



September 04, 2021

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 2020-21 ALONG WITH NOTICE OF THIRTY THIRD ANNUAL GENERAL MEETING TO BE HELD ON SEPTEMBER 28, 2021

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements), 2015, we are submitting here with the Annual Report for the Financial Year 2020-21 of Atul Auto Limited ("the Company") along with Notice of the 33rd Annual General Meeting of the Company scheduled to be held on Tuesday, September 28, 2021 at 03.30 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, 2021 and are being sent to the shareholders through electronic mode on their registered e-mail addresses and are also available on the website of the Company at www.atulauto.co.in.

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

BUILDING POSSIBILITIES

ATUL AUTO LIMITED
ANNUAL REPORT 2020-21



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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.



CHAIRMAN'S LETTER



Dear Shareholders,

We are in the midst of unprecedented times due to the continued spread of COVID-19 pandemic all over the world. I would like to offer my sincere condolences to all who have suffered untimely bereavements and also salute the valor of all front-line workers and doctors who have continued to help us get through the tough times. I hope each of you along with your family members are getting vaccinated and continue to adhere to the various guidelines and are taking all necessary precautions.

Year FY 2021 has been the toughest for the automobile industry while the Indian Automobile industry closed with an overall decline of 13.6 percent. In March 2021, we were quite optimistic about the outlook for FY2021. The suddenness and ferocity of the second wave of the pandemic was a surprise to all, and led to lockdowns and restrictions in most parts of the country.

The COVID-19 pandemic took a heavy toll last year. The lack of any precedent or an adequate understanding of all the aspects of the virus, called upon our experts and policy makers to be extremely flexible and innovative in dealing with problems as they arose. I believe that despite our limitations of health infrastructure, we did very well to contain the adverse fall out. Our grateful thanks to all concerned.

Production and sales again dropped and the recovery that had started in the previous quarter suffered a setback. The performance in the next three quarters largely depends on how effectively all our citizens follow the government's advice to get vaccinated and observe safety protocols.

With 64.43 crore Indians Vaccinated (At least 1 dose) we can look ahead at a safer and better future.

Streamlining:

At Atul, we always look ahead while learning and growing from the past experiences. Atul is engineering the engine that will chart the future of the 3- wheeler

industry towards a brighter and better future. Other than upgrading our manufacturing facilities to comply with BS VI norms we have started on a journey to be a zero-emission society.

We now focus on creating the largest fleet of CNG variants which will help map the path towards less emission society.

The Electric Revolution

Crossing all the obstacles, we came a long way to building possibilities for the future with new technologies. We are determined to find solutions with our strong Research and Development of modern features for greater comfort and better performance.

After the launch of Elite - Electrical range of vehicles, we are looking at L5 engines which will further help mark greater profits for our customers.

The future at ATUL is blazing towards a new tomorrow of innovation.

Recuperate and bounce back

Even as we face the economic shock of COVID -19 pandemic, we at Atul are focused and looking at a brighter and bigger future. We are guided by our strong values and passion of innovation which pushes us to move forward each day.

We look forward to expanding the range of mid-sized passenger 3 wheelers segment to provide the much-needed last mile connectivity.

I believe in Atul's spirit to always come back stronger.

J J Chandra

Chairman & Managing Director

MANAGEMENT TEAM



Jayantibhai J Chandra
Chairman and Managing Director



Mahendra J Patel
Whole-time Director & CFO



Neeraj J Chandra
Whole-time Director



Vijay K Kedia
Non-Executive Director



Aarti J Juneja
Independent Director



Mohan Jit Walia
Independent Director



Jaichander Swaminathan
Independent Director



Vijay Kumar Goel
Independent Director
w.e.f. 25.08.2020



J V Adhia
President- Accounts & Finance



CORPORATE INFORMATION

AUDIT COMMITTEE

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

NOMINATION AND REMUNERATION COMMITTEE

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

CSR COMMITTEE

Jayantibhai J Chandra, *Chairman*
Aarti J Juneja
Mohan Jit Walia
Vijay Kumar Goel

RISK MANAGEMENT COMMITTEE

Mahendra J Patel
Neeraj J Chandra
Vijay K Kedia

STATUTORY AUDITORS

M/s. Kamlesh Rathod & Associates
Chartered Accountants

COMPANY SECRETARY AND COMPLIANCE OFFICER

Paras J. Viramgama

REGISTERED OFFICE & MANUFACTURING FACILITY

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

REGISTRARS & SHARE TRANSFER AGENT

Link Intime India Private Limited
C101, 247 Park, LBS 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

STOCK EXCHANGES

BSE Limited
Script Code - 531795

National Stock Exchange
of India Limited
Script Symbol - ATULAUTO

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 // **Elite**
ELECTRIC



PASSENGER

ATUL // **Smart**
CARGO - CNG



CARGO

ATUL // **Shakti**
3-WHEELERS
DIESEL CARGO



CARGO



CARGO



CARGO



PASSENGER



CARGO



CARGO



CARGO



PASSENGER 3+1



PASSENGER



PASSENGER



DELIVERY VAN

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.



INTERNATIONAL
presence in
15+ countries
and growing

DOMESTIC
Pan-India
Dealer network

FINANCIAL SCORECARD

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

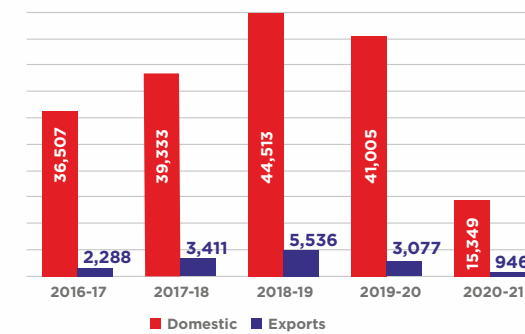
Particulars	2016-17*	2017-18*	2018-19	2019-20	2020-21
No. of vehicles sold	38,795	42,744	50,049	44,082	16,295
Total Revenue	47,779	55,855	67,363	62,848	29,776
Turnover (Net of Excise Duty & GST)	47,220	55,122	66,135	61,751	29,027
Profit before tax (PBT)	5,610	6,943	8,195	6,703	(1,320)
Profit before tax (%)	11.88%	12.60%	12.39%	10.85%	-4.55%
Profit after tax (PAT)	3,705	4,619	5,312	5,239	(1,020)
Net Profit Ratio	7.85%	8.38%	8.03%	8.48%	-3.51%
EBITDA	6,196	7,512	8,835	7,446	(576)
EBITDA Margin (%)	13.04%	13.51%	13.25%	11.91%	-1.95%
Paid up Share Capital (Equity)	1,097	1,097	1,097	1,097	1,097
Free Reserves & Surplus	17,327	20,842	24,763	29,228	28,226
Debt	-	-	-	-	1,500
Equity / Shareholders' Fund	18,425	21,939	25,860	30,325	29,323
Earnings per Share (Face Value Rs. 5/-)	16.88	21.05	24.21	23.88	(4.65)
Dividend %	85%	105%	80%	30%	-
Dividend Payout Ratio	30.08%	30.04%	19.92%	7.57%	--
Market Capitalization	102,464	96,813	74,596	30,578	39,223
No of vehicles manufactured	38,981	42,660	50,153	43,408	16,432
+Capacity Utilisation	64.96%	71.10%	83.59%	72.35%	27.39%

+ Installed Capacity: 60,000 Vehicles Per Annum

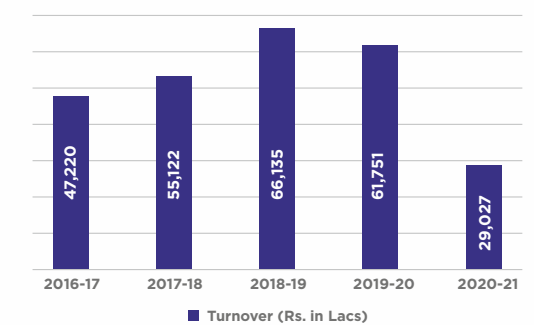
*Total revenue for the periods prior to GST implementation have been adjusted suitably for Excise duty on sale of goods, to enable comparability of Revenue for these periods. Hence these figures are not strictly comparable.

KEY TRENDS

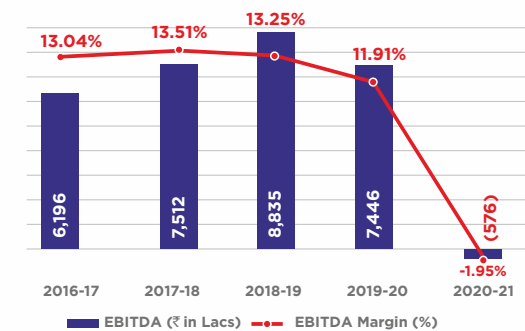
No. of Vehicles sold



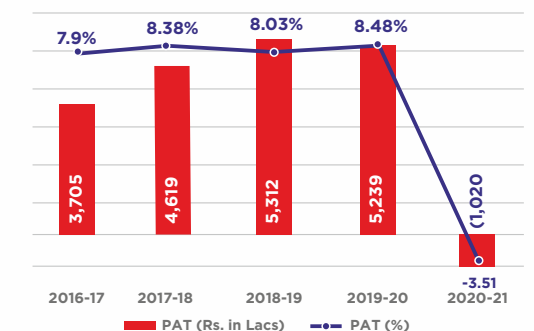
Turnover



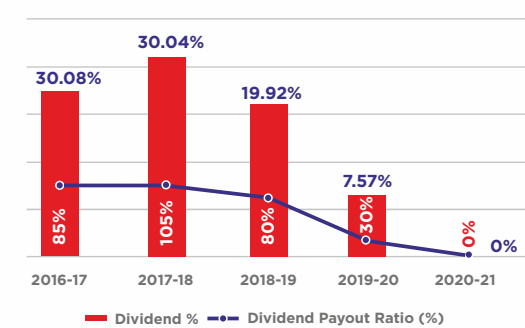
EBITDA



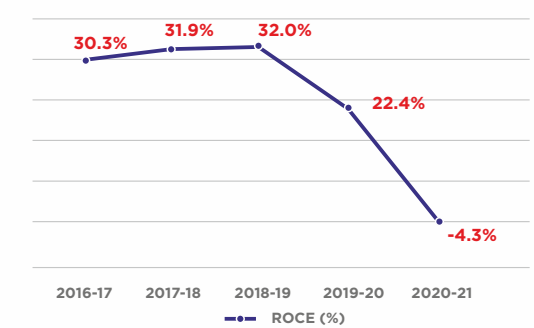
Profit After Tax



Dividend



ROCE



MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMY DURING FISCAL 2021

Global

FY 2020-21 has been an unprecedented year, with the COVID-19 pandemic impacting human life extensively across the globe. Its impact on the economic front, too, has been significant. The slowdown across economies witnessed in late 2019 exacerbated further in 2020 due to the shock delivered by the pandemic. As a result, the global GDP is believed to have contracted by ~3.2% in 2020, with all major economies moving into negative territory. China was the only exception amongst the major economies to have posted a positive growth in 2020, albeit at a much lower rate of 2.3%.

Moreover, the worldwide inoculation drive has fostered hopes of a new beginning that has the potential to successfully curb the spread of the pandemic. However, caution prevails due to the resurgence of new variants of the corona virus in various countries. Additional stimulus and government support across the globe is likely to push the recovery closer, as witnessed in the Q3 GDP numbers, however the entire Q4 was again affected by new strains of the corona virus leading to another wave in many countries of the world.

The global economy is projected to grow 6.0 percent in 2021 and 4.9 percent in 2022. The prospects of a global economic revival still remain uncertain due to the emergence of new corona virus strains in different parts of the world. However, the vaccination drive along with government support remains the key to navigate through these trying times.

Many emerging and developing economies were already experiencing weaker growth before this crisis, the shock of COVID-19 now makes the challenges these economies face even harder.

Indian

The Indian economy too witnessed similar stress, with the nationwide lockdown from end March 2020 bringing business activities to a standstill for the major part of April and May 2020. According to the National Statistical Office ("NSO"), India's GDP is estimated to contract by 7.3% in FY 2020-21, which is less than the earlier estimates of an 8% drop. An accommodative monetary policy from the Reserve Bank of India (RBI) and fiscal policy interventions by the central government, coupled with the gradual reopening of the economic activities from June 2020, have led to a sequential recovery in economic output. India's real GDP clocked a 0.4% growth in the October-December 2020 quarter on a year-on-year basis after a sharp fall in the first two quarters of FY 2020-21. However, the recovery is largely centered around the formal part of the economy. The informal players, especially the Micro, Small and Medium-sized Enterprises (MSMEs) in many industries have taken a disproportionately large hit. Inflation picked up over the year, despite the pandemic, primarily led by food inflation and higher fuel taxes. On the exchange rate front, post the initial bout of depreciation

in the Indian currency in the beginning of the financial year, the currency has been relatively well supported on account of robust portfolio inflows in the economy as well as a better current account position.

India has been severely affected by a second wave of the COVID-19 and hospitals in several states were under the shortage of health workers, vaccines, oxygen, medicines and beds. Several states have introduced varying levels of curbs on economic activity and public movement to stop the spread of the virus. The respective state governments have imposed restrictions as they were witnessing surges in the COVID-19 cases. Hence, we have witnessed weaker first quarter in FY 2021-22 on account of supply disruptions and COVID-19 pandemic in India as well as globe. We expect gradual sequential recovery as supply chain and COVID-19 situations improve.

AUTO INDUSTRY

Financial Year 2020-21 was a very challenging year for the Indian auto industry. The industry could produce a total 2,26,52,108 vehicles clubbing all segments i.e. Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers and Quadricycles as against 2,63,53,293 in FY 2019-20 and 3,09,14,874 in FY 2018-19, registering a de-growth of (-) 14.04 percent over the same period last year and (-) 26.73 percent over FY 2018-19.

Among this, three wheeler industry was the worst hit, which is explained in details as per below data of domestic market and international market:

Domestic Market

Three wheeler industry was worst hit by COVID-19. In FY 2021 intra and inter-city movements were significantly curtailed and buyers kept three-wheeler purchases in abeyance. Consequently, industry-wide domestic sale of three-wheelers crashed by 66% from 6,37,065 units to 2,16,197 units.

In this challenging industry situation, Atul sold 15,349 three wheelers in domestic market in FY 2021 against 40,711 units last year. Among this, the sales of passenger and cargo three wheelers de-grew by (-) 53.31% and (-) 71.51 % respectively whereas E-Rickshaw sales grew by 14.41%.

International Market

The international market for three wheeler industry showed de-growth of (-) 21.67% in FY 2021, in compare to FY 2020. Indian exports of three wheeler decreased from 5,01,651 in FY 2020 to 3,92,941 in FY 2021. This downfall was on account of global growth decelerated markedly in FY 2021 with continued weakness in global trade and investment due to wide spread impact of COVID-19 pandemic. Not only advanced economies, but Emerging Markets and Developing Economies also felt the jerk, which are the potential markets for three wheeler industry.

Atul's export declined sharply from 3371 vehicles in FY

2020 to 946 vehicles in FY 2021. This de-growth of (-) 71.94% is due to weak international demand due to COVID-19 throughout the year and supply-chain disruption. The Company continues its efforts to grow on-ground presence, to expand product portfolio and strengthen brand in key international markets.

RESEARCH AND DEVELOPMENT

Though the year was troubling through the impact of COVID-19, 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 launched its new version of Atul Rik Alternate Fuel Three Wheelers with 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 steadily 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 launched its new range of Alternate Fuel 3W Atul Rik starting with the selected markets which is considered as best in class in terms of comfort and economy in 0.35 ton passenger segment.

Electric Vehicles (EV)

Backed with the rich experience in the three wheeler industry, the Company understands the need of the day, value of environment and importance of sustainability. The Board considers the introduction of Green 3 Wheeler 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 rising fuel costs, the Boards believes in bright future of electric three wheeler and necessary developments are going into this segment. The Company has a set plan to develop Lithium-ion Battery Packs from its Wholly Owned Subsidiary. All together new model with upgraded features is under development to be powered with Lithium-ion Battery, which will be able to compete conventional 3 wheelers and will carry distinct advantages like low operating cost, less charging time and comfort for passengers.

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.

FY 2021 was the difficult year for the auto industry and FY 2022 seems more challenging one due to lockdowns

and uncertainties arising from second wave of COVID-19. The COVID-19 pandemic is causing paradigm shifts in consumer behaviour affecting many industries including the automobile Industry. Social distancing norms followed across the globe due to COVID-19, could become the new normal. People may move away from use of shared/ public transport solutions. This changed preference would lead to enhanced need for a separate mobility solution like three wheeler automobiles than travelling by local train/ buses.

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 have electric three wheeler with Lithium-ion battery.

With new range of Alternate Fuel 3W (Petrol/ CNG/LPG) and recovery of economic activities in the world amongst COVID-19 pandemic, the Company expect to have deeper penetration in existing markets and entering into new countries to expand the international business.

RISKS AND CONCERNS

Uncertainty that rules the whole world in this health crisis put by COVID-19 and its possible waves. Though the Company's business is exposed to many internal and external risks, the risk posed by COVID-19 is so heavier that the Company as well as industry is strategically finding the ways to mitigate adverse results of it.

The state-led lockdowns that began in the first quarter of FY 2022 to contain the spread of second wave of corona virus stand still the economic activities in the Country. This resulted in very significant business in first quarter of the year which has a risk of negative growth in FY 2022.

The hit of COVID-19 and specifically its second wave on low income group families are very severe who the actual buyers of three wheeler automobiles are. They are more worried on satisfying their day to day needs. This may lead them to conserve cash and may delay their buying decisions of new vehicle.

Dealers of the Company are facing working capital stress since the cycle of retail sales are increased due to demand constraint. The Company provides the necessary support and consultation to secure the availability of dealer finance and minimize the risk. The results of measures taken by Government and RBI for enhancing availability of credit may help the dealers in managing working capital.

While more than 90% sales of three wheelers are dependent on finance by NBFCs & financial institutes like bank etc., the availability of retail finance has become the major concern. Right from the lockdown was declared in the last fortnight of March 2020, the collection cycle has been disturbed. On the other hand, the collection of existing loans by financiers is very insignificant due to moratorium announced by RBI as part of measures to revive the business activities in COVID-19 pandemic and the impact of second wave of COVID-19 on the income of

the borrowers. The financiers will be highly selective for disbursal of fresh loan and would be more focused on collection of their existing portfolio. This would result in higher cost of finance in the form of higher interest rate to the customers and less availability of the loans. The global commodity and crude oil prices have seen a massive surge recently stoking fears of rising inflation. The rise in prices comes amid an increase in COVID cases and restricted economic activity. It reverses the gains in margins accrued to the industry in the past few years from benign commodity and energy prices. The Company has initiated various measures to mitigate the above risks including realigning the cost structure in line with the scale of activities, limited credit sales, getting retail finance support through KAFL etc., With existing expertise-experience in the three wheeler business, robust management, minimum debt, sufficient finance availability, the Company is equipped to pass through the challenging year.

OUTLOOK

In FY 2021, the pandemic and lockdown resulted in de-growth of the Indian economy for the first time in 41 years. In H2FY21,the economy saw a sharp revival due to gradual re-openingand pent-up demand for personal vehicles. But the three wheeler industry was exception to it. In April 2021 we have witnessed a second COVID-19 wave spreading across the country resulting in localised lockdowns. This has resulted in temporary slowdown in the economy; and it is hoped that it will revive from Q2 FY 2022.

The following factors will significantly impact demand in FY 2022:

- (i) Policies by the Government to boost consumption
- (ii) Availability and affordability of finance
- (iii)Sentiment in rural economy - driven by Agri incomes
- (iv)Aggressive government push for infrastructure led growth

As the uncertainty prevails in this extra-ordinary time, it is difficult to predict the performance of the industry or the Company for upcoming year/s. The Company has been an 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 eying over the opening up of economies where the spread of COVID-19 is on decreasing line to expand the international business.

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.

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 work force 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 31,2021, then number of employees working with the Company was 809 excluding contractual labour. As part of cost optimisation in line with the scale of operations on account of COVID-19 pandemic, the Company has taken steps that also include the reduction in manpower and remuneration of employees including executive directors. The Company continuously maintain good industrial relations without any disruptions at work.

COMPANY'S OPERATIONAL PERFORMANCE

FY 2021 remains the challenging one for the economy, industry as well as for the Company. The details of company's financial performance vis-a-vis operational performance during the financial year ended March 31, 2021 are as under:

- The Company sold 16,295 vehicles in FY 2021 in compare to last year figure of 44,082 vehicles. Out of this, 946 vehicles sold in international market in compared to 3371 vehicles last year.
- The ratio of cargo, passenger and E-Rickshaw to total number of three wheelers sold during FY 2021 were 50%, 45% and 5% respectively.
- The income from operations declined to Rs.29,590 Lacs in FY 2020-21 compared to Rs.62,534 Lacs last year. The Income from operations consists of Vehicle Sales Turn over in export of Rs.1,386 Lacs.
- EBITDA margin for the year is (-) 1.95% which was 11.91% during last financial year.
- Average Sales Realization P/Vehicle has gone up to Rs.1,63,506/-, increased by 22% on account of price hike due to introduction of BS VI vehicles.
- Material cost in FY 2021 stood at Rs.23,919 Lacs in compare to Rs.45,088 Lacs in last year.
- Employee benefits expenses reduced to Rs.3,773 Lacs in FY 2021 as compared to Rs.5,455 Lacs last year. The Company was forced to save the employee cost through manpower count reduction and decrease in remuneration of employees
- Finance cost decreased to Rs.88 Lacs in FY 2021 from Rs.103 Lacs in FY 2020.
- Product Development Charges decreased to Rs.186 Lacs this year in compare to Rs.434 Lacs last year.
- Net loss for the year is Rs.1,020 Lacs as against profit of Rs.5,239 Lacs during last financial year.

KEY FINANCIAL RATIOS

The key financial ratios of the Company are as under:

PARTICULARS	2020-21	2019-20	REMARKS
Debtors Turnover (Days)	29	34	- -
Inventory Turnover (Days)	62	31	Lower turnover due to COVID related lockdown/ disruptions and increase in overall value of inventory
Interest Coverage Ratio (Times)	-35.30	-	The Company was debt free in previous year.
Debt Equity Ratio	0.05	-	The Company was debt free in previous year.
Current Ratio (Times)	1.54	1.98	- -
Operating Profit Margin (%)	-3.92	8.00	Decrease in sales due to COVID related lockdown/disruptions
Net Profit Margin (%)	-3.45	8.38	
Return on Net Worth (%)	-3.48	17.28	

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 relianceon\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 entirely by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Atul Auto Limited's Annual Report FY 2021.

NOTICE OF THIRTY THIRD ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Third Annual General Meeting (AGM) of Members of Atul Auto Limited (CIN: L54100GJ1986PLC016999) will be held on Tuesday, September 28, 2021 at 03.30 pm (IST) through Video Conference ("VC")/ Other Audio Visual Means ("OAVM") facility, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2021 together with Board's Report thereon and Auditors' Reports thereto.
2. To appoint a Director in place of Mr. Neeraj J Chandra (DIN: 00065159) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Re-appointment of Ms. Aarti J Juneja (DIN: 06872059) 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 and 152 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 the 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), Ms. Aarti J Juneja (DIN: 06872059) who holds office as an Independent Director upto February 08, 2022, who being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 3 (three) years upto February 08, 2025.

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorized 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."

4. Re-appointment of Mr. Jayantibhai J Chandra (DIN: 00057722) as Chairman and Managing Director

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with schedule V and other applicable provisions of the Companies Act,

2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), as well as provisions contained in Articles of Association of the Company, the approval of members of the Company be and is hereby accorded to re-appointment of Mr. Jayantibhai J Chandra (DIN: 00057722) as Chairman and Managing Director, for a period of 5 (five) years from the expiry of his present term of office i.e. with effect from April 01, 2022 to March 31, 2027 with current remuneration and terms as set out in the statement annexed to the notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/ or remuneration in compliance with the provisions of the Act in such manner and within the limits as prescribed in Schedule V to the Act including any amendment, modification, variation or re-enactment there of which will be subject to necessary approval/s."

"RESOLVED FURTHER THAT in the event of any loss, absence or inadequacy of the profits of the Company in any financial year, during the term of office of Mr. Jayantibhai J Chandra (DIN: 00057722), the above referred remuneration shall be paid to him as minimum remuneration in compliance with provisions mentioned in Schedule V to the Act."

"RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered 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. Re-appointment of Mr. Mahendra J Patel (DIN: 00057735) as Whole-time Director & CFO

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), as well as provisions contained in Articles of Association of the Company, the approval of members of the Company be and is hereby accorded to re-appointment of Mr. Mahendra J Patel (DIN: 00057735) as Whole-time Director & CFO, for a

period of 5 (five) years from the expiry of his present term of office i.e. with effect from April 01, 2022 to March 31, 2027 with current remuneration and terms as set out in the statement annexed to the notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/ or remuneration in compliance with the provisions of the Act in such manner and within the limits as prescribed in Schedule V to the Act including any amendment, modification, variation or re-enactment there of which will be subject to necessary approval/s."

"RESOLVED FURTHER THAT in the event of any loss, absence or inadequacy of the profits of the Company in any financial year, during the term of office of Mr. Mahendra J Patel (DIN: 00057735), the above referred remuneration shall be paid to him as minimum remuneration in compliance with provisions mentioned in Schedule V to the Act."

"RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

By order of the Board of Directors of
Atul Auto Limited

(Paras J Viramgama)
Company Secretary & Compliance Officer

Shapar (Dist. Rajkot)
August 07, 2021

NOTES:

1. The Ministry of Corporate Affairs ("MCA") vide circular no. 20/2020 dated May 05, 2020 read with circular No. 14/2020 dated April 08, 2020, circular No. 17/2020 dated April 13, 2020 and 02/2021 dated January 13, 2021 (collectively referred to as 'MCA Circulars'), inter alia, permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), 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 InstaMEET platform of Link Intime India Private Limited ("Link Intime") 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 Link Intime 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 21, 2021 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 Friday, September 24, 2021 and will end at 5.00 PM (IST) on Monday, September 27, 2021. The remote e-voting module shall be disabled by Link Intime for voting thereafter.

3. The deemed venue for thirty third AGM shall be the registered office of the Company 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 Companies Act, 2013 (the "Act"), in respect of businesses to be transacted at AGM, as set out under Item No(s). 3 to 5 above along with the relevant details of the Directors as mentioned under Item No(s). 3 to 5 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). 3 to 5 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 Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 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 22, 2021 to September 28, 2021 (both days inclusive) for the purpose of AGM.
11. At the 29th AGM of the Company held on September 29, 2017, the Members approved the appointment of M/s. Kamlesh Rathod & Associates, Chartered Accountants, Jamnagar (ICAI Firm Registration Number 117930W) as Statutory Auditors of the Company to hold office from the conclusion of the said Meeting till the conclusion of the 34th Annual General Meeting, subject to ratification of their appointment by the Members at every intervening AGM held thereafter. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the

Companies (Amendment) Act, 2017 with effect from May 07, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this AGM.

12. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020 and January 15, 2021, Notice of the AGM along with the Annual Report 2020-21 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 2020-21 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 and on the website of InstaVOTE at <https://instavote.linkintime.co.in>. The Company's web-link as mentioned above will also be provided in advertisement being published in The Indian Express (English Language) and Financial Express (Gujarati Language).
13. 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.
14. 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 26, 2021. 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.
15. Member may also send their query in writing to investorrelations@atulauto.co.in on or before September 26, 2021, 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.
16. 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 26, 2021 through email on investorrelations@atulauto.co.in. The same will be replied by the Company suitably.
17. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received

for transmission or transposition of securities. 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.

18. 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.
19. 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.
20. Members holding shares in single name are advised to make a nomination in respect of their shareholding in the Company. Members holding shares in physical form should file their nomination with the Company or RTA in Form SH-13 (A copy is available on RTA's website www.linkintime.co.in), whilst those Members holding shares in demat mode should file their nomination with their Depository Participant.
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 for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
22. In terms of section 124(5) of the Act, the dividend amount remaining unclaimed for a period of 7 (seven) 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>

23. The Board of Directors has appointed Mr. Bunty Hudda (Membership No. A31507, COP No. 11560), Practicing Company Secretary as the Scrutinizer to scrutinize e-voting process in a fair and transparent manner.
24. 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 www.atulauto.co.in and the website of Link Intime at <https://instavote.linkintime.co.in> 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.
25. For more details on shareholders' matters, please refer to the chapter on General Shareholder Information, included in the Annual Report.
26. Instructions for e-voting and attending the AGM through VC/ OAVM are annexed to this Notice.

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

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

Shapar (Dist. Rajkot)
August 07, 2021

INSTRUCTIONS IN RESPECT TO E-VOTING

Remote e-Voting Instructions for shareholders

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.

Individual demat account holders would be able to cast their vote without having to register again with the e-

Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	- If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. - After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. - If the user is 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 hold 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	- Existing user who have opted for Easi/ Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. - After successful login of Easi/ Easiest, the user will also be able to see the E-Voting Menu. The Menu will have links of e-Voting service provider LINK NTIME to cast your vote. - If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration - Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective E-voting Service Provider (ESP) where the E-Voting is in progress.

Type of shareholders	Login Method
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. - Once login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME.	- Open the internet browser and launch the URL: https://instavote.linkintime.co.in - Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. C. DOB/DOI: Enter the Date of Birth (DOB)/ Date of Incorporation (DOI) (As recorded with your DP/ Company - in DD/MM/YYYY format) OR D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. - Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above - Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%*), at least one numeral, at least one alphabet and at least one capital letter). - Click “confirm” (Your password is now generated). - Click on 'Login' under 'SHARE HOLDER' tab. - Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'. - After successful login, you will be able to see the notification for e-voting. Select 'View' icon. - E-voting page will appear. - Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). - After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Institutional Shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of Link Intime at <https://instavote.linkintime.co.in> and register themselves as 'Custodian/ Mutual Fund/ Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution/ authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian/ Mutual Fund/ Corporate Body' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & e-voting service Provider is Link Intime, have forgotten the password

- Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/ members is having valid email address, password will be sent to his/ her registered e-mail address.

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 toll free no.: 1800 1020 990 and 1800 22 44 30
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 022-23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & e-voting service Provider is Link Intime

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to investorrelations@atulauto.co.in

INSTRUCTIONS FOR VIDEO CONFERENCE ("VC")/ OTHER AUDIO VISUAL MEANS ("OAVM") FACILITY

The facility of joining AGM through VC/ OAVM will be open 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting. The facility of participation at the AGM through electronic mode will be made available for 1000

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
 - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
 - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

members on first come first served basis. It may be noted that the large Shareholders (i.e. Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors are allowed to attend the AGM without restriction on account of first come first served basis.

Process and manner for attending the Annual General Meeting through InstaMeet:

- Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>
- Select the "Company" and 'Event Date' and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No:

- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
- Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
- Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN). Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.
- Click "Go to Meeting" (You are now registered for Insta Meet and your attendance is marked for the meeting)

For a smooth experience of AGM proceedings, shareholders are requested to download and install the Webex application in advance on the device that you would be using to attend the meeting by clicking on the link <https://www.webex.com/downloads>. Shareholders also have an option to click on the URL provided to attend the meeting through browser. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

- (a) Shareholders who would like to speak during the meeting must register their request on or before September 26, 2021 with the company on email id investorrelations@atulauto.co.in.
- (b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
- (c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
- (d) Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
- (e) Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
- (f) Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

- (a) On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
- (b) Enter your 16 digit Demat Account No./ Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
- (c) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- (d) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- (e) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- (f) Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Other Instructions:

- Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.
- Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
- Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on Tel: 022-49186175.

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

Item No. 3:

Ms. Aarti J Juneja has been appointed as Independent Director of the Company at Thirty First Annual General Meeting of the Company for a first term of 3 (Three) years from February 09, 2019 and this term expires on February 08, 2022.

Considering the performance and contribution of Ms. Juneja during her first term as Independent Director, the Nomination and Remuneration Committee has recommended the Board to re-appoint her for a second term of three years i.e. upto February 08, 2025. The Board of Directors at its meeting held on June 25, 2021 agreed to re-appoint her for three years as per recommendation of the Nomination and Remuneration Committee subject to approval of shareholders in AGM by passing special resolution as required under section 149(10) of the Companies Act, 2013.

Ms. Juneja is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has received a declaration from Ms. Juneja that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the SEBI Listing Regulations. In the opinion of the Board, she fulfills the conditions for her re-appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations. She is independent of the management and possesses appropriate skills, experience and knowledge.

The details of Ms. Juneja are provided in the “Annexure” to the Notice pursuant to the provisions of the Listing Regulations and the Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

The copy of draft letter of appointment setting out the terms and conditions of her appointment is made available for inspection by the members at the registered office of the Company.

None of the Directors/ Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the members.

Item No. 4:

Mr. Jayantibhai J Chandra, aged 64 years, Chairman and Managing Director of the Company is one of the promoters of the Company and is associated with the Company since its inception. Mr. J J Chandra has,

through his foresight and visionary approach, coupled with sound understanding of the automobile industry, has led the Company to the path of growth.

Shareholders at Thirtieth Annual General Meeting of the Company on September 28, 2018 re-appointed Mr. J J Chandra as Chairman and Managing Director for a period of three years which expires on March 31, 2022. The Board of Directors of the Company at its meeting held on June 25, 2021 on the recommendation/ approval of Nomination and Remuneration Committee, reappoints him as Chairman and Managing Director of the Company for a period of five years from April 01, 2022 on the current remuneration mentioned herein below, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Act or any statutory amendment or relaxation thereof.

Current Remuneration and other terms:

His current remuneration is Rs.1,60,92,000/- per annum including Provident Fund, Super Annulation etc. i.e. Cost To Company basis (He has voluntarily forgone his fifty per cent of remuneration with effect from June 01, 2020 to June 30, 2021 on account of COVID-19 pandemic). In addition to it, he is also entitled to yearly premium of health insurance of himself and his family members upto Rs.40,000/- and yearly premium for personal accident cover upto Rs.30,000/- as part of Company policy. He will not be paid any performance linked incentives or stock option.

The Company or the appointee is required to serve the notice period of three months. No severance fees is payable.

The Explanatory Statement may be considered as a written Memorandum setting out terms, conditions and limits of remuneration of Mr. J J Chandra in terms of section 190 of the Act.

The disclosure required under Schedule V to the Companies Act, 2013 are as under:

I. General Information:

(i) Nature of Industry

The Company is in the business of manufacturing and sales of three wheeler automobiles through authorized network of dealers across India and overseas.

(ii) Date or expected date of commencement of commercial production

The Company is incorporated on June 18, 1986 and already commenced its commercial production.

(iii) Financial performance based on given indicators

Financial performance of the Company for financial year 2020-21 is as under:

Particulars	Rs. (In Lacs)
Turnover	29,027
Net Profit/ Loss after Tax	-1,020
Net Profit/ Loss After Tax calculateds per Section 198 of the Companies Act, 2013	-1,326
Shareholders' Fund as on March 31, 2021	29,323

(iv) Foreign investments or collaborations, if any - None

II. Information about the appointee:

(i) Background details

Please refer brief profile as mentioned above.

(ii) Past remuneration

His remuneration as approved by the shareholders were as under:

Rs.1,39,92,000/- per annum (CTC) from June 01, 2018

Rs.1,60,92,000/- per annum (CTC) from June 01, 2019

As he has voluntarily forgone his fifty per cent remuneration from June 01, 2020 to June 30, 2021, he was paid remuneration of Rs.84,29,194/- during FY 2020-21.

(iii) Recognition or awards - Awarded as “Saurashtra Ratna” by Mr. Vijay Rupani, Honourable Chief Minister of Gujarat

(iv) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The remuneration being offered to Mr. J J Chandra is commensurate with the job profile, position and the remuneration being offered to the persons with such profile in similar size of the Company in the Industry.

(v) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any

Mr. J J Chandra is father of Mr. Neeraj Chandra, Whole-time Director of the Company. He belongs to promoter group of the Company. Besides this, he does not have any pecuniary relationship directly or indirectly with the Company.

III. Other Information

(i) Reasons of loss or inadequate profits

The Company has/ may have inadequate profit to pay the remuneration to managerial personnel of the Company due to negative impact of COVID-19 pandemic on demand of the products of the Company. The profit of the Company may be

inadequate or may incur loss on account of slow demand in coming year(s) due to COVID-19 pandemic.

(ii) Steps taken or proposed to be taken for improvement

The cut in demand of products of the Company is due to overall slowdown in three wheeler industry sales and sluggish demand due to COVID-19 pandemic. Hence, the Company expects that the situation will improve with improvement in the affected factors as mentioned.

(iii) Expected increase in productivity and profits in measurable terms

Not measurable as of now.

IV. Other Disclosures

The information and disclosures of the remuneration package and other details of the Directors required to be disclosed as per Schedule - V to the Act have been disclosed in the Report on Corporate Governance in this Annual report.

Mr. J J Chandra satisfies all the conditions set out in Part-I of Schedule V to the Act and under section 196(3) of the Act for being eligible for this appointment. He is not disqualified from being appointed as Director in terms of section 164 of the Act. He is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (“SEBI”) or any other authority.

A special resolution is proposed to be passed for payment of remuneration as per item (A) or item (B) of schedule V at the general meeting of the company for a period not exceeding three years.

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.

Save and except Mr. J J Chandra, and his relatives to the extent of their shareholding interest, if any, in the Company and Mr. Neeraj Chandra being son of Mr. J J Chandra, none of the other Directors, Key Managerial Personnel (“KMP”) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval of the Members.

Item No. 5:

Mr. Mahendra J Patel, aged 57 years, Whole-time Director & CFO of the Company has been associated with the Company since long. Mr. M J Patel is the key person in managing financial matters of the Company. He is also supervising the production facility of the Company and has great management skill. The

Company has benefited a lot from the expertise and vision of Mr. M J Patel.

Shareholders at Thirtieth Annual General Meeting of the Company on September 28, 2018 re-appointed Mr. M J Patel as Whole-time Director & CFO for a period of three years which expires on March 31, 2022. The Board of Directors of the Company at its meeting held on June 25, 2021 on the recommendation/ approval of Nomination and Remuneration Committee, reappoints Mr. M J Patel as Whole-time Director & CFO of the Company for a period of five years from April 01, 2022 on the current remuneration mentioned herein below, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Act or any statutory amendment or relaxation thereof.

Current Remuneration and other terms:

His current remuneration is Rs.1,39,68,000/- per annum including Provident Fund, Super Annulation etc. i.e. Cost To Company basis (He has voluntarily forgone his fifty per cent of remuneration with effect from June 01, 2020 to June 30, 2021 on account of COVID-19 pandemic). In addition to it, he is also entitled to yearly premium of health insurance of himself and his family members upto Rs.40,000/- and yearly premium for personal accident cover upto Rs.30,000/- as part of Company policy. He will not be paid any performance linked incentives or stock option.

The Company or the appointee is required to serve the notice period of three months. No severance fees is payable.

The Explanatory Statement may be considered as a written Memorandum setting out terms, conditions and limits of remuneration of Mr. M J Patel in terms of section 190 of the Act.

The disclosure required under Schedule V to the Companies Act, 2013 are as under:

I. General Information:

(i) Nature of Industry

The Company is in the business of manufacturing and sales of three wheeler automobiles through authorized network of dealers across India and overseas.

(ii) Date or expected date of commencement of commercial production

The Company is incorporated on June 18, 1986 and commenced its commercial production.

(iii) Financial performance based on given indicators Financial performance of the Company for financial year 2020-21 is as under:

Particulars	Rs. (In Lacs)
Turnover	29,027
Net Profit/ Loss after Tax	-1,020
Net Profit/ Loss After Tax calculateds per Section 198 of the Companies Act, 2013	-1,326
Shareholders' Fund as on March 31, 2021	29,323

(iv) Foreign investments or collaborations, if any - None

II. Information about the appointee:

(i) Background details

Please refer brief profile as mentioned above.

(ii) Past remuneration

His remuneration as approved by the shareholders were as under:

Rs.1,21,44,000/- per annum (CTC) from June 01, 2018

Rs.1,39,68,000/- per annum (CTC) from June 01, 2019

As he has voluntarily forgone his fifty per cent remuneration from June 01, 2020 to June 30, 2021, he was paid remuneration of Rs.73,19,101/- during FY 2020-21.

(iii) Recognition or awards - Nil

(iv) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The remuneration being offered to Mr. M J Patel is commensurate with the job profile, position and the remuneration being offered to the persons with such profile in similar size of the Company in the Industry.

(v) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Nil

III. Other Information

(i) Reasons of loss or inadequate profits

The Company has/ may have inadequate profit to pay the remuneration to managerial personnel of the Company due to negative impact of COVID-19 pandemic on demand of the products of the Company. The profit of the Company may be inadequate or may incur loss on account of slow demand in coming year(s) due to COVID-19 pandemic.

(ii) Steps taken or proposed to be taken for improvement

The cut in demand of products of the Company is due to overall slowdown in three wheeler industry sales and sluggish demand due to COVID-19

pandemic. Hence, the Company expects that the situation will improve with improvement in the affected factors as mentioned.

(iii) Expected increase in productivity and profits in measurable terms

Not measurable as of now.

IV. Other Disclosures

The information and disclosures of the remuneration package and other details of the Directors required to be disclosed as per Schedule - V to the Act have been disclosed in the Report on Corporate Governance in this Annual report.

Mr. M J Patel satisfies all the conditions set out in Part-I of Schedule V to the Act and under section 196(3) of the Act for being eligible for this appointment. He is not disqualified from being appointed as Director in terms of section 164 of the Act. He is not debarred from holding the office of Director pursuant to any Order issued by the

Securities and Exchange Board of India ("SEBI") or any other authority.

A special resolution is proposed to be passed for payment of remuneration as per item (A) or item (B) of schedule V at the general meeting of the company for a period not exceeding three years.

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.

Except Mr. M J Patel, being the proposed beneficiary, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval of the Members.

PROFILE OF DIRECTORS BEING APPOINTED/ RE-APPOINTED

Name of Director	Neeraj J Chandra	Aarti J Juneja	Jayantibhai Chandra	Mahendra Patel
DIN	00065159	06872059	00057722	00057735
Date of Birth	27/05/1979	11/03/1983	20/10/1956	14/10/1963
Date of Appointment/ Re-appointment	Retiring by rotation at this AGM on 28/09/2021	09/02/2022	18/06/1986	30/11/1994
Brief Profile and Expertise in specific functional Area	Mr. Neeraj Chandra is expert in leading domestic as well as international marketing of three-wheelers of the Company. In addition to three-wheeler industry, he has vast experience in managing business of two-wheeler and four wheeler dealership also.	Ms. Aarti J Juneja has vast experience in the field of finance, risk management, debt market, ECBs, Cross-country investment transactions, trading in currency and interest rates etc.	Mr. 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.	Mr. M J Patel has rich experience of more than 28 years in assembling and production of the three-wheeler automobiles. He is also having an experience in production of sunrise soaps chemicals for three years. He is also expert in managing the financial matters of the Company.
Academic Qualification	Under Graduate	Master in Management Studies (Finance)	Under Graduate	Under Graduate
Name of other Companies in which he holds Directorship*	Nil	Nil	Nil	Nil
Name of other companies in which he holds Chairmanship/ Membership of Committees of Board	Nil	Nil	Nil	Nil
No. of Shares held in Atul Auto Limited	Nil	Nil	13,51,742	2,77,848
Relationship with other directors	Son of Mr. Jayantibhai J Chandra, Chairman and Managing Director	--	Father of Mr. Neeraj J Chandra, Whole-time Director	--

* Details in this regard exclude directorships held in private limited companies which are not subsidiaries or holding companies of public limited companies, unlimited companies, foreign companies, Companies under Section 8 of Companies Act, 2013.

BOARD'S REPORT

Dear Members,

The Board of Directors are pleased to present Thirty Third Annual Report along with the audited financial statements for the financial year ended March 31, 2021.

FINANCIAL RESULTS

The financial performance of the Company on standalone basis for the year ended March 31, 2021 is summarized below: (Rs. in lacs except per share data)

Particulars	2020-21	2019-20
Revenue from Operations	29,590	62,534
Other Income	186	314
Total Income	29,776	62,848
Operating Costs	30,352	55,402
Profit Before Depreciation, Interest, Exceptional Items and Tax (PBDIT)	-576	7,446
Depreciation & Amortization Expense	656	640
Profit before Interest, Exceptional Items and Tax	-1,232	6,806
Interest	88	103
Exceptional Items	-	-
Profit before Tax (PBT)	-1,320	6,703
Tax Expense	-300	1,464
Profit after Tax (PAT)	-1,020	5,239
Other Comprehensive Income	18	-46
Total Comprehensive Income for the period	-1,002	5,193
Opening Balance in Profit and Loss Account	26,603	22,137
Appropriations		
Dividend	-	603
Tax on Dividend (DDT)	-	124
Balance carried to Balance Sheet as Retained Earnings	25,601	26,603
Earnings per Share (Rs.)	-4.65	23.88

FINANCIAL REVIEW AND HIGHLIGHTS

COVID-19 pandemic had hit the economy very hard, automobile industry was among the worst affected industries in financial year 2020-21. The Company could not maintain its performance during the financial year due to sudden drop in the demands of the products. The Company has concentrated on rigours cost restructuring and efficiency improvements during the year. Though this exercise helped the Company to save the significant cost, we could not prevent the balance sheet from the loss in FY 2021. The financial parameters of FY 2021 are as under:

- The Company sold 16,295 vehicles in FY 2020-21 in compare to 44,082 in previous year. Thus, sale of the Company declined by 63.03%.
- The Company has achieved turnover of Rs.29,027

Lacs in FY 2020-21.

- Revenue from operations declined by 52.68% to Rs.29,590 Lacs in FY 2020-21 (Previous year Rs.62,534 Lacs)
- Export revenue of the Company remained Rs.1,333 Lacs (Previous year Rs. 4,048 Lacs)
- Loss before depreciation, interest and tax remained Rs.576 Lacs against the profit of Rs.7,446 Lacs in previous year
- Loss before taxes remained Rs.1,320 Lacs compare to profit before tax of Rs.6,703 Lacs in previous year
- Net loss after tax remained Rs.1,020 Lacs compare to PAT of Rs.5,239 Lacs previous year.

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

DIVIDEND

Considering the uncertainty of cash inflow due to low demand on account of COVID-19 and future need of the fund for operations of the Company, the Board of Directors of the Company does not declare final dividend for the year ended March 31, 2021.

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 2020-21 have been prepared in compliance with applicable Accounting Standards and on the basis of audited financial statements of the Company, its subsidiary and associate company, 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 by the members through online mode by sending an e-mail or at the 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/annual-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.

Khushbu Auto Finance Limited

The Company is having an Associate Company namely, Khushbu Auto Finance Limited ("KAFL"), a Non-Banking Finance Company categorized as Investment and Credit Company (NBFC-ICC), earlier Asset Finance Company (AFC). KAFL is primarily in the business of financing of automobile vehicles. KAFL aggressively provides the finance to the customers of Atul Auto Limited in the

regions where other financiers are not easily available.

During the financial year 2020-21, KAFL disbursed loan of Rs.6,447 Lacs to 2798 customers. The Asset Under Management (AUM) of the Company as on March 31, 2021 was Rs.15,293 Lacs in compare to Rs.14,686 Lacs as on March 31, 2020. During FY 2020-21, the Company has generated operational revenue of Rs.3,380 Lacs in compare to last year of Rs. 3,265 Lacs. KAFL has registered Profit before Tax of Rs.701 Lacs in FY 2020-21 in compare to Rs. 437 Lacs in previous year. The profit after tax increased to Rs.529 Lacs from Rs.320 Lacs in previous year.

KAFL is currently focusing on establishing the network and infrastructure through Direct Branch Operations as well as through Income Distribution Partners (IDPs) and tie-up with Dealers for collection. KAFL has presence in various locations in state of Gujarat, Haryana, Andhra Pradesh, Madhya Pradesh, Punjab, Uttar Pradesh, Kerala and Karnataka through Direct Branch Operations/ IDPs.

Atul Green Automotive Private Limited

Atul Auto Limited is having Wholly Owned Subsidiary namely Atul Green Automotive Private Limited which was incorporated with an object of exploring opportunities in providing e-mobility and green energy.

The Company has incorporated it with the initial investment of Rs.1 Lac share capital on February 12, 2018. At the end of Financial Year 2020-21, the Investment in share capital was Rs.45 Lacs.

Atul Greentech Private Limited

Atul Auto Limited is having another Wholly Owned Subsidiary namely Atul Greentech Private Limited with an objective of manufacturing battery packs, battery management system, battery charger, tools, equipment, fittings, raw material etc. for the purpose of electric vehicles of Atul Auto Limited and various other applications. The Company was incorporated with the initial equity share capital of Rs.1 Lac share capital on January 28, 2020. At the end of Financial Year 2020-21, the Investment in share capital was Rs.500 Lacs to meet with its capital expenditure including remuneration of employee and pre-business operation expenses.

The Company does not have any material subsidiary.

Joint Venture

The Company does not have any joint venture.

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 2020-21.

To get the benefits of synergy, the Audit Committee and Board of Directors of the Company at its respective meetings held on October 30, 2020 have approved to acquire 100% stake in Khushbu Auto Finance Limited, an NBFC arm of the Company by accepting the offer for sell of 70% equity shares from the existing shareholders of KAFL as the Company is already holds 30% stake in KAFL. To acquire these shares, the Company will be investing Rs.44.57 Crore in very short period of time as the required RBI approval has been received on July 29, 2021. As per MOU executed between the Company and promoters of KAFL, the fund of Rs.29.54 Crore will be invested by them in KAFL in the form of Participative Preference Shares within due course of time to increase the capital base of KAFL.

LIQUIDITY

The liquid assets of the Company has remained Rs.1760 Lacs as on March 31, 2021. Moreover, the Company has been sanctioned working capital facilities Rs.1500 Lacs from IDBI Bank; working capital facilities of USD 3.50 Million or equivalent INR which is available to meet the required expenses.

TERM DEBT

The company has been sanctioned a term loan of Rs. 9000 lacs from EXIM Bank, for part financing the green field project at Bhayla, Dist. Ahmedabad from which the company has utilised Rs.1500 lacs as on March 31, 2021.

CAPITAL EXPENDITURE

During financial year 2020-21, the major capital expenditure has been made in plant, building and machineries at Bhayla, Dist. Bavla near Ahmedabad where the construction and installation work has already been initiated before COVID-19 pandemic. The Company has incurred capital expenditure of Rs.3957 Lacs during the year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During financial year 2020-21, Dr. Margie S Parikh (DIN: 07056179) has ceased from Directorship of the Company on account of expiry of her term as Independent Director. The Board has placed on record its deep sense of gratitude and appreciation for her immense contribution, strategic guidance provided during her tenure as an Independent Director and members of various committees of the Company.

To fill this casual vacancy, the Board, on the recommendations of Nomination and Remuneration Committee, appointed Mr. Vijay Kumar Goel (DIN: 05014980) as Additional Independent Directors with effect from August 25, 2020 and he has been regularized

with approval of shareholders at Thirty Second Annual General Meeting (AGM) of Members held on September 29, 2020.

Mr. Neeraj 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 your 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) within the statutory time limit. The Independent Directors are also required to undertake online proficiency self-assessment test conducted by the IICA within a period of 2 (two) year from the date of inclusion of their names in the data bank, unless they meet the criteria specified for exemption. Ms. Aarti Juneja, Mr. Mohan Jit Walia and Dr. Jaichander Swaminathan have cleared the test. Mr. Vijay Goel will be undertaking the said test in due course of time.

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.

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

NUMBERS OF MEETINGS OF BOARD

The Board met six times during financial year 2020-21, 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, 2021:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholders' Relationship Committee
- d. Corporate Social Responsibility 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.

Pursuant to regulation 21(5) of the SEBI Listing Regulations, 2015, the constitution of Risk Management Committee was applicable to top 500 companies only. With amendment to regulation 21(5) of the SEBI Listing Regulations, 2015 with effect from May 05, 2021, the board of directors of top 1000 listed entities, determined on the basis of market capitalisation, as at the end of the immediate previous financial year (FY 2020-21) required to constitute the Risk Management Committee.

As per list of top 1000 listed entities by NSE, Atul Auto Limited is at 977th rank with market capitalisation of Rs.392.23 Crores. Hence, the constitution of the risk management committee become applicable to the Company. The Board of Directors at its meeting held on August 07, 2021 constituted Risk Management Committee with three members of the Board namely Mr. Mahendra J Pate, Mr. Neeraj J Chandra and Mr. Vijay Kedia.

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:

- a. in the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards had been followed and there

are no material departures from the same;

- b. 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, 2021 and of the Profit of the company for that period;
- c. 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;
- d. they have prepared the annual accounts on a going concern basis;
- e. 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, 2021; and
- f. 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, 2021.

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. Kamlesh Rathod & Associates, Chartered Accountants (ICAI Firm Registration No. 117930W) were appointed as statutory auditors of the Company at twenty ninth AGM to hold office upto thirty forth AGM. M/s. Kamlesh Rathod & Associates have confirmed that they are not disqualified from continuing as Auditors of the Company. The peer review certificate of M/s. Kamlesh Rathod & Associates has been renewed and now valid upto July 31, 2024.

The Auditors' Reports for the financial year ended March 31, 2021 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.

Secretarial Auditors

The Board of Directors of the Company has appointed CS Buntty Hudda (CP No. 11560) to undertake the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is set out in Annexure [A] to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Company is not required to get its cost records audited for the financial year 2020-21.

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 2020-21 were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 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.

All related party transactions are placed before the Audit Committee as also to the Board for review and approval/ noting. 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 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/annual-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).

Details of 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/annual-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 [B].

CORPORATE SOCIAL RESPONSIBILITY

Your 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 of promoting education, promoting health care, disaster management etc. 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 CSR committee at its meeting held on June 25, 2021 as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as Annexure [C] and forms an integral part of this Report.

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

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

CRISIL Limited, the Credit Rating Agency, has assigned CRISIL A-/ Stable (Downgraded from CRISIL A/ Stable) to long term bank facilities and CRISIL A2+ (Downgraded from CRISIL A1) to short term bank facilities of the Company vide its letter dated April 28, 2021.

The rating action reflects the moderation in AAL's business profile with the expected slow recovery in demand for three wheels amidst COVID-19 pandemic situation. The ratings also reflect AAL's robust business risk profile, because of moderate market share, established distribution network, and efficient working capital management. The rating also factors in a healthy financial risk profile. These strengths are partially offset by susceptibility to volatility in raw material prices, vulnerability to cyclicalities in the commercial vehicle segment, and risks associated with scale up in expanded capacity.

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, 2021 are annexed to this report as Annexure [D].

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 Board in its Meeting held on August 07, 2021 constituted the Risk Management Committee with the following Members:

Mahendra J Patel	Member
Neeraj J Chandra	Member
Vijay K Kedia,	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 paid up equity share capital as at March 31, 2021

stood at Rs.1097 Lacs. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2021, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

- The Board of Director of the Company does not propose any amount for transfer to the reserve for the financial year ended March 31, 2021.
- 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 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 Act.
- No application made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the financial year ended March 31, 2021.
- 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 except the receipt of RBI approval to the proposed acquisition of equity shares of KAFL as described in this report under head LOANS, GUARANTEES AND INVESTMENTS. There has been no changes in the nature of the 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.

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 customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

For and on behalf of the Board of Atul Auto Limited

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

Shapar (Dist. Rajkot)
August 07, 2021

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[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, 2021 ("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, 2021 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; (Not Applicable to the Company as there was no reportable event during the Audit period under review)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (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 Debt Securities) Regulations, 2008; (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, 2009; (Not Applicable to the Company there was no reportable event during the Audit period under review) and
- (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);
- (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.

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, 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 in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Bunty Hudda

Company Secretary in practice
Membership No: ACS 31507
CP No. 11560
UDIN: A031507C000750775

Shapar (Dist. Rajkot)
August 07, 2021

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 2020-21, ratio of

the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2020-21 are as under:

Sr. No.	Name of Director/ KMP	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage in crease Remuneration [#]
1	Jayantibhai J Chandra	Chairman and Managing Director	49.27	-46.45%
2	Mahendra J Patel	Whole-time Director & CFO	42.78	-46.44%
3	Neeraj J Chandra	Whole-time Director	23.92	-45.44%
4	Vijay K Kedia	Non-Executive Director	0.53	100.00%
5	Aarti Juneja	Independent Director	0.98	-7.22%
6	Mohan Jit Walia	Independent Director	0.98	187.93%
7	Jaichander Swaminathan	Independent Director	0.94	213.73%
8	Vijay Kumar Goel	Independent Director	0.64	\$
9	Margie Parikh	Independent Director	0.42	\$
10	Paras J Viramgama	Company Secretary and Compliance Officer	3.66	-8.17%

\$ Percentage increase in remuneration is not reported since the Directors was on the Board only for part of the current/ previous financial year.

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.

(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.1,71,089/- 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 2020-21, there was an decrease of 15.59% in the median remuneration of employees.

(iv) The number of permanent employees on the rolls of Company:

There were 809 permanent employees on the rolls of the Company as on March 31, 2021.

(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.

Due to COVID-19 Pandemic, there is Decrease in the salaries of employees including the managerial personnel.

Average percentage decrease made in the salaries of employees other than the managerial personnel in the last Financial Year i.e. 2020-21 was 16.19% whereas there was a decrease of 46.24% in the managerial remuneration during FY 2020-21 as the Executive Directors have voluntarily forgone their fifty percent remuneration from June 01, 2020 to June 30, 2021 considering the COVID-19 pandemic.

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.

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED MARCH 31, 2021

(Pursuant to Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 [Including any statutory modification(s) or re-enactment(s) for the time being in force])

1. Brief outline on CSR Policy of the Company.

The guiding principle behind our approach to see Corporate Social Responsibility is "Together We Grow". Through the CSR initiatives, the Company strives to provide equitable opportunities for sustainable growth, thereby aligning with our goal to build Atul Auto into an organization which maximizes Stakeholder Value. The Company engages in activities whereby business further contributes to make a positive and distinguishing impact on the environment, customers, employees, suppliers, and Society at large.

Our CSR Policy focuses on Education, Health, Promotion of National Culture, Environment Sustainability and Eradicating Hunger and Poverty.

Education

In the area of education, the Company continues to focus on providing good infrastructure and equipment of learning whereby creating the platform to grow. The Company aims at making a positive impact on society through educational development directly and through its partners.

Health

With the growing population, sanitation and healthcare have become central to India's development agenda. By directing resources towards access to healthcare and hygiene, we look to support interventions that include Primary Healthcare Support, Free Medical Camps for Rural Communities, Setting up of Rehabilitation Centres, Yoga Centres, Development of Hospitals, Provision of Mobile Medical Units and Ambulances, providing access to Safe Drinking Water, healthcare support through Localized Medical Camps, etc.

Promotion to Culture/ Art

Arts and culture do not only form our frames of reference, our ways of thinking and our relationships to the past, the present and the future but form also the pivot upon which humankind's development revolves. The Company contributes to setting up of handikrafts units, award ceremony which encourages people for promotion of their art and culture.

Environmental Sustainability

Environmental sustainability has now turned into the key issues for corporate economic growth, environmental management and community development. Ignoring environmental problems can lead to degradation and depletion of natural resources which could prove detrimental to both the corporate sector business and the society. The Company put their attempts to plant more and more tree nearby its vicinity and cleanliness.

Eradicating Hunger and Poverty

India is the fastest growing large economy in the world today. Despite this, one in every five Indians is poor. The first consequence of being poor is hunger. The Company has aim to minimize hunger and poverty at best possible level. The Company's activities include distribution of free meals and other household things to poor people mostly children and women. It also includes support in disaster preparedness and rehabilitation activities like Reconstruction efforts through retrofitting, improvements, shelter construction and distribution of foods, clothes etc.

Measures for the benefit of war widows and their dependents

Given its size, geo-strategic location and potential to grow as a super power economy, India has to protect itself from cross border attacks, terrorism and infiltration. The forces are very much active and supportive in every other adversity be it disaster, floods, earthquakes, cyclones or rescue operations. The Company explores various avenues to support and honour the supreme sacrifice made by the armed forces and their families to the country by caring for the widows and dependents of armed forces.

The Company belongs to the Saurashtra Region of Gujarat State. Saurashtra region comprises eleven districts of the state, Rajkot district is one of them where the Company is situated. The Company gives priority to this Saurashtra Region for CSR Expenditure.

The detailed CSR Policy of the Company can be accessed through web- link: <https://atulauto.co.in/corporate-governance-reports.aspx>.

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	J J Chandra	Chairman/ Chairman & Managing Director	1	1
2	Aarti J Juneja	Member/ Independent Director	1	1
3	Mohan Jit Walia	Member/ Independent Director	1	1
4	Vijay Kumar Goel	Member/ Independent Director	1	1

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. Details of the amount available for set off in pursuance of Rule 7(3) of the Companies (Corporate Social ResponsibilityPolicy) Rules, 2014 and amount required for set off for the financial year, if any - Not Applicable	6. Average Net Profit of the Company as per Section 135(5) of the Companies Act, 2013 - Rs.72,73,23,807/- 7. (a) Two percent of average net profit of the company as per section 135(5) - Rs.1,45,46,476/- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - NIL (c) Amount required to be set off for the financial year, if any - NIL (d) Total CSR obligation for the financial year (7a+7b-7c) - Rs.1,45,46,476/- 8. (a) CSR amount spent or unspent for the financial year:
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Total Amount Spent for the Financial Year. (inRs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
1,45,54,706	-	-	-	-	-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District.						Name	CSR Registration number
							NIL					

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District.			Name	CSR Registration number
1	Promoting education by providing vocational training, educational materials, setting up of libraries, scholarships, coaching classes, computer hardware and software for smart classes including education for differently abled children	Promoting Education	Yes	Gujarat	1. Jamnagar 2. Surendranagar 3. Amreli	1,37,51,000	No	1. Pragati Path Educational Charitable Trust 2. Shri Jagat bharti Education and Charitable Trust 3. Shri Radhe Radhe Education and Charitable Trust	Not available
2	Prevention of diseases - Health Check-up, Health Awareness Camp, Distribution of Vaccine Providing Infrastructure like Yoga/ Meditation Centre etc.	Promoting Preventive Healthcare	Yes	Guajrat	Rajkot	1,53,706	Yes	-	-
3	Disaster Management - Contribution to Indian Railway - Rajkot (SR DFM)	Disaster Management	Yes	Guajrat	Rajkot	5,00,000	Yes	-	-
	TOTAL					1,44,04,706			

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)**: **Rs.1,45,50,042/-**

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	1,45,46,476
(ii)	Total amount spent for the Financial Year	1,45,50,042
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3,566
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	--
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	3,566

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

For and on behalf of the CSR Committee

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details): **Not Applicable**

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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) of the Companies Act, 2013: **Not Applicable**

Shapar (Dist. Rajkot)
August 07, 2021

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 94.32 units in FY 2019-20 to 138.11 units in FY 2020-21 due to low level of capacity utilization.

Particulars	2020-21	2019-20
Electricity purchased		
Units	22,69,417	40,94,370
Amount (Rs.)	1,94,16,650	3,52,53,654
Production in no.	16,432	43,408
Unit consumed per unit of production	138.11	94.32

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 various 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 2020-21 as under:

(Rs. in Lacs)		
Particulars	2020-21	2019-20
Revenue expenditure	186.11	433.55
Capital expenditure	-	10.66
Total	186.11	444.21

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	Indimicro 602 (Indicating System) for engine testing	2019	Technology Absorbed
2	Vehicle engine gas emission checking	2020	Technology Absorbed
3	Horizontal Machining Centre for machining of parts	2020	Technology Absorbed

Future Plan of Action

We have strategically controlled its R&D expenses due to unforeseen situation arisen due to COVID-19 pandemic. In the future, we will concentrate on innovative, environment-friendly and practical automobile vehicles considering changes in market trends with support of increased R&D investment.

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, 4.59% 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:

(Rs. in Lacs)	
Particulars	2020-21
Earning	1,653
Expenditure	276
Net Foreign Exchange Earning (NFE)	1,377
NFE/Earning (%)	83.30%

BUSINESS RESPONSIBILITY REPORT (BRR)

FOR THE FINANCIAL YEAR 2020-21

[Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	: L54100GJ1986PLC016999
2. Name of the Company	: Atul Auto Limited
3. Registered address	: Survey No. 86, Plot No. 1 to 4, 8B National Highway, Near Microwave Tower, Shapar (Veraval), Dist. Rajkot, Gujarat, INDIA 360024
4. Website	: www.atulauto.co.in
5. E-mail id	: investorrelations@atulauto.co.in
6. Financial Year reported	: 2020-21 (April 01, 2020 to March 31, 2021)
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	: Three Wheeler Automobiles; 30912
8. List three key products/services that the Company manufactures/provides (as in balance sheet)	: Three Wheeler Automobiles Spare Parts of Three Wheeler Automobiles
9. Total number of locations where business activity is undertaken by the Company	
(a) Number of International Locations	: None (Provide details of major 5)
(b) Number of National Locations	: 15
10. Markets served by the Company – Local/State/National/International	: All

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR)	: Rs.1,097 Lacs
2. Total Turnover (INR)	: Rs.29,027 Lacs
3. Total profit after taxes (INR)	: Rs.-1,020 Lacs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	: 2.00%
5. List of activities in which expenditure in 4 above has been incurred:	
(a) Promoting Education	
(b) Promoting Preventive Healthcare	
(c) Disaster Management	

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?	Social Responsibility initiatives as per the laws applicable to them.
Yes, the Company has two subsidiary companies namely Atul Greentech Private Limited and Atul Green Automotive Private Limited	
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]
No, the subsidiary companies are not required to comply with the Business Responsibility/Corporate	No other entity participates in BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

No.	Particulars	Details
1	DIN Number (if applicable)	00057722
2	Name	Jayantibhai Jagjivandas Chandra
3	Designation	Chairman and Managing Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00057735
2	Name	Mahendra Jamnadas Patel
3	Designation	Whole-time Director & CFO
4	Telephone number	02827 235500
5	e-mail id	jmd@atulauto.co.in

2. Principle-wise (as per NVGs) BR Policy/policies

P1-	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2-	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3-	Businesses should promote the well-being of all employees
P4-	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5-	Businesses should respect and promote human rights
P6-	Businesses should respect, protect, and make efforts to restore the environment
P7-	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8-	Businesses should support inclusive growth and equitable development
P9-	Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for...	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy being formulated in consultation with the relevant stakeholders?	No See Note below								
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)*	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes. It is signed by Chairman and Managing Director								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy? **	No	No	No	No	No	No	No	No	No
6	Indicate the link for the policy to be viewed online?	https://atulauto.co.in/corporate-governance-reports.aspx								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Does the company have in-house structure to implement the policy/ policies.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Note: Though there is no formal consultation with all stakeholders, the policies have evolved over a period of time by taking views/ inputs from stakeholders.

* The Whistle Blower Policy, Code of Conduct and Corporate Social Responsibility Policy are framed as per the requirements of the respective legislations of India.

** The Whistle Blower Policy and Code of Conduct are overseen by the Audit Committee of the Board of Directors of the Company and Corporate Social Responsibility Policy is overseen by the Corporate Social Responsibility Committee of the Board of Directors of the Company. The grievance, if any, arising out of Whistle Blower Policy, Code of Conduct and Corporate Social Responsibility is being redressed by the respective committees which oversee them. The remaining matters are overseen by Mr. J J Chandra.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year	Not Applicable								
6	Any other reason (please specify)									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

Annually

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes, It is published Annually. The hyperlink to view is <https://atulauto.co.in/annual-reports.aspx>

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others? -

Through various policies, it covers most of the stakeholders in addition to the Company. It does not extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company has received 2 shareholders complaints

during the year ended March 31, 2021 which were satisfactorily resolved by the management. One was for Non-receipt of Dividend and the other was about to an error in web-link for opening Annual Report FY 2019-20. As the complaints from all the stakeholders are promptly taken care by respective departments, the Company does not keep track of cumulative numbers of it.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The company is engaged in manufacturing of automobiles in particular three wheelers and its spares. It generates self-employment opportunity for the buyer/customer who purchases three wheelers.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?

There is no explicit mechanism to track this.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

There is no explicit mechanism to track this.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes. The Company has put in place the policy to source the raw material sustainability. The specific percentage of sourcing sustainably is not measured. Further, transportation and logistics optimization is an ongoing activity to reduce the relative environmental impacts.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes. Under the Supply Chain Management, a dedicated vertical "Vendor Development" work closely with almost all producers so that their capabilities can be increased.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Yes. The waste is managed in an efficient manner. The waste reduction and recycling is the part of the production processes. The Company's production facility is designed to reduce the waste and recycle the possible waste.

Principle 3: Businesses should promote the well being of all employees

- Please indicate the Total number of employees: 1144
- Please indicate the Total number of employees hired on temporary/contractual/casual basis: 335
- Please indicate the Number of permanent women employees: 07
- Please indicate the Number of permanent employees with disabilities: 03
- Do you have an employee association that is recognized by management
No
- What percentage of your permanent employees is members of this recognized employee association?
Not Applicable
- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- Permanent Employees - 75%
- Permanent Women Employees - 70%
- Casual/Temporary/Contractual Employees - 75%
- Employees with Disabilities - 70%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

- Has the company mapped its internal and external stakeholders?

Yes, during the reporting period, the company has mapped its internal and external stakeholders
- Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders

Yes, the Company has identified disadvantaged, vulnerable and marginalized communities in the vicinity of the manufacturing plant as most vulnerable external stakeholders. The youth, marginal construction workers, children and women emerged as target groups and hence are being catered through CSR projects.
- Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The initiatives taken by the Company have been mentioned in Report on CSR Activities which is part of Annual Report for the year ended March 31, 2021

Principle 5: Businesses should respect and promote human rights

- Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others? It covers the Company only.
- How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaint has been received in respect of human rights during the financial year.

Principle 6: Business should respect, protect, and make efforts to restore the environment

- Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

It covers the Company only.
- Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes. The Company has been utilizing the alternative renewable energy through Wind Turbine of 600 KW. The same can be viewed on link www.atulauto.co.in

- Does the company identify and assess potential environmental risks? Y/ N
Yes
- Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Yes. Environmental sustainability has now turned into the key issues for corporate economic growth, environmental management and community development. Ignoring environmental problems can lead to degradation and depletion of natural resources which could prove detrimental to both the corporate sector business and the society. The Company put their attempts to plant more and more tree nearby its vicinity and cleanliness.
- Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc. - No
- Are the Emissions/ Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? Yes
- Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

No show cause/ legal notices received from CPCB/SPCB which are pending as on end of Financial Year

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

- Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

(a) Society of Indian Automobile Manufacturers (SIAM)
(b) Automotive Research Association of India (ARAI)
(c) Rajkot Chamber of Commerce & Industry
(d) Shapar Veraval Industrial Association
- Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes. The Company participates in SIAM on policy matters pertain to Automobiles and with other local

associations in the matter of development of local suppliers, improvements in its capabilities and matters concerned with other stakeholders.

Principle 8: Businesses should support inclusive growth and equitable development

- Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes. Please refer Annual Report on CSR Activities.
- Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

Through all.
- Have you done any impact assessment of your initiative?

Evaluation and impact assessments are undertaken at every critical phase of the program or at the maturity stage of the project. These assessments are undertaken by internal expert or external consultants and organizations specializing in the subject.
- What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken

INR 145.50 Lacs during financial year ended March 31, 2021.
- Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so

During the course of the project implementation, the

Company works towards building the capacity of local community and stakeholders to ensure sustainability of the program.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

- What percentage of customer complaints/consumer cases are pending as on the end of financial year.

The Company views the customer complaint/ consumer cases seriously. 39 customer complaints/ consumer cases are pending as on March 31, 2021.
- Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (Additional information)

Yes. In addition to the mandatory information, the Company also display the information regarding safety and efficiency of the vehicle.
- Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so. - Nil
- Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, The Marketing Team of the Company regularly conducts the survey to get the customer feedback and to improve the product and service.

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.

A Report on compliance with the Corporate Governance provisions as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given herein below:

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, 2021, 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.

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, 2021

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, 2021 are provided herein below:

DIN	Name of Director	Date of Joining the Board	No of Shares 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 <i>Chairman & Managing Director</i>	18.06.1986	13,51,742	-	-	-	Father of Mr. Neeraj J Chandra
00057735	Mahendra J Patel <i>Whole-time Director & CFO</i>	30.11.1994	2,77,848	-	-	-	-
00065159	Neeraj J Chandra <i>Whole-time Director</i>	01.03.2012	1,05,118	-	-	-	Son of Mr. Jayantibhai J Chandra
Non-Executive Non-Independent Director							
00230480	Vijay K Kedia	31.01.2009	-	-	-	-	-
Independent Directors							
06872059	Aarti J Juneja	09.02.2019	-	-	-	-	-
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-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. All Directors, except Independent Directors of the Company, are liable to retire by rotation at the AGM each year and, if eligible, ffer 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 office of Mr. Neeraj 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.

During financial year 2020-21, Dr. Margie Sunil Parikh ceased from Directorship of the Company on account of expiry of her second term as Independent Director. To fill this casual vacancy, the Board, on the recommendations of Nomination and Remuneration Committee, appointed Mr. Vijay Kumar Goel as Additional Independent Directors with effect from August 25, 2020 and he has been regularized with approval of shareholders at Thirty Second Annual General Meeting (AGM) of Members held on September 29, 2020.

The first term of Ms. Aarti J Juneja as Independent Director of the Company expires on February 08, 2022. As she further qualifies and being eligible, on the

recommendations of the Nomination and Remuneration Committee of the Company, the Board of Directors in his Meeting held on June 25, 2021, agreed to extend the term of office of Ms. Juneja for three more years i.e. upto February 08, 2025 subject to approval of shareholders in ensuing Annual general Meeting. 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.

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.

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 the 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 June 2020	25 August 2020	24 October 2020	30 October 2020	07 November 2020	11 February 2021	29 September 2020
J J Chandra	Y	Y	N	N	Y	Y	Y
Mahendra J Patel	Y	Y	N	N	Y	Y	Y
Neeraj J Chandra	Y	Y	N	N	Y	Y	Y
Vijay K Kedia	Y	Y	N	N	Y	Y	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	NA	Y	Y	Y	Y	Y	Y
Margie Parikh	Y	Y	NA	NA	NA	NA	NA

Y: Attended, N: Not Attended, NA: Not on the Board

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 meeting, 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, 2021, the Independent Directors met on March 30, 2021. 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 e ectively and reasonably perform their duties.

In addition to this formal meeting, interactions outside the Board meetings also take place between the Chairman and Independent Directors.

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 a rmation 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 Mr. Paras Viramgama, Company Secretary, Mr. J V Adhia, President - Finance and Mr. Neeraj J Chandra, Whole-time 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 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 2020-21. 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 President - Finance. 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 June 25, 2021, 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.

Skills / expertise / competencies	J J Chandra	Mahendra Patel	Neeraj Chandra	Vijay Kedia	Aarti Juneja	Mohanjit Singh 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 regulation; 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 informs the Board about the summary of the discussions held in the Committee

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 e ctively and those available with the Board as a whole as given below:

Meetings. The outcomes 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 Six times during the financial year 2020-21. 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 2020-21 are detailed below:

Name of Director	Designation	27.06.2020	25.08.2020	24.10.2020	30.10.2020	07.11.2020	11.02.2021
Aarti J Juneja	Chairperson/ Member	Y	Y	Y	Y	Y	Y
Mohan jit Walia	Member	Y	Y	Y	Y	Y	Y
Jaichander Swaminathan	Member	Y	Y	Y	Y	Y	Y
Vijay Kumar Goel	Member	NA	NA	Y	Y	Y	Y
Margie Parikh	Member	Y	Y	NA	NA	NA	NA

Y: Attended, N: Not Attended, NA: Not in the Committee

Upon cessation of Dr. Margie Parikh from Directorship of the Company, her place as a Member of Audit Committee has been filled by Mr. Vijay Kumar Goel with effect from August 26, 2020. All members of audit committee are financially literate and Ms. 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.

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 next meeting of the Board. 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 2020-21 is detailed below:

Name of Director	Designation	27.06.2020	25.08.2020
Mohan Jit Walia	Chairman /Member	Y	Y
Aarti J Juneja	Member	Y	Y
Jaichander Swaminathan	Member	Y	Y
Vijay Kumar Goel	Member	NA	NA
Margie Parikh	Member	Y	Y

Y: Attended, N: Not Attended, NA: Not in the Committee

Upon cessation of Dr. Margie Parikh from Directorship of the Company, her place as a Member of Nomination and Remuneration Committee has been filled by Mr. Vijay Kumar Goel with effect from August 26, 2020.

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 Remuneration Committee 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>.

- No pecuniary relationship exists between the Company and Non - Executive Directors except the holding of 1.465% equity shares of the Company by Kedia Securities Private Limited in which Mr. Vijay Kedia is interested as on March 31, 2021.
- During financial year 2020-21, the Company has neither any transaction with Non-Executive Directors nor made any payments except payment of sitting fees.
- The Directors have not been paid any commission, performance linked incentives, performance linked remuneration or any stock option during financial year 2020-21.
- The following is the bifurcation of fixed component of the remuneration package of executive Directors paid during FY 2020-21:

Fixed Component of Remuneration	Annual Remuneration - FY 2020-21 (Amount in Rs.)		
	J J Chandra	Mahendra Patel	Neeraj Chandra
Basic	82,79,194	71,47,503	39,20,081
Contribution to Super Annuation Fund	1,50,000	1,50,000	1,50,000
Contribution to Provident Fund	--	21,600	21,600
Total	84,29,194	73,19,103	40,91,681

- The Executive Directors have forgone their fifty percent of the remuneration from June 01, 2020 to June 30, 2021. The annual remuneration approved by the Shareholders for Mr. J J Chandra, Mr. Mahendra Patel and Mr. 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 annually as part of Company policy.
- The contract period of employment for Mr. Neeraj J Chandra is of three years from April 01, 2021 to March 31, 2024. Whereas the contract period of employment for Mr. Jayantibhai J Chandra and Mr. Mahendra J Patel is expiring on March 31, 2022 and the resolution for the reappointment of both these Directors for five years i.e. from April 01, 2022 to March 31, 2027 is proposed in next AGM of the Company for the approval of the shareholders.
- The notice period applicable to all three executive directors is three months. There is no severance fees.

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 2020-21 is detailed below:

Name of Director	Designation	27.06.20
Margie Parikh	Chairperson	Y
Aarti Juneja	Member	Y
Mohan Jit Walia	Member	Y
Jaichander Swaminathan	Member	Y
Vijay Kumar Goel	Chairman	NA

Y: Attended, N: Not Attended, NA: Not in the Committee

Upon cessation of Dr. Margie Parikh from Directorship of the Company, her place as a Chairperson of Stakeholders Relationship Committee has been filled by Mr. Vijay Kumar Goel with effect from August 26, 2020.

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.

Mr. Paras J. Viramgama, Company Secretary, is Compliance Officer for resolution of Shareholder's/ Investor's complaints. During the Financial Year ended March 31, 2021, two complaints were received from the shareholders and resolved during the year. No complaint was pending or unresolved to the satisfaction of the shareholder as on March 31, 2021.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE ("CSR Committee")

The composition of CSR 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 2020-21 is detailed below:

Name of Director	Designation	27.06.20
Jayantibhai Chandra	Chairman	Y
Aarti Juneja	Member	Y
Mohan Jit Walia	Member	Y
Margie Parikh	Member	Y
Vijay Kumar Goel	Member	NA

Y: Attended, N: Not Attended, NA: Not in the Committee

Upon cessation of Dr. Margie Parikh from Directorship of the Company, her place as a Member of CSR Committee has been filled by Mr. Vijay Kumar Goel with effect from August 26, 2020.

The CSR Committee is empowered, pursuant to its terms of reference, inter alia, to:

- Recommend the amount of expenditure to be incurred on the activities;
- Monitor implementation and adherence to the CSR Policy of the Company from time to time;
- Prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programmes/activities proposed to be undertaken by the Company; and
- Such other activities as the Board of Directors may determine from time to time.

The details of the CSR initiatives as per the CSR Policy of the Company forms part of the CSR Section in the Annual Report.

Mr. 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 Committee meetings held during the year.

RISK MANAGEMENT COMMITTEE

Pursuant to regulation 21(5) of the SEBI Listing Regulations, 2015, the constitution of Risk Management Committee was applicable to top 500 companies. With amendment to regulation 21(5) of the SEBI Listing Regulations, 2015 with effect from May 05, 2021, the board of directors of top 1000 listed entities, determined on the basis of market capitalization, required to constitute the Risk Management Committee.

As the Company falls in the list of top 1000 Company, the Board at its Meeting held on August 07, 2021 constituted the Risk Management Committee with three Board Members namely Mr. Mahendra J Patel, Mr. Neeraj J Chandra and Mr. Vijay K Kedia.

C. GOVERNANCE OF SUBSIDIARY COMPANY

The Board of Directors of the Company is responsible for governance of the subsidiary companies namely Atul Green Automotive Private Limited (CIN: U74999GJ2018PTC100815) and Atul Greentech Private

Limited (CIN : U31909GJ2020PTC112350) wholly owned subsidiaries company incorporated. The minutes of the Board Meetings of both 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 on a quarterly basis. The financial statements of both the subsidiary companies are presented to the Audit Committee.

The Company does not have a material subsidiary as on the date of this report, having a net worth exceeding ten percent of the consolidated net worth or income of ten percent of the consolidated income of the Company.

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 Management 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 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, 2021. The declaration to this effect signed by Mr. 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 year. 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 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. 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 the <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 Audit Committee with Board of Directors has framed the Risk Management Policy. The implementation and monitoring of the same is being reviewed periodically by the Board.

With applicability of constitution of Risk Management Committee, the Board at its meeting held on August 07, 2021 constituted the Risk Management as mentioned above. From now onwards, this committee will contribute towards risk management strategy and implementation of it in the Company in compliance with the roles and responsibilities mentioned in regulation 21 and Part D of Schedule II of the SEBI Listing Regulations.

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. The Report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR - 3 and is required to be submitted to Stock Exchanges within sixty days from the end of the financial year. Due to second wave of COVID-19 Pandemic, SEBI vide its Circular dated April 29, 2021 extended the time limit to submit the report for the year ended March 31, 2021 up to June 30, 2021.

The Company has engaged the services of CS Buntly Hudda, M/s. Hudda & Associates, 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 extended time-limit.

Total fees paid to Statutory Auditors of the Company: Total fees of Rs.5.77 Lacs for financial year 2020-21, 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 and proactive vendor development practices. 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.

CEO/CFO Certification: As required under Regulation 17 of the Listing Regulations, the CEO/ CFO Certificate for the financial year 2020-21 signed by Mr. J J Chandra, Chairman & Managing Director and Mr. Mahendra J Patel, Whole-time Director & CFO, was placed before the Board of Directors of the Company at its meeting held on June 25, 2021.

Certificate on Non-Disqualification of Directors: The Certificate as required under Part C of Schedule V of Listing Regulations, received from CS Buntly Hudda, M/s. 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 June 25, 2021. The same has been annexed.

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not Applicable

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, 2021 is given in the Directors' report.

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:

Financial Year	Date and Time	Venue	Details of special resolutions passed
2017-18	September 28, 2018 11:00 am	Registered Office	- Re-appointment of Mr. J J Chandra, Chairman & Managing Director with increase in remuneration - Re-appointment of Mr. M J Patel, Whole-time Director & CFO with increase in remuneration - Re-appointment of Mr. Neeraj Chandra, Whole-time Director with increase in remuneration - Approval to deliver document through a particular mode as may be sought by the member.
2018-19	September 30, 2019 11:00 am	Registered Office	- Ratification of Appointment of Mr. Hasmukh H Adhvaryoo (DIN: 06456067) - Creation of charge/ providing of security while borrowing money - Increase in remuneration of Mr. Jayantibhai J Chandra, Chairman and Managing Director - Increase in remuneration of Mr. Mahendra J Patel, Whole-time Director & CFO - Increase in remuneration of Mr. Neeraj J Chandra, Whole-time Director
2019-20	September 29, 2020 03.00 pm	Registered Office (Through VC / OAVM)	Re-appointment of Mr. Neeraj J Chandra (DIN: 00065159) as Whole-time Director

During the year, no resolutions have been passed through postal ballot.

ANNUAL GENERAL MEETING FOR FY 2020-21:

Date : Tuesday, September 28, 2021
Time : 03:30 pm (IST)
Venue : Through VC/OAVM

DATE OF BOOK CLOSURE:

From : September 22, 2021
To : September 28, 2021

DIVIDEND DETAILS:

No Dividend declared during Financial Year 2020-21

FINANCIAL YEAR:

From 1st April, 2020 to 31st March, 2021

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

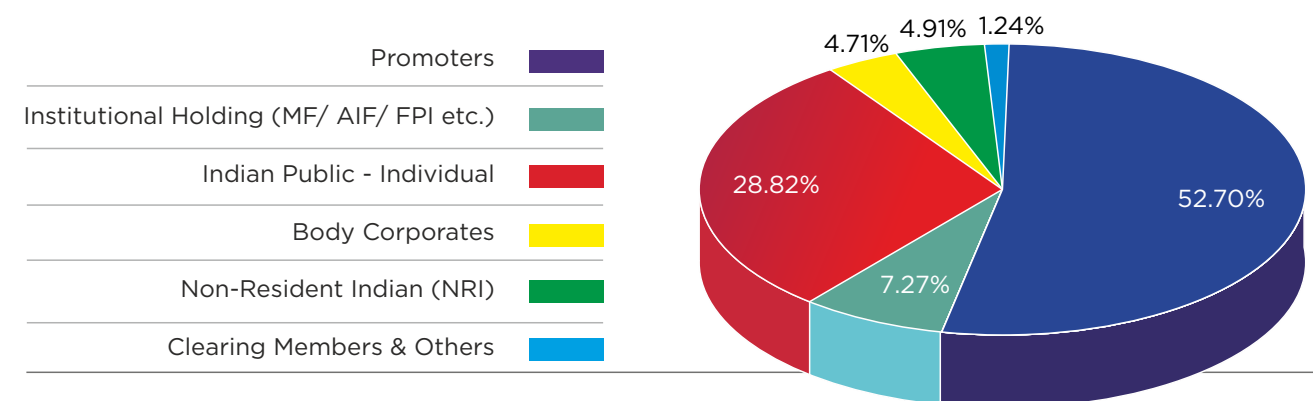
The Company has paid the listing fees to BSE and NSE and the custodian charges to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year ended March 31, 2021.

DISTRIBUTION OF SHAREHOLDING

Distribution of shareholding of shares of the Company as on March 31, 2021 is as follows:

No. of Shares		Shareholders		Shareholding	
From	To	No. of holders	% of holders	Total Shares	% of Shares
-	100	26414	74.94%	971100	4.43%
101	200	3701	10.50%	608682	2.77%
201	500	3050	8.65%	1063505	4.85%
501	1000	1121	3.18%	870138	3.97%
1001	5000	771	2.19%	1637735	7.46%
5001	10000	73	0.21%	530138	2.41%
10001	100000	83	0.23%	2270251	10.35%
100001	ABOVE	34	0.10%	13991651	63.76%
		35247	100.00%	21943200	100.00%

CATEGORY-WISE SHAREHOLDING PATTERN AS ON MARCH 31, 2021



DEMATERIALIZATION AND LIQUIDITY

The break-up of shares in physical and dematerialized form as on March 31, 2021 are as under:

Mode of Holding	No. of shares	% of shares
Physical Mode	2,13,822	0.97%
NSDL Holding	1,68,70,251	76.88%
CDSL Holding	48,59,127	22.15%
Total	2,19,43,200	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.

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) (IEPF Rules) 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 so 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. No share of the company was liable to be transferred to IEPFA during FY 2020-21.

In terms of the provisions of the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, Rs.4,14,948/- of unpaid/ unclaimed dividend and 1,214 shares of face value of Rs.5 each transferred during the financial year 2020-21 to the Investor Education and Protection Fund.

Mr. Paras J 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>

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the Company's website <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 officer of the Company. The transactions in respect of issue of duplicate share certificates, split, rematerialization, consolidation and renewal of share certificates are approved by the designated officer 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 half-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.

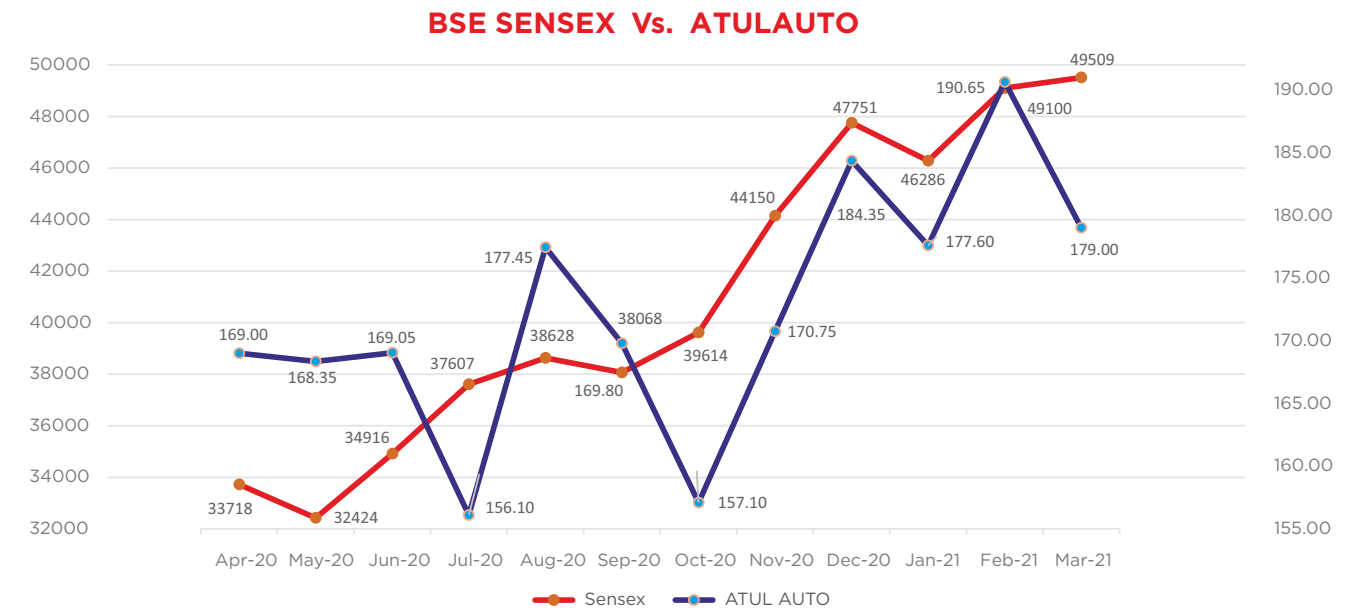
MARKET PRICE DATA:

The monthly high and low prices and volumes of the Company's shares at BSE and NSE for the financial year ended March 31, 2021 are as under:

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Volume (No. of Shares)	High (Rs.)	Low (Rs.)	Volume (No. of Shares)
Apr-20	180.00	130.85	20,396	181.45	132.50	3,19,676
May-20	170.90	145.00	1,28,278	171.05	143.25	7,35,687
Jun-20	186.05	150.00	79,331	186.55	147.00	13,73,257
Jul-20	181.60	155.60	1,23,793	182.00	155.00	21,76,556
Aug-20	203.00	155.00	3,32,842	203.40	152.50	82,25,117
Sep-20	188.80	161.00	1,28,158	187.90	162.50	24,09,083
Oct-20	179.85	154.05	1,11,713	179.70	153.25	11,43,612
Nov-20	177.20	151.25	2,15,224	177.20	151.70	26,09,653
Dec-20	200.85	166.85	3,43,371	201.00	167.00	51,32,890
Jan-21	198.60	175.00	1,99,419	198.80	175.00	26,37,963
Feb-21	200.00	175.00	2,27,649	201.00	174.75	22,56,775
Mar-21	218.35	175.00	3,27,694	218.90	175.05	42,82,654

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, 2021 (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 Economic Times, 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

Physical Communication

For any queries related to shares of the Company, the correspondence may please be addressed to the Company's Registrars & Share Transfer Agent or to the Company at following address:

Link Intime India Private 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

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

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

Upcoming Plant: 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

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, 2021.

Jayantibhai J Chandra
Shapar (Dist. Rajkot)
June 25, 2021

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, Mr. Jayantibhai J Chandra (DIN: 00057722), Chairman and Managing Director and Mr. 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, 2021 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)

Shapar (Dist. Rajkot)
June 25, 2021

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/We 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 - 360024, Gujarat, INDIA (hereinafter referred to as ‘the Company’), produced before me/us 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/our opinion and to the best of my/our 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 / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 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 except ~~Mr. (DIN) who has been debarred/ disqualified by~~ ~~[give name of Statutory Authority and reason].~~

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	Mohanjit Singh 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.

Ahmedabad
03/05/2021

Bunty Hudda
Company Secretary in practice
Membership No: ACS 31507
CP No. 11560
UDIN: A031507C000230761

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 September 29, 2020.
- 2. We, Kamlesh Rathod & Associates, 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, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Management’s Responsibility for compliance with the conditions of Listing Regulations

- 3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

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, 2021.
- 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, 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.

Restriction on use

- 10. 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 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.

Jamnagar
August 07, 2021

For Kamlesh Rathod & Associates
Chartered Accountants
Firm’s Registration No: 117930W
Kamlesh Rathod, Partner
Membership No: 101046
UDIN: 21101046AAAAAN4815

INDEPENDENT AUDITORS’ 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, 2021, 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, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 Standalone 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 standalone 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 standalone financial statements.

Emphasis of Matter

We would like to draw your attention to Note No. 47 of the Standalone Financial Statements which states the management’s estimation of impact of COVID-19 on financial statements of the company for the year ended March 31, 2021.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone 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 standalone 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 standalone 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 standalone financial statements.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matter
1. Revenue Recognition		
1	Company's revenue is primarily derived from sale of three wheelers vehicles through dealership channels, in Domestic & International Market. We focused on existence and appropriate recognition of revenue as a key audit matters as it is key contributor to the determination of profit Refer Notes 1.2 of Significant accounting policies and Note 23 to Standalone Financial Statements	Our testing of revenue transactions focused on evidencing that the underlying transactions had occurred in the period. Our procedure included: - We developed an understanding of the systems, controls and processes associated the recording of sales transactions. - We analysed the Company accounting policies for revenue recognition, including the criteria for revenue recognition and sales incentives classification. - We analysed the terms of dealer agreements also covering rewards related to sales incentives. - Test of detail to confirm the existence of revenue by agreeing the sample of revenue transaction to supporting documentation. - Where delayed delivery was identified we considered whether the company had transferred the inventory risk to the customer before the date of audit report.

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.

Management’s Responsibility for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the

matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to preparation and presentation of these standalone Ind AS financial statement to give a true and fair view of the financial position, financial performance which includes other comprehensive income, statement of cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules,2015, (“Ind AS”) as amended. 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 control, 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.

Auditors’ Responsibility for the Standalone 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)(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 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 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

- As required by the Companies (Auditors’ Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we considered appropriate and according to the information and explanations given to us, we give in the “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- As required by Section 143(3) of the Act, based on our audit we report that:
 - 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.
 - 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.
 - 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 relevant books of account.

- d. In our opinion, the aforesaid standalone Financial Statement comply with the Accounting Standards (Ind AS) 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with 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 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 company has disclosed the impact, if any, of pending litigations on its financial position in its standalone financial statements - Refer Note No. 34 to the standalone Ind AS financial statements.
- (ii) The company does not have any long-term contracts including derivative contracts, hence the question of 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 company.

For Kamlesh Rathod & Associates
Chartered Accountants
Firm Reg. No.117930W

Kamlesh Rathod
Partner
Membership No. 101046
UDIN: 21101046AAAAAH6169

Signed at Shapar (Dist. Rajkot) on June 25, 2021

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of ATUL AUTO LIMITED on the standalone Ind AS financial statements for the year ended March 31, 2021]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.
- (b) The Company has a program of verification to cover all the items of fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are in the name of the company and the approach road to access the new factory site at Bhayla, Ahmedabad is privately owned and the expenditure is incurred by the company but title of that road is not in the name of the company.
- (ii) The inventory (excluding stocks with third parties and work in progress) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. Discrepancies noticed during physical verification were not material and the same has been dealt with in the books of account.
- (iii) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"), accordingly, the provisions stated in paragraph 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable and hence not commented upon.

- (iv) 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) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the provisions of section 73 to 76 of the Act and rules framed there under. Accordingly, the provision of clause 3(v) of the order are not applicable to the company and hence not commented upon.
- (vi) The Central Government of India has not prescribed the maintenance of cost records for any of the products of the company under sub-section (1) of section 148 of the Act and rules framed there under.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2021, for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending	Dispute by Company/ Department
Income Tax Appellate Tribunal	Income Tax	49	2012-13	Income Tax Appellate Tribunal	Department
		9	2012-13		Company
		16	2014-15	Commissioner Appeals	Company
		5	2012-13		Company
		29	2017-18		Company
The Gujarat VAT Act, 2006	Sales Tax	12	2001-02 & 2002-03	Supreme Court	Department
	VAT	14	2006-07	VAT Tribunal	Company
The Central Sales Tax, 1956	CST	2	2001-02 & 2002-03	Supreme Court	Department
Central Excise Act, 1944	Excise	1	2007-08, 2008-09 & 2009-10	CESTAT	Department

(Show-cause notices received from various Government Agencies pending formal demand notices have not been reported being not adjudicated.)

- | | | |
|--------|--|--|
| (viii) | The Company has not defaulted in repayment of any loan from financial institutions or banks during the year. | accounts and other relevant records of the company, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to standalone Financial Statements as required by applicable accounting standards. |
| (ix) | The Company has not raised money by way of public issue and amount raised by way of term loan during the year is in the nature of reimbursement of amount already paid by the company for which term loan is obtained. | (xiv) Company has not made any private placement or preferential allotment during the year. |
| (x) | During the course of 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, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management. | (xv) According to information and explanation given to us the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act. |
| (xi) | According to the information and explanations given to us and based on our examination of the records of the company, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act. | (xvi) According to the information and explanations given by the Management, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. |
| (xii) | In our opinion, the Company is not a Nidhi company. Accordingly, the provisions of clause (xii) of the order are not applicable to the Company. | For Kamlesh Rathod & Associates.
Chartered Accountants
Firm Registration No.117930W |
| (xiii) | According to information and explanation given to us and on the basis of books of | Kamlesh Rathod
Partner
Membership No. 101046
UDIN: 21101046AAAAAH6169
Signed at Shapar (Dist. Rajkot) on June 25, 2021 |

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, 2021 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

- (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, 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, 2021 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 either separate audit division or an appointment of external audit professional is suggested. Our opinion is not modified for this matter.

For Kamlesh Rathod & Associates
Chartered Accountants
Firm Registration No. 117930W

Kamlesh Rathod
Partner
Membership No. 101046
UDIN: 21101046AAAAAH6169

Signed at Shapar (Dist. Rajkot) on June 25, 2021

BALANCE SHEET

as at March 31, 2021

(₹in Lacs)

Sr. No.	Particulars	Note No.	March 31, 2021	March 31, 2020
	ASSETS			
(1)	Non-current Assets			
	(a) Property, Plant and Equipment & Intangible Assets	2	8,874	9,209
	(b) Right of use Asset	2	63	69
	(c) Capital Work-in-Progress	2	14,850	11,659
	(d) Investment Property	4	28	31
	(e) Intangible Assets	3	38	-
	(f) Financial Assets			
	(i) Investments	5	1,866	1,462
	(g) Income Tax Assets (Net)	6	194	153
	(h) Other Non-current Assets	8	1,207	1,489
	Total Non-current Assets		27,120	24,072
(2)	Current Assets			
	(a) Inventories	9	5,112	4,803
	(b) Financial Assets			
	(i) Investments	5	1,050	-
	(ii) Trade Receivables	10	2,374	7,808
	(iii) Cash and Cash Equivalents	11	710	106
	(iv) Other Bank Balance	12	138	130
	(v) Loans	13	857	129
	(vi) Other Financial Assets	7	113	258
	(c) Other Current Assets	8	598	278
	Total Current Assets		10,952	13,512
	Total Assets		38,072	37,584
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital	14	1,097	1,097
	(b) Other Equity	15	28,226	29,228
	Total Equity		29,323	30,325
	LIABILITIES			
(3)	Non-current Liabilities			
	(a) Financial Liability			
	(i) Borrowings	18	1,500	-
	(ii) Lease Liability	20	41	32
	(b) Provisions	16	27	73
	(c) Deferred Tax Liabilities (Net)	17	38	316
	Total Non-current Liabilities		1,606	421

(₹ in Lacs)				
Sr. No.	Particulars	Note No.	March 31, 2021	March 31, 2020
(4)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	18	-	-
	(ii) Trade Payables			
	(A) Total outstanding dues of micro enterprises and small enterprises; and	19	1,577	1,273
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	19	3,231	2,619
	(iii) Lease Liabilities	20	28	42
	(iv) Other Financial Liabilities	21	1,378	1,715
	(b) Other Current Liabilities	22	514	776
	(c) Provisions	16	415	413
	(d) Income Tax Liabilities (Net)		-	-
	Total Current Liabilities		7,143	6,838
	Total Equity and Liabilities		38,072	37,584

The accompanying notes form an integral part of Standalone Financial Statements.

As per our report of even date
For, Kamlesh Rathod & Associates
Chartered Accountant
FRN: 117930W

Kamlesh Rathod
Partner
Membership no. 101046
Signed at Shapar (Dist. Rajkot) on June 25, 2021
UDIN: 21101046AAAAAH6169

For and on behalf of Board of Directors of
Atul Auto Limited

J J Chandra
Chairman and Director
DIN : 00057722

M J Patel
Whole time Director & CFO
DIN : 00057735

Paras J Viramgama
Company Secretary

STATEMENT OF PROFIT & LOSS

for the Year Ended March 31, 2021

Sr. No.		Particulars	Note No.	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
1		REVENUE FROM OPERATIONS			
	a	Revenue from Sale of Products	23	29,027	61,751
	b	Other Operating Income	23	563	783
		TOTAL INCOME FROM OPERATIONS		29,590	62,534
2		Other Income	24	186	314
3		TOTAL INCOME		29,776	62,848
4		EXPENSES			
	a	Cost of Materials Consumed	25	24,271	44,313
	b	Purchase of Stock in Trade		-	-
	c	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	-352	775
	e	Employee Benefits Expenses	27	3,773	5,455
	f	Finance Costs	28	88	103
	g	Depreciation and Amortisation Expenses	29	656	640
	h	Product Development Expense	30	186	434
	i	Other Expenses	31	2,474	4,425
5		TOTAL EXPENSES		31,096	56,145
6		Profit Before Exceptional Items		-1,320	6,703
7		Exceptional Items		-	-
8		Profit/(Loss) Before Tax		-1,320	6,703
9		Tax Expenses		-300	1,464
	a	Current Tax	32	-16	1,671
	b	Deferred Tax	32	-284	-207
10		Profit /(Loss) for the Period		-1,020	5,239
11		Other Comprehensive Income, Net of Tax		18	-46
	a	Items that will not be reclassified to profit or loss			
		(i) Remeasurements of the defined benefit plans		23	-62
		(ii) Income tax effect on above		-5	16
	b	Items that will be reclassified to profit or loss		-	-
12		Total Comprehensive Income for the Period (10+11)		-1,002	5,193
13		Earnings Per Equity Share	33		
		Basic & Diluted		-5	24

The accompanying notes form an integral part of Standalone Financial Statements.

As per our report of even date
For, Kamlesh Rathod & Associates
Chartered Accountant
FRN: 117930W

Kamlesh Rathod
Partner
Membership no. 101046
Signed at Shapar (Dist. Rajkot) on June 25, 2021
UDIN: 21101046AAAAAH6169

For and on behalf of Board of Directors of
Atul Auto Limited

J J Chandra
Chairman and Director
DIN : 00057722

M J Patel
Whole time Director & CFO
DIN : 00057735

Paras J Viramgama
Company Secretary

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2021

(A) Equity Share Capital (Note No. 14)

(₹in Lacs)

Particulars	Note No.	March 31, 2021	March 31, 2020
At the beginning of the year		1,097	1,097
Changes in equity share capital during the year		-	-
At the end of the year	14	1,097	1,097

(B) Other Equity (Note No. 15)

(₹in Lacs)

Particulars	Note No.	Capital Reserve	Security Premium	General Reserve	Shares Forfeiture	Retained Earnings	Total Other Equity
Balance as at April 01, 2019	15	30	478	2,094	23	22,137	24,762
Profit /(Loss) for the year		-	-	-	-	5,239	5,239
Other comprehensive income (net of tax)		-	-	-	-	-46	-46
Total comprehensive income for the year ended March 31, 2020		-	-	-	-	5,193	5,193
Transaction with owners in their capacity as owners							
Final Dividend		-	-	-	-	-274	-274
Tax on Final Dividend		-	-	-	-	-56	-56
Interim Dividend		-	-	-	-	-329	-329
Tax on Interim Dividend		-	-	-	-	-68	-68
Balance as at March 31, 2020		30	478	2,094	23	26,603	29,228
Profit /(Loss) for the year		-	-	-	-	-1,020	-1,020
Other comprehensive income (net of tax)		-	-	-	-	18	18
Total comprehensive income for the year ended March 31, 2021		-	-	-	-	-1,002	-1,002
Transaction with owners in their capacity as owners							
Final Dividend		-	-	-	-	-	-
Tax on Final Dividend		-	-	-	-	-	-
Interim Dividend		-	-	-	-	-	-
Tax on Interim Dividend		-	-	-	-	-	-
Balance as at March 31, 2021		30	478	2,094	23	25,601	28,226

The accompanying notes form an integral part of Standalone Financial Statements.

As per our report of even date

For, Kamlesh Rathod & Associates

Chartered Accountant

FRN: 117930W

Kamlesh Rathod

Partner

Membership no. 101046

Signed at Shapar (Dist. Rajkot) on June 25, 2021

UDIN: 21101046AAAAAH6169

For and on behalf of Board of Directors of

Atul Auto Limited

J J Chandra

Chairman and Director

DIN : 00057722

M J Patel

Whole time Director & CFO

DIN : 00057735

Paras J Viramgama

Company Secretary

STATEMENT OF CASH FLOW

for the year ended March 31, 2021

(₹in Lacs)

Sr. No.	Particulars	March 31, 2021	March 31, 2020
A.	Cash Flow from Operating Activities		
	Net Profit/(Loss) Before Taxation	-1,320	6,703
	Adjustment for:		
	Add/(Less):-		
	Provision for Doubtful Debts	261	107
	Depreciation & Impairment	656	640
	Finance Cost	84	81
	Interest on Income Tax	4	22
	Sub Total	1,005	850
	Less:-		
	Profit/(Loss) on Sale of Fixed Assets	7	6
	Profit on Redemption/Revaluation of Mutual Fund	43	46
	Interest Received on Deposits	44	34
	Unrealised Foreign Exchange Gain/(Loss)	-40	53
	Sub Total	54	139
	Operating Profit Before Working Capital Changes	-369	7,414
	<u>Movements in Working Capital:</u>		
	Decrease/-Increase in Trade Receivable	5,133	2,170
	Decrease/-Increase in Inventories	-309	942
	Decrease/-Increase in Loans and Other Assets	-217	-172
	Increase/-Decrease in Trade Payables	1,612	-2,648
	Increase/-Decrease in Liabilities/Provisions	-620	-48
	Total Movement in Working Capital	5,599	244
	Cash Generated from Operations	5,230	7,658
	Direct Taxes Paid (Net of Refunds)	-29	-1,924
	NET CASH FROM OPERATING ACTIVITIES	5,201	5,734
B.	Cash Flow from Investing Activities		
	Purchase of Fixed Assets, Capital WIP and Advances for Capital Goods & of Payable	-3,957	-7,364
	Proceeds from Sale of Fixed Assets	52	44
	Net (Investment)/ Proceeds from Sale of Mutual Fund	-1,007	992
	Investment in Wholly owed Subsidiary Company	-404	-140
	(Increase)/Decrease in Other Bank Balance	-8	602
	Inter Corporate Deposit	-728	-7
	Interest Received on Deposits	44	34
	NET CASH FLOW FROM INVESTING ACTIVITIES	-6,008	-5,839

(₹ in Lacs)			
Sr. No.	Particulars	March 31, 2021	March 31, 2020
C.	Cash Flow form Financing Activities		
	Dividend Paid	-	-604
	Tax on Dividend Paid	-	-124
	Increase in Lease Liability	-5	74
	Proceeds from Bank Borrowing	1,500	-
	Other Borrowing Cost	-84	-81
	NET CASH CLOW FROM FINANCING ACTIVITIES	1,411	-735
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	604	-840
	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	106	946
	Cash and Cash Equivalents at the End of the Year	710	106
	Components of Cash and Cash Equivalents as at the End of the Year		
	Cash on Hand	-	1
	Cheques on Hand	-	-
	With Bank		
	- In Current Accounts	710	105
	TOTAL	710	106

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 form an integral part of the standalone financial statements.

As per our report of even date
For, Kamlesh Rathod & Associates
Chartered Accountant
FRN: 117930W

Kamlesh Rathod
Partner
Membership no. 101046
Signed at Shapar (Dist. Rajkot) on June 25, 2021
UDIN: 21101046AAAAAH6169

For and on behalf of Board of Directors of
Atul Auto Limited

J J Chandra **M J Patel**
Chairman and Director Whole time Director & CFO
DIN : 00057722 DIN : 00057735

Paras J Viramgama
Company Secretary

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended on March 31, 2021

Note 1 Significant Accounting Policies

Background

Atul Auto Limited (the company) is a public company domiciled in India and situated at Shapar (Gujarat), incorporated on 18-06-1986. 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 June 25, 2021.

1. Statement of Compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

1.1 Basis of preparation and presentation

- The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.
- Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.
- Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.
- 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.
- Based on the nature of products / activities of the

Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12months for the purpose of classification of its assets and liabilities as current and non-current

- Use of Estimates, Judgement & Assumptions
 - 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.

- * Provision for warranty claims
- * Valuation of employee benefits
- * Provision for tax expenses
- * Provision for expected credit loss
- * 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.

- Estimation of uncertainties relating to the global pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, and investment in associate. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports, economic forecasts and related information. Based on current estimates company expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

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. Post the applicability of GST with effect from 1st July 2017, Sales are required to be disclosed net of GST. 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) Sale of Products:

The Company earns revenue primarily from sale of automotive vehicles, parts and accessories.

Payment for the sale is made as per the credit policy in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

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

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 16.

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.

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.

B Export Incentives

- (i) 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.

C Other Income

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.

1.3 Property, Plant and Equipment and Depreciation

- A Capital Work-In-Progress, 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.
- B Costs incurred to manufacture/ construct 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.
- C 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.
- D 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 but incapable of operating at normal levels until a year of commissioning has been completed.
- E An item of property, plant and equipment is

derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss

F Depreciation and Amortisation methods, estimated useful lives and residual value

(i) On Tangible Assets

- * 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.
- * Useful life of assets are determined by the Management by internal technical assessments and such useful life is in conformity with Schedule - II of the Companies Act, 2013. Depreciation on additions is being provided on pro rata basis from the month of such additions
- * 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.

The property taken under finance 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.

(ii) 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

- A Intangible assets acquired separately
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated

impairment losses

B Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated

the technical feasibility of completing the intangible asset so that it will be available for use or sale

the intention to complete the intangible asset and use or sell it;

the ability to use or sell the intangible asset;

how the intangible asset will generate probable future economic benefits;

the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and"

the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

C Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss when the asset is derecognised.

D Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows

- Design 5 years
- Software 5 years

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 the Companies Act, 2013

1.6 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying

amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss

1.7 Investments, Financial Assets and Financial Liability

A Investment in Associate

Interest in Associate is recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investment or deemed cost in accordance with IND AS 101. The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

B Investment in Subsidiary

Interest in Subsidiary is recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments. The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

1.8 Financial Instruments

A 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 /OCI as the case may be.

(ii) Recognition

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place

(iii) Measurement

At initial recognition

At initial recognition, the Company measures a

financial asset at its fair value.

Subsequent Measurement

Assets that do not meet the criteria for amortised cost, are measured subsequently at fair value through profit or loss e.g. investments in mutual funds.

(iv) 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.

(v) 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.

(vi) 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, from dealer deposits and corporate guarantee fees 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) Classification as Debt or Equity

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.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

(ii) Initial Recognition and Measurement

All financial liabilities are recognised initially at the

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.

(iii) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

(iv) Trade and Other Payable

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.

(v) Derecognition

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).

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.

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.

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously

1.9 Foreign Currency Transactions

A 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.		because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.
B	On initial recognition, all foreign currency transactions are recorded at foreign exchange rate on the date of transaction.	B Deferred tax	Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.
C	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.		The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
D	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.		Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
1.10 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.		The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.
A	Finished stocks of vehicles are valued at cost of manufacturing and net realisable value* whichever is lower.		
B	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 and estimated realisable value whichever is lower.		
C	Goods in transit are stated at actual cost incurred up to the date of Balance Sheet.		
D	Work in Progress goods are valued at lower of cost and net realizable value.	C Current and deferred tax for the year	
	*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.		Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.
1.11 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.	1.13 Provisions and Contingent Liabilities	Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
1.12 Taxation	Income tax expense represents the sum of the current tax payable and deferred tax		The amount recognised as a provision is the best
A Current Tax	The current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss		

estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

1.14 Operating lease including on Investment Properties

A As a Lessor

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. 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.

B As a Lessee

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: (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.

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.

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.

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.

1.15 Government Grants

Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants related to assets are deferred and amortised over the useful life of the asset. Government grants related to income are presented as an offset against the related expenditure, and government grants that are awarded as incentives with no ongoing performance obligations to the Company are recognised as income in the period in which the grant is received

1.16 Dividends

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.

1.17 Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand & balances with banks.

1.18 Employee benefits

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment towards un-availed leave, compensated absences, and other terminal benefits.

A Gratuity

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contribution.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the company recognises any related restructuring costs.

B Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of long-term

employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by employees up to the reporting date

C Provident Fund

Specified class of employees of the Company receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The companies have no further obligation to the plan beyond its monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employees benefit expenses when they are due in the Statement of Profit and Loss.

1.19 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 potential equity shares, except where the result is anti-dilutive.

1.20 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.

1.21 Recent accounting pronouncements

On July 24, 2020, the Ministry of Corporate Affairs has made following changes applicable from the financial year beginning April 1, 2020 –

- A Revised the definition of the term 'business' and related guidance in Ind AS 103. The amendment

permits a simplified assessment of whether an acquired set of activities and assets is not a business.

- B Amended some specific hedge accounting requirements under Ind AS 109 (temporary exceptions from applying specific hedge accounting requirements) and disclosure requirements under Ind AS 107 to provide relief to the potential effects of uncertainty caused by the Interest Rate Benchmark Reforms (IBOR reforms).
- C Amended Ind AS 116 to provide limited relief to lessees in respect of rent concessions arising due to Covid-19 pandemic.
- D Refined the definition of the term 'material' and related clarifications in Ind AS 1 and Ind AS 8. As per the amendment information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements, which provide financial information about a specific reporting entity. The amendments further clarified that the information is obscured if it is communicated in a way that would have a similar effect for primary users of financial statements to omitting or misstating that information.

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Some of the key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- i Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- ii Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- iii Specified format for disclosure of shareholding of promoters.
- iv Specified format for ageing schedule of trade receivables, trade payables, capital work-in-

progress and intangible asset under development.

- v If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- vi Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- vii Realignment of presentation of following financial statement captions:
- Security deposits to be presented under other financial assets (earlier: under loans)
 - Current maturities of long-term borrowings to be disclosed separately under borrowings (earlier: under other financial liabilities)
- viii Disclosure of charges/ satisfaction yet to be registered with ROC beyond the statutory period along with details and reasons thereof
- ix Prescribed disclosures where loans/ advances in the nature of loans were granted to promoters, directors, KMPs and the related parties (as defined under 2013 Act), either severally or jointly with any other person that are: Repayable on demand or Without specifying any terms/ period of repayment
- x Disclosure of prescribed ratios e.g. current ratio, debt-equity ratio (Explain items included in numerator and denominator and any change in the ratio >25% as compared to the preceding year)
- xi Disclosure of the following where borrowings are made from banks/ FI on the basis of security of current assets: Whether quarterly returns/ statements of current assets filed with banks/ FI are in agreement with the books Summary of reconciliation and reasons of material discrepancies (if any)
- The Company is assessing the impact of these changes and will accordingly incorporate the same for the financial statements for the year ended March 31, 2022.

Note - 2 Property, Plant and Equipment & Intangible Assets

Current Year (₹ in Lacs)

Particulars	Gross Block				Depreciation/Impairment*				Net Block
	As at April 01, 2020	Additions	Deductions/-Adjustments	As at March 31, 2021	As at April 01, 2020	Additions	Deductions/-Adjustments	As at March 31, 2021	As at March 31, 2021
Freehold Land	4,211	2	-	4,213	-	-	-	-	4,213
Buildings	2,043	-	50	1,993	763	69	7	825	1,168
Plant & Machinery (Including Electric Fitting)	7,490	308	14	7,784	4,246	453	4	4,695	3,089
Furniture & Fittings	239	-	-	239	151	-	-	151	88
Computers	308	4	-	312	263	23	-	286	26
Office Equipment	146	1	-	147	133	5	-	138	9
Vehicles	526	7	-	533	198	54	-	252	281
TOTAL	14,963	322	64	15,221	5,754	604	11	6,347	8,874
Leasehold Assets (Right-of-Use Assets)	112	45	4	153	43	50	3	90	63
Capital Work in Progress	11,659	3,513	322	14,850	-	-	-	-	14,850

Previous Year (₹ in Lacs)

Particulars	Gross Block				Depreciation/Impairment*				Net Block
	As at April 01, 2019	Additions	Deductions/-Adjustments	As at March 31, 2020	As at April 01, 2019	Additions	Deductions/-Adjustments	As at March 31, 2020	As at March 31, 2020
Freehold Land	4,173	38	-	4,211	-	-	-	-	4,211
Buildings	1,976	67	-	2,043	694	69	-	763	1,280
Plant & Machinery (Including Electric Fitting)	7,408	167	85	7,490	3,883	440	77	4,246	3,244
Furniture & Fittings	238	1	-	239	151	-	-	151	88
Computers	290	18	-	308	241	22	-	263	45
Office Equipment	142	4	-	146	126	7	-	133	13
Vehicles	457	209	140	526	254	54	109	2198	328
TOTAL	14,684	504	225	14,963	5,349	592	186	5,754	9,209
Leasehold Assets (Right-of-Use Assets)	-	112	-	112	-	43	-	43	69
Capital Work in Progress	3,660	8,080	81	11,659	-	-	-	-	11,659

Note:
1 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.
2 Refer to clause 1.3 of notes to significant accounting policies
3 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.

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

Note - 3 Intangible Assets

Current Year (₹ in Lacs)

Particulars	Gross Block				Depreciation				Net Block
	As at April 01, 2020	Additions	Deductions/-Adjustments	As at March 31, 2021	As at April 01, 2020	Additions	Deductions/-Adjustments	As at March 31, 2021	As at March 31, 2021
Product Development	195	-	-	195	195	-	-	195	-
Computer Software	127	38	-	165	127	-	-	127	38
TOTAL	322	38	-	360	322	-	-	322	38

Previous Year (₹ in Lacs)

Particulars	Gross Block				Depreciation				Net Block
	As at April 01, 2019	Additions	Deductions/-Adjustments	As at March 31, 2020	As at April 01, 2019	Additions	Deductions/-Adjustments	As at March 31, 2020	As at March 31, 2020
Product Development	195	-	-	195	195	-	-	195	-
Computer Software	127	-	-	127	127	-	-	127	-
TOTAL	322	-	-	322	322	-	-	322	-

Note - 4 Investment Property (₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Gross Carrying Amount		
Opening Balance	50	50
Addition	-	-
Transfer to Property Plant & Equipment	-	-
Closing balance	50	50
Accumulated Depreciation		
Opening Balance	19	15
Addition	3	4
Transfer to Property Plant & Equipment	-	-
Closing balance	22	19
Net Carrying Amount	28	31

Note :

Investment property has been carried at the cost less accumulated depreciation as at 01 April 2019, as the cost and depreciation determined under the previous GAAP, in case of the company, is in line with the principles of Ind AS 40.

(i) Amounts Recognised in Profit or Loss for Investment Properties (₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Rental Income	5	15
Direct operating expenses from property that generated rental income	-	-
Profit from Investment property before depreciation	5	15
Depreciation	3	4
Profit from Investment property	2	11

(ii) Contractual Obligations

There are no contractual obligation to construct or develop investment property.

(iii) Leasing Arrangements

Investment properties are leased out to tenants under operating leases. Disclosure on future rent receivable is included in Note No. -37.

(iv) Fair Value

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Investment property	91	91

(v) Estimation of fair value

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.

Note - 5 Investments

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Non-Current Investment		
(a) Investment in Wholly Owned Subsidiary		
Investment carried at cost		
Unquoted :		
Extent of holding	100%	100%
No. of Shares owned	450,000	400,000
Investment in Atul Green Automotive Private Limited	45	40
Investment carried at cost		
Unquoted :		
Extent of holding	100%	100%
No. of Shares owned	5,000,000	1,010,000
Investment in Atul Greentech Private Limited	500	101
Total (a)	545	141
In respect of the Company's investment in its wholly owned subsidiaries, despite their accumulated losses, no provision for diminution in value of this investment has been made in view of the expected recovery in business, the value of assets held and strategic nature of investment.		
(b) Investment in Associate		
Investment carried at cost		
Unquoted :		
Extent of holding	30%	30%
No. of Shares owned	11,820,000	11,820,000
Investment in Khushbu Auto Finance Limited	1,452	1,452
Less :- Provision for diminution (other than temporary) in value	-131	-131
Total (b)	1,321	1,321
Total Non - Current Investment (a+b)	1,866	1,462
Current Investment		
(c) Investment in Mutual Fund		
Investment carried at fair value through Profit & Loss		
Quoted :		
Aditya Birla Sun Life Overnight Fund [Growth]	330	-
(Units: CY 29,660.34, PY - Nil)		
Tata Overnight Fund [Growth]	290	-
(Units: CY - 26715.09, PY - Nil)		
SBI Overnight Fund [Growth]	130	-
(Units: CY - 3878.741, PY - Nil)		
Kotak Overnight Fund [Growth]	100	-
(Units: CY - 9108.504, PY - Nil)		
DSP Overnight Fund [Growth]	200	-
(Units: CY - 18149.135, PY - Nil)		
Total (c)	1,050	-
Total Current Investment	1,050	-
Total Investment	2,916	1,462
Aggregate provision for diminution in value of investments	131	131

(₹in Lacs)

Particulars	Book Value		Market Value	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Quoted	1,050	-	1,050	-
Unquoted	1,866	1,462	NA	NA

Notes to Investments

- (i) Investment made by the company other than those with a maturity of less than one year are intended to be held for short term. On an assessment of the expected credit loss due to significant changes in the risk profile, no material provisions are required to be made.
- (ii) Refer Note-1 for accounting policy and valuation principles for investments and Note-44 for credit risk management related to investments.

Note - 6 Income Tax Asset (Net)

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Income Tax Asset (Net)	194	153
Total Income Tax Asset (Net)	194	153

Note - 7 Other Financial Assets

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Other Income Receivables	113	258
Total Other Financial Assets	113	258

Note - 8 Other Assets

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Other Non - Current Assets		
Security Deposit	127	84
Advances to Suppliers for Capital Goods	1,076	1,401
Balance with Govt. authorities	4	4
Total Other Non - Current Assets (A)	1,207	1,489
Other Current Assets		
Advances to Supplier for Goods & Services	269	181
Prepaid Expenses	46	74
Balances with Government Authorities	236	9
Other Receivables	47	14
Total Other Current Assets (B)	598	278
Total Other Assets (A+B)	1,805	1,767
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 - 9 Inventories (Valued at Cost and Net Realisable Value whichever is lower) (₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Raw Material (including Goods in Transist Rs. Nil, PY Rs. Nil)	3,863	3,918
Consumables (including Goods in Transist Rs. Nil, PY Rs. Nil)	657	646
Work-in-Progress	30	18
Finished Goods (including Goods in Transist Rs. 29 lacs, PY Rs. 1 lac)	549	203
Stock of Traded Goods	13	18
Total Inventories	5,112	4,803

Write-downs of inventories to net realisable value/reversal of provision for write-down, resulted in net loss/(gain) of Nil (Previous year - ₹ 84 lacs). These were recognised as an expense/(income) during the year in the Statement of Profit and Loss.

Note - 10 Trade Receivables (₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Unsecured, Considered Good	2,292	7,478
Significant Increase in Credit Risk	606	593
Less: Provision for Expected Credit Loss	-524	-263
Total Trade Receivables	2,374	7,808
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	7	1,567

Note - 11 Cash & Cash Equivalent (₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Cash on Hand	-	1
Balances with Bank		
In Current Accounts	710	105
Cheques on Hand	-	-
Total Cash & Cash Equivalent	710	106

Note - 12 Other Bank Balances (₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Unpaid Dividend Bank Balances	28	40
Deposits with residual maturity for less than 12 months	110	90
Total Other Bank Balances	138	130

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 Loans (₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
<u>Unsecured, considered Good</u>		
Loan to Staff	7	11
Inter-Corporate Deposit	850	118
Total Current Loans	857	129
Inter-Corporate Deposit to wholly owned subsidiary Atul Greentech Private Limited	850	14

Note - 14 Share Capital (₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
(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	23,224,600	23,224,600
Amount(₹)	1,161	1,161
Paid up Shares		
Equity Shares of ₹5 each		
No of Share	21,943,200	21,943,200
Amount(₹)	1,097	1,097
Total Share Capital	1,097	1,097

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

Particulars	2021		2020	
	No.	Amount ₹	No.	Amount ₹
At the beginning of the period	21,943,200	1,097	21,943,200	1,097
Outstanding at the end of the period	21,943,200	1,097	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) Details of shareholders

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% of total holding	No. of Shares	% of total holding
	Equity Share of ₹ 5 each		Equity Share of ₹ 5 each	
Maheshbhai J Chandra	1,969,242	8.97%	1,969,242	8.97%
Jayantibhai J Chandra	1,351,742	6.16%	1,351,742	6.16%
Dharmendrabhai J Chandra	1,267,326	5.78%	1,267,326	5.78%
Harishbhai J Chandra	1,164,786	5.31%	1,164,786	5.31%
HDFC Small Cap	1,216,635	5.54%	1,216,635	5.54%

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 Lacs)

Particulars	March 31, 2021	March 31, 2020
(a) Capital Reserves	30	30
(b) Share Premium Account	478	478
(c) General Reserves	2,094	2,094
(d) Share Forfeiture	23	23
(e) Retained Earning		
Balance at the beginning of the year	26,603	22,137
Profit / (Loss) for the year	-1,020	5,239
Actuarial Gain/loss on defined benefit plans	18	-46
Final Dividend	-	-274
Tax on Final Dividend	-	-56
Interim Dividend	-	-329
Tax on Interim Dividend	-	-68
Balance in Retained Earning	25,601	26,603
Total Other Equity	28,226	29,228

Note - 16 Provisions

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Non - Current Provisions		
Warranty Claim	27	73
Total Non - Current Provisions (A)	27	73
Current Provision		
Provision for Employee Benefits		
Gratuity	91	119
Sub-Total (a)	91	119
Other Provisions		
Provision for After Sales Activities	81	153
Provision for Warranty Claims	65	93
Provision for Expected Credit Loss on Risk Sharing Arrangement	178	48
Sub-Total (b)	324	294
Total Current Provisions (B)	415	413
Total Provisions (A+B)	442	486

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 Lacs)

Particulars	March 31, 2021	March 31, 2020
At the beginning of the year	153	180
Arising during the year	70	198
Utilised during the year	142	225
At the end of the year	81	153

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 Lacs)

Particulars	March 31, 2021	March 31, 2020
At the beginning of the year	166	225
Arising during the year	60	141
Utilised during the year	134	200
At the end of the year	92	166

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 20% of such outstanding. Company has recognized the provision based on Ind AS - 109 'Financial Instruments'.

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
At the beginning of the year		
Delinquency Fund	83	-
Additional Provision	48	-
During the year		
Delinquency Fund	29	115
Additional Provision	278	48
Utilised during the year		
Delinquency Fund	112	32
Additional Provision	148	-
At the end of the year		
Delinquency Fund	-	83
Additional Provision	178	48

Note - 17 Deferred Tax Liabilities**(i) Statement of Deferred Tax Liabilities**

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
<u>Deferred tax liabilities</u>		
On account of timing difference in		
Property, Plant and Equipment	412	436
Gross Deferred Tax Liabilities	412	436
<u>Deferred tax assets</u>		
On account of timing difference in		
Impairment of Property, Plant and Equipment	6	6
Lease Liability	17	18
Retiral and other benefits	23	30
Provision for bad/doubtful debts	132	66
Current year loss & unabsorbed depreciation	196	-
Gross Deferred Tax Assets	374	120
Deferred Tax Liabilities	38	316

(ii) Movement in Deferred Tax Liabilities

(₹in Lacs)

Particulars	Property, Plant & Equipment	Retiral and Other Benefits	Other Items	Total
At April 01, 2020	436	-30	-90	316
Charged				
to Profit & Loss	-24	13	-261	-272
to Current year loss & Depreciation	-	-	-	-
to Other Comprehensive Income	-	-6	-	-6
At March 31, 2021	412	-23	-351	38

Note - 18 Borrowings

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
EXIM - Term Loan	1,500	-
Total Non- Current Borrowings	1,500	-

Terms & Conditions of Term Loan

1. Term Loan is secured by First Charge on the entire movable and immovable fixed assets of AAL at proposed plant at Bhayla, Ahmedabad, both present & future, Second pari passu charge on entire current assets of AAL, both present & future and personal gaurantee of Chairman and Managing Director and Whole Time Director of the company.

2. Rate of Interest is 8.25% p.a.

3. It is reayable in 21 Equal quarterly Instalments commencing after a moratorium of 12 months from Schedule Commercial Operations Date.

Note - 19 Trade Payables

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
(i) Total outstanding dues of micro enterprises and small enterprises	1,577	1,273
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	3,231	2,619
Total Trade Payables	4,808	3,892

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 Lacs)

Particulars	March 31, 2021	March 31, 2020
(i) (a) Principal amount remaining unpaid to any supplier	1,577	1,273
(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	-	-
Total outstanding dues of Micro and Small Enterprises		
Principal	1,577	1,273
Interest	-	-

Note - 20 Lease Liabilities

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Non-current Lease Liability	41	32
Current Lease Liability	28	42
Total Lease Liability	69	74

Note - 21 Other Financial Liabilities

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Unpaid Dividends*	28	40
(*Investor Education and Protection Fund will be credited by amount as and when due)		
Expenses Payable	803	1,068
Dealers' Deposit	547	607
Total Other Financial Liabilities	1,378	1,715

Note - 22 Other Current Liabilities

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Advances from Dealers	457	635
Statutory Dues	24	124
Others	33	18
Total Other Current Liabilities	514	776

Note - 23 Revenue From Operations

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Sales of Vehicles	26,643	59,005
Domestic	25,504	55,462
Export (Including Merchant Export)	1,139	3,543
Sales of Spares	2,384	2,746
Domestic	2,190	2,241
Export (Including Merchant Export)	194	505
Total Revenue from Sale of Products (A)	29,027	61,751

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Other Operating Revenue		
Export Incentive	44	120
Other Income	16	26
Payout Income	55	240
Freight Income	49	-
Commission Income	336	323
Technical Service Income	9	61
Jobwork Income	46	-
Scrap Sale	8	13
Total Other Operating Revenue (B)	563	783
Total Revenue From Operations (A+B)	29,590	62,534

		(₹in Lacs)	
Particulars		March 31, 2021	March 31, 2020
Details of Product Sold under Broad Category - Domestic			
Cargo	Amount	13,840	23,538
	Nos.	8,044	17,227
Passenger	Amount	10,816	31,355
	Nos.	6,487	22,769
E-Rickshaw	Amount	848	569
	Nos.	818	715
Spares	Amount	2,190	2,241
Total Value of Domestic Sales		27,694	57,703
Details of Product Sold under Broad Category - Export (Including Merchant Export)			
Cargo	Amount	114	221
	Nos.	79	189
Passenger	Amount	1,025	3,313
	Nos.	867	3,178
E-Rickshaw	Amount	-	9
	Nos.	-	4
Spares	Amount	194	505
Total Value of Export Sales		1,333	4,048

Note - 24 Other Income

		(₹in Lacs)	
Particulars		March 31, 2021	March 31, 2020
Gain on Sale /Revaluation of Mutual Fund		43	46
Interest on Bank Fixed Deposit		6	26
Interest on Other Deposits		12	3
Interest on dealer outstanding		11	124
Interest on PGVCL Deposit		1	-
Interest Income on ICD		26	5
Corporate Guarantee Fees		75	78
Profit on Sale of Fixed Assets		7	17
Rent		5	15
Total Other Income		186	314

Refer Note No. 41 for transaction with related parties

Note - 25 Cost of Material Consumed

		(₹in Lacs)	
Particulars		March 31, 2021	March 31, 2020
Consumption of Materials		23,896	43,734
Consumables		37	78
Direct Expenses (Purchase Expenses)		338	501
Total Cost of Material Consumed		24,271	44,313

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

		(₹in Lacs)	
Particulars		March 31, 2021	March 31, 2020
Work in Progress			
Opening Stock		18	16
Closing Stock		29	18
		-11	-2
Finished Goods			
Opening Stock		204	971
Closing Stock		550	204
		-346	767
Stock in Trade			
Opening Stock		18	28
Closing Stock		13	18
		5	10
Total Changes in Inventories		-352	775

Note - 27 Employee Benefit Expenses

		(₹in Lacs)	
Particulars		March 31, 2021	March 31, 2020
Salary, Wages & Bonus		3,098	4,436
Directors' Remuneration		194	365
Contribution to Provident Fund and Gratuity (Note - 40)		273	332
Staff Welfare Expenses		208	322
Total Employee Benefit Expenses		3,773	5,455

Note - 28 Finance Cost

		(₹in Lacs)	
Particulars		March 31, 2021	March 31, 2020
Interest on Dealer Deposits		18	32
Interest on Income Tax		4	22
Interest on Working Capital Term Loan		36	12
Interest on Lease Liability		7	8
Other Borrowing Cost			
Loan Processing Fees & Expenses		5	10
Bank Charges		18	19
Total Finance Cost		88	103

Note - 29 Depreciation & Amortization

		(₹in Lacs)	
Particulars		March 31, 2021	March 31, 2020
Depreciation on Property, Plant and Equipment		604	592
Amortisation of Intangible Asset		-	-
Depreciation of Right to use Asset		49	44
Depreciation on investment property		3	4
Total Depreciation & Amortization		656	640

Note - 30 Product Development Expenses

		(₹in Lacs)	
Particulars		March 31, 2021	March 31, 2020
Product Development Expense		186	434
Total Product Development Expenses		186	434

Note - 31 Other Expenses

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Advertising & Sales Promotion	526	1,354
Freight & Forwarding Expense	352	469
Expected Credit Loss	260	107
Travelling & Conveyance	203	609
CSR expenditure	144	151
Power & Fuel	139	294
Repairs to Others	126	197
Testing Expenses	125	63
Legal & Consultancy Charges	107	180
Warranty & After Sales Services	105	333
Other miscellaneous expenses	91	149
Office Admin Expenses	65	111
Repairs to Machinery	63	198
Foreign Exchange Rate Difference	29	-77
Insurance	29	19
Rates and taxes	27	31
Communication Cost	19	27
Printing & Stationary	16	43
Rent	13	41
Windmill Operation Charges	11	10
Repairs to Buildings	10	83
Director's Sitting Fees	8	7
Payment to Auditor	6	8
Loss on Sales of Assets	-	11
Donation	-	7
Total Other Expenses	2,474	4,425

Payment to Auditor includes

For Audit Fee	5	5
For Limited Review	1	2
Reimbursement expense	-	1
Total Payment to Auditor	6	8

Note - 32 Tax Expenses

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Current tax on profits for the year	-	1,741
Adjustment for current tax of prior periods	-16	-70
	-16	1,671
Deferred Tax	-284	-207
Total Tax Expenses	-300	1,464

Reconciliation of Tax Expense and the Accounting Profit multiplied by India's Tax Rate

Profit /(Loss) Before Tax	-1,319	6,703
Tax at the Indian tax of 25.168%	-332	1,687
Tax effect of amount which are not deductible (taxable) in calculating taxable income :		
CSR expense which is not allowable	36	21
Interest on Income tax	1	5
Rent Expense as per Ind AS 116	2	1
Tax effect of amount which are deductible (non-taxable) in calculating taxable income :		
Deduction for wages paid to additional employees	-	-19
Other Deductions	-8	-20
Adjustment for current tax of prior period	1	-60
Reduction in Deferred Tax due to change in tax rate	-	-151
	-300	1,464

Note - 33 Earning Per Share

Particulars	March 31, 2021	March 31, 2020
Net profit /(loss) as per statement of Profit & Loss (₹in Lacs)	-1,020	5,239
Weighted average number of shares outstanding during the year (Nos)	21,943,200	21,943,200
Earning per share (Basic & Diluted) ₹	-4.65	23.88
Face Value per Share ₹	5	5

Note - 34 Contingent Liabilities not acknowledged as Debt

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
A. Disputed Liabilities*		
Sales Tax	27	27
Excise Duty	1	1
Income Tax	108	108
Case Pending before Consumer Forum	50	50
B. Financial Guarantees		
Financial Gaurantees in respect of loan given by finance company to end user - Amount outstanding	9,409	9,138
Financial Gaurantees in respect of loan given by Banks to Associate company - Amount outstanding Amount of Guarantee is ₹11,500 lacs (₹11,500 lacs. in F.Y. 2019-20)	7,022	7,468
*(Show-cause notices received from various Government Agencies & pending formal demand notices have not been considered as contingent liabilities.)	-	-
Total Contingent Liabilities	16,617	16,792

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

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
For Purchase of Assets	560	1,272
For Purchase of shares of Khushbu Auto Finance Limited	4,457	-
Total	5,017	1,272

Note - 36 Corporate Social Responsibility Expenditures

- a. Gross amount required to be spent by the Company during the year ₹ 145 lacs (Previous year ₹ 138 lacs)
- b. Amount spent during the year on
- i. Construction/acquisition of any asset - ₹. Nil (Previous year ₹ Nil)
- ii. On purposes other than (i) above

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Contribution to Trusts/Associations for Education	137	11
Contribution to Trusts/Associations for National Heritage and Culture	-	25
Contribution to Trusts/Associations for Promoting Cleanliness	-	26
Contribution to Trusts/Associations for Disaster Management	5	-
Contribution to Trusts/Associations for Promoting Healthcare	2	28
Contribution to Trusts/Associations for Eradicating Hunger, Poverty	-	61
CSR Expenditure	144	151
Administrative Overheads for CSR Activity	1	-
Total CSR Expenditure	145	151

Note - 37 Lease**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 :

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Within one year	6	4
After one year but not more than five years	-	-
Total	6	4

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	31	63
After one year but not more than five years	29	29
Total	60	91

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

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Relating to export during the year as a part of sales / other Income	-29	93
On settlement of other transaction as part of other expenses & import	-	-16
Total	-29	77

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

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Export Trade Receivable USD	9	15
₹	684	1,144

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.

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
<u>Amount Recognised in Balance Sheet</u>		
Present Value of funded defined benefit obligation	-549	-541
Fair Value of Plan Assets	458	422
Net Funded Obligation	-91	-119
<u>Expense Recognised in the statement of Profit & Loss</u>		
Current Service Cost	53	59
Interest on net defined benefit liability /(assets)	8	4
Total Expense Charged to Profit & Loss	61	63
<u>Amount recorded as other comprehensive income</u>		
Opening amount recognised in OCI outside profit & loss account	21	-40
Remeasurements during the period due to		
Actuarial (gain)/losses on obligation for the period	-29	57
Actual return on plan assets less interest on plan assets	6	4
Closing amount recognised in OCI outside profit & loss account	-2	21
Reconciliation of net liability/(assets)		
Opening net defined benefit liability/(assets)	120	46
Expense charged to profit & loss account	61	63
Amount recognised outside profit & loss account	-23	61
Employer contributions	66	-51
Closing net defined benefit liability/(assets)	225	120
<u>Movement in benefit obligation</u>		
Opening of defined benefit obligation	541	416
Current Service Cost	53	59
Interest on defined benefit obligation	37	32
Past Service cost		
Remeasurements due to :-		
Actuarial Loss /(gain) arising from change in financial assumptions	5	59
Actuarial Loss /(gain) arising on account of experience changes	-34	-2
Benefits paid	-53	-24
Closing of Defined benefit obligation	549	541

Movement in Plan Assets		
Opening Fair Value of Plan Assets	422	370
Employer contributions	66	51
Interest on plan assets	29	29
Remeasurements due to :-		
Actual return on plan assets less interest on plan assets	-6	-4
Benefits paid	-53	-24
Closing fair value of plan assets	458	422
Disaggregation of Assets		
Category of Assets		
Insurer managed funds	458	421
Grand total	458	421

Key actuarial assumptions

Particulars	March 31, 2021	March 31, 2020
Discount rate (p.a)	6.81%	6.88%
Expected return on plan assets	6.88%	7.79%
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 Lacs)

Particulars	March 31, 2021	March 31, 2020
Projected Benefit Obligation on Current Assumptions	549	541
Delta Effect of +1% Change in Rate of Discounting	-62	-64
Delta Effect of -1% Change in Rate of Discounting	74	78
Delta Effect of +1% Change in Rate of Salary Increase	67	70
Delta Effect of -1% Change in Rate of Salary Increase	-58	-61
Delta Effect of +1% Change in Rate of Employee Turnover	-	1
Delta Effect of -1% Change in Rate of Employee Turnover	-	-1

(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. 196 lacs (Previous year Rs.256 lacs).

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

(₹in Lacs)

Name of related party	Nature of Relationship	Nature of transaction	March 31, 2021			March 31, 2020		
			Transaction Value	Outstanding amount in Balance Sheet	Dr./Cr.	Transaction Value	Outstanding amount in Balance Sheet	Dr./Cr.
Atul Green Automotive Private Limited	Wholly Owned Subsidiary	Contribution to equity (4,50,000 shares of ₹ 10 each) [Previous year 4,00,000 Shares of ₹ 10 each]	5	45	Dr.	39	40	Dr.
Atul Greentech Private Limited	Wholly Owned Subsidiary	Contribution to equity (50,00,000 shares of ₹ 10 each) [Previous year 10,10,000 Shares of ₹ 10 each]	399	500	Dr.	101	101	Dr.
		Inter Corporate Deposit	850	850	Dr.	-	-	
		Sale of Raw Material (Purchased on behalf of Subsidiary)	1	18	Dr.	-	-	
		Interest on inter coporate deposit	21			-	-	-
Total			1,276	1,413	Dr.	140	141	Dr.
Khushbu Auto Finance Limited	Associate	Receipt of Lease/ Rent (Inclusive of Taxes)	6	48	Dr.	18	56	Cr.
		Payment of Subvention Charges / Incentive (Inclusive of Taxes)	34			216		
		Purchase of seized vehicles	-			1		
		Corporate Guarantee Fee (Inclusive of Taxes)	88			91		
		Outstanding Amount of loans in books of Associate company for which Guarantee is given to Bank on behalf of an Associate		7,022	Cr.		7,468	Cr.
		Amount of ₹11,500 Guarantee given on behalf of Associate						
Total			128	6,974	Cr.	325	7,524	Cr.

(₹ in Lacs)

Name of related party	Nature of Relationship	Nature of transaction	March 31, 2021			March 31, 2020		
			Transaction Value	Outstanding amount in Balance Sheet	Dr./Cr.	Transaction Value	Outstanding amount in Balance Sheet	Dr./Cr.
Key management personnel and their relatives :-								
Jayantibhai J Chandra	Chairman and Managing Director	Short term Employee Benefits	84	4	Cr.	157	-	
Mahendra J Patel	Whole Time Director and Chief Financial Officer	Short term Employee Benefits	73	4	Cr.	137	8	Cr.
Niraj J Chandra	Whole Time Director	Short term Employee Benefits	41	3	Cr.	75	4	Cr.
Paras Viramgama	Company Secretary	Short term Employee Benefits	6	1	Cr.	7	-	
Krunal J Chandra	Son of Chairman and Managing Director	Short term Employee Benefits	10	1	Cr.	12	-	
Other entities :-								
Atul Auto Industries	Entity owned and controlled by relatives of key managerial personnel	Sale of Raw Material	1	13	Cr.	-	6	Dr.
		Purchase of Raw Material Spares	420			675		
		Purchase of Fixed Asset	7			15		
		Other Expenses	-			4		
		Sale of Asset	2			-		
Total			430	13	Cr.	694	6	Dr.
Atul Motors Private Limited	Entity owned and controlled by relatives of key managerial personnel	Sales of used vehicles	-	-		3	-	
		Purchase of Fixed Asset	8			-		
		Other Expenses	2			1		
Total			10	-		4	-	
Khushbu Auto Private Limited	Entity owned and controlled by relatives of key managerial personnel	Sale (Inclusive of Tax)	1,832	20	Cr.	6,344	1,537	Dr.
		Warranty Claims/ After Sales Service /PDI/WRC Charges	23			25		
		Discount on sales vehicle / Sales Promotion	16			87		
		Other Expense	1			-		
Total			1,872	20	Cr.	6,456	1,537	Dr.
New Chandra Motor Cycle Agency	Entity owned and controlled by relatives of key managerial personnel	Sale (Inclusive of Tax)	95	1	Dr.	216	23	Dr.
		Warranty Claims/ After Sales Service/ PDI/WRC Charges /LGO Meet Exp	2			4		
		Discount on sales vehicle	1			3		
Total			98	1	Dr.	223	23	Dr.
New Chandra Motor Cycle House	Entity owned and controlled by relatives of key managerial personnel	Sale (Inclusive of Tax)	16	4	Dr.	49	2	Dr.
		Discount on sales vehicle	-			3		
		Purchase of Raw Material Spares	3			15		
Total			19	4	Dr.	67	2	Dr.

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 and deployment of surplus funds into various investment options. The Company have adequate sanctioned limits available to meet its long 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 Lacs)

Particulars	March 31, 2021	March 31, 2020
Equity Share Capital	1,097	1,097
Other Equity	28,226	29,228
Total Equity	29,323	30,325
Term Loan	1,500	-
Total Debt	1,500	-
Debt to Equity Ratio	5.12%	NA

b. Category-wise classification for applicable financial assets

Sr No	Particulars	March 31, 2021	March 31, 2020
I	Measured at fair value through Profit or Loss (FVTPL):		
	Investment in Mutual Fund	1,050	-
		1,050	-
II	Measured at amortised cost:		
	Trade Receivable	2,374	7,808
	Cash & Cash Equivalents	710	106
	Loans to Staff & Inter Corporate Deposit	857	129
	Balance in Unpaid Dividend	28	40
	Investment in Fixed Deposits	110	90
	Other Income Receivable	113	258
		4,192	8,430
III	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	1,321	1,321
	Atul Green Automotives Private Limited	45	40
	Atul Greentech Private Limited	500	101
		1,866	1,462
	TOTAL	7,108	9,892

c. Category-wise classification for applicable financial liabilities

(₹ in Lacs)

Sr No	Particulars	March 31, 2021	March 31, 2020
I	Measured at amortised cost:		
	Term Loan	1,500	-
	Lease Liability	69	74
	Trade Payable	4,808	3,892
	Unpaid Dividend	28	40
	Outstanding Expenses	803	1,068
	Dealers' Deposits	547	607
		7,755	5,681

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 Assets Measured at Fair Value Measurements Recurring:-

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Level -I		
Financial Investment at FVTPL		
Investment in Mutual Fund	1,050	-
Level -II	-	-
Level -III	-	-
Total	1,050	-

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 - 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 lever 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 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

Particulars	March 31, 2021	March 31, 2020
Loss allowance at the beginning of the year	-263	-156
Addition in loss allowance during the year	-261	-107
Loss allowance as at the end of the year	-524	-263

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.

Particulars	March 31, 2021	March 31, 2020
Net working capital funds	3,809	6,674
Which includes;		
i. Cash & Cash Equivalents	710	106
ii. Current Investment	1,050	-

Contractual maturities of significant Financial Liabilities as on March 31, 2021 & March 31, 2020:
Maturities of Financial Liabilities

(₹ in Lacs)

Particulars	Less than & equal to 1 Year	More than 1 Year	Total
As at March 31, 2021			
Trade Payable	4,808	-	4,808
Other Financial Liabilities	1,378	-	1,378
Term Loan	-	1,500	1,500
Lease Liabilities	28	41	69
	6,214	1,541	7,755
As at March 31, 2020			
Trade Payable	3,892	-	3,892
Other Financial Liabilities	1,715	-	1,715
Lease Liabilities	42	32	74
	5,649	32	5,681

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, 2021 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 as follows:

(\$ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Receivable (Amount in USD)	9	15

(in Lacs)

Particulars		March 31, 2021	March 31, 2020
Year Ended March 31, 2021	US\$	+10%	68
	US\$	-10%	-68
Year Ended March 31, 2020	US\$	+10%	114
	US\$	-10%	-114

Note - 45 Transaction of loans, investment, guarantees and securities given in respect of which provision os section 186 of the Companies Act, 2013 and are within limits.

(₹ in Lacs)

Particulars	Investment	ICD	Guarantee	Purpose	Proposed Utilization
Khushbu Auto Finance Limited	1,452	-	-	Investment in associate	Amount is proposed to be utilised by associate company for its three wheeler finance business as well as financing other product for risk diverification.
Khushbu Auto Finance Limited	-	-	11,500	Amount of Loans sanctioned to associate company for which guarantee is given to bank on behalf of an Associate	
Cholamandalam Investment and Finance Co. Limited	-	-	9,409	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	500	-	-	Investment in Wholly Owned Subsidiary	Business Purpose
Atul Greentech Private Limited	-	850	-	Investment in Wholly Owned Subsidiary	Business Purpose
	1,997	850	20,909		

Note - 46 Code on Social Security

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 Impact of COVID-19

The Company has considered the possible effects of COVID-19 on the carrying amounts of Property, Plant and Equipment, Investments, Inventories, Trade Receivable and Other Current Assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the company, as at the date of approval of the financial statement, has used external and internal sources of information/ indicators to estimate the future

performance of the Company. Based on current estimates the Company expects the carrying amount of these assets to be recovered. Hence, company has estimated nil impact of COVID-19 in the financial statement for year ended 31st March, 2021. The impact of the COVID-19 on the Company's Audited Financial Statement may differ from that estimated as at the date of approval of these statements.

Note - 48 Others

Previous year figures are regrouped, re arranged & re casted wherever necessary.

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, 2021, 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 & associates, 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 consolidates state of affairs of the Company, as at March 31, 2021, 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.

Emphasis of Matter

We would like to draw your attention to Note No. 22 of the Consolidated Financial Statements which states the management's estimation of impact of COVID-19 on financial statements of the company for the year ended March 31, 2021

Our opinion is not modified in respect of this matter.

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, 2021. 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
Evaluation of consolidation process		
1	The Group's consolidation process is complex on account of its conversion of financial statements of Associate into Ind AS which were prepared under Previous GAAP. 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.	We performed the following key audit procedures: - 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; and - Evaluated 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 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

- We did not audit the financial statement of subsidiary company, whose financial statement reflect assets of Rs. 2.87 Lacs & Capital WIP of Rs. 153.70 Lacs as at March 31, 2021; total revenue of Rs. 1.30 Lacs and net loss of Rs. 1.32 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.
- Associate Company is Non - Banking Financial Corporation and as per Rule 4(1)(iv) of The Companies (Indian Accounting Standards) Rules, 2015 read with Companies (Indian Accounting Standards) (Amendment) Rules, 2016 NBFCs shall comply with the Indian Accounting Standards (Ind AS) for accounting periods ending on March 31, 2021 with comparatives for period ending March 31, 2019, but it is not required to comply with Ind AS as company 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 Associate is made on the basis of relevant financial statement data provided by associate which is in accordance with the accounting policies followed by the parent company for consolidation purposes.

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.

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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, 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;

For Kamlesh Rathod & Associates

Chartered Accountants
ICAI Firm Reg. No.117930W

Kamlesh Rathod

Partner
Membership No: 101046
UDIN: 21101046AAAAAI5617

Signed at Shapar (Dist. Rajkot) on June 25, 2021

- (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.

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, 2021, we have audited the internal financial controls over financial reporting of the group and its associate company, 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 and its associate company, 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 and associate companies, 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

- 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 to the best of our information and according to the explanations given to us, the company and its subsidiary and associate 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, 2021 based on the internal control over financial reporting criteria established by the Group and

For Kamlesh Rathod & Associates

Chartered Accountants
Firm Registration No.117930W

Kamlesh Rathod

Partner
Membership No.101046
UDIN: 21101046AAAAA15617

Signed at Shapar (Dist. Rajkot) on June 25, 2021

its associate 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 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 one subsidiary and one associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India

CONSOLIDATED BALANCE SHEET

as at March 31, 2021

(₹in Lacs)

Sr. No.	Particulars	Note No.	March 31, 2021	March 31, 2020
	ASSETS			
(1)	Non-current Assets			
	(a) Property, Plant and Equipment & Intangible assets	2	8,877	9,210
	(b) Right of use Asset	2	63	69
	(c) Capital Work-in-Progress	2	14,980	11,700
	(d) Investment Property		28	31
	(e) Intangible Assets		38	-
	(f) Financial Assets			
	(i) Investments	3	2,019	1,793
	(g) Income Tax Assets (Net)		194	153
	(h) Other Non-current Assets	4	2,365	1,586
	Total Non-current Assets		28,564	24,542
(2)	Current Assets			
	(a) Inventories		5,112	4,803
	(b) Financial Assets			
	(i) Investments		1,050	-
	(ii) Trade Receivables	5	2,373	7,808
	(iii) Cash and Cash Equivalents	6	729	114
	(iv) Other Bank Balance	7	179	130
	(iv) Loans	8	7	115
	(v) Other Financial Assets		113	258
	(c) Other Current Assets	4	626	278
	Total Current Assets		10,189	13,506
	Total Assets		38,753	38,048
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital		1,097	1,097
	(b) Other Equity	9	28,885	29,685
	Total Equity		29,982	30,782
	LIABILITIES			
(3)	Non-current Liabilities			
	(a) Financial Liability			
	(i) Borrowings		1,500	-
	(ii) Lease Liability		41	32
	(b) Provisions		27	73
	(c) Deferred Tax Liabilities (Net)		38	316
	Total Non-current Liabilities		1,606	421
(4)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings		-	-
	(ii) Trade Payables			
	(A) Total outstanding dues of micro enterprises and small enterprises; and	10	1,577	1,274

Sr. No.	Particulars	Note No.	March 31, 2021	March 31, 2020
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	10	3,238	2,619
	(iii) Lease Liabilities		28	42
	(iv) Other Financial Liabilities	11	1,382	1,719
	(b) Other Current Liabilities	12	525	778
	(c) Provisions		415	413
	(d) Income Tax Liabilities (Net)		-	-
	Total Current Liabilities		7,165	6,845
	Total Equity and Liabilities		38,753	38,048

The accompanying notes form an integral part of Standalone Financial Statements.

As per our report of even date
For, Kamlesh Rathod & Associates
Chartered Accountant
FRN: 117930W

Kamlesh Rathod
Partner
Membership no. 101046
Signed at Shapar (Dist. Rajkot) on June 25, 2021
UDIN: 21101046AAAAAI5617

For and on behalf of Board of Directors of
Atul Auto Limited

J J Chandra **M J Patel**
Chairman and Director Whole time Director & CFO
DIN : 00057722 DIN : 00057735

Paras J Viramgama
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS

for the year ended March 31, 2021

(₹in Lacs)

Sr. No.	Particulars	Note No.	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
1	REVENUE FROM OPERATIONS			
a	Gross Sales		29,027	61,751
b	Other Operating Income		563	783
	TOTAL INCOME FROM OPERATIONS		29,590	62,534
2	Other Income	13	166	314
3	TOTAL INCOME		29,756	62,848
4	EXPENSES			
a	Cost of Materials Consumed	14	24,272	44,313
b	Purchase of Stock in Trade		-	-
c	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		-352	775
e	Employee Benefits Expenses	15	3,774	5,455
f	Finance Costs		88	103
g	Depreciation and Amortisation Expenses		656	640
h	Product Development Expense		186	434
i	Other Expenses	16	2,476	4,440
5	TOTAL EXPENSES		31,100	56,160
6	Profit Before Exceptional Items		-1,344	6,688
7	Exceptional Items		-	-
8	Profit/(Loss) Before Tax		-1,344	6,688
9	Tax Expenses		-300	1,464
a	Current Tax		-16	1,671
b	Deferred Tax		-284	-207
10	Profit/(Loss) for the Period		-1,044	5,224
11	Share of Profit/(Loss) of Associate		226	136
12	Total Profit/(Loss) for the Period		-818	5,360
13	Other Comprehensive Income, Net of Tax		18	-46
a	Items that will not be reclassified to profit or loss			
	(i) Remeasurements of the defined benefit plans		23	-62
	(ii) Income tax effect on above		-5	16
b	Items that will be reclassified to profit or loss		-	-
14	Total Comprehensive Income for the Period (10+11+13)		-800	5,314
15	Earnings Per Equity Share	17		
	Basic & Diluted		-3.73	24.42

The accompanying notes form an integral part of Standalone Financial Statements.

As per our report of even date
For, Kamlesh Rathod & Associates
Chartered Accountant
FRN: 117930W

Kamlesh Rathod
Partner
Membership no. 101046
Signed at Shapar (Dist. Rajkot) on June 25, 2021
UDIN: 21101046AAAAAI5617

For and on behalf of Board of Directors of
Atul Auto Limited

J J Chandra **M J Patel**
Chairman and Director Whole time Director & CFO
DIN : 00057722 DIN : 00057735

Paras J Viramgama
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2021

(A) Equity Share Capital

(₹in Lacs)

Particulars	Note No.	March 31, 2021	March 31, 2020
At the beginning of the year		1,097	1,097
Changes in equity share capital during the year		-	-
At the end of the year		1,097	1,097

(B) Other Equity

(₹in Lacs)

Particulars	Note No.	Capital Reserve	Security Premium	General Reserve	Shares Forfeiture	Retained Earnings	Total Other Equity
Balance as at April 01, 2019	9	30	478	2,094	23	22,473	25,098
Profit /(Loss) for the year		-	-	-	-	5,360	5,360
Other comprehensive income (net of tax)		-	-	-	-	-46	-46
Total comprehensive income for the year ended March 31, 2020		-	-	-	-	5,314	5,314
Transaction with owners in their capacity as owners							
Final Dividend		-	-	-	-	-274	-274
Tax on Final Dividend		-	-	-	-	-56	-56
Interim Dividend		-	-	-	-	-329	-329
Tax on Interim Dividend		-	-	-	-	-68	-68
Balance as at March 31, 2020		30	478	2,094	23	27,060	29,685
Profit /(Loss) for the year		-	-	-	-	-818	-818
Other comprehensive income (net of tax)		-	-	-	-	18	18
Total comprehensive income for the year ended March 31, 2021		-	-	-	-	-800	-800
Transaction with owners in their capacity as owners							
Final Dividend		-	-	-	-	-	-
Tax on Final Dividend		-	-	-	-	-	-
Interim Dividend		-	-	-	-	-	-
Tax on Interim Dividend		-	-	-	-	-	-
Balance as at March 31, 2021		30	478	2,094	23	26,260	28,885

The accompanying notes form an integral part of Standalone Financial Statements.

As per our report of even date
For, Kamlesh Rathod & Associates
Chartered Accountant
FRN: 117930W

For and on behalf of Board of Directors of
Atul Auto Limited

J J Chandra Chairman and Director
DIN : 00057722
M J Patel Whole time Director & CFO
DIN : 00057735
Paras J Viramgama Company Secretary

Kamlesh Rathod
Partner
Membership no. 101046
Signed at Shapar (Dist. Rajkot) on June 25, 2021
UDIN: 21101046AAAAAI5617

CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended March 31, 2021

(₹in Lacs)

Sr. No.	Particulars	March 31, 2021	March 31, 2020
A.	Cash Flow from Operating Activities		
	Net Profit/(Loss) Before Taxation	-1,118	6,824
	<u>Adjustment for:</u>		
	<u>Add:</u>		
	Provision for Doubtful Debts	261	107
	Depreciation & Impairment	656	640
	Finance Cost	84	81
	Interest on Income Tax	4	22
	Sub Total	1,005	850
	Less :-		
	Share of Profit/(Loss) from Associate	226	136
	Profit/(Loss) on Sale of Fixed Assets	7	6
	Profit on Redemption/Revaluation of Mutual Fund	43	46
	Interest Received on Deposits	23	34
	Unrealised Foreign Exchange Gain/(Loss)	-40	53
	Sub Total	259	275
	Operating Profit Before Working Capital Changes	-372	7,399
	Movements in Working Capital:		
	Decrease/-Increase in Trade Receivable	5,133	2,168
	Decrease/-Increase in Inventories	-309	942
	Decrease/-Increase in Loans and Other Assets	-201	-172
	Increase/-Decrease in Trade Payables	1,612	-2,648
	Increase/-Decrease in Liabilities/Provisions	-625	-49
	Total Movement in Working Capital	5,610	241
	Cash Generated from Operations	5,238	7,640
	Direct Taxes Paid (Net of Refunds)	-29	-1,924
	NET CASH FROM OPERATING ACTIVITIES	5,209	5,716
B.	Cash Flow from Investing Activities		
	Purchase of Fixed Assets, Capital WIP and Advances for Capital Goods & of Payable	-5,131	-7,493
	Proceeds from Sale of Fixed Assets	52	44
	Net (Investment)/ Net Proceeds from Sale of Mutual Fund	-1,007	992
	Investment in Wholly Owed Subsidiary Company	-	-
	(Increase)/Decrease in Other Bank Balance	-49	602
	Inter Corporate Deposit	108	7
	Interest Received on Deposits	23	34
	NET CASH FLOW FROM INVESTING ACTIVITIES	-6,004	-5,814

(₹ in Lacs)

Sr. No.	Particulars	March 31, 2021	March 31, 2020
C.	Cash Flow form Financing Activities		
	Dividend Paid	-	-604
	Tax on Dividend Paid	-	-124
	Increase in Lease Liability	-5	74
	Proceeds from Bank Borrowing	1,500	-
	Other Borrowing Cost	-84	-81
	NET CASH CLOW FROM FINANCING ACTIVITIES	1,411	-735
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	616	-833
	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	114	946
	Cash and Cash Equivalents at the End of the Year	730	113
	Components of Cash and Cash Equivalents as at the End of the Year		
	Cash on Hand	-	1
	Cheques on Hand	-	-
	With Bank		
	- In Current Accounts	729	113
	TOTAL	729	114

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 form an integral part of the standalone financial statements.

As per our report of even date
For, Kamlesh Rathod & Associates
Chartered Accountant
FRN: 117930W

Kamlesh Rathod
Partner
Membership no. 101046
Signed at Shapar (Dist. Rajkot) on June 25, 2021
UDIN: 21101046AAAAAI5617

For and on behalf of Board of Directors of
Atul Auto Limited

J J Chandra **M J Patel**
Chairman and Director Whole time Director & CFO
DIN : 00057722 DIN : 00057735

Paras J Viramgama
Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended on March 31, 2021

1 A The consolidated financial statements comprise financial statements of Atul Auto Limited (the 'Company'), its subsidiaries and associate (collectively, the 'Group') for the year ended 31st March 2021. The consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on June 25, 2021.

B The consolidated financial statements include results of the subsidiaries company and Associate company of Atul Auto Limited; consolidated in accordance with Ind AS 110 'Consolidated Financial Statements' and Ind AS 28 'Investment in Associates and Joint Ventures'.

Sr. No.	Name of Company	Country of Incorporation	% Holding of AAL	% of Holding by others	Consolidated as
1	Atul Green Automotive Private Limited	India	100	-	Wholly-owned Subsidiary
2	Atul Greentech Private Limited	India	100	-	Wholly-owned Subsidiary
3	Khushbu Auto Finance Limited	India	30	70	Associate

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.

D Accounting policies applicable in consolidated financial statements.

(i) The Company combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated.

(ii) 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.

(iii) 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 March 31, 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 associate which is in accordance with the accounting policies followed by the parent company for consolidation purposes.

Accounting policies followed by Associate :-

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.

Note - 2 Property, Plant and Equipment & Intangible Assets
Current Year

(₹in Lacs)

Particulars	Gross Block				Depreciation/Impairment*				Net Block
	As at April 01, 2020	Additions	Deductions /-Adjustments	As at March 31, 2021	As at April 01, 2020	Additions	Deductions /-Adjustments	As at March 31, 2021	As at March 31, 2021
Freehold Land	4,211	2	-	4,213	-	-	-	-	4,213
Buildings	2,043	-	50	1,993	763	69	7	825	1,168
Plant & Machinery (Including Electric Fitting)	7,490	308	14	7,784	4,246	453	4	4,695	3,089
Furniture & Fittings	239	-	-	239	151	-	-	151	88
Computers	309	7	-	316	263	23	-	286	30
Office Equipment	146	1	-	147	133	5	-	138	9
Vehicles	526	7	-	533	198	55	-	253	280
TOTAL	14,964	325	64	15,225	5,754	605	11	6,348	8,877
Leasehold Assets (Right-of-Use Assets)	112	45	4	153	43	51	3	90	63
Capital Work in Progress	11,700	3,602	322	14,980	-	-	-	-	14,980

Previous Year

(₹in Lacs)

Particulars	Gross Block				Depreciation/Impairment*				Net Block
	As at April 01, 2019	Additions	Deductions /-Adjustments	As at March 31, 2020	As at April 01, 2019	Additions	Deductions /-Adjustments	As at March 31, 2020	As at March 31, 2020
Freehold Land	4,173	38	-	4,211	-	-	-	-	4,211
Buildings	1,976	67	-	2,043	694	69	-	763	1,280
Plant & Machinery (Including Electric Fitting)	7,408	167	85	7,490	3,883	441	78	4,246	3,244
Furniture & Fittings	238	1	-	239	151	-	-	151	88
Computers	290	19	-	309	241	22	-	263	46
Office Equipment	142	4	-	146	126	7	-	133	13
Vehicles	457	209	140	526	253	54	109	198	328
TOTAL	14,684	505	225	14,964	5,348	593	187	5,754	9,210
Leasehold Assets (Right-of-Use Assets)	-	112	-	112	-	43	-	43	69
Capital Work in Progress	3,660	8,121	81	11,700	-	-	-	-	11,700

Note:

1 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.

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.

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

Note - 3

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Non-Current Investment		
(a) Investment in Associate		
Investment carried at cost (Unquoted)		
Extent of holding	30%	30%
No. of Shares owned	11,820,000	11,820,000
Investment in Khushbu Auto Finance Limited	2,019	1,793
Total (a)	2,019	1,793
Total Non - Current Investment	2,019	1,793
Current Investment		
(b) Investment in Mutual Fund		
Investment carried at fair value through Profit & Loss		
Quoted :		
Aditya Birla Sun Life Overnight Fund [Growth]	330	-
(Units: CY 29,660.34, PY - Nil)		
Tata Overnight Fund [Growth]	290	-
(Units: CY - 26715.09, PY - Nil)		
SBI Overnight Fund [Growth]	130	-
(Units: CY - 3878.741, PY - Nil)		
Kotak Overnight Fund [Growth]	100	-
(Units: CY - 9108.504, PY - Nil)		
DSP Overnight Fund [Growth]	200	-
(Units: CY - 18149.135, PY - Nil)		
Total (b)	1,050	-
Total Current Investment	1,050	-
Total Investment (a) + (b)	3,069	1,793

(₹in Lacs)

Particulars	Book Value		Market Value	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Quoted	1,050	-	1,050	-
Unquoted	2,019	1,793	NA	NA

Note - 4 Other Assets

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Other Non - Current Assets		
Security Deposit	127	84
Advances to Suppliers for Capital Goods	2,234	1,498
Balance with Govt. authorities	4	4
Total Other Non - Current Assets (A)	2,365	1,586
Other Current Assets		
Advances to Supplier for Goods & Services	269	181
Prepaid Expenses	46	74
Balances with Government Authorities	280	9
Other Receivables	31	14
Total Other Current Assets (B)	626	278

Note - 5 Trade Receivables

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Unsecured, Considered Good	2,291	7,478
Significant Increase in Credit Risk	606	593
Less: Provision for Expected Credit Loss	-524	-263
Total Trade Receivables	2,373	7,808

Note - 6 Cash & cash Equivalent

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Cash on Hand	-	1
Balances with Bank		
In Current Accounts	729	113
Cheques on Hand	-	-
Total Cash & cash Equivalent	729	114

Note - 7 Other Bank Balances

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Unpaid Dividend Bank Balances	28	40
Deposits with residual maturity for less than 12 months	151	90
Total Other Bank Balances	179	130

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 - 8 Loans

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Loan to Staff	7	10
Inter-Corporate Deposit	-	105
Total Current Loans	7	115

Note - 9 Other Equity

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
(a) Capital Reserves	30	30
(b) Share Premium Account	478	478
(c) General Reserve	2,094	2,094
(e) Share Forfeiture	23	23
(d) Retained Earning		
Balance at the beginning of the year	27,060	22,473
Total Comprehensive Income	-800	5,314
Final Dividend	-	-274
Tax on Final Dividend	-	-56
Interim Dividend	-	-329
Tax on Interim Dividend	-	-68
Balance in Retained Earning	26,260	27,060
Total Other Equity	28,885	29,685

Note - 10 Trade Payables

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
(i) Total outstanding dues of micro enterprises and small enterprises	1,577	1,274
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	3,238	2,619
Total Trade Payable	4,815	3,893
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		
(i) (a) Principal amount remaining unpaid to any supplier	1,577	1,274
(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	1,577	1,274
Interest	-	-

Note - 11 Other Financial Liabilities

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Unpaid Dividends*	28	40
*Investor Education and Protection Fund will be credited by amount (as and when due)		
Expenses Payable	807	1,073
Dealers' Deposit	547	607
Total Other Financial Liabilities	1,382	1,719

Note - 12 Other Current Liabilities

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Advances from Dealers	457	635
Statutory Dues	35	125
Others	33	18
Total Other Current Liabilities	525	778

Note - 13 Other Income

(₹in Lacs)

Particulars	March 31, 2021	March 31, 2020
Gain on Sale /Revaluation of Mutual Fund	43	46
Interest on Bank Fixed Deposit	7	26
Interest on Other Deposits	12	3
Interest on dealer outstanding	11	124
Interest on PGVCL Deposit	1	-
Interest Income on ICD	5	5
Corporate Guarantee Fees	75	78
Profit on Sale of Fixed Assets	7	17

(₹in Lacs)		
Particulars	March 31, 2021	March 31, 2020
Rent	5	15
Total Other Income	166	314

Note - 14 Cost of Material Consumed

(₹in Lacs)		
Particulars	March 31, 2021	March 31, 2020
Consumption of Materials	23,897	43,734
Consumables	37	78
Direct Expenses (Purchase Expenses)	338	501
Total Cost of Material Consumed	24,272	44,313

Note - 15 Employee Benefit Expenses

(₹in Lacs)		
Particulars	March 31, 2021	March 31, 2020
Salary, Wages & Bonus	3,100	4,436
Directors' Remuneration	194	365
Contribution to Provident Fund and Gratuity	272	332
Staff Welfare Expenses	208	322
Total Employee Benefit Expenses	3,774	5,455

Note - 16 Other Expenses

(₹in Lacs)		
Particulars	March 31, 2021	March 31, 2020
Advertising & Sales Promotion	526	1,355
Freight & Forwarding Expense	352	469
Expected Credit Loss	260	107
Travelling & Conveyance	203	609
CSR expenditure	144	151
Power & Fuel	139	294
Repairs to Others	126	197
Testing Expenses	125	63
Legal & Consultancy Charges	107	180
Warranty & After Sales Services	105	333
Other miscellaneous expenses	92	164
Office Admin Expenses	65	111
Repairs to Machinery	63	198
Foreign Exchange Rate Difference	29	-77
Insurance	29	19
Rates and taxes	27	31
Communication Cost	19	27
Printing & Stationary	16	43
Rent	13	41
Windmill Operation Charges	11	10
Repairs to Buildings	10	83
Directors' Sitting Fees	8	7
Payment to Auditor	6	7
Loss on Sales of Assets	-	11
Donation	1	7
Total Other Expenses	2,476	4,440

Payment to Auditor includes

For Audit Fee	5	5
For Limited Review	1	2
Reimbursement expense	-	1
Total Payment to Auditor	6	8

Note - 17 Earning Per Share

Particulars	March 31, 2021	March 31, 2020
Net profit as per statement of Profit & Loss (₹in Lacs)	-818	5,360
Weighted average number of shares outstanding during the year (Nos)	21,943,200	21,943,200
Earning per share (Basic & Diluted) ₹	-3.73	24.42
Face Value per Share ₹	5	5

Note - 18 Contingent Liabilities not acknowledged as Debt

(₹in Lacs)		
Particulars	March 31, 2021	March 31, 2020
A. Disputed Liabilities*		
Sales Tax	27	27
Excise Duty	1	1
Income Tax	108	108
Case Pending before Consumer Forum	50	50
B. Financial Guarantees		
Outstanding amount of share of loan given by finance company to end user and guaranteed by the company	10,376	9,138
*(Show-cause notices received from various Government Agencies & pending formal demand notices have not been considered as contingent liabilities.)		
Total Contingent Liabilities	10,562	9,324

Note - 19 Estimated Amount of Contracts Remaining to be Executed on Capital Accounts and Not Provided

(₹in Lacs)		
Particulars	March 31, 2021	March 31, 2020
For Purchase of Assets	1,208	2,393
For Purchase of shares of Khushbu Auto Finance Limited	4,457	-
Total	5,665	2,393

Note - 20 Disclosure of transaction with related parties as required by the Indian Accounting Standard - 24

(₹in Lacs)

Name of related party	Nature of Relationship	Nature of transaction	March 31, 2021			March 31, 2020		
			Transaction Value	Outs tanding amount in Balance Sheet	Dr./Cr.	Transaction Value	Outs tanding amount in Balance Sheet	Dr./Cr.
Atul Green Automotive Private Limited	Wholly Owned Subsidiary	Contribution to equity (4,50,000 shares of ₹ 10 each, Previous Year 4,00,000 shares of ₹ 10 each)	5	45	Dr.	39	40	Dr.
		Support Service Income (Atul Greentech Private Limited - Wholly Owned Subsidiary (WOS) of Holding Co.)	51			-		
Atul Greentech Private Limited	Wholly Owned Subsidiary	Contribution to equity (50,00,000 shares of ₹ 10 each, Previous Year 10,10,000 shares of ₹ 10 each)	399	500	Dr.	101	101	Dr.
		Support Service Expenses (Atul Green Automotive Private Limited Wholly Owned Subsidiary (WOS) of Holding Co.)	51			-		
		Inter Corporate Deposit	850	850	Dr.	-	-	
		Sale of Raw Material (Purchased on behalf of Subsidiary)	1	18	Dr.	-	-	
		Interest on inter coporate deposit	21			-	-	
		Total	1,378	1,413	Dr.	140	141	Dr.
Khushbu Auto Finance Limited	Associate	Receipt of Lease/ Rent (Inclusive of Taxes)	6			18		
		Payment of Subvention Charges /Incentive (Inclusive of Taxes)	34			216		
		Outstanding Amount of loans in books of Associate company for which Guarantee is given to Bank on behalf of an Associate (Amount of ₹ 11,500 Guarantee giver on behalf of Associate)	7,022	48	Dr.	7,468	56	Cr.
		Purchase of seized vehicles	-			1		
		Corporate Guarantee Fee (Inclusive of Taxes)	88			91		
		Total	7,150	48	Dr.	7,794	56	Cr
Key management personnel and their relatives :-								
Jayantibhai J Chandra	Chairman and Managing Director	Short term Employee Benefits	84	4	Cr.	157	-	
Mahendra J Patel	Whole Time Director and Chief Financial Offier	Short term Employee Benefits	73	4	Cr.	137	8	Cr.
Niraj J Chandra	Whole Time Director	Short term Employee Benefits	41	3	Cr.	75	4	Cr.
Paras Viramgama	Company Secretary	Short term Employee Benefits	6	1	Cr.	7	-	
Gurbeer Singh	Chief Executive Officer in wholly owned subsidiary	Short term Employee Benefits	56	5	Cr.	32	-	

(₹in Lacs)

Name of related party	Nature of Relationship	Nature of transaction	March 31, 2021			March 31, 2020		
			Transaction Value	Outs tanding amount in Balance Sheet	Dr./Cr.	Transaction Value	Outs tanding amount in Balance Sheet	Dr./Cr.
Anita Chandra	Chief Financial Officer in Associate Company	Short term Employee Benefits	7	1	Cr.	7	-	
Bharti Ajudiya	Company Secretary in Associate Compnay	Short term Employee Benefits	2	-		1	-	
Krunal J Chandra	Son of Chairman and Managing Director	Short term Employee Benefits	10	1	Cr.	12	-	
Other entities :-								
Atul Auto Industries	Entity owned and controlled by relatives of key managerial personnel	Sale of Raw Material	1			-		
		Purchase of Raw Material Spares	420	13	Cr.	675	6	Dr.
		Purchase of Fixed Asset	7			15		
		Other Expenses	-			4		
		Sale of Asset	2			-		
		Total	430	13	Cr.	694	6	Dr.
Atul Motors Private Limited	Entity owned and controlled by relatives of key managerial personnel	Sales of used vehicles	-			3		
		Purchase of Fixed Asset	8			-		
		Other Expenses	2	-		1	-	
		Total	10	-		4	-	
Khushbu Auto Private Limited	Entity owned and controlled by relatives of key managerial personnel	Sale (Inclusive of Tax)	1,832			6,344		
		Warranty Claims/After Sales Service/PDI/WRC Charges	23			25		
		Discount on sales vehicle / Sales Promotion	16			87		
		Other Expense	1	411	Dr.	-	1,537	Dr.
		Inter Corporate Deposit (To Associate Company) (ICD given during the year : ₹ 1,236 lacs ICD received during the year : ₹ 805 lacs ICD at the end of the year : ₹ 431 lacs)	431			-		
		Total	2,303	411	Dr.	6,456	1,537	Dr.
New Chandra Motor Cycle Agency	Entity owned and controlled by relatives of key managerial personnel	Sale (Inclusive of Tax)	95			216		
		Warranty Claims/After Sales Service/PDI/WRC Charges/ LGO Meet Exp	2	1	Dr.	4	23	Dr.
		Discount on sales vehicle	1			3		
		Total	98	1	Dr.	223	23	Dr.
New Chandra Motor Cycle House	Entity owned and controlled by relatives of key managerial personnel	Sale (Inclusive of Tax)	16			49		
		Discount on sales vehicle	-	4	Dr.	3	2	Dr.
		Purchase of Raw Material Spares	3			15		
		Total	19	4	Dr.	67	2	Dr.

Note - 21 Code on Social Security

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 - 22 Impact of COVID-19

The Group has considered the possible effects of COVID-19 on the carrying amounts of Property, Plant and Equipment, Investments, Inventories, Trade Receivable and Other Current Assets. In developing the assumptions relating to the possible future uncertainties

in the economic conditions because of this pandemic, the group, as at the date of approval of the financial statement, has used external and internal sources of information/ indicators to estimate the future performance of the Company. Based on current estimates the Group expects the carrying amount of these assets to be recovered. Hence, group has estimated nil impact of COVID-19 in the financial statement for year ended 31st March, 2021. The impact of the COVID-19 on the Group's Audited Financial Statement may differ from that estimated as at the date of approval of these statements.

Note - 23 Others

Previous year figures are regrouped, re arranged & re casted wherever necessary.

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

Sr. No.	Particulars	1	2
1	Name of the subsidiary	ATUL GREEN AUTOMOTIVE PRIVATE LIMITED (Incorporated on February 12, 2018)	ATUL GREENTECH PRIVATE LIMITED (Incorporated on January 28, 2020)
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2021 (Same as Holding Company)	March 31, 2021 (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
4	Share capital	₹45.00 Lacs	₹ 500.00 Lacs
5	Reserves & surplus	₹ -0.02 Lacs	₹ -14.99 Lacs
6	Total assets	₹ 44.98 Lacs	₹1373.80 Lacs
7	Total Liabilities	₹ 44.98 Lacs	₹ 1373.80 Lacs
8	Investments	Nil	₹ 0.65 Lacs
9	Turnover	Nil	Nil
10	Profit before taxation	₹ -0.17 Lacs	₹ -1.19 Lacs
11	Provision for taxation	Nil	Nil
12	Profit after taxation	₹ -0.07 Lacs	₹ -1.19 Lacs
13	Proposed Dividend	Nil	Nil
14	% of shareholding	100%	100%

Notes:

- (i) M/s. Atul Green Automotive Private Limited was incorporated on February 12, 2018 and is yet to commence its operations.
- (ii) M/s. Atul Greentech Private Limited was incorporated on January 28, 2020 and is yet to commence its operations.
- (iii) 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	KHUSHBU AUTO FINANCE LIMITED
2	Shares of Associate held by the company on the year end	
	(i) No.	1,18,20,000
	(ii) Amount of Investment in Associates	₹ 1,321.13 Lacs
	(iii) Extend of Holding %	30%
3	Description of how there is significant	There is a significant influence due to holding of 30% voting rights
4	Reason why the associate is not consolidated	Not Applicable
5	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)	₹ 2068.80 Lacs
6	Profit/ Loss of the year	
	(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.	₹ 226 Lacs
	(ii) Not Considered in Consolidation	Not Applicable

Notes:

- (i) Names of associates or joint ventures which are yet to commence operations - None
(ii) Names of associates or joint ventures which have been liquidated or sold during the year - None
(iii) Names of subsidiaries which have been liquidated or sold during the year - None.

J J Chandra
Chairman and Managing Director
DIN : 00057722

Mahendra J Patel
Whole time Director & CFO
DIN : 00057735

Paras Viramgama
Company Secretary

Shapar (Dist. Rajkot)
August 07, 2021



ATUL AUTO LIMITED

CIN: L54100GJ1986PLC016999

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