



September 02, 2024

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 2023-24 ALONG WITH NOTICE OF THIRTY SIXTH ANNUAL GENERAL MEETING TO BE HELD ON SEPTEMBER 26, 2024**

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements), 2015, we are submitting here with the Annual Report for the Financial Year 2023-24 of Atul Auto Limited (“the Company”) along with Notice of the 36<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Thursday, September 26, 2024 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, 2024 and are being sent to the shareholders through electronic mode only on their registered e-mail addresses and are also available on the website of the Company at [www.atulauto.co.in/annual-reports.aspx](http://www.atulauto.co.in/annual-reports.aspx)

Yours faithfully,  
For Atul Auto Limited,

(Paras J Viramgama)  
Company Secretary & Compliance Officer

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**ATUL AUTO LIMITED**

(Corporate Identification Number: L54100GJ1986PLC016999)

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

**Phone:** 02827 252999 **Website:** [www.atulauto.co.in](http://www.atulauto.co.in) **E-Mail:** [info@atulauto.co.in](mailto:info@atulauto.co.in)




ATUL **20** UPLIFTING LIVES

WELCOME TO  
ATUL

# 2.0

WHERE **INNOVATION**  
MEETS **IMPACT**



It all started with a **dream...**

- A dream to **create** change
- A dream to make people **self-reliable**
- A dream to change the common man's problems of **transportation**
- A dream to make transportation more **eco-friendly**
- A dream to change **possibilities into reality**

WE ARE **DRIVEN BY OUR DREAM**  
IT POWERS **OUR PROGRESS**

## CONTENTS

### CORPORATE OVERVIEW

- 01 Atul Auto at a Glance
- 10 Statement from Erstwhile Chairman
- 11 Statement from Managing Director's office
- 12 Management Team
- 13 Corporate Information
- 14 Our Product Basket
- 16 Our Presence
- 18 Key Highlights, FY24 Performance
- 20 Key Performance Indicators

### STATUTORY REPORTS

- 22 Management Discussion & Analysis Report
- 28 Board's Report
- 43 Report on Corporate Governance

### FINANCIAL STATEMENTS

- 61 Independent Auditor's Report (Standalone)
- 70 Standalone Financial Statements with Notes
- 110 Independent Auditor's Report (Consolidated)
- 116 Consolidated Financial Statements with Notes
- 151 Form AOC-1
- 153 Notice of Thirty Sixth Annual General Meeting

# PURPOSE-DRIVEN PROGRESS

**3-wheeler** for the common man stands for:



A source of **livelihood...**



A time-efficient mode of **transportation...**



A last mile **delivery solution...**



A **dependable partner...**



A promise of **unfettered mobility...**

And we are proud to deliver such 3 wheelers that are **durable, dependable & sturdy.**

We are driven by our purpose to cater to the common man, eradicate poverty and make people self-reliant.

NO MATTER HOW **TOUGH** THE JOURNEY IS  
OR HOW **HEAVY** THE LOAD IS....



ATUL FLEET IS  
**READY!**

# THIS PURPOSE HAS DRIVEN OUR PROGRESS...

It had made us...

- One of the India's **fastest-growing** three-wheeler company
- Among the **top 5** three-wheeler manufacturer companies in India
- The only player with a complete range of 3-wheeler products across the **fuels-** Diesel, Petrol, CNG, LPG and Electric
- **Gujarat's leading** 3-wheeler commercial vehicle manufacturer



UPLIFTING  
LIVES

ATUL

# 20

STARTS HERE!

# EMBRACING THE **CHANGE** TOWARDS GREEN MOBILITY

**Fun** on three wheels!

**Yes**, we are talking about auto-rickshaws, among India's most ubiquitous modes of transportation zipping across every city and town in India, offering unhindered mobility to Indian masses and unparalleled last-mile connectivity for goods.

**The** clarion call for Blue Skies and Cleaner air is accelerating the most significant change in a century as a new generation of three-wheel Electric Vehicles (EVs) hit the streets.

RIDING THE  
**WAVE**  
HAS BECOME AN  
**IMPERATIVE** TO EMBRACE THE  
**CHANGE**

₹20<sup>CR</sup>

Fresh investment by Atul Auto in **Atul Greentech** at a valuation of ₹950 crore

₹12.50<sup>CR</sup>

Fresh investment from Shri Vijay Kedia, NAV Capital VCC - NAV capital emerging Star Fund, Singapore and Shri Mahendra J. Patel family, Promoter group of Atul Auto Limited.



At Atul Auto, we are not just embracing this change; we are **accelerating it!**



Our subsidiary, Atul Greentech, AGPL stands at the forefront of our transition towards green mobility. Focusing on lithium-ion battery-based electric vehicles designed for both passenger and cargo applications, as well as developed the thermalised AIS 156 lithium-ion battery pack that can operate under extreme weather conditions. We cater to domestic and international markets.



Our world-class products are engineered with European Technology and built in India. Our products provide an unmatched value proposition to our customers. Our Atul Energie<sup>2</sup> is an industry-first electric cargo three-wheeler to be powered by two battery packs.



Atul Intelligent System (AIS) is our in-house designed telematic solution driven by data gathered from our electric three-wheelers.



The seamless integration of the Battery Management System and Vehicle Control Unit with AIS allows for doorstep maintenance, preventive maintenance, driver education and communication and fleet management. AIS allows the drivers to reach out to us at any time at the touch of a button.



While much has been done. Much is being done. And much more will be done over the coming years. Positioning us as the front-runner in India's electric mobility revolution.

## WE ARE INDIA'S ONLY PURE-PLAY AUTO RICKSHAW COMPANY. WE STAND TALL AMONG THE **TOP FIVE THREE-WHEELER COMPANIES IN INDIA.**

With over a million Atul vehicles cruising global roads since the 1980s, we have been redefining the three-wheeler industry one journey at a time.

Our vehicles are not just modes of transport; they are the epitome of sturdiness, reliability, and cost-effectiveness.

Unlike many industry veterans, Atul Auto is a rapidly expanding company. In the past five years alone, our production turnover has surged threefold, reflecting our relentless drive and ambition.

Our innovative spirit and versatile product range ensure that we meet the diverse needs of our customers, whether they are looking for traditional fuel options or cutting-edge electric vehicles.

Marketing Headquartered in Ahmedabad, India, we have two operating units with a cumulative capacity of manufacturing 120,000 units. Our business is spearheaded by Shree Neeraj Chandra as the Managing Director, while day-to-day operations are managed by an experienced and energetic team of professionals.

### OUR **GUIDING LIGHT**



#### PURPOSE

Create self-dependency in common people with the use of our technology driven products and services so as to uplift the lives of common people, stakeholders and communities that we come in touch with.



#### CORE VALUES

- **GOOD CORPORATE CITIZENSHIP**

Act with integrity in a responsible way caring for people, planet and society

- **PROFESSIONALISM**

We have standards for performance, we believe in conversation and competence of people. We empower people to deliver their best

- **CUSTOMER SENSITIVITY**

We are conscious to the need of our customers and go about fulfilling the same with a mindset of service, empathy, warmth and attentiveness which we call SEWA Bhawana

- **DIGNITY AND RESPECT**

We empathetically listen to our stakeholders, show respect and treat them with care, compassion and believe in Trust and Trusting relationship

## NUMBERS THAT DEFINE US



2

MANUFACTURING FACILITIES



120,000

INSTALLED CAPACITY

387.32

NETWORTH (₹ CRORE)

401.20

CAPITAL EMPLOYED (₹ CRORE)



1321.80

MARKET CAPITALISATION, BSE (₹ CRORE)

AS ON MARCH 31, 2024





STATEMENT FROM  
**SHRI J J CHANDRA, ERSTWHILE CHAIRMAN**

“As I am stepping down from the board, I am filled with optimism. **Boards’ vision, energy, and innovative approach are precisely what Atul Auto needs.**”

DEAR SHAREHOLDERS,



As I pen down this message, I am filled with a heady mix of pride, satisfaction, gratitude, and optimism for what lies ahead.

This year marks a significant transition for Atul Auto as I step down as Chairman and Board member and pass the baton to Fellow Directors and Senior Management, who will lead Atul Auto into a new era of innovation-driven growth. This transition signifies not just a change in leadership but also the beginning of Atul 2.0, our bold step into a greener, more sustainable future.



**My pride**

Reflecting on my journey with Atul Auto Ltd, I am proud of how far we have come together. From our humble beginnings to becoming one of India's top five three-wheeler companies, our vehicles have become a symbol of reliability, durability, and affordability for millions. We have consistently focused on uplifting lives, providing a dependable source of livelihood, and facilitating transportation for the common man.

**My satisfaction**

FY24 was the perfect swan song as we closed the year on a high, notwithstanding prevailing headings and some supply chain challenges especially in the first quarter of FY24 which impacted our sales volumes. While sales volumes and top-line were largely at the previous year's level, we grew the EBITDA by 7% while profit for the year scaled 3x.

Our satisfying result was owing to our excellent and committed team's dedicated efforts, which have left no stone unturned to maximise returns from every rupee invested in the business. This team has inspired me to push boundaries to elevate the company to new heights.

I am happy that I am handing over a Company that is poised for growth. It is at the end of the tunnel of tough times. As we are completely debt free and now having a new plant being operational. This ray of sunshine



showcases that we are ready for the future.

**My gratitude**

I am penning my last official message with a heart filled with gratitude. I thank my fellow members of the Board for their continued guidance in drawing out strategies that sustained our progress. I thank my team for their unflinching support and disciplined dedication in executing business strategies. I thank our shareholders for their steadfast trust and support in all our endeavours. Together, we have built a legacy of excellence and will continue to drive forward into a greener, brighter future.

**My optimism**

As I step down from the Board and welcome Neeraj Chandra, into the leadership role, I am filled with optimism. His vision, energy, and innovative approach are precisely what Atul Auto needs to navigate the dynamic landscape of green mobility. He has worked and groomed in various departments of the Company and at a Board level also, I am confident that under his leadership Atul Auto will continue to thrive, setting new benchmarks in sustainability and growth.

*Thank you once again.*

Warm regards,  
J J CHANDRA



STATEMENT FROM THE  
**MANAGING DIRECTOR'S OFFICE**

**Green energy is the future, and Atul Auto is ready to spearhead this revolution in the three-wheeler auto industry across the globe.**

DEAR SHAREHOLDERS,



It is an honour to pen my statement as the Managing Director of Atul Auto, especially at a pivotal moment in our company's journey. I am excited to lead our talented team and build upon the legacy of excellence established by my predecessor. This year has been exceptional financially, and I am committed to taking Atul Auto further, establishing us as a formidable force in the auto industry.



**Change in the Auto Industry**

The automotive industry is undergoing a significant transformation, driven by the urgent need for cleaner and greener transportation solutions. People are opting for a greener and cleaner vehicle. This is evident by these numbers- the global electric three-wheeler market size was valued at US\$ 1.3 billion in 2024 and is expected to reach US\$ 1.5 billion by 2030, at a CAGR of 2.2%. Looking at India, the EV 3 wheeler market is booming. India has surpassed China to become the world's largest electric 3-wheeler market.

Stringent government regulations and environmental concerns are leading to a rise in EV adoption. Furthermore, the surge of e-commerce has increased the demand for small vehicles for last-mile deliveries. EVs are proving to be more fuel-efficient and eco-friendly compared to their petrol and diesel counterparts. Intercity transportation and the rise of startups are also contributing to the growing need for three-wheelers.

**Steering Towards a Greener Future**

With this rapid change in the industry Atul Auto is also changing gears and is ready to take the charge. We have already invested ₹30 crore in Atul Greentech, a testament to our dedication to developing Electric Vehicles (EVs) that meet the highest



standards of performance and sustainability. The launch of our new Atul Rik, an alternate fuel product, is just one example of how we are addressing the evolving needs of urban and overseas markets.

We are strengthening our foundations while taking this leap. In FY23, we issued preferential warrants for ₹115 crore, which were capitalized in FY24. We deployed these funds to repay our debt completely and to invest in return-accretive strategies, like Atul Greentech.

**Expanding our abilities**

To support our ambitious goals, we have commenced operations at our new plant in Bhayla, near Ahmedabad. This facility boasts an additional installed capacity of 60,000 vehicles per annum, ensuring that we can meet the growing demand for our innovative, eco-friendly vehicles.

Green energy is the future, and Atul Auto is ready to spearhead this revolution across the globe in the three-wheeler auto industry. Together, we will drive forward into a greener, brighter future.

Warm regards,  
NEERAJ J CHANDRA  
MANAGING DIRECTOR



## MANAGEMENT TEAM



**JAYANTIBHAI J CHANDRA<sup>§</sup>**  
CHAIRMAN & WHOLE-TIME DIRECTOR



**NEERAJ J CHANDRA**  
MANAGING DIRECTOR



**MAHENDRA J PATEL**  
WHOLE-TIME DIRECTOR & CFO



**VIJAY K KEDIA**  
NON-EXECUTIVE DIRECTOR



**AARTI J JUNEJA**  
INDEPENDENT DIRECTOR



**MOHAN JIT WALIA**  
INDEPENDENT DIRECTOR



**JAICHANDER SWAMINATHAN**  
INDEPENDENT DIRECTOR



**GURUDEO M YADWADKAR**  
INDEPENDENT DIRECTOR



**R C MAHESHWARI<sup>#</sup>**  
INDEPENDENT DIRECTOR\*



**HONEY SETHI<sup>#</sup>**  
INDEPENDENT DIRECTOR\*



**J V ADHIA**  
PRESIDENT - ACCOUNTS & FINANCE

<sup>§</sup> Upto May 16, 2024  
<sup>#</sup> Appointed w.e.f 11.08.2024  
\*Subject to approval of Shareholders at AGM

## CORPORATE INFORMATION

### AUDIT COMMITTEE

Aarti J Juneja, Chairperson  
Mohan Jit Walia  
Jaichander Swaminathan  
Gurudeo Yadwadkar

### NOMINATION AND REMUNERATION COMMITTEE

Mohan Jit Walia, Chairman  
Aarti J Juneja  
Jaichander Swaminathan  
Gurudeo Yadwadkar

### STAKEHOLDERS RELATIONSHIP COMMITTEE

Gurudeo Yadwadkar, Chairman  
Aarti J Juneja  
Mohan Jit Walia  
Jaichander Swaminathan

### RISK MANAGEMENT COMMITTEE

Mahendra J Patel, Chairman  
Neeraj J Chandra  
Jaichander Swaminathan  
Hiren V Patel

### STATUTORY AUDITORS

M/s. Maharishi & Co.

### INTERNAL AUDITORS

M/s. KPMG Assurance and Consulting Services LLP

### COMPANY SECRETARY AND COMPLIANCE OFFICER

Paras J. Viramgama

### REGISTERED OFFICE

Atul Auto Limited  
Survey No. 86, Plot No. 1-4,  
National Highway 8-B,  
Near Microwave Tower, Shapar (Veraval),  
Dist. Rajkot, Gujarat, India 360024  
Phone : 02827-252999  
E-Mail : investorrelations@atulauto.co.in/  
info@atulauto.co.in  
Website : www.atulauto.co.in

### REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited  
C101, 247 Park, L B S Marg, Vikhroli West,  
Mumbai, Maharashtra, India 400 083  
Phone : 022 4918 6000  
E-Mail : rnt.helpdesk@linkintime.co.in  
Website : www.linkintime.co.in  
SEBI Reg. No : INR000004058

### BANKERS

IDBI Bank  
EXIM Bank  
ICICI Bank

### STOCK EXCHANGES

BSE Limited  
Script Code - 531795  
National Stock Exchange of India Limited  
Script Symbol - ATULAUTO



# OUR PRODUCT BASKET

**ATUL Gemini**  
(For export only)



PASSENGER 3+1

**ATUL GEM**  
DIESEL/CNG



CARGO

**ATUL RIK**  
CNG



PASSENGER

**ATUL RIK+**



PASSENGER

**ATUL Shakti**  
DIESEL CARGO



CARGO

**ATUL Elite**  
ELECTRIC



PASSENGER

**ENERGIE**



CARGO

**MOBILI**



PASSENGER



PASSENGER 3+1



CARGO



PASSENGER

**ATUL GEMi PAXX**



PASSENGER



CARGO



CARGO



CARGO



PASSENGER 3+1



PASSENGER

**ATUL GEMi DIESEL CARGO**



CARGO

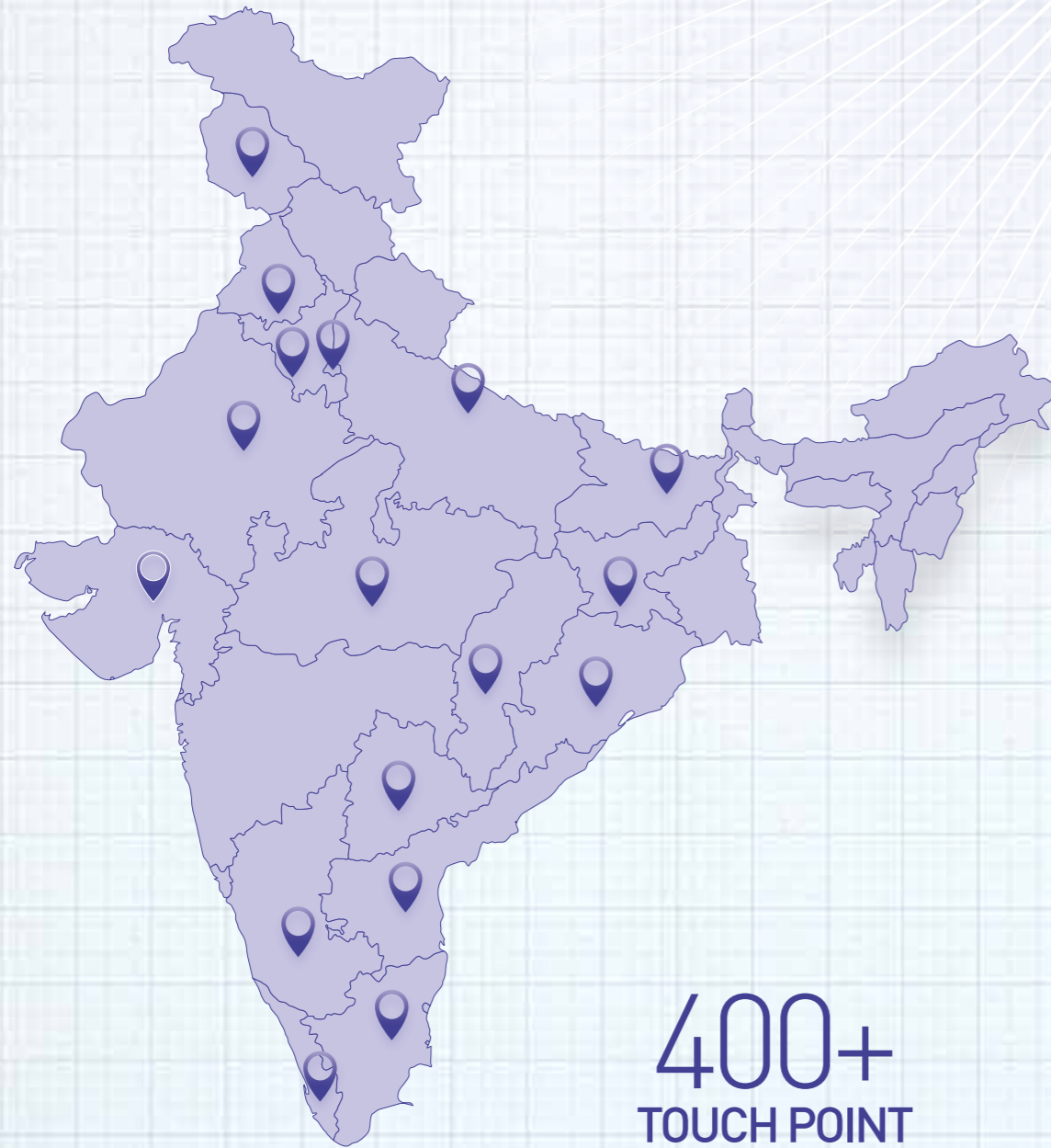


Tipper

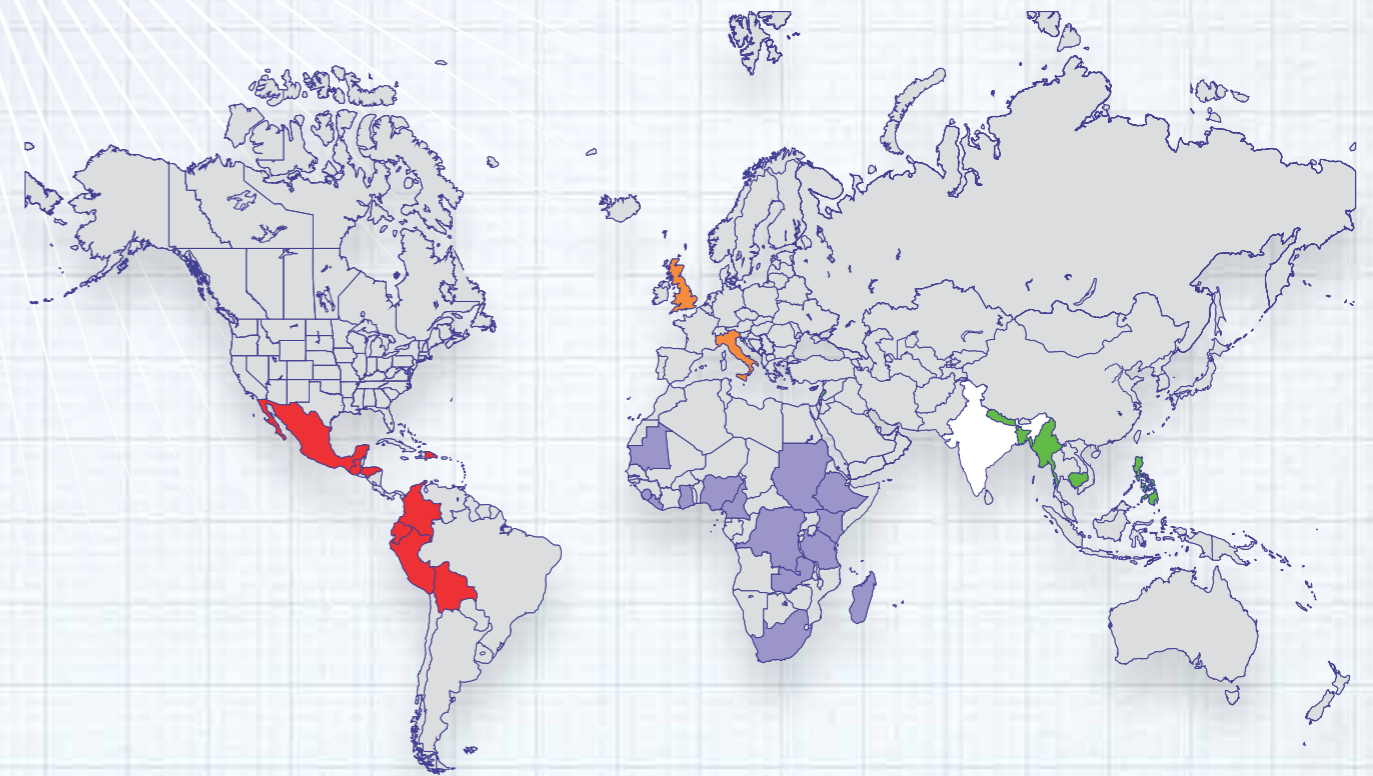
# OUR PRESENCE

ENTRENCHED IN THE **INDIAN LANDMASS**

FOOTPRINT ACROSS THE **GLOBE**



**400+**  
TOUCH POINT  
PAN INDIA



● **LATIN AMERICA**

- Bolivia
- Ecuador
- Guatemala
- Honduras
- Mexico
- Peru
- Dominican Republic
- Colombia

● **AFRICA**

- Ethiopia
- Ghana
- Kenya
- Liberia
- Madagascar
- Nigeria
- Sierra Leone
- DR Congo
- South Africa
- Sudan
- Tanzania
- Zambia
- Cameroon
- Mauritania

● **EUROPE**

- United Kingdom
- Italy

● **ASIA**

- Bangladesh
- Cambodia
- Lebanon
- Myanmar
- Nepal
- Philippines

## KEY HIGHLIGHTS, FY24

### PERFORMANCE

26,039

Sale Volume (units)  
1.9% growth y-o-y

47,497

Turnover (₹ in Lakhs)  
1.7% growth y-o-y

3,472

EBITDA (₹ in Lakhs)  
34.0% growth y-o-y



1,347

Profit for the year (₹ in Lakhs)  
206.13% growth y-o-y

1259

Net Operating Cash Flow (₹ in Lakhs)  
4.40% growth y-o-y

7.23

EBITDA Margin (%)  
177 bps improvement y-o-y



4.85

Return on Capital Employed (%)  
149 bps improvement y-o-y

## OUR EDGE IN THE THREE-WHEELER SPACE



### FOCUS & EXPERIENCE

We have been solely in the three-wheeler business for more than three decades. We started with rural transportation. We understood the ground reality and incorporated NBFC to support the retail sales. Not only that we also Customised vehicles according to the consumer needs for example waste management vehicles. Our participation in various exhibitions to showcase our products as well as understand the demands of the market. Having endured the cyclical trends in this business over the period, we are equipped to gauge trends and draw strategies that allow us to sustain our business in good times and bad.



### PRODUCT & PASSION

Over our exciting journey, we have developed more than 50 three-wheeler variants for goods and people mobility. Our passion has pushed us to develop multi-fuel variants - vehicles that run on petrol, diesel, CNG and LPG. We provide vehicles with a load range from 350 kgs to 500 kgs, which cover practically every application. More recently, we introduced electric vehicles that are gaining considerable traction.



### GLOBAL & LOCAL

Over the years, we have patiently built a robust presence in the domestic market. Alongside this, we persevered to create an expansive global presence. Our multi-geography presence allows us to widen our opportunity landscape.

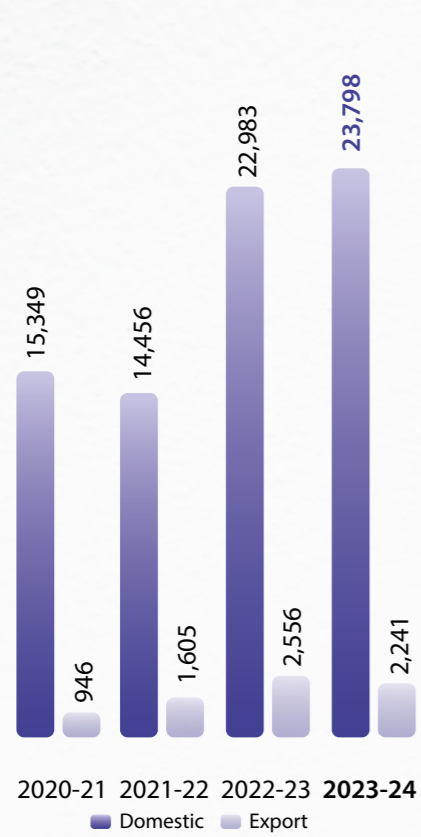


### SOLIDITY & LIQUIDITY

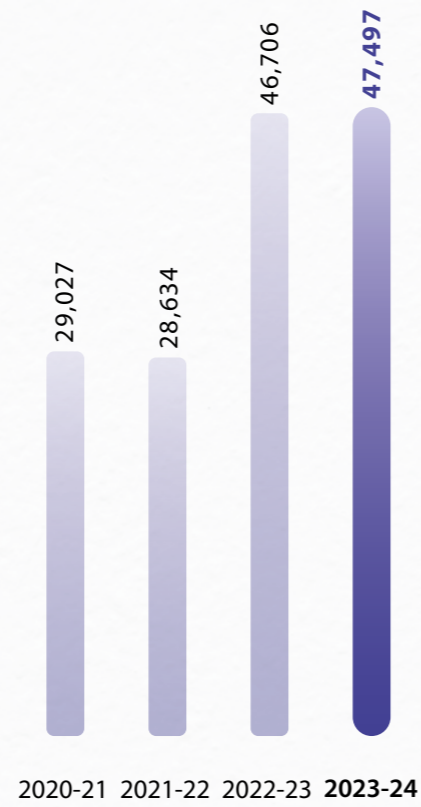
Our strong organisational foundation is platformed on a resilient operating model coupled with business liquidity (reflected in a zero-debt position) perfectly positions us to accelerate our business momentum going forward.

# KEY PERFORMANCE INDICATORS

NO. OF VEHICLE SOLD



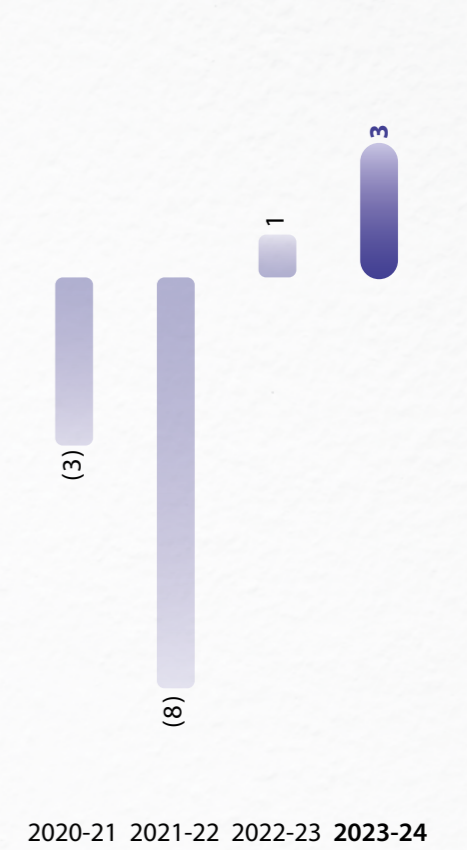
TURNOVER  
(₹ in Lakhs)



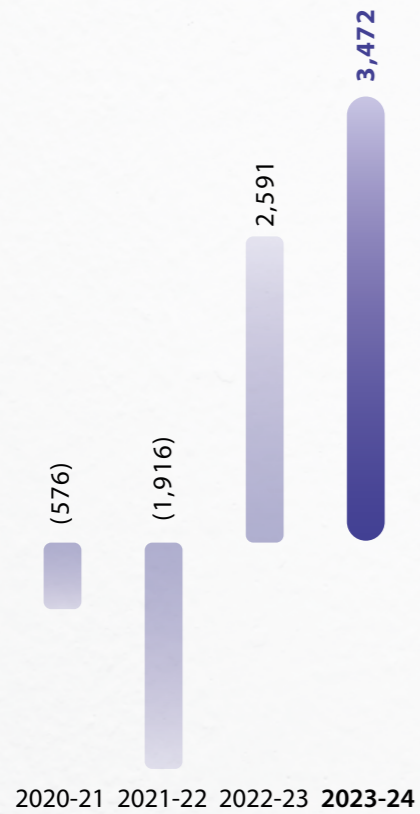
EBITDA MARGIN  
(%)



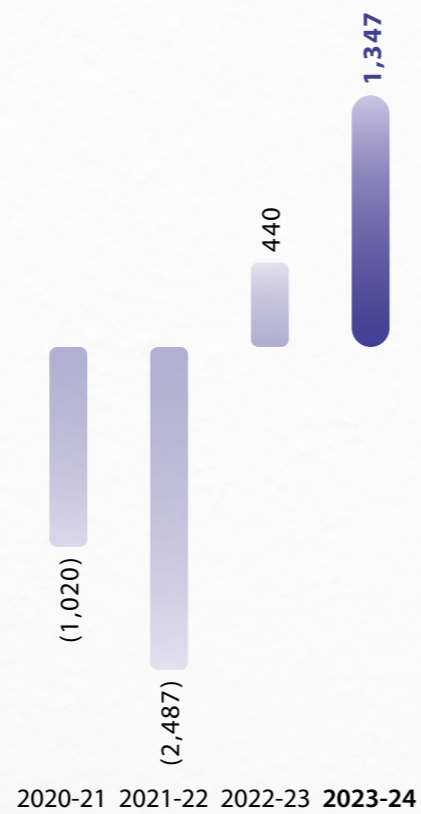
PAT MARGIN  
(%)



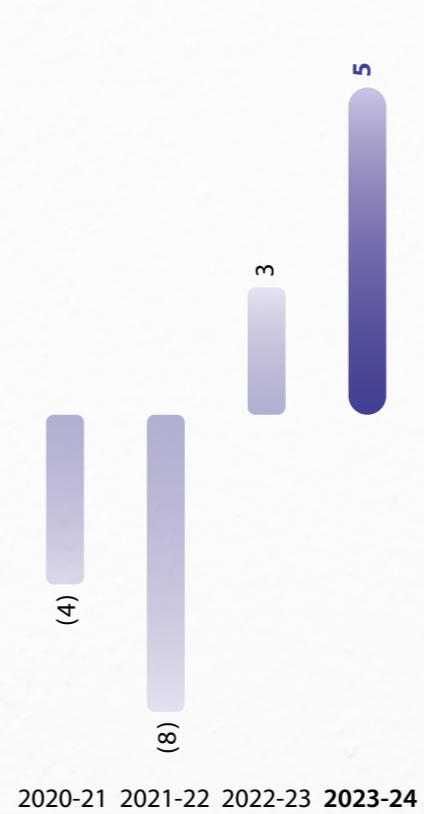
EBITDA  
(₹ in Lakhs)



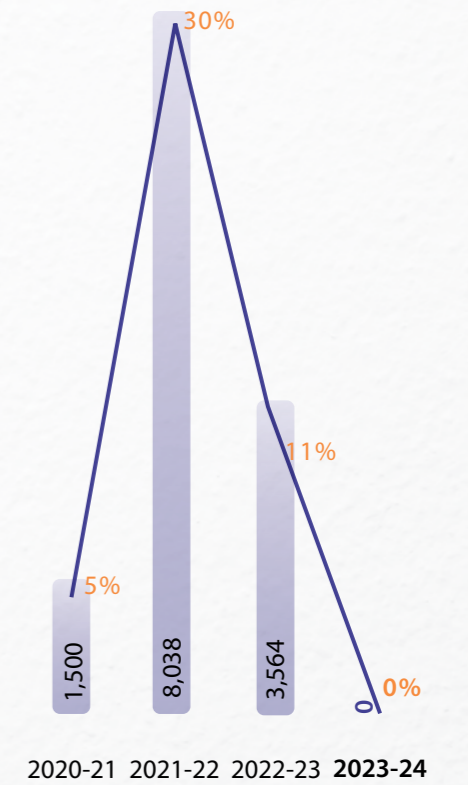
PAT  
(₹ in Lakhs)



RETURN ON CAPITAL EMPLOYED  
(%)



DEBT EQUITY RATIO  
(₹ in Lakhs)  
Ratio in %



# MANAGEMENT DISCUSSION & ANALYSIS

## THE ECONOMIC OVERVIEW

### FROM GLOBAL UNCERTAINTY TO DOMESTIC GROWTH

The global economy in 2023 presented a mixed picture of resilience and turbulence. According to the IMF, the world economy grew at a steady 3.2%. This trend is expected to persist through 2024 and 2025. This steady growth belied a more complex reality of 6.8% headline inflation driven by geopolitical tensions like the war in Ukraine and the conflict in Gaza. These conflicts sent shockwaves through global trade, leading to a significant drop of nearly US\$2 trillion in goods trade. The growing rift between China and the United States and the recession in Europe further strained global trade dynamics, casting a shadow on economic interdependence.

Amidst this global backdrop, India's economic narrative stands out as a beacon of resilience and dynamism.

In FY24, India achieved a remarkable GDP growth rate of 8.7%, the highest post-COVID surge among major economies. This exceptional performance not only reflects India's robust economic foundation but also sets the stage for its ambition to become the 3rd largest economy by 2027. However, the journey is not without its challenges. The Indian economy faces headwinds from rising crude oil prices, global supply chain bottlenecks, and the lingering effects of geopolitical tensions.

Despite these obstacles, India's outlook for FY25 remains optimistic, with a projected GDP growth of 7%. Inflation, a persistent challenge, stood at 4.85% in March 2024. The Government has responded with a mix of monetary restrictions and strategic

export bans on key commodities like wheat, rice, and onions to keep domestic inflation in check. Moreover, the Government's proactive stance on infrastructure development is evident from the 11.1% increase in capital expenditure for the upcoming years. This boost is expected to have a multiplier effect on economic growth and job creation. Significant allocations have been made for the Ministry of Road Transport and Highways, which saw its budget rise to ₹2.78 lakh crore for 2024-25.

In this evolving economic landscape, India's story is one of navigating global uncertainties with resilience and strategic foresight, positioning itself as a formidable player on the world stage.

## AUTO INDUSTRY

### DRIVING CHANGE

Indian automobile industry performed well in the financial year 2024 with domestic sales showing a growth of 12.5% (source: Society of Indian Automobile Manufacturers (SIAM)). The passenger vehicle segment and two-wheeler segment led the growth while commercial vehicles managed to grow only marginally. Tractors were a weak spot as irregular rains impacted demand. In the passenger segment, share of entry level vehicles continued to shrink. Demand revival was seen for entry level two wheelers during festive season and also in the last quarter of financial year 2023-24. Indian Auto Industry sold 2.83 Crore vehicles in FY 2023-24 which was 2.60 Crore in FY 2022-23.

Global car sales grew by 10% in calendar year 2023 after a flat growth in 2022. Electric car sales grew more than a third. Adoption of Electric Vehicles (EV) continued across markets. High vehicle costs and high interest rates were a pain point for the Industry.

#### Domestic market

Total domestic vehicles sale increased from 2.12 Crore to 2.38 Crore vehicles in FY 2023-24 showing a growth of 12.50%. Within this, total Passenger Vehicle Sales increased from 38,90,114 to 42,18,746 units and the overall Commercial Vehicles sales increased from 9,62,468 to 9,67,878 units.

Whereas 3W sales increased from 4,88,768 to 6,91,749 vehicles showing a growth of 42% and 2W sales increased from 1.58 Crore 1.80 to Crore registering a growth of 14%.

#### Three-Wheelers

FY2024 has seen the highest-ever volume of domestic sales for both the internal combustion engine (ICE) variants and the relatively more recent electric three-wheelers. Total domestic sales for ICE and electric three-wheelers surpassed 691,000 units in FY2024. Increasing CNG pump network, attractive retail finance offerings, better earnings for the drivers and pent-up demand were the key drivers of growth.

#### International market

Due to global market disruptions on account of severe inflation, geopolitical tension and forex issues, auto sales have been decreased from 47.61 Lakh to 45.00 Lakh, de-growth of 5.50%. Within this, total Passenger Vehicle Sales increased from 6,62,891 to 6,72,105 units and the overall Commercial Vehicles sales decreased from 78,645 to 65,816 units. Whereas 3W sales was most hit segment as the sales decreased by 27% from 3,65,549 to 2,99,977 vehicles and 2W decreased by 5.3% from 36.52 Lakh to 34.58 Lakh Units.



## RESEARCH & DEVELOPMENT

Atul Auto always tries to stay ahead in its commitment to innovation through strategic investments in Research and Development (R&D) activities. The primary focus of the Company's R&D efforts is on enhancing electric vehicle (EV) capabilities, ensuring these vehicles offer comparable comfort and performance to their traditional fuel counterparts.

**Electric Vehicles (EVs):** In FY 2024, Atul Auto made significant strides in the EV segment with the launch of Atul Mobili and Atul Energie. These vehicles have been well-received, and we are optimistic about their potential to revolutionise the industry and the Company's market presence.

Additionally, Atul Greentech Private Limited (AGPL), a subsidiary Company, has entered into strategic partnerships with **Honda Power Pack Energy India and Valeo**. This collaboration aims to develop prototype cargo and passenger three-wheelers featuring Honda's Mobile Power Pack, e:Swap and Valeo's powertrain system, representing a significant advancement towards providing swappable battery solutions in the three-wheeler segment. This is considered a remarkable step towards providing swappable battery solution in 3W segment.

Atul GreenTech Private Limited has also entered in strategic collaboration with **Jio Things Limited** for bringing together combined

#### Domestic Sale of Three-Wheelers (in numbers)

The Domestic Industry has sold following number of ICE and EV Three Wheelers:

Particulars	ICE three-wheelers			EV three-wheelers		
	FY2024	FY2023	FY2022	FY2024	FY2023	FY2022
Passenger carriers	483,445	339,379	167,404	92,883	48,369	16,203
Goods carriers	95,830	84,330	70,604	19,591	16,690	6,784
<b>Total three-wheelers</b>	<b>579,275</b>	<b>423,709</b>	<b>238,008</b>	<b>112,474</b>	<b>65,059</b>	<b>22,987</b>

expertise in cutting-edge automotive technologies, innovation and digital transformation in the 3-Wheeler domain partnership will focus on several key areas:

- Digital connectivity solutions for international markets
- Advanced EV charging infrastructure
- Integration of Jio smart digital apps for a unique customer experience
- Telematics hardware and platform services for real-time data analytics and monitoring.

With this partnership, we aim to revolutionize the automotive sector with state-of-the-art products and services, enhancing efficiency, connectivity, and customer satisfaction

**Alternate Fuel Vehicles:** Atul Auto continues to make significant advancements in the Alternate Fuel three-wheeler segment (Petrol/CNG/LPG). The Company is dedicated to enhancing the comfort and economy of its alternate fuel vehicles in both the 0.35-tonne and 0.50-tonne segments. These efforts are supported by a robust R&D infrastructure that focuses on developing new models and variants tailored to market demands.

#### Advanced Safety & Sustainability:

The R&D team is consistently working on developing cutting-edge technologies that address the near and long-term requirements of the Company's business plans. These efforts are customer-centric, addressing emerging mobility needs while integrating advanced safety systems and sustainability features. Atul Auto leverages global expertise through collaborations with Indian and international organisations, ensuring the incorporation of best practices and innovative solutions.

Atul Auto's R&D activities are pivotal in driving the Company's growth and adaptation to changing market dynamics. By focusing on electric and alternate fuel vehicles, the Company is well-positioned to meet future mobility needs and maintain its competitive edge in the three-wheeler industry business plans.





## OPPORTUNITIES AND THREATS, RISKS AND CONCERNS

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

The government is expected to reduce the subsidy provided under the FAME-II (Faster Adoption of Manufacturing of Electric Vehicles in India) scheme applicable to electric two-wheelers registered on or after 1 June 2023, as per a notification by the Heavy Industries Ministry. For electric two-wheelers the demand incentive will be ₹10,000 per kWh and the cap on incentives will be 15% of the ex-factory price of vehicles from 40% at

present till March 31, 2024. Now, the Company awaits the announcement of FAME III Scheme or similar benefits for electric mobility. We expect that a three-wheeler favourable scheme including the inclusion of a battery-swappable three-wheeler under the purview of the scheme would boost the faster adoption of electric three-wheeler.



STRENGTH	WEAKNESS
<ul style="list-style-type: none"> <li>Atul Auto has built a strong brand reputation in the Indian three-wheeler market</li> <li>The Company offers a wide range of vehicles catering to both passenger and cargo segments, addressing various market needs</li> <li>State-of-the-art manufacturing plants ensure high-quality production and substantial annual capacity</li> <li>A robust dealer and service network supports extensive market coverage domestically and internationally</li> <li>Resilient business model</li> <li>Continuous innovation, including the development of electric vehicles.</li> <li>Debt-free status</li> </ul>	<ul style="list-style-type: none"> <li>High reliance on the Indian market could expose the Company to regional economic fluctuations</li> <li>Although expanding, the Company's international footprint, still it is not as strong as its domestic presence</li> <li>The transition to electric vehicles requires substantial investment in technology, R &amp; D and infrastructure facilities</li> <li>Reliance on external suppliers for key components may impact the production schedules and costs</li> </ul>



OPPORTUNITY	THREAT
<ul style="list-style-type: none"> <li>The increasing demand for electric vehicles</li> <li>Rising urbanisation</li> <li>Expanding into new international markets can diversify revenue streams</li> <li>Favourable government policies, such as tax incentives and subsidies for clean energy vehicles</li> <li>Battery-swappable 3W tie-up with Honda</li> <li>The surge in e-commerce and the need for efficient last-mile delivery solutions</li> </ul>	<ul style="list-style-type: none"> <li>Global or regional economic downturns could adversely affect demand for three-wheelers</li> <li>Intense competition from established players and new entrants in the electric vehicle segment</li> <li>Changes in government regulations or policies related to emissions and vehicle standards</li> <li>Supply Chain Disruptions due to global conditions</li> <li>Rapid technological advancements in the automotive industry require continuous adaptation and investment, posing a risk of obsolescence.</li> </ul>



## OUTLOOK

FY'25 has been a year that showed a revival in the economy particularly in three-wheeler segment. The Company could gain the business from the increased demand in the market post-covid and could be able to make its balance sheet positive.

Atul Auto Limited stands at a promising juncture, poised to capitalize on domestic and international market opportunities. The recent expansion of manufacturing capacities and introducing new electric models shows Atul Auto's commitment to meeting evolving customer demands. Furthermore, the Company's strategic focus on expanding its footprint in international markets is expected to bolster revenue streams and enhance its global presence.

The international market dynamics are expected to turn favourable for the auto industry in the coming year, enhancing our business development prospects. Factors such as implementing the scrappage policy and increasing urbanisation are anticipated to influence our business positively.

Looking ahead to fiscal 2025 and beyond, growth is expected to be driven by several key factors:

- 1. Strong Rural Demand:** Favorable agricultural seasons are likely to boost rural demand.
- 2. Urban Consumption:** A pickup in urban consumption demand is anticipated.

**3. CNG Infrastructure:** An increase in CNG dispensing units will support market expansion.

**4. Government Incentives:** The introduction of FAME III incentives will further bolster the EV segment.

**5. Capital Expenditure:** Increased capex spending by central and state governments will drive infrastructure growth.

Atul Auto monitors economic trends closely, aligning its business strategies to navigate risks and seize opportunities. The Company remains committed to expanding its footprint in the global three-wheeler EV segment, ensuring sustainable growth and value creation for all stakeholders.



## COMPANY'S OPERATIONAL PERFORMANCE

The details of company's financial performance vis-a-vis operational performance during the financial year ended March 31, 2024 are as under:

- The Company sold 26,039 vehicles in FY 2024 in comparison to last year figure of 25,549 vehicles. Out of this, 2,241 vehicles sold in international market in compared 2,566 vehicles last year.
- The ratio of cargo, passenger and E-Rickshaw to total number of three wheelers sold during FY 2024 were 36%, 36% and 28% respectively.

- The income from operations increased to ₹48,040 Lacs in FY 2024 compared to ₹47,470 Lacs last year. The Income from operations consists of Vehicle Sales Turnover in export of ₹3,692 Lacs.
- EBITDA margin for the year is 7.22% which was 5.46% during last financial year.
- Average Sales Realization P/Vehicle has remains steady at ₹1,67,112/-.
- Material cost in FY 2024 stood at ₹36,699 Lacs in comparison to ₹37,072 Lacs in last year.

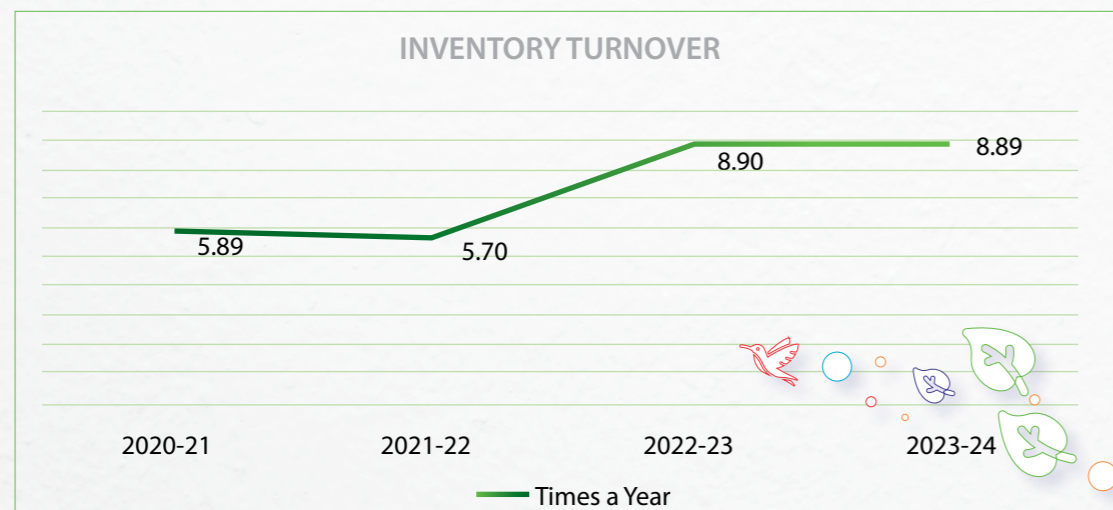
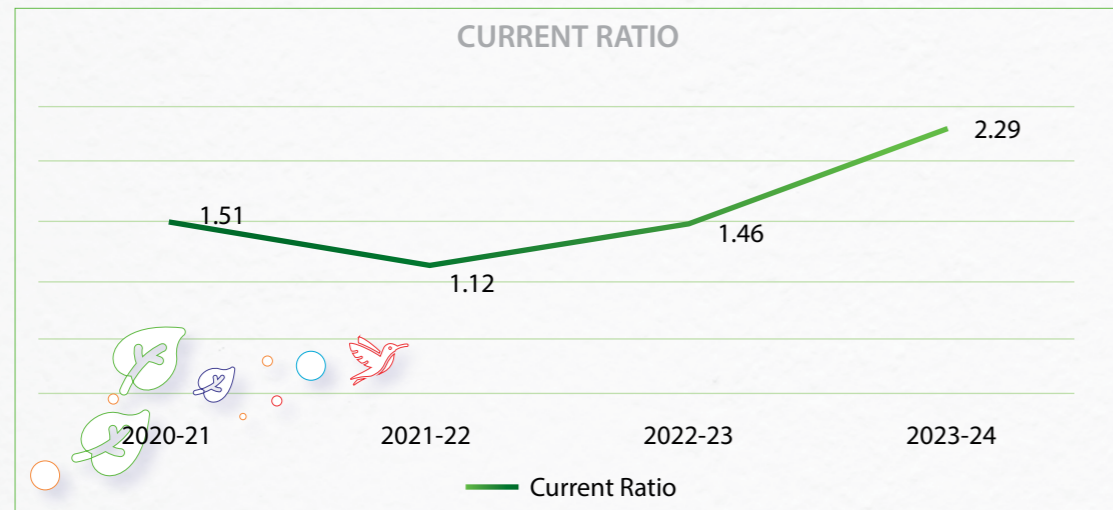
- Employee benefits expenses stood at ₹4,932 Lacs in FY 2024 as compared to ₹4,496 Lacs last year.
- Finance cost decreased to ₹164 Lacs in FY 2024 from ₹633 Lacs in FY 2023.
- Product Development Charges increased to ₹577 Lacs this year in comparison to ₹368 Lacs last year.
- Achieved Net Profit for the year of ₹1,347 Lacs as against ₹440 Lacs during last financial year.



## KEY FINANCIAL RATIOS

The key financial ratios of the Company are as under:

Particulars	2023-24	2022-23	Details of significant changes
Debtors Turnover (Days)	38	23	The company has started extending credit to dealers for ease of their working capital
Inventory Turnover (Days)	41	41	-
Interest Coverage Ratio (Times)	11.87	1.94	In current year the company has discharged total long term-debt so interest burden has reduced and debt becomes NIL.
Debt Equity Ratio	-	0.11	
Current Ratio (Times)	2.29	1.46	Short debt is NIL in current year.
Operating Profit (Before Tax) (%)	2.75	0.67	
Net Profit Margin (%)	2.84	0.93	There was substantial savings in interest cost which resulted into higher profit margins.
Return on Net Worth (%)	3.36	1.33	



## HUMAN RESOURCE

Human Resource Development at Atul Auto Limited encompasses a comprehensive suite of activities designed to optimise workforce planning, enhance employee engagement, manage performance and compensation, foster learning and development, facilitate career and succession planning, and drive organisational development. Each activity follows a structured approach underpinned by robust policies and standard operating procedures that

are periodically reviewed and updated to ensure relevance and efficacy. The Company's commitment to nurturing, enhancing, and retaining top talent remains steadfast. Superior learning and organisational development initiatives are key to our strategy, ensuring that employees are equipped with the skills and knowledge required to excel in their roles and contribute to the Company's success.

As of March 31, 2024, Atul Auto Limited employs 1133 individuals, including contractual labour. We maintain excellent industrial relations, fostering a harmonious and productive work environment without disruptions.

## INTERNAL CONTROL SYSTEM

Your Company maintains an adequate internal control system, which is continuously evaluated by professional auditors of repute. The Company continues to improve the present internal control systems by implementing appropriate policies and processes.

The Company is focused on incorporating the controls and checks in the SAP ERP system. Further, the Company has appointed KPMG as Internal Auditors for FY 2023-24 and FY 2024-25, including Atul Greentech Private Limited and Khushbu Auto Finance Limited.

An increased emphasis has been placed on internal control and vigilance systems to ensure the efficacy and monitoring of the company's operations.

## RISK MANAGEMENT

Our external environment presents multiple opportunities and risks, which we are prepared to manage proactively. Our robust risk governance structure not only evaluates the nature of risks but also dynamically assesses their likelihood and significance.

We have established processes, guidelines, and a strong overview and monitoring system. The Management team closely monitors the impact of these risks on our value-creation ability.

Additionally, we have laid down procedures to inform Board members about the risk assessment and minimisation procedures. As an organisation, we promote strong ethical values and high levels of integrity in all our activities, which significantly mitigates risk.

### CAUTIONARY STATEMENT

This document contains statements about expected future events, financial and operating results of Atul Auto Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Atul Auto Limited's Annual Report FY 2024.



## BOARD'S REPORT

Dear Members,

The Board of Directors are pleased to present Thirty Sixth Annual Report along with the audited financial statements for the financial year ended March 31, 2024.

### FINANCIAL RESULTS

The financial performance of the Company on standalone basis for the year ended March 31, 2024 is summarized below:

Particulars	₹ in lacs except per share data)	
	2023-24	2022-23
<b>Revenue from Operations</b>	<b>48,040</b>	<b>47,470</b>
Other Income	462	280
<b>Total Income</b>	<b>48,502</b>	<b>47,750</b>
Operating Costs	45,030	45,159
<b>Profit Before Depreciation, Interest, Exceptional Items and Tax (PBDIT)</b>	<b>3,472</b>	<b>2,591</b>
Depreciation & Amortization Expense	1,525	1,360
<b>Profit before Interest, Exceptional Items and Tax</b>	<b>1,947</b>	<b>1,231</b>
Interest	164	633
Exceptional Items	-	-
<b>Profit before Tax (PBT)</b>	<b>1,783</b>	<b>598</b>
Tax Expense	436	158
<b>Profit after Tax (PAT)</b>	<b>1,347</b>	<b>440</b>
Other Comprehensive Income	-49	2
<b>Total Comprehensive Income for the period</b>	<b>1,298</b>	<b>442</b>
<b>Opening Balance in Profit and Loss Account</b>	<b>23,599</b>	<b>23,157</b>
<b>Balance carried to Balance Sheet as Retained Earnings</b>	<b>24,897</b>	<b>23,599</b>
<b>Earnings per Share (₹)</b>	<b>5.09</b>	<b>2.00</b>

### FINANCIAL REVIEW AND HIGHLIGHTS

During the financial year 2023-24, the performance of the company has improved and the Company could successfully achieved the positive year-end results. The highlights of the standalone financial statements for the year are as under:

- The Company sold 26,039 vehicles in FY 2023-24 in compare to 25,549 in previous year. Thus, sale of the Company increased by 1.92%.
- The Company has achieved total revenue from operations of ₹48,040 Lacs in FY 2023-24 in compare to ₹47,470 Lacs in FY 2022-23. Thus it is increased by 1.20%.
- Export revenue of the Company decreased to ₹3,691 Lacs in compare to ₹4,098 Lacs in previous year.
- Profit before depreciation, interest and tax reached to ₹3,472 Lacs against ₹2,591 Lacs in previous year.
- Profit before taxes almost tripled from ₹598 Lacs in previous year to ₹1,783 Lacs in FY 2023-24.
- Net Profit after tax reached to ₹1,347 Lacs compare to ₹440 Lacs previous year.

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

### DIVIDEND

Considering the future need of the fund for business operations of the Company, the Board of Directors of the Company does not declare dividend for the year ended March 31, 2024.

### CAPITAL STRUCTURE AND PREFERENTIAL ISSUE OF WARRANTS

Upon receipt of necessary approvals of the members of the Company and stock exchanges, the Company has made a preferential issue of warrants of ₹115 Crore; Out of which ₹57.50 Crore has been received in FY 2022-23 and ₹57.50 Crore received in FY 2023-24. The Securities Allotment Committee of the Board of Directors of the Company at its meeting held on June 26, 2023 and on September 15, 2023 allotted 21,71,717 and 17,00,336 fully paid equity shares respectively upon conversion of equivalent Warrants to Shri Jayantibhai J Chandra, M/s. Khushbu Auto Private Limited and Shri Vijay K Kedia (collectively called the "Allottees"), the said issue and allotment was completed within a period of eighteen months from the date of allotment of the said warrants in compliance with the provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

During the year under review, the paid up share capital increased from ₹11,93,96,135/- divided into 2,38,79,227 equity shares of ₹5/- each to ₹13,87,56,400/- divided into 2,77,51,280 equity shares of ₹5/- each.

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

As on March 31, 2024, the company's authorised share capital was ₹15,00,00,000/- (Rupees Fifteen Crore Only) divided into 3,00,00,000 (Three Crore only) equity shares of ₹5/- (Rupees Five only) each. During the year under review, there is no change in authorized share Capital.



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

## CONSOLIDATED FINANCIAL STATEMENTS

As per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable provisions of the Companies Act, 2013 read with the rules issued thereunder, the Consolidated Financial Statements of the Company for the financial year 2023-24 have been prepared in compliance with applicable Accounting Standards and on the basis of audited financial statements of the Company and its subsidiary companies, as approved by the respective Board of Directors.

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

## PERFORMANCE OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

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

During the year under review, there are no companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies. The Company does not have any Associate Company or Joint Venture. The performance of subsidiary companies during financial year 2023-24 are as under:

### Khushbu Auto Finance Limited

Khushbu Auto Finance Limited ("KAFL") a Non-Banking Finance Company categorized as Investment and Credit Company (NBFC-ICC), earlier Asset Finance Company (AFC) is wholly owned subsidiary of the Company. KAFL is primarily in the business of financing of three-wheelers of Atul Auto Limited and two-wheelers of various brands. KAFL provides the finance to the customers of Atul Auto Limited in the regions where other financiers are not available.

FY 23-24 has been a turning point year for WOS Khushbu Auto Finance Limited. Its earnings from financing activities grew by 9.89% whereas it showed more than 100% increase in its other operating revenues. Net bottom line reflected a negative increase as compared to FY 22-23 with major reason being heavy provisions on stressed and delinquent assets.

It has crossed the mark of ₹200 Crore AUM in FY 23-24 making their presence felt stronger and wider in market with an all-time high disbursement of ₹120 Crore. With a 40% increase in market share of Khushbu Auto financed vehicles, share of KAFL in total sales of AAL vehicles comes to 46.51% during FY 23-24 at KAFL locations.

The subsidiary steps into the new financial year with fitter portfolio as now it foresees an end to COVID affected portfolio soon.

As per explanation provided under the Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, the term "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. KAFL, wholly owned subsidiary of the Company is to be considered as unlisted material subsidiary for FY 2023-24 since net-worth of KAFL is more than 20% of net-worth of the Company as on March 31, 2023.

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

### Atul Green Automotive Private Limited

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

The Investment in share capital of Atul Green Automotive Private Limited was ₹45 Lacs as on March 31, 2024. It does not have any operating revenue during the year.

### Atul Greentech Private Limited

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

At the end of financial year 2023-24, the investment in share capital of AGPL was ₹30 Crore. AGPL has raised total ₹32.50 Crore in FY 2023-24 through right issue and private placement of equity shares. In the month of February 2024, AGPL has raised ₹25 Crore by way of allotment of 3,28,947 equity shares of ₹10/- each at a price of ₹760/- each on right to its existing shareholders. Further in the month of March, 2024, AGPL has raised ₹7.50 Crore by way of allotment of 98,686 equity shares of ₹10/- each at a price of ₹760/- each private placement basis to NAV Capital VCC - NAV Capital Emerging Star Fund, Singapore and to Shri Mahendra J. Patel Family, the Promoters group of Atul Auto Limited. Atul Greentech's total valuation of outstanding equity shares of AGPL post-issue comes around ₹982.50 Crore at recently valued price and the Company holds 79.39% stake in AGPL.

During the FY 2023-24, AGPL has ramped up its sales and recorded revenue of ₹1461 Lacs compared to ₹80 Lacs in previous year, and reported post tax loss of ₹956 Lacs as against ₹437 Lacs during previous year, the Company is taking all necessary steps for minimizing loss and seizing global and domestic market requirements.

Recently AGPL has entered in strategic collaboration with Jio Things Limited for bringing together combined expertise in cutting-edge automotive technologies, innovation and digital transformation in the 3-Wheeler domain. This association will focus on several key areas:

- \*\* Digital connectivity solutions for international markets
- \*\* Advanced EV charging infrastructure

- \*\* Integration of Jio smart digital apps for a unique customer experience
- \*\* Telematics hardware and platform services for real-time data analytics and monitoring.

AGPL has been expanding its presence and sales globally in the countries like Belgium, France, Italy, South Africa, Philippines and expecting to cover South America, European and African Countries in coming years.

AGPL jointly with Honda Power Pack Energy India & Valeo have formed a strategic partnership to launch battery-swapping technology and infrastructure for electric vehicles (EVs). This collaboration aims to enhance the efficiency and convenience of EV operations by providing easily swappable batteries and it will reduce downtime for re-charging batteries

#### **Atulease Private Limited**

The Company has also incorporated Atulease Private Limited in June- 2024 with 80% equity stake in it for the purpose of operational leasing of three wheeler and other vehicles. Atulease is planning to commence its business in near future.

#### **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. 46 to the Standalone Financial Statements. These loan, guarantee and investments are in compliance with section 186 of the Companies Act, 2013.

During the year company has provided additional guarantee of INR 3,900 Lacs of which INR 2,000 Lacs on behalf of Khushbu Auto Finance Ltd & INR 1,900 Lacs on behalf of Atul Greentech Pvt. Ltd.

#### **LIQUIDITY**

The Company has cash and cash equivalents of ₹ 1078 Lacs as on March 31, 2024. Moreover, the Company has sanctioned working capital facilities ₹ 3000 Lacs from IDBI Bank, ₹ 750 Lacs from ICICI Bank and pre/post shipment credit facilities of USD 3.50 Million or equivalent INR from Export Import Bank of India as on March 31, 2024 to meet the liquidity requirement.

#### **TERM DEBT**

During the FY 2023-24, the Company has re-paid an outstanding term loan of ₹ 32.14 Crore taken from EXIM Bank for financing the green field project at Bhayla, Dist. Ahmedabad. After this, the Company has been enjoying debt-free status.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the Financial year 2023-24, based on recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on May 20, 2023 Changed the Designation of Shri Neeraj J Chandra (DIN: 00065159) from Whole-time Director to Managing Director with effect from June 01, 2023 and also Changed the Designation of Shri Jayantibhai J Chandra (DIN: 00057722) form Chairman and Managing Director to Chairman and Whole-time Director with effect from June 01, 2023.

Shri Vijay Kumar Goel, Independent Director (DIN: 05014980) of the Company has resigned from the Board on June 02, 2023 due to personal commitments. It is also confirmed that there

are no other material reasons other than those provided. The resultant vacancy has been filed by the Board and Shareholders has approved the appointment of Shri Gurudeo M Yadwadkar as Independent Director (DIN: 01432796) with effect from August 11, 2023 at thirty fifth Annual General Meeting held on September 30, 2023.

With recommendation of Nomination and Remuneration Committee, the Board has appointed Shri Ramesh Chandra Maheshwari (DIN: 09343538) and Smt. Honey Sethi (DIN: 10721537) as Additional Independent Directors and also approved regularization of office of Shri Ramesh Chandra Maheshwari (DIN: 09343538) and Smt. Honey Sethi (DIN: 10721537) as Independent Directors in ensuing AGM for approval of shareholders with effect from August 11, 2024. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing their candidature for the office of Independent Director. Their brief profiles are annexed to the notice of AGM.

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

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under 149(6) of the Companies Act, 2013 read with Rules issued there under as well as Regulation 16(1)(b) of the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force). The Board is of the opinion that Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfil their duties as Independent Directors. In terms of Regulation 25(8) of the Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

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

Shri Jayantibhai J Chandra has tendered his resignation from the post of Chairman and Whole-time Director of the Company with effect from closing hours on May 16, 2024 due to his unforeseen medical circumstances and restricted body functions. The Board of Directors expressed their deep sense of appreciation and gratitude to Shri Jayantibhai J Chandra, Chairman and Whole-time Director of the Company for his immense contribution in various capacities.



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 an integral part of the report.

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

### NUMBERS OF MEETINGS OF BOARD

The Board met five times during financial year 2023-24, 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, 2024:

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

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

### PERFORMANCE EVALUATION

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

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

### DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of the annual accounts for the financial year ended March 31, 2024, 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, 2024 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, 2024; 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, 2024.

### MANAGEMENT DISCUSSION AND ANALYSIS

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

### CORPORATE GOVERNANCE

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

### AUDITORS AND AUDITORS' REPORT

#### Statutory Auditors

M/s. Maharishi & Co., Chartered Accountants (ICAI Firm Registration No. 124872W) ("Existing Auditors") were appointed as statutory auditors of the Company at Thirty Fourth AGM to hold office upto thirty ninth AGM of the Company to audit the financial statement from FY 2022-23 to FY 2026-27. They have confirmed that they are not disqualified from continuing as Auditors of the Company. The peer review certificate of M/s. Maharishi & Co. is valid upto May 31, 2025.

The Auditors' Reports for the financial year ended March 31, 2024 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 at its Meeting held on January 31, 2024 has appointed CS Hardik Hudda (ICSI Membership No.: A39621, CP No.:14697), Proprietor of M/s. Hardik Hudda & Associates in whole time practice having valid peer review certificate No.1805/2022 to undertake the Secretarial Audit of the Company for the financial year 2023-24. The Secretarial Audit Report for the financial year ended March 31, 2024 is set out in **Annexure [A]** to this report. The Secretarial Audit Report for the year does not contain any qualification, reservation or adverse remark.

Further, In accordance with the provision of Regulation 24A of the Listing Regulations, Secretarial Audit of its material unlisted Indian subsidiary Khushbu Auto Finance Limited the Secretarial Audit Report for the financial year ended March 31, 2024 of Material Unlisted Subsidiary of the Company is set out in **Annexure [B]** to this Report.

The Company is not required to get its cost records audited for the financial year 2023-24.

KPMG Assurance and Consulting Services LLP, Chartered Accountants were the Internal Auditors of the Company for the FY2023-24. They have not given any qualification, reservation or adverse remark.

### 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 2023-24 were on arm's length basis and in the ordinary course of business and that the provisions of Section 188(1) of the Companies Act, 2013 and the Rules made thereunder, disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is set out in **Annexure [C]**. 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. Omnibus approval of the Audit Committee was obtained for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are reviewed by Audit Committee and a statement giving details of all related party transactions are placed before the Audit Committee and the Board for review on a quarterly basis. The Company has made necessary modifications to the said policy in line with the amendments introduced by the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021.

The details of the related party transactions as per Indian Accounting Standards (Ind AS) - 24 are set out in Note No. 42 to the Standalone Financial Statements of the Company.

## ANNUAL RETURN

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

## EMPLOYEE AND RELATED DISCLOSURES

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

As per the provisions of Section 136(1) of the Act and Rule 5 of the Rules, the Report and Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5(2) of the Rules. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company

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 [D]**.

## CORPORATE SOCIAL RESPONSIBILITY

The Company has always laid emphasis on progress with social commitment. We believe strongly in our core values of empowerment and betterment of not only the employees but also our communities. Following this principle, the Company had laid the foundation of a comprehensive approach towards promoting and facilitating various aspects of our surrounding communities. The Report on CSR activities which is reviewed by the Board at its meeting held on May 17, 2024 as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure [E]** and forms an integral part of this Report.

With notification of the Companies (Amendment) Act, 2020, the requirement of having CSR Committee waived off where the amount to be spent for CSR does not exceed fifty lacs rupees and the functions of such Committee provided under section 135 can be discharged by the Board of Directors of such company and accordingly, the Board of directors at its meeting held on May 27, 2022 dissolved the CSR Committee with immediate effect. The liability for CSR for FY 2023-24 for the Company was Nil.

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

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

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

## CREDIT RATING

During FY 2023-24, CRISIL has revised its outlook from Negative to Stable while reaffirmed its rating of CRISIL BBB+ / Stable to long term bank loan facilities and reaffirmed CRISIL A2 to short term bank loan facilities of the Company. CRISIL Ratings has also withdrawn its rating on ₹ 71.46 crore long-term bank facility as the same has been paid.

## 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, 2024 are annexed to this report as **Annexure [F]**.



## RISK MANAGEMENT

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

The Company has Risk Management Committee with the following Members as on March 31, 2024:

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

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

## SECRETARIAL STANDARDS OF ICSI

During the financial year under review, the Company has complied with the applicable provisions of the Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

## INDIAN ACCOUNTING STANDARDS

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

## INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

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

## OTHER DISCLOSURES

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

- The Board of Director of the Company has not proposed any amount for transfer to the reserve for the financial year ended March 31, 2024.
- 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 said Act.
- No application made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the financial year ended March 31, 2024.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- There have been no material changes/ commitments, affecting the financial position of the company which have occurred between end of the financial year of the company to which the financial statements relate and the date of the report. There has been no changes in nature of business of the Company.
- All the recommendations made by the Audit Committee were accepted by the Board of Directors.
- The Company does not have any scheme or provision of money for the purchase of its own shares by employees/ Directors or by trustees for the benefit of employees/ Directors.
- The Dividend Distribution Policy is uploaded on [https://atulauto.co.in/upload/investor-relation/attachment/140/aal\\_dividend-distribution-policy\\_august-2021.pdf](https://atulauto.co.in/upload/investor-relation/attachment/140/aal_dividend-distribution-policy_august-2021.pdf)
- The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof - Not Applicable

## APPRECIATION

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

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

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

**Neeraj J Chandra**  
Managing Director  
DIN: 00065159

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

Place: Bhayla (Dist. Ahmedabad)

Date: August 10, 2024

# SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[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, 2024 ("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, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not Applicable to the Company as there was no reportable event during the Audit period under review)
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not Applicable to the Company as there was no reportable event during the Audit period under review)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company as there was no reportable event during the Audit period under review) 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 (except meetings convened at a shorter notice), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

The Company has made preferential issue/ allotment of 58,08,080 warrants of face value of ₹ 5/- each at ₹ 198/- per warrant fully convertible into equal number of equity shares of face value of ₹ 5/- each of the Company to the specified investors in the previous year 2022-23. Upon receipt of the exercise price, 38,72,053 warrants have been converted and equal number of equity shares have been allotted to the specified investors during the year under review.

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

**CS Hardik Hudda**  
Proprietor

Membership No: A39621 CP No: 14697

Place : Ahmedabad

Peer Review No: 1805/2022

Date : August 08, 2024

UDIN: A039621F000916431



**SECRETARIAL AUDIT REPORT OF KHUSHBU AUTO FINANCE LIMITED, A MATERIAL SUBSIDIARY  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

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

**To,**  
**The Members,**  
**KHUSHBU AUTO FINANCE LIMITED**  
SH 111 112 Jimmy Tower,  
Opp Swaminarayan Gurukul, Gondal Road,  
Bhaktinagar, Rajkot, Gujarat- 360002, India.

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended March 31, 2024 ("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, 2024 according to the provisions of:

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

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

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

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

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

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

I further report that -

In respect to the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 and 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is in search of the right candidates for the post of Company Secretary due to casual vacancy aroused by resignation of previous Company Secretary with effect from October 15, 2023.

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

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

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

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

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

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

**CS Hardik Hudda**  
Proprietor

Membership No: A39621 CP No: 14697

Place : Ahmedabad

Peer Review No: 1805/2022

Date : August 09, 2024

UDIN: A039621F000939982

## AOC – 2

### (Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Act, including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis – NIL
2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid As advances as on March 31, 2024 if any:
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Please refer note 40 of the accompanying standalone financial statements for details of all related party transactions which, in the opinion of the Board, are in the ordinary course of business of the Company and are at arm's length basis.

**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 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2023-24 are as under:

Sr No	Name of Director/ KMP	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
1	Jayantibhai J Chandra	Chairman and Whole-time Director	20.20	- 23.30
2	Neeraj J Chandra	Managing Director	22.10	73.08
3	Mahendra J Patel	Whole-time Director & CFO	17.38	- 23.97
4	Vijay K Kedia	Non-Executive Director	0.18	16.67
5	Aarti Juneja	Independent Director	0.34	0.30
6	Mohan jit Walia	Independent Director	0.31	- 0.98
7	Jaichander Swaminathan	Independent Director	0.38	5.46
8	Vijay Kumar Goel*	Independent Director	0.07	NA^
9	Gurudeo M Yadwadkar #	Independent Director	0.21	NA^
10	Paras J Viramgama	Company Secretary and Compliance Officer	2.46	65.98

**Notes:**

\* Ceased to be a Director with effect from close of business hours on June 2, 2023, upon his resignation as an Independent Director

# Shri Gurudeo M Yadwadkar has been appointed as a Director from August 11, 2023.

^ Percentage increase in Remuneration of Shri Vijay Goel and Shri Gurudeo M Yadwadkar cannot be ascertained.

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

- (ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

The median remuneration of employees of the Company during the financial year was ₹ 4,88,784/- 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.

There is decrease of 3.69% in the total remuneration paid to all Executive Directors compared to previous financial year and average increase in Managerial Remuneration is 8.60% in FY 2023-24 compared to previous year.

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

In the financial year 2023-24, there was an Increase of 20.37% in the median remuneration of employees.

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

There were 474 permanent employees on the rolls of the Company as on March 31, 2024.

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

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2023-24 was 19.97%.

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, 2024

[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.

#### 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.

#### 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 handicrafts 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.

#### Women Empowerment

Almost every country, no matter how progressive has a history of ill-treating women. In other words, women from all over the world have been rebellious to reach the status they have today. The Company focuses on betterment of women involved in prostitution. It is need of the day to create awareness against this in public, creating employment opportunities, providing education, giving guidance and counselling, establishing rehabilitation centre etc. so that they can become part of the society.

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>

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

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
Nil				

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company - <https://atulauto.co.in/corporate-governance-reports.aspx>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) - Not Applicable
5. (a) Average net profit of the company as per sub-section (5) of section 135: Nil (Average Net Loss of ₹ 13,26,12,083/-)
- (b) Two percent of average net profit of the company as per section 135(5): Nil
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (d) Amount required to be set off for the financial year, if any: Nil
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Nil
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : Not Applicable
- (b) Amount spent in Administrative Overheads : Not Applicable
- (c) Amount spent on Impact Assessment, if applicable: Not Applicable
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Not Applicable
- (e) CSR amount spent or unspent for the Financial Year : Nil

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

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

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

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

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year(S)	Amount Transferred To Unspent Csr Account Under Subsection (6) Of Section 135 (In ₹)	Balance Amount In Unspent Csr Account Under Subsection (6) Of Section 135 (In ₹)	Amount Spent In The Financial Year (In ₹)	Amount Transferred To A Fund As Specified Under Schedule Vii As Per Second Proviso To Subsection (5) Of Section 135, If Any		Amount Remaining To Be Spent In Succeeding Financial Years (In ₹)	Deficiency, If Any
					Amount (In ₹)	Date Of Transfer		
1	FY-1							
2	FY-2			NIL				
3	FY-3							

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

Yes  No

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



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

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

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135. – Not Applicable

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

Place: Bhayla (Dist. Ahmedabad)  
Date: May 17, 2024

.....  
**Neeraj J Chandra**  
Managing Director  
DIN: 00065159

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

## 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 183.40 units in FY 2022-23 to 208.36 units in FY 2023-24 due to low level of capacity utilization against available production capacity of two plants.

Particulars	2023-24	2022-23
<b>Electricity purchased</b>		
Units	52,49,104	46,26,008
Amount (₹)	4,90,80,088	4,18,12,079
Production in no. (Excluding Units manufactured by Contract manufacturing))	25,192	25,224
Unit consumed per unit of production	208.36	183.40

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. RESEARCH AND DEVELOPMENT & TECHNOLOGY ABSORPTION

Your Company continues to derive sustainable benefit from the strong foundation and long tradition of R&D which differentiates it from others. New models, variants, processes and benefits flow from work done in R&D Centre. The R&D of the Company based at Pune work closely with the business to create exciting innovations that help us win with our consumers. During the year under review, your Company continued to work on technology up-gradation 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 2023-24 as under:

(₹ in Lacs)

Particulars	2023-24	2022-23
Revenue expenditure	576.97	368.00
Capital expenditure	-	-
<b>Total</b>	<b>576.97</b>	<b>368.00</b>

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

The Import of technology (including imported during the last three years reckoned from the beginning of the financial year): Nil

#### Future Plan of Action

The Company is investing further in people and equipment so as to strengthen its R&D and thereby enhance its capability to achieve better position in the future. In the future, we will continue following more innovative, environment friendly and practical automobile vehicles considering changes in market trends. The Company has been making the significance investment in three-wheeler EV sector through its subsidiary Atul Greentech Private Limited.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Detail of Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

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, 7.77% of our revenues were derived from export. The Company is taking further steps to widen its international marketing network.

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

(₹ in Lacs)

Particulars	2023-24
Earning	3,667
Expenditure	272
Net Foreign Exchange Earning (NFE)	3,395
NFE/Earning (%)	92.58%

# REPORT ON CORPORATE GOVERNANCE

## CORPORATE GOVERNANCE PHILOSOPHY

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

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

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

## A. BOARD OF DIRECTORS

The Board of Directors ('the Board') has ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Company is headed by 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, 2024, the Board comprise of eight Directors comprising three Executive Directors (including Chairman), one Non-Executive Director and Four Independent Directors

(including One Woman 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 with the help of Nomination and Remuneration Committee to ensure that the same is closely aligned with the strategy and long-term needs of the Company.

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

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

### DIRECTORSHIP(S) / COMMITTEE MEMBERSHIP(S)/ CHAIRMANSHIP(S) AND OTHER DETAILS AS ON MARCH 31, 2024

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, 2024 are provided herein below:

DIN	Name of Director	Date of Joining the Board	No of Shares/ Convertible Warrants held in the Company	No. of Directorship in Other Companies*	Name of Other Listed Entity (Type of Directorship)	Membership / Chairmanship of Committees in other Companies#	Inter-Se Relations
<b>Executive Directors</b>							
00057722	Jayantibhai J Chandra <i>Chairman &amp; Whole-time Director</i>	18.06.1986	14,52,752	--	--	--	Father of Shri Neeraj J Chandra
00065159	Neeraj J Chandra <i>Managing Director</i>	01.03.2012	1,05,118	--	--	--	Son of Shri Jayantibhai J Chandra
00057735	Mahendra J Patel <i>Whole-time Director &amp; CFO</i>	30.11.1994	2,77,848	--	--	--	--
<b>Non-Executive Non-Independent Director</b>							
00230480	Vijay K Kedia	31.01.2009	50,50,505	1	Shalby Limited (Non- Executive & Independent Director)	--	--





DIN	Name of Director	Date of Joining the Board	No of Shares/ Convertible Warrants held in the Company	No. of Directorship in Other Companies*	Name of Other Listed Entity (Type of Directorship)	Membership / Chairmanship of Committees in other Companies#	Inter-Se Relations
<b>Independent Directors</b>							
06872059	Aarti J Juneja	09.02.2019	--	2	Khushbu Auto Finance Limited (Non- Executive & Independent Director)	Khushbu Auto Finance Limited: Chairperson Audit Committee TAC Infosec Limited Chairperson Audit Committee & Member Stakeholders' Relationship Committee	--
08535435	Mohan Jit Walia	10.08.2019	--	--	--	--	--
08537472	Jaichander Swaminathan	26.08.2019	--	--	--	--	--
01432796	Gurudeo Madhukar Yadwadkar	11.08.2023	--	--	--	--	--

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

# Includes only Audit Committee and Stakeholders' Relationship Committee.

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

#### APPOINTMENT/ RE-APPOINTMENT OF DIRECTORS & TENURE

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

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

#### SELECTION AND APPOINTMENT OF NEW DIRECTORS

The Board is responsible for the appointment of new directors. The Board has delegated the screening and selection process for new directors to Nomination and Remuneration Committee. Considering the existing composition of the Board, statutory requirements and requirement of new domain expertise, if any, Nomination and Remuneration Committee reviews potential candidates. The assessment of candidates to the Board is based on a combination of criteria that include ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. For appointment of an Independent Director, Nomination and Remuneration Committee evaluates the balance of skills, knowledge and

experience on the Board and on the basis of such evaluation, prepares a description of the role and capabilities required of an Independent Director. The potential Independent Director is also assessed on the basis of independence criteria defined in Section 149(6) of the Act read with rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. If the Board approves, the person is appointed as an Additional Director whose appointment is subject to the approval of the Members at ensuing AGM.

Shri Vijay Kumar Goel, Independent Director (DIN: 05014980) of the Company has resigned from the Board on June 02, 2023 due to personal commitments. It is also confirmed that there is no other material reasons other than those provided. The resultant vacancy has been filed by the Board and Shareholders has approved the appointment of Shri Gurudeo M Yadwadkar as Independent Director (DIN: 01432796) at thirty fifth Annual General Meeting held on September 30, 2023.

With recommendation of Nomination and Remuneration Committee, the Board has appointed and recommended the regularization of office of Shri Ramesh Chandra Maheshwari (DIN: 09343538) and Smt. Honey Sethi (DIN: 10721537) as Independent Directors in ensuing AGM for approval of shareholders with effect from August 11, 2024. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing their candidature for the office of Independent Director. Their brief profiles are annexed to the notice of AGM.

#### LETTER OF APPOINTMENT ISSUED TO INDEPENDENT DIRECTORS

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

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

#### DECLARATIONS OF INDEPENDENCE

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

Five 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
	20.05.2023	11.08.2023	07.11.2023	31.01.2024	02.03.2024	30.09.2023
J J Chandra	Y	Y	N	N	N	N
Mahendra J Patel	Y	Y	Y	Y	Y	Y
Neeraj J Chandra	Y	Y	Y	Y	Y	Y
Vijay K Kedia	Y	Y	Y	Y	Y	Y
Aarti Juneja	Y	Y	Y	Y	Y	Y
Mohan Jit Walia	Y	Y	Y	Y	Y	N
Jaichander Swaminathan	Y	Y	Y	Y	Y	Y
Vijay Kumar Goel*	Y	NA	NA	NA	NA	NA
Gurudeo M. Yadawadkar#	NA	Y	Y	Y	Y	Y

Y: Attended, N: Not Attended, NA: Not Applicable

\* Ceased to be a Director with effect from close of business hours on June 2, 2023, upon his resignation as an Independent Director.

# Shri Gurudeo M Yadwadkar has been appointed as a Director from August 11, 2023.

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

#### BOARD PROCEDURES

The Board has complete access to all information of the Company and is regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report by CFO/ President - Finance is presented in the quarterly Board meetings, encompassing all facets of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, performance of subsidiaries 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.

received from the Independent Directors, the Board of Directors has confirmed that Independent Directors meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act and that they are independent of the management.

#### BOARD MEETINGS

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

#### 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, 2024, the Independent Directors met on March 30, 2024. All Independent Directors were present in the meeting. They review the performance of non-Independent Directors and the Board as a whole and the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non- Executive Directors. They have also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### FAMILIARISATION PROGRAMME

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

The Chairman/ Managing Director also has one to one discussion with the newly appointed Director to familiarize him/ her with the Company's operations.

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

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

### PERFORMANCE EVALUATION

In terms of applicable provisions of the Companies Act, 2013 read with Rules framed thereunder and Part D of Schedule II of Listing Regulations and on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has put in place performance evaluation policy to formally evaluate the effectiveness of the Board, its Committees along with performance evaluation of each Director including Independent Directors to be carried out on an annual basis. The same can be accessed through web- link: <https://atulauto.co.in/corporate-governance-reports.aspx>

Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the financial year 2023-24. 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.

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

<b>Skills / expertise / competencies</b>	<b>J J Chandra</b>	<b>Mahendra Patel</b>	<b>Neeraj Chandra</b>	<b>Vijay Kedia</b>	<b>Aarti Juneja</b>	<b>Mohan Jit Walia</b>	<b>Jaichander Swaminatha</b>	<b>Gurudeo Yadawadkar</b>
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	√		√		√	√	√	√

Independent Directors have evaluated the performance of non-independent directors and Board as a whole at the separate meeting of Independent Directors. Independent directors have also reviewed the performance of the Chairperson of the company, taking into account the views of executive directors, non-executive directors and members of senior management. The guidance note issued by SEBI on Board Evaluation was duly considered while conducting the evaluation exercise.

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

The Board of Directors at its meeting held on May 17, 2024, has noted the overall feedback on the performance of the Directors and the Board as a whole and its Committees. Based on the outcome of the evaluation, the Board and Committees have agreed on the action plan to improve on the identified parameters.

### KEY BOARD QUALIFICATIONS, EXPERTISE AND ATTRIBUTES

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

## B. COMMITTEES OF THE BOARD

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

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

The Board has established the following statutory Committees:

### AUDIT COMMITTEE

The Audit Committee met four times during the financial year 2023-24. 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 2023-24 are detailed below:

Name of Director	Designation	20.05.2023	11.08.2023	07.11.2023	31.01.2024
Aarti J Juneja	Chairperson	Y	Y	Y	Y
Mohan Jit Walia	Member	Y	Y	Y	Y
Jaichander Swaminathan	Member	Y	Y	Y	Y
Vijay Kumar Goel*	Member	Y	NA	NA	NA
Gurudeo M Yadwadkar#	Member	NA	NA	Y	Y

Y: Attended, N: Not Attended, NA: Not Applicable

\* Ceased to be a member of the Committee with effect from close of business hours on June 2, 2023, upon his resignation as an Independent Director

# Shri Gurudeo M Yadwadkar has been appointed as a member of the Committee from August 12, 2023.

All members of audit committee are financially literate and Smt. Aarti J Juneja Chairperson of the committee 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:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;

(f) disclosure of any related party transactions;

(g) modified opinion(s) in the draft audit report;

- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Reviewing the utilization of loans and/or advances from/investment by the Company in the subsidiary Company exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 with reference to events which were regarded as UPSI, whether such UPSI were shared in the manner expected, instances of leaks, if any, instance of breaches of the Code, efficiency of sensitization process, etc. at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively; and
- The Committee shall also consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders

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

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

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

The Chairperson of the Audit Committee attended the 35<sup>th</sup> AGM of the Company for the financial year ended 31<sup>st</sup> March 2023 held on September 30, 2023

## 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 2023-24 is detailed below:

Name of Director	Designation	20.05.2023	11.08.2023
Mohan Jit Walia	Chairman	Y	Y
Aarti J Juneja	Member	Y	Y
Jaichander Swaminathan	Member	Y	Y
Vijay Kumar Goel *	Member	Y	NA
Gurudeo M Yadwadkar#	Member	NA	NA

Y: Attended, N: Not Attended, NA: Not Applicable

\* Ceased to be a member of the Committee with effect from close of business hours on June 2, 2023, upon his resignation as an Independent Director

# Shri Gurudeo M Yadwadkar has been appointed as a member of the Committee from August 12, 2023.

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.
- Recommend to the Board appointment / removal and remuneration payable to the Senior Management.

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

## REMUNERATION OF DIRECTORS

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

- Non-Executive Director Shri Vijay Kedia holds 50,50,505 equity shares of face value of ₹ 5 each i.e. 18.20% equity shares and Shri Vijay Kedia with his relatives and Person acting in concert holds 58,03,935 equity shares of face value of ₹ 5 each i.e. 20.91% equity share capital of the Company. No pecuniary relationship exists between the Company and Non-Executive Directors except mentioned above.
- During the financial year 2023-24, the Company has issued and allotted 33,67,003 equity shares upon conversion of equivalent warrants to Shri Vijay Kedia as part of the preferential issue of ₹ 115 Crore against receipt of the warrant exercise price in the month of June and September-2023.
- All Non-Executive Directors have been paid sitting fees for attending Board and Committee Meetings.
- No other transaction has been made with Non-Executive Directors. In FY 2023-24 all Non-executive and Independent Directors were entitled for receiving sitting fees of ₹ 7,500/- per committee meeting/ separate meeting of Independent Directors and ₹ 17,500/- per Board Meeting attended by them.

During the FY 2023-24 Company has paid total sitting fees to Non-executive and Independent Directors as below:

Name of Director	Total Sitting fees paid in FY 2023-24 (In ₹ )
Vijay Kedia	87,500
Aarti Juneja	1,67,500
Mohan Jit Walia	1,51,500
Jaichander Swaminathan	1,83,500
Vijay Kumar Goel*	33,500
Gurudeo M Yadwadkar#	1,02,000

\* Ceased to be an Independent Director from close of business hours on June 2, 2023, upon his resignation as an Independent Director.

# Shri Gurudeo M Yadwadkar has been appointed as a Director from August 11, 2023.

- The Directors have not been paid any commission, performance linked incentives, and performance linked remuneration or any stock option during financial year 2023-24.

- The following is the bifurcation of fixed component of the remuneration package of executive Directors paid during FY 2023-24:

Fixed Component of Remuneration	Annual Remuneration (Amount in ₹ )		
	J J Chandra	Neeraj Chandra	Mahendra Patel
Basic	1,02,23,600	98,68,400	87,61,800
Contribution to Super Annuation Fund	1,50,000	1,50,000	1,50,000
Contribution to Provident Fund	--	21,600	12,600
<b>Total</b>	<b>1,03,73,600</b>	<b>1,00,40,000</b>	<b>89,24,400</b>

- The annual remuneration limit as approved by the Shareholders for Shri J J Chandra, Shri Neeraj J Chandra and Shri Mahendra Patel are ₹ 1,09,10,000/-, ₹ 1,03,00,000/- , and ₹ 1,39,68,000/- for FY 2023-24 respectively.
- In addition to the above, the Company pays for the health insurance of Director and his family members upto ₹ 40,000/- per Executive Director annually and yearly premium for personal accident cover upto ₹ 30,000/- per Executive Director as part of the Company policy.
- The contract period of employment for Shri Jayantibhai J Chandra as Chairman and Whole-time Director was three years from June 01, 2023 to May 31, 2026; Shri Mahendra J Patel as Whole-time Director & CFO is for five years from April 01, 2022 to March 31, 2027 and Shri Neeraj J Chandra is of five years from June 01, 2023 to May 31, 2028.
- The notice period applicable to all three executive directors is three months. There is no severance fees.

## PARTICULARS OF SENIOR MANAGEMENT PERSONNEL

During financial year 2023-24, Smt. Kamini Gaur, Head - Human Resources and Shri Deepender Sharma Senior Vice President - Marketing have been appointed and designated as Senior Management Personnel.

As on March 31, 2024, Senior Management Personnel of the Company includes Shri Jitendra V Adhia, President - Finance, Shri Hiren V Patel, Vice President - Supply Chain Management, Smt. Kamini Gaur, Head - Human Resources, Shri Deepender Sharma, Senior Vice President - Marketing, Shri Rajendra Thanawala, Head - Research and Development, Shri Ranjit Prasad Singh, Senior General Manager - Production and Shri Paras Viramgama - Company Secretary and Compliance Officer.

The details of topten employees in terms of the remuneration drawn and employees drawing remuneration in excess of the limits set out in Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, available on the website of the Company at <https://atulauto.co.in/subsidiaries-reports.aspx>

## 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 2023-24 is detailed below:

<b>Name of Director</b>	<b>Designation</b>	<b>30.03.2024</b>
Vijay Kumar Goel*	Chairman	NA
Gurudeo M Yadwadkar#	Chairman	Y
Aarti Juneja	Member	Y
Mohan Jit Walia	Member	Y
Jaichander Swaminathan	Member	Y

Y: Attended, N: Not Attended, NA: Not Applicable

\* Ceased to be a member and Chairman of the Committee with effect from close of business hours on June 2, 2023, upon his resignation as an Independent Director.

# Shri Gurudeo M Yadwadkar has been appointed as a Chairman of the Committee from August 12, 2023.

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

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

Shri Paras Viramgama, Company Secretary, is Compliance Officer for resolution of Shareholder's/ Investor's complaints. During the Financial Year ended March 31, 2024, two complaints were received from the shareholders and resolved to the satisfaction of shareholders during the year. No complaint was pending or unresolved as on March 31, 2024.

### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE ("CSR Committee")**

With notification of the Companies (Amendment) Act, 2020, the requirement of having CSR Committee waived off where the amount to be spent for CSR does not exceed fifty Lacs rupees and the functions of such Committee provided under section 135 can be discharged by the Board of Directors of such company. The Board of directors at its meeting held on May 27, 2022 dissolved the CSR Committee with immediate effect. The liability for CSR for FY 2023-24 for the Company was Nil.

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

### **RISK MANAGEMENT COMMITTEE**

Pursuant to regulation 21(5) read with 3(2) of the SEBI Listing Regulations, 2015, the provisions in respect of Risk Management Committee is applicable to the Company for FY 2023-24 even if it was not falling in the list of top

1000 listed entities based on market capitalization as on March 31, 2023.

The composition of Risk Management Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2023-24 is detailed below:

<b>Name of Director / Member</b>	<b>Designation</b>	<b>30.08.2023</b>	<b>06.02.2024</b>	<b>30.03.2024</b>
Mahendra J Patel	Chairman	Y	Y	Y
Neeraj J Chandra	Member	Y	Y	Y
Jaichander Swaminathan	Member	Y	N	Y
Hiren V Patel	Member	Y	Y	Y

Y: Attended, N: Not Attended

The role of Risk Management Committee includes:

- To formulate and monitor the implementation of Risk Management Policy of the Company and periodical review of the same, which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability, information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan
- Monitor and review risk management plan (including plan for cyber security).
- Monitor and review the process and progress of risk identification and definition, risk classification, risk assessment and prioritization, risk mitigation, risk tracking and reporting mechanism
- Review periodically and suggest changes in the Risk Management Policy to the Board.

### **SECURITIES ALLOTMENT COMMITTEE**

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

During FY 2023-24, the Committee met on June 26, 2023 and September 15, 2023 in which all members of the Committee were present.

Board of Directors at its meeting held on August 10, 2024 dissolved Securities Allotment Committee with immediate effect.

### C. GOVERNANCE OF SUBSIDIARY COMPANIES

The Board of Directors of the Company is also responsible for governance of the subsidiary companies namely Atul Green Automotive Private Limited (CIN: U74999GJ2018PTC100815) and Khushbu Auto Finance Limited (CIN: U74999GJ1994PLC022816), Wholly-owned subsidiary companies and Atul Greentech Private Limited (CIN: U31909GJ2020PTC112350), Subsidiary Company as on March 31, 2024.

The Company has recently incorporated Atulease Private Limited and subscribed 80% of paid up share capital and it became a subsidiary company of Atul Auto Ltd with an object of entering into business of purchase, acquire, maintain, operate and manage various types of vehicles and ply them on road or to give them on hire, lease or on rental or of any such similar arrangements, Atulease Private Limited was incorporated on June 12, 2024.

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

The Company has ventured into electric three-wheeler L5 category through its subsidiary Atul Greentech Private Limited ("AGPL"). To meet the fund requirements, AGPL has raised total ₹ 32.50 Crore: ₹ 25 Crore by way of allotment of 3,28,947 equity shares of ₹ 10/- each at a price of ₹ 760/- each through right issue to existing shareholders in the February 2024 and ₹ 7.50 Crore by way of allotment of 98,686 equity shares of ₹ 10/- each at a price of ₹ 760/- each (Evaluated by Registered Valuer) through Private placement in the month of March 2024. Post-allotment, Atul Auto Limited holds 79.13 percent stake in AGPL.

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

Accordingly, Khushbu Auto Finance Limited incorporated on August 19, 1994 at Ahmedabad (Gujarat), wholly owned subsidiary of the Company is to be considered as unlisted material subsidiary since net-worth of KAFL (₹ 106 Crore) is more than 20% of net-worth of AAL (₹ 330 Crore) as on March 31, 2023.

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

Whereas Atul Green Automotive Private Limited is in the business of sales of spare parts of Atul vehicles to certain international markets on need basis. During FY 2023-24, there was no business in this WOS.

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

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

#### CODE OF CONDUCT

The Board of Directors is responsible for ensuring that rules are in place to avoid conflict of interest by the Board Members and Senior Management Personnel. The Company has adopted a Code of Conduct for members of the Board and the Senior Management Personnel. The same have been posted on the website. The Codes aim at ensuring consistent standards of conduct and ethical business practices across the Company. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended March 31, 2024. The declaration to this effect signed by Shri Neeraj J Chandra, Managing Director of the Company forms part of the report. A copy of the said Code of Conduct is available on the website of the Company <https://atulauto.co.in/corporate-governance-reports.aspx>

#### POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS

The Company has not entered into any material Related Party Transaction during the financial year 2023-24 that may have potential conflict with the interests of listed entity at large. In line with requirement of the Companies Act, 2013 and Listing Regulations, the Company has formulated a Policy on Related Party Transactions which is also available at Company's website under the web link: <https://atulauto.co.in/corporate-governance-reports.aspx> The Company has made necessary modifications to the said policy in line with the amendments introduced by the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021.

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

This policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind



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

### INSIDER TRADING CODES

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

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

### POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES

The Company has formulated a Policy for determining 'Material' Subsidiaries as defined in Regulation 16 of the SEBI Listing Regulations. This Policy has also been posted on the website of the Company and can be accessed through the web link: <https://atulauto.co.in/corporate-governance-reports.aspx>

## E. OTHER DISCLOSURES AND AFFIRMATIONS

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

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

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

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

### Secretarial Audit of Material Unlisted Indian Subsidiary:

The Secretarial Audit of Khushbu Auto Finance Limited ("KAFL"), a material unlisted subsidiary of the Company carried out for the Financial Year 2023-24 pursuant to section 204 of the Companies Act, 2013 and Regulation 24A of the Listing Regulations. The Secretarial Audit Report of KAFL for FY 2023-24 has been issued by CS Hardik Hudda, M/s. Hardik Hudda & Associates (Membership No: A39621, CP No.: 14697).

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

### Total fees paid to Statutory Auditors of the Company:

Total fees of ₹ 26 Lacs for financial year 2023-24, for all services, was paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

### Disclosure of accounting treatment in preparation of financial statements:

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

### Commodity price risks and Commodity hedging activities:

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through efficient Inventory management, proactive vendor development practices, and increase in product pricing as per risk management policy of the Company. The Company's reputation for quality, products differentiation and after sale service, coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods. The Company don't do any other commodity hedging activities other than mentioned above.

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

**CEO/CFO Certification:** As required under Regulation 17 of the Listing Regulations, the CEO/ CFO Certificate for the financial year 2023-24 signed by Shri Neeraj J Chandra, Managing Director and Shri Mahendra J Patel, Whole-time Director & CFO, was placed before the Board of Directors of the Company at its meeting held on May 17, 2024. The same has been annexed.

**Certificate on Non-Disqualification of Directors:** The Certificate as required under Part C of Schedule V of Listing Regulations, received from CS Hardik Hudda, M/s. Hardik Hudda & Associates, Practicing Company Secretaries that

none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority. The same is attached as Annexure.

**Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** The Company has made preferential issue of 58,08,080 warrants at ₹ 198/- per warrants total issue size of ₹ 115 Crore to specified investors on private placement basis during the previous year. Against the said issue, the Company has received and fully utilized ₹ 57.50 Crore (Exercise price of ₹ 32.25 Crore received in June, 2023 and exercise price ₹ 25.25 Crore received while conversion of warrants into equity shares in September, 2023) during the year. The Company has utilized ₹ 32.25 Crore towards part-prepayment of borrowings and ₹ 25.25 Crore towards working capital i.e. in line with the purpose for which it was raised. There is no unutilized amount as on March 31, 2024.

**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, 2024 is given in the Directors' report.

**Disclosure by listed entity and its subsidiaries of loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount:**

During the Financial Year 2023-24 Company has given Inter Corporate deposit (ICD) of ₹ 3120 lacs to Atul Greentech Private Limited in which Shri Vijay Kedia is holding 19.73% share capital. The same was repaid during the year with interest at 9% per annum. No such loan or advances are given by Atul Auto Limited or any of its subsidiaries to firms/ companies in which directors are interested during FY 2023-24 except mentioned above.

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

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

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

## GENERAL SHAREHOLDER INFORMATION

### GENERAL BODY MEETINGS OF LAST THREE YEARS:

#### (i) Annual General Meetings held during past three years

Financial Year	Date and Time	Venue*	Details of special resolutions passed
2020-21	September 28, 2021 03.30 pm (IST)	Through VC/OAVM	<ul style="list-style-type: none"> <li>• Re-appointment of Smt. Aarti J Juneja (DIN: 06872059) as Independent Director</li> <li>• Re-appointment of Shri Jayantibhai J Chandra (DIN: 00057722) as Chairman and Managing Director</li> <li>• Re-appointment of Shri Mahendra J Patel (DIN: 00057735) as Whole-time Director &amp; CFO</li> </ul>
2021-22	September 27, 2022 11:00 am (IST)	Through VC/OAVM	<ul style="list-style-type: none"> <li>• Re-appointment of Shri Mohan Jit Walia (DIN: 08535435) as Independent Director</li> <li>• Re-appointment of Shri Jaichander Swaminathan (DIN: 08537472) as Independent Director</li> </ul>
2022-23	September 30, 2023 01:00 pm (IST)	Through VC/OAVM	<ul style="list-style-type: none"> <li>• Appointment of Shri Gurudeo Madhukar Yadwadkar (DIN: 01432796) as Independent Director</li> <li>• Approval of material related party transaction(s) with Khushbu Auto Private Limited for sale/ supply of goods and rendering of services.</li> <li>• Approval of material related party transaction(s) by Atul Greentech Private Limited with Khushbu Auto Private Limited for sale/ supply of goods and rendering of services.</li> </ul>

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

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

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



### (iii) Resolution(s) passed through Postal Ballot during FY 2023-24

The following two resolutions have been passed through postal ballot on August 19, 2023 for which the voting started on July 21, 2023 and ended on August 19, 2023:

- To Appoint Shri Jayantibhai J Chandra (DIN: 00057722) as Chairman and Whole-time Director.
- To Appoint Shri Neeraj J Chandra (DIN: 00065159) as Managing Director.

The details of voting result, person who conducted the postal ballot exercise etc. are available on website of the Company at <https://atulauto.co.in/Announcements/AALPostalBallotResults19082023.pdf>

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

#### ANNUAL GENERAL MEETING FOR FY 2023-24:

Date : Thursday, September 26, 2024  
 Time : 03:30 pm (IST)  
 Venue : VC/ OAVM

#### DATE OF BOOK CLOSURE:

From : September 20, 2024  
 To : September 26, 2024

#### DIVIDEND DETAILS:

No Dividend declared during Financial Year 2023-24

#### FINANCIAL YEAR:

From April 01, 2023 to March 31, 2024

#### 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 ₹ 5/- each : INE951D01028

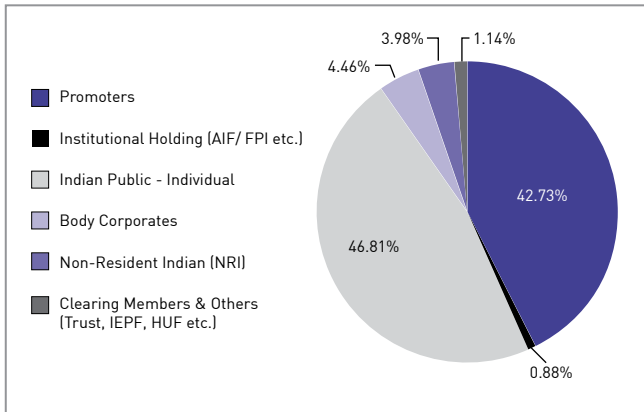
The Company has paid the listing fees to BSE and NSE and the custodian charges to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year ended March 31, 2024.

#### DISTRIBUTION OF SHAREHOLDING

Distribution of shareholding of shares of the Company as on March 31, 2024 is as follows:

No. of Shares		Shareholders		Shareholding	
From	To	No. of holders	% of holders	Total Shares	% of Shares
1	500	48017	94.84%	2981707	10.74%
501	1000	1334	2.64%	1036102	3.73%
1001	2000	667	1.32%	983187	3.54%
2001	3000	209	0.41%	523385	1.89%
3001	4000	76	0.15%	270696	0.97%
4001	5000	82	0.16%	382660	1.38%
5001	10000	116	0.23%	862076	3.11%
10001	Above	126	0.25%	20711467	74.64%
<b>Total</b>		<b>50627</b>	<b>100.00%</b>	<b>27751280</b>	<b>100.00%</b>

## CATEGORY-WISE SHAREHOLDING PATTERN AS ON MARCH 31, 2024



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

As on March 31, 2024, Company has no outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments.

## DEMATERIALIZATION AND LIQUIDITY

The break-up of shares in physical and dematerialized form as on March 31, 2024 are as under:

Mode of Holding	No. of shares	% of shares
NSDL Holding	1,96,98,653	70.98%
CDSL Holding	78,76,545	28.38%
Physical Mode	1,76,082	0.64%
<b>Total</b>	<b>2,77,51,280</b>	<b>100.00%</b>

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

The shareholders holding shares in physical form are requested to update their KYC and dematerialize their shares at the earliest and avail various benefits of dealing in securities in electronic/ dematerialized form. For any clarification, assistance or information, please contact the Registrar and Transfer Agent of the Company. Necessary details in this regard are part of notes to the Notice of Annual General Meeting for FY 2023-24.

## UNCLAIMED DIVIDEND/ SHARE CERTIFICATE

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

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

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time), the shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the aforesaid rules.

In terms of the provisions of the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, ₹ 4,86,545/- of unpaid/ unclaimed dividend and 1475 shares of face value of ₹ 5/- each transferred during the financial year 2023-24 to the Investor Education and Protection Fund/ Demat account of IEPFA.

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

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

## SHARE TRANSFER SYSTEM

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

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

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

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

## CREDIT RATING

During FY 2023-24, CRISIL has revised its outlook from Negative to Stable while reaffirmed its rating of CRISIL BBB+ / Stable to long term bank loan facilities and reaffirmed CRISIL A2 to short term bank loan facilities of the Company. CRISIL Ratings has also withdrawn its rating on ₹ 71.46 crore long-term bank facility as the same has been paid in full.



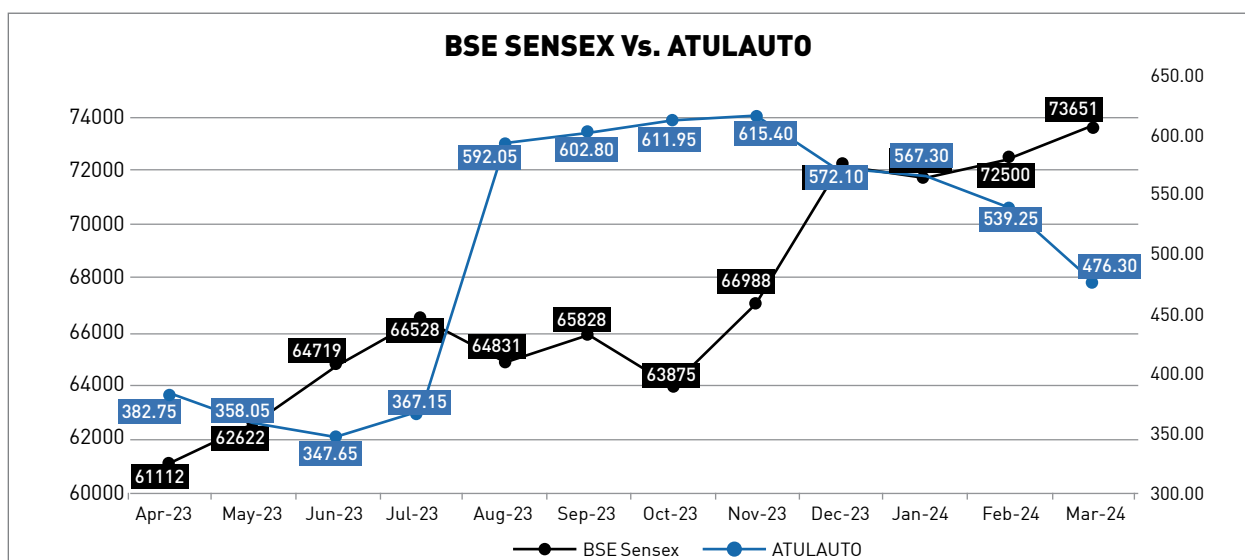
## MARKET PRICE DATA

The monthly high and low prices and volumes of the Company's shares at BSE and NSE for the financial year ended March 31, 2024 are as under:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume in Lacs (No. of Shares)	High (₹)	Low (₹)	Volume in Lacs (No. of Shares)
Apr-23	433.95	327.45	11.92	434.00	326.35	188.60
May-23	385.90	341.95	8.44	383.70	341.85	74.81
Jun-23	364.00	334.65	6.01	364.50	335.15	42.23
Jul-23	394.35	325.95	7.73	395.00	325.00	73.68
Aug-23	627.40	327.35	17.20	628.40	327.55	273.87
Sep-23	648.65	526.75	6.88	650.00	532.00	71.20
Oct-23	683.30	562.25	7.13	685.95	562.00	57.16
Nov-23	692.90	603.00	4.00	693.00	602.10	34.52
Dec-23	632.00	562.00	3.20	632.60	551.00	23.61
Jan-24	615.70	534.00	5.47	616.95	533.30	50.69
Feb-24	601.70	525.05	4.07	610.00	530.00	36.68
Mar-24	590.75	471.00	4.53	590.70	470.00	38.82

## PERFORMANCE IN COMPARISON TO BROAD-BASED INDEX

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, 2024 (based on month end closing):



## MEANS OF COMMUNICATIONS

### Publication of quarterly financial results

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

### Website and News Releases

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

### Stock Exchange

The Company makes timely disclosures of necessary information to BSE Limited and National Stock Exchange of India Limited in terms of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015 and other Rules and Regulations issued by SEBI.

### Designated Email Address for Investor Services

The designated email address for investor complaints is [investorrelations@atulauto.co.in](mailto:investorrelations@atulauto.co.in)

### Physical Communication

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

### Link Intime India Private Limited

(Unit: Atul Auto Limited)  
C101, 247 Park,  
Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai – 400083  
Phone : 022 4918 6000  
E-Mail : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Web : [www.linkintime.co.in](http://www.linkintime.co.in)

**Atul Auto Limited**

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

Phone : 02827 252999

E-Mail : [investorrelations@atulauto.co.in](mailto:investorrelations@atulauto.co.in)

Web : [www.atulauto.co.in](http://www.atulauto.co.in)

**PLANT LOCATION:****Shapar Plant**

R.S. No. 86, Plot No. 1 to 4,  
8B National Highway,  
Near Microwave Tower,  
Shapar (Veraval),  
Dist. Rajkot, Gujarat, INDIA 360024

**Ahmedabad Plant**

New R. S. No. 521, 525, 530, 541, 542,  
Rajkot-Ahmedabad Highway,  
Near Super Gas Plant,  
Village: Bhayla, Taluka: Bavla,  
Dist. Ahmedabad, Gujarat, INDIA 382220



## ANNEXURE TO REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

### 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, 2024.

Place: Bhayla (Dist. Ahmedabad)  
Date: May 17, 2024

**Neeraj J Chandra**  
Managing Director  
DIN: 00065159

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

To,  
The Board of Directors,  
Atul Auto Limited

We, Shri Neeraj J Chandra (DIN: 00065159), Managing Director and Shri Mahendra J Patel (DIN: 00057735), Whole-time Director & CFO of Atul Auto Limited ("the Company") hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 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.

**Neeraj J Chandra**  
Managing Director  
DIN: 00065159

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

Place: Bhayla (Dist. Ahmedabad)  
Date: May 17, 2024

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 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.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of appointment in Company</b>
1	Jayantibhai Jagjivanbhai Chandra	00057722	18/06/1986
2	Mahendra Jamnadas Patel	00057735	30/11/1994
3	Neeraj Jayantibhai Chandra	00065159	01/03/2012
4	Vijay Kishanlal Kedia	00230480	31/01/2009
5	Aarti Jeetendra Juneja	06872059	09/02/2019
6	Mohan Jit Walia	08535435	10/08/2019
7	Swaminathan Jaichander	08537472	26/08/2019
8	Gurudeo Madhukar Yadwadkar	01432796	11/08/2023

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

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

**CS Hardik Hudda  
Proprietor**

Membership No: A39621 CP No.: 14697  
Peer Review No. 1805/2022  
UDIN: A039621F000627881

Place: Ahmedabad  
Date: June 27, 2024



## 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 November 07, 2023.
2. We, Maharishi & Co, Chartered Accountants, the Statutory Auditors of Atul Auto Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### Management's Responsibility

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

### Auditor's Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2024.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certificate of Corporate Governance issued by the institute of the Chartered Accountants of India (ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for special Purpose issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

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

### 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 other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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

**Kapil Sanghvi**  
Partner  
Membership No: 141168  
UDIN: 24141168BKAGEA2353

Place: Jamnagar  
Date: August 10, 2024

# INDEPENDENT AUDITOR'S REPORT

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

To the Members of  
**ATUL AUTO LIMITED**

### OPINION

We have audited the accompanying Ind AS Standalone financial statements of ATUL AUTO LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 Ind AS Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the 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, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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

Sr. No.	Key Audit Matter	Auditor's Response
1.	Issue of Convertible warrants /Equity Shares	<b>Principal Audit Procedures-</b>  Company has issued share warrants on preferential allotment as per private placement offer letter dated 12 <sup>th</sup> November, 2022.  For purpose of issue of this warrants company have passed resolution dated 18 <sup>th</sup> November, 2022 and the same is obtained by us.  Further part of this warrants were converted into Equity shares and the amount for the same was received by the company on 26 <sup>th</sup> June, 2023 and 15 <sup>th</sup> September, 2023.  We have checked PAS-03 filled by the company with ROC dated 26 <sup>th</sup> June, 2023 and 15 <sup>th</sup> September, 2023.

### 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.

### BASIS OF OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on standalone Ind AS financial statements.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS Financial statements for the year ended March 31 2024. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Our opinion on the standalone Ind AS 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 Ind AS 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 Ind AS financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

### **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS**

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

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

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

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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 Ind AS 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**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that: -
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.



- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account. The company is having SAP system for maintenance of books of accounts through which Standard Trial Balance of both units (Shapar & Bhayla) is being generated and consolidated through the system.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
- (e) The observations relating to the maintenance of accounts and other matters connected therewith are as stated in the Emphasis of Matter paragraph above.
- (f) On the basis of written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion and according to the information and explanations given to us, the managerial remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act, read with Schedule V of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
- (h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (i) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note No. 34 to the Ind AS financial statements.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (h) Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software's for maintaining its books of account, recording audit trail (edit log) facility and the same has operated throughout the year respective software:
- (i) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software's.
- (ii) For the Periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail being tampered with.

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

**Kapil Sanghvi**  
Partner

Membership No. 141168  
UDIN: 24141168BKAGAN5675

Date: 17<sup>th</sup> May, 2024  
Place: Bhayla (Dist. Ahmedabad)

## Annexure-A to Independent Auditor's Report

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

### I. FIXED ASSETS

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

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

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

### II. INVENTORIES

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

### III. LOANS/ GUARANTEES/ SECURITIES PROVIDED

- a) Refer to Note no. 34 of Financial Statements and as informed to us, company has made investments in, provided guarantee and/or security and/or granted loans or advances in the nature of secured/unsecured loans to companies, firms, Limited Liability Partnerships, and other Parties.
- (i) Details of Aggregate amount of Loans, Advances, Guarantees and Securities made to Subsidiaries, Associates and Joint Ventures are as below-

(₹ in Lacs)

Nature	Aggregate Amount (Rs.)	Balance Outstanding (Rs.)	Party	Relationship with Party
Inter-Corporate Deposit	3120	NIL	Atul Greentech Private Limited	
Guarantee to Chola Mandalam Finance in respect of finance made as per tri-party agreement	183	183	Khushbu Auto Finance Limited	
Guarantee to Bankers	5,000	2,029	Atul Greentech Private Limited	
Guarantee to Bankers	15,000	8,953	Khushbu Auto Finance Limited	Wholly Owned Subsidiary (w.e.f. 01/09/2021)

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

(₹ in Lacs)

<b>Nature</b>	<b>Aggregate Amount</b>	<b>Balance Outstanding</b>	<b>Party</b>
Guarantee to Chola Mandalam Finance in respect of finance made to end user	748	748	End Users of AAL (Considering business requirement and rationale of the company)
Staff Advances	10	10	Employees of Atul Auto Limited.

- (b) Based on the information and explanation provided to us, the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
- (c) As informed to us, the schedule of repayment of principal and payment of interest of Loans has been stipulated and repayments or receipts are regular.
- (d) As informed to us, no amount of loan is overdue for more than 90 Days.
- (e) Refer to Note no. 34 of Financial Statements and based upon information and explanation provided to us, the company has not renewed any loans or granted fresh loans for the loans falling due this year and therefore this sub-clause is not applicable to the company.
- (f) Refer to Note no. 34 of Financial Statements and based upon information and explanation provided to us, the company has granted following loans which are either repayable on demand or loans without any terms or period of repayment.

(₹ in Lacs)

<b>Party to which loan is granted</b>	<b>Relation with Party to which the Loan is granted</b>	<b>Aggregate Amount of Loan Outstanding (Rs.)</b>	<b>Percentage (%) to Total Loans Granted</b>
Staff Advances	Employees	10	100%

#### IV. LOANS, INVESTMENTS, GUARANTEES AND SECURITIES

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

#### V. DEPOSITS

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

#### VI. COST RECORDS

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

#### VII. STATUTORY DUES

- (a) According to the information given to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty, GST, CESS and other applicable statutory dues with the appropriate authorities. As per information and explanations given to us there are no arrears of undisputed statutory dues outstanding as at 31<sup>st</sup> March, 2024, for the period of more than six months from the date they become payable.

- (b) According to the information and explanations to the extent provided to us, the details of the disputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty, GST, CESS and other applicable statutory dues, which have not been deposited on account of dispute, are as under: -

Name of Statute	Nature of the dues	Related to F.Y.	Amount Demanded	Amount Deposited (in Lakh)	Forum where dispute is pending
The goods and services tax	Interest + Penalty	2017-18	22,47,621	-	GST commissioner Appeal
The goods and services tax	Interest + Penalty	2018-19	10,95,908	-	GST commissioner Appeal
The goods and services tax	Interest + Penalty	2017- 20	56,20,496	-	GST commissioner Appeal
The Gujarat VAT Act, 2006	Sales Tax	2001-02 and 2002-03	14,83,791	3,00,000	Supreme Court
The Gujarat VAT Act, 2006	VAT	2006-07	13,54,543	-	VAT Tribunal
The Central Sales Tax, 1956	CST	2001-02 and 2002-03	2,52,531	50,000	Supreme Court
Central Excise Act, 1944	Excise	2007-10	61,825	-	CESTAT
Income Tax Act, 1961	Income tax	2012-13	5,05,900		CIT (A)
Income Tax Act, 1961	Income tax	2014-15	7,75,610		CIT (A)
Income Tax Act, 1961	Income tax	2017-18	29,28,740		CIT (A)
Income Tax Act, 1961	Income tax	2020-21	18,95,506		CIT (A)

#### VIII. UNDISCLOSED INCOME

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

#### IX. REPAYMENT OF LOANS AND OTHER BORROWINGS

- (a) As informed to us and on basis of explanations provided to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) As informed to us, company is not declared as a wilful defaulter by any bank or financial institution or other lender.
- (c) As informed to us, the company has availed term loan from Exim bank for its Ahmedabad Expansion Project and other Capex. Moreover, the company has initially funded all capex through its internal accruals. Post that company has taken disbursement of term loan in the form of reimbursement. Further during the year company has foreclosed it.
- (d) As informed to us, the company has not utilised the funds raised on short term basis for long term purposes.

- (e) According to the information and explanations to the extent provided to us, the company has not taken obtained any funds from lenders to meet the obligations of its subsidiaries, associates and joint ventures.
- (f) According to the information and explanations to the extent provided to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and therefore this sub-clause is not applicable to the company.

#### X. IPO / FPO / PRIVATE PLACEMENT / PREFERENTIAL ALLOTMENT

- (a) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of Initial Public Offer or further Public Offer during the Year.
- (b) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of Private Placement.

However the warrants issued during the previous financial year 2022-2023 were converted into equity shares for which Rs 148.5/- were received during the year details of which are as under :

(₹ in Lacs)

Sr. No.	Name of the Allottee	No. of Shares	Total Amount
1	Vijay Kishanlal Kedia	33,67,003	4999.99
2	Khushbu Auto Private Limited	4,37,710	649.99
3	Jayantibhai Jagjivanbhai Chandra	67,340	99.99



## XI. FRAUD

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

## XII. NIDHI COMPANY

The Company is not a Nidhi Company as defined under section 406 of Companies Act, 2013. Therefore, clause (xii) of paragraph 3 of the order is not applicable to the Company.

## XIII. RELATED PARTY TRANSACTIONS

In our opinion and according to the information and explanations given to us the Company is in compliance with section 188 and 177 of the Companies Act, 2013, where applicable, for all the transactions with related parties and the details of related party transactions have been disclosed in Note No. 42 to the financial statements.

## XIV. INTERNAL AUDIT

- (a) On the basis of Information and explanations given to us the company has Internal Audit Division. Hence, internal audit system commensurate with the size & nature of the business are under development.
- (b) An Internal Audit has been carried out by the external Chartered Accountant. Report of Internal Auditor has been considered by us.

## XV. NON-CASH TRANSACTIONS WITH DIRECTORS

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

## XVI. NBFC REGISTRATION

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

## XVII. CASH LOSSES

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

## XVIII. RESIGNATION BY STATUTORY AUDITORS

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

## XIX. MATERIAL UNCERTAINTY

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

## XX. CORPORATE SOCIAL RESPONSIBILITY

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

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

**Kapil Sanghvi**  
Partner

Membership No. 141168  
UDIN: 24141168BKAGAN5675

Date: 17<sup>th</sup> May, 2024  
Place: Bhayla (Dist. Ahmedabad)



## Annexure-B to Independent Auditor's 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, 2024 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 Ind AS financial statements, whether due to fraud or error.

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

### **MEANING OF INTERNAL FINANCIAL 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.

Date: 17<sup>th</sup> May, 2024  
Place: Bhayla (Dist. Ahmedabad)

## **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, 2024 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.

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

**Kapil Sanghvi**  
Partner  
Membership No. 141168  
UDIN: 24141168BKAGAN5675

# STANDALONE BALANCE SHEET

as at March 31, 2024

(₹ in Lacs)

Particulars	Note No.	March 31, 2024	March 31, 2023
<b>ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Property, Plant and Equipment	2(i)	22,808	23,359
(b) Capital Work-In-Progress	2(ii)	14	129
(c) Right-of-use Asset	2(i)	19	22
(d) Investment Property	3	117	121
(e) Intangible Assets	4	37	52
(f) Financial Assets			
(i) Investments	5(a)	8,823	6,823
(ii) Income Tax Assets (Net)	6	173	224
(iii) Trade Receivables	8(a)	199	211
(g) Deferred Tax Assets	7	179	607
(h) Other Non-current Assets	9(a)	350	461
<b>Total Non-current Assets</b>		<b>32,719</b>	<b>32,009</b>
<b>(2) Current Assets</b>			
(a) Inventories	10	5,288	5,396
(b) Financial Assets			
(i) Investments	5(b)	2,180	1,665
(ii) Trade Receivables	8(b)	4,710	2,796
(iii) Cash and Cash Equivalents	11	1,078	336
(iv) Bank balance other than (iii) above	12	111	91
(v) Loans	13	10	505
(vi) Other Financial Assets	14	31	35
(c) Other Current Assets	9(b)	936	1,331
<b>Total Current Assets</b>		<b>14,344</b>	<b>12,155</b>
<b>Total Assets</b>		<b>47,063</b>	<b>44,164</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(3) EQUITY</b>			
(a) Equity Share Capital	15	1,388	1,194
(b) Other Equity	16	38,732	31,878
<b>Total Equity</b>		<b>40,120</b>	<b>33,072</b>
<b>LIABILITIES</b>			
<b>(4) Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17(a)	-	2,143
(ii) Lease Liabilities	18(a)	10	15
(iii) Other Financial Liabilities	19(a)	635	582
(b) Provisions	20(a)	40	49
<b>Total Non-current Liabilities</b>		<b>685</b>	<b>2,789</b>
<b>(5) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17(b)	-	1,421
(ii) Trade Payables	21		
(A) Total Outstanding dues of Micro Enterprise and Small Enterprise		1,538	1,444
(B) Total Outstanding dues other than Micro Enterprise and Small Enterprise		2,266	3,027
(iii) Lease Liabilities	18(b)	11	9
(iv) Other Financial Liabilities	19(b)	903	716
(b) Provisions	20(b)	438	558
(c) Other Current Liabilities	22	1,047	1,057
(d) Current Tax Liabilities	23	55	71
<b>Total Current Liabilities</b>		<b>6,258</b>	<b>8,303</b>
<b>Total Liabilities</b>		<b>6,943</b>	<b>11,092</b>
<b>Total Equity and Liabilities</b>		<b>47,063</b>	<b>44,164</b>

The accompanying notes are an integral part of these financial statements

As per our report of even date

**FOR, Maharishi & Co.**

Chartered Accountants

FRN 124872W

**KAPIL SANGHVI**

Partner

Membership No. 141168

Signed at Bhayla (Dist. Ahmedabad) on May 17, 2024

UDIN : 24141168BKAGAN5675

**For an on behalf of Board of Directors of  
ATUL AUTO LIMITED**

**NEERAJ J CHANDRA**

Managing Director

DIN : 00065159

**MAHENDRA J PATEL**

Whole-time Director & CFO

DIN : 00057735

**PARAS J. VIRAMGAMA**

Company Secretary & Compliance Officer

# STANDALONE STATEMENT PROFIT AND LOSS

for the Year Ended March 31, 2024

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>1 REVENUE FROM OPERATIONS</b>			
a. Revenue from Sale of Products	24	47,497	46,706
b. Other Operating Income	24	543	764
<b>TOTAL REVENUE FROM OPERATIONS</b>		<b>48,040</b>	<b>47,470</b>
<b>2 Other Income</b>	25	462	280
<b>3 TOTAL INCOME</b>		<b>48,502</b>	<b>47,750</b>
<b>4 EXPENSES</b>			
a. Cost of Materials Consumed	26	37,042	36,600
b. Change in inventory of Finished Goods, Work-in-progress and Stock-in-Trade	27	(343)	472
c. Employee Benefits Expense	28	4,932	4,496
d. Finance Costs	29	164	633
e. Depreciation and Amortisation Expense	30	1,525	1,360
f. Other Expenses	31	3,399	3,591
<b>5 TOTAL EXPENSES</b>		<b>46,719</b>	<b>47,152</b>
<b>6 Profit Before Exceptional Items</b>		<b>1,783</b>	<b>598</b>
<b>7 Exceptional Items</b>		-	-
<b>8 Profit/(Loss) Before Tax</b>		<b>1,783</b>	<b>598</b>
<b>9 TAX EXPENSE</b>			
a. Current Tax	32	(11)	4
b. Deferred Tax	32	447	154
<b>TOTAL TAX EXPENSE</b>		<b>436</b>	<b>158</b>
<b>10 Profit / (Loss) for the Period</b>		<b>1,347</b>	<b>440</b>
<b>11 Other Comprehensive Income, Net of Tax</b>	33	<b>(49)</b>	<b>2</b>
a. Items that will not be Reclassified to Profit or Loss			
(i) Remeasurement of Post Employment Benefit Obligation		(66)	3
(ii) Income Tax Relating to Remeasurement of Defined Benefit Obligation		17	(1)
b. Items that will be Reclassified to Profit or Loss		-	-
<b>12 Total Comprehensive Income / (Expense) for the Period</b>		<b>1,298</b>	<b>442</b>
<b>13 EARNINGS PER EQUITY SHARE</b>	34		
Basic & Diluted		5.09	2.00

The accompanying notes are an integral part of these financial statements  
As per our report of even date

**FOR, Maharishi & Co.**

Chartered Accountants  
FRN 124872W

**KAPIL SANGHVI**

Partner

Membership No. 141168

Signed at Bhayla (Dist. Ahmedabad) on May 17, 2024

UDIN : 24141168BKAGAN5675

**For an on behalf of Board of Directors of  
ATUL AUTO LIMITED**

**NEERAJ J CHANDRA**

Managing Director

DIN : 00065159

**MAHENDRA J PATEL**

Whole-time Director & CFO

DIN : 00057735

**PARAS J. VIRAMGAMA**

Company Secretary & Compliance Officer

# STATEMENT OF CASH FLOW for the year ended March 31, 2024

(₹ in Lacs)

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Taxation	1,717	598
<b>Adjustment for:</b>		
Add/(Less):-		
Provision for Doubtful Debts	(73)	142
Depreciation & Impairment	1,525	1,360
Finance Cost	164	633
<b>Sub Total</b>	<b>1,616</b>	<b>2,135</b>
Less :-		
Loss/(Profit) on Sale of Fixed Assets	34	-
Profit on Redemption/Revaluation of Mutual Fund	64	11
Interest Received on Deposits	126	64
<b>Sub Total</b>	<b>224</b>	<b>75</b>
<b>Operating Profit Before Working Capital Changes</b>	<b>3,109</b>	<b>2,658</b>
<b>Movements in Working Capital:</b>		
Decrease/-Increase in Trade Receivable	(1,829)	(903)
Decrease/-Increase in Inventories	108	(418)
Decrease/-Increase in Loans and Other Assets	393	(604)
Increase/-Decrease in Trade Payables	(667)	355
Increase/-Decrease in Liabilities/Provisions	85	86
<b>Total Movement in Working Capital</b>	<b>(1,910)</b>	<b>(1,484)</b>
<b>Cash Generated from Operations</b>	<b>1,199</b>	<b>1,174</b>
Direct Taxes Paid (Net of Refunds)	60	32
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>1,259</b>	<b>1,206</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets, Capital WIP and Advances for Capital Goods & of Payable	(785)	(414)
Proceeds from Sale of Fixed Assets	94	8
Net (Investment)/ Net Proceeds from Sale of Mutual Fund	(451)	(1,654)
Investment in Company	(2,000)	-
(Increase)/Decrease in Other Bank Balance	(20)	(60)
(Increase)/Decrease in Inter Corporate Deposits	500	51
Interest Received on Deposits	126	64
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(2,536)</b>	<b>(2,005)</b>
<b>C. CASH FLOW FORM FINANCING ACTIVITIES</b>		
Increase in Lease Liability	(3)	(13)
Proceeds from Issue of Equity Shares/Share Warrant	5,750	5,750
Repayment of Bank Borrowing	(3,564)	(4,474)
Other Borrowing Cost	(164)	(633)
<b>NET CASH CLOW FROM FINANCING ACTIVITIES</b>	<b>2,019</b>	<b>630</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>742</b>	<b>(169)</b>



# STATEMENT OF CASH FLOW for the year ended March 31, 2024

(₹ in Lacs)

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
<b>Effect of Change in Cash or Cash Equivalent held in Foreign Currency due to Exchange Rate Fluctuation</b>		
Cash and Cash Equivalents at the Beginning of the Year	336	505
Cash and Cash Equivalents at the End of the Year	<b>1 078</b>	<b>336</b>
<b>Components of Cash and Cash Equivalents as at the End of the Year</b>		
Cash on Hand	14	1
Cheques on Hand	-	-
With Bank		
- In Current Accounts	1,064	335
<b>TOTAL</b>	<b>1,078</b>	<b>336</b>

## Notes

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

The accompanying notes are an integral part of these financial statements

As per our report of even date

**FOR, Maharishi & Co.**  
Chartered Accountants  
FRN 124872W

### KAPIL SANGHVI

Partner  
Membership No. 141168  
Signed at Bhayla (Dist. Ahmedabad) on May 17, 2024  
UDIN : 24141168BKAGAN5675

**For an on behalf of Board of Directors of  
ATUL AUTO LIMITED**

### NEERAJ J CHANDRA

Managing Director  
DIN : 00065159

### MAHENDRA J PATEL

Whole-time Director & CFO  
DIN : 00057735

### PARAS J. VIRAMGAMA

Company Secretary & Compliance Officer

## STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2024

### (A) EQUITY SHARE CAPITAL (NOTE NO. 15)

Particulars	Note No.	₹ in Lacs	
		31-Mar-24	31-Mar-23
At the beginning of the year	15	1,194	1,097
Changes in equity share capital during the year		194	97
<b>At the end of the year</b>		<b>1,388</b>	<b>1,194</b>

### (B) OTHER EQUITY (NOTE NO. 16)

Particulars	Note No.	Capital Reserve	Equity Share Warrant	Security Premium On Share Warrant	Security Premium	General Reserve	Shares Forfeiture	₹ in Lacs	
								Retained Earnings	Total Other Equity
Balance as at April 01, 2022	16	30	-	-	478	2,094	23	23,157	25,782
Proceeds from issue	-	-	73	2,802	3,737	-	-	-	6,612
Profit/(Loss) for the year	-	-	-	-	-	-	-	440	440
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	2	2
<b>Total comprehensive income for the year ended March 31, 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>442</b>	<b>442</b>
Deletions :									
Warrants converted into Equity Shares	-	-	24	934	-	-	-	-	958
Transaction with owners in their capacity as owners	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>-</b>	<b>30</b>	<b>49</b>	<b>1,868</b>	<b>4,215</b>	<b>2,094</b>	<b>23</b>	<b>23,599</b>	<b>31,878</b>
Addition :									
Proceeds from Conversion of Warrants	-	-	-	-	7,473	-	-	-	7,473
Profit/(Loss) for the year	-	-	-	-	-	-	-	1,347	1,347
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-49	-49
<b>Total comprehensive income for the year ended March 31, 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,298</b>	<b>1,298</b>
Deletions :									
Warrants converted into Equity Shares	-	-	49	1,868	-	-	-	-	1,917
Transaction with owners in their capacity as owners	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>11,688</b>	<b>2,094</b>	<b>23</b>	<b>24,897</b>	<b>38,732</b>

The accompanying notes are an integral part of these financial statements

As per our report of even date

**FOR, Maharishi & Co.**

Chartered Accountants

FRN 124872W

**KAPIL SANGHVI**

Partner

Membership No. 141168

Signed at Bhayla (Dist. Ahmedabad) on May 17, 2024

UDIN : 24141168BKAGAN5675

**For an on behalf of Board of Directors of  
ATUL AUTO LIMITED**

**NEERAJ J CHANDRA**

Managing Director

DIN : 00065159

**MAHENDRA J PATEL**

Whole-time Director & CFO

DIN : 00057735

**PARAS J. VIRAMGAMA**

Company Secretary & Compliance Officer

## BACKGROUND

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

The standalone financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on May 17, 2024

## 1 BASIS OF PREPARATION

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

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

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

Summary of Significant Accounting Policies followed by the Company

### 1.1 System of Accounting

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

### Use of Estimates, Judgement & Assumptions

- (ii) Estimates, judgements and assumptions used in the preparation of these financial statements and disclosures made therein are based upon Management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date. The following are items which are more likely to be materially adjusted due to estimates

and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about basis of calculation for each affected line item in the financial statement.

- (a) Provision for warranty claims
- (b) Valuation of employee benefits
- (c) Provision for tax expenses
- (d) Provision for expected credit loss
- (e) Provision for after sales activities

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

## 1.2 Revenue Recognition

### (A) Sales

- (i) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue is presented exclusive of Goods & Services tax. Post the applicability of GST with effect from 1<sup>st</sup> 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 terms 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.

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**

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**

- (i) Capital work in process, Property, plant and equipment except land are carried at historical cost of acquisition, construction or manufacturing cost, as the case may be, less accumulated depreciation and impairment thereon if any. Freehold land is carried at cost of acquisition. Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended.
- (ii) Costs incurred to manufacture property, plant and equipment and intangible are charged to particular property plant & equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- (iii) 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.

- (iv) Other Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.
- (v) 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.
- (vi) Depreciation and Amortisation methods, estimated useful lives and residual value

#### **On Tangible Assets**

- (a) Depreciation is calculated on a pro rata basis on the straight line method to allocate the cost, over the estimated useful lives of the assets.
- (b) Useful life of assets are determined by the Management by internal technical assessments and such useful life is in conformity with Schedule - II of companies act. Depreciation on additions is being provided on pro rata basis from the month of such additions.
- (c) Depreciation on assets sold, discarded or demolished during the year is being provided up to the month in which such assets are sold, discarded or demolished.

The property taken under operating lease is depreciated over the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

### **(vii) Impairment of Assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

### **1.4 Intangible Assets**

#### **Product Development Cost**

Product Development Cost incurred on new vehicles platforms, variants on existing platforms and new vehicles aggregates are recognized as intangible assets and are included under fixed assets. These amounts are

amortized over sixty months from the commencement of commercial production.

### SAP Implementation Charges

Expenses incurred for implementation of SAP are recognized as intangible assets and are included under fixed assets. The amounts are amortized over sixty months from the implementation of SAP.

## 1.5 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Depreciation on investment property is provided on a pro rata basis on straight line method over the estimated useful lives. Useful life of assets, as assessed by the Management, corresponds to those prescribed in Part 'C' Schedule II of companies act.

## 1.6 Investments , Financial Assets and Financial Liability

### (a) 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.

### (b) Other Investments and Financial Assets

#### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- \* Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those measured at amortised cost.
- \* The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will be recorded in profit or loss.

#### (ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value.

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

### (iii) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk and if so, assess the need to provide for the same in the Statement of Profit and Loss.

### (iv) Derecognition of Financial Assets

A financial asset is derecognised only when Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

### (v) Income Recognition

#### Dividend

Company recognises dividend in the statement of profit & loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company and the amount of the dividend can be measured reliably.

#### Interest Income

Interest income from fixed deposits, corporate guarantee and overdue amount receivable from dealers 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.

### (d) 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 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:

#### 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. Trade and payables are subsequently measured at amortised cost using the effective interest rate method.

#### 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.

### 1.7 Foreign Currency Transactions

- (i) Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is Company's functional and presentation currency.
- (ii) On initial recognition, all foreign currency transactions are recorded at foreign exchange rate on the date of transaction.
- (iii) Monetary items of current assets and liabilities in foreign currency outstanding at the close of financial year are revalued at the appropriate exchange rates prevailing at the close of the year.

- (iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in case of monetary current assets and liabilities in foreign currency, are recognised in the Statement of Profit and Loss.

### 1.8 Inventories

Cost of inventories have been computed to include all costs of purchases (including materials), cost of conversion and other costs incurred, as the case may be, in bringing the inventories to their present location and condition.

- (i) Finished stocks of vehicles are valued at cost of manufacturing or net realisable value whichever is lower.
- (ii) Raw materials, Stores, Packing Materials, tools and components are valued at cost arrived at on moving average basis or net realisable value, whichever is lower, as circumstances demand. However, obsolete and slow moving items are valued at cost or estimated realisable value whichever is lower.
- (iii) Goods in transit are stated at actual cost incurred up to the date of Balance Sheet.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### 1.9 Research & Development Expenditure

Research & Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

### 1.10 Taxation

Provision for tax is made for the current accounting period (reporting period) on the basis of the taxable profits computed in accordance with the Income-tax Act, 1961 and the Income Computation and Disclosure Standards prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred taxes are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### 1.11 Provisions and Contingent Liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation such as product warranty

costs. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## 1.12 Operating lease including Investment Properties

### 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.

### 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.

### Transition

Effective from April 1, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental cost of capital and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental cost of capital at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of 112 lakhs, and a lease liability of 112 lakhs. The effect of this adoption is not significant on the profit before tax, profit for the period and earnings per share. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments. Lease liability and ROU asset have been separately presented in the Balance Sheet.

## 1.13 Government Grants

Grants and subsidies from the government are recognized when there is reasonable assurance that

- (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and transfer to income in equal amounts over the expected useful life of the related asset.

Where the company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

## 1.14 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.

## 1.15 Cash and Cash Equivalents

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

## 1.16 Employee benefits

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

### (i) Gratuity

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

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method in conformity with the principles and manner of computation specified in Ind AS 19.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods

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

(ii) Provident fund contributions are made to Company's Provident Fund. The contributions are accounted for as defined benefit plans and the contributions are recognised as employee benefit expense when they are due.

(iii) Defined contribution to superannuation fund is being made as per the scheme of the Company and recognised as expense as and when due.

## 1.17 Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## 1.18 Segment Reporting

The company is engaged mainly in the business of automobile products. These, in the context of Indian Accounting Standard 108 on Operating Segment, as specified in the Companies (Indian Accounting Standards) Rules, 2015, are considered to constitute one single primary segment. Operating segments are reported in a manner consistent with the internal reporting provided to the Core Management Committee which includes the Managing Director who is the Chief Operating Decision Maker.

## 1.19 Recent Pronouncements

The Ministry of Corporate Affairs has vide notification dated 23<sup>rd</sup> March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective from 1<sup>st</sup> April 2022. Below is a summary of such relevant amendments and requirements. No significant impact is expected on adoption of these amendments.

### i) Ind AS 16, Property, Plant and Equipment (PPE):

The amendment clarified that an entity shall deduct from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use.

### ii) Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets:

Onerous Contracts - Cost of fulfilling a contract: The amendment explains that the cost of fulfilling a contract comprises the incremental costs and an allocation of other costs that relate directly to fulfilling contracts.

### iii) Ind AS 109 Financial Instruments:

Ind AS 109 Financial Instruments: The amendment clarifies any cost or fees that an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a Financial Liability.



## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 2 PROPERTY, PLANT AND EQUIPMENT

#### (i) Tangible Assets

##### Current year

Particulars	Gross Block				Depreciation				Net Block		
	As at April 01, 2023	Additions	Adjustments	Disposals/ Transfer	As at March 31, 2024	As at April 01, 2023	Additions	Adjustments	Disposals/ Transfer	As at March 31, 2024	As at March 31, 2024
Freehold Land	4,200	-	-	-	4,200	-	-	-	-	-	4,200
Buildings	8,947	159	(2)	68	9,036	1,330	320	-	14	1,636	7,400
Plant & Machinery (Including Electric Fitting)	16,586	757	253	-	17,596	6,055	998	220	-	7,273	10,323
Furniture & Fittings	1,062	-	(251)	-	811	324	80	(208)	-	196	615
Computers	375	30	-	-	405	330	22	-	-	352	53
Office Equipment	218	11	-	-	229	166	18	(8)	-	176	53
Vehicles	528	46	-	58	516	352	54	(2)	52	352	164
<b>TOTAL</b>	<b>31,916</b>	<b>1,003</b>	<b>-</b>	<b>126</b>	<b>32,793</b>	<b>8,557</b>	<b>1,492</b>	<b>2</b>	<b>66</b>	<b>9,985</b>	<b>22,808</b>
Leasehold Assets (Right-of-Use Asset)	143	9	-	94	58	121	12	-	94	39	19

##### Previous year

Particulars	Gross Block				Depreciation				Net Block		
	As at April 01, 2022	Additions	Adjustments	Disposals/ Transfer	As at March 31, 2023	As at April 01, 2022	Additions	Adjustments	Disposals/ Transfer	As at March 31, 2023	As at March 31, 2023
Freehold Land	4,047	1	152	-	4,200	-	-	-	-	-	4,200
Buildings	8,689	235	23	-	8,947	1,014	316	-	-	1,330	7,617
Plant & Machinery (Including Electric Fitting)	11,861	4,748	(23)	-	16,586	5,270	785	-	-	6,055	10,531
Furniture & Fittings	1,007	55	-	-	1,062	190	134	-	-	324	738
Computers	360	15	-	-	375	308	22	-	-	330	45
Office Equipment	215	3	-	-	218	149	17	-	-	166	52
Vehicles	534	4	-	10	528	297	55	-	-	352	176
<b>TOTAL</b>	<b>26,713</b>	<b>5,061</b>	<b>152</b>	<b>10</b>	<b>31,916</b>	<b>7,228</b>	<b>1,329</b>	<b>-</b>	<b>-</b>	<b>8,557</b>	<b>23,359</b>
Leasehold Assets (Right-of-Use Asset)	140	3	-	-	143	105	16	-	-	121	22

## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

### (ii) Capital Work-In-Progress

#### Current year

(₹ in Lacs)

Particulars	As at April 01, 2023	Additions	Disposals/ Transfer	As at March 31, 2024
Capital Work-In-Progress	129	683	798	14
<b>TOTAL</b>	<b>129</b>	<b>683</b>	<b>798</b>	<b>14</b>

#### Previous year

(₹ in Lacs)

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

### 2 (ii). 01 (a) For CWIP Ageing Schedule

(₹ in Lacs)

#### Current Year

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	14	-	-	-	14
Projects Temporarily Suspended	-	-	-	-	-

### (b) For CWIP whose Completion is Overdue

(₹ in Lacs)

Particulars	To be completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	14	-	-	-	14
Projects Temporarily Suspended	-	-	-	-	-

### (c) For CWIP whose cost has exceeded compared to its original plan : None

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

(₹ in Lacs)

#### Previous Year

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

### (b) For CWIP whose Completion is Overdue

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

### (c) For CWIP whose cost has exceeded compared to its original plan : None

#### Notes:

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

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

# NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

## NOTE - 3 INVESTMENT PROPERTY

### Current Year

(₹ in Lacs)

Particulars	Gross Block				Depreciation				Net Block	
	As at April 01, 2023	Additions	Disposals/ Transfer	As at March 31, 2024	As at April 01, 2023	Additions	Disposals/ Transfer	As at March 31, 2024	As at March 31, 2024	
Investment Property	152	-	-	152	31	4	-	35	117	
<b>TOTAL</b>	<b>152</b>	<b>-</b>	<b>-</b>	<b>152</b>	<b>31</b>	<b>4</b>	<b>-</b>	<b>35</b>	<b>117</b>	

### Previous Year

(₹ in Lacs)

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

### Disclosure Income from Investment Property as per Sch III

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
Rental Income	31	30
Direct operating expense from property that generated income	-	-
Profit from investment before depreciation	31	30
Depreciation	4	3
<b>Net Profit from investment property</b>	<b>27</b>	<b>27</b>

### Fair Value

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
Investment Property	193	193

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 27<sup>th</sup> June, 2017 and consequently classified as a level 2 valuation. For Bhayla (Ahmedabd) Properties the Purchase Value or the value as capitalized in the books of account has been considered as Fair Value.

## NOTE - 4 INTANGIBLE ASSETS

### Current Year

(₹ in Lacs)

Particulars	Gross Block				Depreciation				Net Block	
	As at April 01, 2023	Additions	Disposals/ Transfer	As at March 31, 2024	As at April 01, 2023	Additions	Disposals/ Transfer	As at March 31, 2024	As at March 31, 2024	
Product Development	195	-	-	195	195	-	-	195	-	
Computer Software	202	-	-	202	150	15	-	165	37	
<b>TOTAL</b>	<b>397</b>	<b>-</b>	<b>-</b>	<b>397</b>	<b>345</b>	<b>15</b>	<b>-</b>	<b>360</b>	<b>37</b>	

### Previous Year

(₹ in Lacs)

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



## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 5 INVESTMENTS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>(A) Non-Current Investment</b>		
<b>Investment in Wholly Owned Subsidiaries</b>		
<b>(i) Investment carried at cost (Unquoted)</b>		
a. Khushbu Auto Finance Limited		
Extent of holding	100.00%	100.00%
No. of Shares owned	3,94,00,000	3,94,00,000
Investment in Khushbu Auto Finance Limited	5,778	5,778
b. Atul Green Automotive Private Limited		
Extent of holding	100.00%	100.00%
No. of Shares owned	4,50,000	4,50,000
Investment in Atul Green Automotive Private Limited	45	45
<b>(ii) Investment in Subsidiaries</b>		
a. Atul Greentech Private Limited		
Extent of holding	79.39%	80.00%
No. of Shares owned	1,02,63,055	99,99,900
Investment in Atul Greentech Private Limited	3,000	1,000
<b>Sub-Total (A)</b>	<b>8,823</b>	<b>6,823</b>
<b>(B) Current Investment</b>		
<b>Investment in Mutual Fund</b>		
<b>Investment carried at fair value through Profit &amp; Loss</b>		
<b>Quoted :</b>		
Aditya Birla Sun Life Overnight Fund [Growth] (Units: PY - 26,814 , CY - 23,216)	301	325
Market Value of above fund in P.Y. is ₹ Rs 325 lacs and in C.Y. is ₹ 301 lacs		
Tata Overnight Fund [Growth] (Units: PY - 27,490 , CY - 27,829)	352	325
Market Value of above fund in P.Y. is ₹ 325 lacs and in C.Y. is ₹ 352 lacs		
SBI Overnight Fund [Growth] (Units: PY - 8,222 , CY - 5,142)	200	300
Market Value of above fund in P.Y. is ₹ 300 lacs and in C.Y. is ₹ 200 lacs		
HDFC Overnight Fund [Growth] (Units: PY - 10,518 , CY - 8,449)	300	350
Market Value of above fund in P.Y. is ₹ 350 Lacs and in C.Y. is ₹ Rs 300 Lacs		
LIC OVERNIGHT FUND [GROWTH] (Units: PY - Nil, CY - 20,216)	251	-
Market Value of above fund in P.Y. is ₹ Nil and in C.Y. is ₹ Rs 251 Lacs		
Kotak Overnight Fund [Growth] (Units: PY - Nil, CY - 15,683)	200	-
Market Value of above fund in P.Y. is ₹ Nil and in C.Y. is ₹ Rs 200 Lacs		
Dsp Overnight Fund [Growth] (Units: PY - Nil, CY - 27,386)	351	-
Market Value of above fund in P.Y. is ₹ Nil and in C.Y. is ₹ Rs 351 Lacs		
ICICI Prudential Overnight Fund [Growth] (Units: PY - 30,214, CY - 17,464)	225	365
Market Value of above fund in P.Y. is ₹ 365 Lacs and in C.Y. is ₹ 225 Lacs		
<b>Sub-Total (B)</b>	<b>2,180</b>	<b>1,665</b>
<b>Total Investment (A)+(B)</b>	<b>11,003</b>	<b>8,488</b>

(₹ in Lacs)

Particulars	Book Value		Market Value	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Quoted	2,180	1,665	2,180	1,665
Unquoted	8,823	6,823	8,823	6,823

### NOTE - 6 INCOME TAX ASSET

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Income Tax Asset (Net)	173	224
<b>Total Income Tax Asset</b>	<b>173</b>	<b>224</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

## NOTE - 7 DEFERRED TAX ASSET

### Statement of Deferred Tax Liabilities

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Deferred tax liabilities</b>		
<b>On account of timing difference in</b>		
Property, Plant and Equipment	921	837
<b>Gross Deferred Tax Liabilities</b>	921	837
<b>Deferred Tax Assets</b>		
<b>On account of timing difference in-</b>		
Impairment of Property, Plant and Equipment	-	-
Lease Liability	5	6
Retiral and Other Benefits	40	18
Provision for Bad/Doubtful Debts	160	179
Current Year Loss & Unabsorbed Depreciation	895	1,241
<b>Gross Deferred Tax Assets</b>	<b>1,100</b>	<b>1,444</b>
<b>Net Deferred Tax Assets</b>	<b>179</b>	<b>607</b>

### Note - 7.1 Movement in Deferred Tax Liabilities

(₹ in Lacs)

Particulars	Property, Plants & Equipment	Retrial and Other Benefits	Other Items	Total
<b>As At April 01, 2023</b>	<b>(837)</b>	<b>18</b>	<b>1,426</b>	<b>607</b>
<b>Charged</b>				
to Profit & Loss	(84)	5	(368)	(447)
to Current Year Loss & Depreciation	-	-	2	2
to Other Comprehensive Income	-	17	-	17
<b>As At March 31, 2024</b>	<b>(921)</b>	<b>40</b>	<b>1,060</b>	<b>179</b>
<b>As At April 01, 2022</b>	<b>(604)</b>	<b>8</b>	<b>1,376</b>	<b>780</b>
<b>Charged</b>				
to Profit & Loss	(233)	-	(1,191)	(1,424)
to Current Year Loss & Depreciation	-	-	1,241	1,241
to Other Comprehensive Income	-	10	-	10
<b>As At March 31, 2023</b>	<b>(837)</b>	<b>18</b>	<b>1,426</b>	<b>607</b>

## NOTE - 8 FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>(A) Non Current Trade Receivables</b>		
Significant Increase in Credit Risk	824	913
Less: Provision for Expected Credit Loss	(625)	(702)
<b>Sub-Total (A)</b>	<b>199</b>	<b>211</b>
<b>(B) Current Trade Receivables</b>		
Unsecured, Considered Good	4,646	2,694
Unbilled Revenue	76	109
Less: Provision for Expected Credit Loss	(12)	(7)
<b>Sub-Total (B)</b>	<b>4,710</b>	<b>2,796</b>
<b>Total Trade Receivables</b>	<b>4,909</b>	<b>3,007</b>
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	641	1,183

## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

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

(₹ in Lacs)

Particulars	31-Mar-2024					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables- considered good	4,676	25	6	3	-	4,710
(ii) Undisputed Trade Receivables- significant increase in credit risk	-	1	31	17	150	199
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-

(₹ in Lacs)

Particulars	31-Mar-2023					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables- considered good	2,783	9	4	-	-	2,796
(ii) Undisputed Trade Receivables- significant increase in credit risk	5	33	19	3	151	211
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-

### NOTE - 9 OTHER ASSETS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>(A) Other Non Current Assets</b>		
Security Deposit	109	108
Advances to Suppliers for Capital Goods	237	349
Balance with Govt. Authorities	4	4
<b>Sub-Total (A)</b>	<b>350</b>	<b>461</b>
<b>(B) Other Current Asset</b>		
Advances for Goods and Services	395	160
Prepaid Expenses	86	47
Balances with Government Authorities	216	1,028
Other Receivables	239	96
<b>Sub-Total (B)</b>	<b>936</b>	<b>1,331</b>
<b>Total Other Assets (A+B)</b>	<b>1,286</b>	<b>1,792</b>
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	-	-

# NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

## NOTE - 10 INVENTORIES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Raw Materials (including Goods in Transit)	3,279	3,782
Consumables	747	744
Work in Progress	16	15
Semi Finished Goods	511	462
Finished Goods (including Goods in Transit)	731	389
Stock of Traded Goods	4	4
<b>Total Inventories</b>	<b>5,288</b>	<b>5,396</b>
Less: Provision for Obsolete Inventory / Short Inventory	-	-
<b>Total inventories valued at Cost and Net Realisable Value whichever is Lower</b>	<b>5,288</b>	<b>5,396</b>

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

## NOTE - 11 CASH & CASH EQUIVALENTS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Cash on hand	14	1
Balances with Banks - In current account including sweep-in-deposit	1,064	335
Cheques on Hand	-	-
<b>Total Cash &amp; Cash Equivalents</b>	<b>1,078</b>	<b>336</b>

## NOTE - 12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Unpaid Dividend Bank Balances	11	21
Bank deposits with original maturity of more than three months but upto twelve months. (Including bank guarantee, margin money, etc.)	100	70
<b>Total Other Bank Balances</b>	<b>111</b>	<b>91</b>

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

## NOTE - 13 CURRENT FINANCIAL ASSETS - LOANS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Unsecured, Considered Good</b>		
<b>To Related Parties</b>		
Inter Corporate Deposit	-	500
<b>To Others</b>		
Loans to Staff	10	5
<b>Total Loans</b>	<b>10</b>	<b>505</b>

### NOTE - 13.1 FOLLOWING LOANS HAS BEEN GIVEN ON DEMAND BY THE COMPANY WHICH HAS NO REPAYMENT TERMS

(₹ in Lacs)

Party to which Loan is Granted	Relation With the Party to Which Loan is Granted	31-Mar-24		31-Mar-23	
		Aggregate Amount of Loan outstanding	Percentage of total loan granted	Aggregate Amount of Loan outstanding	Percentage of total loan granted
AtulGreentech Private Limited	Subsidiary	-	0%	500	99%
Staff Advances	Employees	10	100%	4	1%

## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 14 OTHER CURRENT FINANCIAL ASSETS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Other Income Receivable	31	35
<b>Total Other Current Financial Assets</b>	<b>31</b>	<b>35</b>

### NOTE - 15 SHARE CAPITAL

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>(a) Authorised Shares</b>		
Equity Shares of ₹ 5 each		
No. of Shares	3,00,00,000	3,00,00,000
Amount(₹)	1,500	1,500
<b>Issued and Subscribed Shares</b>		
Equity Shares of ₹ 5 each		
No. of Shares	2,90,32,680	2,51,60,627
Amount(₹)	1,388	1,258
Paid up Shares		
Equity Shares of ₹ 5 each		
No. of Shares	2,77,51,280	2,38,79,227
Amount(₹)	1,388	1,194
<b>Total Share Capital</b>	<b>1,388</b>	<b>1,194</b>

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

Particulars	31-Mar-24		31-Mar-23	
	No. of Shares	Amount (₹ in Lacs)	No. of Shares	Amount (₹ in Lacs)
At Beginning of the Period	2,38,79,227	1,194	2,19,43,200	1,097
Issued during the Year	38,72,053	194	19,36,027	97
<b>Outstanding at the End of the Period</b>	<b>2,77,51,280</b>	<b>1,388</b>	<b>2,38,79,227</b>	<b>1,194</b>

#### 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	31-Mar-24		31-Mar-23	
	No. of Shares	% of Holding	No. of Shares	% of Holding
<b>A Promotor Group</b>				
Maheshbhai Jagjivandas Chandra	19,69,242	7.10%	19,69,242	8.25%
Jayantibhai Jagjivandas Chandra	14,52,752	5.23%	13,85,412	5.80%
Dharmendrabhai Jagjivandas Chandra	12,67,326	4.57%	12,67,326	5.31%
Harishbhai Jagjivandas Chandra	10,58,923	3.82%	11,64,786	4.88%
Bharat Jagjivandas Chandra	9,75,906	3.52%	9,75,906	4.09%
Manishaben Atulkumar Chandra	8,60,529	3.10%	9,32,220	3.90%
Ramaben Jamnadas Patel	-	0.00%	3,15,488	1.32%
Mahendrakumar Jamnadas Patel	2,77,848	1.00%	2,77,848	1.16%
Prafullaben Jayantibhai Chandra	1,05,800	0.38%	2,69,686	1.13%
Rekhaben Maheshbhai Chandra	2,55,300	0.92%	2,55,300	1.07%
Ushaben Dharmendrabhai Chandra	1,25,714	0.45%	2,44,274	1.02%
Vasantrai Kurjibhai Patel	2,28,000	0.82%	2,28,000	0.95%

# NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

## NOTE - 15 SHARE CAPITAL

Particulars	31-Mar-24		31-Mar-23	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Chetankumar Vasantrai Patel	2,20,536	0.79%	2,20,536	0.92%
Harshaben Harishbhai Chandra	2,11,800	0.76%	2,11,800	0.89%
Krunal J. Chandra	2,02,650	0.73%	2,02,650	0.85%
Manjulaben Vasantrai Patel	1,91,304	0.69%	1,91,304	0.80%
Ramaben Dayalal Patel	1,58,689	0.57%	1,61,504	0.68%
Hetal Alpesh Chandra	1,53,720	0.55%	1,53,720	0.64%
Alpesh Bharatbhai Chandra	1,46,160	0.53%	1,46,160	0.61%
Kapilaben Bharatbhai Chandra	1,41,504	0.51%	1,41,504	0.59%
Hiren Vasantrai Patel	1,38,960	0.50%	1,38,960	0.58%
Ashokkumar Jamnadas Patel	1,36,944	0.49%	1,36,944	0.57%
Anita Nirajbhai Chandra	1,31,000	0.47%	1,31,000	0.55%
Krishnaben Chetankumar Patel	1,27,368	0.46%	1,27,368	0.53%
Manishaben Mahendrakumar Patel	1,21,712	0.44%	1,21,712	0.51%
Minaben Ashokkumar Patel	1,21,712	0.44%	1,21,712	0.51%
Niraj Jayantibhai Chandra	1,05,118	0.38%	1,05,118	0.44%
Shivam Mahendra Patel	78,872	0.28%	-	0.00%
Vivek Ashokkumar Patel	78,872	0.28%	-	0.00%
Patel Ashokkumar Jamnadas HUF	78,872	0.28%	-	0.00%
Patel Mahendrakumar Jamnadas HUF	78,872	0.28%	-	0.00%
Khushbu Auto Pvt Ltd	6,56,565	2.37%	2,18,855	0.92%
<b>B Details of shareholders holding more than 5% shares in the company</b>				
Vijay Kedia	50,50,505	18.20%	16,83,502	7.05%
Maheshbhai Jagjivandas Chandra	19,69,242	7.10%	19,69,242	8.25%
Jayantibhai Jagjivandas Chandra	14,52,752	5.23%	13,85,412	5.80%

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

## NOTE - 16 OTHER EQUITY

Particulars	31-Mar-24		31-Mar-23	
<b>a. Capital reserve</b>				
Balance at the beginning of the Year		30		30
Additions during the Year		-		-
Deductions during the Year		-		-
<b>Balance at the end of the Year</b>		<b>30</b>		<b>30</b>
<b>b. Securities Premium</b>				
Balance at the beginning of the Year		4,215		478
Additions during the Year		7,473		3,737
Deductions during the Year		-		-
<b>Balance at the end of the Year</b>		<b>11,688</b>		<b>4,215</b>
<b>c. Equity Share Warrant</b>				
Balance at the beginning of the Year		49		-
Additions during the Year		-		73
Deductions during the Year		49		24
<b>Balance at the end of the Year</b>		<b>-</b>		<b>49</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 16 OTHER EQUITY

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
<b>d. Security Premium On Share Warrant</b>		
Balance at the beginning of the Year	1,868	-
Additions during the Year	-	2,802
Deductions during the Year	1,868	934
<b>Balance at the end of the Year</b>	<b>-</b>	<b>1,868</b>
<b>e. General reserve</b>		
Balance at the beginning of the Year	2,094	2,094
Additions during the Year	-	-
Deductions during the Year	-	-
<b>Balance at the end of the Year</b>	<b>2,094</b>	<b>2,094</b>
<b>f. Share Forfeiture</b>		
Balance at the beginning of the Year	23	23
Additions during the Year	-	-
Deductions during the Year	-	-
<b>Balance at the end of the Year</b>	<b>23</b>	<b>23</b>
<b>g. Retained earnings</b>		
Balance of profit and loss at the beginning	23,599	23,157
Add: Profit/(Loss) for the Year	1,347	440
Actuarial Gain/Loss on Defined Benefit Plans	[49]	2
<b>Balance at the end of the Year</b>	<b>24,897</b>	<b>23,599</b>
<b>Total Other Equity</b>	<b>38,732</b>	<b>31,878</b>

### NOTE - 17 FINANCIAL LIABILITIES - BORROWINGS

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
<b>(A) Non Current Borrowings</b>		
EXIM Bank Term Loan	-	2,143
<b>Sub-Total (A)</b>	<b>-</b>	<b>2,143</b>
<b>(B) Current Borrowings</b>		
EXIM Bank WCTL	-	350
EXIM Bank Term Loan (Current Maturities)	-	1,071
<b>Sub-Total (B)</b>	<b>-</b>	<b>1,421</b>
<b>Total Borrowings</b>	<b>-</b>	<b>3,564</b>

#### 17.1 Terms & Conditions of Term Loan

- i) The company has part financed its Greenfield project at Bhayla Ahmedabad by way of sanction of Term Loan from EXIM Bank. The said loan is a Reimbursement basis Term Loan i.e, the company had to first spend its own funds on the project out of which 32.14% will be reimbursed by the Bank on capitalisation of the project.  
Further company had spent its own fund and availed reimbursement of 31% from the bank
- ii) Term Loan is secured by First Charge on the entire movable and immovable fixed assets of AAL at plant at Bhayla, Ahmedabad, both present & future, Second pari passu charge on entire current assets of AAL, both present & future and personal guarantee of Mr Jayantibhai J Chandra and Mr Mahendrabhai J. Patel.
- iii) Rate of Interest was 7.75% p.a. which was subject to reset at yearly basis and accordingly was revised to 8.75% p.a. for F.Y. 2022-23.
- iv) Loan was foreclosed by the company in FY 2023-2024 from the proceeds of preferential issue of equity shares.

#### 17.2 Terms & Conditions of WCTL

- i) The Company has been sanctioned facility of Working Capital Term Loan along with Pre shipment and Post Shipment credit from EXIM Bank to meet it's working capital requirement. total loan amount is capped at USD 3.5 Million
- ii) Working Capital Term Loan is secured by first Pari-Passu charge on entire Current Assets of the company, Second charge on entire Fixed Asset of the company situated at Shapar, Rajkot Pari-Passu with IDBI Bank, Second Pari-Passu charge on entire Fixed Asset of the company situated at Bhayla, Ahmedabad and Unconditional and irrevocable personal guarantee of the promoters namely Mr. Jayantibhai J. Chandra & Mr. Mahendrabhai J. Patel.
- iii) Interest is payable on current o/s at 8.40% with monthly rest
- iv) Lending will be on pre/post shipment terms which is fully inter changeable with working capital term loan

# NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

## NOTE - 18 LEASE LIABILITIES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
(a) Non-current Lease Liability	10	15
(b) Current Lease Liability	11	9
<b>Total Lease Liability</b>	<b>21</b>	<b>24</b>

## NOTE - 19 OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>(A) Non Current</b>		
Dealer's Deposit	635	582
<b>Sub-Total (A)</b>	<b>635</b>	<b>582</b>
<b>(B) Current</b>		
Unpaid Dividends*	11	21
*Investor Education and Protection Fund will be credited by amount (as and when due)		
Expenses Payable	724	561
Payable for Capital Goods	168	134
<b>Sub-Total (B)</b>	<b>903</b>	<b>716</b>
<b>Total Other financial Liabilities (A+B)</b>	<b>1,538</b>	<b>1,298</b>

### 19.1 TOTAL OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Total outstanding dues of Micro Enterprises and Small Enterprises	2	59
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	166	75

### 19.1 MSME

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

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
The principal amount due to suppliers	2	59
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006	-	-
The amount of interest due and payable for the period of delay in making payment.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years as per Section 23 of MSMED Act, 2006.	-	-

## NOTE - 20 PROVISIONS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>(A) Non-Current Provisions</b>		
Warranty Claims	40	49
<b>Sub-Total (A)</b>	<b>40</b>	<b>49</b>
<b>(B) Current Provisions</b>		
Gratuity	157	72
Provision for After Sales Services	85	86
Provision for Warranty Claims	72	250
P.D.I./WRC Coupon Exp. Payable	18	10
Provision for Expected Credit loss on Risk Sharing Arrangement	106	140
<b>Sub-Total (B)</b>	<b>438</b>	<b>558</b>
<b>Total Provisions (A+B)</b>	<b>478</b>	<b>607</b>



## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

### 20.1 PROVISION FOR AFTER SALES ACTIVITIES

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

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
At the beginning of the Year	86	74
Arising during the Year	95	113
Utilised during the Year	96	101
<b>At the end of the Year</b>	<b>85</b>	<b>86</b>

### 20.2 PROVISION FOR WARRANTIES

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

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
At the beginning of the Year	299	190
Arising during the Year	45	370
Utilised during the Year	232	261
<b>At the end of the Year</b>	<b>112</b>	<b>299</b>

### 20.3 PROVISION FOR EXPECTED CREDIT LOSS ON RISK SHARING ARRANGEMENT

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

In event of any vehicle financed under this arrangement is repossessed/surrendered due to non-payment of loan & default as per loan agreement and on sale of vehicle or on making 100% provisioning towards loan accounts than AAL agrees to share loss with Chola on the outstanding (principal & instalment) of loan accounts over and above 20% of such outstanding. Company has recognized the provision based on Ind AS - 109 'Financial Instruments'.

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
<b>At the beginning of the year</b>		
Delinquency Fund	-	-
Additional Provision	140	157
<b>Arising during the Year</b>		
Delinquency Fund	-	-
Additional Provision	55	354
<b>Utilised during the Year</b>		
Delinquency Fund	-	-
Additional Provision	89	371
<b>At the end of the Year</b>		
Delinquency Fund	-	-
Additional Provision	106	140

### NOTE - 21 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
Total outstanding dues of Micro Small and Medium Enterprises	1,538	1,444
Total outstanding dues other than Micro Small and Medium Enterprises	2,266	3,027
<b>Total Trade Payables</b>	<b>3,804</b>	<b>4,471</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

## 21.1 MSME

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

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
The principal amount due to suppliers	1,538	1,444
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006	-	-
The amount of interest due and payable for the period of delay in making payment.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years as per Section 23 of MSMED Act, 2006.	-	-

## 21.2 THE AGE WISE ANALYSIS OF THE TRADE PAYABLES AS PER SUB LEDGER IS GIVEN BELOW:-

(₹ in Lacs)

Particulars	31-Mar-2024				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	1,538	-	-	-	1,538
(ii) Others	2,259	2	2	3	2,266
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

(₹ in Lacs)

Particulars	31-Mar-2023				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	1,444	-	-	-	1,444
(ii) Others	3,016	5	3	3	3,027
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

## NOTE - 22 OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>(A) Other Current Liabilities</b>		
Advance from Dealers	363	504
Statutory Dues	684	553
Others	-	-
<b>Total Other Current Liabilities</b>	<b>1,047</b>	<b>1,057</b>

## NOTE - 23 TAX LIABILITIES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Tax Liabilities</b>		
Current Tax Liability	55	71
<b>Total Current Tax Liabilities</b>	<b>55</b>	<b>71</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 24 REVENUE FROM OPERATIONS

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
<b>(A) Revenue from Sale of Products</b>		
<b>Sale of Vehicles</b>		
Domestic	40,296	39,323
Export (Including Merchant Export)	3,218	3,555
<b>Total Sale of Vehicles</b>	<b>43,514</b>	<b>42,878</b>
<b>Sale of Spares</b>		
Domestic	3,510	3,285
Export (Including Merchant Export)	473	543
<b>Total Sale of Spares</b>	<b>3,983</b>	<b>3,828</b>
<b>Total Revenue from Sale of Products (A)</b>	<b>47,497</b>	<b>46,706</b>
<b>(B) Other Operating Revenue</b>		
Export Incentive	113	129
Other Income	35	39
Freight Income	99	80
Royalty Income	259	322
Technical Service Income	23	35
Jobwork Income	2	1
Scrap Sale	12	20
Recovery of Vehicle Testing Expenses & Other Expenses	-	138
<b>Total Other Operating Revenue (B)</b>	<b>543</b>	<b>764</b>
<b>Total Revenue from Operation (A+B)</b>	<b>48,040</b>	<b>47,470</b>

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
<b>Details of Product Sold under Broad Category - Domestic</b>		
Cargo	Amount	17,953
	Nos.	9,104
Passenger	Amount	13,279
	Nos.	7,335
E-Rickshaw	Amount	9,064
	Nos.	7,359
Spares	Amount	3,510
<b>Total Value of Domestic Sales</b>		<b>43,806</b>
<b>Details of Product Sold under Broad Category - Export</b>		
Cargo	Amount	162
	Nos.	106
Passenger	Amount	3,057
	Nos.	2,135
E-Rickshaw	Amount	-
	Nos.	-
Spares	Amount	473
<b>Total Value of Export Sales</b>		<b>3,692</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024



## NOTE - 25 OTHER INCOME

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Interest income on</b>		
Deposits with Banks	8	1
Loans	115	59
Dealer Outstanding	89	77
Income Tax Refund	17	13
Other Deposits	3	4
<b>Sub-Total (A)</b>	<b>232</b>	<b>154</b>
<b>Other non-operating income</b>		
Gain on Sale /Revaluation of Mutual Fund	64	11
Insurance Claim Income	1	5
Corporate Guarantee Fee	100	76
Profit on Sale of Fixed Assets	34	-
Rent Income	31	30
Profit Sharing from Chola	-	4
<b>Sub-Total (B)</b>	<b>230</b>	<b>126</b>
<b>Total Other Income (A+B)</b>	<b>462</b>	<b>280</b>

Refer to Note No. 42 for transaction with Related Parties.

## NOTE - 26 COST OF MATERIAL CONSUMED

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Consumption of Materials	36,362	35,937
Consumables	41	62
Direct Expenses (Purchase Expenses)	639	601
<b>Total Cost of Material Consumed</b>	<b>37,042</b>	<b>36,600</b>

## NOTE - 27 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Work in Progress</b>		
Opening Stock	15	64
Closing Stock	16	15
	<b>(1)</b>	<b>49</b>
<b>Finished Goods</b>		
Opening Stock	389	798
Closing Stock	731	389
	<b>(342)</b>	<b>409</b>
<b>Stock in Trade</b>		
Opening Stock	4	18
Closing Stock	4	4
	<b>-</b>	<b>14</b>
<b>Total Change in Inventories</b>	<b>(343)</b>	<b>472</b>

## NOTE - 28 EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Salaries, Wages, Allowance and Other Benefits	3,988	3,633
Director's Remuneration	289	298
Contribution towards Employees Provident Fund and Gratuity	394	335
Staff Welfare Expenses	261	230
<b>Total Employee Benefit Expenses</b>	<b>4,932</b>	<b>4,496</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 29 FINANCE COST

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
<b>Interest Expense on</b>		
<b>Bank Borrowings</b>	96	560
Dealer Deposits	19	15
Lease Liability	3	2
<b>Sub-Total (A)</b>	<b>118</b>	<b>577</b>
<b>Other Borrowing Costs</b>		
Loan Processing Fees and Expenses	11	22
Bank Charges	35	34
<b>Sub-Total (B)</b>	<b>46</b>	<b>56</b>
<b>Total Finance Cost (A+B)</b>	<b>164</b>	<b>633</b>

### 29.1 INTEREST ON BANK BORROWINGS

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
Total Interest on Term Loan	72	566
Less : Interest Capitalized	-	59
Balance Interest on Term Loan (Revenue)	72	507
Add : Interest on Working Capital	24	53
<b>Interest on Bank Borrowings</b>	<b>96</b>	<b>560</b>

### NOTE - 30 DEPRECIATION AND AMORTIZATION

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
Depreciation on Property, Plant and Equipment	1,494	1,328
Amortisation of Intangible Asset	15	13
Depreciation of Right to use Asset	12	16
Depreciation on Investment Property	4	3
<b>TOTAL DEPRECIATION AND AMORTIZATION</b>	<b>1,525</b>	<b>1,360</b>

### NOTE - 31 OTHER EXPENSES

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
Advertising & Sales Promotion	624	471
Communication Cost	20	20
CSR Expenditure	-	14
Director's Sitting Fees	7	7
Expected Credit Loss / (Expected Credit Loss Reversal)	(73)	142
Foreign Exchange Rate Difference	6	12
Freight & Forwarding Expense	533	740
Insurance	50	44
Legal & Consultancy Charges	190	101
Loss on Sales of Assets	1	-
Office Admin Expenses	82	67
Other Miscellaneous Expenses	179	121
Payment to Auditor	19	12
Power & Fuel	423	378
Printing & Stationary	18	16
Product Development Expenses	258	52
Rates and Taxes	35	80
Rent	50	37
Repairs to Buildings	106	23
Repairs to Machinery	112	215
Repairs and Maintenance (Others)	176	176
Testing Expenses	110	106
Travelling & Conveyance	322	290
Warranty & After Sales Services	139	455
Windmill Operation Charges	12	12
<b>Total Other Expenses</b>	<b>3,399</b>	<b>3,591</b>



## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

### 31.1 PAYMENT TO STATUTORY AUDITOR INCLUDES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
For Audit Fees	12	6
For Limited Review	2	2
For Tax Audit	2	3
For Certification on Corporate Governance	1	2
Other Certification	-	3
<b>Total Payment to Auditors</b>	<b>17</b>	<b>16</b>

### NOTE - 32 TAX EXPENSES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Current Tax on Profits for the Year	-	-
Adjustment for Current Tax of Prior Periods	(11)	4
	<b>(11)</b>	<b>4</b>
Deferred Tax	447	154
<b>Total Tax Expenses</b>	<b>436</b>	<b>158</b>
<b>Reconciliation of Tax Expense and the Accounting Profit multiplied by India's Tax Rate</b>		
Profit /(Loss) Before Tax	1,783	598
Tax at the Indian Tax of 25.168%	449	150
<b>Tax effect of amount which are not deductible (taxable) in calculating taxable income :</b>		
Donation Expense which is not allowable	-	4
Interest on Income Tax	-	-
Rent Expense as per Ind AS 116	-	-
<b>Tax effect of amount which are deductible (non-taxable) in calculating taxable income :</b>		
Deduction for wages paid to additional employees	-	-
Other Deductions	(2)	-
Adjustment for Current Tax of prior period	(11)	4
Reduction in Deferred Tax due to change in Tax Rate	-	-
<b>Total Tax Expenses</b>	<b>436</b>	<b>158</b>

### NOTE - 33 OTHER COMPREHENSIVE INCOME

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Items that will not be Reclassified to Tax</b>		
Remeasurement of Post Employment Benefit Obligation	(66)	3
Income tax relating to Remeasurement of Defined Benefit Obligation	17	(1)
	<b>(49)</b>	<b>2</b>

### NOTE - 34 EARNINGS PER SHARE

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Net profit /(loss) as per statement of Profit & Loss	1,347	440
Weighted average number of shares outstanding during the year (Nos)	26,461,626	22,028,067
Earning per share (Basic & Diluted)	5.09	2.00
Face Value per Share in ₹	5	5

## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 35 CONTINGENT LIABILITIES NOT ACKNOWLEDGED AS DEBT

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
<b>A. Disputed Liabilities*</b>		
Sales Tax	27	27
Excise Duty	1	1
Goods and Service Tax	90	-
Income Tax	61	42
Case Pending before Consumer Forum	55	55
Case filed for Infringement of copyright where company is one of the defendant	200	200
<b>B. Financial Guarantees</b>		
Financial Gaurantees in respect of loan given by finance company to end user - Amount outstanding	931	2,696
Financial Gaurantees in respect of loan given by Banks to Subsidiary company - Amount outstanding (Amount of Guarantee is ₹ 15,000 lacs for Khushbu Auto Finance Limited in F.Y. 23-24, which was ₹ 13,000 Lacs during PY)	8,953	7,862
Amount of gurantee for Atul Greentech Private limited (Amount of total gurantee is ₹ 5,000 lacs during CY which was ₹ 3,100 lacs during PY)	2,029	2,258
*(Show-cause notices received from various Government Agencies & pending formal demand notices have not been considered as contingent liabilities.)		
<b>Total Contingent Liabilities</b>	<b>12,347</b>	<b>13,141</b>

### NOTE - 36 ESTIMATED AMOUNT OF CONTRACTS REMAINING TO BE EXECUTED ON CAPITAL ACCOUNTS AND NOT PROVIDED

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
For Purchase of Assets	810	515
<b>TOTAL</b>	<b>810</b>	<b>515</b>

### NOTE - 37 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
<b>Amount required to be spent by the company during the year,</b>	-	14
Amount of Expenditure incurred,	-	36
Excess paid during the Year	-	22
Shortfall at the end of the Year	-	-
Total of previous year shortfall	-	-
Reason for shortfall,	NA	NA
Nature of CSR activities	NA	As below
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	-	Atul Chandra Charitable Trust
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA
<b>Nature of CSR activities</b>		
Contribution to trusts/associations for Education	-	-
Contribution to trusts/associations for National Heritage and Culture	-	-
Contribution to trusts/associations for Disaster Management	-	-
Contribution to trusts/associations for Promoting Healthcare	-	-
Contribution to trusts/associations for Women Empowerment	-	-
Contribution to trusts/associations for Eradicating Hunger, Poverty	-	14
CSR Expenditure	-	14
Administrative Overheads for CSR Activity	-	-
<b>Total CSR Expenditure</b>	<b>-</b>	<b>14</b>

During the Financial Year 2023-2024 the company was not Liable for any CSR Expenditure. During Financial Year 2022-2023 the company has spent ₹ 22 lakhs in excess which is entitled to be carried forward in next financial year 2024-2025 in accordance with Section 135 of Companies Act, 2013. The excess amount spent has been utilized for Contribution to trusts/associations for eradicating hunger, poverty.

# NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

## NOTE - 38 LEASE

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>As a Lessor :</b>		
The Company has given premises on operating leases. This lease arrangement is renewable for further period on mutually agreeable terms and also includes escalation clauses.		
The total future minimum lease rentals receivable at the balance sheet date is as under :		
Within one year	6	6
After one year but not more than five year	-	-
<b>TOTAL</b>	<b>6</b>	<b>6</b>
<b>As a Lessee :</b>		
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	11	19
After one year but not more than five year	11	15
<b>TOTAL</b>	<b>22</b>	<b>34</b>

## NOTE - 39 EXCHANGE DIFFERENCE GAIN / (LOSS) RECOGNISED IN THE STATEMENT OF PROFIT & LOSS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Relating to export during the year as a part of sales / other Income	6	(9)
On settlement of other transaction as part of other expenses & import	-	(3)
<b>TOTAL</b>	<b>6</b>	<b>(12)</b>

## NOTE - 40 PARTICULARS OF UNHEDGED FOREIGN CURRENCY AT THE REPORTING PERIOD

(₹ in Lacs)

Particulars		31-Mar-24	31-Mar-23
Export Trade Receivable	USD	2	2
	₹	191	151
	€	-	-
	₹	-	-

## NOTE - 41 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.



## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

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	31-Mar-24	31-Mar-23
<b>Amount Recognised in Balance Sheet</b>		
Present Value of Funded Defined Benefit Obligation	460	498
Fair Value of Plan Assets	(303)	(426)
<b>Net Funded Obligation</b>	<b>157</b>	<b>72</b>
<b>Expense Recognised in the Statement of Profit &amp; Loss</b>		
Current Service Cost	39	41
Interest on Net Defined Benefit Liability /(Assets)	5	2
<b>Total Expense Charged to Profit &amp; Loss</b>	<b>44</b>	<b>43</b>
<b>Amount Recorded as Other Comprehensive Income</b>		
Opening Amount Recognised in OCI Outside Profit & Loss Account	(62)	(59)
Remeasurements during the Period due to		
Actuarial (Gain)/Losses on Obligation for the Period	59	(5)
Actual Return on Plan Assets less Interest on Plan Assets	7	2
<b>Closing Amount Recognised in OCI Outside Profit &amp; Loss Account</b>	<b>4</b>	<b>(62)</b>
<b>Reconciliation of Net Liability/(Assets)</b>		
Opening Net Defined Benefit Liability/(Assets)	72	32
Expense Charged to Profit & Loss Account	44	43
Amount Recognised Outside Profit & Loss Account	66	(3)
Employer Contributions	-	-
Employer Contributions	(25)	-
<b>Closing Net Defined Benefit Liability/(Assets)</b>	<b>157</b>	<b>72</b>
<b>Movement in Benefit Obligation</b>		
Opening of Defined Benefit Obligation	498	479
Current Service Cost	39	41
Interest on Defined Benefit Obligation	37	35
<b>Past Service Cost</b>		
<b>Remeasurements due to :-</b>		
Actuarial Loss /(Gain) Arising from Change in Financial Assumptions	13	(13)
Actuarial Loss /(Gain) Arising on Account of Experience Changes	46	8
Benefits Paid	(174)	(52)
<b>Closing of Defined Benefit Obligation</b>	<b>460</b>	<b>498</b>
<b>Movement in Plan Assets</b>		
Opening Fair Value of Plan Assets	426	447
Employer Contributions	25	-
Interest on Plan Assets	32	33
<b>Remeasurements due to :-</b>		
Actual Return on Plan Assets less Interest on Plan Assets	(7)	(2)
Benefits paid	(174)	(52)
<b>Closing fair value of plan assets</b>	<b>303</b>	<b>426</b>
<b>Disaggregation of Assets</b>		
<b>Category of Assets</b>		
Insurer Managed Funds	303	426
<b>Grand Total</b>	<b>303</b>	<b>426</b>
<b>Key Actuarial Assumptions</b>		
Discount Rate (p.a)	7.18%	7.52%
Expected Return on Plan Assets	7.52%	7.28%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	For service upto 4 years 15% & Above 4 years 2% for all years	For service upto 4 years 15% & Above 4 years 2% for all years

## 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	31-Mar-24	31-Mar-23
Projected Benefit Obligation on Current Assumptions	460	498
Delta Effect of +0.5% Change in Rate of Discounting	(19)	(25)
Delta Effect of -0.5% Change in Rate of Discounting	20	28
Delta Effect of +1% Change in Rate of Salary Increase	36	52
Delta Effect of -1% Change in Rate of Salary Increase	(33)	(46)
Delta Effect of +5% Change in Rate of Employee Turnover	5	15
Delta Effect of -5% Change in Rate of Employee Turnover	(10)	(7)
Delta Effect of +1% Change in Rate of Discounting	-	-
Delta Effect of -1% Change in Rate of Discounting	-	-
Delta Effect of +1% Change in Rate of Employee Turnover	-	-
Delta Effect of -1% Change in Rate of Employee Turnover	-	-

## b. Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund. Amount recognised in statement of Profit & Loss is ₹ 334 lacs (Previous year ₹277 lacs).

# NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

## NOTE - 42 DISCLOSURE OF TRANSACTION WITH RELATED PARTIES AS REQUIRED BY THE INDIAN ACCOUNTING STANDARD - 24

(₹ in Lacs)

Name of related party	Nature of transaction	31-Mar-24			31-Mar-23					
		Trans- actions	Closing Balance	Dr / CR	Trans- actions	Closing Balance	Dr / CR			
Atul Green Automotive Private Limited	Wholly Owned Subsidiary	Investment in Equity Shares (4,50,000 shares of ₹ 10 each)	-	45	Dr	-	45	Dr		
		Sale of Vehicles	-	-	-	107	-	-		
		Management Fees Income	-	-	-	2	-	-		
		<b>Total</b>	<b>-</b>	<b>45</b>	<b>Dr</b>	<b>109</b>	<b>45</b>	<b>Dr</b>		
Atul Greentech Private Limited	Subsidiary	Investment in Equity Shares (1,02,63,055 shares of ₹ 10 each)	2,000	3,000	Dr	-	1,000	Dr		
		Inter Corporate Deposit Repaid During the year	(500)	-	-	-50	500	Dr		
		Sales of Vehicles and Spares (Exclusive of Taxes)	960	73	Dr	158	119	Dr		
		Purchase of Raw Material and spares	13	-	-	-	-	-		
		Interest on inter corporate deposit	114	-	-	59	14	Dr		
		Debit note for miscellaneous expenses like postage, courier, stationary etc.	-	-	-	152	-	-		
		Inetrest On corporate gurantee FEE	24	-	-	16	-	-		
		Rent Income	24	-	-	24	-	-		
		Outstanding Amount of loans in books of Subsidiary company for which Guarantee is given to Bank on behalf of a Subsidiary Amount of ₹ 5,000 lakhs Guarantee given on behalf of Subsidiary which was ₹ 3,100 lakhs during previous year	-	2,029	Cr	-	2,258	Cr.		
		Interest Recover on Dealer Outstanding	21	-	-	-	-	-		
		Reimbursement of Factory Power	20	-	-	-	-	-		
		Sales of RODTEP Licenses	14	-	-	-	-	-		
		<b>Total</b>	<b>2,690</b>	<b>3,073</b>	<b>Dr</b>	<b>359</b>	<b>1,633</b>	<b>Dr</b>		
		Khushbu Auto Finance Limited	Wholly Owned Subsidiary	Investment in Equity Shares (3,94,00,000 shares of ₹ 10 each)	-	5,778	Dr	-	5,778	Dr
				Receipt of Lease/ Rent (Exclusive of Taxes)	6	-	-	6	-	-
				Payment of Subvention Charges / Incentive (Exclusive of Taxes)	265	81	Cr	57	2	Dr
Chola Loss Reimbursement KAFIL	28			-	-	99	-	-		
Interest Income on ICD	1			-	-	-	-	-		
Sale of vehicle/Spares	3			-	-	3	-	-		
Interest Income on Corporate Guarantee	77			-	-	60	-	-		
"Outstanding Amount of loans in books of Subsidiary company for which Guarantee is given to Bank on behalf of a Subsidiary Amount of ₹ 15,000 lakhs (P.Y. 13,000 Lacs) Guarantee given on behalf of Subsidiary"	-			8,953	Cr	-	7,862	Cr		
<b>Total</b>	<b>380</b>			<b>5,697</b>	<b>Dr</b>	<b>225</b>	<b>5,780</b>	<b>Dr</b>		

# NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

(₹ in Lacs)

Name of related party	Nature of transaction	31-Mar-24			31-Mar-23			
		Trans- actions	Closing Balance	Dr / CR	Trans- actions	Closing Balance	Dr / CR	
<b>Directors and Key management personnel</b>								
Jayantibhai J Chandra	Chairman and Managing Director	104	6	Cr	129	7	Cr	
Mahendra J Patel	Whole Time Director and Chief Financial Officer	89	5	Cr	112	6	Cr	
Niraj J Chandra	Whole Time Director	100	4	Cr	62	2	Dr	
Paras Viramgama	Company Secretary	12	-	-	7	-	-	
Gurudeo Madhukar Yadwadkar	Independent Director	1	-	-	-	-	-	
Vijay Kedia	Independent Director	1	-	-	1	-	-	
Aarti Juneja	Independent Director	2	-	-	2	-	-	
Mohan Jit Walia	Independent Director	2	-	-	2	-	-	
Jaichander Swaminathan	Independent Director	2	-	-	2	-	-	
Vijay Kumar Goel	Independent Director	-	-	-	1	-	-	
<b>Other entities :-</b>								
Atul Auto Industries	Entity owned and controlled by relatives of key managerial personal	Sale (Exclusive of Tax)	-	-	-	-	-	
		Purchase of Raw Material Spares	255	1	Cr	419	2	Cr
		Purchase of Fixed Asset	-	-	-	1	-	-
		Warranty Claims/After Sales Service/PDI/WRC Charges/ Freight Charges	1	-	-	6	-	-
		<b>Total</b>	<b>256</b>	<b>1</b>	<b>Cr</b>	<b>426</b>	<b>2</b>	<b>Cr</b>
Atul Enterprise	Entity owned and controlled by relatives of key managerial personal	1	-	-	-	-	-	
Atul Motors Private Limited	Entity owned and controlled by relatives of key managerial personal	Purchase of Fixed Asset	-	-	-	4	-	-
		Other Expenses	1	-	-	1	-	-
		<b>Total</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>
Khushbu Auto Private Limited	Entity owned and controlled by relatives of key managerial personal	Sales of Vehicles and Spares (Exclusive of Taxes)	4,849	565	Dr	3,150	-	-
		Warranty Claims/After Sales Service/PDI/WRC Charges	11	-	-	24	-	-
		Receipt of Lease/ Rent	1	-	-	-	-	-
		Discount on sales vehicle / Sales Promotion	-	-	-	33	-	-
		Interest on dealer deposit	-	-	-	-	-	-
		Purchase or repair or other related exp	-	-	-	-	-	-
		Dealer Deposit	-	3	Cr	1	3	Cr
		<b>Total</b>	<b>4,861</b>	<b>562</b>	<b>Dr</b>	<b>3,208</b>	<b>3</b>	<b>Cr</b>
Citizen Automobiles	Entity owned and controlled by relatives of key managerial personal	Sale (Exclusive of Tax)	-	-	-	2,117	1,123	Dr
		Sales Incentive and Sales promotion	-	-	-	50	-	-
		<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,167</b>	<b>1,123</b>	<b>Dr</b>
New Chandra Motor Cycle Agency	Entity owned and controlled by relatives of key managerial personal	Sale (Exclusive of Tax)	103	1	Dr	408	60	Dr
		Warranty Claims/After Sales Service/PDI/WRC Charges/ Lgo Meet Exp	2	-	-	2	-	-
		Interest Recover on Dealer Outstanding	2	-	-	-	-	-
		Debit Note for Freight & DMS	-	-	-	4	-	-
		<b>Total</b>	<b>107</b>	<b>1</b>	<b>Dr</b>	<b>414</b>	<b>60</b>	<b>Dr</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

Name of related party	Nature of transaction	(₹ in Lacs)						
		31-Mar-24			31-Mar-23			
		Trans- actions	Closing Balance	Dr / CR	Trans- actions	Closing Balance	Dr / CR	
New Chandra Motor Cycle House	Entity owend and controlled by relatives of key managerial personal	Sale (Exclusive of Tax)	-	-	-	25	-	-
		Purchase of Raw Material Spares	4	1	Cr	4	-	-
		<b>Total</b>	<b>4</b>	<b>1</b>	<b>Cr</b>	<b>29</b>	<b>-</b>	<b>-</b>
Atul Motors Jam LLP	Entity owend and controlled by relatives of key managerial personal	Purchase of Fixed Asset & other Expense	26	-	-	-	-	-
		Vechicle Repairing Expenses	1	-	-	-	-	-
		<b>Total</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Atul Chandra Charitable Trust	Entity owend and controlled by relatives of key managerial personal	CSR amount Spent through Implementing Agency	-	-	-	35	-	-
		<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35</b>	<b>-</b>	<b>-</b>

### NOTE - 43 FINANCIAL INSTRUMENTS

#### a. Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern, while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements. The Company is currently utilizing term loan to meet long term requirements and have adequate sanctioned limits available to meet its short term capital requirements. The Company is not subject to any externally imposed capital requirements. The management of the Company reviews the capital structure of the Company on regular basis.

The following table summarises the capital of the Company:

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
Equity Share Capital	1,388	1,194
Other Equity	38,732	31,878
<b>TOTAL EQUITY</b>	<b>40,120</b>	<b>33,072</b>
Term Loan	-	3,214
Working Capital Loan	-	350
<b>Total Debt</b>	<b>-</b>	<b>3,564</b>
Debt to Equity Ratio	0%	11%

#### b. Category-wise classification for applicable financial assets

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
<b>Measured at fair value through Profit or Loss (FVTPL):</b>		
Investment in Mutual Fund	2,180	1,665
	<b>2,180</b>	<b>1,665</b>
<b>Measured at amortised cost:</b>		
Trade Receivable	4,909	3,007
Cash & Cash Equivalents	1,078	336
Loans to Staff & Inter corporate Deposit	10	505
Balance in Unpaid Dividend	11	21
Investment in Fixed Deposits	100	70
Other Income Receivable	31	35
	<b>6,139</b>	<b>3,974</b>
<b>Measured at cost in accordance with para 10 of Ind AS 27</b>		
Investment in Unquoted Equity Shares of wholly owned subsidiary		
Khushbu Auto Finance Limited	5,778	5,778
Atul Green Automotives Private Limited	45	45
	<b>5,823</b>	<b>5,823</b>
<b>Investment in Unquoted Equity Shares of subsidiary</b>		
Atul Greentech Private Limited	3,000	1,000
	<b>3,000</b>	<b>1,000</b>
<b>TOTAL</b>	<b>17,142</b>	<b>12,462</b>

## NOTE - 43 FINANCIAL INSTRUMENTS

### c. Category-wise classification for applicable financial liabilities

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Measured at amortised cost:</b>		
Term Loan	-	3,214
Working Capital Loan	-	350
Lease Liability	21	24
Trade Payable	3,804	4,471
Unpaid Dividend	11	21
Outstanding Expenses	724	561
Dealer's Deposits	635	582
Other Payables	168	134
	<b>5,363</b>	<b>9,357</b>

## NOTE - 44 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 Asset Measured at Fair Value Measurements Recurring:-

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Level-I</b>		
Financial Investment at FVTPL		
Investment in Mutual Fund	2,180	1,665
Level-II	-	-
Level-III	-	-
<b>TOTAL</b>	<b>2,180</b>	<b>1,665</b>

### 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 45 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	₹ in Lacs)	
	31-Mar-24	31-Mar-23
Loss allowance at the beginning of the year	709	567
Addition in loss allowance during the year	(72)	142
<b>Loss allowance as at the end of the year</b>	<b>637</b>	<b>709</b>

#### 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.

# NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Net working capital funds	8,086	3,852
Which includes;		
i. Cash & Cash Equivalents	1,078	336
ii. Current Investment	2,180	1,665

## Contractual maturities of significant Financial Liabilities as on 31 March 2024 & 31 March 2023:

### Maturities of Financial Liabilities

Particulars	Less than & equal to 1 Year	More than 1 Year	Total
<b>As at March 31, 2024</b>			
Trade Payable	3,797	7	3,804
Other Financial Liabilities	903	635	1,538
Term Loan	-	-	-
Working Capital Loan	-	-	-
Lease Liabilities	11	10	21
<b>As at March 31, 2023</b>			
Trade Payable	4,461	11	4,472
Other Financial Liabilities	716	583	1,299
Term Loan	1,071	2,143	3,214
Working Capital Loan	350	-	350
Lease Liabilities	9	15	24

### 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 31<sup>st</sup> March, 2023 company's borrowing carries fixed interest rate hence, there will be no impact on the profitability of the company due to change in external benchmark interest rate.

### Market Risk :-

#### Foreign Currency Risk

The Company operates, in addition to domestic markets, significantly in international markets through its exports and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$. Foreign exchange risk arises from highly probable forecast transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (₹).

### Open Exposure

The Company's exposure to foreign currency risk at the end of the reporting period is as follows:

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Receivable (Amount in USD)	2	2
Payable (Amount in USD)	-	-
Payable (Amount in Euro)	-	-

Particulars	Currency	Change in Rate	Effect on PBT/Pre-Tax Equity
Year Ended March 31, 2024	US \$	+10%	19
Year Ended March 31, 2024	US \$	-10%	(19)
Year Ended March 31, 2023	US \$	+10%	15
Year Ended March 31, 2023	US \$	-10%	(15)



## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 46 TRANSACTION OF LOANS, INVESTMENT, GUARANTEES AND SECURITIES GIVEN IN RESPECT OF WHICH PROVISIONS SECTION 186 OF THE COMPANIES ACT, 2013 AND ARE WITHIN LIMITS.

Particulars	Investment	ICD	Guarantee	Purpose	Proposed Utilization
Khushbu Auto Finance Limited	5,778	-	-	Investment in Subsidiary	Amount is proposed to be utilised by Subsidiary company for its three wheeler finance business as well as financing other product for risk diversification.
Khushbu Auto Finance Limited	-	-	15,000	Amount of Loans sanctioned to subsidiary company for which guarantee is given to bank on behalf of an Subsidiary	
Cholamandalam Investment and Finance Co. Limited	-	-	931	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 Sbusidiary	Business Purpose
Atul Greentech Private Limited	3,000	-	-	Investment in Sbusidiary	Business Purpose
Atul Greentech Private Limited	-	5,000	-	Amount is proposed to be utilised for setting up battery management system plant and working capital requirement of the company	

### NOTE - 47 OTHER REGULATORY NOTES

- The Title deeds of the immovable properties (other than Common Approach Road As referred to Note No 2 & other properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
- The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013), which are repayable on demand or without specifying any terms or period of repayments.
- No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- The Company has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company.
- The Company has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
- There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended 31<sup>st</sup> March 2023.
- All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended 31<sup>st</sup> March 2023.
- The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the ultimate beneficiary
- The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

# NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

13. The Company has not operated in any crypto currency or Virtual Currency transactions.
14. During the year the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.
15. The Code on Social Security, 2020 which received the President's assent on 28<sup>th</sup> 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 - 48 RATIOS

Ratio	Numerator	Denominator	Numerator	Denominator	FY 23-24	Numerator	Denominator	FY 22-23	% of Variance
A. Current Ratio	Current Assets	Current Liabilities	14,344	6,258	2.29	12,155	8,303	1.46	56.49%
B. Debt-Equity Ratio	Borrowings + Interest Accrued	Total Equity	-	40,120	-	3,564	33,072	0.11	(100%)
C. Debt Service Coverage Ratio	Earnings for Debt Service = Net Profit after Taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + Other Adjustments like loss on sale of Fixed Assets etc.	Debt Service = Interest & Lease Payments + Principal Repayments	3,036	3,442	0.88	2,433	4,934	0.49	78.85%
D. Return on Equity Ratio	Net Profit After Taxes	Average Shareholder's Equity	1,347	36,596	3.68%	440	29,976	1.47%	150.75%
G. Trade Payables Turnover	Net Credit Purchases	Avg Trade Payables	36,543	4,138	8.83	37,490	4,295	8.73	1.18%
H. Net Capital Turnover Ratio	Revenue From operations	Avg Net Working Capital	48,040	5,969	8.05	47,470	2,410	19.70	(59.15%)
I. Net Profit Ratio	Net Profit	Revenue From operations	1,347	48,040	2.80%	440	47,470	0.93%	202.50%
J. Return on Capital Employed	Earning before interest & taxes	Capital Employed	1,947	40,120	4.85%	1,231	36,636	3.36%	44.43%
K. Return on Investment	{MV(T1) - MV(T0) - Sum [C(t)]}	{MV(T10) + Sum [W(t)* C(t)]}	64	971	6.60%	11	227	4.85%	36.16%

### Reasons for Variances :

During the previous year company had received Rs 5,750 lacs on issue of share warrants which has been utilised for prepayment of term loan of Rs 3,214 lacs and balance amount is utilised for working capital Hence DSCR, debt equity ratio and current ratio of the company have improved.

Due to foreclosure of term loan the finance cost of the company has reduced significantly also the cost of consumption has reduced resulting into improved return on capital employed, return on equity and net profit ratio .

### NOTE - 49 OTHERS

Figures relating to corresponding/previous periods have been regrouped/reclassified wherever necessary to confirm to current period figures.

As per our report of even date

**FOR, Maharishi & Co.**

Chartered Accountants

FRN 124872W

**KAPIL SANGHVI**

Partner

Membership No. 141168

Signed at Bhayla (Dist. Ahmedabad) on May 17, 2024

UDIN : 24141168BKAGAN5675

**For an on behalf of Board of Directors of**

**ATUL AUTO LIMITED**

**NEERAJ J CHANDRA**

Managing Director

DIN : 00065159

**MAHENDRA J PATEL**

Whole-time Director & CFO

DIN : 00057735

**PARAS J. VIRAMGAMA**

Company Secretary & Compliance Officer

# INDEPENDENT AUDITOR'S 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') (refer no. 1 to the attached consolidated financial statement) comprising of:

- a) the consolidated balance sheet as at March 31, 2024,
- b) the consolidated statement of profit and loss (including other Comprehensive income),
- c) the consolidated cash flow statement and the consolidated statement of change in equity for the year ended, and
- d) notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on separate financial statements and other financial information of the subsidiary the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), accounting principles generally accepted in India, of the consolidates state of affairs of the Company, as at March 31, 2024, consolidated profit, their consolidated cash flow and consolidated change in equity for the year ended on that date.

## BASIS OF OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under

section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements for the financial year ended March 31, 2024. 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 Matter	How our audit addressed the key audit matter
1.	<p><b>Evaluation of consolidation process</b></p> <p>The Group's consolidation process is complex on account of its conversion of financial statements of NBFC subsidiary into Ind AS which were prepared under Previous GAAP.</p> <p>The consolidation process includes evaluation of the significant influence, alignment of Associate accounting policies with that of parent, and resultant tax adjustments which may require a high level of judgment.</p>	<p>We performed the following key audit procedures:</p> <ul style="list-style-type: none"> <li>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;</li> <li>Read the underlying documents relating to significant group entities, including agreements to review the management's evaluation of significant influence;</li> <li>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</li> <li>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.</li> </ul>
2.	<p><b>Issue of Shares in Atul Greentech Pvt Ltd</b></p> <p>Company had infused equity capital worth ₹ 3,250 Lacs resultant wo which it is now a subsidiary company previously which was wholly owned subsidiary</p>	<p>We have performed following procedure in relation to the given matter</p> <ul style="list-style-type: none"> <li>Verified the Valuation with respect to issuance of share capital</li> <li>Reviewed forms filled with Registrar of companies in relation to share-holding</li> <li>Verified proper recording of accounting treatment arising on account of gain on deemed disposal</li> </ul>

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the consolidated financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and joint ventures audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and

consolidated cash flows of the Group including its associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates.

### AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable

assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Financial statements.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## OTHER MATTERS

1. Our opinion on the consolidated financial statement and our report on other legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditor and the financial statement/financial information certified by the management.
2. We did not audit the financial statement of an NBFC subsidiary company, whose financial statement reflect assets of ₹ 20,775 Lacs as at March 31, 2024; total revenue of ₹ 4210 Lacs and net profit of ₹ 309 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
3. One of the group companies which as a NBFC is an company following IGAAP, Financials statements of which were converted into IND AS and the same were certified by the management which were used for purpose of Consolidation,

## 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure A", and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act, read with Schedule V of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us;
  - i. The consolidated financial statements disclose the impact, if any, of pending litigations on its financial

position in its financial statements refer Note No. 18 to the consolidated financial statements;

- ii. There are no long-term contracts including derivative contracts, hence the question of reporting any material foreseeable losses does not arise;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company.
- i. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1<sup>st</sup> April 2024.
    - i. Based on our examination which included test checks, the Holding Company has used the SAP software for maintaining its books of account which has a feature of recording audit trail (edit log) facility in respect of the application and the same has operated throughout the year for all relevant transactions. We did not come across any instance of the audit trail feature being tampered with in respect of accounting software. Normal/Regular users are not granted direct database or super user level access. However, unauthorised changes to the database by a super user specifically does not carry the feature of a concurrent real time audit trail.
    - ii. In case of two subsidiary companies, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account
    - iii. In case of one subsidiary, as communicated by the auditor of such subsidiary, the feature of recording audit trail (edit log) facility of the accounting software used for maintaining general ledger was enabled from 04<sup>th</sup> November, 2023.

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

**Kapil Sanghvi**  
Partner

Membership No. 141168  
UDIN: 24141168BKAGA9337

Signed at Bhayla (Dist. Ahmedabad) on May 17, 2024

## Annexure-A to Independent Auditor's 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, 2024, we have audited the internal financial controls over financial reporting of the group, which are companies incorporated in India, as of that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

### **AUDITORS' RESPONSIBILITY**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their report referred to in other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **MEANING OF INTERNAL FINANCIAL CONTROL OVER FINANCIAL REPORTING**

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

A company's internal financial control over financial reporting includes those policies and procedures that

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

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over



financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **OPINION**

In our opinion to the best of our information and according to the explanations given to us, the company and its subsidiary which are companies incorporated in India have, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024 based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on

Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

#### **OTHER MATTERS**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to three subsidiary company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India

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

**Kapil Sanghvi**  
Partner  
Membership No. 141168  
UDIN: 24141168BKAGA9337

Signed at Bhayla (Dist. Ahmedabad) on May 17, 2024



# CONSOLIDATED BALANCE SHEET

as at March 31, 2024

(₹ in Lacs)

Particulars	Note No.	March 31, 2024	March 31, 2023
<b>ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Property, Plant and Equipment	2(i)	24,460	25,118
(b) Capital Work-In-Progress	2(ii)	14	129
(c) Right-of-use Asset	2(i)	19	22
(d) Intangible Assets	3	533	700
(e) Financial Assets			
(i) Investments	4	-	-
(ii) Loans	5	12,379	11,554
(iii) Other Financial Assets	6	42	2
(iv) Trade Receivables	9	199	211
(f) Income Tax Assets (Net)	7	207	262
(g) Deferred Tax Assets	8	1,084	1,209
(h) Other Non-current Assets	10	384	504
<b>Total Non-current Assets</b>		<b>39,321</b>	<b>39,711</b>
<b>(2) Current Assets</b>			
(a) Inventories	11	7,579	6,674
(b) Financial Assets			
(i) Investments	4	2,305	1,665
(ii) Trade Receivables	9	4,811	2,692
(iii) Cash and Cash Equivalents	12	1,980	391
(iv) Bank balance other than (iii) above	13	246	165
(v) Loans	5	7,263	6,917
(vi) Other Financial Assets	14	390	215
(c) Other Current Assets	10	1,637	2,437
<b>Total Current Assets</b>		<b>26,211</b>	<b>21,156</b>
<b>Total Assets</b>		<b>65,532</b>	<b>60,867</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(3) EQUITY</b>			
(a) Equity Share Capital	15	1,388	1,194
(b) Other Equity	16	40,597	33,620
(c) Non Controlling Intrest		888	404
<b>Total Equity</b>		<b>42,873</b>	<b>35,218</b>
<b>LIABILITIES</b>			
<b>(4) Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	5,813	7,057
(ii) Lease Liabilities	18	10	15
(iii) Other Financial Liabilities	19	877	788
(b) Provisions	20	40	23
(c) Other Non-current Liabilities	21	218	208
<b>Total Non-current Liabilities</b>		<b>6,958</b>	<b>8,091</b>
<b>(5) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	8,612	9,994
(ii) Trade Payables	22		
(A) Total Outstanding dues to MSME		1,739	1,455
(B) Total Outstanding dues of creditors other than MSME		2,219	3,255
(iii) Lease Liabilities	18	11	9
(iv) Other Financial Liabilities	19	1,267	893
(b) Provisions	20	469	609
(c) Other Current Liabilities	23	1,329	1,271
(d) Current Tax Liabilities (Net)	23	55	72
<b>Total Current Liabilities</b>		<b>15,701</b>	<b>17,558</b>
<b>Total Liabilities</b>		<b>22,659</b>	<b>25,649</b>
<b>Total Equity and Liabilities</b>		<b>65,532</b>	<b>60,867</b>
<b>Significant Accounting Policy</b>	1		

The accompanying notes are an integral part of these financial statements

As per our report of even date

**FOR, Maharishi & Co.**

Chartered Accountants

FRN 124872W

**KAPIL SANGHVI**

Partner

Membership No. 141168

Signed at Bhayla (Dist. Ahmedabad) on May 17, 2024

UDIN : 24141168BKAGA9337

**For an on behalf of Board of Directors of  
ATUL AUTO LIMITED**

**NEERAJ J CHANDRA**

Managing Director

DIN : 00065159

**MAHENDRA J PATEL**

Whole-time Director & CFO

DIN : 00057735

**PARAS J. VIRAMGAMA**

Company Secretary & Compliance Officer

# CONSOLIDATED STATEMENT PROFIT AND LOSS for the Year Ended March 31, 2024

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>1 REVENUE FROM OPERATIONS</b>			
a. Revenue from Sale of Products	24	47,955	46,584
b. Revenue from Finance Business	24	3,871	3,876
c. Other Operating Income	25	903	852
<b>TOTAL REVENUE FROM OPERATIONS</b>		<b>52,729</b>	<b>51,312</b>
<b>2 Other Income</b>	26	206	150
<b>3 TOTAL INCOME</b>		<b>52,935</b>	<b>51,462</b>
<b>4 EXPENSES</b>			
a. Cost of Materials Consumed	27	38,357	36,805
b. Change in inventory of Finished Goods, Work-in-progress and Stock-in-Trade	28	(1,135)	141
c. Employee Benefits Expense	29	5,848	5,098
d. Finance Costs	30	1,325	1,648
e. Depreciation and Amortisation Expense	31	1,807	1,550
f. Loan Losses and Provisions	32 (i)	1,765	1,431
g. Other Expenses	32 (ii)	3,897	4,211
<b>5 TOTAL EXPENSES</b>		<b>51,864</b>	<b>50,884</b>
<b>6 Profit Before Exceptional Items</b>		<b>1,071</b>	<b>578</b>
<b>7 Exceptional Items</b>		-	-
<b>8 Profit/(Loss) Before Tax</b>		<b>1,071</b>	<b>578</b>
<b>9 TAX EXPENSE</b>			
a. Current Tax	33	217	196
b. Deferred Tax	33	147	69
<b>TOTAL TAX EXPENSE</b>		<b>364</b>	<b>265</b>
<b>10 Profit / (Loss) for the Period</b>		<b>707</b>	<b>313</b>
<b>11 Share of Profit from Associates</b>		-	-
<b>12 Other Comprehensive Income, Net of Tax</b>	33	<b>(49)</b>	<b>2</b>
a. Items that will not be reclassified to profit or Loss			
(i) Remeasurement of Post Employment Benefit Obligation		(68)	2
(ii) Income tax relating to remeasurement of Defined Benefit Obligation		17	-
b. Items that will be reclassified to profit or Loss		-	-
<b>Total Other Comprehensive Income/ (Expense) for the Year</b>		<b>(51)</b>	<b>2</b>
<b>13 TOTAL COMPREHENSIVE INCOME/ (EXPENSE) FOR THE YEAR</b>		<b>656</b>	<b>315</b>
<b>Profit Attributable to</b>			
Owner of the company (including share of profit from associates)		898	400
Non Controlling Interest		(191)	(87)
		<b>707</b>	<b>313</b>
<b>Total Comprehensive Income Attributable to</b>			
Owners of the company		847	402
Non Controlling Interest		(191)	(87)
		<b>656</b>	<b>315</b>
<b>14 EARNINGS PER EQUITY SHARE</b>	34		
Basic & Diluted		3.39	1.82

The accompanying notes are an integral part of these financial statements

As per our report of even date

**FOR, Maharishi & Co.**

Chartered Accountants

FRN 124872W

**KAPIL SANGHVI**

Partner

Membership No. 141168

Signed at Bhayla (Dist. Ahmedabad) on May 17, 2024

UDIN : 24141168BKAGA9337

**For an on behalf of Board of Directors of  
ATUL AUTO LIMITED**

**NEERAJ J CHANDRA**

Managing Director

DIN : 00065159

**MAHENDRA J PATEL**

Whole-time Director & CFO

DIN : 00057735

**PARAS J. VIRAMGAMA**

Company Secretary & Compliance Officer

# CONSOLIDATED STATEMENT OF CASH FLOW for the year ended March 31, 2024

(₹ in Lacs)

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Taxation	1,003	578
<b>Adjustment for:</b>		
Add/(Less):-		
Provision for Doubtful Debts	1,692	142
Depreciation & Impairment	1,807	1,550
Finance Cost	1,325	1,648
Interest on Income Tax	-	-
<b>Sub Total</b>	<b>4,824</b>	<b>3,340</b>
Less :-		
Loss/(Profit) on Sale of Fixed Assets	34	-
Profit on Redemption/Revaluation of Mutual Fund	65	38
Interest Received on Deposits	105	69
Rental Income	1	-
Unrealised Foreign Exchange Gain	-	-
<b>Sub Total</b>	<b>205</b>	<b>107</b>
<b>Operating Profit Before Working Capital Changes</b>	<b>5,622</b>	<b>3,811</b>
<b>Movements in Working Capital:</b>		
Decrease/-Increase in Trade Receivable	(2,034)	(897)
Decrease/-Increase in Inventories	(905)	(1,431)
Decrease/-Increase in Loans, Other assets and Loans of Finance Activities	(2,234)	(3,628)
Increase/-Decrease in Trade Payables	(752)	528
Increase/-Decrease in Liabilities/Provisions	407	43
<b>Total Movement in Working Capital</b>	<b>(5,518)</b>	<b>(5,385)</b>
<b>Cash Generated from Operations</b>	<b>104</b>	<b>(1,574)</b>
Direct Taxes Paid (Net of Refunds)	(183)	(191)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(79)</b>	<b>(1,765)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets, Capital WIP and Advances for Capital Goods & of Payable	(864)	(695)
Proceeds from Sale of Fixed Assets	34	8
Net (Investment)/ Net Proceeds from Sale of Mutual Fund	(575)	(1,627)
Investment in Wholly Owned Subsidiary Company	-	-
Proceeds from disposal of associates at group level	-	-
Rental Income	1	-
(Increase)/Decrease in Other Bank Balance	(80)	(106)
(increase)/Decrease in Inter Corporate Deposits & Loans and Advances	-	-
Interest Received on Deposits	105	69
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(1,379)</b>	<b>(2,351)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in Lease Liability	(3)	(13)
Proceeds from Issue of Shares	5,751	7,250
Proceeds from Issue of Shares to NCI shareholders	1,250	-
Proceeds from/(Repayment of) Bank Borrowing	(2,626)	(1,704)
Other Borrowing Cost	(1,325)	(1,648)
<b>NET CASH CLOW FROM FINANCING ACTIVITIES</b>	<b>3,047</b>	<b>3,885</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>1,589</b>	<b>(231)</b>

# CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended March 31, 2024

(₹ in Lacs)

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
<b>Effect of Change in Cash or Cash Equivalent held in Foreign Currency due to Exchange Rate Fluctuation</b>		
Cash and Cash Equivalents at the Beginning of the Year	391	622
Cash and Cash Equivalents at the End of the Year	1,980	391
<b>Components of Cash and Cash Equivalents as at the End of the Year</b>		
Cash on Hand	58	25
Cheques on Hand	-	-
With Bank		
- In Current Accounts	1,922	366
<b>TOTAL</b>	<b>1,980</b>	<b>391</b>

## Notes

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

The accompanying notes are an integral part of these financial statements

As per our report of even date

**FOR, Maharishi & Co.**

Chartered Accountants

FRN 124872W

**KAPIL SANGHVI**

Partner

Membership No. 141168

Signed at Bhayla (Dist. Ahmedabad) on May 17, 2024

UDIN : 24141168BKAGA9337

**For an on behalf of Board of Directors of**

**ATUL AUTO LIMITED**

**NEERAJ J CHANDRA**

Managing Director

DIN : 00065159

**MAHENDRA J PATEL**

Whole-time Director & CFO

DIN : 00057735

**PARAS J. VIRAMGAMA**

Company Secretary & Compliance Officer

# STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2024

## (A) EQUITY SHARE CAPITAL (NOTE NO. 15)

Particulars	₹ in Lacs)	
	31-Mar-24	31-Mar-23
At the beginning of the year	1,194	1,097
Changes in equity share capital during the year	194	97
<b>At the end of the year</b>	<b>1,388</b>	<b>1,194</b>

## (B) OTHER EQUITY (NOTE NO. 16)

Particulars	₹ in Lacs)							
	Capital Reserve	Equity Share Warrant	Security Premium On Share Warrant	Security Premium	General Reserve	Shares Forfeiture	Retained Earnings	Total Other Equity
<b>Balance as at April 01, 2022</b>	<b>174</b>	<b>-</b>	<b>-</b>	<b>478</b>	<b>2,094</b>	<b>23</b>	<b>23,793</b>	<b>26,562</b>
<b>Addition</b>								
Gain on deemed disposal	-	-	-	-	-	-	1,002	1,002
Issuance of Equity Share Warrant	-	73	2,802	-	-	-	-	2,875
Securities Premium on Issuance of Equity Share	-	-	-	3,737	-	-	-	3,737
Profit / (Loss) for the year	-	-	-	-	-	-	400	400
Other comprehensive income (net of tax)	-	-	-	-	-	-	2	2
<b>Total comprehensive income for the year ended March 31, 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>402</b>	<b>402</b>
<b>Deletion</b>								
Conversion of Equity Share Warrants to Equity Shares'	-	24	934	-	-	-	-	958
<b>Balance as at March 31, 2023</b>	<b>174</b>	<b>49</b>	<b>1,868</b>	<b>4,215</b>	<b>2,094</b>	<b>23</b>	<b>25,197</b>	<b>33,620</b>
<b>Addition</b>								
Gain on deemed disposal	-	-	-	-	-	-	574	574
Issuance of Equity Share Warrant	-	-	-	-	-	-	-	-
Securities Premium on Issuance of Equity Share	-	-	-	7,473	-	-	-	7,473
Securities Premium on Share Warrant	-	-	-	-	-	-	-	-
Profit / (Loss) for the year	-	-	-	-	-	-	898	898
Other comprehensive income (net of tax)	-	-	-	-	-	-	(51)	(51)
<b>Total comprehensive income for the year ended March 31, 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>847</b>	<b>847</b>
<b>Deletion</b>								
Conversion of Equity Share Warrants to Equity Shares'	-	49	1,868	-	-	-	-	1,917
<b>Balance as at March 31, 2024</b>	<b>174</b>	<b>-</b>	<b>-</b>	<b>11,688</b>	<b>2,094</b>	<b>23</b>	<b>26,618</b>	<b>40,597</b>

The accompanying notes are an integral part of these financial statements

As per our report of even date

**FOR, Maharishi & Co.**

Chartered Accountants

FRN 124872W

**KAPIL SANGHVI**

Partner

Membership No. 141168

Signed at Bhayla (Dist. Ahmedabad) on May 17, 2024

UDIN : 24141168BKAGA9337

**For an on behalf of Board of Directors of  
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**NEERAJ J CHANDRA**

Managing Director

DIN : 00065159

**MAHENDRA J PATEL**

Whole-time Director & CFO

DIN : 00057735

**PARAS J. VIRAMGAMA**

Company Secretary & Compliance Officer

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

- 1 (a) The consolidated financial statements comprise financial statements of Atul Auto Limited (the 'Company'), and its subsidiaries (collectively, the 'Group') for the year ended 31<sup>st</sup> March 2024. The consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on
- (b) The consolidated financial statements include results of the subsidiaries company of Atul Auto Limited; consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'.

Sr. No	Name of Company	Country of Incorporation	% Holding of AAL	% of Holding by others	Consolidated as
1	Atul Green Automotive Private Limited (AGAPL)	India	100	-	Wholly-owned Subsidiary
2	Atul Greentech Private Limited (AGPL)	India	80	20	Subsidiary (Wholly Owned Subsidiary till 16 <sup>th</sup> May, 2022)
3	Khushbu Auto Finance Limited (KAFL)	India	100	-	Wholly-owned Subsidiary

- (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.
- (1) 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.
- (2) Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income.
- (3) Khushbu Auto Finance Limited is Non Banking Financial Company and as per Rule 4(1)(iv) of The Companies (Indian Accounting Standards) Rules, 2015 read with Companies (Indian Accounting Standards) (Amendment) Rules, 2016 companies (Indian accounting standards) rules, NBFCs shall comply with the Indian Accounting Standards (Ind AS) for accounting periods beginning on or after the 1<sup>st</sup> April, 2018, with comparatives for the periods ending on 31<sup>st</sup> March, 2018, or thereafter but it is not covered in criteria provided therein. However, as per explanation to Rule 4(1)(iv) of Companies (Indian Accounting Standards) Rules, 2015 read with Companies (Indian Accounting Standards) (Amendment) Rules, 2016 such companies need to provide relevant financial statement data which is in accordance accounting policies followed by parent company. Consolidation of Khushbu Auto Finance Limited is made on the basis of relevant financial statement data provided by subsidiary which is in accordance with the accounting policies followed by the parent company for consolidation purposes.
- (4) The consolidated statement of Profit and loss of the company comprises of the standalone profit and loss balances of following group companies:

Name of the Company	Period of Consolidation
Atul Auto Limited	01-Apr-2023 to 31-Mar-2024
Atul Greentech Private Limited	01-Apr-2023 to 31-Mar-2024
Atul Green Automotives Private Limited	01-Apr-2023 to 31-Mar-2024
Khushbu Auto Finance Limited*	01-Apr-2023 to 31-Mar-2024

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS** for the year ended March 31, 2024

### **ACCOUNTING POLICIES FOLLOWED BY SUBSIDIARY :-**

#### **Khushbu Auto Finance Limited**

##### **Income Recognition and Provisioning**

Company has recognized its income by effective interest method, amortized processing fees and made provision for expected credit loss on its outstanding which is in accordance with Ind AS - 109.

##### **Participative Preference Shares**

The company has issued Participative Preference Shares(PPS) in accordance with the MoU between Atul Auto Limited, the company and its promoters on following Terms:

1. PPS shall be redeemable at the end of 5 years from the date of issue.
2. Redemption price shall be the Book value on the latest audited/ limited review balance sheet on the date of redemption.
3. The PPS shall carry fixed dividend at the rate of 0.001% per annum.
4. In the event of declaration of dividend to Equity shareholders, the PPS holders shall be entitled to same rate of dividend.
5. In the event of winding up of company, the PPS holders shall carry preferential right on distribution of assets.
6. In the event of winding up of company, the PPS holders shall have preferential right with regard to repayment of capital over and above the equity shareholders.
7. PPS holders shall not carry any voting rights.

PPS are measured at book value of Equity shares at the end of reporting period. At the time of issue of PPS, the difference between the issue price and its value at initial recognition is set aside from balance of surplus in profit and loss.



## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 2 PROPERTY, PLANT AND EQUIPMENT

#### (i) Tangible Assets

##### Current year

Particulars	Gross Block			Depreciation			Net Block	
	As at April 01, 2023	Additions	Deductions/-Adjustments	As at April 01, 2023	Additions	Deductions/-Adjustments	As at March 31, 2024	As at March 31, 2024
Freehold Land	4,214	-	-	-	-	-	-	4,214
Buildings	9,018	159	70	1,331	323	14	1,640	7,467
Plant & Machinery (Including Electric Fitting)	18,041	763	(253)	6,390	1,109	(220)	7,719	11,338
Furniture & Fittings	1,401	5	251	169	89	208	50	1,105
Computers	458	43	-	399	29	-	428	73
Office Equipment	252	15	-	169	22	8	183	84
Vehicles	577	46	58	385	55	54	386	179
<b>TOTAL</b>	<b>33,961</b>	<b>1,031</b>	<b>126</b>	<b>8,843</b>	<b>1,627</b>	<b>64</b>	<b>10,406</b>	<b>24,460</b>
Leasehold Assets (Right-of-Use Asset)	143	9	94	121	12	94	39	19

##### Previous year

Particulars	Gross Block			Depreciation			Net Block	
	As at April 01, 2022	Additions	Deductions/-Adjustments	As at April 01, 2022	Additions	Deductions/-Adjustments	As at March 31, 2023	As at March 31, 2023
Freehold Land	4,213	1	-	-	-	-	-	4,214
Buildings	8,805	235	(22)	1,029	315	(13)	1,331	7,687
Plant & Machinery (Including Electric Fitting)	11,895	6,376	(230)	5,281	924	185	6,390	11,651
Furniture & Fittings	1,090	55	256	228	85	(144)	169	1,232
Computers	435	22	1	371	28	-	399	59
Office Equipment	232	21	(1)	159	31	(21)	169	83
Vehicles	571	-	6	331	52	2	385	192
<b>TOTAL</b>	<b>27,241</b>	<b>6,710</b>	<b>10</b>	<b>7,399</b>	<b>1,435</b>	<b>9</b>	<b>8,843</b>	<b>25,118</b>
Leasehold Assets (Right-of-Use Asset)	140	3	-	105	16	-	121	22

#### (ii) Capital Work-In-Progress



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

Current year				(₹ in Lacs)
Particulars	As at April 01, 2023	Additions	Disposals/ Transfer	As at March 31, 2024
Capital Work-In-Progress	129	683	798	14
<b>TOTAL</b>	<b>129</b>	<b>683</b>	<b>798</b>	<b>14</b>

Previous year				(₹ in Lacs)
Particulars	As at April 01, 2022	Additions	Disposals/ Transfer	As at March 31, 2023
Capital Work-In-Progress	129	-	-	129
<b>TOTAL</b>	<b>129</b>	<b>-</b>	<b>-</b>	<b>129</b>

### 2 (ii). 01 (a) For CWIP Ageing Schedule (₹ in Lacs)

#### Current Year

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	14	-	-	-	14
Projects Temporarily Suspended	-	-	-	-	-

### (b) For CWIP whose Completion is Overdue (₹ in Lacs)

Particulars	To be completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	14	-	-	-	14
Projects Temporarily Suspended	-	-	-	-	-

### (c) For CWIP whose cost has exceeded compared to its original plan : None

### 2 (ii). 1 (a) For CWIP Ageing Schedule (₹ in Lacs)

#### Previous Year

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

### (b) For CWIP whose Completion is Overdue

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

### (c) For CWIP whose cost has exceeded compared to its original plan : None

#### Notes:

- As per Ind AS - 40 'Investment Property' assets which is held to earn rentals or for capital appreciation or both is treated as investment property.
- Refer to clause 1.3 of notes to standalone significant accounting policies
- 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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

## Note on Title Deeds not held in the name of the company

Description	Gross Carrying Value (₹ in Lacs)	Held in Name of	Relationship with person in whose name Held	Period Held	Reasons for not being held in name of company	Treatment in Books
Right to use Road	30	Jayantilal Jagjivandas Chandra	Chairman and Wholetime Director	5 Years	It is an agriculture land.	Capitalized under Head 'Land'

## NOTE - 3 INTANGIBLE ASSET

Current Year (₹ in Lacs)

Particulars	Gross Block			Depreciation			Net Block		
	As at April 01, 2023	Additions	Deductions/-Adjustments	As at March 31, 2024	As at April 01, 2023	Additions	Deductions/-Adjustments	As at March 31, 2024	As at March 31, 2024
Product Development	443	-	-	443	236	48	-	284	159
Computer Software	734	-	-	734	241	119	-	360	374
<b>TOTAL</b>	<b>1,177</b>	<b>-</b>	<b>-</b>	<b>1,177</b>	<b>477</b>	<b>167</b>	<b>-</b>	<b>644</b>	<b>533</b>

Previous Year (₹ in Lacs)

Particulars	Gross Block			Depreciation			Net Block		
	As at April 01, 2022	Additions	Deductions/-Adjustments	As at March 31, 2023	As at April 01, 2022	Additions	Deductions/-Adjustments	As at March 31, 2023	As at March 31, 2023
Product Development	195	248	-	443	195	41	-	236	207
Computer Software	230	504	-	734	158	83	-	241	493
<b>TOTAL</b>	<b>425</b>	<b>752</b>	<b>-</b>	<b>1,177</b>	<b>353</b>	<b>124</b>	<b>-</b>	<b>477</b>	<b>700</b>

## NOTE - 4 INVESTMENTS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Non-Current Investment</b>		
<b>Current Investment</b>		
<b>Investment in Mutual Fund</b>		
<b>Investment carried at fair value through Profit &amp; Loss</b>		
<b>Quoted :</b>		
Aditya Birla Sun Life Overnight Fund [Growth] (Units: PY - 26,814 , CY - 25,153)	326	325
Tata Overnight Fund [Growth] (Units: PY - 27,490 , CY - 27,829)	352	325
SBI Overnight Fund [Growth] (Units: PY - 8,222 , CY - 5,142)	200	300
HDFC Overnight Fund [Growth] (Units: PY - 10,518 , CY - 11,270)	400	350
LIC OVERNIGHT FUND [GROWTH] (Units: PY - Nil, CY - 20,216)	251	-
Kotak Overnight Fund [Growth] (Units: PY - Nil, CY - 15,683)	200	-
DSP Overnight Fund [Growth] (Units: PY - Nil, CY - 27,386)	351	-
ICICI Prudential Overnight Fund [Growth] (Units: PY - 30,214, CY - 17,464)	225	365
<b>Total Investment (A)+(B)</b>	<b>2,305</b>	<b>1,665</b>

(₹ in Lacs)

Particulars	Market Value	
	31-Mar-24	31-Mar-23
Quoted	2,305	1,665
Unquoted	-	-

## Notes to Investments

- 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.
- Refer Note-1 for accounting policy and valuation principles for investments and Note-43 for credit risk management related to investments.

## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 5 LOANS

(₹ in Lacs)

Particulars	As at March 31, 2024										
	Non-Current					Current					Total
	Amortised Cost	Through Other Comprehensive Income	At Fair Value Through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account	Sub-Total	Amortised Cost	Through Other Comprehensive Income	At Fair Value Through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account	Sub-Total	
1	2	3	4	(5=1+2+3+4)	6	7	8	9	(10=6+7+8+9)	(11=5+10)	
<b>Loans</b>											
A. (i) Retail Loans / MSME	13,344	-	-	-	13,344	7,263	-	-	-	7,263	20,607
(ii) Business Loans	178	-	-	-	178	-	-	-	-	-	178
(iii) Inter Corporate Deposits	-	-	-	-	-	-	-	-	-	-	-
<b>Gross</b>	<b>13,522</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,522</b>	<b>7,263</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,263</b>	<b>20,785</b>
Less: Impairment loss allowance	1,143	-	-	-	1,143	-	-	-	-	-	1,143
<b>Net</b>	<b>12,379</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,379</b>	<b>7,263</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,263</b>	<b>19,642</b>

(₹ in Lacs)

Particulars	As at March 31, 2024										
	Amortised Cost					At Fair Value					Total
	Through Other Comprehensive Income	Through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account	Sub-Total	Through Other Comprehensive Income	Through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account	Sub-Total			
1	2	3	4	(5=1+2+3+4)	6	7	8	9	(10=5+6+7+8+9)		
<b>Loans</b>											
A. (i) Secured on hypothecation of automobiles	20,607	-	-	-	20,607	-	-	-	-	20,607	
(ii) Secured on hypothecation of immovable properties	178	-	-	-	178	-	-	-	-	178	
(iii) Unsecured	-	-	-	-	-	-	-	-	-	-	
<b>Gross</b>	<b>20,785</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,785</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,785</b>	
Less: Impairment loss allowance	1,143	-	-	-	1,143	-	-	-	-	1,143	
<b>Net</b>	<b>19,642</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,642</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,642</b>	

(₹ in Lacs)



## NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2024

Particulars	As at March 31, 2023									
	Non-Current			Current						
	Amortised Cost	Through Other Comprehensive Income	At Fair Value Through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account	Sub-Total	Total				
1	2	3	4	5=1+2+3+4	6	7	8	9	10=6+7+8+9	11=5+10
<b>Loans</b>										
A. (i) Retail Loans / MSME	12,756	-	-	-	12,756	5,741	-	-	5,741	18,497
(ii) Business Loans	786	-	-	-	786	1,176	-	-	1,176	1,962
(iii) Inter Corporate Deposits	-	-	-	-	-	-	-	-	-	-
<b>Gross</b>	<b>13,542</b>	-	-	-	<b>13,542</b>	<b>6,917</b>	-	-	<b>6,917</b>	<b>20,459</b>
Less: Impairment loss allowance	1,988	-	-	-	1,988	-	-	-	-	1,988
<b>Net</b>	<b>11,554</b>	-	-	-	<b>11,554</b>	<b>6,917</b>	-	-	<b>6,917</b>	<b>18,471</b>

(₹ in Lacs)

Particulars	As at March 31, 2023					
	Amortised Cost			At Fair Value		
	Through Other Comprehensive Income	Through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account	Through Other Comprehensive Income	Through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account
1	2	3	4	5=1+2+3+4	6	7
<b>Loans</b>						
A. (i) Secured on hypothecation of automobiles	18,497	-	-	-	18,497	-
(ii) Secured on hypothecation of immovable properties	1,962	-	-	-	1,962	-
(iii) Unsecured	-	-	-	-	-	-
<b>Gross</b>	<b>20,459</b>	-	-	-	<b>20,459</b>	-
Less: Impairment loss allowance	1,988	-	-	-	1,988	-
<b>Net</b>	<b>18,471</b>	-	-	-	<b>18,471</b>	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 6 NON CURRENT FINANCIAL ASSETS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Deposits	2	2
Receivables from Income Distribution Partners (Considered Doubtful)	40	-
<b>Total Non Current Financial Assets</b>	<b>42</b>	<b>2</b>

### NOTE - 7 INCOME TAX ASSET (NET)

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Income Tax Asset (Net)	207	262
<b>Total Income Tax Asset (Net)</b>	<b>207</b>	<b>262</b>

### NOTE - 8 DEFERRED TAX ASSET

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Deferred tax liabilities</b>		
<b>On account of timing difference in</b>		
Property, Plant and Equipment	988	837
<b>Gross Deferred Tax Liabilities</b>	<b>988</b>	<b>837</b>
<b>Deferred Tax Assets</b>		
<b>On account of timing difference in-</b>		
Property, Plant and Equipment	-	96
Lease Liability	5	6
Retirement and Other Benefits	49	24
Provision for Loans/Receivables	444	385
Current year losses and unabsorbed depreciation	1,224	1,241
Interest income recognised as per ICDS	305	257
Others	45	37
<b>Deferred Tax Assets (Gross)</b>	<b>2,072</b>	<b>2,046</b>
<b>Deferred Tax Assets (Net)</b>	<b>1,084</b>	<b>1,209</b>

### Note - 8.1 Movement in Deferred Tax Liabilities

(₹ in Lacs)

Particulars	Property, Plants & Equipment	Retrial and Other Benefits	Other Items	Total
<b>As At April 01, 2023</b>	<b>(837)</b>	<b>24</b>	<b>2,022</b>	<b>1,209</b>
<b>Charged</b>				
to Profit & Loss	(151)	8	18	(125)
to Current Year Loss & Depreciation	-	-	(17)	(17)
to Other Comprehensive Income	-	17	-	17
<b>As At March 31, 2024</b>	<b>(988)</b>	<b>49</b>	<b>2,023</b>	<b>1,084</b>
<b>As At April 01, 2022</b>	<b>(604)</b>	<b>11</b>	<b>1,933</b>	<b>1,340</b>
<b>Charged</b>				
to Profit & Loss	(233)	-	(1,152)	(1,385)
to Current Year Loss & Depreciation	-	-	1,241	1,241
to Other Comprehensive Income	-	13	-	13
<b>As At March 31, 2023</b>	<b>(837)</b>	<b>24</b>	<b>2,022</b>	<b>1,209</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

## NOTE - 9 TRADE RECEIVABLES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Non Current</b>		
Significant Increase in Credit Risk	824	913
Less: Provision for Expected Credit Loss	(625)	(702)
	<b>199</b>	<b>211</b>
<b>Current</b>		
Unsecured, Considered Good	4,747	2,590
Unbilled Revenue	76	109
Less: Provision for Expected Credit Loss	(12)	(7)
	<b>4,811</b>	<b>2,692</b>
<b>Total Trade Receivables</b>	<b>5,010</b>	<b>2,903</b>
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	641	1,183

### Note - 9.1 The Age wise Analysis of the Trade Receivable as per Sub Ledger is given below:-

(₹ in Lacs)

Particulars	31-Mar-2024					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables- considered good	4,774	28	6	3	-	4,811
(ii) Undisputed Trade Receivables- significant increase in credit risk	-	1	31	17	150	199
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-

(₹ in Lacs)

Particulars	31-Mar-2023					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables- considered good	2,679	9	4	-	-	2,692
(ii) Undisputed Trade Receivables- significant increase in credit risk	5	33	19	3	151	211
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
(vii) Unbilled Dues	-	-	-	-	-	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 10 OTHER ASSETS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>(A) Other Non Current Assets</b>		
Security Deposit	109	108
Advances to Suppliers for Capital Goods	271	392
Balance with Govt. Authorities	4	4
<b>Sub-Total (A)</b>	<b>384</b>	<b>504</b>
<b>(B) Other Current Asset</b>		
Advances for Goods and Services	556	583
Prepaid Expenses	93	56
Balances with Government Authorities	716	1,685
Other Receivables	272	113
<b>Sub-Total (B)</b>	<b>1,637</b>	<b>2,437</b>
<b>Total Other Assets (A+B)</b>	<b>2,021</b>	<b>2,941</b>
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 - 11 INVENTORIES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Raw Material (including Goods in Transit)	4,447	4,725
Consumables (including Goods in Transit)	747	744
Work-in-Process	1,005	477
Semi Finished Goods	511	-
Finished Goods (including Goods in Transit)	865	720
Stock of Traded Goods	4	8
<b>Total Inventories</b>	<b>7,579</b>	<b>6,674</b>

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

### NOTE - 12 CASH & CASH EQUIVALENTS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Cash on Hand	58	25
<b>Balances with Bank</b>		
In Current Accounts	1,922	366
Cheques on Hand	-	-
<b>Total Cash &amp; Cash Equivalent</b>	<b>1,980</b>	<b>391</b>

### NOTE - 13 OTHER BANK BALANCES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Unpaid Dividend Bank Balances	11	21
Deposits with residual maturity for less than 12 months	235	144
<b>Total Other Bank Balances</b>	<b>246</b>	<b>165</b>

#### 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.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

## NOTE - 14 OTHER FINANCIAL ASSETS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Other Income Receivables	190	113
Loans to Staff	10	5
Accrued Interest Income	178	85
Receivables from Income Distribution Partners	12	12
<b>Total Other Financial Assets</b>	<b>390</b>	<b>215</b>

## NOTE - 15 SHARE CAPITAL

(₹ in lacs, except No. of Shares)

Particulars	31-Mar-24	31-Mar-23
<b>(a) Authorised Shares</b>		
Equity Shares of ₹ 5 each		
No. of Shares	30,000,000	30,000,000
Amount(₹)	1,500	1,500
<b>Issued and Subscribed Shares</b>		
Equity Shares of ₹ 5 each		
No. of Shares	29,032,680	25,160,627
Amount(₹)	1,388	1,258
<b>Paid up Shares</b>		
Equity Shares of ₹ 5 each		
No. of Shares	27,751,280	23,879,227
Amount(₹)	1,388	1,194
<b>Total Share Capital</b>	<b>1,388</b>	<b>1,194</b>

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

Particulars	Sunday, March 31, 2024		31-Mar-23	
	No. of Shares	Amount (₹ in Lacs)	No. of Shares	Amount (₹ in Lacs)
At the beginning of the period	23,879,227	1,194	21,943,200	1,097
Issued during the year	3,872,053	194	1,936,027	97
<b>Outstanding at the end of the period</b>	<b>27,751,280</b>	<b>1,388</b>	<b>23,879,227</b>	<b>1,194</b>

### 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	31-Mar-24		31-Mar-23	
	No. of Shares	% of Holding	No. of Shares	% of Holding
<b>A Promotor Group</b>				
Maheshbhai Jagjivandas Chandra	19,69,242	7.10%	19,69,242	8.25%
Jayantibhai Jagjivandas Chandra	14,52,752	5.23%	13,85,412	5.80%
Dharmendrabhai Jagjivandas Chandra	12,67,326	4.57%	12,67,326	5.31%
Harishbhai Jagjivandas Chandra	10,58,923	3.82%	11,64,786	4.88%
Bharat Jagjivandas Chandra	9,75,906	3.52%	9,75,906	4.09%
Manishaben Atulkumar Chandra	8,60,529	3.10%	9,32,220	3.90%
Ramaben Jamnadas Patel	-	0.00%	3,15,488	1.32%
Mahendrakumar Jamnadas Patel	2,77,848	1.00%	2,77,848	1.16%
Prfullaben Jayantibhai Chandra	1,05,800	0.38%	2,69,686	1.13%
Rekhaben Maheshbhai Chandra	2,55,300	0.92%	2,55,300	1.07%
Ushaben Dharmendrabhai Chandra	1,25,714	0.45%	2,44,274	1.02%



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

Particulars	31-Mar-24		31-Mar-23	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Vasantrai Kurjibhai Patel	2,28,000	0.82%	2,28,000	0.95%
Chetankumar Vasantrai Patel	2,20,536	0.79%	2,20,536	0.92%
Harshaben Harishbhai Chandra	2,11,800	0.76%	2,11,800	0.89%
Krunal J. Chandra	2,02,650	0.73%	2,02,650	0.85%
Manjulaben Vasantrai Patel	1,91,304	0.69%	1,91,304	0.80%
Ramaben Dayalal Patel	1,58,689	0.57%	1,61,504	0.68%
Hetal Alpesh Chandra	1,53,720	0.55%	1,53,720	0.64%
Alpesh Bharatbhai Chandra	1,46,160	0.53%	1,46,160	0.61%
Kapilaben Bharatbhai Chandra	1,41,504	0.51%	1,41,504	0.59%
Hiren Vasantrai Patel	1,38,960	0.50%	1,38,960	0.58%
Ashokkumar Jamnadas Patel	1,36,944	0.49%	1,36,944	0.57%
Anita Nirajbhai Chandra	1,31,000	0.47%	1,31,000	0.55%
Krishnaben Chetankumar Patel	1,27,368	0.46%	1,27,368	0.53%
Manishaben Mahendrakumar Patel	1,21,712	0.44%	1,21,712	0.51%
Minaben Ashokkumar Patel	1,21,712	0.44%	1,21,712	0.51%
Niraj Jayantibhai Chandra	1,05,118	0.38%	1,05,118	0.44%
Shivam Mahendra Patel	78,872	0.28%	-	0.00%
Vivek Ashokkumar Patel	78,872	0.28%	-	0.00%
Patel Ashokkumar Jamnadas HUF	78,872	0.28%	-	0.00%
Patel Mahendrakumar Jamnadas HUF	78,872	0.28%	-	0.00%
Khushbu Auto Pvt Ltd	6,56,565	2.37%	2,18,855	0.92%
<b>B Details of shareholders holding more than 5% shares in the company</b>				
Vijay Kedia	50,50,505	18.20%	16,83,502	7.05%
Maheshbhai Jagjivandas Chandra	19,69,242	7.10%	19,69,242	8.25%
Jayantibhai Jagjivandas Chandra	14,52,752	5.23%	13,85,412	5.80%

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

### NOTE - 16 OTHER EQUITY

Particulars	₹ in Lacs	
	31-Mar-24	31-Mar-23
<b>(a) Capital reserve</b>	174	174
<b>(b) Share Premium Account</b>		
Opening	4,215	478
Securities Premium on Issuance of Equity Share	7,473	3,737
<b>Closing</b>	<b>11,688</b>	<b>4,215</b>
<b>(c) General Reserve</b>	2,094	2,094
<b>(d) Share Forfeiture</b>	23	23
<b>(e) Equity Share Warrant</b>		
Opening	49	-
Issuance of Equity Share Warrant	-	73
Conversion of Equity Share Warrants to Equity Shares'	(49)	(24)
<b>Closing</b>	<b>-</b>	<b>49</b>
<b>(f) Security Premium On Share Warrant</b>		
Opening	1,868	-
Issuance of Equity Share Warrant	-	2,802
Conversion of Equity Share Warrants to Equity Shares'	(1,868)	(934)
<b>Closing</b>	<b>-</b>	<b>1,868</b>
<b>(g) Retained Earning</b>		
Balance at the beginning of the year	25,197	23,793
Total Comprehensive Income	847	402
Gain on deemed disposal	574	1,002
<b>Balance at the end of the year</b>	<b>26,618</b>	<b>25,197</b>
<b>Total Other Equity</b>	<b>40,597</b>	<b>33,620</b>

(₹ in Lacs)

## NOTE - 17 BORROWINGS

Particulars	31-Mar-24	31-Mar-23
<b>Long Term</b>		
Inter Corporate Deposits	-	-
EXIM - Term Loan	-	2,143
ICICI Bank Term Loan	669	436
IDFC First Bank - Term Loan	1,667	1,111
Participative Preference Shares	3,477	3,367
<b>Total Long Term</b>	<b>5,813</b>	<b>7,057</b>
<b>Short Term</b>		
Cash Credits	418	2,547
ICICI Bank Term Loan - Current Maturities	268	268
ICICI Bank - Working Capital Term Loan	93	216
ICICI Bank - Working Capital Demand Loan	1,500	500
YES Bank - Working Capital Demand Loan	4,500	3,875
IDFC First Bank - Working Capital Demand Loan	500	-
Inter corporate Deposit	-	500
EXIM - Term Loan	-	1,071
EXIM Bank WCTL	-	350
IDFC First Bank - Term Loan - Current Maturities	1,333	667
<b>Total Short Term</b>	<b>8,612</b>	<b>9,994</b>
<b>Total Borrowings</b>	<b>14,425</b>	<b>17,051</b>

### Terms & Conditions of EXIM Term Loan

- The company has part financed its Greenfield project at Bhayla Ahmedabad by way of sanction of Term Loan from EXIM Bank. The said loan is a Reimbursement basis Term Loan i.e, the company had to first spend its own funds on the project out of which 32.14% will be reimbursed by the Bank on capitalisation of the project.  
Further company had spent its own fund and reimbursement of 31% has been done by the bank "
- Term Loan is secured by First Charge on the entire movable and immovable fixed assets of AAL at plant at Bhayla, Ahmedabad, both present & future, Second pari passu charge on entire current assets of AAL, both present & future and personal guarantee of Mr Jayantibhai J Chandra and Mr Mahendrabhai J. Patel.
- Rate of Interest was 7.75% p.a. which was subject to reset at yearly basis and accordingly was revised to 8.75% p.a. for F.Y. 2022-23.
- Loan was repayable in 21 Equal Quarterly Instalments commencing from Oct-2022 as at March 2023 nine instalments are due.

### Terms and Conditions of IDFC First Bank Term Loan:

- The bank has sanctioned two different loans. For first loan tenure is 3 years + moratorium of 3 months and for another loan tenure is 3 years without any moratorium. Principle amount of both the loans are to be repaid in 36 Equal Instalments.
- Term Loan is secured by way of first pari passu charge on stock on hire purchase, instalments receivables and entire current assets of the borrower and corporate guarantee given by Atul Auto Limited, holding 100% equity share in the company.
- Interest rate for the first loan term loan is MCLR 3 Months +1.70% and for another loan it is MCLR 12 Months + 0.45%

### Terms & Conditions of Participative Preference Shares

- PPS shall be redeemable at the end of 5 years from the date of issue.
- Redemption price shall be the Book value on the latest audited/ limited review balance sheet on the date of redemption.
- The PPS shall carry fixed dividend at the rate of 0.001% per annum.
- In the event of declaration of dividend to Equity shareholders, the PPS holders shall be entitled to same rate of dividend.
- In the event of winding up of company, the PPS holders shall carry preferential right on distribution of assets.
- In the event of winding up of company, the PPS holders shall have preferential right with regard to repayment of capital over and above the equity shareholders.
- PPS holders shall not carry any voting rights."

### Terms and Conditions of ICICI Bank Term Loan:

- Tenure for the term loan is 6 years (including moratorium of 12 months. Principle amount of the facility shall be repaid in 20 Equal Instalments.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

2. Term Loan is secured exclusive charge on fixed assets of greenfield project (for setting up battery manufacturing facility at ahmedabad), Second pari passu charge on entire current assets of AGPL, both present & future and personal guarantee of Director of the company and Atul Auto Limited.
3. Interest rate for the term loan is MCLR 1Y+1.25%

### Terms & Conditions of Cash Credits

#### a. Yes Bank

Cash Credit facility is secured by way of first pari passu charge on stock on hire purchase, instalments receivables and entire current assets of the borrower and corporate guarantee given by Atul Auto Limited, holding 100% equity share in the company. It carries rate of interest @ external benchmark lending rate + 4.5% for the year ended on 31.03.2024 & external benchmark lending rate + 5.75% for year ended 31.03.2023.

#### b. ICICI Bank

Cash Credit facility is secured by way of first pari passu charge on stock on hire purchase, instalments receivables and entire current assets of the borrower and corporate guarantee given by Atul Auto Limited, holding 100% equity share in the company. It carries rate of interest @ Repo Rate + Spread of 4.10% for both years.

#### c. IDBI Bank

Cash Credit facility is secured by way of first pari passu charge on stock on hire purchase, instalments receivables and entire current assets of the borrower and corporate guarantee given by Atul Auto Limited, holding 100% equity share in the company. It is repayable on demand and carries rate of interest @ MCLR (Y) + 2.35% for both the years

#### d. IDFC First Bank

Cash Credit facility is secured by way of first pari passu charge on stock on hire purchase, instalments receivables and entire current assets of the borrower and corporate guarantee given by Atul Auto Limited, holding 100% equity share in the company. It is repayable on demand and carries interest rate of 6 months MCLR + 0.45% for year ended 31.03.2024 and 12 onths MCLR + 1.10% for year ended 31.03.2023

#### e. Working Capital on Demand Loan (WCDL)

WCDL is secured as per securities covered under cash credit. Rate of interest is to be decided at the time of draw down of WCDL and maximum tenure for repayment is 180 days.

### NOTE - 18 LEASE LIABILITIES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Non-current Lease Liability	10	15
Current Lease Liability	11	9
<b>Total Lease Liability</b>	<b>21</b>	<b>24</b>

### NOTE - 19 OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Non-Current</b>		
Security Deposits	192	206
Dealers' Deposit	685	582
	<b>877</b>	<b>788</b>
<b>Current</b>		
Unpaid Dividends	11	21
Security Deposits	4	2
Expenses Payable	861	675
Payable for Capital Goods	-	134
Other Payables	391	61
	<b>1,267</b>	<b>893</b>
<b>Total Other Financial Liabilities</b>	<b>2,144</b>	<b>1,681</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

## NOTE - 20 PROVISIONS

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
<b>Non - Current Provisions</b>		
Warranty Claim	40	23
Other Provisions	-	-
<b>Total Non - Current Provisions (A)</b>	<b>40</b>	<b>23</b>
<b>Current Provision</b>		
Provision for Employee Benefits		
Gratuity	188	89
<b>Sub-Total (a)</b>	<b>188</b>	<b>89</b>
<b>Other Provisions</b>		
Provision for After Sales Activities	110	86
Provision for P.D.I./Wrc Coupon Exp. Payable	18	10
Provision for Warranty Claims	72	250
Provision for Expected Credit Loss on Risk Sharing Arrangement	81	163
IDP Commission Provision	-	11
<b>Sub-Total (b)</b>	<b>281</b>	<b>520</b>
<b>Total Current Provisions (B)</b>	<b>469</b>	<b>609</b>
<b>Total Provisions (A+B)</b>	<b>509</b>	<b>632</b>

## NOTE - 21 OTHER NON CURRENT LIABILITIES

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
Sundry liabilities Account (Interest Capitalised)	74	83
Income Received in Advance	144	125
<b>Total other Non Current Liabilities</b>	<b>218</b>	<b>208</b>

## NOTE - 22 TRADE PAYABLES

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
Total outstanding dues of micro enterprises and small enterprises	1,739	1,455
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,219	3,255
<b>Total Trade Payables</b>	<b>3,958</b>	<b>4,710</b>

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

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
(i) (a) Principal amount remaining unpaid to any supplier	1,739	1,455
(i) (b) Interest on (i)(a) above	-	-
(ii) The amount of interest paid along with the principal payment made to the supplier	-	-
(iii) Amount of interest due and payable on delayed payments	-	-
(iv) Amount of further interest remaining due and payable for the earlier years	-	-
<b>(v) Total outstanding dues of Micro and Small Enterprises</b>		
Principal	1,739	1,455
Interest	-	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

### THE AGE WISE ANALYSIS OF THE TRADE PAYABLES AS PER SUB LEDGER IS GIVEN BELOW:-

(₹ in Lacs)

Particulars	31-Mar-2024				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	1,739	-	-	-	1,739
(ii) Others	2,212	2	2	3	2,219
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

(₹ in Lacs)

Particulars	31-Mar-2023				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	1,455	-	-	-	1,455
(ii) Others	3,244	5	3	3	3,255
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

### NOTE - 23 OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Statutory Dues Payable	724	578
Advance from delayers / Customers	455	693
Other Liabilities	2	-
Income Received in Advance	148	-
Current Tax Liability	55	72
<b>Total Other Current Liabilities</b>	<b>1,384</b>	<b>1,343</b>

### NOTE - 24 REVENUE FROM SALES OF PRODUCT & FINANCE BUSINESS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Sales of Vehicles</b>		
Domestic	40,642	39,082
Export (Including Merchant Export)	3,324	3,674
	<b>43,966</b>	<b>42,756</b>
<b>Sales of Spares</b>		
Domestic	3,510	3,285
Export (Including Merchant Export)	479	543
	<b>3,989</b>	<b>3,828</b>
<b>Total Revenue from Sale of Products (A)</b>	<b>47,955</b>	<b>46,584</b>
<b>Income from Financing Business (B)</b>	<b>3,871</b>	<b>3,876</b>
<b>Revenue from Sales &amp; Financing Business (A+B)</b>	<b>51,826</b>	<b>50,460</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

## NOTE 25 OTHER OPERATING INCOME

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Other Operating Revenue</b>		
Export Incentive	115	132
Freight Income	99	84
Royalty Income	259	322
Technical Service Income	23	39
Jobwork Income	2	1
Scrap Sale	30	20
Documentation and Subvention Income	328	201
Other Income	47	53
<b>Total Other Operating Revenue</b>	<b>903</b>	<b>852</b>
<b>Total Revenue From Operations (A+B+C)</b>	<b>52,729</b>	<b>51,312</b>

## NOTE - 26 OTHER INCOME

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Gain on Sale /Revaluation of Mutual Fund	65	38
Interest on Bank Fixed Deposit	17	3
Insurance Claim Income	1	5
Interest on Dealers' Outstanding	68	49
Interest on PGVCL Deposit	3	4
Insurance Commission Income	1	2
Interest Income on Income Tax Refund	17	14
Profit on Sale of Fixed Assets	34	-
Rent	1	30
Profit Sharing from Chola	-	4
Foreign Exchange Rate Difference	-	1
<b>Total Other Income</b>	<b>207</b>	<b>150</b>

## NOTE - 27 COST OF MATERIAL CONSUMED

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Consumption of Materials	37,677	36,089
Consumables	41	62
Direct Expenses (Purchase Expenses)	639	654
<b>Total Cost of Material Consumed</b>	<b>38,357</b>	<b>36,805</b>

## NOTE - 28 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Work in Progress</b>		
Opening Stock	15	64
Closing Stock	1,005	15
	<b>(990)</b>	<b>49</b>
<b>Finished Goods</b>		
Opening Stock	720	798
Closing Stock	865	720
	<b>(145)</b>	<b>78</b>
<b>Stock in Trade</b>		
Opening Stock	4	18
Closing Stock	4	4
	<b>-</b>	<b>14</b>
<b>Total Change in Inventories</b>	<b>(1,135)</b>	<b>141</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 29 EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
Salary, Wages & Bonus	4,820	4,183
Directors Remuneration	289	298
Contribution to Provident Fund and Gratuity	467	380
Staff Welfare Expenses	272	237
<b>Total Employee Benefit Expenses</b>	<b>5,848</b>	<b>5,098</b>

### NOTE - 30 FINANCE COST

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
<b>(A) Interest Cost</b>		
(i) On Bank Borrowings	1,055	1,152
(ii) <b>Other Interest</b>		
Interest on Income Tax	-	10
Interest on Dealer, IDP and Other Deposits	18	51
Interest on Lease Liability	3	2
Interest on ICD	37	148
<b>(B) Other Financial Expenses</b>		
Corporate Guarantee Fees	-	12
Premium on PPS	110	181
Other Financial Expenses	22	-
Loan Processing Fees & Expenses	42	53
Bank Charges	37	39
<b>Total Finance Cost</b>	<b>1,325</b>	<b>1,648</b>

### NOTE - 31 DEPRECIATION AND AMORTIZATION

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
Depreciation on Property, Plant and Equipment	1,624	1,517
Amortisation of Intangible Asset	168	13
Depreciation of Right to use Asset	12	16
Depreciation on Investment Property	4	4
<b>Total Depreciation &amp; Amortization</b>	<b>1,807</b>	<b>1,550</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024



## NOTE - 32 LOAN LOSSES AND PROVISIONS AND OTHER EXPENSES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>(A) Loans Losses and Provisions</b>		
Bad Debts	1,302	1,282
Impairment Allowance on Receivables from Financing activities	463	146
Other Provisions	-	3
<b>Sub-Total (A)</b>	<b>1,765</b>	<b>1,431</b>
<b>(B) Other Expenses</b>		
Advertising & Sales Promotion	384	494
Freight & Forwarding Expense	559	744
Expected Credit Loss on Finance Guarantee	(73)	142
Travelling & Conveyance	387	371
CSR Expenditure	10	23
Power & Fuel	494	422
Repairs to Others	174	176
Testing Expenses	110	106
Legal & Consultancy Charges	262	117
Product Development Expense	258	55
Warranty & After Sales Services	139	413
Other Expenses	200	155
Commission to Income Distribution Partners	187	230
Sourcing and Credit Cost	58	49
Office Admin Expenses	93	69
Recovery Cost	45	35
IT and Communication Cost	39	34
Other Administrative Expenses	7	16
Repairs to Machinery	117	224
Foreign Exchange Rate Difference	7	12
Insurance	63	46
Rates and Taxes	82	131
Communication Cost	22	20
Printing & Stationary	19	16
Rent	71	42
Windmill Operation Charges	12	12
Repairs to Buildings	127	23
Director's Sitting Fees	8	8
Payment to Auditor	23	21
Loss on Sales of Assets	1	-
Internal Audit Fees	12	5
<b>Sub- Total (B)</b>	<b>3,897</b>	<b>4,211</b>
<b>Total Loans Losses and Provisions and Other Expenses</b>	<b>5,662</b>	<b>5,642</b>

## PAYMENT TO AUDITOR INCLUDES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
For Audit Fees	20	19
For Limited Review	3	2
<b>Total Payment to Auditors</b>	<b>23</b>	<b>21</b>

## NOTE - 33 TAX EXPENSES

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Current Tax on Profits for the Year	230	173
Adjustment for Current Tax of Prior Periods	(13)	23
	<b>217</b>	<b>196</b>
Deferred Tax	147	69
<b>Total Tax Expenses</b>	<b>364</b>	<b>265</b>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

### NOTE - 34 EARNINGS PER SHARE

(₹ in Lacs, except No. of Shares)

Particulars	31-Mar-24	31-Mar-23
Net profit /(loss) as per statement of Profit & Loss	898	400
Weighted average number of shares outstanding during the year (Nos)	26,461,626	22,028,067
Earning per share (Basic & Diluted)	3.39	1.82
Face Value per Share in ₹	5	5

### NOTE - 35 CONTINGENT LIABILITIES NOT ACKNOWLEDGED AS DEBT

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>A. Disputed Liabilities*</b>		
Sales Tax	27	27
Excise Duty	1	1
Goods and Service Tax	90	-
Income Tax	61	88
Case Pending before Consumer Forum	55	55
Case filed for Infringement of copyright where company is one of the defendant	200	200
<b>B. Financial Guarantees</b>		
Financial Gaurantee given by parent for subsidiary to the bankers (Outstanding Recognized as liability of Group)	931	2,696
Financial Gaurantees in respect of loan given by finance company to end user - Amount outstanding	10,982	10,120
*[Show-cause notices received from various Government Agencies & pending formal demand notices have not been considered as contingent liabilities.]*[Show-cause notices received from various Government Agencies & pending formal demand notices have not been considered as contingent liabilities.]	-	-
<b>Total Contingent Liabilities</b>	<b>12,347</b>	<b>13,187</b>

### NOTE - 36 ESTIMATED AMOUNT OF CONTRACTS REMAINING TO BE EXECUTED ON CAPITAL ACCOUNTS AND NOT PROVIDED

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
For Purchase of Assets	810	518
<b>TOTAL</b>	<b>810</b>	<b>518</b>

### NOTE - 37 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
<b>Amount required to be spent by the company during the year,</b>	10	23
Amount of expenditure incurred,	10	54
Shortfall at the end of the year,	-	-
Excess Amount of expenditure Incurred	-	31
Total of previous years shortfall,	-	-
Reason for shortfall,	NA	NA
Nature of CSR activities	As below	As below
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Atul Chandra Charitable Trust	Atul Chandra Charitable Trust
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA
<b>Nature of CSR activities</b>		
Contribution to trusts/associations for education	-	-
Contribution to trusts/associations for national heritage and culture	-	-
Contribution to trusts/associations for promoting cleanliness	-	-
Contribution to trusts/associations for Disaster Management	-	-
Contribution to trusts/associations for promoting healthcare	-	-
Contribution to trusts/associations for Women Empowerment	-	-
Contribution to trusts/associations for Eradicating hunger, poverty	10	23
<b>CSR Expenditure</b>	10	23
Administrative Overheads for CSR activity	-	1
<b>Total CSR Expenditure</b>	<b>10</b>	<b>24</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

## NOTE - 38 EXCHANGE DIFFERENCE GAIN / (LOSS) RECOGNISED IN THE STATEMENT OF PROFIT & LOSS

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Relating to export during the year as a part of sales / other Income	6	6
On settlement of other transaction as part of other expenses & import	-	(3)
<b>Total Exchange Differences recognized in Statement of Profit &amp; Loss</b>	<b>6</b>	<b>3</b>

## NOTE - 39 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	31-Mar-24	31-Mar-23
<b>Amount Recognised in Balance Sheet</b>		
Present Value of funded defined benefit obligation	494	520
Fair Value of Plan Assets	(306)	(420)
<b>Net Funded Obligation</b>	<b>188</b>	<b>100</b>
<b>Expense Recognised in the statement of Profit &amp; Loss</b>		
Current Service Cost	50	47
Interest on net defined benefit liability /(assets)	6	3
<b>Total Expense Charged to Profit &amp; Loss</b>	<b>56</b>	<b>50</b>
<b>Amount recorded as other comprehensive income</b>		
Opening amount recognised in OCI outside profit & loss account	(62)	(59)
Remeasurements during the period due to	-	-
Actuarial (gain)/losses on obligation for the period	56	(4)
Actual return on plan assets less interest on plan assets	2	2
<b>Closing amount recognised in OCI outside profit &amp; loss account</b>	<b>(4)</b>	<b>(61)</b>
<b>Reconciliation of net liability/(assets)</b>		
Opening net defined benefit liability/(assets)	94	50
Expense charged to profit & loss account	56	50
Amount recognised outside profit & loss account	63	(4)
Employer contributions	(25)	-
<b>Closing net defined benefit liability/(assets)</b>	<b>188</b>	<b>96</b>
<b>Movement in benefit obligation</b>		
Opening of defined benefit obligation	520	497
Current Service Cost	50	47
Interest on defined benefit obligation	38	36
Past Service cost	-	-
<b>Remeasurements due to :-</b>		
Actuarial Loss /(gain) arising from change in financial assumptions	13	(14)
Actuarial Loss /(gain) arising on account of experience changes	46	8
Benefits paid	(171)	(54)
<b>Closing of Defined benefit obligation</b>	<b>496</b>	<b>521</b>
<b>Movement in Plan Assets</b>		
Opening Fair Value of Plan Assets	431	454
Employer contributions	25	0
Interest on plan assets	33	34
<b>Remeasurements due to :-</b>		
Actual return on plan assets less interest on plan assets	(7)	(2)
Benefits paid	(171)	(54)
<b>Closing fair value of plan assets</b>	<b>311</b>	<b>432</b>
<b>Disaggregation of Assets</b>		
<b>Category of Assets</b>		
Insurer managed funds	303	432
<b>Grand total</b>	<b>303</b>	<b>432</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

## Key actuarial assumptions

(₹ in Lacs)

Particulars	31-Mar-24		31-Mar-23	
Discount rate (p.a)	7.18%		7.52%	
Expected return on plan assets	7.52%		7.28%	
Rate of salary Increase	7.00%		7.00%	
Rate of employee turnover	for service upto 4 years 15% p.a. and Above 4 years 2% p.a. for all years			

## 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	31-Mar-24		31-Mar-23	
Projected Benefit Obligation on Current Assumptions	494		520	
Delta Effect of +0.5% Change in Rate of Discounting	13		(46)	
Delta Effect of -0.5% Change in Rate of Discounting	56		52	
Delta Effect of +1% Change in Rate of Salary Increase	75		78	
Delta Effect of -1% Change in Rate of Salary Increase	(3)		(66)	
Delta Effect of +5% Change in Rate of Employee Turnover	37		37	
Delta Effect of -5% Change in Rate of Employee Turnover	25		(30)	

## 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 ₹ 386 lacs (Previous year ₹309 lacs).

## NOTE - 40 DISCLOSURE OF TRANSACTION WITH RELATED PARTIES AS REQUIRED BY THE INDIAN ACCOUNTING STANDARD - 24

(₹ in Lacs)

Name of related party	Nature of transaction	31-Mar-24			31-Mar-23			
		Trans- actions	Closing Balance	Dr / CR	Trans- actions	Closing Balance	Dr / CR	
<b>Key management personnel and their relatives :-</b>								
Jayantibhai J Chandra	Chairman and Whole time Director	Short term Employee Benefits	104	4	Cr	129	7	Cr
Mahendra J Patel	Whole Time Director and Chief Financial Officer	Short term Employee Benefits	89	5	Cr	112	6	Cr
Niraj J Chandra	Managing Director	Short term Employee Benefits	100	6	Cr	62	2	Dr
Paras Viramgama	Company Secretary	Short term Employee Benefits	12	1	Cr	7	-	-
Gurudeo Madhukar Yadwadkar	Independent Director	Sitting Fees Paid to Non- Executive Directors	1	-	-	-	-	-
Vijay Kedia	Director	Sitting Fees Paid to Non- Executive Directors	1	-	-	1	-	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

(₹ in Lacs)

Name of related party	Nature of transaction	31-Mar-24			31-Mar-23			
		Trans- actions	Closing Balance	Dr / Cr	Trans- actions	Closing Balance	Dr / Cr	
Jitendra V Adhia	Director of Subsidiary Company	Short term Employee Benefits	95	6	Cr	86	5	Cr
Hiren Patel	Director of Subsidiary Company	Short term Employee Benefits	54	4	Cr	49	3	Cr
Aarti Juneja	Independent Director	Sitting Fees Paid to Non- Executive Directors	2	-	-	2	-	-
Mohan Jit Walia	Independent Director	Sitting Fees Paid to Non- Executive Directors	2	-	-	2	-	-
Jaichander Swaminathan	Independent Director	Sitting Fees Paid to Non- Executive Directors	2	-	-	2	-	-
Vijay Kumar Goel	Independent Director	Sitting Fees Paid to Non- Executive Directors	-	-	-	1	-	-
<b>Other entities :-</b>								
Atul Auto Industries	Entity owend and controlled by relatives of key managerial personal	Sale (Exclusive of Tax)	-	-	-	-	-	-
		Purchase of Raw Material Spares	255	1	Cr	419	2	Cr
		Purchase of Fixed Asset	-	-	-	1	-	-
		Warranty Claims/After Sales Service/PDI/WRC Charges/ Freight Charges	1	-	-	6	-	-
		<b>Total</b>	<b>256</b>	<b>1</b>	<b>Cr</b>	<b>426</b>	<b>2</b>	<b>Cr</b>
Atul Enterprise	Entity owend and controlled by relatives of key managerial personal	Purchase of Raw Material and spares	1	-	-	-	-	-
Atul Motors Private Limited	Entity owend and controlled by relatives of key managerial personal	Purchase of Fixed Asset	-	-	-	4	-	-
		Other Expenses	1	-	-	1	-	-
		<b>Total</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>
Khushbu Auto Private Limited	Entity owend and controlled by relatives of key managerial personal	Sales of Vehicles and Spares (Exclusive of Taxes)	4,849	565	Dr	3,150	-	-
		Warranty Claims/After Sales Service/PDI/WRC Charges	11	-	-	24	-	-
		Receipt of Lease/ Rent	1	-	-	-	-	-
		Discount on sales vehicle / Sales Promotion	-	-	-	33	-	-
		Interest on dealer deposit	-	-	-	-	-	-
		Purchase or repair or other related exp	-	-	-	-	-	-
		Dealer Deposit	-	3	Cr	1	3	Cr
		<b>Total</b>	<b>4,861</b>	<b>562</b>	<b>Dr</b>	<b>3,208</b>	<b>3</b>	<b>Cr</b>
Citizen Automobiles	Entity owend and controlled by relatives of key managerial personal	Sale (Exclusive of Tax)	-	-	-	2,117	1,123	Dr
		Sales Incentive and Sales promotion	-	-	-	50	-	-
		<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,167</b>	<b>1,123</b>	<b>Dr</b>
New Chandra Motor Cycle Agency	Entity owend and controlled by relatives of key managerial personal	Sale (Exclusive of Tax)	103	1	Dr	408	60	Dr
		Warranty Claims/After Sales Service/PDI/WRC Charges/ Lgo Meet Exp	2	-	-	2	-	-
		Interest Recover on Dealer Outstanding	2	-	-	-	-	-
		Debit Note for Freight & DMS	-	-	-	4	-	-
		<b>Total</b>	<b>107</b>	<b>1</b>	<b>Dr</b>	<b>414</b>	<b>60</b>	<b>Dr</b>
New Chandra Motor Cycle House	Entity owend and controlled by relatives of key managerial personal	Sale (Exclusive of Tax)	-	-	-	25	-	-
		Purchase of Raw Material Spares	4	1	Cr	4	-	-
		<b>Total</b>	<b>4</b>	<b>1</b>	<b>Cr</b>	<b>29</b>	<b>-</b>	<b>-</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

(₹ in Lacs)

Name of related party	Nature of transaction	31-Mar-24			31-Mar-23		
		Trans- actions	Closing Balance	Dr / CR	Trans- actions	Closing Balance	Dr / CR
Atul Motors Jam LLP	Entity owend and controlled by relatives of key managerial personal	26	-	-	-	-	-
	Purchase of Fixed Asset & other Expense						
	Vehicle Repairing Expenses	1	-	-	-	-	-
	<b>Total</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Atul Chandra Charitable Trust	Entity owend and controlled by relatives of key managerial personal	-	-	-	35	-	-
	CSR amount Spent through Implementing Agency						
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35</b>	<b>-</b>	<b>-</b>
<b>Atul Greentech Private Limited</b>							
Kedia Securities Private Limited	Entity owend and controlled by relatives of key managerial personal	-	-	-	2	-	-
	Interest on Inter Corporate Deposit						
	Inter Corporate Deposit	-	-	-	100	-	-
Vijay Kedia	Director	497	-	-	1,500	-	-
Gurbeer Singh	Chief Executive Officer (Upto October)	38	-	-	58	6	Cr.
Divya Chandra	Director	35	2	Cr.	16	1	Cr.
Pratik Vijay Kedia	Director	40	3	Cr.	3	3	Cr.
Yash Vora	Company Secretary	1	1	Cr.	-	-	-
Hiren Patel	Director	25	-	-	-	-	-
Kajal Hiren Patel	Relative of Key Managerial Person	25	-	-	-	-	-
<b>Atul Green Automotive Private Limited</b>							
Khushbu Auto Private Limited	Entity owend and controlled by relatives of key managerial personal	-	-	-	-	-	-
	Inter-Corporate Deposit Accepted						
	Inter-Corporate Deposit Repayment	-	-	-	41	-	-
	Interest on ICD	-	-	-	2	-	-
<b>Khushbu Auto Finance Limited</b>							
Khushbu Auto Private Limited	Entity owend and controlled by relatives of key managerial personal	27	-	-	98	-	-
	Interest Paid on the ICD						
	Inter Corporate Deposit	2,269	-	-	1,079	-	-
	Vehicle Repairing Expense	1	-	-	-	-	-
Atul Chandra Charitable Trust	Entity Owend and Controlled by Relatives of Key Managerial Personal	1	-	-	18	-	-
	CSR amount Spent through Implementing Agency						
Atul Automotives	Entity owend and controlled by relatives of key managerial personal	-	-	-	-	-	-
	Vehicle Repairing Expense						
New Chandra Motor Cycle agency	Entity owend and controlled by relatives of key managerial personal	-	-	-	1	-	-
	Subvention Income						
Aarti Juneja	Independent Director	1	-	-	-	-	-
	Sitting Fees Paid to Non-Executive Directors						
Anita N. Chandra	Chief Financial Officer	7	1	Cr.	7	1	Cr.
Bhartiben G. Ajudiya	Company Secretary	1	-	-	2	-	-
	Short Term Employee Benefit						
	Short Term Employee Benefit						

## NOTE - 41 FINANCIAL INSTRUMENTS

### a. Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern, while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements. The Company is currently utilizing term loan to meet long term requirements and have adequate sanctioned limits available to meet its short term capital requirements. The Company is not subject to any externally imposed capital requirements. The management of the Company reviews the capital structure of the Company on regular basis.

The following table summarises the capital of the Company:

Particulars	₹ in Lacs)	
	31-Mar-24	31-Mar-23
Equity Share Capital	1,388	1,194
Other Equity	40,597	33,620
<b>TOTAL EQUITY</b>	<b>41,985</b>	<b>34,814</b>
Term Loan	3,937	4,047
Participative Preference Shares	3,477	3,367
Working Capital Loan	7,011	7,988
<b>Total Debt</b>	<b>14,425</b>	<b>15,402</b>
Debt to Equity Ratio	34.36%	44.24%

**b. Category-wise classification for applicable financial assets**

Particulars	₹ in Lacs)	
	31-Mar-24	31-Mar-23
<b>Measured at fair value through Profit or Loss (FVTPL):</b>		
Investment in Mutual Fund	2,305	1,665
	<b>2,305</b>	<b>1,665</b>
<b>Measured at amortised cost:</b>		
Trade Receivable	5,010	2,903
Cash & Cash Equivalents	1,980	391
Loans to Staff	10	5
Receivable under Financing Activities	19,642	18,471
Balance in Unpaid Dividend	11	21
Investment in Fixed Deposits	235	145
Other Income Receivable	190	113
	<b>27,078</b>	<b>22,049</b>

**c. Category-wise classification for applicable financial liabilities**

Particulars	₹ in Lacs)	
	31-Mar-24	31-Mar-23
<b>Measured at amortised cost:</b>		
Term Loan	7,414	9,063
Working Capital Loan	7,011	7,988
Lease Liability	21	24
Trade Payable	3,958	4,710
Unpaid Dividend	11	21
Outstanding Expenses	1,252	563
Dealer's Deposits	685	582
	<b>20,352</b>	<b>22,951</b>

## NOTE - 42 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

(₹ in Lacs)

Particulars	31-Mar-24	31-Mar-23
Financial Investment at FVTPL		
Investment in Mutual Fund	2,305	1,665
Level -II	-	-
Level -III	-	-
<b>Total</b>	<b>2,305</b>	<b>1,665</b>

### 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 - 43 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	Sensitivity analysis	Maintaining lower level of leverage and negotiation with banker for interest rates

### Contractual maturities of significant Financial Liabilities as on 31 March 2024 & 31 March 2023:

#### Maturities of Financial Liabilities

Particulars	Less than & equal to 1 Year	More than 1 Year	Total
<b>As at March 31, 2024</b>			
Trade Payable	4,112	7	4,119
Other Financial Liabilities	-	-	-
Term Loan	-	-	-
Working Capital Loan	-	-	-
Lease Liabilities	-	-	-
	<b>4,112</b>	<b>7</b>	<b>4,119</b>
<b>As at March 31, 2023</b>			
Trade Payable	4,700	11	4,711
Other Financial Liabilities	2	-	2
Term Loan	-	-	-
Working Capital Loan	-	-	-
Lease Liabilities	-	-	-
	<b>4,702</b>	<b>11</b>	<b>4,713</b>

## 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 31<sup>st</sup> March, 2023 company's borrowing carries fixed interest rate hence, there will be no impact on the profitability of the company due to change in external benchmark interest rate.

## Market Risk :-

### Foreign Currency Risk

The Company operates, in addition to domestic markets, significantly in international markets through its exports and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$. Foreign exchange risk arises from highly probable forecast transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (₹).

## Open Exposure

**The Company's exposure to foreign currency risk at the end of the reporting period is as follows:**

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	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
Loss allowance at the beginning of the year	709	567
Addition in loss allowance during the year	(72)	142
<b>Loss allowance as at the end of the year</b>	<b>637</b>	<b>709</b>

## 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	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
Net working capital funds	10,511	3,600
Which includes;		
i. Cash & Cash Equivalents	1,980	391
ii. Current Investment	2,305	1,665



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

### Open Exposure

Particulars	(₹ in Lacs)	
	31-Mar-24	31-Mar-23
Receivable (Amount in USD)	2	2
Payable (Amount in USD)	-	-
Receivable (Amount in Euro)	-	-
Payable (Amount in Euro)	-	-

Particulars	Currency	Change in Rate	(₹ in Lacs)
			Effect on PBT/ Pre-Tax Equity
Year Ended March 31, 2024	US\$	+10%	15
	US\$	-10%	(15)
Year Ended March 31, 2024	Euro	+10%	13
	Euro	-10%	(13)
Year Ended March 31, 2023	US\$	+10%	15
	US\$	-10%	(15)
Year Ended March 31, 2023	Euro	+10%	13
	Euro	-10%	(13)

### NOTE - 44 OTHER REGULATORY NOTES

- The Title deeds of the immovable properties (other than Common Approach Road As referred to Note No 2 & other properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
- The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013), which are repayable on demand or without specifying any terms or period of repayments.
- No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- The Company has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company.
- The Company has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
- There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended 31<sup>st</sup> March 2022.
- All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended 31<sup>st</sup> March 2022.
- The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the ultimate beneficiary
- The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- The Company has not operated in any crypto currency or Virtual Currency transactions
- During the year the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

## NOTE - 45 RATIOS

Ratio	Numerator	Denominator	Numerator	Denominator	FY 23-24	Numerator	Denominator	FY 22-23	% of Variance
A. Current Ratio	Current Assets	Current Liabilities	26,211	15,700	1.67	21,157	17,557	1.21	38.54%
B. Debt-Equity Ratio	Borrowings + Interest Accrued	Total Equity	14,425	42,874	34%	17,051	34,814	49%	(31.30%)
C. Debt Service Coverage Ratio	Earnings for Debt Service = Net Profit after Taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + Other Adjustments like loss on sale of Fixed Assets etc.	Debt Service = Interest & Lease Payments + Principal Repayments	3,839	2,213	1.73	3,511	1,648	2.14	(18.97%)
D. Return on Equity Ratio	Net Profit After Taxes	Average Shareholder's Equity	707	39,047	1.81%	313	31,439	1.00%	81.92%
G. Trade Payables Turnover	Net Credit Purchases	Avg Trade Payables	38,610	6,313	6.12	44,319	7,570	5.85	4.53%
H. Net Capital Turnover Ratio	Net Sales	Avg Net Working Capital	51,826	7,056	7.35	50,460	2,797	18.04	(59.28%)
I. Net Profit Ratio	Net Profit	Revenue From operations	707	51,826	1.36%	313	50,460	0.62%	119.99%
J. Return on Capital Employed	Earning before interest & taxes	Capital Employed	2,396	57,299	4.18%	2,226	52,271	4.26%	(1.82%)
K. Return on Investment	{MV(T1) - MV(T0) - Sum [C(t)]}	{MV(T10) + Sum [W(t)* C(t)]}	64	971	6.60%	38	755	5.03%	31.09%

### Reasons for Variances :

During the year parent company has infused ₹ 5,750 and equity infusion of ₹ 3,250 in subsidiary company which is utilised for repayment of debt and working capital investement. This has resulted in improvement in current ratio, debt-equity ratio, Debt Service coverage ratio and Net Capital Turnover Ratio.

With the insfuion of Equity capital, utilization of borrowed funds has decreased, which has resulted in reduction in finance cost. Further there is also increase in revenue with the same set of assets hence margin from increase in revenue has contributed to profitability of the company. As a result of increase in profit, Return on Equity and Net profit has improved.

## NOTE - 46 SEGMENT REPORTING

Sr. No	Particulars	31-Mar-24	31-Mar-23
		(₹ in Lacs)	
<b>1</b>	<b>Segment Revenue</b>		
	A) Automobiles Business	48,519	47,235
	B) Non Banking Financial Business	4,210	4,077
	<b>Total Revenue from Operations</b>	<b>52,729</b>	<b>51,312</b>
<b>2</b>	<b>Segment Results</b>		
	Profit before tax and Interest		
	A) Automobiles Business	1,192	674
	B) Non Banking Financial Business	1,204	1,602
	<b>Total</b>	<b>2,396</b>	<b>2,276</b>
	Less: i) Finance Cost	1,325	1,648
	ii) Intersegment Profits/(Losses)	-	50
	<b>Profit Before Tax</b>	<b>1,071</b>	<b>578</b>
<b>3</b>	<b>Segment Assets</b>		
	A) Automobiles Business	44,757	41,519
	B) Non Banking Financial Business (Including investment of Automobile Business)	20,775	19,348
	<b>Segment Assets</b>	<b>65,532</b>	<b>60,867</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2024

Sr. No	Particulars	(₹ in Lacs)	
		31-Mar-24	31-Mar-23
<b>4</b>	<b>Segment Liabilities</b>		
	A) Automobiles Business	9,267	13,455
	B) Non Banking Financial Business	13,392	12,194
	<b>Segment Liabilities</b>	<b>22,659</b>	<b>25,649</b>

### NOTE - 47 OTHERS

Figures relating to corresponding/previous periods have been regrouped/reclassified wherever necessary to confirm to current period figures.

As per our report of even date

**FOR, Maharishi & Co.**

Chartered Accountants

FRN 124872W

**KAPIL SANGHVI**

Partner

Membership No. 141168

Signed at Bhayla (Dist. Ahmedabad) on May 17, 2024

UDIN : 24141168BKAGA9337

**For an on behalf of Board of Directors of  
ATUL AUTO LIMITED**

**NEERAJ J CHANDRA**

Managing Director

DIN : 00065159

**MAHENDRA J PATEL**

Whole-time Director & CFO

DIN : 00057735

**PARAS J. VIRAMGAMA**

Company Secretary & Compliance Officer

# FORM AOC-1

## STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES OR ASSOCIATE COMPANIES OR JOINT VENTURES

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

### Part A: Subsidiaries

(₹ In Lacs)

Sr. No.	Particulars	1	2	3
1	Name of the subsidiary	ATUL GREEN AUTOMOTIVE PRIVATE LIMITED (Incorporated on February 12, 2018)	ATUL GREENTECH PRIVATE LIMITED (Incorporated on January 28, 2020)	KHUSHBU AUTO FINANCE LIMITED (Become Wholly owned subsidiary on September 01, 2021)
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2024 (Same as Holding Company)	March 31, 2024 (Same as Holding Company)	March 31, 2024 (Same as Holding Company)
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable	Not Applicable	Not Applicable
4	Share capital	45	1,293	5,768
5	Reserves & surplus	10	3,022	5,199
6	Total assets	55	5,015	10,967
7	Total Liabilities	Nil	6,789	11,013
8	Investments	43	Nil	Nil
9	Turnover	Nil	1,454	4,278
10	Profit before taxation	3	-1,152	332
11	Provision for taxation	1	-196	-97
12	Profit after taxation	2	-956	235
13	Proposed Dividend	Nil	Nil	Nil
14	% of shareholding	100%	79.39%	100%

#### Notes:

- (i) Name of subsidiaries which are yet to commence operations - None  
(ii) Names of subsidiaries which have been liquidated or sold during the year - None

## Part B: Associates and Joint Ventures

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

<b>Sr. No.</b>	<b>Particular</b>	<b>1</b>
1	Name of the associate	None
2	Shares of Associate held by the company on the year end	
	(i) No.	--
	(ii) Amount of Investment in Associates	--
	(iii) Extend of Holding %	--
3	Description of how there is significant	--
4	Reason why the associate is not consolidated	--
5	Net worth attributable to Shareholding as per latest audited Balance Sheet (₹) (as per financial statement prepared in accordance with generally accepted accounting principles in India (Indian GAAP)	--
6	(i) Considered in Consolidation (As per financial statements are prepared in accordance with Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.	--
	(ii) Not Considered in Consolidation	--

### Notes:

- (i) Names of associates or joint ventures which are yet to commence operations – Not Applicable
- (ii) Names of associates or joint ventures which have been liquidated or sold during the year - Not Applicable
- (iii) The Company do not have any Associates or Joint Venture.

**Neeraj J Chandra**  
Managing Director  
DIN : 00065159

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

**Paras Viramgama**  
Company Secretary &  
Compliance Officer

Signed at Bhayla (Dist. Ahmedabad) on May 17, 2024

# NOTICE OF THIRTY SIXTH ANNUAL GENERAL MEETING



Notice is hereby given that the Thirty Sixth Annual General Meeting (AGM) of Members of Atul Auto Limited (CIN: L54100GJ1986PLC016999) will be held on Thursday, September 26, 2024 at 03:30 pm through Video Conference ("VC")/ Other Audio Visual Means ("OAVM") facility, to transact the following businesses:

## ORDINARY BUSINESS:

### 1. Consideration and adoption of the audited standalone financial statements of the Company for the financial year ended March 31, 2024 together with Board's Report thereon and Auditors' Reports thereto.

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

**"RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended March 31, 2024 and the Board's Report thereon and Auditors' Reports thereto, as circulated to the Members, be considered and adopted."

### 2. Consideration and adoption of the audited consolidated financial statements of the Company for the financial year ended March 31, 2024 and Auditors' Reports thereto.

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

**"RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2024 and Auditors' Reports thereto, as circulated to the Members, be considered and adopted."

### 3. Re-appointment of Shri Vijay Kishanlal Kedia (DIN: 00230480) as a Director retire by rotation.

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

**"RESOLVED THAT** Shri Vijay Kishanlal Kedia (DIN: 00230480), who retires by rotation and being eligible for re-appointment, be re-appointed as a Director of the Company."

## SPECIAL BUSINESS:

### 4. Appointment of Shri Ramesh Chandra Maheshwari (DIN: 09343538) as an Independent Director.

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

**"RESOLVED THAT** in pursuant to the provisions of Sections 149, 150, 152 and 160 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, as well as regulation 25(2A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including

any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Ramesh Chandra Maheshwari (DIN: 09343538) in respect of whom the Company has received a Notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of three years from August 11, 2024 to August 10, 2027."

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

### 5. Appointment of Smt. Honey Sethi (DIN: 10721537) as an Independent Director

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

**"RESOLVED THAT** in pursuant to the provisions of Sections 149, 150, 152 and 160 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, as well as regulation 25(2A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Smt. Honey Sethi (DIN:10721537) in respect of whom the Company has received a Notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of three years from August 11, 2024 to August 10, 2027."

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

**By order of the Board of Directors of**

**Atul Auto Limited**

**Paras J Viramgama**

**Company Secretary & Compliance Officer**

Signed at Bhayla (Dist. Ahmedabad) on August 10, 2024

## NOTES:

1. The Thirty Sixth Annual General Meeting ("AGM") of Members of Atul Auto Limited ("the Company") will be held through Video Conference ("VC")/ Other Audio Visual Means ("OAVM") in accordance/ as allowed by circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 28, 2022 and September 25, 2023 as issued by Ministry of Corporate Affairs ("MCA") and circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 issued by the Securities and Exchange Board of India (collectively referred to as 'AGM Circulars') without the physical presence of the Members at a common venue. In compliance with the provisions of the above MCA Circulars, the Companies Act, 2013 ("Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC/ OAVM on platform of National Securities Depositories Limited ("NSDL") for which detailed instructions are annexed to this Notice. Members attending the AGM through VC/OVAM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. Since the AGM will be held through VC/ OAVM, the route map is not provided.

2. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rules issued thereunder and the SEBI Listing Regulations, 2015, the business may be transacted through electronic voting system and the Company is providing facility for voting by electronic means ("e-voting") to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on closing of September 19, 2024 i.e. cut-off date only shall be entitled to avail the facility of remote e-voting. The members may cast their votes on electronic voting system from place other than the venue of the meeting ("remote e-voting"). The Members attending AGM through VC/ OAVM who have not cast their vote by remote e-voting shall be eligible to vote through the same system during AGM till 15 minutes after the AGM is over. The detailed instructions for e-voting (including remote e-voting) are annexed to this notice.

The remote e-voting period will commence at 9.00 AM (IST) on September 23, 2024 and will end at 5.00 PM (IST) on September 25, 2024. The remote e-voting module shall be disabled by NSDL for voting thereafter.

3. The deemed venue for thirty sixth AGM shall be the registered office of the Company at Survey No. 86, Plot No. 1 to 4, 8B National Highway, Near Microwave Tower, Shapar (Veraval), Dist. Rajkot, Gujarat, India 360024 for all secretarial compliance and other purpose.

4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence

the Proxy Form and Attendance Slip are not annexed to this Notice.

5. Corporate/ Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/ Institutional Members intending to authorize their representatives to participate and vote at the meeting are requested to upload necessary documents as per instructions for remote e-voting.
6. Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/OAVM and vote thereat.
7. An Explanatory Statement pursuant to Section 102(1) of the Act, in respect of businesses to be transacted at AGM, as set out under Item No(s). 4 and 5 above along with the relevant details of the Directors as required by Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("the SEBI Listing Regulations") and as required under Secretarial Standards - 2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed thereto.
8. The Board of Directors have considered and decided to include the Item No(s). 4 and 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 the Act and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Act and relevant documents referred to in this Notice of AGM and explanatory statement, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send a request email to [investorrelations@atulauto.co.in](mailto:investorrelations@atulauto.co.in)
10. The Register of Members and Share Transfer Books of the Company shall remain closed from September 20, 2024 to September 26, 2024 (both days inclusive) for the purpose of AGM.
11. In compliance with the AGM Circulars as referred above, Notice of the AGM along with the Annual Report 2023-24 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 2023-24 are available on the website of the Company at [www.atulauto.co.in/annual-reports.aspx](http://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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The Company's web-link as mentioned above will also be provided in advertisement being published in the newspapers.
12. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.



13. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ Folio Number, PAN, Contact Number at [investorrelations@atulauto.co.in](mailto:investorrelations@atulauto.co.in) till September 23, 2024. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
14. Member may also send their query in writing to [investorrelations@atulauto.co.in](mailto:investorrelations@atulauto.co.in) on or before September 23, 2024, mentioning their name, DP ID and Client ID/ Folio Number, PAN, Contact Number etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting. Members can also post their questions during AGM through active chat-board, which is available in the VC/OAVM Facility.
15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before September 23, 2024 through email on [investorrelations@atulauto.co.in](mailto:investorrelations@atulauto.co.in). The same will be replied by the Company suitably.
16. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in physical form who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the website of the Company at <https://atulauto.co.in/kyc-update.aspx> and is also available on the website of the RTA at <https://liiplweb.linkintime.co.in/KYC-downloads.html> whilst those Members holding shares in demat mode should file their nomination with their Depository Participant.
17. KYC Update: Members are requested to update/ intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, specimen Signature, Nomination bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,
  - For shares held in electronic form: to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA to provide efficient and better service to the Members.
  - The SEBI has, vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 and subsequent Circulars issued in this regard, mandated to furnish PAN, KYC details (i.e. full address with pin code, mobile no., email id, bank details) and Nomination details by holders of physical securities through various prescribed Forms. To mitigate unintended challenges on account of freezing of folios, SEBI has, vide its Circular dated November 17, 2023,

done away with the provision regarding freezing of folios that have not registered their PAN, KYC and Nomination details.

Further, SEBI vide its Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024 mandated that the security holders holding securities in physical form shall be eligible for receipt of any payment including dividend, interest or redemption payment as well as to lodge grievance or avail any service request from the RTA even if 'choice of nomination' is not submitted by these security holders. The investor service requests forms for updating said details viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 are available on the Company's website at <https://atulauto.co.in/kyc-update.aspx> and the website of the Registrar and Share Transfer Agent of the Company at <https://liiplweb.linkintime.co.in/KYC-downloads.html> It may be noted that any service request or complaint can be processed only after the folio is KYC compliant.

SEBI has mandated that w.e.f. April 01, 2024, dividend shall be paid only through electronic mode to Members holding shares in physical form if the folio is KYC compliant. In view of the above, we urge the shareholders to submit the Investor Service Request forms along with the supporting documents at the earliest. The Company has sent individual letters to the Members holding shares in physical form for furnishing their PAN, KYC and Nomination details. Members holding shares of the Company in physical form are requested to go through the requirements on the website of the Company at <https://atulauto.co.in/kyc-update.aspx> to furnish the abovementioned details to the Registrar and Share Transfer Agents of the Company i.e. Link Intime India Private Limited.

- Members are requested to note that in line with SEBI Circular dated March 16, 2023, RTA will accept only operative PAN (those linked with Aadhar) with effect from June 30, 2023 or such other date as may be notified by Central Board of Direct Taxes (CBDT). Those folios in which PAN is not linked with Aadhar subsequent to the due date, shall be frozen by the RTA.
- Members may note that with effect from April 1, 2024, the Company will not be able to pay dividend, in respect of frozen folios until the complete details as required including bank account details are furnished to the RTA. Further, from December 31, 2025 or such due date as may be notified by the Authority, the RTA is required to refer the details of the frozen folios to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988 and/ or Prevention of Money Laundering Act, 2002.
- Considering the aforementioned restrictions, Members whose details are not updated with the RTA are urged to immediately register their details with the RTA in Form ISR-1. Any clarifications in this regard may be addressed to the RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)
- SEBI vide its Circular dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/



- exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the Company's website at <https://atulauto.co.in/kyc-update.aspx> and is also available on the website of the RTA at <https://liiplweb.linkintime.co.in/KYC-downloads.html> It may be noted that any service request can be processed only after the folio is KYC Compliant.
18. SEBI has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. The SEBI vide Circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated 31 July 2023 (updated as on August 04, 2023) has specified that a shareholder shall first take up his/her/their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/she/they can initiate dispute resolution through the ODR Portal, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) Shareholders are requested to take note of the same.
  19. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form through your DP. Members can contact the Company Secretary or Link Intime India Private Limited, Company's Registrar and Share Transfer Agents ("RTA") for assistance in this regard.
  20. 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](mailto: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.
  21. 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.
  22. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Company's RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
  23. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
  24. Non-Resident Indian Members are requested to inform the Company's RTA immediately of:
    - a) Change in their residential status on return to India for permanent settlement.
    - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
  25. In terms of section 124(5) of the Act, the dividend amount remaining unclaimed for a period of 7 (seven) consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Further, in terms of section 124(6) of the Act, in case of such shareholders whose dividends are unpaid for a continuous period of seven years, the corresponding shares shall be transferred to the IEPF demat account. Members who have not claimed dividends are requested to approach the Company or RTA for claiming the same as early as possible, to avoid transfer of the relevant shares to the IEPF demat account. The details of unclaimed dividend is uploaded on website of the Company <https://atulauto.co.in/unclaimed-dividend.aspx>
  26. The Board of Directors has appointed Shri Hardik Hudda (ICSI Membership No.: A39621, CP No: 14697), Practicing Company Secretary as the Scrutinizer to scrutinize e-voting process in a fair and transparent manner.
  27. The results shall be declared within two working days from conclusion of the Meeting. The results declared along with the Scrutiniser's Report will be placed on the website of the Company at <https://atulauto.co.in/announcements.aspx> and the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the results are declared and will simultaneously be forwarded to BSE Limited and National Stock Exchange of India Limited, where equity shares of the Company are listed and shall be displayed at the Registered Office of the Company.
  28. For more details on shareholders' matters, please refer to the chapter on General Shareholder Information, included in the Annual Report.
  29. Instructions for e-voting and attending the AGM through VC/ OAVM are annexed to this Notice.



## INSTRUCTIONS IN RESPECT TO E-VOTING

The remote e-voting period **begins on September 23, 2024 at 09:00 A.M. and ends on September 25, 2024 at 05:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 19, 2024, may cast their votes electronically.

The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date being September 19, 2024.

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

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

#### Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Login method for Individual shareholders holding securities in demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911

- B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
  - Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
- Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

**Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical**

**Your User ID is:**

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



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

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and

whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

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

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [investorrelations@atulauto.co.in](mailto:investorrelations@atulauto.co.in)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investorrelations@atulauto.co.in](mailto:investorrelations@atulauto.co.in). If you are an Individual

shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM 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 system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.



## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ('THE ACT')

As required under Section 102 of the Act, the following Explanatory Statement sets out all material facts relating to the businesses mentioned under Item Nos. 4 and 5 of the accompanying notice.

### Item No. 4:

The Board of Directors on the recommendation of Nomination and Remuneration Committee, appointed Shri Ramesh Chandra Maheshwari (DIN: 09343538) as an Additional Director effective from August 11, 2024 who can hold office upto the date of forthcoming AGM. The Board proposed to shareholders the appointment of Shri R C Maheshwari (DIN: 09343538), as an Independent Director for a term of three years from August 11, 2024 to August 10, 2027.

Shri R C Maheshwari, being eligible in terms of Section 149 and other applicable provisions of the Companies Act, 2013, offers himself for appointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The Company has received a declaration from him that he meets the criteria of independence as prescribed under subsection (6) of Section 149 of the Act and under the SEBI Listing Regulations. A Notice has been received from a member proposing him as a candidate for the office of Director of the Company. The Committee and Board finds that he possesses the skills and capabilities required for the role and meets such requirements being experience in Automobile industry. It is proposed to appoint him as an Independent Director for a term of three years from August 11, 2024 to August 10, 2027. The remuneration to him in form of sitting fees shall be governed by the Remuneration Policy of the Company.

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

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

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

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

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

### Item No. 5:

The Board of Directors on the recommendation of the Nomination and Remuneration Committee, appointed Smt. Honey Sethi (DIN: 10721537) as an Additional Director effective from August 11, 2024 who can hold office upto the date of forthcoming AGM. The Board proposed to shareholders the appointment of Smt. Honey Sethi (DIN: 10721537), as an Independent Director for a term of three years from August 11, 2024 to August 10, 2027.

Smt. Honey Sethi, being eligible in terms of Section 149 and other applicable provisions of the Companies Act, 2013, offers herself for appointment. She is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The Company has received a declaration from her that she meets the criteria of independence as prescribed under subsection (6) of Section 149 of the Act and under the SEBI Listing Regulations. A Notice has been received from a member proposing her as a candidate for the office of Director of the Company. The Committee and Board finds that she possesses the skills and capabilities required for the role and meets such requirements being experience in finance/ audit domain. It is proposed to appoint her as an Independent Director for three years from August 11, 2024 to August 10, 2027. The remuneration to her in form of sitting fees shall be governed by the Remuneration Policy of the Company.

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

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

She does not hold by herself or together with her relatives two percent or more of the total voting power of the Company.

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

Accordingly, the Board is of the view that her association will be beneficial to the Company and the Board recommends the resolution in Item No. 5 in relation to appointment of Smt. Honey Sethi as an Independent Director for a term of three years for the approval of the members as a Special Resolution.

## PROFILE OF DIRECTORS BEING APPOINTED/ RE-APPOINTED

Name of Director	Vijay K Kedia	Ramesh Chandra Maheshwari	Honey Sethi
<b>DIN</b>	00230480	09343538	10721537
<b>Date of Birth</b>	04/11/1959	30/09/1953	24/01/1988
<b>Date of Appointment/ Re-appointment</b>	Retiring by rotation at this AGM	11/08/2024	11/08/2024
<b>Date of First Appointment on the Board</b>	31/01/2009	11/08/2024	11/08/2024
<b>Brief Profile and Expertise in specific functional Area</b>	Dr. Vijay Kedia is an ace investor in the stock market having experience of more than three decades. He born and brought up in Kolkata, joined stock market with zero capital. He has identified many multi-baggers in his investing career. He is expert in capital market, assessing business viability, strategies to lead the business and others as mentioned in Report on Corporate Governance.	Shri R C Maheshwari has completed his Bachelor's degree in Mechanical Engineering from Birla Institute of Technology and Science, Pilani (BITS Pilani). He had retired from Bajaj Auto Limited in June 2020 as the President - Intracity Vehicle Business after 45 years of experience which includes 35 years in Leadership Position across Bajaj Auto, Tafe Motors and Tractors and Eicher Group. He was associated with various Industrial federations including as a Chairman of CII- Himachal Pradesh, TQM Committee and Industrial Relations Committee CII of Northern Region and Himachal Pradesh Productivity Council, and was member of SIAM executive Committee as an alternate member for nine years.	Smt. Honey Sethi is a qualified Chartered Accountant and Company Secretary by profession having experience of more than a decade in the field of financial planning, budgeting and forecasting, Statutory audit, Tax audit, Financial Analysis and Reporting, compliance with GST laws and Transfer Pricing rules and methods. Currently she is engaged as FP & A (Financial Planning and Analysis) with Dneg India Private Limited, Mumbai (subsidiary of Prime Focus Limited)
<b>Academic Qualification</b>	B.Com. Ph. D.	BE (Mech) from BITS Pilani, 1974 (Gold Medalist)	CA, CS and Commerce Graduate (Honours)
<b>Name of other Companies in which he holds Directorship</b>	Shalby Limited, Greenline Tea & Exports Limited, Cheers Consumer Products Limited	Revent Metalcast Limited Revent Precision Engineering Limited	Nil
<b>Name of other companies in which he holds Chairmanship/ Membership of Committees of Board</b>	Nil	Nil	Nil
<b>Details of listed entities from which Director resigned during last three years</b>	None	None	None
<b>No. of Board Meetings attended during FY 2023-24</b>	Five	Not Applicable	Not Applicable
<b>No. of Shares held in Atul Auto Limited as on date of Notice</b>	50,50,505	Nil	Nil
<b>Relationship with other directors</b>	None	None	None







**ATUL AUTO LIMITED**

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**CIN:** L54100GJ1986PLC016999