

**ANNUAL REPORT  
AND ACCOUNTS FOR  
THE YEAR  
ENDED 31<sup>ST</sup> MARCH 2021**



**MILTON CYCLE INDUSTRIES LTD. SONIPAT**



Board of directors

Directors

Vinod Buber (DIN : 09487600)

Ashok Kumar Sharma ( DIN : 09345579)

Om Parkash Sharma ( DIN : 08777647)

Registered office

Milton premises, industrial area,  
Sonepat -131001 (Haryana)

Bankers

Punjab National Bank

Auditors

Mehra khanna & co.  
Chartered accountants  
1591, 3rd floor,  
Qutram lines,  
Kingsway camp,  
Delhi-110009

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## NOTICE FOR ANNUAL GENERAL MEETING

**NOTICE** is hereby given that Sixty First (61<sup>st</sup>) Annual General Meeting of the members of **Milton Cycles Industries Limited** will be held on Friday the 12<sup>th</sup> August, 2022 at 11.00 A.M. at Milton Premises, Industrial area, Sonapat-131001 to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt Audited Balance Sheet, Profit & Loss Account and Cash Flow Statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon.

### **SPECIAL BUSINESS**

#### **2. Regularization of Additional Director**

To consider & thought fit, to pass with or without modification(s) the following resolution as ordinary resolution for regularization of Additional Director.

“**RESOLVED THAT** pursuant to the provisions of Section 160,161 and other applicable provisions if any, of the Companies Act 2013 Mr. Vinod Buber (DIN: 09487600) who has been appointed as the Additional Director in the meeting of Board Of Directors held on 4<sup>th</sup>October, 2021 & whose term expires on 61<sup>st</sup> Annual General meeting of the Company be and is hereby appointed as director for a period of one (1) years i.e. till the conclusion of 62<sup>nd</sup> Annual General Meeting of the Company and shall be eligible for retire by rotation as per section 152 of companies act, 2013.”

#### **3. Regularization of Additional Director**

To consider & thought fit, to pass with or without modification(s) the following resolution as special resolution for regularization of Additional Director.

“**RESOLVED THAT** pursuant to the provisions of Section 160,161 and other applicable provisions if any, of the Companies Act 2013 Mr. Ashok Kumar Sharma (DIN: 09345579) who has been appointed as the Additional Director in the meeting of Board Of Directors held on 4<sup>th</sup>October, 2021 & whose term expires on 61<sup>st</sup>Annual General meeting of the Company be and is hereby appointed as an Independent director for a period of Five (5) years i.e. till the conclusion of 66<sup>th</sup> Annual General Meeting of the Company.”



**NOTES:**

1. **ANY MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The instrument appointing the proxy (enclosed hereto) in order to be effective must be deposited (duly completed, stamped and signed) at the registered office of the company not less than forty-eight (48) hours before the commencement of the meeting.

2. Corporate Member(s) intending to send their authorized representative(s) to attend the Meeting are requested to send duly certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Member(s)/Proxies/Authorized Representatives are requested to bring the enclosed attendance slip duly filled in and signed for attending the meeting.
4. A Proxy form shall be in Form No.MGT 11 pursuant to section 105(6) of the Companies Act 2013 read with rule 19(3) of the Companies (Management and Administration) Rules, 2014.
5. In case of joint holders, only such joint holder who is named first in the order will be entitled to vote.
6. Pursuant to Section 72 of the Companies Act, 2013, member(s) of the Company may nominate a person in whom the shares held by him/them shall vest in the event of his/ their unfortunate death. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company.
7. Members are requested to kindly bring their copies of the Report to the meeting.
8. Duly completed valid application for transfer of shares received in order at the registered office of the Company on or before 25<sup>th</sup> July, 2022 will be registered in time for transferees.
9. Members may get any change in their addresses/their mandates registered with the Company on or before 25<sup>th</sup> July, 2022.
10. Members may note that no gifts, gift coupons, or cash in lieu of gifts shall be distributed to Members at or in connection with the Meeting.
11. All document referred to in the accompanying notice and the explanatory statement shall be open for inspection at the registered office of the companies during normal business hours (9.30am to 5.00pm) on all working days except Saturdays, upto and including the date of the 61<sup>st</sup> AGM of the Company.

**By Order of the Board  
for Milton Cycle Industries Limited**

**(Om Parkash Sharma)  
DIRECTOR**

**Sonipat  
Dated:4<sup>th</sup> July, 2022**



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF  
THE COMPANIES ACT, 2013**

**ITEM NO. 2 Regularization the position of Mr. Vinod Buber,  
Additional Director with the position of Director:**

Mr. Vinod Buber was appointed as an Additional Director of the Company by passing Board Resolution in the Board meeting held on 04<sup>th</sup> February, 2022 and eligible for regularization of Additional Director. Accordingly, the Board recommends the ordinary resolution in relation to appointment of Mr. Vinod Buber as a Director, retire by rotation, for the approval by the shareholders of the Company.

Mr. Vinod Buber is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.



**ITEM NO. 3 Regularization of Mr. Ashok Kumar, Additional Director with the position of Independent Director:**

Mr. Ashok Kumar was appointed as an Additional Director of the Company by passing Board Resolution in the Board meeting held on 04<sup>th</sup> October, 2021 and eligible for regularisations of Additional Director. Accordingly, the Board recommends the special resolution in relation to appointment of Mr. Ashok Kumar as an Independent Director, for the approval by the shareholders of the Company.

Mr. Ashok Kumar is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as an Independent Director.

**By Order of the Board  
for Milton Cycle Industries Limited**

**(Om Parkash Sharma)  
DIRECTOR**

**Sonipat  
Dated:4<sup>th</sup> July, 2022**



## DIRECTOR'S REPORT

To,  
The Members,

Your Directors have pleasure in presenting their Sixty one Annual Report together with the audited accounts of the company for the year ended 31<sup>st</sup> March, 2021.

### **1. Financial summary or highlights/performance of the Company: -**

Particulars	2020-21	2019-20
Gross Income	21,25,07,997	94,12,18,563
Profit Before Interest and Depreciation	(51,31,436)	45,703,340
Finance Charges	23,47,826	65,61,295
Depreciation	74,62,226	84,55,518
Net Profit Before Tax	(1,49,41,488)	3,06,86,527
Provision for Tax/Current Tax	-	63,00,000
Net Profit After Tax	(1,02,54,870)	2,47,18,724
Balance of Profit brought forward	(1,02,54,870)	2,47,18,724
Balance available for appropriation	-	-
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to General Reserve	-	-
Surplus carried to Balance Sheet	(1,02,54,870)	2,47,18,724

### **2. STATE OF COMPANY AFFAIRS**

The net profit for the year under review is Rs.(1,02,54,870)as against Rs. 2,47,18,724 in the previous year. Depreciation amounting to Rs. 74,62,226 has been charged during the year as compared to Rs. 84,55,518 made during previous year.

### **3 SHARE CAPITAL**

The paid-up Equity Share Capital as at 31<sup>st</sup> March 2021 stood at Rs 42,00,000/- i.e. 4,20,000 Equity Shares of Rs 10 Each. During the year under review, the Company has not issued any shares with differential voting rights nor has granted any stock options or sweat equity. As on 31<sup>st</sup> March 2021, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

### **4. Change in the nature of business, if any**

There were no changes in the nature of business during the financial year of the company.

### **5. Dividend**

In order to conserve the resources of the company , Yours Directors regret their inability to recommend any dividend on Equity Shares for the year ended 31<sup>st</sup> March 2021.

### **6. Reserves**

The company does not transfer any amount to General Reserve of the company.

### **7. Directors and Key Managerial Personnel**

Mr. Sanjiv Khera was appointed as an Additional Director and subsequently whole time director of the Company on 13<sup>th</sup> August, 2021. He has resigned from directorship on 28.02.2022.

Mr. Ashok Kumar Sharma was appointed as an Additional Director of the Company in the Board meeting held on 04<sup>th</sup> October, 2021. He has been proposed to be appointed as independent director for a period of 5 year subject to confirmation by the shareholders of the company in the ensuing AGM of the company.

Mr. Vinod Buber was appointed as an Additional Director of the Company in the Board meeting held on 04<sup>th</sup> February, 2022. He has been proposed to be appointed as a director with retire by rotation basis and subject to confirmation by shareholders in the ensuing AGM of the company.

### **Declaration by Independent Directors**

All Independent Directors have given declarations to the effect that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 read with Regulation 16 of SEBI (Listing obligations and Disclosures Requirements), Regulations 2015. In the opinion of the Board, Independent Directors fulfill the conditions specified in the Act, Rules made there under and Listing Regulations.

### **8. Particulars of Employees**

During the year no employee was in receipt of the remuneration of Rs 102, 00,000 (One crore Two Lakh) per annum or more or Rs 8,50,000 per month or more. as per Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.



#### 9. Meetings

During the year six Board Meetings were convened and six resolutions were passed by the circulation. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 & details of meetings held during the year are given below:

No. of Board meeting	Date of board Meeting
1 <sup>st</sup> Board meeting	03.07.2020
2 <sup>nd</sup> Board meeting	06.07.2020
3 <sup>rd</sup> Board meeting	31.08.2020
4 <sup>th</sup> Board meeting	02.09.2020
5 <sup>th</sup> Board meeting	10.12.2020
6 <sup>th</sup> Board meeting	18.03.2021

\*Meeting of Independent Directors was held on 18.03.2021

#### 10. Closure of production of the factory

The company has declared suspension of production in the factory on 30.04.2021 and stopped the production of cycles and other items from this date.

#### 11 Declaration by an Independent Director(s) and re- appointment, if any

Declarations have been given by Independent Directors i.e. Mr. Om prakash Sharma that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

#### 12. STATUTORY AUDITORS AND AUDITORS' REPORT

The shareholders of the company had approved appointment of M/s Mehra Khanna & Co., Chartered Accountants (ICAI Firm Registration No. 001141N in its 60<sup>th</sup> Annual General Meeting of the company for a term of five years to hold office till 65<sup>th</sup> Annual General Meeting of the company, at such remuneration and out of pocket expenses, as may be approved by the Board of Directors of the Company."

The Auditors' Report read together with Annexure referred to in Auditors report does not contain any qualification, reservation. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

#### 13. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

#### 14. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

No Orders have been passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

#### 15. Particulars of loans, guarantees or investments under section 186

Company has made loans, guarantees or investments under section 186 of Companies Act, 2013 during the year 2020-21& complied with the provisions of the Act.

#### 16. Particulars of contracts or arrangements with related parties

All contracts or arrangements and transaction entered by the Company with related parties during financial year 2020-2021 were in ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus, disclosure in form AOC-2 is not required.





**17. Obligation of company under the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

Employees at all levels are assured of a work free of harassment irrespective of their gender, race, social class, caste and religion, place of origin or economic status. The employees have the right to work in an environment free from any form of discrimination and conduct which can be considered harassing, coercive, or disruptive particularly behavior that tantamount to sexual harassment.

In view of above, the Company has adopted a policy on the prevention of sexual harassment at workplace. The company did not receive any complaint during the period 2020-2021.

**18. Conservation of energy**

Following steps have been taken for conservation of energy: -

1. Electronic tubes have been installed resulted in energy saving.
2. Replacement of power capacitors to increase power factor.

**19. Technology Absorption**

1. Chrome plating tank has been installed in Rim Plating plant for improvement of productivity.
2. Rejections in Fork were controlled by increasing the column length.

**20. Foreign Exchange earnings and Outgo**

Total foreign exchange earned during the year (actual inflow): NIL

Total foreign exchange used during the year (actual outflow):NIL

**21. Human Resources**

Our Company treats its "human resources" as one of its most important assets. Our Company continuously invests in attraction, retention and development of talent on an ongoing basis. Our Company thrust is on the promotion of talent internally through job rotation and job enlargement.

**22. Directors' Responsibility Statement**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, directors hereby confirm that—

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) The directors had taken proper and sufficient care 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) The directors had prepared the annual accounts on a going concern basis; and
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



### **23. Business Risk Management:**

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps 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 risks and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board.

### **24. Corporate Social Responsibility**

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

### **25. Transfer of Amounts to Investor Education and Protection Fund**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

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

The Company does not have any associate company and joint ventures. There are no companies which have become or ceased to be subsidiary companies, associates or joint ventures during the year.

### **27. INTERNAL FINANCIAL CONTROLS**

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

### **28. Acknowledgements**

Your Directors also wish to convey their sincere appreciation of the services rendered by all ranks of officers, staff and workers. They wish to thank the Company's esteemed shareholders for their continued support.

Finally, the company would also like to acknowledge the valuable co-operation and continued assistance it has received all along, both from State Government of Haryana and the Central Government and the Company's bankers.

**For and on behalf of the Board of Directors**

OM PARKASH SHARMA  
(Director)  
DIN: 08777647

Date: 4<sup>th</sup> July, 2022  
Place: Sonapat



**Independent Auditor's Report  
To the Members of MILTON CYCLE INDUSTRIES LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of MILTON CYCLE INDUSTRIES LIMITED ('the Company'), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information. ("Financial statements")

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and its loss and its Cash Flows for the year ended on that date.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including cash flows of the Company in accordance with the Accounting Standards(AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India.

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of the written representations received from the directors of the company as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. Following litigations are pending against the Company which would impact its financial position. The Company has delayed payment to suppliers including MSME resulting 27 MSME and 1 No of suppliers has filed cases against company in various MSME Council and NCLT for recovery of their outstanding dues. Total amount for recovery suits filed against company is Rs 9,56,91,263. This Amount already included in creditors. However, Company has not provided interest claimed on these claims for Rs 1,29,12,066 but interest Claimed by suppliers is shown as contingent liability.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

*for* **MEHRA KHANNA & CO.**  
*Chartered Accountants*  
Firm's registration number: 001141N

CA RAJIV BHASIN  
*Partner*  
Membership number: 093845  
UDIN : 22093845AMHXGR6376

Date: 04.07.2022  
Place: Sonipat



## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report to the Members of Milton Cycle Industries Limited of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **MILTON CYCLE INDUSTRIES LIMITED** (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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. 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Limitations of Internal Financial Controls over Financial Reporting**

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

*for* **MEHRA KHANNA & CO.**

*Chartered Accountants*

Firm's registration number: 001141N

**CA RAJIV BHASIN**

*Partner*

Membership number: 093845

UDIN : 22093845AMHXGR6376

Date: 04.07.2022

Place: Sonipat



## **Annexure "B" to the Independent Auditors' Report**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MILTON CYCLE INDUSTRIES LIMITED of even date)**

- i. In respect of the company's Fixed Assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company.
- ii. In respect of Company's Inventory:
  - a) The management has conducted the physical verification of Inventory at reasonable intervals.
  - b) On the basis of our examination of the record of inventories, we are of the opinion that, the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to books of records were not material and have been properly dealt with in the books of account.
- iii. The company has not granted any loans, Secured or unsecured Loans to Companies, Firms, LLP or other parties covered in the register maintained under section 189 of the companies Act, 2013. Accordingly, reporting under clause 3 (iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits from the Shareholders during the year. Thus reporting under clause 3(v) of the order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii.
  - a) According to the information and explanations given to us and records examined by us, in respect of statutory dues. The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. However, according to the information and explanation given to us, no undisputed material amounts payable in respect of Statutory dues were in arrears as at 31<sup>st</sup> March, 2021 for a period more than six months from the date they became payable.
  - b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.



- viii. In our Opinion and according to the information and explanation given to us, The Company has not defaulted in repayment of any dues of taken from Bank. Also, the Company has not taken any loans or borrowings from financial institutions, government and has not issued any debentures.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company and hence not commented upon.
- xv. Based upon the audit procedures performed and according to the information and explanations given to us by the management, the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors during the year and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company and hence not commented upon.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

*for* **MEHRA KHANNA & CO.**  
*Chartered Accountants*  
Firm's registration number: 001141N

**CA RAJIV BHASIN**  
*Partner*  
Membership number: 093845  
UDIN : 22093845AMHXGR6376

Date: 04.07.2022

Place: Sonipat





**Milton Cycles Industries Limited**  
**BALANCE SHEET**  
**AS AT 31st. March 2021**

Particulars	Note No.	As at 31-Mar-2021	As at 31-Mar-2020
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	42,00,000	42,00,000
<b>Reserves and Surplus</b>			
Money received against share warrants	3	13,11,75,932	14,14,30,803
		-	-
		<u>13,53,75,932</u>	<u>14,56,30,803</u>
<b>Share application money pending allotment</b>		-	-
<b>Non-current Liabilities</b>			
Long-term borrowings	4	-	-
Deferred tax liabilities (Net)	5	-	-
Long-term provisions	6	17,38,433	16,90,633
		<u>17,38,433</u>	<u>16,90,633</u>
<b>Current Liabilities</b>			
Short-term borrowings	7	-	5,90,50,678
Trade payables	8	22,36,63,465	28,61,23,706
Other current liabilities	9	1,79,66,517	3,57,42,914
Short-term provisions	6	2,04,24,416	5,37,74,420
		<u>26,20,54,398</u>	<u>43,46,91,718</u>
<b>TOTAL</b>		<u><u>39,91,68,763</u></u>	<u><u>58,20,13,154</u></u>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
<b>Fixed Assets</b>			
Tangible assets	10	4,96,05,449	5,71,56,588
Non-current investments	11	2,05,32,034	2,05,32,034
Deferred Tax Assets (Net)	5	60,35,375	13,48,757
Long-term loans and advances	12	57,68,366	58,18,366
		<u>8,19,41,224</u>	<u>8,48,55,745</u>
<b>Current Assets</b>			
Inventories	13	3,48,26,526	8,06,85,466
Trade receivables	14	15,89,38,917	28,71,08,442
Cash and Cash Equivalents	15	15,05,260	80,24,979
Short-term loans and advances	12	9,07,79,145	9,14,59,333
Other current assets	16	3,11,77,691	2,98,79,189
		<u>31,72,27,539</u>	<u>49,71,57,409</u>
<b>TOTAL</b>		<u><u>39,91,68,763</u></u>	<u><u>58,20,13,154</u></u>

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Summary of Significant Accounting Policies

The accompanying notes are an integral part of the financial statements



**For Mehra Khanna & Company**  
**Chartered Accountants**

**FRN No:- 001141N**

**Vinod Buber**  
**(DIN : 09487600)**

**Ashok Kumar Sharr**  
**(DIN : 09345579)**

**Directors**

**Om Prakash Sharma**  
**(DIN : 08777647)**

**CA Rajiv Bhasin**  
**M No 093845**  
**Partner**  
**UDIN : 22093845AMHXGR6376**

**Date : 04-07-2022**  
**Place : Sonipat**

**Date : 04-07-2022**  
**Place : Sonipat**



Milton Cycles Industries Limited Statement of PROFIT & LOSS Account FOR THE YEAR ENDED 31st. March 2021			
Particulars	Note No	Amt. in Rs`	
		31-Mar-21	31-Mar-20
<b>Income</b>			
Revenue from operations	17	18,24,71,361	86,23,17,648
Other income	18	<u>3,00,36,636</u>	<u>7,89,00,915</u>
<b>Total Revenue (I)</b>		<b><u>21,25,07,997</u></b>	<b><u>94,12,18,563</u></b>
<b>Expenses:</b>			
Cost of Raw Material & Components Consumed	19	9,52,66,392	65,32,02,213
(Increase)/Decrease In Inventories of Finished Goods Work-In-Progress and Traded Goods	19	1,65,48,767	(50,97,261)
Employee benefit expense	20	6,74,73,074	11,43,33,749
Other expenses	21	<u>3,83,51,200</u>	<u>13,30,76,522</u>
<b>Total Expenses (II)</b>		<b><u>21,76,39,433</u></b>	<b><u>89,55,15,223</u></b>
<b>Earning before interest, tax, depreciation &amp; amortization (EBITDA) (I) - (II)</b>		<b>(51,31,436)</b>	<b>4,57,03,340</b>
Finance costs	22	23,47,826	65,61,295
Depreciation and amortization expense	23	74,62,226	84,55,518
<b>Profit before exceptional and extraordinary items and tax</b>		<b>(1,49,41,488)</b>	<b>3,06,86,527</b>
Exceptional Items		-	-
<b>Profit before extraordinary items and tax</b>		<b>(1,49,41,488)</b>	<b>3,06,86,527</b>
Extraordinary Items		-	-
<b>Profit before tax</b>		<b>(1,49,41,488)</b>	<b>3,06,86,527</b>
<b>Tax Expense:</b>			
Current Tax		-	63,00,000
Deferred Tax		<u>46,86,818</u>	<u>3,32,197</u>
<b>Profit for the year from continuing operations (A)</b>		<b>(1,02,54,870)</b>	<b>2,47,18,724</b>
Profit from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
<b>Profit from Discontinuing operations (after tax) (B)</b>		<b>-</b>	<b>-</b>
<b>Profit for the period (A + B)</b>		<b><u>(1,02,54,870)</u></b>	<b><u>2,47,18,724</u></b>
<b>Earnings per equity share (Rs.):</b>			
- Basic		(24.42)	58.85
- Diluted		(24.42)	58.85
<b>Summary of Significant Accounting Policies</b>			
1			
The accompanying notes are an integral part of the financial statements			



**For Mehra Khanna & Company**  
**Chartered Accountants**

**FRN No:- 001141N**

**Vinod Buber**  
**(DIN : 09487600)**

**Ashok Kumar Sharma**  
**(DIN : 09345579)**

**Om Prakash Sharma**  
**(DIN : 08777647)**

**Directors**

**CA Rajiv Bhasin**  
**MNo 093845**  
**Partner**  
**UDIN : 22093845AMHXGR6376**

**Date : 04-07-2022**  
**Place : Sonipat**

**Date : 04-07-2022**  
**Place : Sonipat**



**MILTON CYCLE INDUSTRIES LIMITED**  
**CASH FLOW STATEMENT**  
**For the Year Ended 31st March 2021**

PARTICULARS	FY 2020-21		FY 2019-20	
	Amount	Total	Amount	Total
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit/Loss before Tax and Extraordinary Item	(1,49,41,488)		3,06,86,527	
Adjustments to reconcile net profit to net cash provided by operating activities				
Additions :				
Depreciation & amortization	74,62,226		84,55,509	
Finance Cost	23,47,826		65,61,295	
Deductions :				
Interest Income	1,02,74,359		49,09,842	
Profit/Gain on Sale of Investment	-		-	
Profit/Gain on Sale of Fixed Asset	1,97,39,956		7,38,55,447	
Rental Income	-		98,246	
Taxes of Previous years	-		(3,31,60,204)	
Operating profit before working capital changes	(3,51,45,751)		(99,40,151)	
<i>Changes in Current asset &amp; Liabilities</i>				
Change in inventories	4,58,58,940		(2,90,68,008)	
Change in trade receivables	12,81,69,524		(9,30,45,652)	
Change in other current assets	(6,18,314)		16,05,88,774	
Change in trade payables	(6,24,60,241)		(6,52,19,555)	
Change in other current liabilities	(5,11,26,401)		(6,98,44,796)	
Cash generated from operations	2,46,77,756		87,00,000	
Income tax paid	-		(7,85,44,796)	
Cash flow before extraordinary item	2,46,77,756			
Extraordinary Item (if Any)	-		-	
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>		2,46,77,756		(7,85,44,796)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Additions:				
Sale of Investment	-		7,62,01,354	
Sale of Fixed Assets	1,99,51,000		-	
Dividend Income	-		49,09,842	
Interest Income	1,02,74,359		98,246	
Rental Income	-		-	
Deductions:				
Purchase of Fixed Assets	(1,22,130)		-	
Investment in Mutual Fund	-		-	
<b>NET CASH GENERATED/(USED BY) BY INVESTING ACTIVITIES</b>		3,01,03,229		7,90,78,100
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from issuance of share capital	-		(2,87,626)	
Long Term Loans received/paid during the year	97,800		18,97,485	
Short Term Loans received/paid during the year	(5,90,50,678)		(65,61,295)	
Finance Cost (Interest Paid)	(23,47,826)		-	
<b>NET CASH GENERATED/(USED BY) BY FINANCING ACTIVITIES</b>		(6,13,00,705)		(49,51,436)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(65,19,719)		(44,18,132)
Cash and cash equivalents at beginning of period		80,24,979		1,24,43,111
Cash and cash equivalents at end of period		15,05,260		80,24,979
		-		(0.00)



**For Mehra Khanna & Company**  
**Chartered Accountants**

**FRN No:- 001141N**

**Vinod Buber**  
**(DIN : 09487600)**

**Ashok Kumar Sharma**  
**(DIN : 09345579)**

**Om Prakash Sharma**  
**(DIN : 08777647)**

**Directors**

**CA Rajiv Bhasin**  
**M No 093845**  
**Partner**  
**UDIN : 22093845AMHXGR6376**

**Date : 04-07-2022**  
**Place : Sonipat**

**Date : 04-07-2022**  
**Place : Sonipat**



## **1 Significant Accounting Policies**

### **1.1 Accounting Concept**

The accounts are being prepared using historical cost convention and on the basis of going concern with revenue recognized and expenses accounted for on accrual basis except that Insurance claim owing to the uncertainty attached thereto, are accounted for on receipt basis.

### **1.2 Fixed Assets**

- a) Fixed Assets are stated at cost less accumulated depreciation and amortisation other than Land & Buildings which were valued at 30th November 1986 and subsequent additions are at cost. Cost of fixed assets includes other expenses related to acquisition and installation.
- b) In respect of Fixed assets (other than Free hold land and capital work-in-progress) acquired during the year, depreciation is charged on written down value basis so as to write off the cost of the assets over useful lives and for the assets acquired prior to April 1, 2014 the carrying amount as on April 1, 2014 is depreciated over the remaining useful life. Useful life of assets is as prescribed under the part C of schedule II of companies Act 2013.

### **1.3 Inventories**

- a) Finished Goods and Stock in Process- At cost or at net realisable value whichever is lower.
- b) Store and spares parts – At cost arrived by applying weighted average method.

### **1.4 Provision For Current Tax And Deferred Tax**

Provision for current tax has been made on the basis of estimated taxable income computed in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax resulting from all timing differences between book profit and profit as per Income Tax Act, 1961 is accounted for, at the enacted / substantially enacted rate of Tax, to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognised only to the extent that there is a reasonable / virtual certainty that sufficient future taxable profits will be available against which such deferred tax assets can be realised.

### **1.5 Use Of Estimates And Assumptions**

The presentation of financial statements requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and the estimates are recognised in the period in which the results are known / materialized.



#### **1.6 Provisions, Contingent Liabilities And Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

#### **1.7 Retirement Benefits**

Liabilities in respect of retirement benefits to the employees of the Company are provided by contribution to Company's Gratuity Fund Trusts and as a matter of welfare of the Company has Superannuation Fund Trust for its senior employees. Provision for leave encashment made on the basis of actuarial valuation.





<b>2. Share Capital</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
	<b>Amt. in Rs`</b>	<b>Amt. in Rs`</b>
<b>Authorised Capital:</b>		
<b>25000(25000) - 8.5% redeemable cumulative preference Shares of 100 Each</b>	<b>2,500,000</b>	<b>2,500,000</b>
<b>750000 (750000) - Equity shares of Rs.10/- each</b>	<b>7,500,000</b>	<b>7,500,000</b>
	<hr/>	<hr/>
	<b>10,000,000</b>	<b>10,000,000</b>
<b>Issued, Subscribed and paid up :</b>		
<b>40000(40000) - Equity shares of Rs. 10/- each fully paid up for cash</b>	<b>400,000</b>	<b>400,000</b>
<b>380000(380000)-Equity shares of Rs. 10/- each issued fully paid up by way of bonus shares by capitalisation of reserves</b>	<b>3,800,000</b>	<b>3,800,000</b>
	<hr/>	<hr/>
	<b>4,200,000</b>	<b>4,200,000</b>
<b>(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</b>		
<b>Equity shares</b>		
	<b>31-Mar-21</b>	<b>31-Mar-20</b>
	<b>No. of Shares</b>	<b>No. of Shares</b>
At the beginning of the period	420,000	420,000
Shares issued during the period	-	-
Shares bought back during the period	-	-
	<hr/>	<hr/>
Outstanding at the end of the period	<b>420,000</b>	<b>420,000</b>



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

	31-Mar-21		31-Mar-20	
	No. of Shares	In %	No. of Shares	In %
<b>Equity shares</b>				
Sh.Gautam Kapur	64507	15.36%	64507	15.36%
Sh.Girish Kapur	63794	15.19%	63794	15.19%
Sh.Sanjay Kapur	57412	13.67%	57412	13.67%
Sh.Vikram Kapur	27388	6.52%	27388	6.52%
Sh. Rajiv Kapur	27405	6.53%	27405	6.53%

**(c) Terms/rights attached to equity shares:**

The Company has only one class of equity shares having a par value of Rs.10 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 shares held by the shareholders.

**(d) Company has not issued any ESOP Plan, or Conversion of Bonds/Debenture.**

**(e) Company has not issued any share in the kind of Bonus / Right Buy-back in the preceding five years**



<b>3. Reserves &amp; surplus</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
	<b>Amt. in Rs`</b>	<b>Amt. in Rs`</b>
<b>Revaluation Capital Reserve</b>		
<b>(On revaluation of Land &amp; Building)</b>		
Balance as per last financial statements	13,388,929	13,388,929
Add: : Additon during the year	-	-
<b>Closing Balance</b>	<b>13,388,929</b>	<b>13,388,929</b>
<b>General Reserve Account</b>		
Balance as per last financial statements	22,343,780	22,343,780
Add: : Amount Transferred	-	-
<b>Closing Balance</b>	<b>22,343,780</b>	<b>22,343,780</b>
<b>Surplus/(deficit) in the statement of profit &amp; loss</b>		
Balance as per last financial statements	10,56,98,094	8,09,79,370
Profit for the year	(102,54,870)	2,47,18,724
Add/Less : Provision of Income Tax of Earlier Years	-	-
<b>Net surplus in the statement of profit &amp; loss</b>	<b>9,54,43,223</b>	<b>10,56,98,094</b>
<b>Total reserves and surplus</b>	<b>13,11,75,932</b>	<b>14,14,30,803</b>



4. Long term borrowings	Non Current		Current Maturities	
	31-March-21 Amt. in Rs`	31-March-20 Amt. in Rs`	31-March-21 Amt. in Rs`	31-March-20 Amt. in Rs`
<b>Non-Current Borrowings</b>				
<b>Secured Borrowings</b>				
Car Loan	-	-	-	-
<b>Unsecured Borrowings</b>				
Deposit from Shareholders	-	-	-	-
	-	-	-	-
	-	-	-	-
<b>Gross amount</b>	-	-	-	-
Less: Amount Disclosed under the head "Other Current Liabilities"	-	-	-	-
<b>Net amount</b>	-	-	-	-
<b>5. Deferred Tax</b>			<b>31-March-21 Amt. in `</b>	<b>31-March-20 Amt. in `</b>
<b>Deferred tax liability</b>				
On difference between book depreciation and depreciation as per Income Tax Act			-	-
<b>Gross deferred tax liability (a)</b>			-	-
<b>Deferred tax assets</b>				
On difference between book depreciation and depreciation as per Income Tax Act			60,35,375	13,48,757
<b>Gross deferred tax assets (b)</b>			60,35,375	13,48,757
<b>Net deferred tax assets/(liabilities) (b-a)</b>			60,35,375	13,48,757



## 6. Provisions

	Long Term		Short Term	
	31-March-21	31-March-20	31-March-21	31-March-20
	Amt. in Rs`	Amt. in Rs`	Amt. in Rs`	Amt. in Rs`
Provision for Leave Encashment	17,38,433	16,90,633	-	-
Provision for Gratuity	-	-	11,65,221	29,04,388
Provision for Bonus	-	-	31,48,307	52,15,800
Others				
Provision for Bad Debts			59,17,715	77,09,841
Provision for Taxation	-	-	1,01,93,173	86,03,303
Provision for Expenses(Rebate)	-	-	-	2,93,41,088
	<b>17,38,433</b>	<b>16,90,633</b>	<b>2,04,24,416</b>	<b>5,37,74,420</b>

## 7. Short term borrowings

	31-March-21	31-March-20
	Amt. in Rs`	Amt. in Rs`
<b>Secured Borrowings</b>		
Cash credit from bank	-	5,90,50,678
	<b>-</b>	<b>5,90,50,678</b>

Cash Credits from **Union Bank of India** are secured by way of hypothecation of book debts and stocks including in-transit and charge on all immovable properties of the company. Sanctioned Limit **10 Crore**. The Cash Credit is repayable on demand and carries interest Rate @ **12.10% p.a.**

## 8. Trade Payables

	31-March-21	31-March-20
	Amt. in `	Amt. in `
Due to Micro & Small Industries*	4,78,49,097	2,16,82,010
Others**	17,58,14,368	26,44,41,696
	<b>22,36,63,465</b>	<b>28,61,32,706</b>

\* 27 Nos of MSME has filed case before MSME Council for outstanding Claim of Rs 42766594/- Plus Interest. Interest on these claims has not been provided in the Books of Accounts. However interest on these claims has been shown as contingent Liabilities.

\*\* One supplier has filed case against company in NCLT, Chandigarh for recovery of its outstanding dues of Rs 52924669. Interest on these claims has not been provided in the Books of Accounts. However interest on these claims has been shown as contingent Liabilities.

**9. Other current liabilities**

	31-March-21	31-March-20
	<u>Amt. in Rs`</u>	<u>Amt. in Rs`</u>
Advance from Debtors & Others	47,19,937	2,25,19,439
TDS Payable	50,697	1,08,022
Gst Payable	2,08,366	2,75,606
Audit Fee Payable	4,42,807	1,33,767
ESI, PF Payable	7,88,395	10,99,280
Salary & Wages Payable	44,11,555	34,69,700
Expenses Payable	6,21,380	45,18,285
Milton Emp. Welfare Fund	15,620	-
Unpaid Wages/Bonus	7,96,775	1,17,477
Other current liabilities	<u>59,10,985</u>	<u>35,01,338</u>
	<u><b>1,79,66,517</b></u>	<u><b>3,57,42,914</b></u>



MILTON CYCLE INDUSTRIES LTD.											
F.Y. 2020-21											
Note No. 10											
NATURE OF ASSETS	GROSS ASSETS					DEPRECIATION				NET ASSETS	
	As on 01.04.2020	ADDITION/ADJUSTMENT DURING THE YEAR	Deduction/Adjustment	As on 31.03.2021	Upto 31 March 2020	For the year ended 31.03.2021	Deductions	Upto 31.03.2021	As at 31.03.2021	As at 31.03.2020	
1. LAND	1,04,77,215	-	1,79,697	1,02,97,518	-	-	-	-	1,02,97,518	10477215	
2. BUILDINGS	6,99,09,313	-	115284	6,97,94,029	4,50,07,759	21,66,260	83,937	4,70,90,082	2,27,03,947	24901554	
3. PLANT & MACHINERY	14,86,51,863	1,22,130	-	14,87,73,993	12,74,22,287	51,27,510	-	13,25,49,797	1,62,24,196	21229576	
4. VEHICLES	5,26,050	-	-	5,26,050	3,04,491	59,066	-	3,63,557	1,62,493	221558	
5. FURNITURE & FIXTURE	1,03,09,985	-	-	1,03,09,985	99,83,300	1,09,390	-	1,00,92,690	2,17,295	326685	
6. MACHINERY UNDER INSTALLATION	-	-	-	-	-	-	-	-	-	-	
<b>TOTAL:</b>	<b>23,98,74,426</b>	<b>1,22,130</b>	<b>2,94,981</b>	<b>23,97,01,575</b>	<b>18,27,17,837</b>	<b>74,62,226</b>	<b>83,937</b>	<b>19,00,96,126</b>	<b>4,96,05,449</b>	<b>5,71,56,588</b>	
<b>PREVIOUS YEAR</b>	<b>24,07,58,518</b>	<b>21,31,342</b>	<b>30,15,434</b>	<b>23,98,74,425</b>	<b>17,49,31,847</b>	<b>84,55,518</b>	<b>6,69,527</b>	<b>18,27,17,837</b>	<b>5,71,56,589</b>	<b>6,58,26,661</b>	



**NOTE-11**

	<u>31-Mar-21</u> Amt. in Rs'	<u>31-Mar-20</u> Amt. in Rs'
<b>NON CURRENT INVESTMENTS</b>		
<b>INVESTMENT IN SHARES (TRADE)</b>		
<b>( Valued at Cost)</b>		
651692 ( 31st March 2020 :651692 share) Fully Paid Up Equity Shares Of Atlas Cycle Industries Ltd. of Rs.5/- Each	2,05,32,034	2,05,32,034
(Market Value Rs. 25.85 (Previous Year Rs 30.95)	-	-
	<u>2,05,32,034</u>	<u>2,05,32,034</u>

**12. Loans & advances Considered good)**

	<u>Long Term</u>		<u>Short Term</u>	
	<u>31-Mar-21</u> Amt. in Rs'	<u>31-Mar-20</u> Amt. in Rs'	<u>31-Mar-21</u> Amt. in Rs'	<u>31-Mar-20</u> Amt. in Rs'
Inter- Corporate Deposit*	-	-	90000000	9,00,00,000
Security Deposits	57,68,366	58,18,366	-	-
Loans & advances to Employees	-	-	1,36,601	6,89,927
Advance to Creditors	-	-	6,42,544	6,47,380
Others	-	-	-	1,22,026
	<u>57,68,366</u>	<u>58,18,366</u>	<u>9,07,79,145</u>	<u>9,14,59,333</u>

\* Inter- Corporate Deposit of Rs.9,00,00,000 (9 Crore) had been given to Atlas Cycles (Haryana) Ltd. at the simple interest rate of 11% p.a for 90 days but payment is not received as per stipulated terms. Interest on interest has not been taken in consideration while computing accrued interest.

**NOTE-13**

	<u>31-Mar-21</u> Amt. in Rs'	<u>31-Mar-20</u> Amt. in Rs'
<b>INVENTORIES</b>		
<i>(At lower of cost or net realisable value &amp; as certified by the Management)</i>		
Raw Material And Components	1,33,84,502	4,07,07,756
Work-in-progress	99,65,932	2,61,63,339
Store and Spares	1,14,76,092	1,34,63,011
Scrap	-	3,51,360
	<u>3,48,26,526</u>	<u>8,06,85,466</u>





<b>14. Trade receivables</b>		
(Unsecured, unless other stated, considered good)		
	<b>31-Mar-21</b>	<b>31-Mar-20</b>
	<b>Amt. in Rs`</b>	<b>Amt. in Rs`</b>
Trade receivables over six months from due date		
Good		1,51,53,120
Doubtful	15,89,38,917	-
	15,89,38,917	1,51,53,120
Less: Provision for doubtful receivables	-	-
	<b>(A)</b> 15,89,38,917	1,51,53,120
Others		
Good		27,19,55,322
Doubtful	-	-
	-	27,19,55,322
Less: Provision for doubtful receivables	-	-
	<b>(B)</b> -	27,19,55,322
	<b>(A) + (B)</b> 15,89,38,917	28,71,08,442
<b>15. Cash &amp; Cash Equivalents</b>		
	<b>31-Mar-21</b>	<b>31-Mar-20</b>
	<b>Amt. in Rs`</b>	<b>Amt. in Rs`</b>
Balances with Banks		
On Current accounts	11,38,112	68,06,648
FDR	50,000	50,000
Cash in hand	3,17,148	11,68,331
	15,05,260	80,24,979
<b>16. Other current assets</b>		
	<b>31-Mar-21</b>	<b>31-Mar-20</b>
	<b>Amt. in Rs`</b>	<b>Amt. in Rs`</b>
Prepaid Expenses	6,448	2,15,315
Accrued Interest	1,41,51,576	42,51,576
Advance Tax	1,44,73,342	1,43,06,362
GST Recoverable : Input Tax Credit	25,46,325	1,11,05,936
	3,11,77,691	2,98,79,189



<b>17. Revenue From Operations</b>		
	<b>31-March-21</b>	<b>31-March-20</b>
	<b>Amt. in Rs`</b>	<b>Amt. in Rs`</b>
Revenue From Operations		
Revenue from operations (Gross)	18,24,71,361	86,23,17,648
	<hr/>	<hr/>
Revenue from operations	18,24,71,361	86,23,17,648
	<hr/>	<hr/>
<b>18. Other Income</b>		
	<b>31-March-21</b>	<b>31-March-20</b>
	<b>Amt. in Rs`</b>	<b>Amt. in Rs`</b>
Interest Income	1,02,74,359	49,09,842
Profit on Sale of Fixed Asset	1,97,39,956	7,38,55,447
Rental Income	-	98,246
Miscellaneous Income	22,321	37,380
	<hr/>	<hr/>
	3,00,36,636	7,89,00,915
	<hr/>	<hr/>
<b><u>SCHEDULE 19</u></b>		
	<b>31-March-21</b>	<b>31-March-20</b>
	<b>Amt. in Rs`</b>	<b>Amt. in Rs`</b>
RAW MATERIAL CONSUMED		
<u>COST OF RAW MATERIAL CONSUMED</u>		
Opening Stock	4,07,07,756	3,63,37,420
Add: Purchase	6,79,43,138	65,73,82,698
	<hr/>	<hr/>
	10,86,50,894	69,37,20,118
Less: Closing Stocks	1,33,84,502	4,07,07,756
	<hr/>	<hr/>
	9,52,66,392	65,30,12,362
Cost Of Material Consumed	9,52,66,392	65,30,12,362
Detail of raw material and components consumed		
Raw Material / Bought out	9,52,66,392	65,30,12,362
Components etc.		
	<hr/>	<hr/>
	9,52,66,392	65,30,12,362
	<hr/>	<hr/>



<b>Detail of Inventory</b>				
Material At Finished & Semi Finished Cycle Parts Store		58,57,922		2,43,08,811
Material At Press Shop		42,36,504		77,44,562
Material At Paint Shop		23,63,617		49,14,633
Others		9,26,459		37,39,750
		<u>1,33,84,502</u>		<u>4,07,07,756</u>
			31-March-21	31-March-20
<b><u>INCREASE/DECREASE IN STOCKS</u></b>			<u>Amt. in Rs`</u>	<u>Amt. in Rs`</u>
CLOSING STOCKS				
Work In Progress	99,65,932		2,61,63,339	
Scrap	-		3,51,360	
	<u>99,65,932</u>		<u>2,65,14,699</u>	
LESS: OPENING STOCKS				
Finished Goods	-		-	
Work In Progress	2,61,63,339		2,10,66,078	
Scrap	3,51,360		3,51,360	
	<u>2,65,14,699</u>		<u>2,14,17,438</u>	
<b>INCREASE/ DECREASE IN STOCKS</b>		(1,65,48,767)		50,97,261
		<u>(1,65,48,767)</u>		<u>50,97,261</u>
<b>Details of WIP</b>				
Material At RIM Plant		31,54,569		72,60,598
Material At Paint Shop		3,99,742		10,55,451
Fork Material		11,14,195		27,00,344
Material At Assembly Line		14,90,127		64,98,471
Material At Welding Shop		18,77,417		49,21,487
Material At Tabular		13,49,918		20,54,232
Others		5,79,964		16,72,756
		<u>99,65,932</u>		<u>2,61,63,339</u>



<b>20. Employee benefit expense</b>	<b>31-March-21</b>	<b>31-March-20</b>
	<b>Amt. in Rs`</b>	<b>Amt. in Rs`</b>
Salaries, Wages and Bonus	5,86,14,874	10,04,51,904
Contribution to Provident and other Funds	61,62,089	73,21,680
Gratuity Expense	11,65,221	29,04,388
Employees' Welfare and other Benefits	15,30,890	36,55,777
	<u>6,74,73,074</u>	<u>11,43,33,749</u>
<b>21. Other expenses</b>		
	<b>31-March-21</b>	<b>31-March-20</b>
	<b>Amt. in Rs`</b>	<b>Amt. in Rs`</b>
<b>Consumption of stores and spares</b>	73,72,339	4,35,33,848
Power and fuel	83,35,404	2,55,68,879
Freight and forwarding charges	1,24,90,609	3,95,32,024
Rates & Taxes	16,380	1,12,678
Travelling & Conveyance	17,27,826	58,95,869
Legal & Professional Expenses	26,62,236	16,76,383
Directors Sitting Fee/ Travelling Exp.	1,36,000	2,41,000
Advertisement & Sales Promotion	44,985	6,51,744
Insurance	5,82,566	6,52,319
Communication Expenses	3,39,144	4,97,238
Repair & Maintenance		
Plant & Machinery	3,99,216	18,93,548
Buildings	9,31,023	3,43,668
Others	8,09,318	16,79,507
Printing & Stationery Expenses	57,615	3,04,383
Miscellaneous Expenses	20,03,732	98,98,217
Audit Fee *	4,42,807	5,15,217
Charity & Donation	-	80,000
	<u>3,83,51,200</u>	<u>13,30,76,522</u>
* Payment to Auditors Consists of		
Audit Fee	87,200	87,557
Tax Audit Fee	43,757	46,210
Certification & Others	3,11,850	3,81,450
	<u>4,42,807</u>	<u>5,15,217</u>



<b>22. Finance costs</b>	<b>31-March-21</b>	<b>31-March-20</b>
	<u>Amt. in Rs`</u>	<u>Amt. in Rs`</u>
Interest Expenses	19,53,688	59,46,186
Other Borrowing Costs	<u>3,94,138</u>	<u>6,15,109</u>
	<u>23,47,826</u>	<u>65,61,295</u>
<b>23. Depreciation and amortization expense</b>	<b>31-March-21</b>	<b>31-March-20</b>
	<u>Amt. in Rs`</u>	<u>Amt. in Rs`</u>
Depreciation of tangible assets	74,62,226	84,55,518
	<u>74,62,226</u>	<u>84,55,518</u>



1	Contingent Liabilities	31-Mar-21	31-Mar-20
		Amt. in Rs <sup>^</sup>	Amt. in Rs <sup>^</sup>
	Surety bonds for payment of central and local sale tax by :-		
	i) The Company	1,000,000	1,000,000
	ii) Atlas Cycle Haryana Ltd.	1,000,000	1,000,000
	iii) Atlas Auto Cycle Ltd., since amalgamated w.e.f 01.01.79 with Atlas Cycle Haryana Ltd., Sonipat	200,000	200,000
	iv) Jankidas & Sons Pvt Ltd.	1,000,000	1,000,000
	v) Contingent Liability for surety bond for payment of amount under Punjab & Goods Taxation Act, 1952 for Atlas Cycle Industries Ltd.	150,000	150,000
	vi) Interest on Recovery Cases before MSME Council by supplier	5622720	-
	vii) Interest on Recovery Case before NCLT by supplier	72,89,346	-
	viii) 27 Nos of MSME has filed case before MSME Council for outstanding Claim of Rs 42766594/- Plus Interest. Interest on these claims has not been provided in the Books of Accounts. However interest on these claims has been shown as contingent Liabilities.		
2	Names of MSME Units whose amount exceeds Rs 1 Lakh each and outstanding for more than 30 days are , Shree Krishana Traders , Rishi Udyog, Arihant Industries, R.B. Industries, Mukhtiar Engg Works, R.M. Industries, Joginder Sigh Tejvinder Singh , Advance Plastic Industries,Cap International,Great Gears, J.B. Sales,Kapson International,Nitya Enterprises, Pearl Polymers,Rahul Enterprises,S.K. Aggarwal,Sukhmani Steel,Watson Engineering, Sabharwal Products,Will Power Cycles ,Subhash & Sons, Bedar Engineering , Unistar Distributors, Big Ben Industries,Hindustan Tyres,Balwinder Mechanical Works, Citizen Products, Jagdambay Cycles, Ravi industries, Gobind Machine Tools		
3	CIF Value of Imports (Rs In Lacs)	NIL	NIL
4	Expenditure in Foreign Currency	NIL	NIL
5	Remittance of Dividends in Foreign Currency	NIL	NIL
6	Earnings in Foreign Currency: FOB Value of goods exported( In Lacs)	NIL	NIL
7	The figures of previous year have been re-arranged and re-grouped wherever necessary.		



**MILTON CYCLE INDUSTRIES LIMITED**

**Registered Office: POST BOX NO.35, INDUSTRIAL AREA SONEPAT-131001(HARYANA) INDIA**

**Email: contact@miltoncycles.com, Ph: 0130-2200157, Fax: 0130-2200161**

**CIN: U35923HR1960PLC002317**

**ATTENDANCE SLIP**

Reg. Folio/DP & Client No \_\_\_\_\_ No .of Shares Held \_\_\_\_\_

I certify that I am a registered Shareholder / Proxy for the registered shareholder of the Company. I hereby record my presence at the 61<sup>st</sup> ANNUAL GENERAL MEETING of the Company at the "Milton Premises, Industrial area, Sonapat-131001", on Friday the 12<sup>th</sup> August, 2022 at 11.00 A.M

Member's Name : \_\_\_\_\_

Members/Proxy's Signature: \_\_\_\_\_

Proxy's Name : \_\_\_\_\_



**MILTON CYCLE INDUSTRIES LIMITED**

**Registered Office: POST BOX NO.35, INDUSTRIAL AREA SONEPAT-131001(HARYANA)  
INDIA**

**Email: contact@miltoncycles.com, Ph: 0130-2200157, Fax: 0130-2200161**

**CIN: U35923HR1960PLC002317**

**Proxy form**

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

CIN:	
Name of the company:	
Registered office:	

Name of the member(s):

Registered address:

Email Id:

Folio No./Client Id:

DP ID:

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

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

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

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





As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the at the 61<sup>st</sup> ANNUAL GENERAL MEETING of the Company at the "Milton Premises, Industrial area, Sonapat-131001", on Friday the 12<sup>th</sup> August, 2022 at 11.00 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

<i>Resol ution No.</i>	<i>Particulars</i>			
1.	To receive, consider and adopt Audited Balance Sheet, profit & Loss Account and Cash Flow Statement of the Company for the financial year ended March 31, 2021 and the Reports of the Board of Directors and Auditors thereon			
2.	To consider and regularise the appointment of Mr. Vinod Buber as Director of the company under section 161(1) of companies act, 2013 from ensuing i.e. 61 <sup>st</sup> Annual general Meeting, retire by rotation.			
3.	To consider and regularise the appointment of Mr. Ashok Kumar (DIN: 09345579) as Independent director of the company under section 161(1) of companies act, 2013 from ensuing i.e. 61 <sup>st</sup> Annual general Meeting for a period of five years i.e. till 66 <sup>th</sup> Annual general Meeting.			

Signed this..... day of..... 2022

Affix  
Rs.1/-  
Revenue  
Stamp

Signature of proxy holder(s)

Signature of Shareholder

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

**REGISTERED SPEED POST**

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If undelivered please return to :-  
**MILTON CYCLE IND. LTD.**  
**POST BOX NO.35,**  
**SONIPAT-131001**