limited (AGPL)	India	80%	20%	Subsidiary (Wholly Owned Subsidiary till 16th May, 2022)
3	Khushbu Auto Finance Limited (KAFL)	India	100%	0%	Wholly-owned Subsidiary (w.e.f. 01 Sep, 2021)

- (C) These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the 'Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act, on an accrual basis.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value.

The financial statements are presented in INR, which is also the Company's functional currency and all values are rounded to the nearest lacs (INR ,00,000), except when otherwise indicated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

(d) Accounting policies applicable in consolidated financial statements.

- 1) The Company combines the financial statements of the parent and its subsidiaries line by line adding together likeitems of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated.
- (2) Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income.
- (3) Khushbu Auto Finance Limited is Non Banking Financial Company and as per Rule 4(1)(iv) of The Companies (Indian Accounting Standards) Rules, 2015 read with Companies (Indian Accounting Standards) (Amendment) Rules, 2016 companies (Indian accounting standards) rules, NBFCs shall comply with the Indian Accounting Standards (Ind AS) for accounting periods beginning on or after the 1st April, 2018, with comparatives for the periods ending on 31st March, 2018, or thereafter but it is not covered in criteria provided therein. However, as per explanation to Rule
- 4 (1) (iv) of Companies (Indian Accounting Standards) Rules, 2015 read with Companies (Indian Accounting Standards) (Amendment) Rules, 2016 such companies need to provide relevant financial statement data which is in accordance accounting policies followed by parent company. Consolidation of Khushbu Auto Finance Limited is made on the basis of relevant financial statement data provided by subsidiary which is in accordance with the accounting policies followed by the parent company for consolidation purposes.
- (5) The consolidated statement of Profit and loss of the company comprises of the standalone profit and loss balances of following group companies:

Name of the Company	Period of Consolidation
Atul Auto Limited	01-Apr-2022 to 31-Mar-2023
Atul Greentech Private Limited	01-Apr-2022 to 31-Mar-2023
Atul Green Automotives Private Limited	01-Apr-2022 to 31-Mar-2023
Khushbu Auto Finance Limited*	01-Apr-2022 to 31-Mar-2023

* Khushbu Auto Finance Limited has become subsidiary from 1st September, 2021 and therefore it's balances are consolidated from the date the control on KAFL existed with the company in accordance with IND AS 110.

6) Profit on deemed disposal of subsidiary is recognised in under equity in accordance with Ind AS 110

7) Gain on bargain purchase of subsidiary at group level is recognised in capital reserve in accordance with Ind AS 110

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Accounting policies followed by Subsidiary :-

Khushbu Auto Finance Limited

Income Recognition and Provisioning

Company has recognized its income by effective interest method, amortized processing fees and made provision for expected credit loss on its outstanding which is in accordance with Ind AS - 109.

Participative Preference Shares

The company has issued Participative Preference Shares(PPS) in accordance with the MoU between Atul Auto Limited, the company and its promoters on following Terms:

1. PPS shall be redeemable at the end of 5 years from the date of issue.
2. Redemption price shall be the Book value on the latest audited/ limited review balance sheet on the date of redemption.
3. The PPS shall carry fixed dividend at the rate of 0.001% per annum.
4. In the event of declaration of dividend to Equity shareholders, the PPS holders shall be entitled to same rate of dividend.
5. In the event of winding up of company, the PPS holders shall carry preferential right on distribution of assets.
6. In the event of winding up of company, the PPS holders shall have preferential right with regard to repayment of capital over and above the equity shareholders.
7. PPS holders shall not carry any voting rights.

PPS are measured at book value of Equity shares at the end of reporting period. At the time of issue of PPS, the difference between the issue price and its value at initial recognition is set aside from balance of surplus in profit and loss.

Note - 2 Property, Plant and Equipment

(i) Tangible Assets

Current Year

(₹ In Lakhs)

Particulars	Gross Block				Depreciation/Impairment*				Net Block
	As at April 01, 2022	Additions	Deductions/-Adjustments	As at March 31, 2023	As at April 01, 2022	Additions	Deductions/-Adjustments	As at March 31, 2023	As at March 31, 2023
Freehold Land	4,213	1	-	4,214	-	-	-	-	4,214
Buildings	8,805	235	(22)	9,018	1,029	315	(13)	1,331	7,687
Plant & Machinery (Including Electric Fitting)	11,895	6,376	(230)	18,041	5,281	924	185	6,390	11,651
Furniture & Fittings	1,090	55	256	1,401	228	85	(144)	169	1,232
Computers	435	22	1	458	371	28	-	399	59
Office Equipment	232	21	(1)	252	159	31	(21)	169	83
Vehicles	571	-	6	577	331	52	2	385	192
TOTAL	27,241	6,710	10	33,961	7,399	1,435	9	8,843	25,118
Leasehold Assets (Right-of-Use Assets)	140	3	-	143	105	16	-	121	22

Previous Year

(₹ In Lakhs)

Particulars	Gross Block				Depreciation/Impairment*				Net Block
	As at April 01, 2021	Additions	Deductions/-Adjustments	As at March 31, 2022	As at April 01, 2021	Additions	Deductions/-Adjustments	As at March 31, 2022	As at March 31, 2022
Freehold Land	4,213	-	-	4,213	-	-	-	-	4,213
Buildings	2,020	6,785	-	8,805	837	192	-	1,029	7,776
Plant & Machinery (Including Electric Fitting)	7,810	4,085	-	11,895	4,704	577	-	5,281	6,614
Furniture & Fittings	312	778	-	1,090	182	46	-	228	862
Computers	376	59	-	435	343	28	-	371	64
Office Equipment	161	71	-	232	145	14	-	159	73
Vehicles	570	21	20	571	285	54	8	331	240
TOTAL	15,462	11,799	20	27,241	6,496	911	8	7,399	19,842
Leasehold Assets (Right-of-Use Assets)	153	23	36	140	90	28	13	105	35

(ii) Capital Work in Progress

Current Year

(₹ In Lakhs)

Particulars	As at April 01, 2022	Additions	Disposals/Transfer	As at March 31, 2023
Capital Work-in-Progress	6,040	253	6,164	129
TOTAL	6,040	253	6,164	129

Previous Year

(₹ In Lakhs)

Particulars	As at April 01, 2022	Additions	Disposals/Transfer	As at March 31, 2023
Capital Work-in-Progress	14,980	2,749	11,689	6,040
TOTAL	14,980	2,749	11,689	6,040

2(ii).1 (a) For CWIP Ageing Schedule

Current Year

(₹ In Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress FY23	129	-	-	-	129
Projects temporarily Suspended	-	-	-	-	-

2(ii).1 (b) For CWIP whose Completion is Overdue

(₹ In Lakhs)

CWIP	To be completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	129	-	-	-	129
Projects Temporarily Suspended	-	-	-	-	-

2(ii).1 (c) For CWIP whose cost has exceeded compared to its original plan : None

2(ii).1 (a) For CWIP aging schedule

Previous Year

(₹ In Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	1,764	722	2,392	1,162	6,040
Projects temporarily Suspended	-	-	-	-	-

2(ii).1 (b) For CWIP whose Completion is Overdue

(₹ In Lakhs)

CWIP	To be completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress FY23	6,040	-	-	-	6,040
Projects temporarily Suspended	-	-	-	-	-

(iii) Project Completion Overdue or Exceeded Compared to Original Plan : None

Notes:

- 1 Refer to clause 1.3 of notes to standalone significant accounting policies
- 2 Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease. The Company's lease asset primarily consists of Building. The right-of-use assets are initially recognised at cost, which comprises the initial measurement of the lease liability adjusted plus any initial direct costs less any lease incentives.

Note on Title Deeds not held in the name of the company

Particulars	Gross Carrying Value (Rs in Lacs)	Held in Name of	Relationship with person in whose name Held	Period Held	Reasons for not being held in name of company	Treatment in Books
Right to use Road	30	Jayantilal Jagjivandas Chandra	Chairman and Managing Director	5 Years	It is an agriculture land.	Capitalized under Head 'Land'

Note - 3 Intangible Asset

Current Year

(₹ In Lakhs)

Particulars	Gross Block				Amortization				Net Block
	As at April 01, 2022	Additions	Deductions/-Adjustments	As at March 31, 2023	As at April 01, 2022	Additions	Deductions/-Adjustments	As at March 31, 2023	As at March 31, 2023
Product Development	195	248	-	443	195	41	-	236	207
Computer Software	230	504	-	734	158	83	-	241	493
TOTAL	425	752	-	1,177	353	124	-	477	700

Previous Year

(₹ In Lakhs)

Particulars	Gross Block				Amortization				Net Block
	As at April 01, 2021	Additions	Deductions/-Adjustments	As at March 31, 2022	As at April 01, 2021	Additions	Deductions/-Adjustments	As at March 31, 2022	As at March 31, 2022
Product Development	195	-	-	195	195	-	-	195	-
Computer Software	165	64	-	229	127	30	-	157	72
TOTAL	360	64	-	424	322	-	-	352	72

Note - 4 Investments

(₹ In Lakhs) Except No. of Shares

Particulars	31-Mar-23	31-Mar-22
Non-Current Investment	-	-
Current Investment		
Investment in Mutual Fund		
Investment carried at fair value through Profit & Loss		
Quoted :		
Aditya Birla Sun Life Overnight Fund [Growth]	325	-
(Units: PY - Nil , CY - 26,814)		
Market Value of above fund in P.Y. is Nil and in C.Y. is Rs. 325 lacs		
Tata Overnight Fund [Growth]	325	-
(Units: PY - Nil , CY - 27,490)		
Market Value of above fund in P.Y. is Rs. Nil and in C.Y. is Rs. 325 Lacs		
SBI Overnight Fund [Growth]	300	-
(Units: PY - Nil , CY - 8,222)		
Market Value of above fund in P.Y. is Rs. Nil and in C.Y. is Rs. 300 lacs		
HDFC Overnight Fund [Growth]	350	-
(Units: PY - Nil , CY - 10,518)		
Market Value of above fund in P.Y. is Rs. Nil and in C.Y. is Rs. 350 Lacs		
ICICI Prudential Overnight Fund [Growth]	365	-
(Units: PY - Nil , CY - 30,214)		
Market Value of above fund in P.Y. is Rs. Nil and in C.Y. is Rs. 365 Lacs		
Total Investments	1,665	-

Note - 5 Loans

Particulars	As at March 31, 2023										
	Non-Current						Current				
	Amortised Cost	At Fair Value			Sub-Total	Amortised Cost	At Fair Value			Sub-Total	Total
		Through Other Comprehensive Income	Through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account			Through Other Comprehensive Income	Through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account		
		1	2	3			4	(5=1+2+3+4)	6		
Loans											
A. (i) Retail Loans	12,756	-	-	-	12,756	5,759	-	-	-	5,759	18,515
(ii) Business Loans	786	-	-	-	786	1,179	-	-	-	1,179	1,965
(iii) Inter Corporate Deposits	-	-	-	-	-		-	-	-	-	-
Gross	13,542	-	-	-	13,542	6,938	-	-	-	6,938	20,480
Less: Impairment loss allowance	1,988	-	-	-	1,988	-	-	-	-	-	1,988
Net	11,554	-	-	-	11,554	6,938	-	-	-	6,938	18,492

Particulars	As at March 31, 2023				
	Amortised Cost	At Fair Value			Total
		Through Other Comprehensive Income	Through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account	
Loans					
B. (i) Secured on hypothecation of automobiles	18,515	-	-	-	18,515
(ii) Secured on hypothecation of immovable properties	1,965	-	-	-	1,965
(iii) Unsecured	-	-	-	-	-
Gross	20,480	-	-	-	20,480
Less: Impairment loss allowance	1,988	-	-	-	1,988
Net	18,492	-	-	-	18,492

Particulars	As at March 31, 2022										
	Non-Current						Current				
	Amortised Cost	At Fair Value			Sub-Total	Amortised Cost	At Fair Value			Sub-Total	Total
		Through Other Comprehensive Income	Through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account			Through Other Comprehensive Income	Through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account		
		1	2	3	4	(5=1+2+3+4)	6	7	8	9	(10=6+7+8+9)
Loans											
A. (i) Retail Loans	11,097	-	-	-	11,097	4,826	-	-	-	4,826	15,923
(ii) Business Loans	-	-	-	-	-	1,358	-	-	-	1,358	1,358
(iii) Inter Corporate Deposits	-	-	-	-	-	41	-	-	-	41	41
Gross	11,097	-	-	-	11,097	6,225	-	-	-	6,225	17,322
Less: Impairment loss allowance	1,664	-	-	-	1,664	-	-	-	-	-	1,664
Net	9,433	-	-	-	9,433	6,225	-	-	-	6,225	15,658

Particulars	As at March 31, 2022				
	Amortised Cost	At Fair Value			Total
		Through Other Comprehensive Income	Through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account	
Loans					
B. (i) Secured on hypothecation of automobiles	15,903	-	-	-	15,903
(ii) Secured on hypothecation of immovable properties	1,358	-	-	-	1,358
(iii) Unsecured	41	-	-	-	41
Gross	17,302	-	-	-	17,302
Less: Impairment loss allowance	1,664	-	-	-	1,664
Net	15,638	-	-	-	15,638

Note - 6 Current Tax

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Current Tax	262	281
Total Current Tax	262	281

Note - 7 Deferred Tax Assets

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Deferred Tax Liabilities		
On account of Timing Differences in-		
Property Plant and Equipment	837	604
Deferred Tax Liabilities (Gross)	837	604
Deferred Tax Assets		
On account of Timing differences in-		
Property, Plant and Equipment	96	12
Lease Liability	6	9
Retirement and Other Benefits	24	11
Provision for Loans/Receivables	385	446
Current year losses and unabsorbed depreciation	1,241	1,218
Interest income recognised as per ICDS	257	191
Ind AS Impact	33	51
Others	4	6
Deferred Tax Assets (Gross)	2,046	1,944
Deferred Tax Assets(Net)	1,209	1,340

Note - 7.1 Movement in Deffered Tax Liabilities

(₹ In Lakhs)

Particulars	Property, Plants & Equipment	Retrial and Other Benefits	Other Items	Total
As At April 01, 2022	(604)	11	1,933	1,340
Charged				
to Profit & Loss	(233)	-	(1,152)	(1,385)
to Current Year Loss & Depreciation	-	-	1,241	1,241
to Other Comprehensive Income	-	13	-	13
As At March 31, 2023	(837)	24	2,022	1,209
As At April 01, 2021	(412)	(23)	351	(84)
Charged				
to Profit & Loss	(192)	29	1,582	1,419
to Current Year Loss & Depreciation				
to Other Comprehensive Income		5		5
As At March 31, 2022	(604)	11	1,933	1,340

Note - 8 Trade Receivables

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Non-Current		
Significant Increase in Credit Risk	913	716
Less: Provision for Expected Credit Loss	-702	-563
	211	153
Current		
Unsecured, Considered Good	2,573	1,556
Unbilled Revenue	109	443
Less: Provision for Expected Credit Loss	-7	-4
	2,675	1,995
Total Trade Receivables	2,886	2,148
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member	1,183	18

8.1 The age wise analysis of the Trade Receivable as per Sub Ledger is given below:-

(₹ In Lakhs)

Particulars	31-Mar-23					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables- considered good	2,647	9	4	-	-	2,660
(ii) Undisputed Trade Receivables- significant increase in credit risk	20	33	20	3	150	226
(iii) Undisputed Trade Receivables- credit impaired	-	-	.	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-

Particulars	31-Mar-22					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables- considered good	1,939	33	10	11	2	1,995
(ii) Undisputed Trade Receivables- significant increase in credit risk	-	-	2	14	137	153
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
(vii) Unbilled Dues	-	-	-	-	-	-

Note - 9 Other Assets

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Other Non - Current Assets		
Security Deposit	110	126
Advances to Suppliers for Capital Goods	392	1,206
Balance with Govt. Authorities	4	4
Total Other Non - Current Assets (A)	506	1,336
Other Current Assets		
Advances to Supplier for Goods & Services	579	425
Prepaid Expenses	61	132
Accrued Interest Income	171	137
Receivables from Income Distribution Partners	12	-
Balances with Government Authorities	1,684	873
Other Receivables	118	60
Total Other Current Assets (B)	2,625	1,627
Total Other Assets (A+B)	3,131	2,963
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member	-	-

Note - 10 Inventories

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Raw Material (including Goods in Transit)	4,725	3,194
Consumables (including Goods in Transit)	744	904
Work-in-Process	477	64
Finished Goods (including Goods in Transit)	720	1,063
Stock of Traded Goods	8	18
Total Inventories	6,674	5,243

The Company has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company.

Note - 11 Cash & Cash Equivalent

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Cash on Hand	25	28
Balances with Bank		
In Current Accounts	366	594
Cheques on Hand	-	-
Total Cash & Cash Equivalent	391	622

Note - 12 Other Bank Balances

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Unpaid Dividend Bank Balances	21	21
Deposits with residual maturity for less than 12 months	145	39
Total Other Bank Balances	166	60

Note: The company is having its deposits with bank having maturity less than 12 months. The same are under lien against guarantees given by the bank.

Note - 13 Other Financial Assets

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Other Income Receivables	25	44
Balances in unpaid Dividend Account	-	176
Total Other Financial Assets	25	220

Note -14 Share Capital

(₹ in Lacs except No. of Shares)

Particulars	31-Mar-23	31-Mar-22
(a) Authorised Shares		
Equity Shares of ₹ 5 each		
No of Share	30,000,000	30,000,000
Amount(₹)	1,500	1,500
Issued & Subscribed Shares		
Equity Shares of ₹ 5 each		
No of Share	25,160,627	23,224,600
Amount(₹)	1,258	1,161
Paid up Shares		
Equity Shares of ₹ 5 each		
No of Share	23,879,227	21,943,200
Amount(₹)	1,194	1,097
Total Share Capital	1,194	1,097

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period - Equity Shares

(₹ In Lakhs)

Particulars	31-Mar-23		31-Mar-22	
	No. of Shares	Amount ₹	No. of Shares	Amount ₹
At the beginning of the period	21,943,200	1,097	21,943,200	1,097
Issued during the year	1,936,027	97	-	-
Outstanding at the end of the period	23,879,227	1,194	21,943,200	1,097

(C) Terms/Rights attached to Equity Shares

The company has only one class of equity shares having a value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Promoters' Share Holding

(₹ In Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of total holding	No. of Shares	% of total holding
	Equity Share of ₹ 5 each		Equity Share of ₹ 5 each	
Maheshbhai Jagjivandas Chandra	1,969,242	8.25%	1,969,242	8.97%
Jayantibhai Jagjivandas Chandra	1,385,412	5.80%	1,351,742	6.16%
Dharmendrabhai Jagjivandas Chandra	1,267,326	5.31%	1,267,326	5.78%
Harishbhai Jagjivandas Chandra	1,164,786	4.88%	1,164,786	5.31%
Bharat Jagjivandas Chandra	975,906	4.09%	975,906	4.45%
Manishaben Atulkumar Chandra	932,220	3.90%	932,220	4.25%
Ramaben Jamnadas Patel	315,488	1.32%	315,488	1.44%
Mahendrakumar Jamnadas Patel	277,848	1.16%	277,848	1.27%
Prafullaben Jayantibhai Chandra	269,686	1.13%	269,686	1.23%
Rekhaben Maheshbhai Chandra	255,300	1.07%	255,300	1.16%
Ushaben Dharmendrabhai Chandra	244,274	1.02%	244,274	1.11%
Vasantraai Kurjibhai Patel	228,000	0.95%	228,000	1.04%
Chetankumar Vasantraai Patel	220,536	0.92%	220,536	1.01%
Harshaben Harishbhai Chandra	211,800	0.89%	211,800	0.97%
Krunal J. Chandra	202,650	0.85%	202,650	0.92%
Manjulaben Vasantraai Patel	191,304	0.80%	191,304	0.87%
Ramaben Dayalal Patel	161,504	0.68%	161,504	0.74%
Hetal Alpesh Chandra	153,720	0.64%	153,720	0.70%
Alpesh Bharatbhai Chandra	146,160	0.61%	146,160	0.67%
Kapilaben Bharatbhai Chandra	141,504	0.59%	141,504	0.64%
Hiren Vasantraai Patel	138,960	0.58%	138,960	0.63%
Ashokkumar Jamnadas Patel	136,944	0.57%	136,944	0.62%
Anita Nirajbhai Chandra	131,000	0.55%	131,000	0.60%
Krishnaben Chetankumar Patel	127,368	0.53%	127,368	0.58%
Manishaben Mahendrakumar Patel	121,712	0.51%	121,712	0.55%
Minaben Ashokkumar Patel	121,712	0.51%	121,712	0.55%
Niraj Jayantibhai Chandra	105,118	0.44%	105,118	0.48%
Khushbu Auto Pvt Ltd	218,855	0.92%	-	0.00%

As per records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Note - 15 Other Equity

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
(a) Capital Reserves	174	174
(b) Share Premium Account	4,215	478
(c) General Reserve	2,094	2,094
(d) Share Forfeiture	23	23
(e) Equity Share Warrant	49	-
(f) Security Premium On Share Warrant	1,868	-
(g) Retained Earning		
Balance at the beginning of the year	23,793	26,260
Total Comprehensive Income	402	(2,467)
Gain on deemed disposal	1,002	-
Balance at the end of the year	25,197	23,793
Total Other Equity	33,620	26,562

Note - 16 Borrowings

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Long Term		
Inter Corporate Deposits	-	1,080
EXIM - Term Loan	2,143	6,429
ICICI Bank Term Loan	436	1,204
IDFC Term Loan	1,111	-
Participative Preference Shares	3,367	3,186
Total Long Term	7,057	11,899
Short Term		
Working Capital Demand Loan	4,000	4,000
Cash Credits	2,084	797
ICICI Bank term Loan	268	110
ICICI Bank - Working Capital Demand Loan	216	340
Bank OD	838	-
Inter corporate Deposit	500	-
EXIM - Term Loan	1,071	1,071
EXIM Bank WCTL	350	-
Current Maturities pf long term borrowings	667	-
FCNR (B) Loan - IDBI Bank	-	538
Total Short Term	9,994	6,856
Total Borrowings	17,051	18,755

Terms & Conditions of EXIM Term Loan

- The company has part financed its Greenfield project at Bhayla Ahmedabad by way of sanction of Term Loan from EXIM Bank. The said loan is a Reimbursement basis Term Loan i.e, the company had to first spend its own funds on the project out of which 32.14% will be reimbursed by the Bank on capitalisation of the project. Further company had spent its own fund and reimbursement of 31% has been done by the bank
- Term Loan is secured by First Charge on the entire movable and immovable fixed assets of AAL at plant at Bhayla, Ahmedabad, both present & future, Second pari passu charge on entire current assets of AAL, both present & future and personal guarantee of Mr Jayantibhai J Chandra and Mr Mahendrabhai J. Patel.
- Rate of Interest was 7.75% p.a. which was subject to reset at yearly basis and accordingly was revised to 8.75% p.a. for F.Y. 2022-23.
- Loan was repayable in 21 Equal Quarterly Instalments commencing from Oct-2022 as at March 2023 9 instalments are due.

Terms and Conditions of ICICI Term Loan:

- Tenure for the term loan is 6 years (including moratorium of 12 months. Principle amount of the facility shall be repaid in 20 Equal Instalments.
- Term Loan is secured exclusive charge on fixed assets of greenfield project (for setting up battery manufacturing facility at ahmedabad), Second pari passu charge on entire current assets of AGPL, both present & future and personal guarantee of Mr. Jayantibhai J Chandra & Mr. Mahendra J Patel
- Interest rate for the term loan is MCLR 1Y+1.25%

Terms & Conditions of FCNR Loan (31-03-2022)

- The loan is availed in US\$ 7 Lacs with conversion value of Rs. 76.88 as sub limit of Cash Credit
- The loan is repayable after a period of 88 days in US\$ 7 Lacs with hedged conversion price of Rs. 77.90/US\$
- Rate of Interest is LIBOR+1.40% p.a. & effective rate of Interest is 6.90% for the loan period

Terms & Conditions of Participative Preference Shares

- PPS shall be redeemable at the end of 5 years from the date of issue.
- Redemption price shall be the Book value on the latest audited/ limited review balance sheet on the date of redemption.
- The PPS shall carry fixed dividend at the rate of 0.001% per annum.
- In the event of declaration of dividend to Equity shareholders, the PPS holders shall be entitled to same rate of dividend.
- In the event of winding up of company, the PPS holders shall carry preferential right on distribution of assets.
- In the event of winding up of company, the PPS holders shall have preferential right with regard to repayment of capital over and above the equity shareholders.
- PPS holders shall not carry any voting rights.

Terms & Conditions of Cash Credits

a. Yes Bank

Cash Credit facility is secured by way of first pari passu charge on stock on hire purchase, instalments receivables and entire current assets of the borrower and corporate guarantee given by Atul Auto Limited, holding 100% equity share in the company. It carries rate of interest @ YBL external benchmark rate + 2% for the year ended on 31.03.2022 & external benchmark lending rate + 4.50% for year ended 31.03.2023.

b. ICICI Bank

Cash Credit facility is secured by way of first pari passu charge on stock on hire purchase, instalments receivables and entire current assets of the borrower and corporate guarantee given by Atul Auto Limited, holding 100% equity share in the company. It carries rate of interest @ 6 months MCLR + 1.65% for the year ended 31-03-2022 Repo Rate + Spread of 4.10% and is repayable on demand and is valid till 26 July 2023.

c. IDBI Bank

Cash Credit facility is secured by way of first pari passu charge on stock on hire purchase, instalments receivables and entire current assets of the borrower and corporate guarantee given by Atul Auto Limited, holding 100% equity share in the company. It is repayable on demand and carries rate of interest @ MCLR (Y) + 2.35% for the year ended on 31.03.2022 and is same for the year ended as on 31.03.2023

d. IDFC First Bank

Cash Credit facility is secured by way of first pari passu charge on stock on hire purchase, instalments receivables and entire current assets of the borrower and corporate guarantee given by Atul Auto Limited, holding 100% equity share in the company. It is repayable on demand and carries margin of 1.1% p.a + 12 months MCLR.

Working Capital on Demand Loan (WCDL) :

WCDL is secured as per securities covered under cash credit. Rate of interest is to be decided at the time of draw down of WCDL and maximum tenure for repayment is 180 days.

e. Yes Bank

Cash Credit facility is secured by way of first pari passu charge on stock, receivables and entire current assets of the borrower and corporate guarantee given by Atul Auto Limited, holding 80% equity share in the company. It carries rate of interest @ repo rate + 3% for year ended 31.03.2023.

Terms & Conditions of Working Capital Term Loan (ICICI Bank):

- 1 Tenure for the term loan is 3 years. Principle amount of the facility shall be repaid in 12 Equal quarterly Instalments.
- 2 Working Capital Term Loan is secured by way of hyposthication of the company's entire stock of raw materials, semi-finished goods, consumable store and spares and such other movables including books-debts, bills whether documentary or clean outstanding monies, receivables, both present and future, in form of and manner satisfactory to the bank, ranking pari passu with other banks.
- 3 Interest rate for the working capital term loan is MCLR 1Y+1.25%

Terms & Conditions of Inter Corporate Deposits:

- 1 The above Inter Corporate Deposit is taken from Atul Auto Limited and carries a fixed interest rate of 9%.

Note - 17 Lease Liabilities

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Non-current Lease Liability	15	21
Current Lease Liability	9	16
Total Lease Liability	24	37

Note - 18 Other Financial Liabilities

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Non-Current		
Dealers' Deposit	583	559
	583	559
Current		
Unpaid Dividends	21	21
Expenses Payable	504	888
Payable for Capital Goods	134	152
Other Payables	2	8
	661	1,069
Total Other Financial Liabilities	1,244	1,628

Note -19 Provisions

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Non - Current Provisions		
Warranty Claim	23	78
Other Provisions	-	3
Total Non - Current Provisions (A)	23	81
Current Provision		
Provision for Employee Benefits		
Gratuity	89	43
Sub-Total (a)	89	43
Other Provisions		
Provision for After Sales Activities	86	68
Provision for P.D.I./Wrc Coupon Exp. Payable	10	6
Provision for Warranty Claims	250	112
Provision for Expected Credit Loss on Risk Sharing Arrangement	140	157
General Provision on Standard Assets	17	1
Provision on AUM of Chola	23	-
IDP Commission Provision	11	54
Sub-Total (b)	537	398
Total Current Provisions (B)	626	441
Total Provisions (A+B)	649	522

Note - 20 Other Non Current Liabilities

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Security Deposits	206	190
Sundry liabilities Account(Interest Capitalised)	83	29
Income Received in Advance	126	89
Total other Non Current Liabilities	415	308

Note - 21 Trade Payables

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Total outstanding dues of micro enterprises and small enterprises	1,456	1,536
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,255	2,645
Total Trade Payables	4,711	4,181

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors

Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act
(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
(i) (a) Principal amount remaining unpaid to any supplier	1,456	1,536
(I) (b) Interest on (i)(a) above	-	-
(ii) The amount of interest paid along with the principal payment made to the supplier	-	-
(iii) Amount of interest due and payable on delayed payments	-	-
(iv) Amount of further interest remaining due and payable for the earlier years	-	-
(v) Total outstanding dues of Micro and Small Enterprises		
Principal	1,456	1,536
Interest	-	-

The age wise analysis of the Trade Payables as per Sub Ledger is given below:-

(₹ In Lakhs)

Particulars	For the year ended on March 31, 2023				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 Years	Total
(i) MSME	1,456	-	-	-	1,456
(ii) Others	3,244	5	3	3	3,255
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

(₹ In Lakhs)

Particulars	For the year ended on March 31, 2022				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 Years	Total
(i) MSME	1,536	-	-	-	1,536
(ii) Others	2,633	3	6	3	2,645
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

Note - 22 Other Current Liabilities

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Statutory Dues Payable	577	117
Security Deposits	2	7
Advance from dealers	490	715
Advance from Customers	61	14
Salary payable	15	8
Expenses Payable	114	167
Payable against Loan Disbursement to Asset Vendors	97	106
Bonus payable	2	-
Other Liabilities	-	51
Income Received in Advance	128	101
Current Tax Liability	72	148
Total Other Current Liabilities	1,558	1,434

Note - 23 Revenue From Sales of Product & Finance Business

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Sales of Vehicles		
Domestic	39,082	23,219
Export (Including Merchant Export)	3,674	2,287
	42,756	25,506
Sales of Spares		
Domestic	3,285	2,660
Export (Including Merchant Export)	543	471
	3,828	3,131
Total Revenue from Sale of Products (A)	46,584	28,637
Income from Financing Business (B)	3,876	2,031
Revenue from Sales & Financing Business (A+B)	50,460	30,668

Note 24 Other Operating Income

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Other Operating Revenue (C)		
Export Incentive	129	79
Duty Drawback Income	3	3
Handling Charges Income	-	1
Freight Income	84	61
Royalty Income	322	238
Technical Service Income	39	32
Jobwork Income	1	291
Scrap Sale	20	14
Documentation and Subvention Income	201	117
Other Income	53	38
Total Other Operating Revenue	852	874
Total Revenue From Operations (A+B+C)	51,312	31,542

Note - 25 Other Income

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Gain on Sale /Revaluation of Mutual Fund	38	31
Interest on Bank Fixed Deposit	3	2
Insurance Claim Income	5	1
Interest on Dealers' Outstanding	49	42
Interest on PGVCL Deposit	4	3
Interest Income on ICD	-	6
Insurance Commission Income	2	25
Income Tax Refund	14	-
Corporate Guarantee Fee	-	18
Profit on Sale of Fixed Assets	-	2
Rent	30	-
Profit Sharing from Chola	4	-
Foreign Exchange Rate Difference	1	-
Total Other Income	150	130

Note - 26 Cost of Material Consumed

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Consumption of Materials	36,089	23,911
Consumables	62	46
Direct Expenses (Purchase Expenses)	654	371
Total Cost of Material Consumed	36,805	24,328

Note - 27 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Work in Progress		
Opening Stock	64	29
Closing Stock	15	64
	49	-35
Finished Goods		
Opening Stock	798	550
Closing Stock	720	798
	78	-248
Stock in Trade		
Opening Stock	18	14
Closing Stock	4	18
	14	-4
Total Changes in Inventories	141	-287

Note - 28 Employee Benefit Expenses

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Salary, Wages & Bonus	4,184	3,454
Directors Remuneration	298	226
Contribution to Provident Fund and Gratuity	380	315
Staff Welfare Expenses	240	243
Total Employee Benefit Expenses	5,102	4,238

Note - 29 Finance Cost

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Interest on Dealer, IDP and Other Deposits	51	58
Interest on Income Tax	10	11
Interest on Bank Borrowings	1,152	627
Interest on Lease Liability	2	1
Interest on ICD	148	28
Corporate Guarantee Fees	12	13
Premium on PPS	181	46
Other Financial Expenses	-	3
Loan Processing Fees & Expenses	53	31
Bank Charges	39	11
Total Finance Cost	1,648	829

Note - 30 Depreciation & Amortization

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Depreciation on Property, Plant and Equipment	1,517	904
Amortisation of Intangible Asset	13	10
Depreciation of Right to use Asset	16	42
Depreciation on Investment Property	4	6
Total Depreciation & Amortization	1,550	962

Note - 31 Loan Losses and Provisions and Other Expenses

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
(A) Loans Losses and Provisions		
Bad Debts	1,282	227
Impairment Allowance on Receivables from Financing activities	146	974
Other Provisions	3	33
Sub-Total (A)	1,431	1,234
(B) Other Expenses		
Advertising & Sales Promotion	494	1,066
Clearing & Forwarding Expenses	4	2
Freight & Forwarding Expense	740	591
Expected Credit Loss	142	43
Travelling & Conveyance	371	257
CSR Expenditure	23	101
Power & Fuel	422	191
Repairs to Others	176	129
Testing Expenses	106	135
Legal & Consultancy Charges	117	133
Product Development Expense	55	95
Warranty & After Sales Services	413	462
Other Expenses	151	126
Reversal of IDP Commission Expenses	230	-83
Sourcing and Credit Cost	49	26
Office Admin Expenses	69	77
Recovery Cost	35	20
IT and Communication Cost	34	12
Other Administrative Expenses	16	2
Repairs to Machinery	224	55
Foreign Exchange Rate Difference	12	22
Insurance	46	32
Rates and Taxes	131	47
Communication Cost	20	18
Printing & Stationary	16	13
Rent	42	39
Windmill Operation Charges	12	12
Repairs to Buildings	23	24
Director's Sitting Fees	8	6
Payment to Auditor	21	10
Loss on Sales of Assets	-	-
Internal Audit Fees	5	-
Reversal of Lease Rent	-	-5
Sub- Total (B)	4,207	3,658
Total Loans Losses and Provisions and Other Expenses		
	5,638	4,892
Payment to Auditor includes		
For Audit fees	11	5
For Limited Review	3	1
For tax Audit	3	-
For certificate on For Corporate governance	2	-
For certification	6	-
Total Payment to Auditor	26	6

Note - 32 Tax Expenses

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Current tax on profits for the year	173	294
Adjustment for current tax of prior periods	23	71
	196	365
Deferred Tax	69	[1,107]
Total Tax Expenses	265	(742)

Note - 33 Earning Per Share

(₹ In Lakhs except No. of Shares)

Particulars	31-Mar-23	31-Mar-22
Net profit /(loss) as per statement of Profit & Loss	400	[2,494]
Weighted average number of shares outstanding during the year (Nos)	22,028,067	21,943,200
Earning per share (Basic & Diluted)	1.82	[11.37]
Face Value per Share ₹	5	5

Note - 34 Contingent Liabilities not acknowledged as Debt

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
A. Disputed Liabilities*		
Sales Tax	27	27
Excise Duty	1	1
Income Tax	88	50
Case Pending before Consumer Forum	55	52
Case filed for Infringement of copyright where company is one of the defendant	200	200
B. Financial Guarantees		
Financial Gaurantees in respect of loan given by finance company to end user - Amount outstanding	2,696	6,215
Financial Gurantee given by parent for Subsidiary to the bankers (Outstanding Recognized as Liability of Group)	10,120	6,450
*[Show-cause notices received from various Government Agencies & pending formal demand notices have not been considered as contingent liabilities.]	-	-
Total Contingent Liabilities	13,187	12,995

Note - 35 Estimated Amount of Contracts Remaining to be Executed on Capital Accounts and Not Provided

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
For Purchase of Assets	518	1,036
Total	518	1,036

Note - 36 Corporate Social Responsibility Expenditures

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Amount required to be spent by the company during the year,	23	90
Amount of expenditure incurred,	54	106
Shortfall at the end of the year,	-	-
Excess Amount of expenditure Incurred	31	-
Total of previous years shortfall,	-	-
Reason for shortfall,	NA	NA
Nature of CSR activities	As below	As below
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Atul Chandra Charitable Trust	Atul Chandra Charitable Trust
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA
Nature of CSR activities		
Contribution to trusts/associations for education	-	46
Contribution to trusts/associations for national heritage and culture	-	2
Contribution to trusts/associations for Disaster Management	-	4
Contribution to trusts/associations for promoting healthcare	-	3
Contribution to trusts/associations for Women Empowerment	-	15
Contribution to trusts/associations for Eradicating hunger, poverty	23	35
CSR Expenditure	23	105
Administrative Overheads for CSR activity	1	1
Total CSR Expenditure	24	106

In current year the company has spend Rs. 31 Lacs in excess which is entitled to be carry forward in next year in accordance with section 135 of Companies Act, 2013.

Note - 37 Exchange Difference Gain/(Loss) recognized in the statement of Profit & Loss

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Relating to export during the year as a part of sales / other Income	6	(18)
On settlement of other transaction as part of other expenses & import	(3)	(2)
Total Exchange Differences recognized in Statement of Profit & Loss	3	(20)

Note - 38 Employee Benefits

(a) Gratuity

Payment for present liability of future payment of gratuity is being made to approved gratuity fund, which fully covers the same under Cash Accumulation Policy of the Life Insurance Corporation of India (LIC). However, any deficit in plan assets managed by LIC as compared to the liability on the basis of an independent actuarial valuation is recognised as a liability.

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method in conformity with the principles and manner of computation specified in Ind AS 19.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Particulars	31-Mar-23	31-Mar-22
Amount Recognised in Balance Sheet		
Present Value of funded defined benefit obligation	520	480
Fair Value of Plan Assets	-420	-447
Net Funded Obligation	100	33
Expense Recognised in the statement of Profit & Loss		
Current Service Cost	47	46
Interest on net defined benefit liability /(assets)	3	6
Total Expense Charged to Profit & Loss	50	52
Amount recorded as other comprehensive income		
Opening amount recognised in OCI outside profit & loss account	-59	-2
Remeasurements during the period due to		
Actuarial (gain)/losses on obligation for the period	-4	-62
Actual return on plan assets less interest on plan assets	2	2
Closing amount recognised in OCI outside profit & loss account	-61	-62
Reconciliation of net liability/(assets)		
Opening net defined benefit liability/(assets)	50	91
Expense charged to profit & loss account	50	48
Amount recognised outside profit & loss account	-3	-57
Employer contributions	-	-50
Closing net defined benefit liability/(assets)	97	32
Movement in benefit obligation		
Opening of defined benefit obligation	497	549
Current Service Cost	47	46
Interest on defined benefit obligation	36	39
Past Service cost	-	-
Remeasurements due to :-		
Actuarial Loss /(gain) arising from change in financial assumptions	-14	-28
Actuarial Loss /(gain) arising on account of experience changes	8	-35
Benefits paid	-54	-91
Closing of Defined benefit obligation	521	480
Movement in Plan Assets		
Opening Fair Value of Plan Assets	454	458
Employer contributions	-	50
Interest on plan assets	34	31
Remeasurements due to :-		
Actual return on plan assets less interest on plan assets	-2	-
Benefits paid	-54	-91
Closing fair value of plan assets	432	448
Disaggregation of Assets		
Category of Assets		
Insurer managed funds	432	454
Grand total	432	454

Key actuarial assumptions

Particulars	31-Mar-23	31-Mar-22
Discount rate (p.a)	7.52%	7.28%
Expected return on plan assets	7.28%	6.81%
Rate of salary Increase	7.00%	7.00%
Rate of employee turnover	for service 4 years and below 15% p.a. and above 2% p.a.	

Sensitivity Analysis

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Projected Benefit Obligation on Current Assumptions	520	497
Delta Effect of +0.5% Change in Rate of Discounting	(46)	(28)
Delta Effect of -0.5% Change in Rate of Discounting	52	30
Delta Effect of +1% Change in Rate of Salary Increase	78	58
Delta Effect of -1% Change in Rate of Salary Increase	(66)	(50)
Delta Effect of +5% Change in Rate of Employee Turnover	37	11
Delta Effect of -5% Change in Rate of Employee Turnover	(30)	(5)

(b)Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund. Amount recognised in statement of Profit & Loss is Rs. 229 lacs (Previous year Rs.196 lacs).

Note - 39 Related Party Disclosure

(₹ In Lakhs)

Name of related party	Nature of Relationship	Nature of transaction	31-Mar-23			31-Mar-22		
			Transa- ctions	Closing Balance	Dr./Cr.	Transa- ctions	Closing Balance	Dr./Cr.
Key management personnel and their relatives:								
Jayantibhai J Chandra	Chairman and Managing Director	Short Term Employee Benefits	129	7	Cr	97	2	Cr
Mahendra J Patel	Whole Time Director and Chief Financial Offier	Short Term Employee Benefits	112	6	Cr	85	2	Cr
Niraj J Chandra	Whole Time Director	Short Term Employee Benefits	62	2	Dr	48	1	Cr
Paras Viramgama	Company Secretary	Short Term Employee Benefits	7	-	-	6	-	-
Jitendra V Adhia	Director of Subsidiary Company	Short Term Employee Benefits	86	5	Cr	71	4	Cr
Hiren Patel	Director of Subsidiary Company	Short Term Employee Benefits	49	3	Cr	39	3	Cr
Mahendra Patel	Whole Time Director and Chief Financial Offier	Purchase of Equity Shares of KAFL (In terms of Memorandum of Understanding (MOU) dated 30.10.2020 and Supplementary MOU dated 10.09.2021)	-	-	-	63	-	-
Manisha Patel	Relative of Director	-do-	-	-	-	69	-	-
Anita N Chandra	Relative of Director	-do-	-	-	-	4	-	-
Jayantibhai J Chandra - HUF	HUF of Chairman and Managing Director	-do-	-	-	-	5	-	-
Mahendrakumar J Patel - HUF	HUF of Whole Time Director and Chief Financial Offier	-do-	-	-	-	27	-	-
Ashok Patel	Relative of Director	-do-	-	-	-	8	-	-
Jayantibhai Chandra	Chairman & Managing Director	-do-	-	-	-	478	-	-
Prafulla Chandra	Relative of Director	-do-	-	-	-	32	-	-
Tithi K Chandra	Relative of Director	-do-	-	-	-	8	-	-
Niraj J Chandra - HUF	HUF of Director	-do-	-	-	-	22	-	-
Krunal J Chandra - HUF	HUF of Relative of Director	-do-	-	-	-	24	-	-
Bharat Chandra	Relative of Director	-do-	-	-	-	48	-	-
Mahesh Chandra	Relative of Director	-do-	-	-	-	141	-	-
Dharmendra Chandra	Relative of Director	-do-	-	-	-	227	-	-
Harishkumar J Chandra	Relative of Director	-do-	-	-	-	209	-	-
Hirenbhai patel	Director of Subsidiary Company	-do-	-	-	-	21	-	-
Hirenbhai v patel HUF	HUF of subsidiary's Director	-do-	-	-	-	121	-	-
Divya M Chandra	subsidiary's Director	-do-	-	-	-	38	-	-
Yagna M Chandra	Relative of Director	-do-	-	-	-	112	-	-
Vijay K Kedia	Director	-do-	-	-	-	81	-	-
Manju Vijay Kedia	Relative of Director	-do-	-	-	-	1,082	-	-
Kedia Securities Private Limited	Entity owend and controlled by relatives of key managerial personal	-do-	-	-	-	339	-	-

Name of related party	Nature of Relationship	Nature of transaction	31-Mar-23			31-Mar-22		
			Transa- ctions	Closing Balance	Dr./Cr.	Transa- ctions	Closing Balance	Dr./Cr.
Other Parties:								
(Not covered under the definition of 'Related Party' under Companies Act, 2013 but covered under IND AS - 24)								
Meena Patel	Relative of Director	Purchase of Equity Shares of KAFL (In terms of Memorandum of Understanding (MOU) dated 30.10.2020 and Supplementary MOU dated 10.09.2021)	-	-	-	25	-	-
Ashokkumar J Patel - HUF	HUF of Relative of Director	-do-	-	-	-	119	-	-
Kapila Chandra	Relative of Director	-do-	-	-	-	5	-	-
Rekha Chandra	Relative of Director	-do-	-	-	-	39	-	-
Ushaben Chandra	Relative of Director	-do-	-	-	-	20	-	-
Harsha Chandra	Relative of Director	-do-	-	-	-	5	-	-
Manisha Chandra	Relative of Director	-do-	-	-	-	174	-	-
Sitting Fees Paid to other Directors:								
Vijay Kedia	Independent Director	Sitting Fees Paid to Non-Executive Directors	1	-	-	1	-	-
Aarti Juneja	Independent Director	Sitting Fees Paid to Non-Executive Directors	2	-	-	1	-	-
Mohan Jit Walia	Independent Director	Sitting Fees Paid to Non-Executive Directors	2	-	-	1	-	-
Jaichander Swaminathan	Independent Director	Sitting Fees Paid to Non-Executive Directors	2	-	-	1	-	-
Vijay Kumar Goel	Independent Director	Sitting Fees Paid to Non-Executive Directors	1	-	-	1	-	-
Other entities:								
Atul Auto Industries	Entity Owend and Controlled by Relatives of Key Managerial Personal	Sale (Exclusive of Tax)	-	2	Cr	1	6	Cr
		Purchase of Raw Material Spares	419			320		
		Purchase of Fixed Asset	1			2		
		Warranty Claims/ After Sales Service/ PDI/WRC Charges/ Freight Charges	6					
		Total	426	2	Cr	323	6	Cr
Atul Motors Private Limited	Entity Owend and Controlled by Relatives of Key Managerial Personal	Purchase of Fixed Asset & other Expense	5	-	-	14	-	-
		Total	5	-	-	14	-	-

Name of related party	Nature of Relationship	Nature of transaction	31-Mar-23			31-Mar-22		
			Transa- ctions	Closing Balance	Dr./Cr.	Transa- ctions	Closing Balance	Dr./Cr.
Atul Automotives	Entity Owend and Controlled by Relatives of Key Managerial Personal.	Purchase of Raw Material & Other Exp	-	-	-	1	-	-
		Total	-	-	-	1	-	-
Atul Motors Jam LLP	Entity Owend and Controlled by Relatives of Key Managerial Personal	Purchase of Fixed Asset & Other Expense	-	-	-	11	-	-
		Total	-	-	-	11	-	-
Khushbu Auto Private Limited	Entity Owend and Controlled by Relatives of Key Managerial Personal	Sale (Exclusive of Tax)	3,150	3	Cr	1,592	8	Cr
		Warranty Claims/ After Sales Service/ PDI/WRC Charges	24			38		
		Discount on sales vehicle / Sales Promotion	33			38		
		Other Expense	-			1		
		Dealer Deposit	1			-		
		Total	3,208	3	Cr	1,669	8	Cr
New Chandra Motor Cycle Agency	Entity Owend and Controlled by Relatives of Key Managerial Personal	Sale (Exclusive of Tax)	408	60	Dr	157	16	Dr
		Warranty Claims/ After Sales Service /PDI/WRC Charges/ LGO meet	2			3		
		Discount on sales vehicle / Spares	-			1		
		Debit Note for Freight & DMS	4			-		
		Other Expense	-			1		
		Total	414	60	Dr	162	16	Dr
New Chandra Motor Cycle House	Entity Owend and Controlled by Relatives of Key Managerial Personal	Sale (Exclusive of Tax)	25	-	-	23	-	-
		Purchase of Raw Material Spares	4	-	-	1	-	-
		Total	29	-	-	24	-	-
Atul Chandra Charitable Trust	Entity Owend and Controlled by Relatives of Key Managerial Personal	CSR amount Spent through Implementing Agency	35	-	-	45	-	-
		Total	35	-	-	45	-	-
Citizen Automobiles	Entity Owend and Controlled by Relatives of Key Managerial Personal	Sale (Exclusive of Tax)	2,117	1,123	-	-	-	-
		Discount on sales vehicle / Sales Promotion	50		Dr	-	-	-
		Total	2,167	1,123	Dr	-	-	-

Name of related party	Nature of Relationship	Nature of transaction	31-Mar-23			31-Mar-22		
			Transa- ctions	Closing Balance	Dr./Cr.	Transa- ctions	Closing Balance	Dr./Cr.
Group Companies Transactions:								
Khushbu Auto Finance Limited								
Khushbu Auto Private Limited	Entity Owend and Controlled by Relatives of Key Managerial Personal	Inter Corporate Deposit	1,079	-	-	1,079	1,079	Cr
		Interest on Inter Corporate Deposit	98			45		
Atul Motors Private Limited	Entity Owend and Controlled by Relatives of Key Managerial Personal	Purchase of Fixed Assets	-	-	-	16	-	-
Atul Greentech Private Limited	Subsidiary	Inter Corporate Deposit	-	-	-	1,225	-	-
		Interest on Inter Corporate Deposit	-	-	-	45	-	-
Atul Green Automotive Private Limited	Wholly Owned Subsidiary	Inter Corporate Deposit	-	-	-	43	-	-
		Interest on Inter Corporate Deposit	-	-	-	2	-	-
New Chandra Motor Cycle Agency	Entity Owend and Controlled by Relatives of Key Managerial Personal	Subvention Income	-	-	-	1	1	Cr
Anita N Chandra	Chief Financial Officer in Subsidiary Company	Short term Employee Benefits	7	1	Cr	7	-	-
Bhartiben G. Ajudiya	Company Secretary in Subsidiary Company	Short term Employee Benefits	2	-	-	2	-	-
Atul Chandra Charitable Trust	Entity Owend and Controlled by Relatives of Key Managerial Personal	CSR amount Spent through Implementing Agency	18	-	-	15	-	-
Key Management Personnel and their Relatives:								
Related Party of Parent Entity as per Companies Act 2013								
Jayantibhai Chandra	Chairman and Managing Director	Issue of Participative Preference Shares of Khushbu Auto Finance Limited (In terms of Memorandum of Understanding (MOU) dated 30.10.2020 and Supplementary MOU dated 10.09.2021)	-	-	-	478	-	-
Anita Chandra	Whole Time Director and Chief Financial officer of Subsidiary	-do-	-	-	-	4	-	-
Hirenkumar Patel HUF	HUF of subsidiary's Director	-do-	-	-	-	121	-	-
Jayantibhai Chandra HUF	HUF of Chairman and Managing Director	-do-	-	-	-	5	-	-
Niraj J Chandra - HUF	HUF of Director	-do-	-	-	-	22	-	-

Name of related party	Nature of Relationship	Nature of transaction	31-Mar-23			31-Mar-22		
			Transa- ctions	Closing Balance	Dr./Cr.	Transa- ctions	Closing Balance	Dr./Cr.
Chetankumar Patel HUF	HUF of subsidiary's Director	-do-	-	-	-	57	-	-
Nandan C Patel	Relative of Director	-do-	-	-	-	19	-	-
Dharmendra J Chandra	Relative of Director	-do-	-	-	-	227	-	-
Krishnaben C Patel	Relative of Director	-do-	-	-	-	6	-	-
Hiren V Patel	subsidiary's Director	-do-	-	-	-	21	-	-
Maheshbhai J Chandra	Relative of Director	-do-	-	-	-	141	-	-
Bharatbhai J Chandra	Relative of Director	-do-	-	-	-	48	-	-
Alpeshbhai B Chandra	Relative of Director	-do-	-	-	-	308	-	-
Harishbhai J Chandra	Relative of Director	-do-	-	-	-	209	-	-
Chetankumar V Patel	Director of Subsidiary Company	-do-	-	-	-	69	-	-
Hetal A Chandra	Relative of Director	-do-	-	-	-	47	-	-
Divya M Chandra	Director of Subsidiary Company	-do-	-	-	-	38	-	-
Yagna M Chandra	Relative of Director	-do-	-	-	-	112	-	-
Ashok Jamnadas Patel	Relative of Director	-do-	-	-	-	8	-	-
Krunal J Chandra - HUF	HUF of Relative's Director	-do-	-	-	-	24	-	-
Patel Mahendrakumar Jamnadas - HUF	HUF of Whole Time Director and Chief Financial Officer	-do-	-	-	-	27	-	-
Tithi K Chandra	Relative of Director	-do-	-	-	-	8	-	-
Mahendrakumar Jamnadas Patel	Whole Time Director and Chief Financial Officer	-do-	-	-	-	63	-	-
Manishaben Mahendrakumar Patel	Relative of Director	-do-	-	-	-	69	-	-
Other Parties:								
(Not covered under the definition of 'Related Party' under Companies Act, 2013 but covered under IND AS - 24)								
Manishaben A Chandra	Relative of Director	Issue of Participative Preference Shares of Khushbu Auto Finance Limited (In terms of Memorandum of Understanding (MOU) dated 30.10.2020 and Supplementary MOU dated 10.09.2021)	-	-	-	174	-	-
Prafullaben J Chandra	Relative of Director	-do-	-	-	-	32	-	-
Ushaben D Chandra	Relative of Director	-do-	-	-	-	20	-	-
Harshaben H Chandra	Relative of Director	-do-	-	-	-	5	-	-
Kajalben H Patel	Relative of Director	-do-	-	-	-	8	-	-
Rekhaben M Chandra	Relative of Director	-do-	-	-	-	39	-	-
Kapilaben B Chandra	Relative of Director	-do-	-	-	-	5	-	-
Ashokkumar J Patel - HUF	HUF of Relative of Director	-do-	-	-	-	119	-	-
Minaben Ashokkumar Patel	Relative of Director	-do-	-	-	-	25	-	-

Name of related party	Nature of Relationship	Nature of transaction	31-Mar-23			31-Mar-22		
			Transa- ctions	Closing Balance	Dr./Cr.	Transa- ctions	Closing Balance	Dr./Cr.
Atul Green Automotive Private Limited								
Khushbu Auto Private Limited	Entity Owend and Controlled by Relatives of Key Managerial Personal	Inter Corporate Deposits	41	-	-	41	41	Cr
		Interest on Inter Corporate Deposit	2	-	-	3	2	Cr
Khushbu Auto Finance Limited	(Upto 31.08.2021 the company was an Associate Company & w.e.f. 01.09.2021 the company has become the Wholly Owned Subsidiary Company)	Inter Corporate Deposits	43	-	-	-	-	-
		Interest on Inter Corporate Deposit	2	-	-	-	-	-
Atul Greentech Private Limited								
Gurbeer Singh	Chief Executive Officer in wholly owned subsidiary	Short term Employee Benefits	58	6	Cr	57	4	Cr
Divya Chandra	Whole time Director	Short term Employee Benefits	16	1	Cr	4	1	Cr
Pratik Kedia	Whole time Director	Short term Employee Benefits	3	3	Cr	-	-	-
Khushbu Auto Finance Limited	(Upto 31.08.2021 the company was an Associate Company & w.e.f. 01.09.2021 the company has become the Wholly Owned Subsidiary Company)	Inter Corporate Deposit	-	-	-	1,225	-	-
		Interest on Inter Corporate Deposit	-	-	-	45	-	-
Kedia Securities Private Limited	Entity Owend and Controlled by Relatives of Key Managerial Personal	Inter Corporate Deposit	100	-	-	-	-	-
Kedia Securities Private Limited	Entity Owend and Controlled by Relatives of Key Managerial Personal	Interest on Inter Corporate Deposit	2	-	-	-	-	-
Vijay Kedia	Director	Issue of Equity Shares	1,500	-	-	-	-	-

Note - 40 Financial Instruments

a. Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern, while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements. The Company is currently utilizing term loan to meet long term requirements and have adequate sanctioned limits available to meet its short term capital requirements. The Company is not subject to any externally imposed capital requirements. The management of the Company reviews the capital structure of the Company on regular basis.

The following table summarises the capital of the Company

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Equity Share Capital	1,194	1,097
Other Equity	33,620	26,562
Total Equity	34,814	27,659
Term Loan	9,063	13,080
Working Capital Loan	7,988	5,674
Total Debt	17,051	18,754
Debt to Equity Ratio	48.98%	67.80%

b. Category-wise classification for applicable financial assets

(₹ In Lakhs)

Sr No.	Particulars	31-Mar-23	31-Mar-22
I	Measured at fair value through Profit or Loss (FVTPL):		
	Investment in Mutual Fund	1,665	-
		1,665	-
II	Measured at amortised cost:		
	Trade Receivable	2,886	2,148
	Cash & Cash Equivalents	391	622
	Loans to Staff	-	76
	Inter corporate Deposit	-	41
	Receivable under Financing Activities	18,492	15,156
	Balance in Unpaid Dividend	21	21
	Investment in Fixed Deposits	145	39
	Other Income Receivable	25	98
		21,960	18,201

c. Category-wise classification for applicable financial liabilities

(₹ In Lakhs)

Sr No.	Particulars	31-Mar-23	31-Mar-22
I	Measured at amortised cost:		
	Term Loan	9,063	13,080
	Working Capital Loan	7,988	5,674
	Lease Liability	24	37
	Trade Payable	4,711	4,287
	Unpaid Dividend	21	21
	Outstanding Expenses	563	1,043
	Dealer's Deposits	583	611
		22,953	24,753

Note - 41 Fair Value Measurement

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed the Indian accounting standards. Explanation of each level as follows :-

Level - 1 Hierarchy includes financial instruments measured using quoted price. This includes mutual funds & listed Equity shares that have quoted price. The mutual funds are valued using the closing NAV.

Level - 2 The fair value of financial instruments that are not traded in an active market (for example trade bond, over-the-counter derivatives) is determined using valuation technique which maximise the use of observable market data and rely as little as possible on entity -specific estimates. If all significant inputs required to fair value of instrument are observable, the instrument is included in Level-2.

Level - 3 If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

During the year under consideration there is no transfer between level 1, level 2 and level 3 hierarchy.

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Financial Investment at FVTPL		
Investment in Mutual Fund	1,665	-
Level -II	-	-
Level -III	-	-
Total	1,665	-

Valuation Techniques used to Determine Fair Value :-

Mutual funds are valued at the price quoted in active market at the closing of reporting date.

Fair Value of Financial Assets and Liabilities Measured at Amortised Cost :-

The carrying amounts of trade receivables, trade payable, other financial assets/liabilities, loans and cash & cash equivalents are considered to be the same as their fair values.

Note - 42 Financial Risk Management Objectives and Policies

Financial risk management objectives

The Company's management monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's risk management is done in close co-ordination with the board of directors and focuses on actively securing the Company's short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The most significant risks to which the Company is exposed are described below

Risk	Exposure Arising From	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets and trade receivables	Aging analysis/ Credit Rating	Analysis of no. of overdue days and track record of debtors. Levy of interest on overdue balances of trade receivables
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable investments
Interest Risk	Bank Borrowing	External Benchmark Interest Rate	Maintaining lower lever of leverage and negotiation with banker for interest rates

Contractual maturities of significant Financial Liabilities as on 31 March 2023 & 31 March 2022:

Maturities of Financial Liabilities

(₹ In Lakhs)

Particulars	Less than & equal to 1 Year	More than 1 Year	Total
As at 31 March 2023			
Trade Payable	4,700	11	4,711
Other Financial Liabilities	2	-	2
Term Loan	-	-	-
Working Capital Loan	-	-	-
Lease Liabilities	-	-	-
	4,702	11	4,713
As at 31 March 2022			
Trade Payable	4,287	-	4,287
Other Financial Liabilities	1,797	190	1,987
Term Loan	714	12,366	13,080
Working Capital Loan	5,674	-	5,674
Lease Liabilities	16	21	37
	12,488	12,577	25,065

Interest Risk

Company has obtained Term Loan from Exim Bank. Interest Risk refers to change in interest rate due to change in benchmark interest rate in case of floating rate loan. As at 31st March, 2023 company's borrowing carries fixed interest rate hence, there will be no impact on the profitability of the company due to change in external benchmark interest rate.

Market Risk :-

Foreign Currency Risk

The Company operates, in addition to domestic markets, significantly in international markets through its exports and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$. Foreign exchange risk arises from highly probable forecast transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. (₹)

Open Exposure

The Company's exposure to foreign currency risk at the end of the reporting period is disclosed further. The Board provides guiding principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk and investment of surplus liquidity. The Company's risk management is carried out by the finance department as per the policies approved by the Board of Directors.

Credit Risk :-

Credit risk arises from cash and cash equivalents, financial assets measured at amortised cost and fair value through profit or loss and trade receivables.

Credit Risk Management

For other financial assets the Company has an investment policy which allows the Company to invest only with counterparties having credit rating equal to or above AA+ and P1+. The company reviews the creditworthiness of these counterparties on an ongoing basis. Another source of credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss on the basis of past data and experience. Expected credit losses of financial assets receivable in the next 12 months are estimated on the basis of historical data provided the Company has reasonable and supportable data. On such an assessment the expected losses are nil or negligible, as evidenced in the table below, and hence no further provision than that already made is considered necessary.

Reconciliation of Provision for Expected Credit Loss – Trade Receivable

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Loss allowance at the beginning of the year	567	524
Addition in loss allowance during the year	142	43
Loss allowance as at the end of the year	709	567

Liquidity Risk :-

The Company's principal sources of liquidity are 'cash and cash equivalents' and cash flows that are generated from operations. The Company has no outstanding term borrowings. The Company believes that its working capital is sufficient to meet its current requirements. Additionally, the Company has sizeable surplus funds invested in fixed income securities or instruments of similar profile ensuring safety of capital and availability of liquidity if and when required. Hence the Company does not perceive any liquidity risk.

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Net working capital funds	3,600	3,103
Which includes;		
i. Cash & Cash Equivalents	391	622
ii. Current Investment	1,655	-

Open Exposure

The Company's exposure to foreign currency risk at the end of the reporting period is as follows:

(₹ In Lakhs)

Particulars	31-Mar-23	31-Mar-22
Receivable (Amount in USD)	2	2
Payable (Amount in USD)	-	-
Receivable (Amount in Euro)	-	-
Payable (Amount in Euro)	-	2

(₹ In Lakhs)

Particulars	Currency	Change in rate	Effect on PBT/Pre-tax equity
Year Ended March 31, 2023	US\$	+10%	15
	US\$	-10%	(15)
Year Ended March 31, 2023	Euro	+10%	13
	Euro	-10%	(13)
Year Ended March 31, 2022	US\$	+10%	15
	US\$	-10%	(15)
Year Ended March 31, 2022	Euro	+10%	13
	Euro	-10%	(13)

Note - 43 Other Regulatory Notes

1. The Title deeds of the immovable properties (other than Common Approach Road As referred to Note No 2 & other properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
2. As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
3. The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013), which are repayable on demand or without specifying any terms or period of repayments.
4. No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
5. The Company has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company.
6. The Company has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
7. There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended 31st March 2022.
8. All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended 31st March 2022.
9. The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
10. No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.
11. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary
12. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
13. The Company has not operated in any crypto currency or Virtual Currency transactions
14. During the year the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.

Note - 45 Segment Reporting

(₹ In Lakhs)

Sr No.	Particulars	31-Mar-23	31-Mar-22
1	Segment Revenue		
	A) Automobiles Business	47,235	29,346
	B) Non Banking Financial Business	4,077	2,161
	Total Revenue from Operations	51,312	31,507
2	Segment Results		
	Profit before tax and Interest		
	A) Automobiles Business	674	-2,938
	B) Non Banking Financial Business	1,602	514
	Total	2,276	-2,424
	Less: i) Finance Cost	1,648	854
	ii) Intersegment Profits/(Losses)	50	12
	Profit Before Tax	578	-3,290
3	Segment Assets		
	A) Automobiles Business	45,445	37,765
	B) Non Banking Financial Business	15,425	16,759
	Segment Assets	60,870	54,524
4	Segment Liabilities		
	A) Automobiles Business	13,442	16,763
	B) Non Banking Financial Business	12,210	10,102
	Segment Liabilities	25,652	26,865

Note - 46 Others

Figures relating to corresponding/previous periods have been regrouped/reclassified wherever necessary to confirm to current period

Note - 44 Ratios

(₹ In Lakhs)

Ratio	Numerator	Denominator	Numerator	Denominator	FY 22-23	Numerator	Denominator	FY 21-22	% of Variance
A. Current Ratio	Current Assets	Current Liabilities	21,159	17,559	1.21	15,993	13,998	1.14	5.47%
B. Debt-Equity Ratio	Borrowings + Interest Accrued	Total Equity	17,051	35,218	0.48	18,755	27,659	0.25	91.77%
C. Debt Service Coverage Ratio	Earnings for Debt Service = Net Profit after Taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + Other Adjustments like loss on sale of Fixed Assets etc.	Debt Service = Interest & Lease Payments + Principal Repayments	3,511	1,648	2.13	(757)	829	(90.21%)	(336.17%)
D. Return on Equity Ratio	Net Profit After Taxes	Average Shareholder's Equity	313	31,439	1.00%	(2,494)	28,821	(8.65%)	111.50%
G. Trade Payables Turnover	Net Credit Purchases	Avg Trade Payables	44,319	7,570	5.86	23,906	4,384	5.45	7.37%
H. Net Capital Turnover Ratio	Net Sales	Net Working Capital	50,460	2,797	18.04	31,532	2,811	13.28	35.86%
I. Net Profit Ratio	Net Profit	Net Sales	313	50,460	0.62%	(2,494)	31,532	(7.91%)	107.84%
J. Return on Capital Employed	Earning before interest & taxes	Capital Employed	2,226	52,269	4.26%	(2,461)	46,413	(5.30%)	180.32%
K. Return on Investment	{MV(T1) - MV(T0) - Sum [C(t)]}	{MV(T10) + Sum [W(t)* C(t)]}	38	755	5.03%	29	1,006	2.88%	74.60%

Reasons for Variances

During the year group had received Rs 7,250 lacs on issue of share warrants which has been utilised for prepayment of term loan of Rs 3,571 lacs and balance amount is utilised for working capital. Hence DSCR and debt equity ratio of the company have increased

During the year company's revenue from operations have increased from Rs 31,542 Lacs to 51,312 lacs. Hence company is able to absorb its fixed cost and generate profit resulting in better net profit ratio, Return on equity ratio and on return on capital employed

Due to increase In repo rate during the year compared to previous year return on investment made by company in liquid asset & mutual fund has increased

FORM AOC-1

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

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

Part A: Subsidiaries

(₹ In Lakhs)

Sr No.	Particulars	1	2	3
1	Name of the subsidiary	ATUL GREEN AUTOMOTIVE PRIVATE LIMITED (Incorporated on February 12, 2018)	ATUL GREENTECH PRIVATE LIMITED (Incorporated on January 28, 2020)	KHUSHBU AUTO FINANCE LIMITED (Become Wholly owned subsidiary on September 01, 2021)
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2023 (Same as Holding Company)	March 31, 2023 (Same as Holding Company)	March 31, 2023 (Same as Holding Company)
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable	Not Applicable	Not Applicable
4	Share capital	45	1,250	5,768
5	Reserves & surplus	9	771	4,854
6	Total assets	55	5,015	20,287
7	Total Liabilities	1	2,994	9,665
8	Investments	Nil	Nil	Nil
9	Turnover	109	51	3,626
10	Profit before taxation	9	-527	601
11	Provision for taxation	2	-90	212
12	Profit after taxation	7	-437	389
13	Proposed Dividend	Nil	Nil	Nil
14	% of shareholding	100%	80%	100%

Notes:

- (i) Name of subsidiaries which are yet to commence operations - None
(ii) Names of subsidiaries which have been liquidated or sold during the year - None

Part B: Associates and Joint Ventures

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

Sr No.	Particulars	1
1	Name of the associate	
2	Shares of Associate held by the company on the year end	
3	(i) No.	--
	(ii) Amount of Investment in Associates	--
	(iii) Extend of Holding %	--
4	Description of how there is significant	--
5	Reason why the associate is not consolidated	--
6	Net worth attributable to Shareholding as per latest audited Balance Sheet (Rs.) (as per financial statement prepared in accordance with generally accepted accounting principles in India (Indian GAAP)	--
	(i) Considered in Consolidation (As per financial statements are prepared in accordance with Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.	--
	(ii) Not Considered in Consolidation	--

Notes:

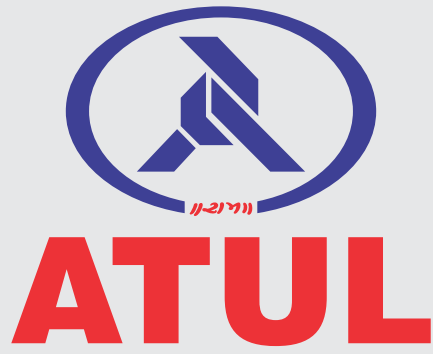
- (i) Names of associates or joint ventures which are yet to commence operations –Not Applicable
- (ii) Names of associates or joint ventures which have been liquidated or sold during the year -Not Applicable
- (iii) The Company do not have any Associates or Joint Venture.

Jayantibhai J Chandra
Chairman and Managing Director
DIN : 00057722

Mahendra J Patel
Whole-time Director & CFO
DIN : 00057735

Paras Viramgama
Company Secretary &
Compliance Officer

Signed at Bhayla (Dist. Ahmedabad) on May 20, 2023



ATUL AUTO LIMITED

CIN: L54100GJ1986PLC016999

Survey No. 86. Plot No. 1-4, 8B National Highway, Nr. Microwave Tower, Shapar (Veraval), Dist. Rajkot, Gujarat, India 360024

T: +91 2827 235500 | Email: investorrelations@atulauto.co.in

Web: www.atulauto.co.in | Customer Care No. +91 63 57 399799