

 **GALAXY**
BEARINGS LIMITED



25th ANNUAL
REPORT 2014 -15

CIN	: L29120GJ1990PLC014385	
BOARD OF DIRECTORS	Mr. Vinodrai H. Kansagara [DIN: 00015696] Mr. Bharatkumar K. Ghodasara [DIN: 00032054] Mr. Navinchandra M. Patel [DIN: 00016860] Mr. Rashmikant V. Bhalodia [DIN: 00020098] Mrs. Jyotsnaben S. Vachhani [DIN: 00535817] Mr. Jitendra V. Shah [DIN: 01028713] Mr. Pradip C. Khatani [DIN: 01786030] Mrs. Shetal Devang Gor [DIN: 07056824] Mrs. Tuhina Rimal Bera [DIN: 07063420]	Managing Director Jt. Managing Director Director Director Chairman & Independent Director Independent Director Independent Director Director Director
KEY MANAGERIAL PERSONNEL	Mr. Vinodrai H. Kansagara (DIN:00015696) Mr. Bharatkumar K. Ghodasara (DIN:00032054) Mr. Dixit S. Patel Mr. Nayan S. Patel	Managing Director Jt. Managing Director Chief Financial Officer Company Secretary
BANKER	: State Bank of India Bank of Baroda HDFC Bank Ltd.	
STATUTORY AUDITORS	: M/s. J. T. Shah & Company, Chartered Accountants	
REGISTERED OFFICE	: T-18, Vikram Chambers Ashram Road, Ahmedabad - 380 009 Email : share@galaxybearings.com Website : www.galaxybearings.com Tel. No. : 079-27546020	
PLANT/FACTORY	: Survey No.253, N.H. No.8B Village Shaper, Ta: Kotda Sangani Dist. Rajkot - 360 002	
REGISTRAR & TRANSFER AGENTS	: M/s. Link Intime India Private Limited 303, Shoppers Plaza - V, 3rd Floor, Opp. Municipal Market, Off C G Road, Navrangpura, Ahmedabad - 380 009	

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NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of members of the Company will be held on Friday, 25th September, 2015 at 12:00 noon at T - 18, Vikram Chambers, Ashram Road, Ahmedabad - 380 009 to transact the following business:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2015 including Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss for the year ended on 31st March, 2015 and the Report of Board of Directors and the Independent Auditor's report thereon.
2. To appoint a Director in place of Mr. Navinchandra Mohanlal Patel (holding DIN: 00016860), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Vinodrai H. Kansagara (holding DIN: 00015696), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for reappointment.
4. To consider and, if thought fit, to pass with or without modification, the following resolution as an **ordinary Resolution**:-

"RESOLVED THAT pursuant to provision of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) read with the Companies (Audit and Auditors) Rules, 2014, pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on 27th September, 2014, the appointment of **M/s J. T. Shah and Company** (Firm Reg. No. 109616W), Chartered Accountants as the Statutory Auditors of the Company to hold office till the conclusion of 27th AGM, be and are hereby ratified by the members for the financial year 2015 - 16 at such remuneration as may be determined by the Board of Directors of the Company plus reimbursement of service tax and out of pocket expenses on actual basis."

SPECIAL BUSINESS:-

5. REGULARISATION OF MRS. SHETAL DEVANG GOR AS DIRECTOR:-

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

"RESOLVED THAT pursuant to the provisions of Section 160 & 161 of the Companies Act, 2013 and other applicable provisions (including any modification or reenactment thereof), if any, of the Companies Act, 2013, Mrs. Shetal Devang Gor (holding DIN: 07056824) who was appointed as an Additional Director in the meeting of the Board of Directors held on 08th January, 2015 and whose term expires at the ensuing Annual General Meeting of the company and for the appointment of whom the Company has received a notice in writing proposing his candidature for the office of the Director be and is hereby appointed as director of the Company."

6. REGULARISATION OF MRS. TUHINA RIMAL BERA AS DIRECTOR:-

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

"RESOLVED THAT pursuant to the provisions of Section 160 & 161 of the Companies Act, 2013 and other applicable provisions (including any modification or reenactment thereof), if any, of the Companies Act, 2013, Mrs. Tuhina Rimal Bera (holding DIN: 07063420) who was appointed as an Additional Director in the meeting of the Board of Directors held on 08th January, 2015 and whose term expires at the ensuing Annual General Meeting of the company and for the appointment of whom the Company has received a notice in writing proposing his candidature for the office of the Director be and is hereby appointed as director of the Company."

7. TO AUTHORIZE THE BOARD OF DIRECTORS TO BORROW IN EXCESS OF THE PAID UP CAPITAL AND FREE RESERVES OF THE COMPANY:-

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

"RESOLVED THAT pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with relevant rules made there under (including any statutory modification or re-enactment thereof for time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "**The Board**") which term shall be deemed to include any committee thereof), to borrow from time to time such sum or sums of money(ies) as it may deem requisite for the purposes of the business of the Company, from any one or more Banks, Financial Institutions and other Persons, Firms, Bodies Corporate, notwithstanding that the

money to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), exceed the aggregate of the Company's paid up capital and free reserves, provided that the aggregate of the money(ies) so borrowed shall not exceed Rs. 100.00 Crores (Rupees One Hundred Crores only) over and above the aggregate of the paid-up share capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) at any time and that the Board be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may, in its absolute discretion, think fit.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties, doubts that may arise in respect of the borrowing aforesaid and to sign and execute all the necessary documents, papers, deeds and writings as may be necessary, proper, desirable or expedient and to give effect to this resolution.

8. TO AUTHORIZE THE BOARD OF DIRECTORS TO CREATE CHARGES ON THE MOVABLE AND IMMOVABLE PROPERTIES OF THE COMPANY:-

To consider and if thought fit, to pass with or without modification[s], the following resolution as a **Special Resolution**:-

"RESOLVED THAT the consent of the Company be and is hereby accorded under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, to the creation by the Board of Directors on behalf of the Company of such mortgages, charges, hypothecations and floating charges in such form and such manner as may be agreed to between the Board of Directors and the Company's lenders on all or any of the movable & immovable properties of the Company both present and future of every nature and kind whatsoever and the undertaking of the Company in certain events, to secure term loans/ working capital facilities/External Commercial Borrowings/ Debentures/ any other form of finance etc. not exceeding Rs. 100 Crores (Rupees One Hundred Crores only) at any one point of time from Financial Institutions/Banks and other Persons, Firms, Bodies Corporate with interest thereon, commitment charges, liquidated damages, charges, expenses and other monies, such mortgages and/or charges already created or to be created in future by the Company in such manner as may be thought expedient by the Board of Directors."

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties, doubts that may arise in respect of the Charges aforesaid and to sign and execute all the necessary documents, papers, deeds and writings as may be necessary, proper, desirable or expedient and to give effect to this resolution.

9. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY:-

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the existing Articles of Association of the company be and is hereby replaced with the new set of Articles of Association and the said new Articles of Association be and is hereby approved and adopted as the Articles of Association of the company in place of, in substitution and to the entire exclusion of the existing Articles of Association of the company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient, required or incidental thereto, in this regard."

By Order the Board of Directors
For, **GALAXY BEARINGS LIMITED**

Bharatkumar K. Ghodasara
(Jt. Managing Director)
DIN: 00032054

Date: 29th May, 2015
Registered Office:
T-18, Vikram Chambers,
Ashram Road, Ahmedabad - 380 009

NOTES :-

1. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 19th September, 2015 to Friday, 25th September, 2015 (both days inclusive)**.
2. The explanatory statement pursuant to section 102 of the Companies Act 2013, which sets out details relating to special business at the meeting, is annexed hereto.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/authority as applicable.
4. The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
5. Members are requested to intimate immediately change of address, if any, to the Company's Registrar and Transfer Agents or Depository Participant, as the case may be.
6. Members are requested to bring their copy of the Annual Report to the Annual General Meeting. The duly filled in Attendance Slip must be surrendered at the counter before attending the Meeting.
7. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in Securities Market. The members are requested to submit PAN details to the Company. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents.
8. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH - 13 and for cancellation / variation in nomination in the prescribed Form SH - 14 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.
9. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
10. All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar & Transfer Agents.
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days between 12.00 A.M. and 2.00 P.M. except Sundays, up to and including the date of the Annual General Meeting of the Company.
12. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/document including Annual Report can be sent by email to its members. To support this green initiative of the Government in full measure, members who have not registered their email addresses, so far, are requested to register their email addresses with the Company.

13. Voting through Electronic means :-

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by Companies (Management and Administration) Rules, 2015, the Company is pleased to provide Members with a facility to exercise their right to vote at the 25th Annual General Meeting (AGM) by electronic means and the business may be transacted through Electronic Voting (e-Voting) Services.

The instructions for shareholders voting electronically are as under :-

- (i) The voting period begins on at **09.00 A.M. on Tuesday, the 22th September, 2015 and ends on at 05:00 P.M. on Thursday, the 24th September, 2015.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Friday, the 18th September, 2015,** may cast their vote electronically. The e - voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha - numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip/ Address Sticker indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "**SUBMIT**" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **GALAXY BEARINGS LIMITED** on which you choose to vote.

- (xii) On the voting page, you will see **"RESOLUTION DESCRIPTION"** and against the same the option **"YES/NO"** for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xiii) Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.
 - (xiv) After selecting the resolution you have decided to vote on, click on **"SUBMIT"**. A confirmation box will be displayed. If you wish to confirm your vote, click on **"OK"**, else to change your vote, click on **"CANCEL"** and accordingly modify your vote.
 - (xv) Once you **"CONFIRM"** your vote on the resolution, you will not be allowed to modify your vote.
 - (xvi) You can also take out print of the voting done by you by clicking on **"Click here to print"** option on the Voting page.
 - (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on **Forgot Password &** enter the details as prompted by the system.
 - (xviii) **Note for Non - Individual Shareholders and Custodians**

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
14. Mr. R. S. Sharma, Practicing Company Secretary (Membership No. A3126) of M/s. R. S. Sharma & Associates has been appointed by the Board of Directors of the Company as Scrutinizer for scrutinizing the e-voting process as well as voting through post and through ballot paper at the Meeting, in a fair and transparent manner.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 5:-

Mrs. Shetal Devang Gor was appointed as an Additional Director w.e.f. 08th January, 2015 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing Mrs. Shetal Devang Gor candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Mrs. Shetal Devang Gor on the Board is desirable and would be beneficial to the company.

Except Mr. Vinodrai Hirji Kansagara, Mrs. Shetal D. Gor and Mrs. Tuhina R. Bera no other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution.

The Board recommends resolutions under Item No. 5 of the Notice to be passed as an ordinary resolution.

ITEM NO. 6:-

Mrs. Tuhina R. Bera was appointed as an Additional Director w.e.f. 08th January, 2015 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing Mrs. Tuhina R. Bera candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Mrs. Tuhina R. Bera on the Board is desirable and would be beneficial to the company.

Except Mr. Vinodrai Hirji Kansagara, Mrs. Shetal D. Gor and Mrs. Tuhina R. Bera no other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution.

The Board recommends resolutions under Item No. 6 of the Notice to be passed as an ordinary resolution.

ITEM NO. 7:-

Section 180(1)(c) of the Companies Act, 2013 inter alia provides that, the Board of Directors of the company shall not, except with the consent of the members by way of special resolution, borrow in excess of the aggregate of the paid up capital of the Company and its free reserves apart from the temporary loans, obtained or to be obtained from its bankers/financial institutions in the ordinary course of business.

It is anticipated that the money(s) already borrowed by the company together with the money(s) to be borrowed by the company may exceed its paid up share capital and free reserves.

The consent of the shareholders by way of special resolution is therefore, sought in terms of provisions of section 180(1)(c) of the companies Act, 2013 to enable the Board of Directors to borrow monies.

The above proposals are in the interest of the Company and the Directors recommend the Item No. 7 of the Notice for consent and approval by the shareholders.

None of the Promoters, Directors and key managerial personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No. 7.

ITEM NO. 8:-

Section 180(1)(a) of the Companies Act, requires that the Board of Directors shall not sell, lease or otherwise dispose of the whole or substantially whole of the undertaking of the company. In view of the resolution relating to borrowing powers stated in Item No. 7, the Company may have to create further charges/mortgages in favour of the lenders. Therefore, a resolution enabling the Directors to create charges/mortgages on the movable/immovable properties of the Company to the extent of Rs. 100 Crores (Rupees One Hundred Crores only) at any point of time is proposed.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 8 of this Notice, to enable to the Board of Directors to create charges/mortgages to secure the borrowings as mentioned in Item No. 7.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

ITEM NO. 9:-

The Articles of Association (the 'AOA') of the Company as currently in force was originally adopted under the Companies Act, 1956 and thereafter amended from time to time, over the past several years. The several regulations in the existing AOA contain references to the specific sections of the Companies Act, 1956 that may no longer be in Conformity with the Companies Act, 2013. The Board of Directors considered this matter at its meeting held on 29.05.2015 and decided to adopt a new set of Articles of Association and to replace the existing Articles of Association in Conformity with the Companies Act, 2013. A copy of draft Articles is available at the registered office of the Company for inspection of the members.

As per section 14 of the Companies Act, 2013, approval of the shareholders of the Company by way of a special resolution is required for alteration of Articles of Association of the Company.

The above proposals are in the interest of the Company and the Directors recommend the Item No. 9 of the Notice for consent and approval by the shareholders.

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

By Order the Board of Directors
For, **GALAXY BEARINGS LIMITED**

Place: Ahmedabad
Date: 29th May, 2015

Bharatkumar K. Ghodasara
(Jt. Managing Director)
DIN: 00032054

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE - APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT):-

Name of the Director	Mr. Navinchandra M. Patel	Mr. Vinodrai H. Kansagara	Mrs. Shetal D. Gor	Mrs. Tuhina R. Bera
DIN	00016860	00015696	07056824	07063420
Date of Birth	29 th November, 1949	09 th December, 1935	16 th February, 1971	26 th October, 1964
Date of Appointment	19 th September, 1990	19 th September, 1990	08 th January, 2015	08 th January, 2015
Qualifications	Post Graduate in Commerce	Civil Engineer	M.S. in Electrical Engineering (USA)	M.S. in Electrical Engineering (USA)
Expertise in specific functional areas	Mr. Navinchandra Mohanlal Patel is commerce graduate and having wide experience in the field of finance and Accountancy.	Mr. Vinodrai H. Kansagara is having more than 50 years of varied experience and exposure base in corporate.	Mrs. Shetal D. Gor is having an outstanding exposure in financial and other matters.	Mrs. Tuhina R. Bera is having an outstanding exposure in administration and accounts.
No. of Shares held in the Company	40,010	1,05,210	58,100	57,900
List of companies in which Directorship held as on 31.03.2015	<p>PUBLIC COMPANIES</p> <ol style="list-style-type: none"> Galaxy Amusement Ltd. Galaxy Bearings Ltd. Sun Piston Rings Ltd. Galaxy Capital Services. Ltd. <p>PRIVATE COMPANIES</p> <ol style="list-style-type: none"> Forge & Forge Pvt. Ltd. Galaxy Cinema Pvt. Ltd. Aarcee Precision Casting Pvt. Ltd. Dwarkadhish Developers Pvt. Ltd. Galaxy Chain Pvt. Ltd. Toral Township Pvt. Ltd. Gem Apartment Pvt. Ltd. Poly Bright Packs Pvt. Ltd. Shastri Complex Pvt. Ltd. Galaxy Infrastructure Pvt. Ltd. Swadeshi Machine Tools Pvt. Ltd. Galaxy Motors Pvt. Ltd. 	<p>PUBLIC COMPANIES</p> <ol style="list-style-type: none"> Galaxy Bearings Limited Ambar Protein Industries Ltd <p>PRIVATE COMPANIES</p> <ol style="list-style-type: none"> Gujarat Cine Enterprises Pvt. Ltd. Forge & Forge Pvt. Ltd. Galaxy Cinema Pvt. Ltd. 	<p>PUBLIC COMPANIES</p> <ol style="list-style-type: none"> Galaxy Bearings Limited <p>PRIVATE COMPANIES</p> <ol style="list-style-type: none"> Gujarat Cine Enterprises Pvt. Ltd. 	<p>PUBLIC COMPANIES</p> <ol style="list-style-type: none"> Galaxy Bearings Limited <p>PRIVATE COMPANIES</p> <ol style="list-style-type: none"> Gujarat Cine Enterprises Pvt. Ltd.
Chairman/Member of the Committees of the Board of Directors of our Company	He is a Chairman of stakeholders Relationship Committee and Member of the Nomination and Remuneration Committee, Risk Management Committee and Share Transfer Committee of the Company.	He is a member of stakeholders Relationship Committee.		
Chairman/Member of the Mandatory Committees of other public Companies on which he is a Director as on 31.03.2015	N.A.	Ambar Protein Industries Ltd.	N.A.	N.A.
Relation with Key Managerial Personnel and Directors	N.A.	N.A.	Daughter of Mr. Vinodrai H. Kansagara	Daughter of Mr. Vinodrai H. Kansagara

DIRECTORS' REPORT

To,
Dear Shareholder,
Galaxy Bearings Limited

Your Directors have pleasure in presenting herewith 25th Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2015.

FINANCIAL RESULTS

Particulars	For the Year ended (Amt. in Lacs)	
	31.03.2015	31.03.2015
Total Income	438.91	471.76
Profit / (Loss) before Interest and Depreciation	732.73	599.78
Less: Interest	180.93	141.74
Profit/(Loss) Before Depreciation	551.80	458.04
Less: Depreciation	119.60	45.97
Profit / (Loss) Before Tax	432.20	412.07
Provision for taxation		
Less: Current Tax	161.00	136.00
Less: Short / (Excess) Provision of Income Tax of earlier years	3.45	(2.40)
Less: Deferred Tax Liability / (Assets)	(19.12)	(5.91)
Net Profit / (Loss) After Tax	286.88	284.38
Add: Balance of Profit brought forward from previous year	1098.48	814.10
APPROPRIATIONS		
Less:- Amount of depreciation in respect of fixed assets whose useful life has expired on adoption to Schedule - II of the Companies Act-2013.	(12.01)	Nil
Add:- Amount of reversal of Deferred Tax Liability in respect of fixed assets whose useful life has expired on adoption of Schedule II to the Companies Act-2013.	3.90	Nil
PROFIT AVAILABLE FOR APPROPRIATION	1385.36	1098.48
General Reserve	25.00	25.00
Surplus carried to Balance Sheet	1402.25	1123.48
Paid up Share Capital	318.00	318.00
Net worth	1720.25	1441.48
Earnings per share (Basic & Diluted)	9.02	8.94

Footnote:

Figures have been rounded off to thousand.

REVIEW OF OPERATIONS

Your Directors inform you that during the year under review your company has earned net profit of Rs. 286.88 Lacs as compared to the previous year 284.38 Lacs in spite of decline in the gross sales of the company during the year under review by 5.58 % (from Rs. 4835.78 Lacs to Rs. 4565.80 Lacs).

DIVIDEND

As a matter of sound accounting practice and management philosophy; your Directors are of the opinion to make sound economic base for the Company and in order to conserve the resources; do not recommend any dividend for the year under review.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2015 was **318.00 Lacs**. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

PUBLIC DEPOSITS

During the year under review your company has not accepted any deposits within the meaning of Section 73 of the provisions of the Companies Act, 2013.

INSURANCE

All the properties and insurable assets of the Company, including Building, Plant and Machinery, stocks etc., wherever necessary and to the extent required, have been adequately insured.

SUBSIDIARIES

The Company does not have any subsidiary company.

DIRECTORS

The Board consists of executive and non-executive directors including Independent directors who have wide and varied experience in different disciplines of corporate functioning. Mr. Rajeshkumar G. Patel has resigned from the office of the directorship w.e.f. 3rd March, 2015 due to his pre - occupation. The Board of Directors place on record the contribution made by Mr. Rajeshkumar G. Patel as director of our company. During the year under review Mrs. Shetal D. Gor and Mrs. Tuhina R. Bera were appointed as additional directors of the Company w.e.f. 08th January, 2015.

At the Annual General Meeting of the Company held on 27th September, 2014, the Members had approved the appointment of Mr. Jitendra V. Shah, Mr. Pradip C. Khatani and Mrs. Jyotsnaben S. Patel as Independent Directors for a term of five years. The Members had also re - appointed Mr. Bharatkumar K. Ghodasara as Jt. Managing Director of the Company for a further period of three years with effect from 1st April, 2014.

Pursuant to section 152 of the Companies Act, 2013, Mr. Navinchandra M. Patel (holding DIN . 00016860) and Mr. Vinodrai H. Kansagara (holding DIN . 00015696) Directors of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re - appointment. The Directors recommend their re - appointment.

During the year under review Mr. Nayan S. Patel has been appointed as the Company Secretary of the Company w.e.f. 01st February, 2015. Further your company has appointed Mr. Dixit S. Patel as Chief Financial Officer w.e.f 01st October, 2014. In terms of Section 203 of the Companies Act, 2013 Mr. Nayan S. Patel and Mr. Dixit S. Patel were designated as the Key Managerial Personnel (KMPs) of the Company.

BOARD MEETINGS

During the year under review Eight Board Meetings, Five Audit Committee Meetings and one independent directors' meeting were held. The Details of which are given in Corporate Governance Report. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between two meetings.

Details of the composition of the Board and its Committees and of the Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director & CEO.

Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

REMUNERATION POLICY

The Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and Clause 49 of the Listing Agreement.

The philosophy for remuneration of Directors, Key Managerial Personnel and all other employees of the Company is based on the commitment of fostering a culture of leadership with trust. The Remuneration Policy of the Company is aligned to this philosophy.

The Nomination and Remuneration Committee has considered the following factors while formulating the Policy:

- i. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is as per the Remuneration Policy of the Company. Details of the Remuneration Policy are given in the Corporate Governance Report.

DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to the requirement of Section 149(7) of the Companies Act, 2013, the Independent Directors have submitted their declaration to the Board that they meet the criteria of independence as stipulated in Section 149(6) of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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 the end of the financial year and of the profit and loss account of the company for that period;
- c) They have 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) 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 were operating effectively;
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Company has generally implemented the procedure and adopted practices in conformity with the code of Corporate Governance as enumerated in Clause 49 of the Listing Agreement with the Stock Exchanges. The Management Discussion and Analysis and Corporate Governance report are made a part of this report. A certificate from the Company Secretary in practice regarding compliance of the conditions of corporate governance is given in annexure, which is attached hereto and forms part of the Directors' report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as 'Annexure - 1'.

AUDITORS**A. STATUTORY AUDITORS**

M/s. J. T. Shah and Company (Firm Reg. No. 109616W), Chartered Accountants, have been appointed as statutory auditors of the company at the last Annual General Meeting held on 27th September, 2014 for a period of three years subject to ratification by members at every consequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought by the members of the Company at the ensuing AGM.

B. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **R. S. Sharma & Associates** (C.P. No.: 2118, M. No.: 3126), Practising Company Secretaries to undertake the secretarial audit of the company.

C. INTERNAL AUDITORS

The Company has appointed **M/s. R. H. Bhimani & Associates**, Chartered Accountants, as Internal Auditor of the company and their report is reviewed by the audit committee from time to time.

AUDITORS' REPORT

The auditors' report for the year ended 31st March, 2015 and the notes forming part of the accounts referred to in the auditor's report are self - explanatory and give complete information.

SECRETARIAL AUDIT REPORT

Secretarial Audit Report as per Section 204 of Companies Act 2013 is annexed herewith as 'Annexure - 2'. The Secretarial Audit Report is self explanatory.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established Vigil Mechanism (Whistle Blower Policy) in accordance with the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement for the employee to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct. This policy is explained in corporate governance report and also posted on the website of company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an anti sexual harassment policy in line with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There is no such instance reported during the year under review.

EMPLOYEES' STOCK OPTION PLAN

Your Company had not provided any employee stock options.

PARTICULARS OF EMPLOYEES

During the year under review, no employee of the Company was in receipt of remuneration in excess of the limit Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DISCLOSURE IN TERMS OF RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

The information required pursuant to Section 197 read with Rule, 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member shall make specific request to the Company Secretary of the Company in this regard.

EXTRACTS OF ANNUAL RETURN

The Extract of Annual Return in Form No. MGT - 9 as per Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of Companies (Management and Administration) Rules, 2014 is annexed herewith as '**Annexure - 3**'.

FINANCE

The Company's project is continued to be financed by way of borrowings and credit facilities obtained from its bankers, State Bank of India.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY

Details of Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS

During the year, there were no materially significant related party transactions. The particulars of transactions made with related parties and Details of the remuneration paid to the Directors are disclosed in Note no. 27 to the notes forming part of accounts.

BUSINESS RISK MANAGEMENT

In terms of the requirement of Clause 49 of the Listing Agreement; the Company has constituted Risk Management Committee. The details of the Committee and terms of reference are given in the Corporate governance Report forming part of the Board of Director's Report.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities, further includes financial risk, political risk, fidelity risk, legal risk.

As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not applicable to the company.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company.

LISTINGS OF SHARES

The Equity shares of the Company are presently listed with the BSE, i.e. The Bombay Stock Exchange Ltd. The Company has paid annual listing fees for the year 2015-16 to BSE. Adequate care is being taken to comply with almost all the norms and guidelines as per the applicable provisions of the listing agreement.

The Company's equity shares are under 'compulsory demat'. The ISIN allotted to the Company is **INE020S01012**. As required by the SEBI's circular, the Company has appointed **M/s. LINK INTIME INDIA PRIVATE LIMITED** as its Registrar and Share Transfer Agent also to undertake transfer of physical share certificates besides acting as Electronic Registrars.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed before the Regulators/Courts which would impact the going concern status of the Company and its future operations.

MATERIAL CHANGES

No material Changes have taken place since the closure of the financial accounts up to the date of the report, which may substantially affect the financial performance, or the statement of the Company.

ACKNOWLEDGEMENTS

Your Directors wish to thank all the employees of the Company for their dedicated service during the year. They would also like to place on record their appreciation for the continued co-operation and support received by the Company during the year from Shareholders, Investors, Dealers, Suppliers, Customers, Corporation, Government authorities, Bankers and other stakeholders.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

Date: 29th May, 2015

Place: Ahmedabad

Bharatkumar K. Ghodasara

(Jt. Managing Director)

DIN: 00032054

Rashmikant Valjibhai Bhalodia

(Director)

DIN: 00020098

ANNEXURE- 1

Annexure to the Directors' Report

Particulars of Conservation of energy, technology absorption and foreign exchange earnings and outgo, as per Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2015.

A. CONSERVATION OF ENERGY :-

(i) the steps taken or impact on conservation of energy :-

In line with the Company's commitment towards conservation of energy, Company continue with their efforts aimed at improving energy efficiency practices by:-

- More usage of electricity purchased from PGVCL.
- Improved efficiency of own generation by usage of diesel generator only for emergencies and as stand by.
- Intensified vigil on wastage/leakage control.

(ii) the steps taken by the company for utilizing alternate sources of energy:- Not Applicable

(iii) the capital investment on energy conservation equipments:- Not Applicable

B. TECHNOLOGY ABSORPTION :-

(i) the efforts made towards technology absorption:-

- The technology is indigenous and Company has fully absorbed.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution:-

- Not Applicable

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :-

(a) the details of technology imported : The Company has not imported any technology during the last three financial years.

(b) the year of import : Not Applicable

(c) whether the technology been fully absorbed : Not Applicable

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof : Not Applicable

(iv) the expenditure incurred on Research and Development :-

- Specific expenditure of recurring or capital nature is not involved.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :-

SR. NO.	PARTICULARS	2014-15 (RS. IN LACS)	2013-14 (RS. IN LACS)
1.	Foreign Exchange Earned	2840.26	2240.69
2.	Outgo of Foreign Exchange(Traveling Exp. And foreign Bank Charges)	14.52	21.22

ANNEXURE- 2

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
GALAXY BEARINGS LIMITED
 T - 18, Vikram Chambers,
 Ashram Road, Ahmedabad - 380 009.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Galaxy Bearings Limited** having CIN: **L29120GJ1990PLC014385** (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 **Galaxy Bearings Limited'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 on 31st March, 2015 generally complied with the statutory provisions listed hereunder as applicable 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, minutes books, forms and returns filed and other records maintained by **Galaxy Bearings Limited** ("the Company") for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (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 (**Not Applicable to the company during the audit period**);
- (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, 1992
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not Applicable to the company during the audit period**);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2009 (**Not Applicable to the company during the audit period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the company during the audit period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not Applicable to the company during the audit period**); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable to the company during the audit period**);
- (vi) The following laws also applicable to the Company:-
 - (a) The Payment of Wages Act, 1936;
 - (b) The Minimum Wages Act, 1948;

- (c) The Employee Provident Fund and Miscellaneous Provisions Act, 1952;
- (d) The Payment of Bonus Act, 1965;
- (e) The Payment of Gratuity Act, 1972;
- (f) The Contract Labour (Regulation and Abolition) Act, 1970;
- (g) The air (prevention and control of pollution) act, 1981

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not Applicable as Secretarial Standards were not notified during the audit period)**
- (b) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

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

1. Delayed submission of unaudited financial results (Provisional) for the quarter ended on 30th June, 2014 to The Bombay Stock Exchange Limited as required under clause 41 of the listing agreement.
2. Delayed submission of Shareholding Pattern for the quarter ended on 30th June, 2014 to The Bombay Stock Exchange Limited as required under clause 35 of the listing agreement.
3. Delayed submission of Annual Report for the year ended on 31st March, 2014 to The Bombay Stock Exchange Limited as required under clause 31 of the listing agreement.

I further report that

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

Adequate notice was given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that during the audit period the company has not made any corporate action for example:

- (a) Public/Right/Preferential issue of shares/debentures/sweat equity, etc.
- (b) Redemption/buy-back of securities
- (c) Major decision taken by the members in pursuance to section 180 of the Companies Act, 2013
- (d) Merger/ amalgamation/ reconstruction, etc.
- (e) Foreign technical collaborations.

**For, R. S. Sharma & Associates
Company Secretaries**

Place: Ahmedabad
Date: 29th May, 2015

(R. S. Sharma)
M. No. 3126; CP No. 2118

This report is to be read with our letter of even date which is annexed as '**Annexure – I**' and forms an integral part of this report.

'Annexure - I'

To,
The Members,
GALAXY BEARINGS LIMITED
T - 18, Vikram Chambers,
Ashram Road, Ahmedabad - 380 009

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For, R. S. Sharma & Associates
Company Secretaries

Place: Ahmedabad
Date: 29th May, 2015

(R. S. Sharma)
M. No. 3126; CP No. 2118

ANNEXURE- 3

**FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L29120GJ1990PLC14385
ii.	REGISTRATION DATE	19 th September, 1990
iii.	NAME OF THE COMPANY	GALAXY BEARINGS LIMITED
iv.	A. CATEGORY B. SUB - CATEGORY OF THE COMPANY	<ul style="list-style-type: none"> • Public Limited Company • Company having share capital
v.	ADDRESS OF THE REGISTERED OFFICE AND CONTACT DETAILS	T - 18, Vikram Chambers, Ashram Road, Ahmedabad - 380 009. Telephone : (079) 27546020 Fax Number : (079) 27546535 Email : share@galaxybearings.com
vi.	WHETHER LISTED COMPANY	Yes
vii.	NAME AND ADDRESS OF REGISTRAR & TRANSFER AGENTS	Link Intime India Private Limited 303, Shoppers Plaza - V, 3 rd Floor, Opp. Municipal Market, Off C. G. Road, Navrangpura, Ahmedabad - 380 009. Telephone : 079 - 26465179 Email : ahmedabad@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
I.	Ball & Roller Bearing	2814	100 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of The Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
I.	NA	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding:-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0.00	202540	202540	6.37	0.00	232740	232740	7.32	0.95
b) Central Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) State Govt(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

d) Bodies Corp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Banks/Fl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Any other - Promoter Group	0.00	868450	868450	27.31	76440	496500	572940	18.02	0.00
Total shareholding of Promoter (A)	0.00	1070990	1070990	33.68	76440	729240	805680	25.34	0.00
B. Public Shareholding									
1. Institutions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a) Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Banks / Fl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Central Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) State Govt(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g) FIs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h) Foreign Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (B)(1):-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Non-Institutions									
a) Bodies Corp.	0.00	109800	109800	3.45	0.00	109800	109800	3.45	0.00
i) Indian	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0.00	1800810	1800810	56.63	1900	1704810	1706710	53.67	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0.00	198400	198400	6.24	0.00	549310	549310	17.27	0.00
c) Others (specify)									
Hindu Undivided Family	0.00	0.00	0.00	0.00	0.00	8500	8500	0.27	0.00
Non Resident Indians	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Overseas Corporate Bodies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Nationals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Clearing Members	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trusts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Bodies - D R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (B)(2):-	0.00	2109010	2109010	66.32	1900	2372420	2374320	74.66	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0.00	2109010	2109010	66.32	1900	2372420	2372420	74.66	0.00
C. Shares held by Custodian for GDRs & ADRs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total (A+B+C)	0.00	3180000	3180000	100.00	78340	3101660	3180000	100.00	0.00

Note: - The Change in the percentage of the holding of Promoters is due to the revision in the share holding pattern. There is no change in the holding of the core Promoters.

B. Shareholding of Promoter:-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Navinchandra M. Patel	40010	1.26	0.00	40010	1.26	0.00	0.00
2	Mr. Rajesh G. Patel	40010	1.26	0.00	40010	1.26	0.00	0.00
3	Mr. Rashmibhai V. Patel	40010	1.26	0.00	40010	1.26	0.00	0.00
4	Mr. Vinodrai H. Kansagara	75010	2.36	0.00	105210	3.31	0.00	0.00
5	Mr. Nathalal B. Delvadia	7500	0.24	0.00	7500	0.24	0.00	0.00
Total		202540	6.38	0.00	232740	7.32	0.00	0.00

Note: - The Change in the percentage of the holding of Promoters is due to the revision in the share holding pattern. There is no change in the holding of the core Promoters.

C. Change in Promoters' Shareholding (please specify, if there is no change):-

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	No. of shares	No. of shares	% of total shares of the Company
At the beginning of the year					
1	Mr. Navinchandra M. Patel	40010	1.26		
2	Mr. Rajesh Govindlal Patel	40010	1.26		
3	Mr. Rashmibhai V. Patel	40010	1.26		
4	Mr. Vinodrai H. Kansagara	75010	2.36	Purchase of 200 shares on 03.12.2014	0.006%
5	Mr. Nathalal B. Delvadia	7500	0.24		
At the end of the year					
1	Mr. Navinchandra M. Patel	40010	1.26		
2	Mr. Rajesh Govindlal Patel	40010	1.26		
3	Mr. Rashmibhai V. Patel	40010	1.26		
4	Mr. Vinodrai H. Kansagara	105210	3.31		
5	Mr. Nathalal B. Delvadia	7500	0.24		

Note: - The Change in the percentage of the holding of Promoters is due to the revision in the share holding pattern. There is no change in the holding of the core Promoters.

D. Shareholding Pattern of top ten Shareholders:-

(Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	
		No. of shares	% of total shares of the company
1	Rohit L. Bhuvra	99800	3.14
2	Forge & Forge Ltd.	82500	2.59
3	Damodarbhaj Jadavbhai Patel	57800	1.82
4	Kirankumar Bhalodia	20200	0.64
5	Gautam Navinchandra	20000	0.63
6	Shakuntla I. Jagani	18700	0.59
7	Jivanlal J. Jagani	18500	0.58
8	Pratik R. Gandhi	14500	0.46
9	Bharat N. Patel	14300	0.45
10	Nitin Keshavjibhai Santoki	13200	0.42

	For Each of the Top 10 Shareholders	Shareholding at the end of the year	
		No. of shares	% of total shares of the company
1	Rohit L. Bhuva	99800	3.14
2	Forge & Forge Ltd.	82500	2.59
3	Dudhiben Govindlal Patel	70500	2.20
4	Damodarbhaj Jadavbhai Patel	57800	1.82
5	Govindlal Jagjivanbhai Patel	31000	0.97
6	Savitaben Mohanlal Patel	30500	0.96
7	Mohanlal Jagjivanbhai Patel	26000	0.82
8	Kirankumar Bhalodia	20200	0.64
9	Gautam Navinchandra	20000	0.63
10	Nimit Ukani	20000	0.63

E. Shareholding of Directors and Key Managerial Personnel:-

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
At the beginning of the year					
1	Navinchandra M. Patel (D)	40010	1.26	Nil	Nil
2	Rashmibhai V. Patel (D)	40010	1.26	Nil	Nil
3	Vinodrai H. Kansagara (MD)	75010	2.36	Nil	Nil
4	Bharatkumar Keshavji Ghodasara (Jt. MD)	12400	0.39	Nil	Nil
5	Jyotsnaben Sudhirbhai Vachhani (ID)	12700	0.40	Nil	Nil
6	Jitendra Vrajlal Shah (ID)	300	0.01	Nil	Nil
7	Pradip Chunilal Khatani (ID)	300	0.01	Nil	Nil
8	Shetal Devang Gor (D)	42500	1.34	Purchase of 15600 shares on 30.06.2014	0.49
9	Tuhina Rimal Bera (D)	41900	1.32	Purchase of 16000 shares on 30.06.2014	0.50
10	Dixit Sureshbhai Patel (CFO - KMP)	Nil	Nil	Nil	Nil
11	Nayankumar Sureshbhai Patel (CS - KMP)	Nil	Nil	Nil	Nil
At the end of the year					
1	Navinchandra M. Patel (D)	40010	1.26	Nil	Nil
2	Rashmibhai V. Patel (D)	40010	1.26	Nil	Nil
3	Vinodrai H. Kansagara (MD)	105210	3.31	Nil	Nil
4	Bharatkumar Keshavji Ghodasara (Jt. MD)	12400	0.39	Nil	Nil
5	Jyotsnaben Sudhirbhai Vachhani (ID)	12700	0.40	Nil	Nil
6	Jitendra Vrajlal Shah (ID)	300	0.01	Nil	Nil
7	Pradip Chunilal Khatani (ID)	300	0.01	Nil	Nil
8	Shetal Devang Gor (D)	58100	1.83	Nil	Nil
9	Tuhina Rimal Bera (D)	57900	1.82	Nil	Nil
10	Dixit Sureshbhai Patel (CFO - KMP)	Nil	Nil	Nil	Nil
11	Nayankumar Sureshbhai Patel (CS - KMP)	Nil	Nil	Nil	Nil

V. INDEBTEDNESS:-Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13,15,03,602	2,43,90,000	Nil	15,58,93,602
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i + ii + iii)	13,15,03,602	2,43,90,000	Nil	15,58,93,602

Change in Indebtedness during the financial year				
* Addition	1,10,35,990	68,00,000	Nil	1,78,35,990
* Reduction	3,41,65,256	43,90,000	Nil	(3,85,55,256)
Net Change	(2,31,29,266)	24,10,000	Nil	(2,07,19,266)
Indebtedness at the end of the financial year				
i) Principal Amount	10,83,74,336	2,68,00,000	Nil	13,51,74,336
ii) Interest due but not paid	Nil	88,505	Nil	88,505
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	10,83,74,336	2,68,88,505	Nil	13,52,62,841

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:-

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Vinodrai H. Kansagara (Managing Director)	Mr. Bharatkumar K. Ghodasara (Jt. Managing Director)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,55,000	7,49,810	12,04,810
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	4,55,000	7,49,810	12,04,810
	Ceiling as per the Act	30 lacs	30 lacs	

B. Remuneration to other directors:-

Sr. No.	Name of Directors				Total Amount
	N.A.	N.A.	N.A.	N.A.	N.A.
1	N.A.	N.A.	N.A.	N.A.	N.A.
	N.A.	N.A.	N.A.	N.A.	N.A.
	N.A.	N.A.	N.A.	N.A.	N.A.
	N.A.	N.A.	N.A.	N.A.	N.A.
2	N.A.	N.A.	N.A.	N.A.	N.A.
	N.A.	N.A.	N.A.	N.A.	N.A.
	N.A.	N.A.	N.A.	N.A.	N.A.
	N.A.	N.A.	N.A.	N.A.	N.A.
	N.A.	N.A.	N.A.	N.A.	N.A.
	N.A.	N.A.	N.A.	N.A.	N.A.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:-

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Nayan S. Patel (CS)	Dixit S. Patel (CFO)	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	30,000*	3,10,269	3,40,269
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.	N.A.
	- as % of profit	N.A.	N.A.	N.A.	N.A.
	- others, specify...	N.A.	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.	N.A.
	Total	N.A.	30,000	3,10,269	3,40,269

Note:* Mr. Nayan S. Patel has been appointed as the Company Secretary of the Company w.e.f. 1st February, 2015.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW/ INDUSTRY STRUCTURE

Demand for bearings, related products and services are directly linked to industrial activity and in general the economy. The automotive segment in India consists of Passenger Cars, Utility Vehicles, Commercial Vehicles, Two Wheelers and Three Wheelers. The Industry plays a major role in the Indian economy and is one of the key indicator of GDP.

During the last few years, there has been a general slow down in the industrial activity, leading to a slow down in the automotive segment as well.

The most affected segment due to recessionary trend is the commercial vehicles segment, which has shown negative growth for three years in a row. Though, there has been marginal improvement in medium and heavy commercial vehicle segment, it is rather insignificant to justify robust growth in the near future. The light commercial vehicle segment continues to show negative growth. The tractor industry has experienced negative growth in the current year.

The new Government understands that opening of the infrastructure and the mining sectors will kick start the economy and has started to take actions in these areas and together with the "Make in India" movement, it is hoped that industrial activity will pick up post monsoon.

PROSPECTS

The Indian economy is expected to grow over medium to long term horizon on the back of a strong demographic dividend, high savings rate, a large and emerging middle class and growing internal consumption. The demand for bearings depends on the automotive and other engineering products. With rapid industrialization, Indian bearing industry doubled over the last five years and has registered annual gains well above both the regional and global averages. The prospects of the bearing industry are directly linked to the performance of two key sectors, viz automotive and infrastructure facilities - roads, ports and airports. The demand for bearings and other products will also increase. The prospects of the Indian bearing industry are bright.

OPPORTUNITIES AND THREATS

Opportunities:

The Commercial Vehicles, Two Wheelers and Three Wheelers Vehicles and the Tractor Industry segments are operating well below full utilization levels. With the Government clearing many infrastructure and mining projects, it is likely that the economy will pick up in the latter part of the year. The "Make in India" movement, removal of GST, simplifying tax regime and making business easier in India is sending positive signals to the investors and if it results in GDP growth as expected by the Government, industry will be the direct benefactor.

1. Though the after - market is currently sluggish, opportunities lie to sell bearings and other automotive components in the rural areas where branded products are still not available. Large efforts are needed and being put in by the Company to develop Distributor and Dealer network to penetrate rural India to achieve sustained growth.
2. The Company is keen to enter new markets to spread its base of customers as the domestic user industry is not showing any sign of pick up in demand. In order to do this, the Company has embarked on various projects to increase exports. However, the nature of our industry is such that the gestation period for an enquiry to mature to order/supply stage is rather long as it requires time consuming approval procedures a must for all OEM customers.

Threats:

1. Large scale imports of low priced components and bearings from abroad, especially China are not only hurting the industry but also hampering the "Make in India" ideology. Manufacturers are reluctant to put new investments in their plants as the market share is being lost to imported products.
2. The negative predictions issued by meteorology department for monsoon to be below normal level will not encourage industrial activity and capacity utilisation of the auto industry and its ancillaries will continue to be lower than optimum.

3. As the Demand falls, the cash flow of companies are getting affected and may result in delay of payments to vendors and repayment of loan instalments to the banks.

SEGMENT-WISE-PERFORMANCE

The Company has only one segment of activity namely 'Bearings' as defined by AS-17 specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

OUTLOOK

Key economic indicators not being encouraging and with the forecast of below normal monsoon, it is difficult to predict the near term growth; however, on the long - term, the outlook is still positive. The other concerns are competition from imports of low priced bearings, slow opening up of infrastructure activities, high interest rates and unforeseen disasters.

INTERNAL CONTROL SYSTEMS

The Company is professionally well structured and the policy guidelines are well documented with pre defined authority and responsibility. The Company has put in place comprehensive systems and procedural guidelines concerning all areas of business like budgeting, execution, material management, quality, safety. Procurement, asset management, finance, accounts and audit, human resources etc. which are adequate and necessary considering the size and level of operations of the Company. The management has been reviewing and upgrading the existing systems and processes to gear up and meet the changing needs of the business. The Company carries out internal audit through an external audit firm of Chartered Accountants who have extensive experience in such assignment.

FINANCIAL PERFORMANCE

Net Worth:

The total net worth of the Company as on 31st March, 2014 was Rs. 1441.48 Lacs which is Rs. 1720.25 Lacs as on 31st March, 2015 indicating increase of 19.34 % in the net worth.

Earnings per Share:

Basic and Diluted EPS after extraordinary items of the Company as on 31st March, 2014 was Rs. 8.94 both of which stands to Rs. 9.02 as on 31st March, 2015.

EBITDA and PBT:

During the year 2014-15 the Company has earnings before interest, depreciation and tax amounting to Rs. 732.73 Lacs. After providing for interest of Rs. 180.93 Lacs and depreciation of Rs. 119.60 Lacs, Profit before tax comes to Rs. 432.20 Lacs which was Rs. 412.07 Lacs during the year 2013-14.

HUMAN RESOURCES

Employees are our vital and most valuable assets. Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity: to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. The relations between the employees and the Management have remained cordial.

CAUTIONARY STATEMENT

Statements in this report on Management's Discussion and Analysis describing the Company's objectives, projections, estimates, exceptions or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and exceptions of future events. Actual results could however differ materially from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CONDUCT

The philosophy of the Board and the management of the company are to reach for the better corporate Governance practices, enabling the board to manage and control the affairs of the Company in an efficient and effective manner.

As per the Clause 49 of the listing Agreement, the Company has implemented the Code of Corporate Governance. Further with the formation of various Sub - Committees of the Board, the Company is complying with various provisions of the Companies Act, 2013, the Securities and Exchange Board of India [SEBI] and the Listing Agreements executed with Bombay Stock Exchange.

2. BOARD OF DIRECTORS

I. Composition of the Board:-

The Board of Directors, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected.

The Company has an optimum combination of executive and non executive Directors. As on 31st March, 2015, the Company's Board consists of Nine Directors comprising of two are Executive Directors, Four are Non - Executive Directors and three are independent non executive Directors and the Chairman is the independent non executive Directors of the Company. All Independent Directors of the Company have been appointed as per the provisions of Section 149 of the Companies Act, 2013 and Clause 49 of Listing Agreements entered with Stock Exchanges. The Composition of the Board is in Conformity with clause 49 of Listing Agreements entered with Stock Exchanges and as per provisions of section 149 of The Companies Act, 2013.

II. Category and Attendance of Directors:-

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in public limited Companies are given below:

Name of Director	Category	No. of Board Meetings attended during 2014-15	Attendance at the Last AGM	No. of Memberships/ Chairmanships in Mandatory Committees of other Companies* (As on 31.03.2015)			No. of Outside Directorships held in other Public Companies
				Chairman	Member	Total	
Mr. Vinodrai H. Kansagara	MD	5	Yes	1	1	2	1
Mr. Bharatkumar K. Ghodasara	MD	8	Yes	Nil	Nil	Nil	Nil
Mr. Navinchandra M. Patel	NED	6	Yes	Nil	Nil	Nil	3
Mr. Rashmikant V. Bhalodia	NED	6	Yes	Nil	Nil	Nil	2
Mrs. Jyotsnaben S. Vachhani (Chairman)	NEID	6	Yes	Nil	Nil	Nil	Nil
Mr. Jitendra V. Shah	NEID	6	Yes	Nil	Nil	Nil	Nil
Mr. Pradip C. Khatani	NEID	6	Yes	Nil	2	Nil	1
Mr. Shetal D. Gor	NED	1	No	Nil	Nil	Nil	Nil
Mr. Tuhina R. Bera	NED	1	No	Nil	Nil	Nil	Nil

Note: 1. MD :- Managing Director is including Joint Managing Director.

2. NED :- Non Executive Director

3. NEID: - Non-Executive Independent Director

4. *Excludes Directorships in Associations, Private Limited Companies, Foreign Companies, Government Bodies and Companies registered under Section - 8 of the Companies Act, 2013. Only Audit Committee and Stakeholders Relationship Committee of Indian Public Companies have been considered for committee positions.

III. Details of the Board Meeting held during the year 2014 -15:-

The Company held 8 Board Meetings during 2014-15 and the gap between two meetings did not exceed 120 days. The dates on which the Board Meetings were held were: 31st May, 2014; 13th August, 2014; 27th September, 2014; 15th November, 2014; 8th January, 2015; 28th January, 2015; 14th February, 2015 and 10th March, 2015.

IV. Code of Conduct:-

In terms of Clause 49 of the Listing Agreement, the Board has adopted the Code of Conduct for the Board of Directors and Senior Management personnel of the Company. This Code of Conduct is comprehensive code which is applicable to all Directors Senior Management personnel. A copy of the Code of Conduct has been posted on the Company's website and has been circulated to all the Board Members and all Senior Management personnel.

V. Separate Meeting of Independent Directors:-

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 10th March, 2015, as required under Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement. At the Meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors; and
- 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.

All Independent Director attended the Meeting. Mrs. Jyotsnaben S. Vachhani chaired the Meeting.

VI. Directors' Profile:-

All the Directors are professional with experience and erudition in their respective areas and fields and Corporate Management Practices. Brief Profile of all the Board Members as on 31st March, 2015 is as under:

- i. **Mr. Vinodrai H. Kansagara** aged about 80 years is a Civil Engineer. He is having more than 50 years of varied experience and exposure base in corporate. He is Managing Director of the Company. His excellence has served Galaxy Group since more than 23 years.
- ii. **Mr. Rashmikant V. Bhalodia** aged about 66 years is a Diploma Holder in Electrical Engineering. He has experience in the marketing and other areas in industry. He was appointed as a Director since incorporation of the Company. He has provided valuable services to the Company since more than 23 years.
- iii. **Mr. Bharatkumar K. Ghodasara** aged about 55 years is a Commerce Graduate. He has vast experience in administration and accounts. He is Director of Company since 21 years. He has provided valuable services to the Company as a Joint Managing Director of the company.
- iv. **Mr. Navinchandra M. Patel** aged about 64 years is a M. Com. He has vast experience in the Marketing and other areas in the industry. He was appointed as a Director since incorporation of the Company. He has provided valuable services to the Company since more than 23 years.
- v. **Mrs. Shetal D. Gor** aged about 44 years is a M. S. in Electrical Engineering (USA). She is having an outstanding exposure in financial and other matters. She was appointed as a Director of the Company w.e.f. 08th January, 2015.
- vi. **Mrs. Tuhina R. Bera** aged about 50 years is a M. S. in Electrical Engineering (USA). She is having an outstanding exposure in administration and accounts. She was appointed as a Director of the Company w.e.f. 08th January, 2015.
- vii. **Mr. Jitendra V. Shah** aged about 55 years is a Commerce Graduate. He has very rich experience in marketing and finance for more than 25 years. He was appointed as Independent Directors of the Company w.e.f. 1st October, 2014.

- viii. **Mr. Pradip C. Khatani** aged about 60 years is a Post Graduate in Commerce. He has very rich experience in manufacturing, production, marketing and finance for more than three decades. He was appointed as Independent Directors of the Company w.e.f. 1st October, 2014.
- ix. **Mrs. Jyotsnaben S. Patel** aged about 60 years is a Commerce Graduate. She has very rich experience in accounts, marketing and finance for more than three decades. She was appointed as Independent Directors of the Company w.e.f. 1st October, 2014.

3. AUDIT COMMITTEE

I. Terms of reference:-

The terms of reference and role of the Audit Committee is in accordance with provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement as under:-

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Review with the management the quarterly and annual financial statements and the auditor's report thereon, before submission to the Board for approval.
- Discuss with the 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.
- Recommend to the Board the appointment, re - appointment and, if required, the replacement or removal of statutory auditors, remuneration and terms of appointment of auditors, fixation of audit fees and to approve payment for any other services rendered by the statutory auditors.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Review with the management, performance of the statutory and internal auditors.
- Review the adequacy of the internal audit function and the adequacy and efficacy of the internal control systems.
- Evaluate internal financial controls and risk management systems.
- Scrutinize inter-corporate loans and investments.
- Discuss any significant findings with internal auditors and follow-up thereon.
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- Look into the reasons for substantial defaults in payments to depositors, debenture holders, shareholders and creditors.
- Approve transactions, including any subsequent modifications, of the Company with related parties.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Review and monitor the statement of use and application of funds raised through public offers and related matters.
- Review the functioning of the Whistle Blower mechanism.
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate.
- And, generally, all items listed in Clause 49 III (D) of the Listing Agreement and in Section 177 of the Companies Act, 2013.

II. Composition and Attendance during the year:-

The audit committee has been reconstituted in accordance with the provisions of Clause 49 of the Listing Agreement and the provisions of Section 177 of the Companies Act, 2013 at a board meeting held on 15.11.2014. All members of the Committee are financially literate, with Mrs. Jyotsnaben S. Vachhani, Chairman of the Committee, having the relevant accounting and financial management expertise. The composition of the Committee and the details of Meetings attended by the Directors during the year are given below:

Name of the Member	Status	Category	No. of Meetings attended during 2014-15
Mrs. Jyotsnaben S. Vachhani (w.e.f. 15.11.2014)	Chairman	Non-Executive Independent Director	1

Mr. Jitendra Vrajlal Shah (w.e.f. 15.11.2014)	Member	Non-Executive Independent Director	1
Mr. Rashmikant V. Bhalodia	Member	Non-Executive Director	3
Mr. Rajeshkumar G. Patel (up to 15.11.2014)	Member	Non-Executive Director	4
Mr. Navinchandra M. Patel (up to 15.11.2014)	Member	Non-Executive Director	3

The Audit Committee met 5 times during the year and the gap between two meetings did not exceed four months. The dates on which the Audit Committee Meetings were held : 31st May, 2014; 13th August, 2014; 26th September, 2014; 15th November, 2014; and 14th February, 2015. Necessary quorum was present at the above Meetings.

The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting.

4. NOMINATION AND REMUNERATION COMMITTEE

I. Terms of reference:-

The terms of reference of the Nomination and Remuneration Committee are as follows:

- Make recommendations regarding the composition of the Board, identify independent Directors to be inducted to the Board from time to time and take steps to refresh the composition of the Board from time to time.
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every Director's performance.
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, key managerial personnel and other employees.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Devise a policy on Board Diversity.
- Provide guidance and direction in developing and implementing the reward philosophy of the Company.
- Evaluate and approve the appointment and remuneration of senior executives, including the key managerial personnel, the Company's remuneration plan, annual salary increase principles and budgets, annual and long term incentive plans of the Company, policies and programmes such as succession planning, employment agreements, severance agreements and any other benefits.
- Review progress on the Company leadership development programmes, including for promotion to the Board, employee engagement initiatives and employee surveys.
- Review and recommend to the Board the remuneration and commission to the managing and executive Directors and define the principles, guidelines and process for determining the payment of commission to non-executive Directors of the Company.
- And, generally, all items listed in Clause 49 IV (B) of the Listing Agreement and in Section 178 of the Companies Act, 2013.

II. Composition and Attendance during the year:-

The Nomination and Remuneration Committee has been constituted in accordance with the provisions of Clause 49 of the Listing Agreement and the provisions of Section 178 of the Companies Act, 2013 at a board meeting held on 15.11.2014. The composition of the Committee and the details of Meetings attended by the Directors during the year are given below:

Name of the Member	Status	Category	No. of Meetings attended during 2014-15
Mr. Jitendra Vrajlal Shah	Chairman	Non-Executive Independent Director	2
Mrs. Jyotsnaben S. Vachhani	Member	Non-Executive Independent Director	2
Mr. Navinchandra M. Patel	Member	Non-Executive Director	2

The Committee met Two times during the year on 8th January, 2015 and 28th January, 2015.

III. Remuneration Policy:-

The Company's philosophy for remuneration of Directors, key managerial personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, Key Managerial Personnel and other employees, which is aligned to this philosophy. The key factors considered in formulating the Policy are as under:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The key principles governing the Company's Remuneration Policy are as follows:

A. Remuneration for independent Directors and non-independent non-executive Directors:-

- Independent Directors ('ID') and non-independent non-executive Directors ('NED') may be paid sitting fees for attending the Meetings of the Board and of Committees of which they may be members, as recommended by the Nomination and Remuneration Committee ('NRC') and approved by the Board.
- Overall remuneration should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company; taking into consideration the challenges faced by the Company and its future growth imperatives. Remuneration paid should be reflective of the size of the Company, complexity of the sector/industry/Company's operations and the Company's capacity to pay the remuneration and be consistent with recognized best practices.
- The remuneration payable to Directors shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

B. Remuneration for Managing Director ('MD')/ Executive Directors ('ED')/ Key Managerial Personnel ('KMP')/ rest of the Employees:-

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay, consistent with recognized best practices and aligned to any regulatory requirements.
- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings. The Company provides retirement benefits as applicable.
- It is the practice of the company to pay fixed remuneration alongwith admirable perquisite to MD, WTD and other Managerial Personal.
- The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.

C. Details of remuneration and sitting fees paid to the Directors during 2014-15:-

Details are provided under Extract of Annual report in Form MGT - 9 duly annexed with the Board Report.

5. STAKEHOLDER'S RELATIONSHIP COMMITTEE**I. Terms of reference:-**

In terms of Section 178(5) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Following are the terms of reference of the Stakeholders Relationship Committee:

- Consider and resolve the grievances of the security holders of the Company, including complaints related to transfer of shares, non receipt of annual report, non receipt of declared dividends, etc.
- Set forth the policies relating to and to oversee the implementation of the Code of Conduct for Prevention of Insider Trading.
- To perform all functions relating to the interests of security holders of the Company and as assigned by the Board, as may be required by the provisions of the Companies Act, 2013 and Rules made thereunder, Listing Agreements with the Stock Exchanges and guidelines issued by the SEBI or any other regulatory authority.

II. Composition and Attendance during the year:-

In terms of Section 178(5) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Shareholders'/Investors' Grievance Committee was renamed and reconstituted as Stakeholders Relationship Committee with effect from 15th November, 2014.

The composition of the Stakeholders Relationship Committee and the details of the Meetings attended by the Directors during the year are given below:-

Name of the Member	Status	Category	No. of Meetings attended during 2014-15
Mr. Navinchandra M. Patel	Chairman	Non - Executive Director	4
Mr. Jitendra Vrajlal Shah (w.e.f. 15.11.2014)	Member	Non - Executive Independent Director	1
Mr. Vinodrai H. Kansagara	Member	Executive Managing Director	2
Mr. Rashmikant V. Bhalodia (up to 15.11.2014)	Member	Non-Executive Director	2
Mr. Bharatkumar K. Ghodasara (w.e.f. 15.11.2014)	Member	Executive Jt. Managing Director	1

The Stakeholders Relationship Committee met Four times during the year on 30th Jun, 2014; 26th September, 2014; 15th November, 2014 and 14th February, 2015.

During the year five Complaints were received out of which all five complaints were disposed off to the satisfaction of the Shareholders. As on 31st March, 2015 no complaints remained unattended/pending.

6. RISK MANAGEMENT COMMITTEE

Evaluation of Business Risk and managing the risk has always been an ongoing process in your Company. The Company has set up a robust risk management framework to identify, monitor and minimize various internal and external risks. The Audit Committee, Risk Management Team and the Board of Directors regularly review the risks Management policy and procedures.

I. Terms of reference:-

In terms of Clause 49 of the Listing Agreement, Following are the terms of reference of the Risk Management Committee:

- Risk Management Committee shall evaluate risk exposure of the company and prepare action plan to eliminate such risk in timely manner.

- The Risk management Committee shall ensure that the company is maintaining prudent (optimum) balance between growth of activities and risk.
- The Risk management Committee shall annually review this policy and recommend modification to the Board to meet the continuous evolving business environment.
- The Risk management Committee shall, if required, appraise the audit committee for any potential risk for the company and endeavor to eliminate in timely manner.

II. Composition and Attendance during the year:-

The Risk Management Committee was constituted in accordance with the provisions of Clause 49 of the Listing Agreement at a board meeting held on 15th November, 2014.

The composition of the Committee and the details of Meetings attended by the Directors during the year are given below:

Name of the Member	Status	Category	No. of Meetings attended during 2014-15
Mr. Bharatkumar K. Ghodasara	Chairman	Executive Jt. Managing Director	1
Mr. Rashmikant V. Bhalodia	Member	Non-Executive Director	1
Mr. Navinchandra M. Patel	Member	Non-Executive Director	0

The Risk Management Committee met one time during the year, on 10th March, 2015.

7. GENERAL BODY MEETINGS

I. Location, date and time of Annual General Meetings held during the last 3 years and special resolutions passed:-

Year	Location/Venue	Date	Time
2011-12	T-18, Vikram Chambers, Ashram Road, Ahmedabad- 380 009	24 th September, 2012	11.30 a.m.
2012-13	T-18, Vikram Chambers, Ashram Road, Ahmedabad-380 099	23 rd September, 2013	11.30 a.m.
2013-14	T-18, Vikram Chambers, Ashram Road, Ahmedabad-380 009	27 th September, 2014	11.30 a.m.

II. Special Resolution passed at last 3 AGMs:-

Sr. No.	Year	Particular
a.	2011-12:-	- Re-appointment of Mr. Vinodrai H. Kansagara as a Chairman and Managing Director.
b.	2012-13:-	- No Special Resolution was passed.
c.	2013-14:-	- Re-appointment of Mr. Bharatkumar K. Ghodasara as Jt. Managing Director. - To keep the Register of Members and index of Members and copies of all Annual Returns U/s 92 of the Companies Act, 2013 together with the copies of certificates and documents as may be required, at the office of the Registrar and Share Transfer Agent of the Company within the city of Ahmedabad.

III. No Extra-ordinary General Meeting of the shareholders was held during the year.

IV. Postal Ballot:-

- No resolution was passed during the year 2014 - 15 by Postal Ballot
- No resolution is proposed to be passed at the ensuing AGM by Postal Ballot.

8. DISCLOSURES

- During the year, there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large. The Transaction between the Company and the Director's relatives are disclosed in

Note no. 27 to the notes forming part of accounts are in compliance with the Accounting Standards relating to "Related Party Disclosures". Declarations have been received from the senior management personnel to this effect.

- II. Details of non - compliance by the company, penalties, strictures imposed on the company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
 - a. Delayed submission of unaudited financial results (Provisional) for the quarter ended on 30th June, 2014 to The Bombay Stock Exchange Limited as required under clause 41 of the listing agreement.
 - b. Delayed submission of Shareholding Pattern for the quarter ended on 30th June, 2014 to The Bombay Stock Exchange Limited as required under clause 35 of the listing agreement.
 - c. Delayed submission of Annual Report for the year ended on 31st March, 2014 to The Bombay Stock Exchange Limited as required under clause 31 of the listing agreement.
- III. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A vigil (Whistle Blower) Mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policy or any misconduct. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.
- IV. The Company has complied with all the requirements of the Listing Agreement including the mandatory requirements of Clause 49 of the Listing Agreement.

9. MEANS OF COMMUNICATION

- I. **Quarterly Results:-** Normally quarterly results of the Company are published in Western Times (English) and Western Times (Gujarati).
- II. **Website of the Company:-** www.galaxybearings.com
- III. **Whether it also displays official news releases:-** No
- IV. **The presentations made to institutional investors or to the analysts:-** No
- V. **Half Yearly reports:-** Half Yearly report has not been sent to shareholders.

10. GENERAL SHAREHOLDER INFORMATION

- i. **Day, Date, time and venue of the 25th Annual General Meeting:-**

Day : Friday
 Date : 25th September, 2015
 Time : 12:00 Noon
 Venue: T-18, Vikram Chambers, Ashram Road, Ahmedabad - 380 009.
- ii. **Financial year:-** 1st April to 31st March.
- iii. **Date of Book closure:-** Saturday, 19th September, 2015 to Friday, 25st September, 2015(both days inclusive).
- iv. **Dividend Payment Date** :- Not Applicable.
- v. **Listing on Stock Exchanges** :- Bombay Stock Exchange Limited.
- vi. **Stock Code** :- a) Stock Code : 526073
 b) ISIN Code : INE020S01012
- vii. **Market Price Data: High., Low during each month in last financial year:-** Not Applicable

viii. **Registrar and Transfer Agents** : M/s. Link Intime India Private Limited

Address: 303, Shoppers Plaza - V, 3rd Floor, Opp. Municipal Market,
Off. C. G. Road, Navrangpura, Ahmedabad - 380 009.

Tel. No.: 079-26465179

Email : ahmedabad@linkintime.co.in

Website: www.linkintime.co.in

ix. **Share Transfer System:-**

The powers of Transfer and transmission of shares of the company has been delegated to the RTA of the Company M/s. Link Intime India Private Limited, Ahmedabad. The RTA within time limit as prescribed approves the transfer lodged by the investors.

x. **Distribution of shareholding:-**

(a) The shareholding pattern as on 31st March, 2015 is as follows.

Sr. No.	Category	No. of shares held	% of total share Capital
1	Promoters	805680	25.34
2	Bodies Corporate	109800	3.45
3	Individuals	2256020	70.94
4	HUF	8500	0.27
Total		3180000	100

(b) Distribution of shareholding as on 31st March, 2015.

Distribution of Shares	No. of shareholders	% to total no. of Shareholders	No. of shares held	% to total share Capital
1 – 500	7171	95	1007650	31.69
501 – 1000	151	2	128300	4.04
1001 – 2000	39	0.52	55800	1.75
2001 – 3000	52	0.69	130100	4.09
3001 – 4000	9	0.12	33200	1.04
4001 – 5000	41	0.54	200500	6.31
5001 – 10000	34	0.45	257000	8.08
Above 10000	52	0.69	1367450	43
TOTAL	7549	100	3180000	100

xi. **Dematerialization of shares and liquidity:-**

The company has arranged agreements with National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) for Dematerialisation of shares through the Registrar, M/s. Link Intime India Private Limited.

As on 31st March, 2015, 2.46 % of the paid up share Capital has been dematerialised.

xii. **The Company has no outstanding GDRs/ADRs/Warrants or any convertible instruments.**

xiii. **Address for correspondence:-**

All enquires; clarifications and correspondence should be addressed at the following address:

The Compliance Officer, Galaxy Bearings Limited, Address: T-18, Vikram Chambers, Ashram Road, Ahmedabad - 380 009. Tel. No.: 079-27546020 Email : share@galaxybearings.com	OR	M/s. Link Intime India Private Limited Unit : Galaxy Bearings Limited, Address: 303, Shoppers Plaza - V, 3rd Floor, Opp. Municipal Market, Off. C. G. Road, Navrangpura, Ahmedabad - 380 009. Tel. No.: 079-26465179 Email : ahmedabad@linkintime.co.in
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xiv. **Plant Locations:-** Survey No. 253,

National Highway No. 8B, Village: Shapar,

Ta: Kotada Sagnani, Dist.: Rajkot- 360 002.

11. CEO/CFO CERTIFICATION

The requisite certification from the CEO i.e. the Managing Director and the Chief Financial Officer as required to be given under clause 49(IX) was placed before the Board of Directors of the Company.

12. SECRETARIAL AUDIT FOR CAPITAL RECONCILIATION

As stipulated by SEBI, a Secretarial Audit is carried out by an Independent Practicing Company Secretary on quarterly basis to confirm reconciliation of the issued and listed capital, shares held in dematerialized and physical mode and the status of the register of members.

13. SECRETARIAL AUDIT REPORT FOR COMPLIANCES

Secretarial Audit has been carried out by an independent Practicing Company Secretary at the end of the financial year to ensure timely compliances of all applicable acts, laws, guidelines, rules and regulations.

**Declaration by the Managing Director under
Clause 49 of the Listing Agreement**

**To
The Members,
Galaxy Bearings Limited.**

I, Bharatkumar K. Ghodasara, Jt. Managing Director of Galaxy Bearings Limited hereby declare that all the members of the Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31st March, 2015.

Place: Ahmedabad
Date: 29th May, 2015

Bharatkumar K. Ghodasara
(Jt. Managing Director)
DIN: 00032054

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
**The Members,
Galaxy Bearings Limited.**

In accordance with Clause 49 of the listing Agreement entered into by **Galaxy Bearings Limited** ("the Company") with the Bombay Stock Exchange Limited, I have examined all relevant records of the Company relating to its compliance of conditions of Corporate Governance stipulated in Clause 49 for the financial year ended 31st March, 2015.

It is responsibility of the Company to prepare and maintain the relevant necessary record under the SEBI guidelines, Listing Agreement and other application Laws. My responsibility is to carry out an examination on the basis of our professional judgment so as to award a reasonable assurance of the correctness of the records for the purpose of this certificate.

I have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of this certificate and have been provide with such records documents certificates etc as had been required by me.

I certify that from the records produced and the explanation given to me, Company for the Purpose of this certificate and to the best of our information, the Company has complied with all the mandatory requirement of the said clause 49 of the listing agreement.

**For, R. S. Sharma & Associates
Company Secretaries**

**Date : 29th May, 2015
Place: Ahmedabad**

**R. S. Sharma
(M. No. 3126) (CP No. 2118)**

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
GALAXY BEARINGS LIMITED
Ahmedabad

1. Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **GALAXY BEARINGS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Standalone Financial Statements

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

3. Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 there under.

We conducted our audit 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 standalone financial statements.

4. Opinion

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

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- ii. In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- i. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2015, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- ii. 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone 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 as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) 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 financial statements. (Refer Note 24).
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The provisions relating to transferring any amounts to the Investor Education and Protection Fund is not applicable to the Company during the year.

**For, J. T. Shah & Co.
Chartered Accountants,
[FRN No. 109616W]**

**Place : Ahmedabad
Date : 29th May' 2015**

**(J. T. Shah)
Partner
[M. No. 3983]**

ANNEXURE TO THE AUDITORS REPORT

Referred to in paragraph 5 (i) of our Report of even date to the Members of **GALAXY BEARINGS LIMITED** for the year ended 31st March, 2015.

1. In respect of Fixed Assets :

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- (b) As per the information and explanations given to us, fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.

2. In respect of its Inventories :

- (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and books records were not material.

3. In respect of Loans and Advances granted during the year.

As per information and explanation give to us , the Company has not granted any loan to any parties covered under the register maintained under section 189 of the Companies Act, 2013 and hence clause 4(iii) of The Companies (Auditor's Report) Order, 2015 is not applicable.

- 4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major continuing failures to correct major weaknesses has been observed.
- 5. During the year, the company has not accepted any public deposits and hence provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company. We are informed that no order has been passed by company Law Board (CLB) or Reserve Bank of India or any court or any other tribunal.
- 6. We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records as per the provisions of Companies (Cost Records and Audit) Rules, 2014, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the records with a view to determine whether they are accurate or complete.

7. In respect of Statutory Dues :

- (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues except there were delay in payment of Service Tax.
- (b) According to the information and explanations given to us, undisputed amounts payable in respect statutory dues no amount were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.

- (c) According to the records of the company, there are no dues of income tax, sales tax, wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of disputes.
 - (d) According to the records of the company there are no amounts required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
8. The company has no accumulated losses and has not incurred any cash losses during the financial year under review or in the immediately preceding financial year.
 9. Based on our audit procedure and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to the Financial Institutions, Banks or Debenture Holders.
 10. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
 11. According to the information and explanations given to us, during year under review the company has applied the term loan for the purpose for which the loans were obtained.
 12. Based upon the audit procedures performed and information and explanations given by the management, we report that no material fraud on or by the Company has been noticed or reported during the course of our audit.

For, J. T. Shah & Co.
Chartered Accountants,
[FRN No. 109616W]

Place : Ahmedabad
Date : 29th May' 2015

(J. T. Shah)
Partner
[M. No. 3983]

GALAXY BEARINGS LTD.			
BALANCE SHEET AS ON 31.3.2015			
Particulars	Note No.	As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
<u>EQUITY AND LIABILITIES</u>			
<u>[1] Shareholders' Funds :</u>			
[a] Share Capital	1	3 18 00 000	3 18 00 000
[b] Reserves & Surplus	2	14 02 25 433	11 23 48 191
		17 20 25 433	14 41 48 191
<u>[2] Non-Current Liabilities :</u>			
[a] Long Term Borrowings	3	3 62 88 501	2 43 90 000
[b] Deferred Tax Liabilities (Net)	4	5 39 867	28 41 962
		3 68 28 368	2 72 31 962
<u>[3] Current Liabilities</u>			
[a] Short-Term Borrowings	5	9 58 32 387	12 99 97 643
[b] Trade Payables	6	7 16 56 450	8 83 68 698
[c] Other Current Liabilities	7	1 79 51 826	1 55 04 663
[d] Short Term Provisions	8	36 39 385	25 80 982
		18 90 80 048	23 64 51 986
Total		39 79 33 849	40 78 32 139
<u>ASSETS :</u>			
<u>[1] Non-Current Assets</u>			
<u>[a] Fixed Assets :</u>			
[i] Tangible Assets	9	4 72 04 108	4 11 21 634
[ii] Intangible Assets	9	3 86 511	63 514
[iii] Capital Work In Progress		2 47 986	44 52 959
		4 78 38 605	4 56 38 108
[b] Long Term Loans and Advances	10	96 95 408	34 52 787
[c] Other Non-Current assets	11	-	29 337
		5 75 34 013	4 91 20 232
<u>[2] Current Assets</u>			
[a] Short Term Loans and Advances	10	2 82 72 242	3 95 12 712
[b] Inventories	12	16 94 26 616	16 71 54 114
[c] Trade Receivables	13	14 11 91 670	14 89 21 204
[d] Cash & Bank Balances	14	15 09 307	31 23 877
		34 03 99 836	35 87 11 907
Total		39 79 33 849	40 78 32 139
Significant Accounting Policies & Notes on Financial Statements	1 to 36		
As per our report of even date attached herewith		For, Galaxy Bearings Limited	
For, J.T. Shah & Company			
Chartered Accountants			
[FRN No. 109616W]			
[J. T. Shah]	(B. K. Ghodasara)	(R V Bhalodia)	
Partner	Jt. Mg. Director	Director	
[M.No.3983]	(DIN-00032054)	(DIN 00020098)	
Place : Ahmedabad	(Dixit S Patel)	(Nayan S Patel)	
Date: 29th May' 2015	Chief Financial Officer	Company Secretary	

GALAXY BEARINGS LTD.			
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2015			
SCHEDULE	Note No.	Current Year 31/03/2015	Previous Year 31/03/2014
INCOME			
Revenue from Operations	15	45 74 88 429	48 39 89 408
Less : Excise Duty		2 44 96 656	2 91 33 639
		43 29 91 773	45 48 55 769
Other Income	16	59 17 054	1 69 05 982
Total Revenue		43 89 08 827	47 17 61 751
EXPENDITURE			
Cost of materials consumed	17	20 37 35 094	24 06 14 708
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	18	(1 27 65 274)	(19 69 477)
Employee Benefits Expense	19	2 72 56 957	2 22 94 604
Finance Cost	20	1 92 39 741	1 47 60 259
Depreciation and Amortisation expense	21	1 19 60 414	45 97 171
Other Expenses	22	14 62 61 469	15 02 57 328
Total Expenses		39 56 88 402	43 05 54 593
Profit before Tax		4 32 20 426	4 12 07 158
Less : Tax Expense:			
- Current Tax		1 61 00 000	1 36 00 000
- Short / (Excess) Provision of Income Tax of earlier years		3 44 667	(2 39 944)
- Deferred Tax Liability / (Assets)	23	(19 12 496)	(5 90 996)
Profit for the year		2 86 88 255	2 84 38 098
Basic & Diluted earnings per share of Rs. 10 each	27	9.02	8.94
Significant Accounting Policies & Notes on Financial Statement	1 to 36		
<p>As per our report of even date attached herewith</p> <p>For, J.T. Shah & Company For, Galaxy Bearings Limited</p> <p>Chartered Accountants</p> <p>[FRN No. 109616W]</p>			
[J. T. Shah]		(B. K. Ghodasara)	(R V Bhalodia)
Partner		Jt. Mg. Director	Director
[M.No.3983]		(DIN-00032054)	(DIN 00020098)
Place : Ahmedabad		(Dixit S Patel)	(Nayan S Patel)
Date: 29th May' 2015		Chief Financial Officer	Company Secretary

GALAXY BEARINGS LTD				
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2015				
PARTICULARS	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
A: Cash from Operating Activities :				
Net Profit before Taxation and Adjustment For :		4,32,20,426		4,12,07,158
Depreciation	1,19,60,414		45,97,171	
Profit on Sale of Fixed Assets	(64,209)		1,743	
Interest on Shortfall of Advance Tax	5,10,001		3,00,000	
Interest Income	(1,84,525)		(4,39,600)	
Interest Paid	1,87,29,741		1,47,60,259	
		3,09,51,422		1,92,19,572
Operating Profit Before Working Capital Changes :		7,41,71,847		6,04,26,730
Adjustment For :				
Increase/(decrease) in long-term Provision	-		-	
Increase/(decrease) in short-term Provision	-		(55,590)	
Increase/(decrease) in other current liability	8,11,169		(10,25,131)	
Decrease/(increase) in Trade Payable	(1,67,12,248)		71,55,878	
Decrease/(increase) in Trade Receivable	77,29,534		(4,97,65,133)	
Decrease/(increase) in inventories	(22,72,502)		(1,69,96,144)	
Decrease/(increase) in long term loans and advances	(63,69,718)		(3,46,065)	
Decrease/(increase) in short term loans and advances	1,12,40,469		(2,18,05,298)	
Decrease/(increase) in other non-current assets	29,337		19,18,433	
		(55,43,960)		(8,09,19,050)
Cash Generated From Operations		6,86,27,887		(2,04,92,320)
Income Tax Paid	(1,58,96,265)		(1,31,19,108)	
Interest Paid	(18,601,658)		(1,47,60,259)	
		(3,44,97,923)		(2,78,79,367)
Net Cash From Operating Activities (A)		3,41,29,965		(4,83,71,686)
B: Cash Flow From Investment Activities :				
Purchase of Fixed Assets	(1,53,79,614)		(1,31,07,151)	
Sale of Fixed Assets	82,300		12,000	
Net Cash from Investment Activities (B)		(1,52,97,314)		(1,30,95,151)
C: Cash Flow From Financing Activities :				
Interest Received during the year	3,11,622		3,88,139	
Repayments of Long Term Borrowings	-		-	
Proceeds From Long Term Borrowings	1,34,06,412		9,72,134	
Proceeds From Short Term Borrowings	(3,41,65,255)		6,05,56,949	
Net Cash from Financing Activities (C)		(2,04,47,221)		6,19,17,222
Net Increase in Cash & Cash Equivalents		(16,14,569)		4,50,386
Cash & Cash Equivalents at the Beginning		31,23,877		26,73,491
Cash & Cash Equivalents at the End		15,09,307		31,23,877
As per our report of even date attached.				
Notes :				
(1) The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard - 3 issued by Companies (Accounting Standard) Rules, 2008				
			FOR, GALAXY BEARINGS LIMITED	
FOR, J. T. SHAH & COMPANY				
CHARTERED ACCOUNTANTS				
[FRN No. 109616W]				
[J T SHAH]	(B. K. Ghodasara)		(R V Bhalodia)	
PARTNER	Jt. Mg. Director		Director	
	(DIN-00032054)		(DIN 00020098)	
[M. No. 3983]	(Dixit S Patel)		(Nayan S Patel)	
Place : Ahmedabad	Chief Financial Officer		Company Secretary	
Date: 29th May' 2015				

Significant Accounting Policies:**a) Basis of preparation**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared as a going concern on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b) Use of estimates

In preparing the Company's financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

c) Fixed Assets and Depreciation:**Fixed Assets:**

Fixed Assets is stated at cost of acquisition (net of CENVAT, wherever applicable) as reduced by accumulated depreciation. All costs including financial cost till commencement of commercial production are capitalized for qualifying assets.

When assets are disposed or retired, their cost is removed from the financial statements. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss for the relevant financial year.

Depreciation:

Depreciation is provided on Straight Line Method except on Plant & Machinery which is on Written Down Value Method on the basis of useful life of assets as specified under Schedule II of the Companies Act, 2013.

When assets are disposed or retired, their accumulated depreciation is removed from the financial statements. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss for the relevant financial year.

d) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization. All costs, including financing costs in respect of qualifying assets till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalized.

Intangible assets are amortised on a straight – line basis over a period of five years. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortization period and the amortization method are reviewed at least at each reporting date. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised as income or expenses in the Statement of Profit and Loss in the year or disposal.

e) Inventories:

Inventories are valued at "Lower of cost or net realizable value". Cost in respect of Raw Materials is computed on FIFO basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make sale.

Cost in respect of process and finished goods are computed on weighted average basis method. Finished goods and process stock includes cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.

f) **Revenue Recognition:**

- i) Sales of goods are net off trade discounts, return and inclusive of Excise Duty but excluded sales tax and state value added tax. Revenue is recognised when practically all risk and rights connected with ownership have been transferred to the buyer. This usually occurs upon dispatch, after the price has been determined and collection of the sales proceeds is reasonable certain.

Expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses.

ii) **Interest Income**

Interest Income is recognized on accrual basis.

iii) **Export Incentives**

Export entitlements under Duty Drawback Scheme are recognized in the Statement of Profit & Loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made.

g) **Foreign Currency Transactions / Exchange Fluctuation**

- i) Transactions in foreign currencies are recorded in Indian rupees using the rates of exchange prevailing on the date of the transactions. At each balance sheet date, monetary balances are reported in Indian Rupees at the rates of exchange prevailing at the Balance Sheet date. All realized or unrealized exchange adjustment gains or losses are dealt with in the Statement of Profit and Loss.

- ii) Exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the report period and the corresponding foreign currency amount translated at the later of the dates of inception of the forward exchange contract and the last reporting date. Such exchange difference rate recognised in the Statement of profit and loss in the reporting period in which the exchange rates change.

- iii) Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

h) **Employee Benefits**

- i) The Employee and Company make monthly fixed Contribution to Government of India Employee's Provident Fund equal to a specified percentage of the Covered employee's salary, Provision for the same is made in the year in which services are rendered by the employee.

- ii) The Liability for Gratuity to employees, which is a defined benefit plan. The Company's Scheme is administered by LIC. The liability is determined by based on Projected Unit Credit method. Actuarial gain / loss in respect of the same are charged to the Statement of profit and loss.

- iii) The Company does not allow carry forward of unavailed leave and hence unavailed leaves are encashed in the current year itself.

- iv) Short Term benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

i) **Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961.

Deferred Tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or subsequently enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is virtual certainty that the assets will be realized in future.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost such assets, whenever applicable. Till the assets are ready for their intended use. A qualifying asset is one which necessary takes substantial period to get ready for intended use. All other borrowing costs are charged to revenue accounts. Capitalization of borrowing cost is suspended when active development is interrupted.

j) **Borrowing Cost:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost such assets, whenever applicable. Till the assets are ready for their intended use. A qualifying asset is one which

necessary takes substantial period to get ready for intended use. All other borrowing costs are charged to revenue accounts. Capitalization of borrowing cost is suspended when active development is interrupted.

k) **Impairment**

The management periodically assesses, using external and internal sources whether there is an indication that an asset may be impaired. If an asset is impaired, the company recognizes an impairment loss as the excess of the carrying amount of the asset over the recoverable amount. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amounts.

l) **Earning per Share**

Basic earnings per share is calculated by dividing net profit after tax for the year attributable to Equity Shareholders of the company by the weighted average number of Equity Shares outstanding during the year. For the purpose of calculating Diluted Equity per share, the net profit or loss for the period attributable to Equity Shareholders (after adjustment for Diluted earnings) and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential Equity.

m) **Provisions, Contingent Liabilities and Contingent Assets :**

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not require an outflow of resources.

Contingent Assets are neither recognized nor disclosed in the financial statements.

n) **Excise Duty, VAT & CENVAT:**

CENVAT / VAT credit on materials purchased for production / service availed for production / input service are taken into account at the time of purchase and CENVAT / VAT credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.

The CENVAT credits so taken are utilized for payment of excise duty on goods manufactured. The unutilized CENVAT credit is carried forward in the books. The VAT credits so taken are utilized for payment of sales tax on goods sold. The unutilized VAT credit is carried forward in the books.

o) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles.

Notes on Financial Statements for the year ended on 31st March' 2015				
1	Share Capital		As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
	[a] Authorised : 50,00,000 (Previous Year 50,00,000) Equity Shares at par value of Rs. 10/- each		5 00 00 000	5 00 00 000
	[b] Issued, Subscribed & Paid-up Capital : 31,80,000 (Previous Year 31,80,000) Equity Shares at par value of Rs. 10/- each fully paid		3 18 00 000	3 18 00 000
	Total		3 18 00 000	3 18 00 000
1.1	The company has only one class of shares referred to as Equity Shares having face value of Rs. 10/-. Each Holder of Equity Share is entitled to 1 vote per share.			
1.2	In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity shares held by the shareholder.			
1.3	There is no Equity Shareholder holding more than 5% shares in the Company.			
1.4	The reconciliation of the number of shares outstanding and the amount of share capital is set out below :			
	Particulars		As at 31.3.2015	As at 31.3.2014
			No. of Shares	Amount Rs.
	Equity Shares			
	Shares at the beginning		31 80 000	3 18 00 000
	Addition During the year		-	-
	Deletion During the year		-	-
	Shares at the end		31 80 000	3 18 00 000
2	Reserves & Surplus		As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
	General Reserve			
	Balance as per last year Balance Sheet		25 00 000	25 00 000
	Less : Amount of depreciation in respect of fixed assets whose useful life has expired on adoption to Schedule - II of the Companies Act-2013		(12 00 612)	-
	Add : Amount of reversal of Deferred Tax Liability in respect of fixed assets whose useful life has expired on adoption of Schedule II to the Companies Act-2013		3 89 599	-
			16 88 987	25 00 000
	Surplus in the Statement of Profit and Loss			
	Balance as per last financial Statement		10 98 48 191	8 14 10 093
	Add : Profit for the year		2 86 88 255	2 84 38 098
			13 85 36 446	10 98 48 191
	Total.....		14 02 25 433	11 23 48 191

3	Long Term Borrowings	As at 31.03.2015		As at 31.03.2014	
		Non Current	Current	Non Current	Current
	Secured				
	Term Loan - From Banks	93 99 996	31 41 953	-	15 05 959
	Unsecured				
	Loans & Advances from Directors, Promotors and their relatives	68 88 505	-	33 90 000	-
	Loans & Advances from Corporate Bodies	2 00 00 000	-	2 10 00 000	-
	Total	3 62 88 501	31 41 953	2 43 90 000	15 05 959
	Less : Amount disclosed under head Other Current Liabilities (Note 7)	-	31 41 953	-	15 05 959
	Total	3 62 88 501		2 43 90 000	
3.1	Secured Loan				
	Name of Borrower	Securities Details		Interest Rate	Terms of Repayment
	State Bank of India, Rajkot Term Loan - 1	Secured against all immovable property and Plant & Machinery.		Base rate + 5 %	Quarterly Instalments
	State Bank of India, Rajkot Term Loan – 2	Primery Security against Hypothecation of Stocks, Receivables & all other current assets & Collateral Security against E.M. of existing factory Land and Plant & Machinery at Plot No. 253/p N.H. 8B, Village Shapar, Dist. Rajkot.		Base rate + 2.90 %	59 Monthly Instalments
	HDFC Bank Ltd - Vehicle	Secured agaiinst Hypothecation of Vehicle		9.60%	36 Monthly Installments
3.2	Unsecured Loan from directors, promotors and their relatives carry interest rate at 12.50 % p.a. and loans are repayable in 2020-21.				
3.3	Unsecured Loan from Corporates Bodies carry interest rate at 12 % and loans are repayble in 2020-21.				
4	Net Deffered Tax Liabilities			As at 31/03/2015 (Rs.)	As at 31/03/2014 (Rs.)
	Deferred Tax Assets arising out of timing difference relating to :				
	Provision for Bonus			2 45 357	2 78 833
	Total Deferred Tax Assets			2 45 357	2 78 833
	Deferred Tax Liability arising out of timing difference relating to :				
	Difference of Depreciation as per Tax Provision and Company Law			7 85 224	31 20 795
	Total Deferred Tax Liability			7 85 224	31 20 795
	Net Deferred Tax Liability			5 39 867	28 41 962

5	Short-Term Borrowings	Current	
		As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
	Working Capital Loans from Banks -Secured	9 58 32 387	12 99 97 643
	Total	9 58 32 387	12 99 97 643
5.1	Working Capital	Securities	
	State Bank of India	Primary Security against Hypothecation of Stocks, Receivables & all other current assets & Collateral Security against E.M. of existing factory Land and Plant & Machinery at Plot No. 253/p N.H. 8B, Village Shapar, Dist. Rajkot.	
6	Trade Payables	Current	
		As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
	Trade Payables	7 16 56 450	8 83 68 698
	Total	7 16 56 450	8 83 68 698
6.1	The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at year end together with interest paid / payable under this Act have not been given.		
7	Other Current Liabilities	Current	
		As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
	Current maturity of long term borrowings (Note 3)	31 41 953	15 05 959
	Other Statutory dues	1 23 09 896	1 08 37 563
	TDS Payable	3 75 030	6 18 937
	Bonus Payable	7 56 107	7 54 209
	Unpaid Expenses	13 68 840	17 87 995
	Total	1 79 51 826	1 55 04 663
8	Provisions	Short Term	
		As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
	Provision for Taxation	4 14 35 000	2 48 25 000
	Less: :Advance Tax & TDS	(3 77 95 615)	(2 22 44 018)
	Total	36 39 385	25 80 982

Note No – 9	Fixed Asset As at 31.03.2015											Intangible Assets	
	Tangible Assets										Total	Computer	Computer Software
Cost of Valuation	Land	Building	Tubewell	Plant & Machinery	Furniture & Fixture	Vehicle	Electrical Installation	Computer	Total				
01.04.2013	22 11 188	1 42 89 384	6 39 097	6 57 55 396	11 16 034	53 07 050	32 07 334	29 48 881	9 54 74 364		4 67 937		
Addition	-	-	-	82 28 713	-	7 100	62 514	3 55 865	86 54 192				
Disposal	-	-	-	54 600	-	-	-	-	54 600				
Other Adjustment	-	-	-	-	-	-	-	-	-				
At 31.03.2014	22 11 188	1 42 89 384	6 39 097	7 39 29 509	11 16 034	53 14 150	32 69 848	33 04 746	10 40 73 956		4 67 937		
Addition	-	1 32 91 206	-	52 45 492	34 914	-	5 20 819	49 350	1 91 41 781		4 42 806		
Disposal	-	-	-	1 61 240	-	-	-	-	1 61 240				
Other Adjustment	-	-	-	-	-	-	-	-	-				
At 31.03.2015	2,211,188	27,580,590	639,097	7 90 13 761	11 50 948	53 14 150	37 90 667	33 54 096	12 30 54 497		9 10 743		
Depreciation	Land	Building	Tubewell	Plant & Machinery	Furniture & Fixture	Vehicle	Electrical Installation	Computer	Total		Computer Software		
01.04.2013	-	65 89 714	3 28 236	4 35 47 043	7 24 887	22 54 662	23 30 337	26 64 377	5 84 39 256		3 61 174		
Charge / Amortisation for the year	-	4 77 265	21 346	32 93 839	70 645	3 75 588	1 52 731	1 62 508	45 53 922		43 249		
Disposal	-	-	-	40 857	-	-	-	-	40 857				
Other Adjustment	-	-	-	-	-	-	-	-	-				
At 31.03.2014	-	70 66 979	3 49 582	4 68 00 025	7 95 532	26 30 250	24 83 068	28 26 885	6 29 52 321		4 04 423		
Charge / Amortisation for the year	-	6 85 867	25 756	1 05 06 842	829	6 04 548	14 164	2 597	1 18 40 604		1 19 810		
Disposal	-	-	-	1 43 149	-	-	-	-	1 43 149				
Other Adjustment (Transfer To General Reserve)	-	-	-	-	2 64 700	-	6 23 288	3 12 624	12 00 612				
At 31.03.2015	-	77 52 847	3 75 338	5 71 63 719	10 61 061	32 34 798	31 20 519	31 42 107	7 58 50 389		5 24 232		
Net Block													
AS AT 31.3.2014	22 11 188	72 22 405	2 89 515	2 71 29 483	3 20 502	26 83 900	7 86 780	4 77 861	4 11 21 634		63 514		
AS AT 31.3.2015	22 11 188	1 98 27 743	2 63 759	2 18 50 042	89 887	20 79 352	6 70 148	2 11 989	4 72 04 108		3 86 511		

1. In accordance with the provisions of Schedule II of the Companies Act, 2013 in case of fixed assets which have completed their useful life as at 1st April 2014, the carrying value (net of residual value) amounting to Rs. 8,11,013/- (net of deferred tax of Rs. 3,89,599/-) as a transitional provision has been recognised in the Retained Earnings.

2. As required by the schedule II to the Companies Act 2013, due to change in estimation for useful life of the assets, depreciation charged to statement of profit and loss is higher by Rs. 60.56 Lacs (P. Y. Rs. Nil).

10	Loans and Advances (Unsecured, Considered Good)	As at 31.03.2015		As at 31.03.2014	
		Non Current	Current	Non Current	Current
	Capital Advance	87 50 499	-	25 50 819	-
	Security Deposit	9 44 909	-	9 01 968	-
	Loan & Advance to Related Parties	-	-	-	-
	Balance with government Authority	-	1 65 35 432	-	2 77 28 608
	Gratuity Fund (Net)	-	11 66 226	-	4 89 287
	Prepaid Expenses	-	9 46 124	-	12 44 214
	Other Loans & Advances	-	65 05 908	-	69 33 263
	Advance to Suppliers	-	31 18 552	-	31 17 340
	Total	96 95 408	2 82 72 242	34 52 787	3 95 12 712
11	Other Non-Current Assets	Short Term			
		As at 31.03.2015 Rs.		As at 31.03.2014 Rs.	
	Margin Deposits with Original maturity for more than 12 months (Note - 14)			-	29 337
	Total			-	29 337
12	Inventories	As at			
		31.03.2015 Rs.		31.03.2014 Rs.	
	Raw Materials	2 62 41 643		3 64 24 278	
	Work-in-Progress	2 39 84 271		2 35 18 105	
	Finished Stocks	10 80 99 162		9 58 00 054	
	Stores & Spare parts	82 66 337		86 56 980	
	Packing Materials	28 35 203		27 54 697	
	Total	16 94 26 616		16 71 54 114	
13	Trade Receivables	Current			
		As at 31.03.2015 Rs.		As at 31.03.2014 Rs.	
A	<u>Outstanding for a period exceeding Six Months from the date they are due for Payment</u>				
	Unsecured, considered good	2 26 80 495		1 07 48 073	
	Unsecured, considered doubtful	-		-	
		2 26 80 495		1 07 48 073	
B	<u>Other Trade receivables</u>				
	Unsecured, considered good	11 85 11 176		13 81 73 131	
	Unsecured, considered doubtful	-		-	
		11 85 11 176		13 81 73 131	
	Total	14 11 91 670		14 89 21 204	

14	Cash and Bank Balance	As at 31.03.2015		As at 31.03.2014	
		Non Current	Current	Non Current	Current
A	Cash and cash equivalents				
	Cash on Hand	-	5 78 807	-	2 31 420
	Balance With Banks	-	6 30 836	-	8 92 457
	Total	-	12 09 643	-	11 23 877
B	Other Bank Balance				
	Margin Deposits with Original maturity for more than 12 months	-	2 99 664	29 337	20 00 000
		-	15 09 307	29 337	31 23 877
	Less Amount disclosed Under Non Current Assets (Note 11)			29 337	
	Total	-	15 09 307	-	31 23 877
15	Revenue from operation			2014-15	2013-14
				Rs.	Rs.
	<u>Sale of Product</u>				
	Finished Goods		45 65 79 679		48 35 77 779
	Less : Excise Duty		2 44 96 656		2 91 33 639
				43 20 83 023	45 44 44 140
	<u>Other Operating Revenue</u>				
	Scrap Sales			9 08 750	4 11 629
	Total			43 29 91 773	45 48 55 769
	<u>Detail of Finished Products Sold :</u>				
	Ball & Roller Bearing			43 20 83 023	45 44 44 140
	Others			-	-
	Total			43 20 83 023	45 44 44 140
16	Other Income			2014-15	2013-14
				Rs.	Rs.
	Interest Income			1 84 525	4 39 600
	Export Incentive			56 68 320	1 09 27 189
	Foreign Exchange Gain (Net)			-	55 07 013
	Profit on Sale of Asset			64 209	
	Misc. Income			-	32 180
	Total			59 17 054	1 69 05 982
17	Cost of Raw Materials Consumed			2014-15	2014-15
				Rs.	Rs.
	Inventory at the beginning of the year			3 64 24 278	2 47 94 279
	Add : Purchases (Net)			19 35 52 460	25 22 44 707
				22 99 76 738	27 70 38 986
	Inventory at the end of the year			2 62 41 643	3 64 24 278
	Cost of Raw Materials consumed			20 37 35 094	24 06 14 708

	Details of Raw Materials Consumed :			
	Alloy Steel Bar		9 97 89 636	12 36 34 024
	Cages		1 96 50 442	2 06 51 648
	Rollers		5 64 30 134	6 18 68 322
	Semi Finished Bearings		2 31 80 968	2 75 98 497
	Others		46 83 914	68 62 217
	Total		20 37 35 094	24 06 14 708
	Details of Inventories :			
	Cages		53 15 803	54 99 258
	Roller		81 26 838	1 09 41 412
	Alloy Steel Bar		1 27 99 002	1 99 83 608
	Total		2 62 41 643	3 64 24 278
17.1	Details of Raw Material Consumption			
		2014-15	% age	2013-14
	Indegenious	20 37 35 094	100	24 06 14 708
	Imported	-	-	-
	Total Consumption	20 37 35 094	100	24 06 14 708
18	Change In Inventories Of Finished Goods, Work In Progress and Stock In Trade		2014-15	2013-14
			Rs.	Rs.
	Inventory at the beginning of the year			
	Work-in-Progress		2 35 18 105	1 24 63 603
	Finished Stock (Including Goods in Transit)		9 58 00 054	10 48 85 079
			11 93 18 159	11 73 48 682
	Inventory at the end of the year			
	Work-in-Progress		2 39 84 271	2 35 18 105
	Finished Stock (Including Goods in Transit)		10 80 99 162	9 58 00 054
			13 20 83 433	11 93 18 159
	Decretion / (Accretion) to Stock		(1 27 65 274)	(19 69 477)
	<u>Details of Inventory (WIP)</u>			
	Taper Roller Bearing Ring (OR)		1 21 04 167	1 19 76 590
	Taper Roller Bearing Ring (IR)		1 18 80 104	1 15 41 515
			2 39 84 271	2 35 18 105
	<u>Details of Inventory (FG)</u>			
	Taper Roller Bearings		10 80 99 162	9 58 00 054
			10 80 99 162	9 58 00 054
19	Employee Benefit Expenses		2014-15	2013-14
			Rs.	Rs.
	Salary, Wages & Bonus		2 48 78 804	1 97 64 435
	Contribution to Provident Fund & Other Funds		16 14 406	22 91 334
	Welfare Expenses		7 63 747	2 38 835
	Total		2 72 56 957	2 22 94 604

The disclosure in respect of Employee Benefit as defined in the Accounting Standard 15 is given below :		
1. Assumption		
Particulars	2014-15 Rs.	2013-14 Rs.
Discount Rate	8%	8%
Salary Escalation	7%	7%
2. Table Showing Changes in Present Value of Obligation :		
Particulars	Gratuity Defined Benefit Obligation 2014-15 Rs.	Gratuity Defined benefit obligation 2013-14 Rs.
Present Value of obligation as at beginning of year	32 30 997	27 17 988
Interest Cost	2 58 480	2 17 439
Service Cost	5 29 345	5 82 470
Benefit Paid	(665529)	(687174)
Acturual (gain) / loss on obligations	(539094)	4 00 274
Present Value of obligation as at end of year	28 14 199	32 30 997
3. Table Showing Changes in the fair value of Plan Asset :		
Particulars	Gratuity Defined Benefit Obligation 2014-15 Rs.	Gratuity Defined benefit obligation 2013-14 Rs.
Opening fair value of plan assets	37 20 284	37 57 588
Expected return	3 19 376	3 20 441
Contributions	6 06 294	3 29 429
Benefits paid	(665529)	(687174)
Acturial gain (loss) on plan assets	-	-
Fair Value of plan assets at the end of year	39 80 425	37 20 284
4. Table Showing fair value of Plan Asset :		
Particulars	Gratuity Defined Benefit Obligation 2014-15 Rs.	Gratuity Defined benefit obligation 2013-14 Rs.
Opening Fair Value of Plan Assets	37 20 284	37 57 588
Acturial Return on Plan Assets	3 19 376	3 20 441
Contributions	6 06 294	3 29 429
Benefits paid	(6 65 529)	(6 87 714)
Fair Value of Plan Assets as at the end of the year	39 80 425	37 20 284
Funded Status	11 66 226	4 89 287
Excess of Actual Over estimated return on plan assets	-	-

5. Actuarial Gain / Loss					
Particulars	2014-15		2013-14		
	Rs.		Rs.		
Actuarial (gain) / loss on Obligations	5 39 094		(4 00 274)		
Actuarial (gain) / loss for the year - plan assets	-		-		
Actuarial (gain) / loss on Obligations	(5 39 094)		4 00 274		
Actuarial (gain) / loss on recognized in the year	(5 39 094)		4 00 274		
6. The Amounts to be recognized in the Balance Sheet and Statements of profit and loss.					
Particulars	Gratuity Defined Benefit Obligation		Gratuity Defined Benefit Obligation		
	2014-15		2013-14		
	Rs.		Rs.		
Present value of Obligations as at end of year	28 14 199		32 30 997		
Fair value of plan assets	39 80 425		37 20 284		
Fund Status	11 66 226		4 89 287		
Net asset (liability)	11 66 226		4 89 287		
7. Expenses recognized In The Statement of Profit And Loss Account					
Particulars	Gratuity Defined Benefit Obligation		Gratuity Defined benefit obligation		
	2014-15		2013-14		
	Rs.		Rs.		
Current service cost	5 29 345		5 82 470		
Interest on obligation	2 58 480		2 17 439		
Expected return on plan assets	(3 19 376)		(3 20 441)		
Net actuarial losses (gains) recognized in year	(5 39 094)		4 00 274		
Total, included in 'employee benefit expense'	(70 645)		8 79 742		
Experience adjustment in plan assets- Gratuity					
Particulars	31.3.2015	31.3.2014	31.3.2013	31.3.2012	31.3.2011
Defined Benefit Obligation	28 14 199	32 30 997	27 17 988	16 25 334	13 21 762
Plan Assets	39 80 425	37 20 284	37 57 588	24 36 742	25 04 781
Unrecognised past service Cst	-	-	-	-	-
Deficit	-	-	-	-	-
Experience adjustments on plan liabilities	-	-	-	8 11 408	11 83 019
Experience adjustments on plan assets	11 66 226	4 89 287	10 39 600		
Contribution expects to be paid during the year ending March,31, 2016 Rs. 5,00,000/-.					

20	Finance Cost	2014-15 Rs.	2013-14 Rs.
	Interest on Term Loans	11 05 163	5 188
	Interest on Working Capital Loans	1 41 21 771	1 13 83 450
	Interest to Others	28 66 108	27 85 241
	Other Borrowing Cost	11 46 700	5 86 380
	Total	1 92 39 741	1 47 60 259
21	Depreciation And Amortisation Expense	2014-15 Rs.	2013-14 Rs.
	Depreciation of Tangible Assets	1 18 40 604	45 53 922
	Depreciation of Intangible Assets	1 19 810	43 249
	Total	1 19 60 414	45 97 171
22	Other Costs	2014-15 Rs.	2013-14 Rs.
	Stores & Spares consumed	2 63 47 152	1 70 08 690
	Packing material consumed	1 55 21 175	1 65 68 137
	Electricity & Fuel charges	61 33 686	49 79 231
	Labour Charges	6 35 56 892	8 51 59 114
	REPAIRS TO:		
	Building	5 01 938	7 45 360
	Others	5 28 965	3 97 097
	Sub Total ...	10 30 903	11 42 457
	Insurance	15 63 993	20 05 003
	Stationery & Printing	4 70 380	4 79 642
	Advertisement Exps.	4 34 038	2 25 633
	Communication	7 99 585	8 78 710
	Traveling & Conveyance Exps.	72 97 213	61 48 655
	Professional Fees	6 66 367	12 05 253
	Freight & Delivery Charges	73 77 295	55 77 831
	Rent, Rate & Taxes	7 51 568	1 93 324
	Excise Duty difference on closing and op. stock	14 72 671	(9 99 385)
	AUDITOR'S REMUNERATION:		
	Audit Fees	2 52 810	1 40 450
	For Tax Audit	28 090	28 090
	For Certification	45 847	29 777
	Sub Total ...	3 26 747	1 98 317
	Directors Remuneration & Perquisite Charges	12 04 810	10 96 053
	Sales Promotion Exps.	65 68 447	47 60 412
	Bank Charges	7 34 786	7 26 870
	Loss on Sale of Assets	-	1 743
	Donation	25 000	25 000
	Exchange Difference	5 25 837	-
	General Charges (including License Fees, Office & Misc.Expenses Admn. Charges, Service and water charges services)	34 52 924	28 76 639
	Total	14 62 61 469	15 02 57 328

23	Deferred Tax Liabilities / (Assets)	2014-15	2013-14
	Opening balance of deffered Tax Liability / (Assets)	28,41,962	34,32,958
	Less: Amount of reversal of Deferred Tax Liability in respect of fixed assets whose useful life has expired on adoption of Schedule II to the Companies Act-2013	3,89,599	-
	Adjusted Opening balance of deffered Tax Liability / (Assets)	24,52,363	34,32,958
	Closing balance of deffered Tax Liability / (Assets)	5,39,867	28,41,962
	Deferred Tax Liabilities / (Assets) for the year	(19,12,496)	(5,90,996)

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

24. The contingent liability is Rs. Nil (P.Y. Rs. Nil).
25. The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, and hence disclosure relating to amounts unpaid as at year end together with interest paid / payable under this Act has not been given.
26. **Segment Information:**

In the opinion of management the Co. is primarily engaged in the business of Ball & Roller Bearings. All other activities of the Co. revolve around the main business and as such there is no separate reportable business segment.

The operations of the company are confined to India as well as outside India with export contributing to 61.80 % (P.Y. 65.49 %) of annual turnover. Hence in view of the management India and exports market represents different geographical segment.

Secondary segment information for the year ended 31st March, 2015.

Particulars	India	Outside India	Total Rs.
Revenue by Geographical Market	16,53,91,618 (15,69,52,745)	26,76,00,155 (29,79,03,023)	43,29,91,773 (45,48,55,769)
Carrying Amount of Segment Assets	16,56,63,671 (9,29,10,799)	4,68,29,514 (8,16,06,455)	21,24,93,185 (17,39,61,135)
Addition to Fixed Assets	1,91,41,781 (86,54,192)	Nil (Nil)	1,91,41,781 (86,54,192)

27. **Related Party Disclosure**

List of related parties with whom transactions have taken place during the year and details of transactions is as follows.

a. **Key Management Personnel**

- Vinodbhai H. Kansagara
- Bharatbhai K. Ghodasara

b. **Where Control Exist :**

- Gujarat Cine Enterprise Pvt. Ltd.

c. Relative of key management personnel and their enterprises

<u>Name of Person</u>	<u>Related Party Relation</u>
- Kirtikant H Kansagara	Brother of Key Management Personnel
- Arohi Ghodasara	Relative of Director
- Avani Ghodasara	Relative of Director
- Nayana Ghodasara	Relative of Director

d. List of Other Related Parties with whom transactions have taken place during the period:

Details of Transaction:-

<u>Sr. No.</u>	<u>Nature of Transaction</u>	<u>Key Management Personnel</u>	<u>Relative of Key Management Personnel</u>	<u>Where Control Exist</u>	<u>Total Rs.</u>
1.	Unsecured Loan				
	Loan taken during the year	68,00,000 (Nil)	Nil (Nil)	Nil (Nil)	68,00,000 (Nil)
	Loan repaid during the Year	39,578 (Nil)	34,14,178 (35,000)	Nil (Nil)	34,53,756 (35,000)
	Closing Balance	68,88,505 (Nil)	Nil (31,15,000)	Nil (Nil)	68,88,505 (31,15,000)
2.	Advance Given				
	Advance given during the year	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	Advance Settled during the Year	Nil (Nil)	Nil (Nil)	Nil (9,22,454)	Nil (9,22,454)
	Closing Balance	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
3.	Expenses				
	Directors Remuneration	12,04,810 (10,96,053)	Nil (Nil)	Nil (Nil)	12,04,810 (10,96,053)
	Interest Paid	1,28,083 (Nil)	2,99,178 (3,50,000)	Nil (Nil)	4,27,261 (3,50,000)
	Job Work	Nil (Nil)	4,80,000 (4,39,440)	Nil (Nil)	4,80,000 (4,39,440)

Note: List of transaction, out of the transactions reported in the above table, where the transactions entered in to with single party exceed the 10% of the total related Party transactions of similar nature are as under:

<u>Particulars</u>	<u>2014-15</u>	<u>2013-14</u>
Unsecured Loan		
Repayment		
Kirtikant Hirjibhai Kansagara	34,14,178	35,000
Taken		
Vinod H Kansagara	21,00,000	Nil
Tuhina Rimal Bera	23,50,000	Nil
Shetal D Gor	23,50,000	Nil

Advances Given		
Recovered		
Gujarat Cine Enterprise Pvt. Ltd.	Nil	9,22,454
Expenses		
Directors Remuneration		
Vinodbhai Kansagara	4,55,000	4,55,000
Bharatbhai Ghodasara	7,49,810	6,41,053
Interest Paid		
Kirtikant Hirjibhai Kansagara	2,99,178	3,50,000
Tuhina Rimal Bera	44,264	Nil
Shetal D Gor	44,264	Nil
Job Work		
Arohi Ghodasara	1,66,500	1,52,250
Avani Ghodasara	1,66,500	1,52,250
Nayanaben Ghodasara	1,47,000	1,34,400

28. Earning per Shares

Particular	Unit	31.03.15	31.03.14
Numerator used for calculating Basic and Diluted Earning per Share (Profit after Tax)	Rs.	2,86,88,255	2,84,38,098
Weighted average No. of shares used as denominator for calculating Basic and Diluted	No. of Shares	31,80,000	31,80,000
Nominal Value of Share	Rs.	10	10
Basic and Diluted Earning per Share	Rs.	9.02	8.94

a) Information pursuant to provision of paragraphs 3 and 4 of part II of Schedule VI of the Companies Act, 1956. (As certified by Director):

b) CIF Value of Imports:

Sr. No.	Particulars	Amounts (Rs.)
1	Raw Materials	Nil
		(Nil)
2	Components & Spare Parts	Nil
		(Nil)
3	Capital Goods	Nil
		(Nil)

c) Expenditure in Foreign Exchange:

1	Traveling Expenses	11,37,183
		(12,88,757)
2	Foreign Bank Charges	3,15,066
		(8,33,093)

d) **FOB Value of Export :**

1	F.O.B. Value to Export	24,61,44,485
		(25,18,11,477)

e) **Earning in Foreign Exchange:**

1	Earning in Foreign Currency	28,40,25,680
		(22,44,68,989)

29. Balances are subject to confirmation.
30. Paisas are rounded up to the nearest rupee.
31. Balances of Debtors, Creditors, Advances and Liabilities have been taken as per books, are subject to reconciliation / confirmation and consequential adjustments, if any.
32. The Company is Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.
33. Borrowing costs attributable to the acquisition or construction of Qualifying Assets amounting to Rs. Nil (P. Y. Rs. Nil).
34. The difference between excise duty on opening and closing stock of finished goods is recognized separately in the Statement of Profit & Loss.
35. During the year, the company has impaired the assets to the tune of Rs. Nil (P.Y. Rs. Nil).
36. Previous year's figures have been regrouped and rearranged wherever necessary, to make them comparable with those of current year.

Signature to notes "1" to "36"

As Per Our Report of Even Date attached herewith

For, J T Shah & Company
Chartered Accountants
[FRN No. 109616W]

For, Galaxy Bearings Ltd.

[J. T. Shah]
Partner
[M.No. 3983]

[B. K. Ghodasara]
Jt. Mg. Director
[DIN-00032054]

[R. V. Bhalodia]
Director
[DIN 00020098]

Place : Ahmedabad
Date : 29th May' 2015

[Dixit S Patel]
Chief Financial Officer

[Nayan S Patel]
Company Secretary

Galaxy Bearings Limited

[CIN: L29120GJ1990PLC014385]

Regd. Office: T-18, Vikram Chambers, Ashram Road, Ahmedabad – 380 009.

Tel. (079) 27546020 Email: share@galaxybearings.com Website: wwwgalaxybearings.com

FORM MGT – 11

PROXY FORM

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

Name of the Member (s):	
Registered Address:	
E-mail Id:	
Folio/DP ID – Client ID No.	

I/We being a Member(s) of _____ shares of the Company, hereby appoint

1. Name : _____

Address : _____

E-mail id: _____

Signature: _____ of failing him

2. Name : _____

Address : _____

E-mail id: _____

Signature: _____ of failing him

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 the behalf at the 25th Annual General Meeting of the Company to be held on **Friday, 25th September, 2015 at 12:00 Noon** at the Registered Office of the Company and at any adjournment thereof such resolutions as are indicated below:

Resol- ution No.	Resolutions	Vote (Optional see Note 3) (Please mention no. of shares)	
		For	Against
Ordinary Business			
1.	Adoption of audited Balance Sheet as at 31st March, 2015, and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Board of Directors and the Auditors thereon.		
2.	Re-appointment of Mr. Navinchandra Mohanlal Patel (holding DIN: 00016860) who retires by rotation and, being eligible, offers himself for re-appointment.		
3.	Re-appointment of Mr. Vinodrai H. Kansagara (holding DIN: 00015696) who retires by rotation and, being eligible, offers himself for re-appointment.		
4.	Re-appointment of Statutory Auditors of the Company.		
Special Business			
5.	Regularisation of Mrs. Shetal Devang Gor as Director.		
6.	Regularisation of Mrs. Tuhina Rimal Bera as Director.		
7.	Special Resolution for authorize the board of directors to borrow in excess of the paid up capital and free reserves of the company under Section 180(1)(c) of the Companies Act, 2013.		
8.	Special Resolution for authorize the board of directors to create charges on the movable and immovable properties of the company under Section 180(1)(a) of the Companies Act, 2013.		
9.	Special Resolution for adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.		

Signed thisday of2015.

Signature of Shareholder:

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

Affix Revenue Stamp

NOTE :

1. The Proxy Form signed across revenue stamp should reach at the Company's Registered Office at T- 18, Vikram Chambers, Ashram Road, Ahmedabad – 380 009
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 25th Annual General Meeting.
3. It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. The Proxy need not to be a Member of the Company.
5. Please fill in full particulars.
6. Company reserves the right to ask for identification of the proxy.

Galaxy Bearings Limited

[CIN: L29120GJ1990PLC014385]

Regd. Office: T - 18, Vikram Chambers, Ashram Road, Ahmedabad – 380 009.

Tel. (079) 27546020 Email: share@galaxybearings.com Website: www.galaxybearings.com

ATTENDANCE SLIP

Please complete the attendance slip and hand it over at the entrance of the Meeting hall.

I/We hereby record my presence at the 25th Annual General Meeting of the Company held on **Friday, 25th September, 2015 at 12:00 Noon** at the Registered office of the Company.

DP ID		FOLIO NO	
Client ID		NO OF SHARES	
Name of the Shareholder (In Block Letters)			
Signature of Shareholder			
Name of the proxy (In Block Letters)			
Signature of the Proxy			

NOTE: (1) This attendance is valid only in case shares are held on the date of this Annual General Meeting

(2) You are requested to sign and hand over this slip at the entrance.

BOOK-POST

To,

If Undelivered, Please Return To:

Galaxy Bearings Limited

[CIN: L29120GJ1990PLC014385]

Regd. Office: T-18, Vikram Chambers, Ashram Road, Ahmedabad – 380 009.

Tel. (079) 27546020 **Email:** share@galaxybearings.com **Website:** www.galaxybearings.com