





<b>BOARD OF DIRECTORS</b>	Mr. Vinodrai H. Kansagara Mr. Bharatkumar K. Ghodasara Mrs. Jyotsnaben S. Vachhani Mr. Navinchandra M. Patel Mr. Rashmikant V. Bhalodia Mr. Jitendra V. Shah Mr. Pradip C. Khetani Mrs. Shetal Devang Gor Mrs. Tuhina Rimal Bera	<i>Director</i> <i>Managing Director</i> <i>Chairperson &amp; Independent Director</i> <i>Director</i> <i>Director</i> <i>Independent Director</i> <i>Independent Director</i> <i>Director</i> <i>Director</i>
<b>CHIEF FINANCIAL OFFICER</b>	Mr. Dixit S. Patel	
<b>BANKER</b>	State Bank of India Bank of Baroda HDFC Bank Ltd.	
<b>STATUTORY AUDITORS</b>	M/s. J. T. Shah & Company, Chartered Accountants	
<b>REGISTERED OFFICE</b>	T - 18, Vikram Chambers, Ashram Road, Ahmedabad - 380 009. <b>Email:</b> investor.gbl@gmail.com <b>Website:</b> www.galaxybearings.com <b>Tel. No. :</b> 079 - 2754 6020	
<b>PLANT/FACTORY</b>	Survey No. 253, N. H. No. 8B, Village: Shaper, Ta: Kotda Sangani, Dist.: Rajkot - 360 024.	
<b>CIN</b>	L29120GJ1990PLC014385	
<b>REGISTRAR&amp; SHARE TRANSFER AGENTS</b>	M/s. Link Intime India Private Limited 5 <sup>th</sup> Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C. G. Road, Navrangpura, Ahmedabad - 380 009.	

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## NOTICE

**NOTICE** is hereby given that the 27<sup>th</sup> Annual General Meeting of the members of **GALAXY BEARINGS LIMITED** (CIN: L29120GJ1990PLC014385) will be held on Friday, 29<sup>th</sup> September, 2017 at 12:00 Noon at Shree Sardar Patel Seva Samaj, Beside Central Bank of India, Near Mithakhali Six Road, Ellis Bridge, Ahmedabad - 380 006 to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2017 and the Reports of Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Mrs. Tuhina R. Bera (having DIN: 07063420), who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s Samir M. Shah & Associates (Firm Reg. No. 122377W), Chartered Accountants, Ahmedabad, be and are hereby appointed as Statutory Auditor of the Company, in place of the existing Statutory Auditor M/s J. T. Shah and Company (Firm Reg. No. 109616W), Chartered Accountants, Ahmedabad to hold office for a period of 5 years viz. from the conclusion of ensuing 27<sup>th</sup> AGM of Company till the conclusion of its 32<sup>nd</sup> AGM; subject to ratification of their appointment by the members in subsequent AGMs of the Company till the expiry of their term, as may be applicable and the Board of Directors of the Company be and is hereby authorized to fix their remuneration for the respective period(s) on mutually agreed terms and reimbursement of actual out of pocket expenses etc, as may be incurred in the performance of their duties."

### **SPECIAL BUSINESS:**

#### **4. TO APPOINT MR. BHARATKUMAR KESHAVJI GHODASARA AS A WHOLE TIME DIRECTOR:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), the consent of the Members be and is hereby accorded to the appointment of Mr. Bharatkumar Keshavji Ghodasara (having DIN: 00032054) as Whole Time Director of the Company for a period of three years from 01<sup>st</sup> September, 2017 to 31<sup>st</sup> August, 2020, upon the terms and conditions as set out below (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Bharatkumar Keshavji Ghodasara.

**RESOLVED FURTHER THAT** the terms and conditions of his appointment are as mentioned below:

- (1) **Salary** : Rs. 60,000/- per month (Increment in salary per annum will be as per rules of the Company).
- (2) **Perquisites** : (The aggregate value of perquisites and other benefits shall not exceed Rs. 5,00,000/- per annum)
  - a. **Provident Fund:** As per the rules of the Company.
  - b. **Car** : Provision of Company's cars for official purpose.

**Benefits and Amenities:**

- a. **Gratuity:** As per the rules of the Company.
- a. **Leave:** As per the rules of the Company.
- b. The appointee shall be entitled to the benefits of Bonus as per Rules of the Company.

The above remuneration including salary, perquisites, benefits and other amenities as aforesaid shall not exceed the ceilings laid down in Section I and Section II of Part II of Schedule V to the Companies Act, 2013.

**Other Terms and Conditions:**

1. The Whole Time Director shall devote his valuable time and attention to the overall affairs of the Company and shall use his best endeavor to promote its interest and welfare.
2. The Whole Time Director shall maintain confidentiality as any information or knowledge in connection with the business affairs of the Company, obtained by him during the course of his current tenure or at any time thereafter.
3. The Whole Time Director shall act in accordance with superintendence, control and direction of the Board of Directors of the Company.
4. The appointment may be terminated by giving one month advance notice from either side.
5. The Whole Time Director shall not be paid sitting fees for attending meetings of the Board of Directors or Committees thereof.
6. **Reimbursement of costs, charges, and expenses:** The Company shall pay to or reimburse the Whole Time Director and he shall be entitled to be paid and/or to be reimbursed by the Company, all cost, charges and expenses that may have been or may be incurred by them for the purpose of or on behalf of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**5. SERVICE OF DOCUMENTS THROUGH A PARTICULAR MODE AS MAY BE SOUGHT BY THE MEMBERS:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the Company by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed, the consent of the Company be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the member for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the Company and that no such request shall be entertained by the Company post the dispatch of such document by the Company to the members.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

Mr. Bharatkumar K. Ghodasara  
**(Managing Director)**  
DIN: 00032054

**Date:** 11<sup>th</sup> August, 2017  
**Registered Office:**  
T-18, Vikram Chambers,  
Ashram Road, Ahmedabad - 380 009

**NOTES:-**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** A person can act as a 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.
2. Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, concerning the Special Business(es) in the Notice of this Annual General Meeting is annexed hereto and forms part of this Notice.
3. Members are requested to intimate immediately change of address, if any, to the Company's Registrar and Share Transfer Agents or Depository Participant, as the case may be.
4. Members are requested to bring their copy of the Annual Report to the Annual General Meeting. The duly filled Attendance Slip must be surrendered at the entrance of the Meeting.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant(s) with whom they are maintaining their demat accounts and members holding shares in physical form to the Company/Registrar and Share Transfer Agents.
6. 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 Share Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.
7. 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.
8. All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar and Share Transfer Agents.
9. All documents referred to in the accompanying Notice 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 and public holidays, up to the Annual General Meeting of the Company.
10. Electronic copy of the Annual Report and Notice of the 27<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 27<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of evoting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
11. Route Map showing directions to reach to the venue of the 27<sup>th</sup> AGM is attached to the Annual Report as per the requirement of the Secretarial Standards - 2 on "General Meeting."
12. **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 the Companies (Management and Administration) Rules, 2015 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members facility to exercise their right to vote at the 27<sup>th</sup> Annual General Meeting (AGM) by electronic means and all the items of 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 26<sup>th</sup> September, 2017 and ends on at 05:00 P.M. on Thursday, the 28<sup>th</sup> September, 2017**. 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 22<sup>nd</sup> September, 2017**, 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](http://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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	Enter your 10 digit alpha - numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>• 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.</li> </ul>
<b>DOB</b>	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.
<b>Dividend Bank Details</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• 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).</li> </ul>

- (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](http://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](mailto: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](mailto: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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
13. Mr. Krunal Hirapara, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process as well as voting through ballot paper at the Meeting, in a fair and transparent manner.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (PURSUANT TO THE REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015):-**

Name of the Director	Mrs. Tuhina R. Bera	Mr. Bharatkumar K. Ghodasara
DIN	07063420	00032054
Date of Birth	26 <sup>th</sup> October, 1964	01 <sup>st</sup> February, 1959
Date of Appointment	08 <sup>th</sup> January, 2015	28 <sup>th</sup> March, 1994
Qualifications	M.S. in Electrical Engineering (USA)	Graduate in Commerce
Experience & Expertise in specific functional areas	Mrs. Tuhina R. Bera is having an outstanding exposure in administration and accounts.	Mrs. Bharatkumar K. Ghodasara is having very rich experience in manufacturing, production, marketing and finance for more than 30 years.
No. of Shares held in the Company	65,000	15,600
List of Listed Entity in which Directorship held as on 31.03.2017	N.A.	N.A.
List of Listed Entity in which membership of Committees of the board held as on 31.03.2017.	N.A.	He is chairman of the Risk Management Committee and member of the Stakeholders Relationship Committee of our company.
Relationships between directors inter se	Mrs. Tuhina R. Bera is a daughter of Mr. Vinodrai H. Kansagara, Director of the company.	N.A.



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

### **ITEM NO. 4:**

Mr. Bharatkumar Keshavji Ghodasara (having DIN: 00032054), aged 58, is a Commerce Graduate. He is having very rich experience in manufacturing, production, marketing and finance for more than 30 years. He was appointed as Joint Managing Director of the Company with effect from 1<sup>st</sup> April, 2014 for a period of 3 years by the members of the Company in their Annual General Meeting held on 27<sup>th</sup> September, 2014. His tenure was expired on 31<sup>st</sup> March, 2017 and the Board of Directors on the recommendation of the Nomination and Remuneration Committee, in their meeting held on 26<sup>th</sup> May, 2017 considered his contribution, expertise and valuable guidance provided to the Company and appointed him as Managing Director of the Company for a period of three years from 01<sup>st</sup> June, 2017 to 31<sup>st</sup> May, 2020.

The Board of Directors on further recommendation of the Nomination and Remuneration Committee, in their meeting held on 11<sup>th</sup> August, 2017 re-designated him as a Whole Time Director of the Company for a period of three years from 01<sup>st</sup> September, 2017 to 31<sup>st</sup> August, 2020 subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM").

In terms of the provisions of the Companies Act, 2013 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), your approval is required by way of ordinary resolution for the aforesaid appointment of Mr. Bharatkumar Ghodasara as Whole Time Director of the company. The Board of Directors accordingly recommend the resolution for your approval by way of an Ordinary Resolution as set out in Item no. 4 of the this notice.

None of the Directors, except Mr. Bharatkumar Ghodasara, being Key Managerial Personnel are interested or concerned, financially or otherwise, in the said resolution.

### **ITEM NO. 5:**

As per the provisions of section 20 of the Companies Act, 2013, the documents may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his address or by such electronic or other modes as may be prescribed. Further, a member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined by the company in its annual general meeting.

The Board of Directors accordingly recommend the resolution for your approval by way of an Ordinary Resolution as set out in Item no. 5 of the this notice.

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

## DIRECTOR S' REPORT

To,  
Dear Shareholder

The Directors have pleasure in presenting the 27<sup>th</sup> Annual Report of your Company together with the Audited Financial Statement for the financial year ended 31<sup>st</sup> March, 2017.

### FINANCIAL SUMMARY

(Rs. in lacs except per equity share data)

Particulars	For the Year ended	
	31.03.2017	31.03.2016
Total Revenue	4339.52	3740.98
<b>Profit/ (Loss) before Interest and Depreciation</b>	707.59	548.48
Less: Finance Cost	126.68	175.34
<b>Profit/(Loss) Before Depreciation</b>	580.91	373.14
Less: Depreciation and Amortisation Expense	137.19	116.41
<b>Profit/(Loss) Before Tax</b>	443.72	256.73
<b>Provision for taxation</b>		
Less: Current Tax	158.00	80.00
Less: Short / (Excess) Provision of Income Tax of earlier years	(0.59)	(0.93)
Less: Deferred Tax Liability / (Assets)	(07.64)	18.07
<b>Net Profit/(Loss) After Tax</b>	293.95	159.59
Balance of Surplus brought forward from previous year	1544.95	1385.36
<b>SURPLUS CARRIED TO BALANCE SHEET</b>	1838.91	1544.95
<b>GENERAL RESERVE</b>	16.89	16.89
<b>TOTAL RESERVE &amp; SURPLUS</b>	1855.80	1561.85
Paid up Share Capital	318.00	318.00
<b>Net worth</b>	<b>2173.80</b>	<b>1879.85</b>

*Footnote:* Previous year figures have been regrouped/re-classified wherever required.

### REVIEW OF OPERATIONS

During the year under review, total revenue of your Company has increased to Rs. 4339.52 lacs as against Rs. 3740.98 lacs in the previous year and net profit of the company for the year has increased to Rs. 293.95 lacs as compared to 159.59 lacs for the previous year.

### 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 31<sup>st</sup> March, 2017 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.

### AMOUNTS TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to General Reserve of the company. The Company earned net profit of Rs. 293.95 Lacs which has been transferred to surplus in the statement of profit and loss account. Thus total reserve and surplus stood Rs. 1855.80 Lacs at the end of the year.

### INDUSTRIAL RELATIONS

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

**PUBLIC DEPOSITS**

During the year under review your company has not accepted or nor renewed any deposits, within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

**SUBSIDIARIES**

The Company does not have any subsidiary company during the year under review.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board consists of executive and non-executive directors including Independent directors who have wide and varied experience in different disciplines of corporate functioning.

Pursuant to section 152 of the Companies Act, 2013, Mrs. Tuhina R. Bera (having DIN: 07063420), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. The Directors recommend her re-appointment.

Mr. Vinodrai H. Kansagara, Managing Director of the company has resigned from his post with effect from 31<sup>st</sup> May, 2017 and he is continue as a Director of the company. The Board of Directors place on record the contribution made by him as Managing Director of our company. Mr. Nayan S. Patel resigned from the post of Company Secretary and Compliance Officer with effect from 13<sup>th</sup> May, 2017. The Board of Directors has appointed Mr. Bharatkumar K. Ghodasara (having DIN: 00032054) as a Whole Time Director of the Company for a period of three years with effect from 1<sup>st</sup> September, 2017 to 31<sup>st</sup> August, 2020 subject to approval of members in the forthcoming Annual General Meeting.

**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.

**BOARD AND COMMITTEE MEETINGS****A. Board Meetings**

During the year, Seven (7) meetings of the Board of Directors were convened and held on 28<sup>th</sup> May, 2016, 20<sup>th</sup> Jun, 2016, 11<sup>th</sup> August, 2016, 27<sup>th</sup> October, 2016, 14<sup>th</sup> February, 2017, 02<sup>nd</sup> March, 2017 and 17<sup>th</sup> March, 2017. The intervening gap between two consecutive meetings was not more than one hundred and twenty days. Details of composition of the Board as on 31<sup>st</sup> March, 2017 are given below:

Name of Directors	Category
Mrs. Jyotsnaben S. Vachhani (Chairperson)	NEID
Mr. Vinodrai H. Kansagara	ED
Mr. Bharatkumar K. Ghodasara	ED
Mr. Navinchandra M. Patel	NED
Mr. Rashmikant V. Bhalodia	NED
Mr. Jitendra V. Shah	NEID
Mr. Pradip C. Khetani	NEID
Mr. Shetal D. Gor	NED
Mr. Tuhina R. Bera	NED

\*postponed for some business

ED:- Executive Director, NED:- Non Executive Director and NEID:- Non-Executive Independent Director

**B. Audit Committee Meetings**

The Audit Committee has been reconstituted at a board meeting held on 28<sup>th</sup> May, 2016. During the Financial Year 2016-17, Four (4) meetings of the Audit Committee were held on 28<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2016, 27<sup>th</sup> October, 2016 and 10<sup>th</sup> February, 2017. Details of composition of the Committee as on 31<sup>st</sup> March, 2017 are given below:

Name of Directors	Designation	Category
Mrs. Jyotsnaben S. Vachhani	Chairperson	NEID
Mr. Jitendra V. Shah	Member	NEID
Mr. Rashmikant V. Bhalodia (up to 28 <sup>th</sup> May, 2016)	Member	NED
Mr. Pradip C. Khetani (w.e.f. 28 <sup>th</sup> May, 2016)	Member	NEID

### C. Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been reconstituted at a board meeting held on 28<sup>th</sup> May, 2016. During the Financial Year 2016-17, Four (4) meetings of the Stakeholders Relationship Committee were held on 20<sup>th</sup> June, 2016, 11<sup>th</sup> August, 2016, 27<sup>th</sup> October, 2016 and 24<sup>th</sup> February, 2017. Details of composition of the Committee as on 31<sup>st</sup> March, 2017 are given below:

Name of Directors	Designation	Category
Mrs. Jyotsnaben S. Vachhani (w.e.f. 28 <sup>th</sup> May, 2016)	Chairperson	NEID
Mr. Navinbhai M. Patel (up to 28 <sup>th</sup> May, 2016)	Chairman	NED
Mr. Jitendra V. Shah	Member	NEID
Mr. Vinodrai H. Kansagara	Member	ED
Mr. Bharatkumar K. Ghodasara	Member	ED

### D. Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been reconstituted at a board meeting held on 28<sup>th</sup> May, 2016. There was no requirement to hold Nomination and Remuneration Committee meeting during the Financial Year 2016-17. Details of composition of the Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2017 are given below:

Name of Directors	Designation	Category
Mr. Jitendra V. Shah	Chairman	NEID
Mrs. Jyotsnaben S. Vachhani	Member	NEID
Mr. Pradip C. Khetani (w.e.f. 28 <sup>th</sup> May, 2016)	Member	NEID
Mr. Navinbhai M. Patel (up to 28 <sup>th</sup> May, 2016)	Member	NED

### E. Risk Management Committee

There was no requirement to hold Risk Management Committee meeting during the Financial Year 2016-17. Details of composition of the Risk Management Committee as on 31<sup>st</sup> March, 2017 are given below:

Name of Directors	Designation	Category
Mr. Bharatkumar K. Ghodasara	Chairman	ED
Mr. Navinbhai M. Patel	Member	NED
Mr. Rashmikant V. Bhalodia	Member	NED

### F. 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 22<sup>nd</sup> March, 2017, as required under the Companies Act, 2013 and Regulation 25(3) of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015. 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.

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

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

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions contained in Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that:

- In preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2017, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- 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 of the company for that period;
- 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;
- They have prepared the annual accounts on a going concern basis;
- They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **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 the Companies (Accounts) Rules, 2014, is annexed herewith as '**Annexure - 1**'.

#### **PARTICULARS OF EMPLOYEES**

The particulars of employees in accordance with the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, is annexed herewith as '**Annexure - 2**'.

The particulars of employees falling under the purview of Section 197 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are NIL.

#### **AUDITORS**

##### **A. STATUTORY AUDITORS**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, **M/s. J. T. Shah and Company** (Firm Reg. No. 109616W), Chartered Accountants, the existing Statutory Auditor of the Company has completed the maximum tenure that he could hold as the Statutory Auditor of the Company, hence Audit Committee has recommended to the Board for the appointment of new Statutory Auditor

viz. **M/s. Samir M. Shah & Associates (Firm Reg. No. 122377W)**, Chartered Accountants, Ahmedabad, as the Statutory Auditor of Company, in place of **M/s. J. T. Shah and Company**, to hold office for 5 years period viz. from the conclusion of 27<sup>th</sup> AGM of Company up to conclusion of its 32<sup>nd</sup> AGM; subject to approval/ratification of their appointment by the members in ensuing AGM and subsequent AGMs of the Company, as may be applicable till the expiry of their term.

**M/s. Samir M. Shah & Associates (Firm Reg. No. 122377W)**, have confirmed their eligibility to the effect that if their appointment is made by the members in the ensuing Annual General Meeting, it shall be within the prescribed limits and they have also confirmed that they are not disqualified for such appointment. Necessary resolution for appointment of the said Auditor is included in the Notice of AGM for seeking approval of members.

#### **B. SECRETARIAL AUDITORS**

The Board, pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment thereof, was appointed Mr. R. S. Sharma, Practising Company Secretary, as the Secretarial Auditors of the Company to conduct the Secretarial Audit of the Company for the year ended 31<sup>st</sup> March, 2017. Due to his death Board had appointed Mrs. Palak Pancholi, Practising Company Secretary, as the Secretarial Auditor of the Company for the year ended 31<sup>st</sup> March, 2017 to fill casual vacancy of Secretarial Auditor of the company in place of Late R. S. Sharma.

#### **C. INTERNAL AUDITORS**

The Company has appointed M/s. R. H. Bhimani & Associates, Chartered Accountants, as Internal Auditor of the company.

#### **AUDITORS' REPORT**

The Auditors' Report for the year ended 31<sup>st</sup> March, 2017 and the notes forming part of the accounts referred to in the Auditor's Report are self-explanatory and give complete information. The Auditors' Report does not contain any qualification, reservation or adverse remark.

#### **SECRETARIAL AUDIT REPORT**

Secretarial Audit Report for the year ended 31<sup>st</sup> March, 2017 as per Section 204 of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as '**Annexure - 3**'.

#### **EXTRACTS OF ANNUAL RETURN**

The extract of Annual Return in Form No. MGT - 9 as per Section 92(3) and 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of Companies (Management and Administration) Rules, 2014 is annexed herewith as '**Annexure - 4**'.

#### **NOMINATION AND REMUNERATION POLICY**

The policy of the Company on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees under Sub section (3) of Section 178 of the Companies Act, 2013, is annexed herewith as '**Annexure - 5**'.

#### **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The company has established a Vigil Mechanism (Whistle Blower Policy) for Directors and Employees to report about unethical behavior, actual or suspected fraud. The mechanism provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism. In exceptional cases, Directors and employees have direct access to the Chairman of the Audit Committee.

#### **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. During the year under review, the Company received no complaint of sexual harassment.

**CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT**

As per regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 various regulations related to Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 not applicable to the company. The Management Discussion and Analysis is made a part of this report.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY**

During the year under review, the company has not given any loans or guarantees or provided security(ies) and has not made any investments covered under the provisions of section 186 of the Companies Act, 2013.

**RELATED PARTY TRANSACTIONS**

During the year, the Company did not enter into any contract/arrangement/transaction with related parties.

**RISK MANAGEMENT POLICY**

The Board reviews the risks associated with the Company every year while considering the business plan. Considering the size of the Company and its activities, it is felt that the development and implementation of a risk management policy is not relevant to the Company and in the opinion of the Board there are no risks which may threaten the existence of the Company

**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 internal control system 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 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 2017-18 to BSE.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

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

**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:** 11<sup>th</sup> August, 2017

**Place:** Ahmedabad

Mr. Bharatkumar K. Ghodasara  
(Managing Director)  
**DIN:** 00032054

Mrs. Jyotsnaben S. Vachhani  
(Director)  
**DIN:** 00535817

## ANNEXURE - 1

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 forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2017.

### A. CONSERVATION OF ENERGY: -

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

In line with the Company's commitment towards conversion 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): -**

Sr. No.	Details of technology Imported	Year of Import	Whether fully absorbed
1	<b>GRINDING MACHINES-</b> OROD, IRT, IRL, ORT, IRTSF, ORTSF, IRB(ROUGH), ORT(ROUGH), IRLSF - Used for bearing raceway grinding and super finish operation.	2015-16	Yes
2	<b>POST PROCESS GAUGE-</b> Used for bore checking after bore grinding online.	2015-16	Yes
3	<b>AUTO LOADER, AUTO LINING MACHINE, CONNECTION LINE-</b> Used as a part of conveyor for movement of materials.	2015-16	Yes
4	<b>NOISE/VIBRATION TESTER-</b> Used for testing of bearing noise and vibration.	2015-16	Yes

**(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	2016-17 (Rs. in lacs)	2015-16 (Rs. in lacs)
1.	Foreign Exchange Earned	2154.89	2011.25
2.	Outgo of Foreign Exchange (Traveling Exp. and foreign Bank Charges)	18.15	34.42



**ANNEXURE - 2****Annexure to the Directors' Report****Information as required pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i. The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the F. Y. 2016 -17.

Sr. No.	Director's Name	Designation	Ratio to median remuneration
1	Mr. Vinodrai H. Kansagara	Managing Director	2.07
2	Mr. Bharatkumar K. Ghodasara	Jt. Managing Director	3.52
3	Mr. Navinchandra M. Patel	Director	Nil
4	Mr. Rashmikant V. Bhalodia	Director	Nil
5	Mrs. Jyotsnaben S. Vachhani	Director	Nil
6	Mr. Jitendra V. Shah	Director	Nil
7	Mr. Pradip C. Khetani	Director	Nil
8	Mr. Shetal D. Gor	Director	Nil
9	Mr. Tuhina R. Bera	Director	Nil

- ii. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary.

Sr. No.	Director's Name	Designation	% increase in Remuneration
1	Mr. Vinodrai H. Kansagara	Managing Director	Nil
2	Mr. Bharatkumar K. Ghodasara	Jt. Managing Director	Nil
3	Mr. Navinchandra M. Patel	Director	Nil
4	Mr. Rashmikant V. Bhalodia	Director	Nil
5	Mrs. Jyotsnaben S. Vachhani	Director	Nil
6	Mr. Jitendra V. Shah	Director	Nil
7	Mr. Pradip C. Khetani	Director	Nil
8	Mr. Shetal D. Gor	Director	Nil
9	Mr. Tuhina R. Bera	Director	Nil
10	Mr. Dixit S. Patel	Chief Financial Officer	19.23
11	Mr. Nayan S. Patel	Company Secretary	33.33

- iii. The median remuneration of employees excluding Key Managerial Personnel of the Company during the financial year 2016-17 increased by 7.78 % as compared to previous financial year. For computation of median remuneration of employees, the details of employees serving the company as on 31<sup>st</sup> March, 2017 has been consider.
- iv. There were 34 permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2017.
- v. The average remuneration increased by 7.43% for the said financial years. For computation of increase in remuneration, the details of employees serving the company as on 31<sup>st</sup> March, 2017 has been consider. Average increase in the remuneration of employees is based on individual performance and criteria set out by the management.
- vi. It is hereby affirmed that the remuneration is as per the Nomination and Remuneration policy of the Company.

## ANNEXURE - 3

### FORM NO. MR - 3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017

[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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 Complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2017 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, 2015;
  - (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 (Share based Employee Benefits) Regulations, 2014 **(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) Other laws as applicable specifically to the Company broadly covering Product Laws, Pollution Laws, Manufacturing Laws and Safety Laws.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- (i) The Company has not submitted financial result for the quarter ended on 31<sup>st</sup> December, 2016 with in time limit as prescribed under regulation 33 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Penalty for the same has been duly paid by the Company.

**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.

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, except when Board meetings were called by giving less than seven days notice in accordance with the provisions of Section 173 of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

**I further report that** during the audit period, there were no specific events/ actions having a major bearing on the affairs of the Company in pursuance of the above refereed laws, rules, regulations, guidelines, standards, etc.

**For, Palak Pancholi  
Proprietor**

**(Palak Pancholi)  
M. No. 28966  
CP No. 15092**

**Place:** Ahmedabad  
**Date:** 11<sup>th</sup> August, 2017

This report is to be read with '**Annexure- I**' forms an integral part of this report.

**'Annexure- I'**

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

My 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, Palak Pancholi  
Proprietor**

**Place:** Ahmedabad  
**Date:** 11<sup>th</sup> August, 2017

**(Palak Pancholi)  
M. No. 28966  
CP No. 15092**

## ANNEXURE -4

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

As on the financial year ended on 31.03.2017

[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.	<b>CIN</b>	L29120GJ1990PLC014385
ii.	<b>Registration Date</b>	19 <sup>th</sup> September, 1990
iii.	<b>Name of the Company</b>	Galaxy Bearings Limited
iv.	<b>Category/Sub-Category of the Company</b>	Public Company/ Limited by Shares
v.	<b>Address of the Registered Office and Contact Details</b>	T-18, Vikram Chambers, Ashram Road, Ahmedabad - 380 009. <b>Phone</b> : (079) 27546020 <b>Fax</b> : (079) 27546535 <b>Email</b> : investor.gbl@gmail.com
vi.	<b>Whether Listed Company</b>	Yes
vii.	<b>Name and Address of Registrar &amp; Transfer Agents</b>	<b>Link Intime India Private Limited</b> 5 <sup>th</sup> Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C. G. Road, Navrangpura, Ahmedabad - 380 009. <b>Phone</b> : 079-26465179/86/87 <b>Email</b> : 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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTER AND PROMOTER GROUP</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	33000	597040	630040	19.81	33000	592040	625040	19.66	(0.16)
b) Central Govt.	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Others	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1)</b>	<b>33000</b>	<b>597040</b>	<b>630040</b>	<b>19.81</b>	<b>33000</b>	<b>592040</b>	<b>625040</b>	<b>19.66</b>	<b>(0.16)</b>
<b>(2) FOREIGN</b>									
a) NRIs-Individual	392250	50000	442250	13.91	415160	113900	529060	16.64	2.73
b) Other-Individual	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Others	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(2)</b>	<b>392250</b>	<b>50000</b>	<b>442250</b>	<b>13.91</b>	<b>415160</b>	<b>113900</b>	<b>529060</b>	<b>16.64</b>	<b>2.57</b>
<b>Total shareholding of Promoter And Promoter Group (A)= (A)(1)+ (A)(2)</b>	<b>425250</b>	<b>647040</b>	<b>1072290</b>	<b>33.72</b>	<b>448160</b>	<b>705940</b>	<b>1154100</b>	<b>36.29</b>	<b>2.57</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i. Indian	-	109800	109800	3.45	100	109700	109800	3.45	-
ii. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i. Individual holding nominal share capital upto Rs. 1 lac	75810	1575300	1651110	51.93	72700	1419400	1492100	46.92	(5.00)
ii. Individual holding nominal share capital in excess of Rs 1 lac	76500	262300	338800	10.65	106700	307500	414200	13.03	2.37
c) Others									
i. H.U.F.	-	8000	8000	0.25	-	8000	8000	0.25	-
ii. Clearing Member	-	-	-	-	1800	-	1800	0.06	0.06
<b>Sub-total (B)(2): -</b>	<b>152310</b>	<b>1955400</b>	<b>2107710</b>	<b>66.28</b>	<b>181300</b>	<b>1844600</b>	<b>2025900</b>	<b>63.71</b>	<b>(2.57)</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>152310</b>	<b>1955400</b>	<b>2107710</b>	<b>66.28</b>	<b>181300</b>	<b>1844600</b>	<b>2025900</b>	<b>63.71</b>	<b>(2.57)</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>577560</b>	<b>2602440</b>	<b>3180000</b>	<b>100.00</b>	<b>629460</b>	<b>2550540</b>	<b>3180000</b>	<b>100.00</b>	<b>0.00</b>

**B. Shareholding of Promoters and Promoters Group: -**

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	Vinodrai H. Kansagara	133510	4.20	0.00	133510	4.20	0.00	0.00
2	Indiraben V. Kansagara	76440	2.40	0.00	76440	2.40	0.00	0.00
3	Sonal S. Patel	80000	2.52	0.00	80000	2.52	0.00	0.00
4	Shetal D. Gor	64400	2.03	0.00	145510	4.58	0.00	2.55
5	Tuhina R. Bera	57900	1.82	0.00	63600	2.00	0.00	0.18
6	Rimal Babubhai Bera	20000	0.63	0.00	20000	0.63	0.00	0.00
7	Chandrakant H. Kansagara	10000	0.31	0.00	10000	0.31	0.00	0.00
8	Navinchandra M. Patel	47610	1.50	0.00	47610	1.50	0.00	0.00
9	Rashmikant V. Bhalodia	60820	1.91	0.00	60820	1.91	0.00	0.00
10	Rajesh G. Patel	45210	1.42	0.00	45210	1.42	0.00	0.00
11	Dudhiben G. Patel	70500	2.22	0.00	70500	2.22	0.00	0.00
12	Govindlal J. Patel	30500	0.96	0.00	30500	0.96	0.00	0.00
13	Hemkunverben Patel	5500	0.17	0.00	5500	0.17	0.00	0.00
14	Valjibhai Patel	500	0.02	0.00	500	0.02	0.00	0.00
15	Mohanlal J. Patel	26000	0.82	0.00	26000	0.82	0.00	0.00
16	Savitaben M. Patel	30500	0.96	0.00	30500	0.96	0.00	0.00
17	Gautam N. Bhalodia	32000	1.01	0.00	32000	1.01	0.00	0.00
18	Kiran Valjibhai Patel	35200	1.11	0.00	35200	1.11	0.00	0.00
19	Nathabhai B. Delvadia	11700	0.37	0.00	11700	0.37	0.00	0.00
20	Atul Nathabhai Patel	20100	0.63	0.00	20100	0.63	0.00	0.00
21	Vanita Nathalal Patel	12800	0.40	0.00	12800	0.40	0.00	0.00
22	Bharatkumar K. Ghodasara	15600	0.49	0.00	15600	0.49	0.00	0.00
23	Janakkumar R. Bhalodia	2000	0.06	0.00	2000	0.06	0.00	0.00
24	Jaykumar R. Bhalodia	30000	0.94	0.00	30000	0.94	0.00	0.00
25	Ajitbhai Kiran Patel	30000	0.94	0.00	30000	0.94	0.00	0.00
26	Ankur Ramesh Kantesaria	5000	0.16	0.00	5000	0.16	0.00	0.00
27	Ashaben R. Patel	12000	0.38	0.00	12000	0.38	0.00	0.00
28	Dharmistaben R. Kantesaria	3000	0.09	0.00	3000	0.09	0.00	0.00
29	Dilip Keshavji Patel	7500	0.24	0.00	7500	0.24	0.00	0.00
30	Dinesh K. Ghodesara	5000	0.16	0.00	5000	0.16	0.00	0.00
31	Mukesh K. Patel	7500	0.24	0.00	7500	0.24	0.00	0.00
32	Jaiprakash J. Patel	6000	0.19	0.00	6000	0.19	0.00	0.00
33	Mona A. Patel	14000	0.44	0.00	14000	0.44	0.00	0.00
34	Rajnikant M. Bhalodia	20000	0.63	0.00	20000	0.63	0.00	0.00
35	Ramesh J. Kantesaria	7000	0.22	0.00	7000	0.22	0.00	0.00
36	Pushpaben R. Bhalodia	25000	0.79	0.00	25000	0.79	0.00	0.00
37	Rajeshkumar Patel HUF	500	0.02	0.00	500	0.02	0.00	0.00
38	Shobhna J. Patel	6000	0.19	0.00	6000	0.19	0.00	0.00
39	Suneeta Navin Patel	5000	0.16	0.00	0.00	0.00	0.00	(0.16)
	<b>Total</b>	<b>1072290</b>	<b>33.72</b>	<b>0.00</b>	<b>1154100</b>	<b>36.29</b>	<b>0.00</b>	<b>2.57</b>

**C. Change in Promoters and Promoters Group s' 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	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Vinodrai H. Kansagara	There is no change in holding during the year			
2	Indiraben V. Kansagara	There is no change in holding during the year			
3	Sonal S. Patel	There is no change in holding during the year			
4	Shetal D. Gor				
	At the beginning of the year	64400	2.03	64400	2.03
	Transfer on 12 <sup>th</sup> Nov, 2016	10600	0.33	75000	2.36
	Transfer on 15 <sup>th</sup> Nov, 2016	2910	0.09	77910	2.45
	Transfer on 16 <sup>th</sup> Dec, 2016	2300	0.07	80210	2.52
	Transfer on 20 <sup>th</sup> Jan, 2017	11000	0.35	91210	2.87
	Transfer on 30 <sup>th</sup> Jan, 2017	53800	1.69	145010	4.56
	Transfer on 1 <sup>st</sup> Feb, 2017	100	0.00	145110	4.56
	Transfer on 25 <sup>th</sup> March, 2017	400	0.01	145510	4.58
	At the end of the year			145510	4.58
5.	Tuhina R. Bera				
	At the beginning of the year	57900	1.82	57900	1.82
	Transfer on 25 <sup>th</sup> March, 2017	5700	0.18	63600	2.00
	At the end of the year			63600	2.00
6	Rimal Babubhai Bera	There is no change in holding during the year			
7	Chandrakant H. Kansagara	There is no change in holding during the year			
8	Navinchandra M. Patel	There is no change in holding during the year			
9	Rashmikant V. Bhalodia	There is no change in holding during the year			
10	Rajesh G. Patel	There is no change in holding during the year			
11	Dudhiben G. Patel	There is no change in holding during the year			
12	Govindlal J. Patel	There is no change in holding during the year			
13	Hemkunverben Patel	There is no change in holding during the year			
14	Valjibhai Patel	There is no change in holding during the year			
15	Mohanlal J. Patel	There is no change in holding during the year			
16	Savitaben M. Patel	There is no change in holding during the year			
17	Gautam N. Bhalodia	There is no change in holding during the year			
18	Kiran Valjibhai Patel	There is no change in holding during the year			
19	Nathabhai B. Delvadia	There is no change in holding during the year			
20	Atul Nathabhai Patel	There is no change in holding during the year			
21	Vanita Nathalal Patel	There is no change in holding during the year			
22	Bharatkumar K. Ghodasara	There is no change in holding during the year			
23	Janakkumar R. Bhalodia	There is no change in holding during the year			
24	Jaykumar R. Bhalodia	There is no change in holding during the year			
25	Ajitbhai Kiran Patel	There is no change in holding during the year			
26	Ankur Ramesh Kantesaria	There is no change in holding during the year			
27	Ashaben R. Patel	There is no change in holding during the year			
28	Dharmistaben R. Kantesaria	There is no change in holding during the year			
29	Dilip Keshavji Patel	There is no change in holding during the year			
30	Dinesh K. Ghodesara	There is no change in holding during the year			
31	Mukesh K. Patel	There is no change in holding during the year			
32	Jaiprakash J. Patel	There is no change in holding during the year			
33	Mona A. Patel	There is no change in holding during the year			
34	Rajnikant M. Bhalodia	There is no change in holding during the year			

Sr. No.	Particulars	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
35	Ramesh J. Kantesaria	There is no change in holding during the year			
36	Pushpaben R. Bhalodia	There is no change in holding during the year			
37	Rajeshkumar Patel HUF	There is no change in holding during the year			
38	Shobhna J. Patel	There is no change in holding during the year			
39	Suneeta Navin Patel				
	At the beginning of the year	5000	0.16	5000	0.16
	Transfer on 20 <sup>th</sup> Jan, 2017	5000	(0.16)	0.00	0.00
	At the end of the year			0.00	0.00

#### 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		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Samir K Kansagara				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Transfer on 12 <sup>th</sup> Nov, 2016	33100	1.04	33100	1.04
	Transfer on 16 <sup>th</sup> Dec, 2016	2200	0.07	35300	1.11
	Transfer on 30 <sup>th</sup> Dec, 2016	3800	0.12	39100	1.23
	Transfer on 20 <sup>th</sup> Jan, 2017	35100	1.10	74200	2.33
	Transfer on 30 <sup>th</sup> Jan, 2017	50300	1.58	124500	3.91
	Transfer on 1 <sup>st</sup> Feb, 2017	5700	0.18	130200	4.09
	At the end of the year			130200	4.09
2	Rohit L. Bhuvra				
	At the beginning of the year	99800	3.14	99800	3.14
	At the end of the year			99800	3.14
3	Forge & Forge Ltd.				
	At the beginning of the year	82500	2.59	82500	2.59
	At the end of the year			82500	2.59
4	Nimit Girdharlal Ukani				
	At the beginning of the year	25000	0.79	25000	0.79
	At the end of the year			25000	0.79
5	Shakuntlaben Ishwarlal Jagani				
	At the beginning of the year	18700	0.59	18700	0.59
	At the end of the year			18700	0.59
6	Jivanlal Jadavbhai Jagani				
	At the beginning of the year	18500	0.58	18500	0.58
	At the end of the year			18500	0.58
7	Rasila Hasmukhlal Kantesaria				
	At the beginning of the year	10700	0.34	10700	0.34
	Transfer on 11 <sup>th</sup> April, 2016	6000	0.19	16700	0.53
	At the end of the year			16700	0.53
8	Avni Dealings Pvt. Ltd.				
	At the beginning of the year	15000	0.47	15000	0.47
	At the end of the year			15000	0.47
9	Bharat Narshibhai Patel				
	At the beginning of the year	14300	0.45	14300	0.45
	At the end of the year			14300	0.45



10	Hasmukhlal Parsottam Kantesaria				
	At the beginning of the year	5600	0.18	5600	0.18
	Transfer on 11 <sup>th</sup> April, 2016	7900	0.25	13500	0.43
	At the end of the year			13500	0.43
11	Damodarbai Jadavbhai Patel				
	At the beginning of the year	57800	1.82	57800	1.82
	Transfer on 30 <sup>th</sup> Jan, 2017	(57800)	(1.82)	0.00	0.00
	At the end of the year			0.00	0.00
12	Babulal Gordhandas Govani				
	At the beginning of the year	19400	0.61	19400	0.61
	Transfer on 10 <sup>th</sup> May, 2016	(19400)	(0.61)	0.00	0.00
	At the end of the year			0.00	0.00
13	Nilesh Damodar Jagani				
	At the beginning of the year	14800	0.47	14800	0.47
	Transfer on 30 <sup>th</sup> Jan, 2017	(14800)	(0.47)	0.00	0.00
	At the end of the year			0.00	0.00
14	Pratik Rajendra Gandhi				
	At the beginning of the year	14500	0.46	14500	0.46
	Transfer on 10 <sup>th</sup> September, 2017	1000	0.03	15500	0.49
	Transfer on 12 <sup>th</sup> Nov, 2016	(15500)	(0.49)	0.00	0.00
	At the end of the year			0.00	0.00

#### 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
1	Vinodrai H. Kansagara				
	At the beginning of the year	133510	4.20	133510	4.20
	At the end of the year			133510	4.20
2	Bharatkumar K. Ghodasara				
	At the beginning of the year	15600	0.49	15600	0.49
	At the end of the year			15600	0.49
3	Navinchandra M. Patel				
	At the beginning of the year	47610	1.50	47610	1.50
	At the end of the year			47610	1.50
4	Rashmikant V. Bhalodia				
	At the beginning of the year	60820	1.91	60820	1.91
	At the end of the year			60820	1.91
5	Shetal D. Gor				
	At the beginning of the year	64400	2.03	64400	2.03
	Transfer on 12 <sup>th</sup> Nov, 2016	10600	0.33	75000	2.36
	Transfer on 15 <sup>th</sup> Nov, 2016	2910	0.09	77910	2.45
	Transfer on 16 <sup>th</sup> Dec, 2016	2300	0.07	80210	2.52
	Transfer on 20 <sup>th</sup> Jan, 2017	11000	0.35	91210	2.87
	Transfer on 30 <sup>th</sup> Jan, 2017	53800	1.69	145010	4.56
	Transfer on 1 <sup>st</sup> Feb, 2017	100	0.00	145110	4.56
	Transfer on 25 <sup>th</sup> March, 2017	400	0.01	145510	4.58
	At the end of the year			145510	4.58
6	Tuhina R. Bera				
	At the beginning of the year	57900	1.82	57900	1.82
	Transfer on 25 <sup>th</sup> March, 2017	5700	0.18	63600	2.00
	At the end of the year			63600	2.00

7	Jyotsnaben S. Vachhani				
	At the beginning of the year	12700	0.40	12700	0.40
	At the end of the year			12700	0.40
8	Jitendra V. Shah				
	At the beginning of the year	300	0.01	300	0.01
	Transfer on 16 <sup>th</sup> Dec, 2016	200	0.01	100	0.00
	At the end of the year			100	0.00
9	Pradip C. Khetani				
	At the beginning of the year	300	0.01	300	0.01
	At the end of the year			300	0.01
10	Dixit S. Patel (CFO)	0.00	0.00	0.00	0.00
11	Nayan S. Patel (CS)	0.00	0.00	0.00	0.00

## 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
<b>Indebtedness at the beginning of the financial year</b>				
(i) Principal Amount	14,52,01,161	2,68,00,000	Nil	17,20,01,161
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ ii+ iii)</b>	<b>14,52,01,161</b>	<b>2,68,00,000</b>	<b>Nil</b>	<b>17,20,01,161</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	0.00	0.00	0.00	0.00
Reduction	(6,11,13,556)	(2,00,00,000)	0.00	(8,11,13,556)
<b>Net Change</b>	<b>(6,11,13,556)</b>	<b>(2,00,00,000)</b>	<b>0.00</b>	<b>(8,11,13,556)</b>
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	8,40,87,605	68,00,000	Nil	9,08,87,605
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>8,40,87,605</b>	<b>68,00,000</b>	<b>Nil</b>	<b>9,08,87,605</b>

## 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	7,89,145	12,44,145
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00
5	Others -	0.00	0.00	0.00
	<b>Total (A)</b>	<b>4,55,000</b>	<b>7,89,145</b>	<b>12,44,145</b>
	Ceiling as per the Act	Remuneration paid is within the ceiling limits as prescribed under the Companies Act, 2013 and the rules framed there under.		

**B. Remuneration to other directors:-**

- There is no remuneration being paid to any other directors during the F. Y. 2016-17.

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Nayan S. Patel (CS)	Dixit S. Patel (CFO)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.00	2,66,535	4,15,885	6,82,420
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00	0.00
5	Others -	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>2,66,535</b>	<b>4,15,885</b>	<b>6,82,420</b>

**VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES**

- There were no penalties/ punishment/ compounding of offences under any sections of the Companies Act, 2013 against the Company or its Directors or other Officers in default, if any, during the year.

## **ANNEXURE -5**

### **NOMINATION AND REMUNERATION POLICY**

#### **INTRODUCTION:**

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMPs), Senior Management Personnel (SMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 to pay equitable remuneration to the Directors, KMPs, SMPs and other employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company.

#### **DEFINITIONS & INTERPRETATIONS:**

**"Board of Directors"** or **"the Board"** means the Board of Directors of **Galaxy Bearings Limited**, as constituted from time to time.

**"The Company"** wherever occur in the policy shall mean **Galaxy Bearings Limited**.

**"Director"** means Director of the Company.

**"Key Managerial Personnel"** in relation to a Company means

- i. the Chief Executive Officer, or the Managing Director or the Manager ;
- ii. the Company Secretary;
- iii. the Whole -time director;
- iv. Chief Financial Officer; and
- v. such other officer as may be prescribed under the Companies Act, 2013

**"Independent Director"** means a director referred to in Section 149(6) of the Companies Act, 2013 and rules framed thereunder.

**"Senior Management Personnel"** means personnel of the company who are members of its core management team excluding the Board of Directors but including Functional Heads

**"The Committee"** means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and/or regulations.

#### **CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE**

The Board has constituted the Nomination and Remuneration Committee of the Board. The Board has authority to reconstitute the committee from time to time.

#### **ROLE OF THE COMMITTEE**

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.

#### **REMUNERATION FOR MANAGING DIRECTOR ('MD')/ EXECUTIVE DIRECTORS ('ED')/ KEY MANAGERIAL PERSONNEL ('KMP')**

- The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders, if required.
- The Board, on the recommendation of the Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- The remuneration structure to the Executive Directors and Key Managerial Personnel may include the following components: Basic Pay, Perquisites and Allowances, Stock Options, Commission (Applicable in case of Executive Directors), Retire benefits, Annual Performance Bonus.
- The Annual Plan and Objectives for Executive Directors and Senior Executives shall be reviewed by the Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

#### **REMUNERATION FOR INDEPENDENT DIRECTORS AND NON-INDEPENDENT NON-EXECUTIVE DIRECTORS**

- Independent Directors and non-independent non-executive Directors 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 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 Nomination and Remuneration Committee is of the opinion that the Director possesses requisite qualification for the practice of the profession.

#### **TO OTHER 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.
- The Company may provide performance linked bonus to the rest of the employees. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.

#### **APPOINTMENT CRITERIA**

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

#### **REMOVAL CRITERIA**

- Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or SMP subject to the provisions and compliance of the said Act, rules and regulations.

#### **RETIREMENT CRITERIA**

- The Director, KMP and SMP shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

#### **POLICY REVIEW**

- The Board of Directors on its own and /or as per recommendations of Nomination and Remuneration Committee can amend this policy, as when deemed fit.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### ***ECONOMIC OVERVIEW***

The Indian economy was deemed to be having parallel economy due to large volume of income generation outside the taxation framework. The present central government has been toiling hard to extinguish all such routes and methods which are adopted by tax evaders. Bold steps of demonetization was taken by the central Government/RBI which created widespread political turbulence but with the solid support of public at large, RBI could carry this programme without affecting much short term growth however in the long run, the effect is bound to be positive as indirect tax evasion will get eliminated. The central government, despite different political dispensation, has amended the constitution of India to introduce single indirect tax regime. The stupendous efforts of the present government led to the passing of GST bill in the parliament and it has been implemented w.e.f 1<sup>st</sup> July, 2017. It is being anticipated that upon implementation of GST, growth rate of GDP will go up by 1 to 2% and inflationary pressure on the economy is likely to ease substantially. Multiplicity of indirect taxation and its cascading effect on the price of final product will get rationalized, hence many products will get cheaper and to that extent, CPI will come down. The Union Government have been initiated several new programs viz. improving upon ease of doing business, Digital India, Make in India & Skill India among others. The government's direction and action focus is on controlling inflation through reduction of fiscal and revenue deficits. It will not be out of place to expect that by next union budget in February 2018, for the fiscal 2018-19, fiscal and revenue deficits are likely to be pegged at 3% and 0.9% respectively. Several actions on the part of the Government reflect that tax to GDP ratio will improve substantially and regardless of the sluggish private investments, substantial investment for the infrastructure development by the Union Government has been planned in railways, highways, waterways and airways. Such investment by the Union Government will bolster the economic growth.

### ***OVERVIEW/ INDUSTRY STRUCTURE***

The Indian auto components industry is ancillary to the automobile industry. Demand swings in any of the auto segments (Commercial vehicles, cars, two-wheelers) have an impact on the auto ancillary demand. Indian Auto Component Industry is transforming itself from a low-volume, highly fragmented one into a competitive industry backed by strengths like technology, efficiency and evolving value chain. Bearing is the backbone of the automobile, automotive and other sectors and largely used by the OEM and replacement markets. The higher budgetary investments in agriculture, rural and social sector in the union budget will also provide impetus to Commercial vehicles, two-wheelers, tractors and construction equipment, is expected to result in increasing demand for personal transportation and also increase of demand for other automotive and engineering products.

### ***FUTURE OUTLOOK***

The Government of India is taking various steps to boost the infrastructure development in the country. Looking at the huge potential for growth in the infrastructure sector, your company sees a good outlook for the coming years and the Company will benefit from the same.

### ***RISK & CONCERN***

The Company is exposed to external business risk, internal risk and financial risk. External business risks arise out of highly competitive industry, Variations in prices of raw-material etc. Internal risks basically cover operational efficiency and ability to withstand competition. Financial risks are basically in the nature of interest rate variations.

### ***OPPORTUNITIES AND THREATS***

#### **Opportunities:**

There is a high degree of correlation between the automotive vehicle and the automotive component industry sales. The fast growth in the auto industry will increase the demand for auto components. The old vehicle population in india is very high which will contribute to demand for auto components. The entry of global players such as Ford, General Motors, Toyota etc. into the Indian market will allow the Indian manufacturers to work with these players on global production, quality and delivery systems.

**Threats:**

The Indian automotive component industry is highly fragmented. There are nearly 10,000 players in the sector, of which about 6 per cent are organised and the remaining 94 per cent are small-scale. With global demand weakening, dumping of cheap bearings by Chinese and other South East Asian countries has intensified.

**SEGMENT-WISE-PERFORMANCE**

During the year under review, the Company has only one segment of activity namely 'ball and roller bearings'.

**INTERNAL CONTROL SYSTEMS**

The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

**FINANCIAL PERFORMANCE****Net Worth:**

The total net worth of the Company as on 31<sup>st</sup> March, 2016 was Rs. 1879.84 Lacs which is Rs. 2173.80 Lacs as on 31<sup>st</sup> March, 2017 indicating increase of 15.64 % in the net worth.

**Earnings per Share:**

Basic and Diluted EPS of the Company as on 31<sup>st</sup> March, 2016 was Rs. 5.02 both of which stands to Rs. 9.24 as on 31<sup>st</sup> March, 2017.

**EBITDA and PBT:**

During the year 2016-17 the Company has earnings before interest, depreciation and tax amounting to Rs. 707.55 Lacs after providing for interest of Rs. 126.68 Lacs and depreciation of Rs. 137.19 Lacs, Profit before tax comes to Rs. 443.72 Lacs which was Rs. 256.73 Lacs during the year 2015-16.

**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.



## INDEPENDENT AUDITORS' 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, 2017**, 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. 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, 2017;
- 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure - A" 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 purpose of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate Report in "Annexure - B"
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 26).
    - 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.
    - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. (Refer Note 32 to the financial statements).

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

**Place: Ahmedabad**  
**Date: 26<sup>th</sup> May' 2017**

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

## ANNEXURE "A" TO INDEPENDENT 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, 2017**.

**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, the management at reasonable intervals during the year in accordance with a programme of physical verification physically verified the fixed assets and no material discrepancies were noticed on such verification as compared to the available records.
- (c) As explained to us, the title deeds of all the immovable properties are held in the name of the company.

**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 regards the loans, the company has not granted any loans, secured or unsecured during the year under audit, to the companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the companies Act, 2013 and therefore, the clauses (iii) (a) to (c) of the companies (Auditor's Report) Order, 2016 are not applicable.

**4. Loans, Investments and guarantees:**

According to the information and explanation given to us, the company had neither given any loan, guarantee or security, nor made any investments during the year. Hence the provisions of section 185 and 186 are not applicable. Therefore clauses (iv) of companies (Auditor's Report) Order, 2016 is not applicable.

5. During the year, the company has not accepted any deposits and hence the directives issued by the Reserve Bank of India and the 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. Therefore clauses (v) of companies (Auditor's Report) Order, 2016 is not applicable.

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 by and large regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities applicable to it except there is few delay in payment of Tax deducted at Source & Professional Tax. According to the information and explanations given to us, there is no such arrears in respect statutory dues were outstanding as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable.

- (b) According to the records of the company, following dues of income tax, sales tax, wealth tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of dispute.

Name of Statute	Nature of Dues	Amount (Rs. In Lacs)	Period to Which amount Relates (A.Y.)	Forum Where Dispute is Pending	Remarks, if any
Central Excise Act, 1944	Excise Duty	2.85	2015-16	CCE(Appeals)	--

8. 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 a Financial Institutions, Banks or debenture holders.
9. According to the information and explanations given to us, the company had not raised any money by way of public issue during the year. According to the information and explanations given to us, and on an overall examination of the balance sheet of the company, in our opinion, the term loans taken during the year were applied for the purpose for which they were obtained.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the Company or any fraud on the company by it's officer or employees has been noticed or reported during the course of our audit.
11. In our opinion and according to the information and explanations given to us, the company had paid managerial remuneration which is in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of The Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the provisions of special statute applicable to chit funds and nidhi / mutual benefit funds / societies are not applicable to the company. Hence, clause (xii) of the Company's (Auditor's Report) Order, 2016 is not applicable.
13. In our opinion and according to the information and explanations given to us, there is no such transactions were entered by the company as covered under the provisions of section 177 and 188 of The Companies Act, 2013 with related parties during the year and hence, clause (xiii) of the Company's (Auditor's Report) Order, 2016 is not applicable.
14. In our opinion and according to the information and explanation given to us, no preferential allotment or private placement of shares or fully or partly convertible debentures, made during the year under review and hence, clause (xiv) of the Company's (Auditor's Report) Order, 2016 is not applicable.
15. The company had not entered in to any non-cash transactions with the directors or persons connected with him during the year, and hence clause (xv) of Company's (Auditor's Report) Order, 2016 is not applicable.
16. In our opinion and according to the information and explanation given to us the company is not registered under section 45-IA of Reserve Bank of India Act, 1934, hence clause (xvi) of Company's (Auditor's Report) Order, 2016 is not applicable.

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

**Place: Ahmedabad**  
**Date: 26<sup>th</sup> May' 2017**

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

## ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 5(ii)(f) of our Report of even date to the Members of GALAXY BEARING LIMITED for the year ended **31st March, 2017**.

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **GALAXY BEARING LIMITED** as of **31st March 2017**, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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

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

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

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

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Place: Ahmedabad  
Date: 26<sup>th</sup> May' 2017**

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

## BALANCE SHEET AS ON 31.03.2017

Particulars	Note No.	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>[1] Shareholders' Funds:</u></b>			
[a] Share Capital	1	3 18 00 000	3 18 00 000
[b] Reserves & Surplus	2	18 55 79 943	15 61 84 631
		<b>21 73 79 943</b>	<b>18 79 84 631</b>
<b><u>[2] Non-Current Liabilities:</u></b>			
[a] Long Term Borrowings	3	1 43 86 315	4 44 26 793
[b] Deferred Tax Liabilities (Net)	4	15 82 571	23 47 021
		<b>1 59 68 886</b>	<b>4 67 73 814</b>
<b><u>[3] Current Liabilities</u></b>			
[a] Short-Term Borrowings	5	6 65 37 380	11 76 64 079
[b] Trade Payables			
(i) Total Outstanding dues to micro enterprises and small	6	Nil	Nil
(ii) Total Outstanding dues to other than micro enterprises and small enterprises	6	6 77 82 119	3 88 87 348
[c] Other Current Liabilities	7	2 47 19 425	2 64 62 918
[d] Short Term Provisions	8	38 84 492	1 64 323
		<b>16 29 23 416</b>	<b>18 31 78 668</b>
<b>Total .....</b>		<b>39 62 72 245</b>	<b>41 79 37 113</b>
<b><u>ASSETS:</u></b>			
<b><u>[1] Non-Current Assets</u></b>			
[a] Property, Plant & Equipment	9	7 77 26 663	9 04 43 290
[b] Intangible Assets	9	2 65 683	2 79 650
		7 79 92 345	9 07 22 940
[c] Long Term Investment	10	15 00 000	Nil
[d] Long Term Loans and Advances	11	30 71 982	31 51 438
[e] Other Non-Current assets	12	10 30 307	1 86 257
		<b>8 35 94 634</b>	<b>9 40 60 635</b>
<b><u>[2] Current Assets</u></b>			
[a] Short Term Loans and Advances	11	3 27 38 174	2 01 78 452
[b] Inventories	13	12 59 10 999	15 37 71 238
[c] Trade Receivables	14	15 22 44 858	12 87 61 748
[d] Cash & Bank Balances	15	17 12 737	2 11 64 656
[e] Other Current Assets	16	70 843	384
		<b>31 26 77 611</b>	<b>32 38 76 478</b>
<b>Total .....</b>		<b>39 62 72 245</b>	<b>41 79 37 113</b>
Significant Accounting Policies & Notes on Financial Statements	1 to 40		
<b>As per our report of even date attached herewith For, J.T. Shah &amp; Co Chartered Accountants [FRN No. 109616W]</b>		<b>For, Galaxy Bearings Ltd</b>	
		<b>(B. K. Ghodasara)</b>	<b>(V. H. Kansagara)</b>
		Director	Mg. Director
		(DIN-00032054)	(DIN-00015696)
<b>[J. T. Shah] Partner [M.No.3983] Place: Ahmedabad Date: 26<sup>th</sup> May' 2017</b>		<b>(Dixit S. Patel) Chief Financial Officer</b>	

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017**

SCHEDULE	Note No.	Current Year 31/03/2017	Previous Year 31/03/2016
<b>INCOME</b>			
Revenue from Operations	17	43 90 69 224	38 86 95 824
Less : Excise Duty		2 12 38 998	2 17 55 086
		41 78 30 226	36 69 40 738
Other Income	18	1 61 21 425	71 56 996
<b>Total Revenue</b>		<b>43 39 51 651</b>	<b>37 40 97 734</b>
<b>EXPENDITURE</b>			
Cost of materials consumed	19	18 15 81 963	16 75 03 658
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	20	3 24 93 850	1 13 33 110
Employee Benefits Expense	21	2 10 46 055	2 33 88 745
Finance Cost	22	1 26 67 762	1 75 33 867
Depreciation and Amortisation expense	23	1 37 18 776	1 16 40 789
Other Expenses	24	12 80 71 465	11 70 24 705
<b>Total Expenses</b>		<b>38 95 79 871</b>	<b>34 84 24 873</b>
<b>Profit before Tax</b>		<b>4 43 71 780</b>	<b>2 56 72 861</b>
<b>Less: Tax Expense:</b>			
- Current Tax		1 58 00 000	80 00 000
- Short /(Excess) Provision of Income Tax of earlier years		( 59 082)	( 93 491)
- Deferred Tax Liability / (Assets)	25	( 7 64 450)	18 07 154
<b>Profit for the year</b>		<b>2 93 95 312</b>	<b>1 59 59 198</b>
<b>Basic&amp; Diluted earnings per share of Rs. 10 each</b>	30	9.24	5.02
Significant Accounting Policies & Notes on Financial Statement	1 to 40		
<b>As per our report of even date attached herewith</b>		<b>For, Galaxy Bearings Ltd</b>	
<b>For, J.T. Shah&amp; Co</b>			
<b>Chartered Accountants</b>			
<b>[FRN No. 109616W]</b>		<b>(B. K. Ghodasara)</b>	<b>(V. H. Kansagara)</b>
		<b>Director</b>	<b>Mg. Director</b>
		<b>(DIN-00032054)</b>	<b>(DIN-00015696)</b>
<b>[J. T. Shah]</b>			
<b>Partner</b>			
<b>[M.No.3983]</b>			
<b>Place: Ahmedabad</b>		<b>(Dixit S. Patel)</b>	
<b>Date: 26th May' 2017</b>		<b>Chief Financial Officer</b>	



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2017

PARTICULARS	2016-17		2015-16	
	Rs.	Rs.	Rs.	Rs.
<b>A: Cash from Operating Activities:</b>				
Net Profit before Taxation and Adjustment For :		44,371,780		25,672,861
Depreciation	13,718,776		11,640,789	
(Profit)/Loss on Sale of Property, Plant & Equipment	(65,776)		82,135	
Interest on Shortfall of Advance Tax	540,000		Nil	
Interest Income	(152,046)		(73,436)	
Interest Paid	12,667,762		17,533,867	
		<u>26,708,716</u>		<u>29,183,355</u>
<b>Operating Profit Before Working Capital Changes:</b>		71,080,496		54,856,216
<b>Adjustment For:</b>				
Increase/(decrease) in long-term Provision	Nil		Nil	
Increase/(decrease) in short-term Provision	Nil		Nil	
Increase/(decrease) in other current liability	(1,797,109)		1,742,756	
Increase/(decrease) in Trade Payable	28,894,771		(32,769,102)	
Decrease/(increase) in Trade Receivable	(23,483,110)		12,429,921	
Decrease/(increase) in inventories	27,860,239		15,655,378	
Decrease/(increase) in long term loans and advances	79,456		6,399,520	
Decrease/(increase) in short term loans and advances	(12,559,724)		8,090,280	
Increase/(decrease) in long-term Investment	Nil		Nil	
Decrease/(increase) in other non-current assets	(844,050)		(186,257)	
		<u>18,150,473</u>		<u>11,362,496</u>
Cash Generated From Operations		89,230,969		66,218,712
Income Tax Paid	(12,560,749)		(11,381,571)	
Interest Paid	(12,667,762)		(17,533,867)	
		<u>(25,228,511)</u>		<u>(28,915,438)</u>
<b>Net Cash From Operating Activities (A)</b>		<u>64,002,459</u>		<u>37,303,275</u>
<b>B: Cash Flow From Investment Activities:</b>				
Purchase of Property, Plant & Equipment	(1,023,407)		(55,290,758)	
Purchase of Investments	(1,500,000)		Nil	
Sale of Property, Plant & Equipment	101,000		683,500	
<b>Net Cash from Investment Activities(B)</b>		<u>(2,422,407)</u>		<u>(54,607,258)</u>
<b>C: Cash Flow From Financing Activities:</b>				
Interest Received during the year	81,587		221,012	
Repayments of Long Term Borrowings	(29,986,857)		Nil	
Proceeds From Long Term Borrowings	Nil		14,906,628	
Repayments of Short Term Borrowings	(51,126,701)		Nil	
Proceeds From Short Term Borrowings	Nil		21,831,692	
<b>Net Cash from Financing Activities (C)</b>		<u>(81,031,971)</u>		<u>36,959,332</u>
<b>Net Increase in Cash &amp; Cash Equivalents</b>		<u>(19,451,919)</u>		<u>19,655,350</u>
Cash & Cash Equivalents at the Beginning		21,164,656		1,509,307
Cash & Cash Equivalents at the End		1,712,737		21,164,656
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, J. T. Shah & Co**  
Chartered Accountants

[FRN No. 109616W]

[JT Shah]

Partner

[M. No. 3983]

Place: Ahmedabad

Date: 26th May, 2017

**FOR, GALAXY BEARINGS LIMITED**

**B. K. Ghodasara**

Director

(DIN-00032054)

**V. H. Kansagara**

Mg. Director

(DIN-00015696)

(Dixit S. Patel)

Chief Financial Officer

## SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017:

### 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) **Property, Plant & Equipment**

#### Fixed Assets:

Fixed Assets is stated at Carrying Cost. (Cost of acquisition (net of CENVAT, wherever applicable) as reduced by accumulated depreciation) i.e. 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.

The Useful life of the Assets is as under.

Buildings	30
Electric installation	10
Plant & machinery	15
Furniture & fixture	10
Vehicles	8
Computer section	3

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.

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.

**Amortization:**

Intangible assets are amortized on a straight – line basis over a period of five years.

**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.

**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 recognized 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' 2017					
<b>1</b>	<b>Share Capital</b>			<b>As at 31/03/2017 Rs.</b>	<b>As at 31/03/2016 Rs.</b>
	[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
	<b>Total .....</b>			<b>3 18 00 000</b>	<b>3 18 00 000</b>
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 :				
	<b>Particulars</b>	<b>As at 31.3.2017</b>		<b>As at 31.3.2016</b>	
		<b>No. of Shares</b>	<b>Amount Rs.</b>	<b>No. of Shares</b>	<b>Amount Rs.</b>
	<b>Equity Shares</b>				
	Shares at the beginning	31 80 000	3 18 00 000	31 80 000	3 18 00 000
	Addition During the year	Nil	Nil	Nil	Nil
	Deletion During the year	Nil	Nil	Nil	Nil
	Shares at the end	<b>31 80 000</b>	<b>3 18 00 000</b>	<b>31 80 000</b>	<b>3 18 00 000</b>
<b>2</b>	<b>Reserves &amp; Surplus</b>			<b>As at 31/03/2017 Rs.</b>	<b>As at 31/03/2016 Rs.</b>
	<b>General Reserve</b>				
	Balance as per last year Balance Sheet			16 88 987	16 88 987
	<b>Surplus in the Statement of Profit and Loss</b>				
	Balance as per last financial Statement			15 44 95 644	13 85 36 446
	Add : Profit for the year			2 93 95 312	1 59 59 198
				18 38 90 956	15 44 95 644
	<b>Total.....</b>			<b>18 55 79 943</b>	<b>15 61 84 631</b>
<b>3</b>	<b>Long Term Borrowings</b>	<b>As at 31.03.2017 Rs.</b>		<b>As at 31.03.2016 Rs.</b>	
		<b>Non Current</b>	<b>Current</b>	<b>Non Current</b>	<b>Current</b>
	<b>Secured</b>				
	Term Loan - From Banks	75 86 315	99 63 911	1 76 26 793	99 10 289
	<b>Unsecured</b>				
	Loans & Advances from Directors	68 00 000	Nil	68 00 000	Nil
	Loans & Advances from Corporate Bodies		Nil	2 00 00 000	Nil
	<b>Total .....</b>	<b>1 43 86 315</b>	<b>99 63 911</b>	<b>4 44 26 793</b>	<b>99 10 289</b>
	Less : Amount disclosed under head Other Current Liabilities (Note 7)	Nil	99 63 911	Nil	99 10 289
	<b>Total .....</b>	<b>1 43 86 315</b>		<b>4 44 26 793</b>	

3.1 Secured Loan			
Name of Borrower	Securities Details	Interest Rate	Terms of Repayment
State Bank of India, Rajkot Term Loan	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- Toyota Car Loan	Secured against specific Assets	9.40%	60 Monthly Instalments
3.2	Unsecured Loan from directors carry interest rate at 12.50 % p.a. and loans are repayable in 2020-21.		
3.3	Unsecured Loan from Corporates Bodies are repaid during the FY 2016-17.		
<b>4 Net Deffered Tax Liabilities</b>			
		<b>As at 31/03/2017 Rs.</b>	<b>As at 31/03/2016 Rs.</b>
<b>Deferred Tax Assets arising out of timing difference relating to:</b>			
Provision for Bonus		2 53 150	2 40 240
<b>Total Deferred Tax Assets</b>		2 53 150	2 40 240
<b>Deferred Tax Liability arising out of timing difference relating to:</b>			
Difference of Depreciation as per Tax Provision and Company Law		18 35 721	25 87 261
<b>Total Deferred Tax Liability</b>		18 35 721	25 87 261
<b>Net Deferred Tax Liability</b>		<b>15 82 571</b>	<b>23 47 021</b>
<b>5 Short-Term Borrowings</b>			
		<b>Current</b>	
		<b>As at 31.03.2017 Rs.</b>	<b>As at 31.03.2016 Rs.</b>
Working Capital Loans from Banks -Secured		6 65 37 380	11 76 64 079
<b>Total .....</b>		<b>6 65 37 380</b>	<b>11 76 64 079</b>
<b>5.1 Working Capital</b>			
	Securities		
State Bank of India	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.		
<b>6 Trade Payables</b>			
		<b>Current</b>	
		<b>As at 31.03.2017 Rs.</b>	<b>As at 31.03.2016 Rs.</b>
(i) Total Outstanding dues to micro enterprises and small enterprises		Nil	Nil
(ii) Total Outstanding dues to other than micro enterprises and small enterprises		6 77 82 119	3 88 87 348
<b>Total .....</b>		<b>6 77 82 119</b>	<b>3 88 87 348</b>
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 31.03.2017 Rs.	As at 31.03.2016 Rs.		
	Current maturity of long term borrowings (Note 3)	99 63 911	99 10 289		
	Other Statutory dues	1 11 79 471	1 20 50 419		
	TDS Payable	1 78 601	1 82 352		
	Bonus Payable	7 65 660	7 26 612		
	Unpaid Expenses	26 31 783	35 93 245		
	<b>Total .....</b>	<b>2 47 19 425</b>	<b>2 64 62 918</b>		
8	Provisions	Short Term			
		As at 31.03.2017 Rs.	As at 31.03.2016 Rs.		
	Provision for Taxation	4 09 50 000	3 85 10 000		
	Less: :Advance Tax & TDS	(3 70 65 508)	(3 83 45 677)		
		38 84 492	1 64 323		
	<b>Total .....</b>	<b>38 84 492</b>	<b>1 64 323</b>		
10	Long Term Investment	Long Term			
		As at 31.03.2017 Rs.	As at 31.03.2016 Rs.		
	Investment In Mutual Fund SBI Corporate Bond Fund - Regular Plan - Growth (Unit Balance - 57381.345) (Previous Year - Nil)	15 00 000	Nil		
	<b>Aggregate Value of Investment</b>	<b>15 00 000</b>	<b>Nil</b>		
	Agregate NAV of units of Mutual funds	15 03 965	Nil		
	Agregate cost of units of Mutual funds	15 00 000	Nil		
11	Loans and Advances (Unsecured, Considered Good)	As at 31.03.2017 Rs.		As at 31.03.2016 Rs.	
		Non Current	Current	Non Current	Current
	Capital Advance	19 94 700	Nil	20 61 240	Nil
	Security Deposit	10 77 282	Nil	10 90 198	Nil
	Balance with government Authority	Nil	2 31 67 089	Nil	96 31 191
	Gratuity Fund (Net)	Nil	5 46 900	Nil	9 27 833
	Prepaid Expenses	Nil	1 94 401	Nil	9 44 619
	Other Loans & Advances	Nil	63 67 694	Nil	62 72 702
	Advance to Suppliers	Nil	24 62 090	Nil	24 02 107
	<b>Total .....</b>	<b>30 71 982</b>	<b>3 27 38 174</b>	<b>31 51 438</b>	<b>2 01 78 452</b>
12	Other Non-Current Assets	Long Term			
		As at 31.03.2017 Rs.	As at 31.03.2016 Rs.		
	Margin Deposits with Original maturity for more than 12 months (Note - 15)	10 30 307	186,257		
	<b>Total .....</b>	<b>10 30 307</b>	<b>186,257</b>		
13	Inventories	As at			
		31.03.2017 Rs.	31.03.2016 Rs.		
	Raw Materials	2 81 45 272	2 24 04 947		
	Work-in-Progress	1 83 39 587	1 52 92 459		
	Finished Stocks	6 99 16 886	10 54 57 864		

## Asset schedule

Note No 9

Property, Plant & Equipment As at 31.03.2017

Carrying Value	Tangible Assets										Intangible Assets	
	Land	Building	Tubewell	Plant & Machinery	Furniture & Fixture	Vehicle	Electrical Installation	Computer	Total	Computer Software	Computer Software	
<b>01.04.2015</b>	22 11 188	2 75 80 590	6 39 097	7 90 13 761	11 50 948	53 14 150	37 90 667	33 54 096	12 30 54 497	9 10 743	9 10 743	
Addition	Nil	78 03 984	Nil	4 55 06 657	Nil	17 79 413	3 58 175	90 516	5 55 38 745	Nil	Nil	
Disposal	Nil	Nil	Nil	11 80 952	Nil	11 57 513	Nil	Nil	23 38 465	Nil	Nil	
Other Adjustment	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
<b>At 31.03.2016</b>	22 11 188	3 53 84 574	6 39 097	12 33 39 466	11 50 948	59 36 050	41 48 842	34 44 612	17 62 54 777	9 10 743	9 10 743	
Addition	Nil	Nil	Nil	7 61 256	103,500	Nil	Nil	1 58 651	10 23 407	Nil	Nil	
Disposal	Nil	Nil	Nil	2 69 041	Nil	2 48 493	Nil	Nil	5 17 534	Nil	Nil	
Other Adjustment	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
<b>At 31.03.2017</b>	2,211,188	35,384,574	639,097	12 38 31 681	12 54 448	56 87 557	41 48 842	36 03 263	17 67 60 650	9 10 743	9 10 743	
<b>Accumulated Depreciation</b>	<b>Land</b>	<b>Building</b>	<b>Tubewell</b>	<b>Plant &amp; Machinery</b>	<b>Furniture &amp; Fixture</b>	<b>Vehicle</b>	<b>Electrical Installation</b>	<b>Computer</b>	<b>Total</b>	<b>Computer Software</b>	<b>Computer Software</b>	
<b>01.04.2015</b>	Nil	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	5 24 232	
Charge / Amortisation for the year	Nil	6 35 752	8 577	1 00 65 767	3 238	7 45 359	54 069	21 167	1 15 33 929	1 06 860	1 06 860	
Disposal	Nil	Nil	Nil	9 06 608	Nil	6 66 222	Nil	Nil	15 72 830	Nil	Nil	
Other Adjustment (Transfer To General Reserve)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
<b>At 31.03.2016</b>	Nil	83 88 599	3 83 915	6 63 22 878	10 64 299	33 13 935	31 74 588	31 63 274	8 58 11 488	6 31 092	6 31 092	
Charge / Amortisation for the year	Nil	8 51 996	8 577	1 18 97 459	10 612	8 05 204	79 329	51 633	1 37 04 809	13 967	13 967	
Disposal	Nil	Nil	Nil	2 46 242	Nil	2 36 068	Nil	Nil	4 82 310	Nil	Nil	
Other Adjustment (Transfer To General Reserve)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
<b>At 31.03.2017</b>	Nil	92 40 595	3 92 492	7 79 74 094	10 74 911	38 83 071	32 53 918	32 14 907	9 90 33 987	6 45 059	6 45 059	
<b>Net Carrying Value</b>												
<b>AS AT 31.3.2016</b>	22 11 188	2 69 95 975	2 55 182	5 70 16 589	86 649	26 22 115	9 74 254	2 81 338	9 04 43 290	2 79 650	2 79 650	
<b>AS AT 31.3.2017</b>	22 11 188	2 61 43 979	2 46 605	4 58 57 586	1 79 537	18 04 486	8 94 924	3 88 356	7 77 26 663	2 65 683	2 65 683	



	Stores & Spare parts			42 95 496	52 41 042
	Packing Materials			52 13 758	53 74 926
	<b>Total .....</b>			<b>12 59 10 999</b>	<b>15 37 71 238</b>
<b>14</b>	<b>Trade Receivables</b>	<b>Current</b>			
				<b>As at 31.03.2017 Rs.</b>	<b>As at 31.03.2016 Rs.</b>
<b>A</b>	<u>Outstanding for a period exceeding Six Months from the date they are due for Payment</u>				
	Unsecured, considered good			40 58 848	2 27 88 459
	Unsecured, considered doubtful			Nil	Nil
				<b>4 0 58 848</b>	<b>22 7 884 59</b>
<b>B</b>	<u>Other Trade receivables</u>				
	Unsecured, considered good			14 81 86 010	10 59 73 289
	Unsecured, considered doubtful			Nil	Nil
				<b>14 81 86 010</b>	<b>10 59 73 289</b>
	<b>Total .....</b>			<b>15 22 44 858</b>	<b>12 87 61 748</b>
<b>15</b>	<b>Cash and Bank Balance</b>	<b>As at 31.03.2017 Rs.</b>		<b>As at 31.03.2016 Rs.</b>	
		<b>Non Current</b>	<b>Current</b>	<b>Non Current</b>	<b>Current</b>
<b>A</b>	<b>Cash and cash equivalents</b>				
	Cash on Hand	Nil	82 307	Nil	3 56 748
	Balance With Banks	Nil	16 30 430	Nil	2 02 75 181
	<b>Total</b>	Nil	<b>17 12 737</b>	Nil	<b>2 06 31 929</b>
<b>B</b>	<b>Other Bank Balance</b>				
	Margin Deposits with Original maturity for more than 12 months	10 30 307		1 86 257	5 32 727
		<b>10 30 307</b>	<b>17 12 737</b>	186,257	<b>2 11 64 656</b>
	Less Amount disclosed Under Non Current Assets (Note 12)	10 30 307		1 86 257	
	<b>Total .....</b>	Nil	<b>17 12 737</b>	Nil	<b>2 11 64 656</b>
<b>16</b>	<b>Other Current Assets</b>	<b>Short Term</b>			
				<b>As at 31.03.2017 Rs.</b>	<b>As at 31.03.2016 Rs.</b>
	Interest Receivable			70 843	384
	<b>Total .....</b>			<b>70 843</b>	<b>384</b>
<b>17</b>	<b>Revenue from operation</b>			<b>Year ended 31/03/2017</b>	<b>Year ended 31/03/2016</b>
	<u>Sale of Product</u>				
	Finished Goods	42 12 74 546			38 81 12 033
	Less : Excise Duty	2 12 38 998			2 17 55 086
				40 00 35 548	36 63 56 947
	<u>Services Provided</u>				
	Technical Service (Bearing Development)			1 66 19 787	Nil
	<u>Other Operating Revenue</u>				
	Scrap Sales			11 74 891	5 83 791
	<b>Total .....</b>			<b>41 78 30 226</b>	<b>36 69 40 738</b>

	<u>Detail of Finished Products Sold :</u>			
	Ball & Roller Bearing		40 00 35 548	36 63 56 947
	Others		Nil	Nil
	<b>Total</b>		<b>40 00 35 548</b>	<b>36 63 56 947</b>
	<u>Detail of Services Provided</u>			
	Technical Service (Bearing Development)		1 66 19 787	Nil
<b>18</b>	<b>Other Income</b>		<b>Year ended 31/03/2017</b>	<b>Year ended 31/03/2016</b>
	Interest Income		1 52 046	73 436
	Export Incentive		1 59 03 603	41 66 792
	Foreign Exchange Gain (Net)		Nil	2,916,768
	Profit on Sale of Property, Plant & Equipment		65 776	Nil
	<b>Total .....</b>		<b>1 61 21 425</b>	<b>71 56 996</b>
<b>19</b>	<b>Cost of Raw Materials Consumed</b>		<b>Year ended 31/03/2017</b>	<b>Year ended 31/03/2016</b>
	Inventory at the beginning of the year		2 24 04 947	2 62 41 643
	Add : Purchases (Net)		18 73 22 288	16 36 66 962
			20 97 27 235	18 99 08 605
	Inventory at the end of the year		2 81 45 272	2 24 04 947
	<b>Cost of Raw Materials consumed</b>		<b>18 15 81 963</b>	<b>16 75 03 658</b>
	<u>Details of Raw Materials Consumed:</u>			
	Alloy Stel Bar		7 28 43 086	7 16 47 322
	Cages		1 56 11 229	1 57 69 792
	Rollers		4 42 12 944	4 17 58 264
	Semi Finished Bearings		4 36 73 905	3 26 08 078
	Others		52 40 799	57 20 201
	<b>Total</b>		<b>18 15 81 963</b>	<b>16 75 03 658</b>
	<u>Details of Inventories:</u>			
	Cages		49 09 461	54 83 373
	Roller		65 51 099	65 76 495
	Alloy Steel Bar		1 66 84 712	1 03 45 079
	<b>Total</b>		<b>2 81 45 272</b>	<b>2 24 04 947</b>
19.1	<b>Details of Raw Material Consumption</b>		<b>2016-17</b>	<b>% age</b>
	Indegenious		18 15 81 963	100%
	Imported		Nil	Nil
	<b>Total Consumption</b>		<b>18 15 81 963</b>	<b>100%</b>
<b>20</b>	<b>Change In Inventories of Finished Goods, Work In Progress and Stock - In-Trade</b>		<b>Year ended 31/03/2017</b>	<b>Year ended 31/03/2016</b>
	<b>Inventory at the beginning of the year</b>			
	Work-in-Progress		1 52 92 459	2 39 84 271
	Finished Stock		10 54 57 864	10 80 99 162
	<b>Inventory at the end of the year</b>			
	Work-in-Progress		1 83 39 587	1 52 92 459
	Finished Stock		6 99 16 886	10 54 57 864
	<b>Decretion/ (Accretion) to Stock</b>		<b>8 82 56 473</b>	<b>12 07 50 323</b>
	<b>3 24 93 850</b>		<b>1 13 33 110</b>	
	<u>Details of Inventory (WIP)</u>			
	Taper Roller Bearing Ring (OR)		82 14 412	72 23 028
	Taper Roller Bearing Ring (IR)		1 01 25 175	80 69 430
			<b>1 83 39 587</b>	<b>1 52 92 459</b>
	<u>Details of Inventory (FG)</u>			
	Taper Roller Bearings		6 99 16 886	10 54 57 864
			<b>6 99 16 886</b>	<b>10 54 57 864</b>

21	Employee Benefit Expenses	Year ended 31/03/2017	Year ended 31/03/2016
	Salary, Wages & Bonus	1 84 80 438	2 07 84 239
	Contribution to Provident Fund & Other Funds	23 04 353	23 37 270
	Welfare Expenses	2 61 264	2 67 236
	<b>Total .....</b>	<b>2 10 46 055</b>	<b>2 33 88 745</b>
<b>The disclosure in respect of Employee Benefit as defined in the Accounting Standard 15 is given below:</b>			
<b>1. Assumption</b>			
	<b>Particulars</b>	<b>2016-17 Rs.</b>	<b>2015-16 Rs.</b>
	Discount Rate	8%	8%
	Salary Escalation	7%	7%
<b>2. Table Showing Changes in Present Value of Obligation:</b>			
	<b>Particulars</b>	<b>Gratuity Defined Benefit Obligation 2016-17 Rs.</b>	<b>Gratuity Defined benefit obligation 2015-16 Rs.</b>
	Present Value of obligation as at beginning of year	26 94 232	28 14 199
	Interest Cost	2 15 539	2 25 136
	Service Cost	5 69 554	5 08 662
	Benefit Paid	( 6 92 374)	( 11 98 370)
	Actuarial (gain) / loss on obligations	3 56 306	( 3 44 605)
	Present Value of obligation as at end of year	31 43 257	26 94 232
<b>3. Table Showing Changes in the fair value of Plan Asset:</b>			
	<b>Particulars</b>	<b>Gratuity Defined Benefit Obligation 2016-17 Rs.</b>	<b>Gratuity Defined benefit obligation 2015-16 Rs.</b>
	Opening fair value of plan assets	36 22 065	39 80 425
	Expected return	2 76 461	2 71 806
	Contributions	4 84 005	5 68 204
	Benefits paid	( 6 92 374)	( 11 98 370)
	Actuarial gain (loss) on plan assets	Nil	Nil
	Fair Value of plan assets at the end of year	36 90 157	36 22 065
<b>4. Table Showing fair value of Plan Asset:</b>			
	<b>Particulars</b>	<b>Gratuity Defined Benefit Obligation 2016-17 Rs.</b>	<b>Gratuity Defined benefit obligation 2015-16 Rs.</b>
	Opening Fair Value of Plan Assets	36 22 065	39 80 425
	Actuarial Return on Plan Assets	2 76 461	2 71 806
	Contributions	4 84 005	5 68 204
	Benefits paid	( 6 92 374)	( 11 98 370)
	Fair Value of Plan Assets as at the end of the year	36 90 157	36 22 065
	Funded Status	5 46 900	9 27 833
	Excess of Actual Over estimated return on plan assets	Nil	Nil

<b>5. Actuarial Gain/ Loss</b>					
<b>Particulars</b>		<b>2016-17 Rs.</b>	<b>2015-16 Rs.</b>		
Actuarial (gain) / loss on Obligations		( 3 56 306)	( 3 44 605)		
Actuarial (gain) / loss for the year - plan assets		Nil	Nil		
Actuarial (gain) / loss on Obligations		3 56 306	3 44 605		
Actuarial (gain) / loss on recognized in the year		3 56 306	3 44 605		
<b>6. The Amounts to be recognized in the Balance Sheet and Statements of profit and loss.</b>					
<b>Particulars</b>		<b>Gratuity Defined Benefit Obligation 2016-17 Rs.</b>	<b>Gratuity Defined Benefit Obligation 2015-16 Rs.</b>		
Present value of Obligations as at end of year		31 43 257	26 94 232		
Fair value of plan assets		36 90 157	36 22 065		
Fund Status		5 46 900	9 27 833		
<b>Net asset (liability)</b>		<b>5 46 900</b>	<b>9 27 833</b>		
<b>7. Expenses recognized In The Statement of Profit And Loss Account</b>					
<b>Particulars</b>		<b>Gratuity Defined Benefit Obligation 2016-17 Rs.</b>	<b>Gratuity Defined benefit obligation 2015-16 Rs.</b>		
Current service cost		5 69 554	5 08 662		
Interest on obligation		2 15 539	2 25 136		
Expected return on plan assets		( 2 76 461)	( 2 71 806)		
Net actuarial losses (gains) recognized in year		3 56 306	3 44 605		
Total, included in 'employee benefit expense'		8 64 938	8 06 597		
<b>Experience adjustment in plan assets - Gratuity</b>					
<b>Particulars</b>	<b>31.3.2017</b>	<b>31.3.2016</b>	<b>31.3.2015</b>	<b>31.3.2014</b>	<b>31.3.2013</b>
Defined Benefit Obligation	31 43 257	26 94 232	28 14 199	32 30 997	27 17 988
Plan Assets	36 90 157	36 22 065	39 80 425	37 20 284	37 57 588
Unrecognised past service Cst	Nil	Nil	Nil	Nil	Nil
Deficit	Nil	Nil	Nil	Nil	Nil
Experience adjustments on plan liabilities	Nil	Nil	Nil	Nil	Nil
Experience adjustments on plan assets	5 46 900	9 27 833	11 66 226	4 89 287	10 39 600
Contribution expects to be paid during the year ending March,31, 2018 Rs.5,00,000/-.					
<b>22</b>	<b>Finance Cost</b>	<b>Year ended 31/03/2017</b>	<b>Year ended 31/03/2016</b>		
	Interest on Term Loans	26 61 031	12 81 459		
	Interest on Working Capital Loans	75 98 593	1 33 07 371		
	Interest to Others	16 09 147	22 13 787		
	Other Borrowing Cost	7 98 991	7 31 250		
	<b>Total .....</b>	<b>1 26 67 762</b>	<b>1 75 33 867</b>		
<b>23</b>	<b>Depreciation And Amortisation Expense</b>	<b>Year ended 31/03/2017</b>	<b>Year ended 31/03/2016</b>		
	Depreciation of Property, Plant & Equipment	1 37 04 809	1 15 33 928		
	Depreciation of Intangible Assets	13 967	1 06 860		
	<b>Total .....</b>	<b>1 37 18 776</b>	<b>1 16 40 788</b>		

24	Other Costs	Year ended 31/03/2017	Year ended 31/03/2016
	Stores & Spares consumed	1 98 30 890	2 05 50 019
	Packing material consumed	1 37 97 566	1 01 93 995
	Electricity & Fuel charges	67 50 959	60 59 121
	Labour Charges	6 21 34 018	5 25 69 113
	<b>REPAIRS TO:</b>		
	Building	10 58 233	20 36 300
	Others	3 59 602	3 96 416
	<b>Sub Total...</b>	<b>14 17 835</b>	<b>24 32 716</b>
	Insurance	20 61 861	13 87 120
	Stationery & Printing	4 97 635	4 06 754
	Advertisement Exps.	4 74 081	1 99 257
	Communication	4 73 236	5 13 558
	Traveling & Conveyance Exps.	40 40 894	68 15 578
	Professional Fees	8 94 255	5 66 783
	Freight & Delivery Charges	46 09 636	67 18 991
	Rent, Rate & Taxes	29 10 353	1 37 140
	Excise Duty difference on closing and op. stock	( 39 48 998)	( 2 93 478)
	<b>AUDITOR'S REMUNERATION:</b>		
	Audit Fees	2 58 750	2 57 625
	For Tax Audit	28 750	28 625
	For Certification	22 420	17 670
	<b>Sub Total...</b>	<b>3 09 920</b>	<b>3 03 920</b>
	Directors Remuneration & Perquisite Charges	12 44 145	10 78 791
	Sales Promotion Exps.	39 54 270	36 68 548
	Bank Charges	15 07 926	8 95 800
	Loss on Sale of Property, Plant & Equipment	Nil	82,135
	Bad Debts W/off	9 10 140	19 074
	Exchange Difference	12 19 373	Nil
	General Charges	29 81 470	27 19 768
	(including License Fees, Office & Misc.Expenses Admn. Charges, Service and water charges services)		
	<b>Total .....</b>	<b>12 80 71 465</b>	<b>11 70 24 705</b>
25	<b>Deferred Tax Liabilities/ (Assets)</b>	<b>Year ended 31/03/2017</b>	<b>Year ended 31/03/2016</b>
	Opening balance of deffered Tax Liability / (Assets)	23 47 021	5 39 867
	Closing balance of deffered Tax Liability / (Assets)	15 82 571	23 47 021
	Deferred Tax Liabilities / (Assets) for the year	<b>(7 64 450)</b>	<b>18 07 154</b>

#### NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

26. The contingent liabilities not provided for :-

- a. Disputed Demand of Excise Rs. 2.85 Lacs (P.Y. Rs. Nil) [Against which company has paid Rs. 0.21 Lacs (P.Y. Nil) under protest which are shown as Advances.

27. 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.

#### 28. 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 56.78 % (P.Y. 63.67 %) 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, 2017.

Particulars	India	Outside India	Total Rs.
Revenue by Geographical Market	18,74,43,746 (13,48,07,025)	24,62,90,083 (23,63,00,505)	43,37,33,829 (37,11,07,530)
Carrying Amount of Segment Assets	15,81,64,086 (17,28,53,589)	7,74,98,392 (6,20,69,179)	23,56,62,478 (23,49,22,768)
Addition to Fixed Assets	10,23,407 (5,55,38,745)	Nil (Nil)	10,23,407 (5,55,38,745)

## 29. 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. Directors:

- Tuhina Rimal Bera
- Shetal D Gor

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

Details of Transaction:-

Sr. No.	Nature of Transaction	Key Management Personnel	Directors and Relative of Key Management	Total Rs.
<b>1.</b>	<b>Unsecured Loan</b>			
	Loan taken during the year	Nil (Nil)	Nil (Nil)	Nil (Nil)
	Loan and interest repaid during the Year	2,62,500 (5,53,771)	5,87,500 (12,39,392)	8,50,000 (17,93,163)
	Closing Balance	21,00,000 (21,00,000)	47,00,000 (47,00,000)	68,00,000 (68,00,000)
<b>2.</b>	<b>Expenses</b>			
	Directors Remuneration	12,44,145 (10,78,791)	Nil (Nil)	12,44,145 (10,78,791)
	Interest Paid	2,62,500 (2,63,219)	5,87,500 (5,89,110)	8,50,000 (8,52,329)

**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:

Particulars	2016-17	2015-16
<b>Unsecured Loan</b>		
<b>Repayment (including Interest Paid)</b>		
Vinodbhai H Kansagara	2,62,500	2,90,552
Tuhina Rimal Bera	2,93,750	3,25,141
Shetal D Gor	2,93,750	3,25,141

<b>Expenses</b>		
<b>Directors Remuneration</b>		
Vinodbhai Kansagara	4,55,000	4,55,000
Bharatbhai Ghodasara	7,89,145	6,23,791
<b>Interest Paid</b>		
Vinodbhai Kansagara	2,62,500	2,63,219
Tuhina Rimal Bera	2,93,750	2,94,555
Shetal D Gor	2,93,750	2,94,555

**30. Earning per Shares**

Particular	Unit	31.03.17	31.03.16
Numerator used for calculating Basic and Diluted Earning per Share (Profit after Tax)	Rs.	2,93,95,312	1,59,59,198
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
<b>Basic and Diluted Earning per Share</b>	<b>Rs.</b>	<b>9.24</b>	<b>5.02</b>

**31. Additional Information pursuant to provision of paragraphs 5 of part II of Schedule III to the Companies Act, 2013. (As certified by Director):****a) CIF Value of Imports:**

Sr. No.	Particulars	Amounts (Rs.)
1	Raw Materials	Nil (Nil)
2	Components & Spare Parts	Nil (Nil)
3	Capital Goods	(Nil)
		(3,96,24,220)

**b) Expenditure in Foreign Exchange:**

1	Traveling Expenses	15,10,752 (30,11,715)
2	Foreign Bank Charges	3,04,644 (4,29,993)

**c) FOB Value of Export:**

1	F.O.B. Value to Export	22,17,70,224 (21,85,10,610)
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**d) Earning in Foreign Exchange:**

1	Earning in Foreign Currency	21,54,88,666 (20,11,25,193)
---	-----------------------------	--------------------------------

32. Disclosure of details in respect of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as required by Notification No. GSR 308(E) [F.NO.17/62/2015-CL-V-(VOL.I)], DATED 30-3-2017 are provided in the Table below:-

Sr. No.	Particulars	SBNs	Other denomination notes	Total
1	Closing cash in hand as on 8-11-2016	2,34,500	17,688	2,52,188
	(+) Withdrawal from Bank Accounts	-	9,52,630	9,52,630
2	(+) Permitted receipts	-	10,000	10,000
3	(-) Permitted payments	-	7,09,252	7,09,252
4	(-) Amount deposited in Banks	2,34,500	5,500	2,40,000
5	<b>Closing cash in hand as on 30-12-2016</b>	<b>-</b>	<b>2,65,566</b>	<b>2,65,566</b>

33. Balances are subject to confirmation.
34. Paise are rounded up to the nearest rupee.
35. Balances of Debtors, Creditors, Advances and Liabilities have been taken as per books, are subject to reconciliation /confirmation and consequential adjustments, if any.
36. 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, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.
37. Borrowing costs attributable to the acquisition or construction of Qualifying Assets amounting to Rs. Nil (P. Y. Rs. 16,61,659/-) has been Capitalized.
38. The difference between excise duty on opening and closing stock of finished goods is recognized separately in the Statement of Profit & Loss.
39. During the year, the company has impaired the assets to the tune of Rs. Nil (P.Y. Rs. Nil).
40. 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 "40"**

**As Per Our Report of Even Date attached herewith**

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

**For, Galaxy Bearings Ltd.**

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

**[B. K. Ghodasara]**  
**Director**  
**[DIN-00032054]**

**[V. H. Kansagara]**  
**Mg. Director**  
**[DIN-00015696]**

**Place: Ahmedabad**  
**Date: 26<sup>th</sup> May' 2017**

**[Dixit S. Patel]**  
**Chief Financial Officer**



# Galaxy Bearings Limited

[CIN: L29120GJ1990PLC014385]

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

Tel. (079) 27546020 Email: investor.gbl@gmail.com Website: www.galaxybearings.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]]

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

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

1. **Name** : \_\_\_\_\_

**Address** : \_\_\_\_\_

**E-mail id:** \_\_\_\_\_

Signature: \_\_\_\_\_ of failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the 27<sup>th</sup> Annual General Meeting of the Company to be held on **Friday, 29<sup>th</sup> September, 2017 at 12:00 Noon** at Shree Sardar Patel Seva Samaj, Beside Central Bank of India, Near Mithakhali Six Road, Ellis Bridge, Ahmedabad - 380 006 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
<b>Ordinary Business</b>			
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31 <sup>st</sup> March, 2017 and the Reports of Board of Directors and Auditor's thereon.		
2.	To appoint a Director in place of Mrs. Tuhina R. Bera (having DIN: 07063420), who retires by rotation and being eligible, offers himself for re-appointment.		
3.	To appoint M/s Samir M. Shah & Associates as a Statutory Auditors of the Company.		
<b>Special Business</b>			
4.	To appoint Mr. Bharatkumar Keshavji Ghodasara as a Whole Time Director of the Company.		
5.	Service of Documents through a particular mode as may be sought by the members.		

Signed this .....day of .....2017.

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 27<sup>th</sup> 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: investor.gbl@gmail.com Website: www.galaxybearings.com

## ATTENDANCE SLIP

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

I/We hereby record my presence at the 27<sup>th</sup> Annual General Meeting of the Company held on **Friday, 29<sup>th</sup> September, 2017** at **12:00 Noon** at Shree Sardar Patel Seva Samaj, Beside Central Bank of India, Near Mithakhali Six Road, Ellis Bridge, Ahmedabad - 380 006.

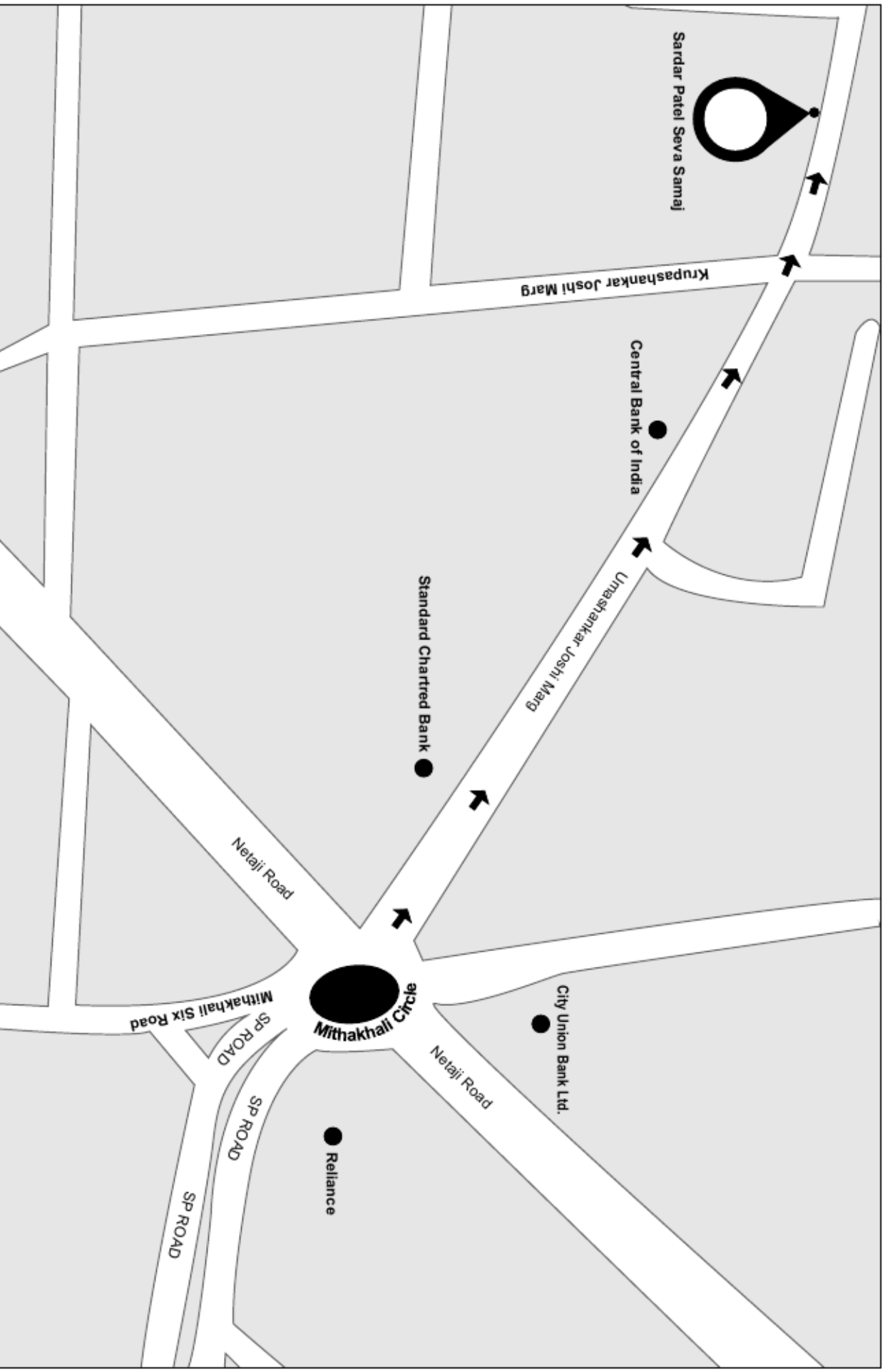
<b>DP ID</b>		<b>FOLIO NO</b>	
<b>Client ID</b>		<b>NO OF SHARES</b>	

<b>Name of the Shareholder (In Block Letters)</b>	
<b>Signature of Shareholder</b>	
<b>Name of the proxy (In Block Letters)</b>	
<b>Signature of the Proxy</b>	

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

**ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING**

Venue of AGM : Shree Sardar Patel Seva Samaj, Beside Central Bank of India, Near Mithakhali Six Road, Ellis Bridge, Ahmedabad - 380 006



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**[CIN: L29120GJ1990PLC014385]**

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

**Tel.** (079) 27546020 **Email:** investor.gbl@gmail.com **Website:** www.galaxybearings.com