

**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Mr. Vinodrai Kansagara	<i>Director (Ceased w.e.f 2<sup>nd</sup> August, 2019)</i>
Mr. Bharatkumar Ghodasara	<i>Whole-time Director</i>
Mrs. Jyotsnaben Vachhani	<i>Chairperson &amp; Independent Director</i>
Mr. Navinchandra Patel	<i>Director</i>
Mr. Rashmikant Bhalodia	<i>Director</i>
Mr. Jitendra Shah	<i>Independent Director</i>
Mr. Pradip Khetani	<i>Independent Director</i>
Mrs. Shetal Gor	<i>Director</i>
Mrs. Tuhina Bera	<i>Director</i>
Mr. Devang Gor	<i>Director (Appointed w.e.f. 10<sup>th</sup> August, 2019)</i>

**CHIEF FINANCIAL OFFICER**

Mr. Dixit S. Patel

**COMPANY SECRETARY**

Mr. Nayan Patel (Ceased w.e.f 9<sup>th</sup> February, 2019)  
Mrs. Upasna Patel (Appointed w.e.f. closure of the business hours - 20<sup>th</sup> May, 2019)

**BANKER**

State Bank of India

**STATUTORY AUDITORS**

M/s. Samir M. Shah & Associates, Chartered Accountants

**REGISTERED OFFICE**

T - 16, Vikram Chambers,  
Ashram Road, Ahmedabad - 380 009.  
**Email** : investor.gbl@gmail.com  
**Website** : www.galaxybearings.com  
**Contact No.** : +91- 9925018030

**CORPORATE IDENTITY NUMBER**

L29120GJ1990PLC014385

**REGISTRAR & SHARE TRANSFER AGENTS**

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.  
**Website** : www.linkintime.co.in  
**Tel. No.** : (079) 2646 5179/86/87

## NOTICE

**NOTICE** is hereby given that the 29<sup>th</sup> Annual General Meeting of the members of **GALAXY BEARINGS LIMITED** (CIN: L29120GJ1990PLC014385) will be held on Wednesday, 25<sup>th</sup> September, 2019 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, 2019 and the Reports of Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Rashmikant Valjibhai Bhalodia (DIN: 00020098), who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS**

3. 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 160 & 161 of the Companies Act, 2013 and other applicable provisions (including any modification or re enactment thereof), if any, of the Companies Act, 2013, Mr. Devang Gor (holding DIN: 08437363) who was appointed as an Additional Director in the meeting of the Board of Directors held on 10<sup>th</sup> August, 2019 and whose term expires at the ensuing Annual General Meeting of the company and for the appointment of whom the Company has received a notice in writing proposing his candidature for the office of the Director be and is hereby appointed as director of the Company.

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force read with schedule IV of the Companies Act, 2013, and on the recommendation of Nomination and Remuneration Committee and subject to approval of members, Mrs. Jyotsna Vacchani (holding DIN 00535817), who was appointed as Independent director for the first term of five [5] consecutive years from 1<sup>st</sup> October, 2014 to 30<sup>th</sup> September, 2019 and being eligible for re-appointment, and who has submitted a declaration that she meets the criteria of independence as provided in Section 149 (6) of the Act, be and is hereby re-appointed as an Independent Director of the Company, for second term of 5 (Five) consecutive years from 25<sup>th</sup> September, 2019, and she shall not be liable to retire by rotation.

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force read with schedule IV of the Companies Act, 2013, and on the recommendation of Nomination and Remuneration Committee and subject to approval of members, Mr. Pradeep Kumar Khetani (holding DIN 01786030), who was appointed as Independent director for the first term of five [5] consecutive years from 1<sup>st</sup> October, 2014 to 30<sup>th</sup> September, 2019 and being eligible for re-appointment, and who has submitted a declaration that he meets the criteria of independence as provided in Section 149 (6) of the Act, be and is hereby re-appointed as an Independent Director of the Company, for second term of 5 (Five) consecutive years from 25<sup>th</sup> September, 2019, and he shall not be liable to retire by rotation.

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force read with schedule IV of the Companies Act, 2013, and on the recommendation of Nomination and Remuneration Committee and subject to approval of members, Mr. Jitendra Shah (holding DIN 01028713), who was appointed as Independent director for the first term of five [5] consecutive years from 1<sup>st</sup> October, 2014 to 30<sup>th</sup> September, 2019 and being eligible for re-appointment, and who has submitted a declaration that he meets the criteria of independence as provided in Section 149 (6) of the Act, be and is hereby re-appointed as an Independent Director of the Company, for second term of 5 (Five) consecutive years from 25<sup>th</sup> September, 2019, and he shall not be liable to retire by rotation.



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

Place : Ahmedabad  
Date: 10<sup>th</sup> August, 2019  
Registered Office:  
T-16, Vikram Chambers,  
Ashram Road, Ahmedabad - 380 009

**Mr. Bharatkumar K. Ghodasara**  
(Whole-time Director)  
DIN: 00032054

**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. The holder of the proxy shall prove his identity at the time of attending the meeting. A proxy form is sent herewith.

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses is annexed hereto and forms part of this Notice.
4. 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.
5. 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.
6. The 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.
7. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/24 for transfer of securities (except in case of transmission or transposition of securities) shall not be proceeded from April 1, 2019 unless the securities are held in dematerialized form with the depositories. Therefore, shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.
8. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation/variation in nomination in the prescribed Form SH-14 with the Company's Registrar and Share Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.
9. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
10. All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar and Share Transfer Agents.
11. 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 P.M. and 2:00 P.M. except Sundays and public holidays, up to the Annual General Meeting of the Company.

12. Electronic copy of the Annual Report and Notice of the 29<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 Participants(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 29<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 in the permitted mode.
13. Annual Report 2018-19 of the Company, circulated to the members of the Company, is also available on the Company's website at [www.galaxybearings.com](http://www.galaxybearings.com).
14. Mr. Jignesh Kotadiya, Practising Company Secretary has been appointed as the scrutinizer to scrutinize the voting and e-voting process in a fair and transparent manner.
15. Route Map showing directions to reach to the venue of the 29<sup>th</sup> AGM is attached to the Annual Report as per the requirement of the Secretarial Standards - 2 on "General Meeting."
16. The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
17. **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 29<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:-**

#### **GENERAL INSTRUCTIONS**

1. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut off date i.e. 20th September, 2019, Friday. A person whose name is recorded in the register of members or in the register of beneficial owners, maintained by the depositories as on the cut off date i.e. 20th September, 2019 only shall be entitled to avail the facility of remote e-voting or voting at AGM through ballot paper.
2. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date of 20th September, 2019, may obtain the login ID and password by sending a request at [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in) or calling on 022-49186000.
3. The voting period begins on 22nd September, 2019 at 10:00 A.M. and ends on 24th September, 2019 at 5.00 P.M. 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 20th September, 2019, may cast their vote electronically.

#### **INSTRUCTIONS FOR SHAREHOLDERS for casting VOTING ELECTRONICALLY**

- (i) Visit the e-voting system of LIPL. Open web browser by typing the following URL : <https://instavote.linkintime.co.in>
- (ii) Click on "Login" tab, available under 'Shareholders' section.
- (iii) Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
- (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 Event No + Folio Number registered with the Company.



(v) If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

(vi) Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

<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</li> </ul>
<b>DOB/DOI</b>	Enter the Date of Birth / Date of Incorporation 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 Bank Account Number 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 / DOI or Bank Account number 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</li> </ul>

**If Shareholders holding shares in Demat Form or Physical Form have forgotten password:**

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

**CAST YOUR VOTE ELECTRONICALLY**

(vii) After successful login, you will be able to see the notification for e-voting on the home page of INSTAVote. Select/ View "Event No" of the company, you choose to vote.

(viii) On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

- (ix) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
- (x) Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
- (xi) You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.
- (xii) **Institutional shareholders** (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'.  
They are also required to upload a scanned certified true copy of the board resolution /authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.
- (xiii) During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- (xiv) Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- (xv) In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in> , under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or Call us :- Tel : 022 - 49186000.

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

#### **Item No.3**

Mr. Devang Gor was appointed as an Additional Director w.e.f. 10<sup>th</sup> August , 2019 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the he holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing Mr. Devang Gor candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. The Board thought it advisable that presence of Mr. Devang Gor on the Board is desirable and would be beneficial in the interest of the company.

In view of the above your Directors recommends passing of the proposed ordinary resolution.

Except appointee and Mrs. Shetal D. Gor, Director, along with their relatives, no other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution.

#### **Item No. 4**

Mrs. Jyotsna Vachhani, holding DIN : 00535817 was appointed as an Independent Director for a period of five consecutive years till 30<sup>th</sup> September, 2019. The Company had received from her requisite consent, intimation and a declaration that she meets criteria of independence as provided under Section 149(6) of the Act, in connection with her re-appointment as an Independent Director.



Based on the performance evaluation, her positive attributes, expertise, independence, the re-appointment of Mrs. Jyotsna Vachhani, as an Independent Director is proposed by the Board to the members in terms of Section 149 read with Schedule IV of the Companies Act, 2013 and provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

In view of the above your Directors recommends passing of the proposed special resolution.

Except, Mrs. Jyotsna Vachhani, being an appointee, none of the other Directors, Key Managerial Personnel of the Company, and/or their relatives are in any way concerned or interested financially or otherwise in the proposed resolution. The proposed resolution does not relate to or affect any other company.

**Item No. 5**

Mr. Pradeepkumar Khetani, holding DIN : 01786030, was appointed as an Independent Director for a period of five consecutive years till 30<sup>th</sup> September, 2019. The Company had received from him requisite consent, intimation and a declaration that he meets criteria of independence as provided under Section 149(6) of the Act, in connection with his re-appointment as an Independent Director.

Based on the performance evaluation, his positive attributes, expertise knowledge, independence, the re-appointment of Mr. Pradeepkumar Khetani, as an Independent Director is proposed by the Board to the members in terms of Section 149 read with Schedule IV of the Companies Act, 2013 and provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

In view of the above your Directors recommends passing of the proposed special resolution.

Except, Mr. Pradeepkumar Khetani, being an appointee, none of the other Directors, Key Managerial Personnel of the Company, and/or their relatives are in any way concerned or interested financially or otherwise in the proposed resolution. The proposed resolution does not relate to or affect any other company.

**Item No. 6**

Mr. Jitendra Shah, holding DIN : 01028713, was appointed as an Independent Director for a period of five consecutive years till 30<sup>th</sup> September, 2019. The Company had received from him requisite consent, intimation and a declaration that he meets criteria of independence as provided under Section 149(6) of the Act, in connection with his re-appointment as an Independent Director.

Based on the performance evaluation, his positive attributes, experience in varied field, independence, the re-appointment of Mr. Jitendra Shah, as an Independent Director is proposed by the Board to the members in terms of Section 149 read with Schedule IV of the Companies Act, 2013 and provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

In view of the above your Directors recommends passing of the proposed special resolution.

Except, Mr. Jitendra Shah, being an appointee, none of the other Directors, Key Managerial Personnel of the Company, and/or their relatives are in any way concerned or interested financially or otherwise in the proposed resolution. The proposed resolution does not relate to or affect any other company.

**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	Mr. Rashmikant Bhalodia	Mr. Devang Gor
DIN	00020098	08437363
Date of Birth	16 <sup>th</sup> July, 1948	27 <sup>th</sup> August, 1972
Date of first appointment on the Board	19 <sup>th</sup> September, 1990	10 <sup>th</sup> August, 2019

Qualifications	Electrical Engineering	Masters in Business Administration, MD
Experience & Expertise in specific functional areas	Having vast experience in the marketing and other areas in the industry.	Having rich experience in the field of administration, management.
No. of Shares held in the Company	60,820	9,000
List of Listed Entity in which Directorship held as on 31.03.2019.	--	--
List of Listed Entity in which membership of Committees of the board held as on 31.03.2019.	--	--
Relationships between directors inter-se	None	Spouse of Mrs. Shetal Gor.

Name of the Director	Mrs. Jyotsna Vachhani		Mr. Pradeepkumar Khetani		Mr. Jitendra Shah	
DIN	00535817		01786030		01028713	
Date of Birth	03 <sup>rd</sup> October, 1955		05 <sup>th</sup> June, 1955		28 <sup>th</sup> October, 1960	
Date of first appointment on the Board	01 <sup>st</sup> October, 2014		01 <sup>st</sup> October, 2014		01 <sup>st</sup> October, 2014	
Qualifications	Graduate		Graduate		Graduate	
Experience & Expertise in specific functional areas	Having experience of more than 30 years in finance.		Having more than 40 years of experience in the area of marketing and finance		Having more than 10 years of experience in legal	
No. of Shares held in the Company	400		300		100	
List of Listed Entity in which Directorship held as on 31.03.2019.	--		Ambar Protein Industries Limited		--	
List of Listed Entity in which membership of Committees of the board held as on 31.03.2019.	Galaxy Bearings Limited	1. Nomination Remuneration Committee 2. CSR Committee 3. Audit Committee 4. Stakeholder Relationship Committee	Galaxy Bearings Limited	1. Nomination Remuneration Committee 2. CSR Committee 3. Audit Committee	Galaxy Bearings Limited	1. Nomination Remuneration Committee 2. CSR Committee 3. Audit Committee 4. Stakeholder Relationship Committee
Relationships between directors inter-se	None		None		None	

By Order the Board of Directors  
For, GALAXY BEARINGS LIMITED

Place : Ahmedabad  
Date: 10<sup>th</sup> August, 2019  
Registered Office:  
T-16, Vikram Chambers,  
Ashram Road, Ahmedabad - 380 009

Mr. Bharatkumar K. Ghodasara  
(Whole-time Director)  
DIN: 00032054



## DIRECTOR S' REPORT

To,  
Dear Shareholders

The Directors have pleasure in presenting the 29<sup>th</sup> Annual Report of your Company together with the Audited Financial Statement for the financial year ended 31<sup>st</sup> March, 2019.

### **FINANCIAL SUMMARY**

Particulars	(Rs. in lacs)	
	For the Year ended	
	31.03.2019	31.03.2018
Total Revenue	7472.97	5447.90
<b>Profit / (Loss) before Interest and Depreciation</b>	<b>1067.50</b>	<b>785.32</b>
Less: Finance Cost	56.03	109.14
<b>Profit/(Loss) Before Depreciation</b>	<b>1011.47</b>	<b>676.18</b>
Less: Depreciation and Amortisation Expense	97.05	118.89
<b>Profit / (Loss) Before Tax</b>	<b>914.42</b>	<b>557.29</b>
<b>Provision for taxation</b>		
Less: Current Tax	250.00	207.33
Less: Short / (Excess) Provision of Income Tax of earlier years	0.38	(9.10)
Less: Deferred Tax Liability / (Assets)	6.14	(1.55)
<b>Net Profit / (Loss) After Tax</b>	<b>659.16</b>	<b>360.61</b>
Add/(Less): Other Comprehensive income	-2.97	1.30
Total Comprehensive Income for the period	656.19	361.91

**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. 7472.97 lakh as against Rs. 5447.90 lakh in the previous year and net profit of the company for the year has increased to as compared Rs. 659.16 lakh to Rs. 360.61 lakh for the previous year.

### **DIVIDEND**

In order to conserve the resources your directors 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, 2019 was Rs. **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.

### **DEMATERIALISATION OF SHARES**

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, Members are requested to avail the facility of dematerialization of shares with either of the Depositories as aforesaid. As per notification issued by SEBI, transfer of shares in physical form has been stopped, with effect from 1<sup>st</sup> April, 2019. The shareholders who continue to hold shares in physical form even after 1<sup>st</sup> April, 2019, will not be able to lodge the shares with company / its RTA for further transfer. Such shareholders have to

mandatorily convert their physical shares to demat form in order to give effect of any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the company / RTAs.

#### **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. 659.16 which has been transferred to surplus in the statement of profit and loss account. Thus total reserve and surplus stood Rs. 2866.60 Lacs at the end of the year.

#### **RISK MANAGEMENT POLICY:**

The Company has formulated the Risk Management Policy in order to safeguard the organization from various risks through timely actions. It is designed to mitigate the risk in order to minimize the impact of the risk on the Business. The Management is regularly reviewing the risk and is taking appropriate steps to mitigate the risk. In the opinion of the Board there has been no identification of element of risk that may threaten the existence of the Company

#### **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.

#### **DETAILS OF SUBSIDIARIES/JOINT VENTURES/ ASSOCIATE COMPANIES**

The Company does not have any subsidiary company or joint venture company or associate company during the year under review. Henceforth the Company is not require to furnish the details of Section 129(3).

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

##### ■ RETIRE BY ROTATION.

Pursuant to section 152 of the Companies Act, 2013, Mr. Rashmikant Bhalodia (DIN: 00020098), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Directors recommend his re-appointment.

##### ■ RE-APPOINTMENT OF INDEPENDENT DIRECTORS.

In accordance with the provisions of Section 149 of the Companies Act, 2013 read with the relevant rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Jitendra Shah (DIN : 01028713), Mr. Pradeepkumar Khetani (DIN : 01786030) and Mrs. Jyotsna Vachhani (DIN : 00535817) being eligible for re-appointment as an Independent Director for further term of five years. The Board on recommendation of Nomination and Remuneration Committee, subject to the approval of members, recommended their reappointment.

##### ■ CESSATION.

Mr. Nayan Patel, resigned as a Company Secretary and Compliance Officer of the Company w.e.f. 9<sup>th</sup> February, 2019.

Mr. Vinodrai Kansagara, (DIN : 00015696), who was the founder promoter director of the Company has passed away on 2nd August, 2019 at the age of 84. Though his health not permitted, he kept him involved in the Company growth in such a way that his involvement and devotion will be rembered by the Company for years to come. The Board places on record their deep sense of appreciation for the services rendered by him during his long association with the Company

##### ■ APPOINTMENT.

The Board of Directors on recommendation have appointed Mr. Devang Gor, as an additional director with effect from 10<sup>th</sup> August, 2019. In terms of Section 161 of the Act, Mr. Devang Gor holds office upto the date of ensuing Annual General Meeting.



The Company has received requisite notice in writing from a member proposing his name for the office of Director. Accordingly, the Board recommends the resolution for his appointment.

After closure of the financial year, Mrs Upasna Patel, was appointed as a Company Secretary from closure of the business hours of 20<sup>th</sup> May, 2019.

#### **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.

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

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, 2015 the Board of Directors has undertaken an annual evaluation of its own performance, performance of its various Committees and individual Directors. 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.

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

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

- a) In preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2019, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **NUMBER OF MEETINGS OF THE BOARD**

During the year, the Board of Directors met 5 times on (1) 19.05.2018, (2) 13.08.2018, (3) 03.11.2018, (4) 11.01.2019 and (5) 09.02.2019. The maximum interval between any two meetings did not exceed 120 days. The details of the Board Meetings are provided in the Corporate Governance Report which is annexed to the report.

#### **COMPLIANCE OF SECRETARIAL STANDARDS**

The Company has complied with the applicable secretarial standard.

### **COMMITTEES OF THE BOARD.**

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. The following statutory Committees constituted by the Board function according to their respective roles and defined scope:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Stakeholders Relationship Committee

Details of composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance, which forms a part of this Report

### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with 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**'.

During the year under review, there were no employees who were in receipt of remuneration of Rs 1.02 Crore or more per annum / employees employed for a part of the year who were in receipt of remuneration of Rs 8.5 Lakh or more per month.

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 will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by members at the Registered office of the Company during business hours on working days of the Company upto the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

### **AUDITORS**

#### **⊗ STATUTORY AUDITOR.**

The Auditors' Report for the year ended 31<sup>st</sup> March, 2019 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 AUDITOR.**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Jignesh Kotadiya & Co., Practising Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2019.

Secretarial Audit Report for the year ended 31<sup>st</sup> March, 2019 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**'. It does not contain any qualification, reservation or adverse remark except for



- (i) The Company has not appointed Company Secretary which is required to appoint under the provisions of section 203 of the Companies Act, 2013 and Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- (ii) Out of the total 43.18% of the promoters shareholding of the Company, only 52.85% of shares held by promoter and promoter group are in dematerialized mode and 47.15% of shares held by promoter and promoter group are still held in physical mode as on 31st March, 2019. However, it has been mentioned under Regulation 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to have entire promoters' holding of the Company in demate form only.

#### MANAGMENTS' REPLY

1. Mr. Nayan Patel resigned from the office of CS on 9<sup>th</sup> February, 2019. As per the provisions of Section 203(4) the office vacated due to resignation shall be filled in within six months of vacation. After interviewing, the Company has appointed Mrs. Upasna Patel, a qualified member of ICSI as a Company Secretary which is in compliance with applicable provisions of the Companies Act, 2013.
2. The Company had sent reminders to the promoters for getting their shares in demat.

#### DISCLOSURE OF AUDIT COMMITTEE

The Audit Committee comprises Directors namely Mrs. Jyotsna Vachhani (Chairperson), Mr. Jitendra Shah and Mr. Pradipkumar Khetani. The composition of the Audit Committee is in compliance with the requirement of Section 177 of the Companies Act, and Regulation 18 of the SEBI (LODR) Regulations, 2015.

#### 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 has been placed on the website of the Company and can be accessed at link [www.galaxybearings.com/investor.html](http://www.galaxybearings.com/investor.html) and extract has been attached 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, no complaints were received by the Company related to sexual harassment.

#### REPORTING OF FRAUDS

There have been no instances of fraud reported by the statutory auditors under section 143(12) of the Act and rules framed thereunder either to the Company or to the central government

### **CORPORATE GOVERNANCE**

As per Regulation 27 of SEBI (LODR) Regulations, 2015, a separate section on Corporate governance practices followed by the Company, together with a certificate from the Practicing Company Secretary confirming compliance, forms an integral part of this Report, marked as '*Annexure-6*'.

### **MANAGEMENT DISCUSSION AND ANALYSIS (MDA)**

MDA, for the year under review, as stipulated under Regulation 34(2)(e) of SEBI (LODR) Regulations, 2015 with the Stock Exchanges is presented in a separate section, which forms a part of the Annual Report annexed as '*Annexure-7*'.

### **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 as 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**

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company has constituted a CSR Committee. The Annual Report on CSR activities is annexed to this Report. The CSR policy is available at the Company's web link i.e. <http://www.galaxybearings.com/investor.html>. The CSR activities is annexed herewith as '*Annexure – 8*' and the Company will continue to support social projects that are consistent with the Policy.

### **MAINTENANCE OF COST RECORDS.**

The Directors of the Company to the best of their knowledge and belief state that company has maintained adequate cost records as required to be maintained by the Company under the provisions of Section 148 of the Companies Act, 2013 read with the relevant rules made framed thereunder.

### **INTERNAL FINANCIAL 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 2018-19 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 AND COMMITMENT, IF ANY, FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENT RELATES AND THE DATE OF REPORT:**

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.

**GREEN INITIATIVES**

Electronic copies of the Annual Report for the financial year 2018-19 alongwith the Notice are sent to all the members whose e mail addresses are registered with the Company / depository participant(s). For members who have not registered their e-mail addresses, physical copies are sent in the permitted mode.

**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  
FOR GALAXY BEARINGS LIMITED**

**Date:** 20<sup>th</sup> May, 2019  
**Place:** Ahmedabad

Bharatkumar Ghodasara  
(Whole-time Director)  
**DIN:** 00032054

Jyotsna 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, 2019.

**A. CONSERVATION OF ENERGY :-**
**(i) the steps taken or impact on conservation of energy :-**

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

- Optimum usage of electricity purchased from PGVCL.
- Creating awareness of energy saving within the organization to avoid wastage of energy.
- The company is putting continuous efforts to reduce the consumption of energy and maximum possible saving of energy.

**(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.
- the benefits derived like product improvement, cost reduction, product development or import substitution:- Not Applicable
- in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :- Not Applicable
- the expenditure incurred on Research and Development :- Not Applicable

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO :-**

Sr. No.	Particulars	(Rs. in lacs)	
		2018-19	2017-18
1.	Foreign Exchange Earned	5259.21	3040.91
2.	Outgo of Foreign Exchange (Traveling Exp. and foreign Bank Charges)	28.31	31.72

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
FOR GALAXY BEARINGS LIMITED**

Date: 20<sup>th</sup> May, 2019  
Place: Ahmedabad

Bharatkumar K. Ghodasara  
(Whole-time Director)  
DIN: 00032054

Jyotsna Vacahani  
(Director)  
DIN: 00535817



**ANNEXURE- 2**
**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. 2018-19.

Sr. No.	Director's Name	Designation	Ratio to median remuneration
1	Mr. Vinodrai H. Kansagara	Director	Nil
2	Mr. Bharatkumar K. Ghodasara	Whole-time Director	0.00
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	Director	Nil
2	Mr. Bharatkumar K. Ghodasara	Whole-time Director	0.00
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	37.50

- iii. The median remuneration of employees excluding Key Managerial Personnel of the Company during the financial year 2018-19 increased by approximately to 12.36 % 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, 2019 has been consider.
- iv. There were 30 permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2019.
- v. Average increase in remuneration is 28.34% for employees other than Managerial Personnel and 18.75% for Managerial Personnel.
- vi. It is hereby affirmed that the remuneration is as per the Nomination and Remuneration policy of the Company.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
FOR GALAXY BEARINGS LIMITED**

Date: 20<sup>th</sup> May, 2019  
Place: Ahmedabad

Bharatkumar K. Ghodasara  
(Whole-time Director)  
DIN: 00032054

Jyotsna Vacahani  
(Director)  
DIN: 00535817

**ANNEXURE- 3****FORM NO. MR-3****Secretarial Audit Report****For The Financial Year Ended On 31<sup>st</sup> March, 2019**

[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 - 380009.

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, 2019 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, 2019 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)**.
  - (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/Provisions of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) 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:

- (iii) The Company has not appointed Company Secretary which is required to appoint under the provisions of section 203 of the Companies Act, 2013 and Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- (iv) Out of the total 43.18% of the promoters shareholding of the Company, only 52.85% of shares held by promoter and promoter group are in dematerialized mode and 47.15% of shares held by promoter and promoter group are still held in physical mode as on 31st March, 2019. However, it has been mentioned under Regulation 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to have entire promoters' holding of the Company in demate form only.

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

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

**I further report that** 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, Jignesh Kotadiya & Co.**  
**Company Secretaries**

**Jignesh Kotadiya**  
Proprietor  
**ACS: 52121: CP No.: 19815**

**Place: Ahmedabad**  
**Date: 20<sup>th</sup> May, 2019**

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 – 380009.

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, Jignesh Kotadiya & Co.**  
**Company Secretaries**

**Place:** Ahmedabad  
**Date:** 20<sup>th</sup> May, 2019

**Jignesh Kotadiya**  
**Proprietor**  
**ACS: 52121: CP No.: 19815**



**ANNEXURE 4**  
**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.03.2019

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

**1 REGISTRATION AND OTHER DETAIL**

1	CIN	L29120GJ1990PLC014385
2	Registration Date	19th September, 1990
3	Name of the Company	Galaxy Bearings Limited
4	Category/Sub-Category of the Company	Public Company/ Limited by Shares
5	Whether Listed Company	Yes
6	Name and Address of Registrar & Transfer Agents	<b>Link Intime India Private Limited</b> 5th 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. Phone : 079-26465179/86/87 ; Email : ahmedabad@linkintime.co.in

**2 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
1	Ball & Roller Bearing	28140	100

**3 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
NOT APPLICABLE					

**4 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>									
(1) INDIAN									
a) Individual/ HUF	33000	643440	676440	21.27	81610	571530	653140	20.54	-0.73
b) Central Govt.	0	0	0	0.00	0	0	0	0	0
c) State Govt(s)	0	0	0	0.00	0	0	0	0	0
d) Bodies Corp.	0	0	0	0.00	0	0	0	0	0
e) Banks/FI	0	0	0	0.00	0	0	0	0	0
f) Others	0	0	0	0.00	0	0	0	0	0
<b>Sub-Total (A)(1)</b>	<b>33000</b>	<b>643440</b>	<b>676440</b>	<b>21.26</b>	<b>81610</b>	<b>571530</b>	<b>653140</b>	<b>20.54</b>	<b>-0.72</b>
(2) FOREIGN									
a) NRIs-Individual	522860	108200	631060	19.84	644060	76000	720060	22.64	2.80
b) Other-Individual	0	0	0	0.00	0	0	0	0	0
c) Bodies Corp.	0	0	0	0.00	0	0	0	0	0
d) Banks/FI	0	0	0	0.00	0	0	0	0	0
e) Others	0	0	0	0.00	0	0	0	0	0
<b>Sub-Total (A)(2)</b>	<b>522860</b>	<b>108200</b>	<b>631060</b>	<b>19.84</b>	<b>644060</b>	<b>76000</b>	<b>720060</b>	<b>22.64</b>	<b>2.80</b>
<b>Total shareholding of Promoter And Promoter Group (A) = (A)(1) + (A)(2)</b>	<b>555860</b>	<b>751640</b>	<b>1307500</b>	<b>41.12</b>	<b>725670</b>	<b>647530</b>	<b>1373200</b>	<b>43.18</b>	<b>2.06</b>
<b>B. PUBLIC SHAREHOLDING</b>									
(1) INSTITUTIONS									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others	0	0	0	0	0	0	0	0	0
<b>Sub-Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(2) NON INSTITUTIONS									
a) Bodies Corp.									
i. Indian	100	109700	109800	3.45	2200	109100	111300	3.50	0.05
ii. Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i. Individual holding nominal share capital upto Rs. 1 lac	102100	1288400	1390500	43.73	137700	1209600	1347300	42.37	-1.36
ii. Individual holding nominal share capital in excess of Rs 1 lac	106700	247600	354300	11.14	79400	250500	329900	10.37	-0.77
C) Others				0.00					0.00
i. H.U.F.	0	8000	8000	0.25	5100	4000	9100	0.29	0.03
ii. Clearing Member	1500	0	1500	0.05	800	0	800	0.025	-0.02
iii. LLP	0	8400	8400	0.26	8400	0	8400	0.26	0
<b>Sub-Total (B)(2)</b>	<b>210400</b>	<b>1662100</b>	<b>1872500</b>	<b>58.88</b>	<b>233600</b>	<b>1573200</b>	<b>1806800</b>	<b>56.82</b>	<b>-2.06</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>210400</b>	<b>1662100</b>	<b>1872500</b>	<b>58.90</b>	<b>233600</b>	<b>1573200</b>	<b>1806800</b>	<b>56.82</b>	<b>-2.06</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRs &amp; ADRs</b>									
<b>GRAND TOTAL (A+B+C)</b>	<b>766260</b>	<b>2413740</b>	<b>3180000</b>	<b>100</b>	<b>959270</b>	<b>2220730</b>	<b>3180000</b>	<b>100</b>	<b>0</b>



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

Sr. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding 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	86440	2.72	0.00	0.32
3	Sonal S. Patel	130700	4.11	0.00	130700	4.11	0.00	0.00
4	Shetal D. Gor	145510	4.58	0.00	145810	4.59	0.00	0.01
5	Tuhina R. Bera	114900	3.61	0.00	114900	3.61	0.00	0.00
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	0	0.00	0.00	-0.31
8	Navinchandra M. Patel	47610	1.5	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	45710	1.44	0.00	45710	1.44	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	21400	0.67	0.00	0.04
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	5200	0.16	0.00	20200	0.64	0.00	0.48
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 Ghodesara	32100	1.01	0.00	7500	0.24	0.00	-0.77
30	Dinesh K. Ghodesara	5000	0.16	0.00	5000	0.16	0.00	0.00
31	Mukesh K. Ghodasara	33600	1.06	0.00	7500	0.24	0.00	-0.82
32	Jaiprakash J. Patel	6000	0.19	0.00	500	0.02	0.00	-0.17
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	27000	0.85	0.00	0.63
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	800	0.03	0.00	-0.16
39	Kevin Rimal Bera	0	0.00	0.00	30700	0.97	0.00	0.97
40	Kishan Rimal Bera	0	0.00	0.00	29000	0.91	0.00	0.91
41	Devang Mahesh Gor	0	0.00	0.00	9000	0.28	0.00	0.28
42	Pooja Kantesaria	0	0.00	0.00	1800	0.06	0.00	0.06
43	Kunal Sanatkumar Patel	0	0.00	0.00	10000	0.31	0.00	0.31
44	Vishal Sanatkumar Patel	0	0.00	0.00	10000	0.31	0.00	0.31
		1307500	41.13	0.00	1373200	43.18	0.00	2.06

**C. Change in Promoter & Promoter Groups' Shareholding (Specify, if there is no change):-**

Sr. No.	Shareholders' Name	Shareholding at the beginning of the year		Increase / Decrease in Shareholding during the year*		Cumulative Shareholding during the Year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date / Week Traded	No. of shares	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Vinodrai H. Kansagara	133510	4.20		No Change			133510	4.2
2	Indiraben V. Kansagara	76440	2.40	November, 2018	10000	86440	2.72	86440	2.72
3	Sonal S. Patel	130700	4.11		No Change			130700	4.11
4	Shetal D. Gor	145510	4.58	March, 2019	300	145810	4.59	145810	4.59
5	Tuhina R. Bera	114900	3.61		No Change			114900	3.61
6	Rimal Babubhai Bera	20000	0.63		No Change			20000	0.63
7	Chandrakant H. Kansagara	10000	0.31	November, 2018	10000	0	0	0	0
8	Navinchandra M. Patel	47610	1.5		No Change			47610	1.5
9	Rashmikant V. Bhalodia	60820	1.91		No Change			60820	1.91
10	Rajesh G. Patel	45210	1.44		No Change			45710	1.44
11	Dudhiben G. Patel	70500	2.22		No Change			70500	2.22
12	Govindlal J. Patel	30500	0.96		No Change			30500	0.96
13	Hemkunverben Patel	5500	0.17		No Change			5500	0.17
14	Valjibhai Patel	500	0.02		No Change			500	0.02
15	Mohanlal J. Patel	26000	0.82		No Change			26000	0.82
16	Savitaben M. Patel	30500	0.96		No Change			30500	0.96
17	Gautam N. Bhalodia	32000	1.01		No Change			32000	1.01
18	Kiran Valjibhai Patel	35200	1.11		No Change			35200	1.11
19	Nathabhai B. Delvadia	11700	0.37		No Change			11700	0.37
20	Atul Nathabhai Patel	20100	0.63	September, 2018	1300	21400	0.67	21400	0.67
21	Vanita Nathalal Patel	12800	0.4		No Change			12800	0.4
22	Bharatkumar K. Ghodasara	15600	0.49		No Change			15600	0.49
23	Janakkumar R. Bhalodia	2000	0.06		No Change			2000	0.06
24	Jaykumar R. Bhalodia	30000	0.94		No Change			30000	0.94
25	Ajltbhai Kiran Patel	30000	0.94		No Change			30000	0.94
26	Ankur Ramesh Kantesaria	5200	0.16	October, 2018	5000	10200	0.32		
				December, 2018	2500	12700	0.40		
				January, 2019	200	12900	0.41		
				February, 2019	1500	14400	0.45		
				March, 2019	5800	20200	0.64	20200	0.64
27	Ashaben R. Patel	12000	0.38		No Change			12000	0.38
28	Dharmistaben R. Kantesaria	3000	0.09		No Change			3000	0.09
29	Dilip Keshavji Ghodesara	32100	1.01	November, 2018	900	33000	1.04		
				February, 2019	-25500	7500	0.24	7500	0.24
30	Dinesh K. Ghodesara	5000	0.16		No Change			5000	0.16
31	Mukesh K. Ghodasara	33600	1.06	November, 2018	900	34500	1.08		
				February, 2019	-15500	19000	0.60		
				February, 2019	-11500	7500	0.24	7500	0.24
32	Jaiprakash J. Patel	6000	0.19	November, 2018	-6000	0			
				March, 2019	500	500	0.02	500	0.02
33	Mona A. Patel	14000	0.44		No Change			14000	0.44
34	Rajnikant M. Bhalodia	20000	0.63		No Change			20000	0.63
35	Ramesh J. Kantesaria	7000	0.22	November, 2018	10000	17000	0.53		
				March, 2019	10000	27000	0.85	27000	0.85
36	Pushpaben R. Bhalodia	25000	0.79		No Change			25000	0.79
37	Rajeshkumar Patel HUF	500	0.02		No Change			500	0.02
38	Shobhna J. Patel	6000	0.19	September, 2018	-6000				
				March, 2019	800	800	0.03	800	0.03
39	Kevin Rimal Bera	0	0.00	June, 2018	7500	7500	0.24		
				July, 2018	7200	14700	0.46		
				October, 2018	10000	24700	0.78		
				January, 2019	6000	30700	0.97	30700	0.97
40	Kishan Rimal Bera	0	0.00	June, 2018	7500	7500	0.24		
				July, 2018	5000	12500	0.39		
				October, 2018	5500	18000	0.57		
				January, 2019	2500	20500	0.64		
				February, 2019	8500	29000	0.91	29000	0.91
41	Devang Mahesh Gor	0	0.00	January, 2019	9000	9000	0.28	9000	0.28
42	Pooja Kantesaria	0	0.00	March, 2019	1800	1800	0.06	1800	0.06
43	Kunal Sanatkumar Patel	0	0.00	February, 2019	9000	9000	0.28	9000	0.28
44	Vishal Sanatkumar Patel	0	0.00	February, 2019	10000	10000	0.31	10000	0.31



**D. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs AND ADRs)**

Sr. No.	Shareholders' Name	Shareholding at the beginning of the year		Increase / Decrease in Shareholding during the year*		Cumulative Shareholding during the Year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date / Week Traded	No. of shares	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Samir Kansagara	150800	4.74		No Change			150800	4.74
2	Forge & Forge Ltd	82500	2.59		No Change			82500	2.59
3	Shantaben Devani	27300	0.86		No Change			27300	0.86
4	Gordhan Devani	22000	0.69		No Change			22000	0.69
5	Shakuntala Jagani	18700	0.59		No Change			18700	0.59
6	Jivanlal Jagani	18500	0.58		No Change			18500	0.58
7	Prachi Patel	17900	0.55		No Change			17600	0.55
8	Rasila Kantesaria	16700	0.52		No Change			16700	0.52
9	Avni Dealings Private Limited	15000	0.47		No Change			15000	0.47
10	Hasmukh Kantesaria	13500	0.42		No Change			13500	0.42

**E. Shareholding of Directors and Key Managerial Personnel:~**

Sr. No.	Name of the Directors / KMP	Shareholding at the beginning of the year		Increase / Decrease in Shareholding during the year*		Cumulative Shareholding during the Year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date / Week Traded	No. of shares	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Vinodrai H. Kansagara, Director*	133510	4.20					133510	4.2
2	Navinchandra Patel, Director	47610	1.50					47610	1.5
3	Rashmikant Bhalodia, Director	60820	1.91					60820	1.91
4	Bharatkumar Ghodasara, Whole Time Director	15600	0.49					15600	0.49
5	Jyotsna Vachhani, Director	400	0.01					400	0.01
6	Jitendra Shah, Director	100	0.00					100	0
7	Pradeep kumar Khetani, Director	300	0.01					300	0.01
8	Shetal Gor, Director	145510	4.58	January, 2019	300	145810	4.59	145810	4.59
9	Tuhina Bera, Director	114900	3.61					114900	3.61
10	Dixit Patel, Chief Financial Officer	18000	0.57	May, 2018	2700	20700	0.65		
				March, 2019	7700	28400	0.89	28400	0.89
11	Mr. Devang Gor#	0	0	January, 2019	9000	9000	0.28	9000	0.28

\* Ceased w.e.f 2nd August, 2019

#Appointed w.e.f. 10th August, 2019

**5 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	5,37,22,287	68,00,000	0	6,05,22,287
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	-	0	0	0
<b>Total (i+ ii + iii)</b>	<b>5,37,22,287</b>	<b>68,00,000</b>	<b>0</b>	<b>6,05,22,287</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	3,35,13,814	0	0	3,35,13,814
Reduction	0	0	0	0
<b>Net Change</b>	<b>3,35,13,814</b>	<b>0</b>	<b>0</b>	<b>3,35,13,814</b>
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	8,72,36,101	68,00,000	0	9,40,36,101
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ ii + iii)</b>	<b>8,72,36,101</b>	<b>68,00,000</b>	<b>0</b>	<b>9,40,36,101</b>

**6 REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Particulars of Remuneration	Name of MD/WTD/ Manager Mr. Bharatkumar K. Ghodasara (Whole-time Director)		Total
<b>1. Gross salary</b>		8,04,607	8,04,607
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
<b>2. Stock Options</b>			
<b>3. Sweat Equity</b>			
<b>4. Commission</b>			
<b>5. Others</b>			
<b>TOTAL (A)</b>		8,04,607	8,04,607
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 : NIL**
**C. Remuneration to Key Managerial Personnel other than MD / Manager/ WTD**

Particulars of Remuneration	Name of Key Managerial Personnel		Total
	Dixit Patel (CFO)	Nayan Patel (CS)*	
<b>1. Gross salary</b>	7,31,731	1,79,340	9,11,071
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
<b>2. Stock Options</b>			
<b>3. Sweat Equity</b>			
<b>4. Commission</b>			
<b>5. Others</b>			
<b>TOTAL</b>	7,31,731	1,79,340	9,11,071

\* For part of the year

**7 PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

There were no penalites / punishment / compounding of offences for the financial year 2018-19

Date : 20th May, 2019

Place : Ahmedabad

For and behalf of the Board  
FOR GALAXY BEARINGS LIMITED

JYOTSNA VACHHANI  
DIRECTOR  
DIN : 00535817

BHARATKUMAR  
GHODASARA  
WHOLE TIME DIRECTOR  
DIN : 00032054



## 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.

## ANNEXURE- 6

### Corporate Governance Report

#### (1) PHILOSOPHY ON CODE OF GOVERNANCE.

The Company believes that the governance process must aim at managing the affairs without undue restraints for efficient conduct of its business, so as to meet the aspirations of shareholders, employees and society at large.

#### (2) BOARD OF DIRECTORS:

##### Composition of Directors:

The composition of the Board with regard to the number of Executive Directors, Non-Executive Directors, Independent Directors and Women Director meets the requirement of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has optimum combination of Non Executive Directors.

##### Attendance of the Directors in Board Meetings and at the last AGM:

Five (5) meetings of the Board of Directors were held during the year on (1) 19<sup>th</sup> May, 2018, (2) 13<sup>th</sup> August, 2018, (3) 3<sup>rd</sup> November 2018, (4) 11<sup>th</sup> January, 2019 and (5) 9<sup>th</sup> February, 2019. The requisite information as per Part A to Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations, 2015") has been made available to the Board. The Board periodically has reviewed compliance reports of all laws applicable to the Company, and appropriate steps taken by the Company, where applicable.

##### Attendance Record

Sr. No.	Name of the Directors	Category of Directorship	No. of Board Meeting Attended		#No. of other Committee Member or Chairman	Attendance at Last AGM	No of other Directorships
			Held	Attended			
1	Jyotsna Vachhani	C&ID	5	4	2	Yes	0
2	Kansagara Vinodrai <sup>%</sup>	P&NED	5	4	1	No	1- Ambar Protiens Limited(till 10.04.2019)
3	Navinchandra Patel	P&NED	5	4	0	Yes	0
4	Rashmikant Bhalodia	P&NED	5	4	0	Yes	0
5	Bharatkumar Ghodasara	ED	5	4	1	Yes	0
6	Jitendra Shah	ID	5	4	2	Yes	0
7	Khetani Pradeep Kumar	ID	5	4	2	Yes	1- Ambar Protiens Limited
8	Shetal Gor	P&NED	5	1	0	No	0
9	Bera Tuhina	P&NED	5	1	0	No	0
10	Devang Gor <sup>%%</sup>	P&NED	NA	NA	NA	NA	0

C-Chairman, P-Promoter, ID-Independent Director, ED-Executive Director and NED-Non Executive Director

<sup>%</sup> Ceased to be Director w.e.f 2<sup>nd</sup> August, 2019

<sup>%%</sup> Appointed as Director w.e.f. 10<sup>th</sup> August, 2019

- # The Committees considered for the above purpose are those as specified in Regulation 26 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 i.e. Audit Committee and Stakeholder Relationship Committee.
- \* Excludes alternate directorships / directorships in private companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013

##### Disclosure of relationships between directors inter-se;



The Board comprises of combination of Independent, Non-Executive and Executive Directors. Mrs. Shetal Gor and Mrs. Tuhina Bera are daughters of Mr. Vinodrai Kansagara. None of the other Directors are related to each other.

**Number of shares and convertible instruments held by non- executive directors;**

The number of shares held by the Non-Executive Directors as on 31<sup>st</sup> March, 2019 are as below.

Name of the Directors	Number of Shares held as on 31 <sup>st</sup> March, 2019
Kansagara Vinodrai	133510
Navinchandra Patel	47610
Rashmikant Bhalodia	60820
Jyotsna Vachhani	400
Jitendra Shah	100
Khetani Pradeep Kumar	300
Shetal Gor	145810
Bera Tuhina	114900

\*Mr. Devang Gor was appointed as a Director after closure of the financial year.

Further, the Company has not issued any convertible instruments and hence the disclosure of the same is not applicable.

**Details Of The Familiarization Programmes**

As required under the Listing Regulations, the Independent Directors held one separate meeting on January 11, 2019. The Independent Directors discussed and reviewed the matters specified in Regulation 25(4) of the Listing Regulations

None of the Independent Directors of the company serve as Independent Directors in more than 7 listed companies and an Independent Director who is serving as a Whole-time Director / Managing Director in a listed company, is not acting as an Independent Director in not more than 3 listed companies. Further the committee memberships and Chairmanships are within the limits specified under the applicable laws. None of the directors hold any convertible instruments. The details of the familiarization programmes imparted to Independent Directors are made available at [www.galaxybearings.com/investor.html](http://www.galaxybearings.com/investor.html)

**Skills / Expertise / Competencies of the Board of Directors**

The Board of directors of the Company comprise of eminent qualified professional members from the diverse fields, who have significant amount of skills / expertise / competencies and thus make valuable contributions to the Board.

The collective contribution of the Board of Directors makes an overall impact which reflects in the performance of the Company.

In compliance with the Listing Regulations, the Board of Directors of the Company has identified the list of core skills / expertise / competencies of the Board of Directors in the context of the Company's business and its sector for effective functioning, which are currently available with the Board and they are enumerated as below

- i) Experience and strong Knowledge of the Company's products, and operations carried out, policies and major risks / threats and potential opportunities and practical and technical knowledge of the industry in which the Company operates.
- ii) Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
- iii) Experience in developing governance practices, protecting and managing all stakeholders' interests in the Company, maintaining management accountability and building long-term effective stakeholder relationships.
- iv) Practical knowledge and experience in finance, accounting, reporting and internal controls including strong ability to asses financial impact of decision making and Management skills
- v) Innovative and new technology implementation
- vi) Technical / Professional skills and specialized knowledge in relation to Company's business
- vii) Knowledge of product, understanding of diverse business environment, changing socio-economic conditions and regulatory framework. Experience in developing long-term strategies considering the product lifecycle, to develop business consistently, profitably, competitively and in a sustainable manner.

- viii) Experience of accomplishing sales, understanding of market & consumers, contemporary marketing strategy, experience of international fashion trends, branding strategies, merchandising strategies and business promotion programmes.

#### Opinion of the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

#### (3) AUDIT COMMITTEE:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Clause 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 as applicable. During the year ended 31st March 2019, the Audit Committee met 4 times i.e. on (1) 19<sup>th</sup> May 2018, (2) 13<sup>th</sup> August 2018, (3) 3<sup>rd</sup> November, 2018 and (4) 9<sup>th</sup> February 2019 under the Chairmanship of Mrs. Jyotsna Vacchani. The maximum gap between any two meetings was less than four months. Mr. Nayan Patel, Company Secretary is the Secretary of the Audit Committee. Apart from the members of the Audit Committee, the Managing Director, the Whole-time Director, the Chief Financial Officer, representatives of the statutory and internal audit firms are permanent invitees to the meeting. The composition of the committee and the attendance of its members are given below:

Name of the Directors	Designation	Category	No. of Audit Committee Meeting	
			Attended	Held
Jyotsna Vachhani	Chairperson	NEID	4	4
Jitendra Shah	Member	NEID	4	4
Khetani Pradeep Kumar	Member	NEID	4	4

#### (4) NOMINATION AND REMUNERATION COMMITTEE:

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Clause 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also Section 178 of the Companies Act, 2013 apart from any references made to it by the Board of Directors. During the year ended 31st March 2019 the Committee met 2 times i.e., on 3rd November, 2018 and 9th February 2019 under the Chairmanship of Mr. Jitendra Shah. The performance evaluation for Independent Directors is detailed in the Board's report. The composition of the committee and the attendance of its members are given below:

Name of Directors	Designation	Category	No. of NRC meeting	
			Attended	Held
Jitendra Shah	Chairperson	NEID	2	2
Jyotsna Vachhani	Member	NEID	2	2
Pradip Khetani	Member	NEID	2	2

#### (5) REMUNERATION OF DIRECTORS:

None of the Non Executive Directors are receiving any remuneration and there is no material pecuniary relationship.

Remuneration paid to Executive Directors

During the financial year 2018-19, Mr. Bharatkumar Ghodasara, Whole Time Director of the Company has received remuneration amounting to Rs. 8,04,613 per annum, including Basic Salary, Perquisites and Contribution towards PPF. The Company has not issued stock option for any of the Director including Managing Director / Whole Time Director.



The remuneration of Managing / Executive Directors given above is fixed components. The tenure of the directorship is for three years.

**(6) STAKEHOLDERS' GRIEVANCE COMMITTEE:**

The Stakeholders' Relationship Committee looks into the redressal of grievances of security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet. For part of the year, Mr. Nayan Patel, Company Secretary acted as a Compliance officer and part of the year, Mr. Dixit Patel, Chief Financial Officer acted as a Compliance Officer. During the year, 2 (Two) complaints were received from the shareholders, all of which were attended and solved. The details of shareholders grievances were placed before the Committee. Three meetings of the Committee were held during the year on 18<sup>th</sup> May, 2018, 13<sup>th</sup> August, 2018 and 3<sup>rd</sup> November, 2018.

Name of Directors	Designation	Category	No. of SRC meeting	
			Attended	Held
Jyotsnaben Vachhani	Chairperson	NEID	3	3
Jitendra Shah	Member	NEID	3	3
Vinodrai Kansagara	Member	ED	0	3
Bharatkumar Ghodasara	Member	ED	3	3

▪ **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Board of Directors constituted a Corporate Social Responsibility Committee (CSR Committee) of the Board in terms of the requirements of Section 135 of the Companies Act, 2013 and Rules framed thereunder. The CSR Committee meeting was held on 9<sup>th</sup> February, 2019 under the Chairmanship of the Mrs. Jyotsnaben Vachani.

The name and category of Directors as Members and their attendance at the CSR Committee Meetings are detailed below

Name of Directors	Designation	Category	No. of CSR meeting	
			Attended	Held
Jyotsnaben Vachhani	Chairperson	NEID	1	1
Jitendra Shah	Member	NEID	1	1
Pradeep Kumar Khetani	Member	NEID	1	1

**(7) GENERAL BODY MEETINGS:**

**Location, Time, Venue of Preceeding Three Annual General Meetings Held;**

AGM	Year	Venue	Date	Time
28 <sup>th</sup>	2017-18	Shree Sardar Patel Seva Samaj, Beside Central Bank of India, Near Mithakhali Six Road, Ellis Bridge, Ahmedabad - 380 006	27 <sup>th</sup> September, 2018	12 noon
27 <sup>th</sup>	2016-17	Shree Sardar Patel Seva Samaj, Beside Central Bank of India, Near Mithakhali Six Road, Ellis Bridge, Ahmedabad - 380 006	29 <sup>th</sup> September, 2017	12 noon
26 <sup>th</sup>	2015-16	T-18, Vikram Chambers, Ashram Road, Ahmedabad - 380 009	30 <sup>th</sup> September, 2016	12 noon

No Extra Ordinary General Meeting was held during the year.

No special resolutions were passed through postal ballot during the year under review.

The Company has passed the following special resolution in the previous three Annual General Meeting.

Year	Whether Special Resolution passed	Special Resolution
2017-18	Yes	Continuance of Mr. Vinodrai Kansagara as a Non Executive Director
2016-17	Yes	Appointment of Mr. Bharatkumar Ghodasara as a Whole Time Director Service of documents through a particular mode as may be sought by members
2015-16	No	Not Applicable

Special Resolutions pertaining to the 28th AGM mentioned above were passed through e-voting process. Facility to members attending the AGM to vote through physical ballot forms was also provided. Mr. Jignesh Katodiya, M/s Jignesh Katodiya & Associates, Practicing Company Secretary, Ahmedabad was appointed as the Scrutinizer for the purpose of scrutinizing the entire voting process and ascertaining the results.

**(8) MEANS OF COMMUNICATION:**

In compliance with the requirements of Regulation 33 (2) & (3) of Listing Regulations, 2015, the Company regularly intimates unaudited quarterly results as well as audited financial results to the stock exchanges immediately after the same are approved by the Board. Further, coverage is given for the benefit of the shareholders and investors by publication of the financial results in the Western Times (English and Gujarati). The Company's results and intimations to Stock Exchanges are displayed on the Website <http://www.galaxybearings.com>

Details relating the quarterly performance are disseminated to the shareholders through earnings presentation on the Company's and BSE websites. The Company has a separate e-mail ID [investor.gbl@gmail.com](mailto:investor.gbl@gmail.com) for investors to intimate their grievances, if any.

The Company does not display official news releases and no presentation was made to institutional investors or analysts during the previous financial year.

**(9) GENERAL SHAREHOLDER INFORMATION:**

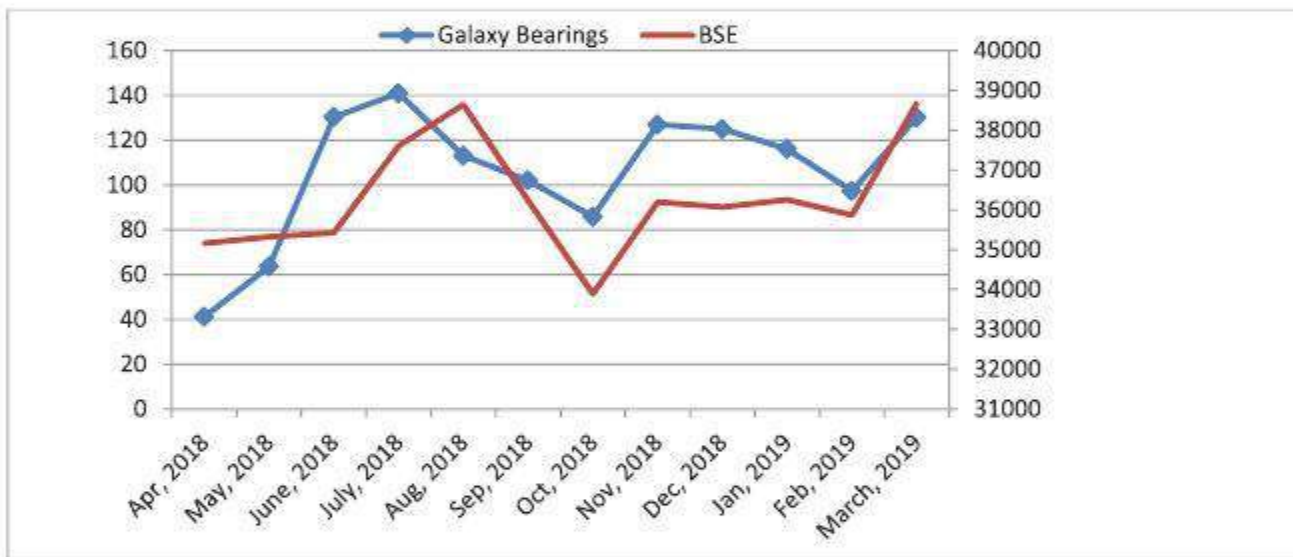
Annual General Meeting	25 <sup>th</sup> September, 2019 at 12.00 Noon at Shree Sardar Patel Seva Samaj, Beside Central Bank of India, Near Mithakhali Six Road, Ellis Bridge, Ahmedabad - 380 006
Financial Year	1 <sup>st</sup> April to 31 <sup>st</sup> March
Unaudited Financial Results for the quarter ending June, 2019	On or before 14 <sup>th</sup> August, 2019
Unaudited Financial Results for the half year / quarter ending 30 <sup>th</sup> September, 2019	On or before 14 <sup>th</sup> November, 2019
Unaudited Financial Results for the quarter ending 31 <sup>st</sup> December, 2019	On or before 14 <sup>th</sup> February, 2019
Audited Results for the year ended 31 <sup>st</sup> March, 2020	During the month of May, 2020
Listing on Stock Exchanges	<b>BSE Limited (BSE)</b> Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001 The Company has paid the listing fees for the period April, 2019 to March, 2020
Stock Code	526073
Demat ISIN Number for NSDL and CDSL	INE020S01012

Market price data- high, low during each month in last financial year;



Sr. No.	Month – Year	High (in Rs.)	Low (in Rs.)
1	April, 2018	41.15	41.15
2	May, 2018	63.60	43.20
3	June, 2018	130.30	66.75
4	July, 2018	141.00	115.40
5	August, 2018	113.10	76.30
6	September, 2018	102.00	81.55
7	October, 2018	85.80	70.55
8	November, 2018	126.95	78.40
9	December, 2018	124.95	91.05
10	January, 2019	116.00	91.05
11	February, 2019	97.40	83.05
12	March, 2019	130.10	92.60

### Share Performance in comparison to BSE sensx



The shares of the Company were not suspended from trading at any time during the year.

#### Registrar to an issue and share transfer agents; (For both Demat and Physical modes)

Link Intime India Pvt. Ltd.  
 C101, 247 Park  
 LBS Marg, Vikroli (W), Mumbai - 400 083  
 Phone: 022-49186270, Fax : 022- 49186060  
 E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Link Intime India Pvt. Ltd.  
 5th Floor, 506 TO 508,  
 Amarnath Business Centre – 1 ( ABC-1),  
 Beside Gala Business Centre,  
 Nr. St. Xavier's College Corner,  
 Off C G Road, Ellisbridge,  
 Ahmedabad - 380006.  
 Phone : 079 - 2646 5179  
 E-mail : [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

### Share Transfer System;

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of fifteen days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. Share Transfers are registered and returned within fifteen days from the date of lodgement, if documents are complete in all respects. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

### Distribution of shareholding:

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of total shares
Upto 500	6529	95.87	913620	28.73
501-1000	106	1.56	89100	2.80
1001-2000	36	0.53	52300	1.64
2001-3000	34	0.50	84600	2.67
3001-4000	11	0.16	40350	1.27
4001-5000	22	0.32	106600	3.35
5001-10000	25	0.37	198250	6.23
10001 and above	47	0.69	1695180	53.31
<b>Total</b>	<b>6810</b>	<b>100.00</b>	<b>3180000</b>	<b>100.00</b>

### Shareholding Pattern as on March 31, 2019

Category	No. of Shareholders	Voting Strength	No. of Shares
Clearing Members	4	0.0252	800
Other Bodies Corporate	15	3.7642	119700
Directors	1	0.4906	15600
Hindu Undivided Family	14	0.2862	9100
Non Resident Indians	1	0.0472	1500
Public	6670	52.6698	1674900
Promoters (including foreign promoters)	7	6.0037	190920
Relatives Of Director (including NRI)	15	18.7594	596550
Promoters / Directors	7	3.4097	108430
Relatives Of Promoters	40	14.5189	461700
Independent Directors	4	0.0252	800
<b>Total</b>	<b>6778</b>	<b>100.00</b>	<b>31,80,000</b>

*Note: As per the SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated December 19, 2017, the number of shareholders mentioned here are consolidated on a PAN basis.*

### Dematerialization of shares and liquidity;

As on 31<sup>st</sup> March 2019, 9,60,770 Equity Shares of the Company representing 30.22% of the total shares are in dematerialised form. As per agreements of the Company with NSDL and CDSL, the investors have an option to dematerialize their shares with either of the depositories.



Pursuant to amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 transfer of shares from 5th December, 2018 shall be in dematerialized form. Therefore **we are requesting you to kindly dematerialize your shares by opening an account with a Depository Participant (DP).**

It is reiterated that requests for Dematerialisation and Rematerialisation are to be made only to the DP with whom you have opened an account and not directly to the Company.

The Company has not issued GDR/ ADR/ Warrants or any convertibles instruments

**Plant Locations;** Survey No.253, National Highway No. 27  
Shapar, Dist. Rajkot - 360 024 Gujarat

**Address for correspondence :** 16-T, Vikram Chambers, Nr. Ashram Road, Ahmedabad – 380 009, Gujarat

**(10) OTHER DISCLOSURES:**

- (a) There are no materially significant related party transactions that may have potential conflict with the interests of the Company.
- (a) There are no instances of non-compliances by the Company. During the year no penalty, strictures etc. were imposed on the Company by M/s.BSE Limited, SEBI or any Statutory Authority relating to the capital markets for the last three years.
- (b) The Company has a working vigil mechanism and whistle blower policy. No personnel have been denied access to the Audit Committee.
- (c) The Company has complied with all the mandatory requirements and non-mandatory requirements have been adopted to the extent found feasible.
- (d) The Company does not have any subsidiary
- (e) The Company under review, has not any related party transaction.
- (g) Disclosure of commodity price risks and commodity hedging activities: Not Applicable

**Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 –** No complaints were received from any employee during the year ended 31st March 2019.

A certificate has been received from M/s Jignesh Kotadiya & Co., Practicing Company Secretaries that none of the Directors on the Board of the Company has been debarred or disqualification from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs, or any such statutory authority

The Company has paid Rs. 2,25,000 for the year 2018-19 as a total fees for rendering their services as a Statutory Auditor of M/s Galaxy Bearings Limited. Further the Company does not have any subsidiaries / joint venture.

The Company do not have demat suspense account or unclaimed suspense account.

**DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT.**

As required under Regulation 34(3) read with part D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the members of Board of Directors and Senior Management Personnel of Galaxy Bearings Limited have affirmed compliance with the Code of Conduct of the Company in respect of the year ended 31<sup>st</sup> March, 2019

**Bharkumar Ghodasara**  
Whole Time Director (00032054)

**COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE.**

The Company has duly complied with the requirements laid down in the provisions of the Listing Regulations for the purpose of ensuring Corporate Governance. A certificate to this effect obtained from M/s. Jignesh Kotadiya, Practicing Company Secretary, has been attached to this report.

**CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)**

**[As per Schedule II, Part B read with Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015]**

To,  
The Board of Directors  
Galaxy Bearings Limited

We, the undersigned, in our respective capacities as Whole Time Director and Chief Financial Officer of Galaxy Bearings Limited (hereinafter referred as "the Company"), to the best of our knowledge and belief certify that:

- A. We have reviewed financial statements for the year ended March 31, 2019 and that to the best of our knowledge and belief, we state that:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with Indian Accounting Standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2019 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify those deficiencies.
- D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee that:
- (i) there has not been any significant changes in internal control over financial reporting during the financial year ended March 31, 2019;
  - (ii) there has not been significant changes in accounting policies during the financial year ended March 31, 2019, except to the extent, if any, disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having significant role in the Company's internal control system over financial reporting.

**FOR GALAXY BEARINGS LIMITED**

**Date : 20<sup>th</sup> May, 2019**

**Place : Ahmedabad**

**Bharatkumar Ghodasara**  
**Whole Time Director**

**Dixit Patel**  
**Chief Financial Officer**



**CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To the Members of  
**Galaxy Bearings Limited.**

We have examined all relevant records of Galaxy Bearings Limited (the Company) for the purpose of certifying of all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March 2019. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof. This certificate 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.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has duly complied with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**For, M/s. Jignesh Kotadiya & Co.,  
Practising Company Secretaries**

**Date : 20<sup>th</sup> May, 2019  
Place : Ahmedabad**

**Jignesh Kotadiya  
Proprietor  
COP : 19815  
ACS : A52121**

## ANNEXURE- 7

### Management Discussion And Analysis

#### **ECONOMIC OVERVIEW**

Indian economy is forecasted to grow at 7 to 7.5% in Financial Year 2018-19 as compared to 6.7 per cent in previous Financial Year 2017-18. As per Central Statistics Organisation (CSO) and International Monetary Fund (IMF) India has emerged as the fastest growing major economy in the world and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. Financial Year 2017-18 is marked as a year of major economic reformatory measure by implementation of the Goods and Services Tax (GST) w.e.f. 01<sup>st</sup> July, 2017. Investment activity is picking up and more emerging markets are showing signs of recovery. The future outlook remains optimistic. Indian economy has emerged as world's sixth largest economy and has moved into Top 100 club in the World Bank's 'Global Ease of Doing Business' rankings.

#### **INDUSTRY STRUCTURE AND DEVELOPMENT AND OUTLOOK**

The growth of the bearing industry is correlated with the automotive and industrial sectors. The demand for the bearings is derived from two key user segments - the automotive and industrial sectors. A major portion of bearings market in India is unorganized that caters to the low-end replacement market. Several main industrial sectors and user segments are expected to push the production of industrial equipment and automotives, leading to an increase in demand for automotive component, equipment, and vehicles in the developing countries. The Automotive Industry in India is expected to continue the growth momentum into F. Y. 2018-19. The Indian bearings Industry in present is quite bullish with excellent growth prospects, owing to spurt in growth of automobile and industrial sector which has given substantial rise to the demand for bearings.

As the private sector investment cycle gains strength with the expected growth in demand in almost all segments of the Indian automotive industry, aided by the "Make in India" initiative with its boost for manufacturing for defence, aerospace, etc and concrete measures to improve "ease of doing business", India has emerged as one of the most preferred locations in the world for manufacturing high quality auto components and vehicles of all kinds. The Indian automotive industry and the bearings industry are expected to be major beneficiaries of this expected growth.

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. The outlook for the industry and the company looks bright and new markets in the global arena are being developed by the company. The Company is also focusing on cost cutting and increased productivity to enhance its competitiveness.

#### **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:**

AMP 2026 ( Automotive Mission Plan II ) envisions that by 2026 the Indian auto industry will be among the top three in the world in terms of engineering, manufacturing and export of vehicles as well as auto components, targeting a growth 3.5 to 4 times its current output, growing in value to over 12 percent of India's GDP and generating an additional 65 million jobs. Growing automobile industry and increasing vehicle production and sales are few of the major factors aiding India automotive bearings market. Moreover, expanding size of two-wheelers, three-wheelers and cars in India is anticipated to continue fueling demand for automotive bearings in the coming years. Additionally, with expanding middle



class population and increasing disposable income, automobile sales across all the major automobile segments are expected to grow in the coming years, thereby positively influencing India automotive bearings market. Most of the world's large vehicle manufacturers have set up base in India and are expanding capacities with a thrust on localisation to improve competitiveness.

**Threats:**

Bearings are mainly manufactured using high grade steel or alloy steel, which exposes them to global steel price movement. Volatility in global steel prices during 2017-18 is main threat to bearing industry. 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**

During the year 2018-19 the Company has earnings before interest, depreciation and tax amounting to Rs. 785.32 Lacs after providing for finance cost of Rs. 109.14 Lacs and depreciation of Rs. 118.89 Lacs, Profit before tax comes to Rs. 557.29 Lacs which was Rs. 449.92 Lacs during the year 2016-17.

**HUMAN RESOURCES**

Employees are our vital and most valuable assets. Company's 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.*

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
FOR GALAXY BEARINGS LIMITED**

**Date:** 20<sup>th</sup> May, 2019  
**Place:** Ahmedabad

Bharatkumar K. Ghodasara  
(Whole-time Director)  
DIN: 00032054

Jyotsna Vacahani  
(Director)  
DIN: 00535817

**ANNEXURE- 8**

**Corporate Social Responsibility Activities**  
**[Pursuant To Clause (O) Of Sub-Section (3) Of Section 134 Of The Act And Rule 9 Of The Companies**  
**(Corporate Social Responsibility) Rules, 2014]**

Sr No	Particulars	Remarks
1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company has framed the CSR policy within the scope as mentioned in Schedule VII of the Companies Act, 2013. The policy has been placed at the Company's website i.e. <a href="http://www.galaxybearings.com/investor.html">http://www.galaxybearings.com/investor.html</a>
2	The Composition of the CSR Committee.	1. Mrs. Jyotsnaben Vachhani, Chairperson 2. Mr. Jitendrabhai Shah, Member 3. Mr. Pradipbhai Khetani, Member
3	Average Net Profit of the Company for last three financial years.	Rs. 4,15,81,851
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs. 8,31,637
5	Details of CSR spent during the financial year.	
	(a) Total amount to be spent for the financial year.	Rs. 8,31,637
	(b) Amount unspent, if any;	NIL
	(c) Manner in which the amount spent during the financial year is detailed below.	As mentioned in below table.

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sr. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local Area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs. in lakhs)	Amount spent on the projects or programs		Cumulative expenditure upto to the reporting period (Rs. in lakhs)	Amount spent : Direct or through implementing agency*
					Direct Expenditure	Overheads		
1.	Agroforestry, maintaining quality of soil and water	Environment Sustainability	Junagadh, Gujarat	8.32	8.65	Nil	8.65	Through Shri Narmada Rural Development Foundation



\* Give details of implementing agency.

6. In case the company has failed to spend the two per cent of the Average Net Profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report : **Not Applicable**
7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
FOR GALAXY BEARINGS LIMITED**

**Date:** 20<sup>th</sup> May, 2019  
**Place:** Ahmedabad

Bharatkumar K. Ghodasara  
(Whole-time Director)

**DIN:** 00032054

Jyotsna Vacahani  
(Chairperson of CSR Committee  
and Director)

**DIN:** 00535817

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Galaxy Bearings Limited  
Ahmedabad.

### Report on the Audit of the Standalone Financial Statements

#### Opinion

1. We have audited the accompanying standalone financial statements of **Galaxy Bearings Limited** (the 'Company') which comprise the Balance Sheet as at **31 March 2019**, the Statement of Profit and Loss (including Other Comprehensive Income) the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31 March 2019 and its profit (including other comprehensive income) its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

4. Key audit matters are those matters that, in our professional, judgment, were of most significance in our audit of the, standalone financial statements of the current period. These matters were addressed in the context of our audit, of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion, on these matters.



5. Key audit matter identified in our audit is on recoverability assessment of trade receivables as follows:

Key audit matter	Audit Approach
<b>Measurement of Expected Credit Loss on Trade Receivables</b>	
<p>Trade receivables amount to Rs. 2353.67 Lacs after providing for an impairment based on expected credit loss method of Rs. 0.04 Lacs.</p> <p>The measurement of expected credit loss is based on provision matrix that identifies receivables on number of days remaining outstanding and empirical data on recoverability. This Provision matrix requires to be updated regularly based on the circumstantial evidences which may result in significant variation in measurement from one period to other.</p>	<p>The management's estimations for impairment based on expected credit loss method, our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained a list of receivables;</li> <li>• We analysed the aging of receivables;</li> <li>• Identified any receivables with financial difficulty through discussion with management;</li> <li>• We obtained receivables balance confirmations on a sample basis;</li> <li>• Tested subsequent settlement of receivables after the balance sheet date on a sample basis;</li> <li>• In respect of receivables overdue for a period of 90 days or more, we assessed the recoverability through inquiry with management and by obtaining sufficient corroborative evidence to support the conclusions.</li> </ul>

**Information other than the Financial Statements and Auditor's Report thereon**

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and as may be legally advised.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.
8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

15. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

- 16.** Further to our comments in Annexure A, 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 standalone financial statements dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;
  - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report as per Annexure B expressed an unmodified opinion;
  - 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 (as amended), 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 the standalone financial statements; (Refer Note 33 to the financial statements);
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**Place : Ahmedabad**  
**Date : 20.05.2019**

**For, Samir M Shah & Associates**  
**Chartered Accountants,**  
**[Firm Regd. No. 122377W]**

**(Samir M Shah)**  
**Partner**  
**[M. No. 111052]**



**ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 15 of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the Members of **GALAXY BEARINGS LIMITED** for the year ended **31st March, 2019**.

**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:**

The company has not granted any loan or made investments, or provided any guarantee or security, to the parties covered under section 185 and 186. Therefore clauses (iv) of companies (Auditor's Report) Order, 2016 is not applicable.

- 5. During the year, the company has not accepted any deposits from public 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 & Goods and Service Tax, cess and any other statutory dues with the appropriate authorities applicable to it.

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, 2019 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	2.64	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, Samir M Shah & Associates**  
**Chartered Accountants,**  
**[Firm Regd. No. 122377W]**

**Place : Ahmedabad**  
**Date : 20.05.2019**

**(Samir M Shah)**  
**Partner**  
**[M. No. 111052]**

## ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 16(f) of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the Members of **GALAXY BEARING LIMITED** for the year ended **31st March, 2019**.

### **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 2019**, 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 2019, 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, Samir M Shah & Associates**  
**Chartered Accountants,**  
**[Firm Regd. No. 122377W]**

**Place : Ahmedabad**

**Date : 20.05.2019**

**(Samir M Shah)**  
**Partner**  
**[M. No. 111052]**

**Balance Sheet as at March 31, 2019**

Particulars		Note No.	As at 31/03/2019 Rs.	As at 31/03/2018 Rs.
A	<b>ASSETS</b>			
1	<b>Non-Current Assets</b>			
	(a) Property, Plant and Equipment	3	69,690,441	67,983,561
	(b) Capital Work-In-Progress		Nil	Nil
	(c) Other Intangible Assets	4	399,023	536,494
	(d) Financial Assets			
	(i) Investments	5	1,713,855	1,602,770
	(ii) Other Financial Assets	6	2,243,180	2,243,180
	(e) Other Non-Current Assets	7	833,448	466,363
	<b>Total Non - Current Assets</b>		<b>74,879,947</b>	<b>72,832,368</b>
2	<b>Current Assets</b>			
	(a) Inventories	8	142,361,616	135,784,105
	(b) Financial Assets			
	(i) Investments		Nil	Nil
	(ii) Trade Receivables	9	235,367,408	173,032,413
	(iii) Cash and Cash Equivalents	10	8,610,152	1,777,630
	(v) Other Financial Assets	11	51,057	58,461
	(c) Current Tax Assets (Net)		Nil	Nil
	(d) Other Current Assets	12	49,669,804	51,513,174
	<b>Total Current Assets</b>		<b>436,060,037</b>	<b>362,165,782</b>
	<b>Total Assets (1+2)</b>		<b>510,939,984</b>	<b>434,998,150</b>
B	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	(a) Share Capital	13	31,800,000	31,800,000
	(b) Other Equity	14	286,660,069	221,041,171
	<b>Total Equity</b>		<b>318,460,069</b>	<b>252,841,171</b>
	<b>Liabilities</b>			
2	<b>Non-Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	15	6,800,000	6,800,000
	(b) Deferred Tax Liabilities (Net)	16	1,489,620	1,114,056
	<b>Total Non - Current Liabilities</b>		<b>8,289,620</b>	<b>7,914,056</b>
3	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	17	87,236,101	47,041,981
	(ii) Trade Payables	18		
	-Total outstanding dues of micro and small enterprises		3,611,115	Nil
	-Total outstanding dues of creditors other than micro and small enterprises		86,303,127	98,010,004
	(iii) Other Financial Liabilities	19	891,139	7,433,165
	(b) Other Current Liabilities	20	2,312,239	12,861,877
	(d) Current Tax Liabilities (Net)	21	3,836,574	8,895,897
	<b>Total Current Liabilities</b>		<b>184,190,295</b>	<b>174,242,924</b>
	<b>Total Equity and Liabilities (1+2+3)</b>		<b>510,939,984</b>	<b>434,998,150</b>
	<b>Summary of Significant Accounting Policies</b>	2		
As per our report of even date attached herewith. For, Samir M Shah & Associates Chartered Accountants (Firm Regd. No.122377W)			For, GALAXY BEARINGS LIMITED	
(Samir M Shah) Partner (M.No. 111502) Place : Ahmedabad Date : 20.05.2019			(J. S. Vachhani) Director (DIN: 00535817)	(B. K. Ghodasara) Whole Time Director (DIN:00032054)
			(Dixit S. Patel) (Chief Financial Officer)	



**Statement of Profit and Loss for the year ended 31/03/2019**

Particulars	Note No.	Year Ended 31/03/2019 Rs.	Year Ended 31/03/2018 Rs.
<b>Continuing Operations</b>			
I Revenue from operations	22	743,260,395	526,875,974
II Other Income	23	4,037,226	17,913,719
<b>III Total Income (I + II)</b>		<b>747,297,621</b>	<b>544,789,693</b>
<b>IV EXPENSES</b>			
(a) Cost of materials consumed	24	413,852,894	245,372,901
(b) Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	(18,623,076)	16,061,548
(c) Excise duty		Nil	3,435,340
(d) Employee benefit expense	26	33,169,033	24,389,317
(e) Finance costs	27	5,603,150	10,913,695
(f) Depreciation and amortisation expense	28	9,705,265	11,889,360
(g) Other expenses	29	212,147,935	176,998,401
<b>Total Expenses</b>		<b>655,855,201</b>	<b>489,060,561</b>
<b>V Profit/(loss) before tax (III- IV)</b>		<b>91,442,419</b>	<b>55,729,131</b>
<b>VI Tax Expense</b>			
(a) Current tax	30	25,000,000	20,733,000
(b) Deferred tax	30	488,586	(155,257)
(c) Short/(Excess) Provision of Income Tax	30	37,750	(910,201)
<b>Total tax expense</b>		<b>25,526,336</b>	<b>19,667,542</b>
<b>VII Profit/(loss) after tax from continuing operations (V - VI)</b>		<b>65,916,082</b>	<b>36,061,589</b>
<b>VIII Profit/(loss) for the period (VII)</b>		<b>65,916,082</b>	<b>36,061,589</b>
<b>IX Other Comprehensive Income</b>			
<b>A (i) Items that will not be reclassified to profit or loss</b>			
(a) Remeasurements of the defined benefit plans	31	(410,207)	179,252
(ii) Income tax relating to items that will not be reclassified to profit or loss	31	113,022	(49,388)
<b>Total of Other Comprehensive Income</b>		<b>(297,185)</b>	<b>129,864</b>
<b>X Total comprehensive income for the period (VIII+IX)</b>		<b>65,618,898</b>	<b>36,191,453</b>
<b>XI Basic &amp; diluted earnings per share of face value of Rs.10 each Fully Paid up</b>			
(a) Basic	32	20.73	11.34
(b) Diluted	32	20.73	11.34
As per our report of even date attached herewith. For, Samir M Shah & Associates Chartered Accountants (Firm Regd. No.122377W)		For, GALAXY BEARINGS LIMITED	
(Samir M Shah) Partner (M.No. 111502)		(J .S. Vachhani) Director (DIN: 00535817)	(B. K. Ghodasara) Whole Time Director (DIN:00032054)
Place : Ahmedabad Date : 20.05.2019		(Dixit S. Patel) (Chief Financial Officer)	

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2019**

PARTICULARS	2018-19		2017-18	
	Rs.	Rs.	Rs.	Rs.
<b>A: Cash from Operating Activities :</b>				
Net Profit before Taxation		91,442,419		55,729,132
Adjustment For :				
Depreciation	9,705,265		11,889,360	
Net gain on Financial Assets designated at fair value through profit or loss	(111,085)		(98,805)	
Interest Paid	5,503,600		10,913,695	
Provision for Bad & Doubtful Debts (ECL)	(250,259)		244,270	
Loss / (Profit) on Sale of Fixed Asset	23,192		(993,507)	
Interest Income	(140,541)		(65,526)	
		14,730,171		21,889,488
<b>Operating Profit Before Working Capital Changes:</b>		106,172,590		77,618,620
Adjustment For :				
Increase/(decrease) in Other Non Current Financial Assets	Nil		847,439	
Increase/(decrease) in Other Non Current Assets	(367,085)		545,307	
Decrease/(increase) in inventories	(6,577,511)		(9,873,106)	
Decrease/(increase) in Trade Receivable	(62,084,736)		(21,042,384)	
Increase/(decrease) in Other Bank Balance	Nil		Nil	
Increase/(decrease) in Other Current Assets	1,843,370		(19,321,900)	
Decrease/(increase) in Trade Payable	(8,095,762)		27,638,441	
			Nil	
Increase/(decrease) in Other Current Financial Asset				
Increase / Decrease in Other Current Financial Liabilities	138,280		(12,801)	
Increase/(decrease) in Other Current Liabilities	(10,639,233)		1,461,465	
Impact of Other Comprehensive Income	(410,207)		179,252	
Increase/(decrease) in Current Provision	Nil		(539,377)	
		(86,192,884)		(20,117,664)
Cash Generated From Operations		19,979,706		57,500,956
Income Tax Paid	(30,097,072)		(14,811,395)	
Interest Paid	(5,414,005)		(10,913,695)	
		(35,511,077)		(25,725,090)
<b>Net Cash From Operating Activities (A)</b>		<b>(15,531,372)</b>		<b>31,775,866</b>
<b>B: Cash Flow From Investment Activities :</b>				
Purchase of Fixed Assets	(11,329,222)		(2,889,564)	
Sale of Fixed Assets	31,356		1,466,002	
Interest Income	147,945		77,908	
<b>Net Cash from Investment Activities (B)</b>		<b>(11,149,921)</b>		<b>(1,345,654)</b>
<b>C: Cash Flow From Financing Activities :</b>				
Repayments of Long Term Borrowings	(6,680,306)		(10,869,920)	
Repayments of Short Term Borrowings	40,194,120		(19,495,399)	
<b>Net Cash from Financing Activities (C)</b>		<b>33,513,814</b>		<b>(30,365,319)</b>



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2019				
PARTICULARS	2018-19		2017-18	
	Rs.	Rs.	Rs.	Rs.
Net Increase in Cash & Cash Equivalents		6,832,522		64,893
Cash & Cash Equivalents at the Beginning		1,777,630		1,712,737
Cash & Cash Equivalents at the End		8,610,152		1,777,630
As per our report of even date attached.				
<p><b>Notes :</b>                      The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard - 7 Statement of Cashflow.</p>				
For, Samir M Shah & Associates Chartered Accountants (Firm Regd. No.122377W)		For, GALAXY BEARINGS LIMITED		
(Samir M Shah) Partner (M.No. 111502)		( J. S. Vachhani) Director (DIN : 00535817)	(B.K. Ghodasara) Whole Time Director (DIN: 00032054)	
Place : Ahmedabad Date : 20.05.2019		(Dixit S. Patel) (Chief Financial Officer)		

**Statement of Changes in Equity for the year ended on 31st March, 2019**
**Equity Share Capital**

Particulars	Amount Rs.
Balance as on 1st April, 2017	31,800,000
Changes during the year	Nil
Balance as on 31st March, 2018	31,800,000
Changes during the year	Nil
Balance as on 31st March, 2019	31,800,000

**Other Equity**

(in Rs.)

Particulars	Note No.	Reserves and Surplus		Total
		Retained Earnings	General Reserve	
<b>Balance as at 1st April, 2017</b>		<b>183,160,731</b>	<b>1,688,987</b>	<b>184,849,718</b>
Profit for the year		36,061,589	Nil	36,061,589
Other comprehensive income for the year (net of Tax)		129,864		129,864
<b>Total Comprehensive Income for the year</b>		<b>36,191,453</b>	<b>Nil</b>	<b>36,191,453</b>
Payment of Dividends		Nil	Nil	Nil
Tax on Dividends		Nil	Nil	Nil
Transfer to General Reserve			Nil	Nil
<b>Balance as at 31st March, 2018</b>		<b>219,352,184</b>	<b>1,688,987</b>	<b>221,041,171</b>
Profit for the year		65,916,082	Nil	65,916,082
Other comprehensive income for the year (net of Tax)		(297,185)	Nil	(297,185)
<b>Total Comprehensive Income for the year</b>		<b>65,618,898</b>	<b>Nil</b>	<b>65,618,898</b>
Payment of Dividends		Nil	Nil	Nil
Tax on Dividends		Nil	Nil	Nil
<b>Balance as at 31st March, 2019</b>		<b>284,971,082</b>	<b>1,688,987</b>	<b>286,660,069</b>

As per our report of even date attached herewith.

 For, Samir M Shah & Associates  
 Chartered Accountants  
 (Firm Regd. No.122377W)

For, GALAXY BEARINGS LIMITED

 (Samir M Shah)  
 Partner  
 (M.No. 111502)  
 Place : Ahmedabad  
 Date : 20.05.2019

 (J. S. Vachhani)  
 Director  
 (DIN: 00535817)

 (B. K. Ghodasara)  
 Whole Time Director  
 (DIN:00032054)

 (Dixit S. Patel)  
 (Chief Financial Officer)



**1. Corporate Information**

Galaxy Bearings Limited (referred to as 'the company') is a leading in manufacturing & trading of Ball and Taper Roller Bearing and Steel etc. The company has its registered office at Gujarat.

**2. Significant Accounting Policies**

**(i) a) Statement of Compliance:**

The financial statements have been prepared with all material aspect with Indian Accounting Standards (Ind As) notified under section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**b) Basis of Preparation:**

The financial statements have been prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for the following where the fair valuation have been carried out in accordance with the requirements of respective Ind As:

- Employee defined benefit plans – plan assets.
- Investments in Equity Instruments

The Operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS 1- 'Presentation of Financial Statements' and Schedule III to the Companies Act,2013.

**(ii) Use of Estimates:**

The preparation and presentation of financial statements are in conformity with the Ind As which required management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting year.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note – 2(xvi) Current / Deferred tax liabilities
- Note – 2(xiii) Measurement of defined benefit obligations
- Note – 2(vi) Expected credit loss for receivables
- Note – 2(vi) Fair valuation of investments

**(iii) Critical Accounting Estimates and Judgement used in application of Accounting Policies**

- a. **Income Taxes**  
Significant judgements are involved in determining the provision for Income Taxes, including amount expected to be paid / recovered for uncertain tax positions. (Also refer Note 16 and 30.)
- b. **Property, Plant and Equipment**  
Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The life is based on historical experience with similar assets as well as anticipation of future events, which may impact their life such as changes in technology. (Refer Note 3)
- c. **Impairment of Financial Assets**  
The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on empirical evidence available without under cost or effort, existing market conditions as well as forward looking estimates at the end of each reporting period. (Refer Note 37).
- d. **Defined Benefit Plan**  
The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations is determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer Note 26.1).
- e. **Fair Value Measurement of Financial Instruments**  
When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets, where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair values of financial instruments. (Refer Note 37).

**(iv) Property, Plant and Equipment & Depreciation:**

**a) Property Plant and Equipment:**

Property, plant and equipment are tangible items that are held for use in the production or supply of goods and services, rental to others or for administrative purposes and are expected to be used during more than one period. The cost of an item of property, plant and equipment is recognised as an asset if and only, if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Freehold land is carried at cost less accumulated impairment losses. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost of an item of property, plant and equipment comprises:



- Its purchase price, all costs including financial costs till commencement of commercial production are capitalized to the cost of qualifying assets. CENVAT/Tax credit, if any, are accounted for by reducing the cost of capital goods;
- Any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

**b) Depreciation methods, estimated useful life and residual value:**

Depreciation is provided for property, plant and equipment so as to expense the cost over their estimated useful lives based on evaluation. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on property, plant and equipment has been provided on straight line method except on Plant & Equipment which is on Written Down Value Method based on the useful life specified in Schedule II to the Companies Act, 2013. However, land is not depreciated.

The estimated useful lives are mentioned below:

Asset Class	Useful life (years)
Building	30
Tube Well	30
Plant & Machinery	15
Furniture and Fixture	10
Vehicle	8
Electric Installation	10
Computer	3

Depreciation is calculated on pro rata basis with reference to the date of addition/disposal. The residual values are not more than 5% of the original cost of asset.

**c) Derecognition of Property, Plant and Equipment:**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss from the derecognition of an item of property, plant and equipment is recognised in the statement of profit and loss account when the item is derecognized.

**(v) Intangible Assets and Amortisation :**

**a) Intangible Assets:**

The Company identifies an identifiable non-monetary asset without physical substance as an intangible asset. The Company recognises an intangible asset if it is probable that expected future economic benefits attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. An intangible asset is initially measured at cost unless acquired in a business combination in which case an intangible asset is measured at its fair value on the date of acquisition.



The Company subsequently measures all intangible assets at cost less accumulated amortisation less accumulated impairment. An intangible asset is amortised on a straight-line basis over its useful life. A rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use is considered by the management. Amortisation commences when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortisation ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) and the date that the asset is derecognised. The amortisation charge for each period is recognised in profit or loss unless the charge is a part of the cost of another asset. The amortisation period and method are reviewed at each financial year end. Any change in the period or method is accounted for as a change in accounting estimate prospectively.

The Company derecognises an intangible asset on its disposal or when no future economic benefits are expected from its use or disposal and any gain or loss on derecognition is recognised in profit or loss as gain / loss on derecognition of asset.

**(vi) Impairment of non – financial assets**

The Company reviews the carrying amount of its Property, Plant and Equipment, including Capital Work in progress of a “Cash Generating Unit” (CGU) at the end of each reporting period to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit to which the asset belongs.

Recoverable Amount is determined:

- i) In case of individual asset, at higher of the fair value less cost to sell and value in use; and
- ii) In case of cash generating unit (a company of assets that generates identified, independent cash flows), at the higher of the cash generating unit’s fair value less cost to sell and the value in use.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

**(vii) Financial Instruments :**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**1. Financial Assets:**

**i. Initial recognition and measurement:**

At initial recognition, the Company measures a financial asset (which are not measured at fair value) through profit or loss at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

**ii. Subsequent measurement:**

For purposes of subsequent measurement, financial assets are classified in following categories:

- i) Financial assets measured at amortised cost;
- ii) Financial assets at fair value through profit or loss (FVTPL) and
- iii) Financial assets at fair value through other comprehensive income (FVOCI)

The Company classifies its financial assets in the above mentioned categories based on:

- a) The Company's business model for managing the financial assets, and
- b) The contractual cash flows characteristics of the financial asset.

**i) Financial assets measured at amortised cost :**

A financial asset is measured at amortised cost if both of the following conditions are met:

- a) A financial asset is measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the Contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- b) Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

**ii) Financial assets at fair value through profit or loss (FVTPL):**

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

**iii) Financial assets at fair value through other comprehensive income (FVOCI):**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by collecting both contractual cash flows that gives rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income. In addition, The Company may elect to designate a financial asset, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch')

Trade receivables, Advances, Security Deposits, Cash and Cash Equivalents etc. are classified for measurement at amortised cost.



**iii. Equity Instruments:**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit & Loss.

The company has elected to measure its equity instruments through FVPTL.

**iv. Cash and cash equivalents:**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

**v. Derecognition:**

The Company derecognizes a financial asset when contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in the Statement of Profit and Loss.

**vi. Impairment of financial assets:**

The company assesses at each date of statement of financial position whether a financial assets or group of financial assets is impaired. In accordance of Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss.

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. As a practical expedient, the company uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivables. ECL impairment loss allowances (or reversal) recognized during the period is recognized as an expense / income respectively in the statement of profit and loss. Provision for ECL is presented as deduction from carrying amount of trade receivables.

For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12 month ECL.

## **2. Financial Liabilities:**

### **i. Initial recognition and measurement:**

All financial liabilities are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

### **ii. Subsequent measurement:**

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

i) Financial liabilities measured at amortised cost.

ii) Financial liabilities at fair value through profit or loss.

#### **a. Financial liabilities measured at amortised cost :**

Subsequently, all financial liabilities are measured at amortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

#### **b. Financial assets at fair value through profit or loss (FVTPL):**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

#### **c. Derecognition:**

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.



**(viii) Off-setting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**(ix) Fair value measurement:**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

**(x) Inventories:**

Inventories are valued at lower of cost or net realizable value. Cost in respect of raw materials is determined on FIFO basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make sale.

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

**(xi) Borrowing Cost :**

Borrowing costs include interest and amortisation of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

**(xii) Statement of Cash flows:**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**(xiii) Income recognition :**

**Revenue from Contracts with Customers**

Effective 1st April, 2018, the Company has adopted Ind AS 115 - Revenue from Contracts with Customers (Ind AS 115, the standard) retrospectively with the cumulative effect of applying this standard recognise at the date initial application. The adoption of this standard did not have any material impact on the financial statements.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

The revenue towards satisfaction of performance is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligations. The transaction price of goods sold and service rendered is net of variable consideration on account of various discounts offered by the company as part of contract. These variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that amount will not be subject to significant reversal when uncertainty relating to its recognition resolved.

**Sale of Product:**

The performance obligation in case of sale of product is satisfied at a point in time i.e. when the material is shipped to the customer or on delivery to the customers as may be specified in the contract.

**Other Operating Revenue**

**Export Incentives:**

Exports Incentives are treated as income in the year of Exports based on eligibility and when there is reasonable certainty regarding the receiving the same.

**Other Income**

**Interest income:**

Interest Income from financial assets is recognised at the effective interest rate applicable on initial recognition.

**(xiv) Government grants & subsidies**

Grants from the government are measured at amounts receivable from the government which are non-refundable and are recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to them.

Income from the above grants are presented under Revenue from Operations.

**(xv) Foreign Currency Transactions:**

Functional currency of the Company is Indian rupee. The financial statements have been presented under its functional currency. Any transaction that is denominated in a currency other than the functional currency is regarded as foreign currency transaction. All foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. In case of consideration received or paid in advance, the exchange rate prevailing on the date of receipt or payment of advance is considered when subsequently the related asset is given up or received to the extent of advance consideration.



At the end of the reporting period:

1. foreign currency monetary items are translated using the exchange rate for immediate delivery at the end of the reporting period;
2. non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
3. non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange difference arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

**(xvi) Employee Benefits:**

**i. Short term employee benefits:**

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. In case of Leave Encashment, the company does not allow carry forward of unavailed leave and hence unavailed leaves are encashed in the current year itself.

**ii. Post employment benefits:**

**a) Defined contribution plan:**

The Employee and Company make monthly fixed Contribution to Government of India Employee's Provident Fund equal to a specified percentage of the Cover employee's salary, Provision for the same is made in the year in which service are render by employee.

**b) Defined benefit plans:**

The Liability for Gratuity to employees, which is a defined benefit plan, as at Balance Sheet date determined on the basis of actuarial Valuation based on Projected Unit Credit method is funded to a Gratuity fund administered by the trustees and managed by Life Insurance Corporation of India and the contribution thereof paid/payable is absorbed in the accounts.

The present value of the defined benefit obligations is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in balance sheet. Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognized immediately in profit or loss as past service cost.

**(xvii) Earnings 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 issued during the year. Diluted earnings per share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

**(xviii) Provisions, Contingent Liabilities and Contingent Assets :**

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

**(xix) Taxes on Income :**

**a) Current tax:**

Current tax is determined on income for the year chargeable to tax in accordance on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

**b) Deferred tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.



**(xx) Segment reporting:**

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting to the CODM.

Accordingly, the Board of Directors of the Company is CODM for the purpose of segment reporting. Refer Note No. 35 for segment information presented.

**(xxi) Leases :**

**a) Finance leases:**

Assets acquired under lease where the Company has substantially all the risk and rewards of ownership are classified as finance leases. Such assets are capitalised at inception of lease at the lower of fair value or present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

**b) Operating leases:**

Assets acquired on leases where a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on accrual basis.

**(xxii) Insurance Claims :**

Insurance and other claims are recognised only when it is reasonably certain that the ultimate collection will be made.

**(xxiii) Standards issued but not yet effective**

As on 30th March, 2019, Ministry of Corporate Affairs vide a notification issued amendments to Ind AS which are effective from 1st April, 2019. Given below is given an explanation of significant amendments and their possible impact on the assets, liabilities and results:

**a) Ind AS 116 Leases:**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application

The company is in the process of evaluating the impact of this Standard

b) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the separate financial statements.

c) Amendment to Ind AS 12 – Income taxes:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the separate financial statements.

d) Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and



- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

- e) Amendment to Ind AS 23 – Consideration of outstanding specific borrowing in capitalisation rate-On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 23, Borrowing Costs. The amendments clarify that an entity shall exclude from the calculation of capitalisation rate borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset until substantially all the activities necessary to prepare that asset for its intended use or sale are complete. The Company is in the process of evaluating the impact of this amendment on the separate and consolidated financial statements.

**Note 3: Property, Plant and Equipment**

Particulars	(Amt. in Rs.)									
	Land	Building	Tube Well	Plant & Equipments	Furniture & Fixture	Vehicle	Electric Installation	Computer	Total	
<b>Gross Carrying Value as on 01-04-2017</b>	<b>2,211,188</b>	<b>26,995,975</b>	<b>255,182</b>	<b>57,752,048</b>	<b>190,149</b>	<b>2,609,690</b>	<b>974,254</b>	<b>439,989</b>	<b>91,428,475</b>	
Addition during the year	Nil	Nil	Nil	2,418,508	Nil	Nil	Nil	66,506	2,485,014	
Deduction during the year	Nil	Nil	Nil	534,372	Nil	Nil	Nil	Nil	534,372	
<b>Gross Carrying Value as on 31-03-2018</b>	<b>2,211,188</b>	<b>26,995,975</b>	<b>255,182</b>	<b>59,636,184</b>	<b>190,149</b>	<b>2,609,690</b>	<b>974,254</b>	<b>506,495</b>	<b>93,379,117</b>	
Addition during the year	Nil	Nil	Nil	11,127,612	Nil	Nil	Nil	161,610	11,289,222	
Deduction during the year	Nil	Nil	Nil	197,500	Nil	Nil	Nil	Nil	197,500	
<b>Gross Carrying Value as on 31-03-2019</b>	<b>2,211,188</b>	<b>26,995,975</b>	<b>255,182</b>	<b>70,566,296</b>	<b>190,149</b>	<b>2,609,690</b>	<b>974,254</b>	<b>668,105</b>	<b>104,470,839</b>	
<b>Accumulated depreciation as on 01-04-2017</b>	Nil	851,996	8,577	11,894,461	10,612	805,204	79,329	51,633	13,701,812	
Addition during the year	Nil	2,154,233	25,757	9,021,198	12,413	359,363	79,329	103,328	11,755,621	
Deduction during the year	Nil	Nil	Nil	61,877	Nil	Nil	Nil	Nil	61,877	
<b>Accumulated depreciation as on 31-03-2018</b>	Nil	<b>3,006,229</b>	<b>34,334</b>	<b>20,853,782</b>	<b>23,025</b>	<b>1,164,567</b>	<b>158,658</b>	<b>154,961</b>	<b>25,395,556</b>	
Addition during the year	Nil	908,112	9,641	8,195,744	16,953	200,656	83,504	113,184	9,527,794	
Deduction during the year	Nil	Nil	Nil	142,952	Nil	Nil	Nil	Nil	142,952	
<b>Accumulated depreciation as on 31-03-2019</b>	Nil	<b>3,914,341</b>	<b>43,975</b>	<b>28,906,574</b>	<b>39,978</b>	<b>1,365,223</b>	<b>242,162</b>	<b>268,145</b>	<b>34,780,397</b>	
Net Carrying Value as on 31-03-2018	2,211,188	23,989,746	220,848	38,782,402	167,124	1,445,123	815,596	351,534	67,983,561	
Net Carrying Value as on 31-03-2019	2,211,188	23,081,634	211,207	41,659,722	150,171	1,244,467	732,092	399,960	69,690,441	

In accordance with Ind-AS transitional provisions, the company opted to consider previous GAAP carrying value of property, plant and equipment as deemed cost on transition date owing to exemption given in Para D7AA of Ind AS 101 -First time adoption of Indian Accounting Standards.

**Capitalised borrowing cost :**  
 Borrowing cost are capitalised on property, plant and equipment for the year ended 31st March 2019 of Rs. Nil & 31st March 2018 of Rs. Nil.

**Assets pledged as Security**  
 Plant & Machinery of the company carry first charges in favour of the Bankers , as security for banking facilities availed.



**Note 4 : Other Intangible Assets**

(Amt. in Rs.)

Particulars	Computer Software	Total
<b>Gross Carrying Value as on 01-04-2017</b>	279,650	279,650
Addition during the year	404,550	404,550
Deduction during the year	Nil	Nil
<b>Gross Carrying Value as on 31-03-2018</b>	<b>684,200</b>	<b>684,200</b>
Addition during the year	40,000	40,000
Deduction during the year	Nil	Nil
<b>Gross Carrying Value as on 31-03-2019</b>	<b>724,200</b>	<b>724,200</b>
<b>Accumulated depreciation as on 01-04-2017</b>	13,967	13,967
Addition during the year	133,739	133,739
Deduction during the year	Nil	Nil
<b>Accumulated depreciation as on 31-03-2018</b>	<b>147,706</b>	<b>147,706</b>
Addition during the year	177,471	177,471
Deduction during the year		
<b>Accumulated depreciation as on 31-03-2019</b>	<b>325,177</b>	<b>325,177</b>
Net Carrying Amount As at 31-03-2018	536,494	536,494
Net Carrying Amount As at 31-03-2019	399,023	399,023

5	<b>Non Current Investments</b>	As at	As at
		31/03/2019	31/03/2018
		Rs	Rs
<b>Investments in Mutual Funds - FVTPL</b>			
SBI Corporate Bond Fund- Regular Plan- Growth of FV Rs. 10/- each (57381.45 units as on 31-03-2019, 57381.45 units as on 31-03-2018 of Rs. 10 each)			
		1,713,855	1,602,770
<b>Total .....</b>		<b>1,713,855</b>	<b>1,602,770</b>
Aggregate COST of quoted investments		1,500,000	1,500,000
Aggregate NAV of quoted investments		1,713,855	1,602,770
6	<b>Other Non-Current Financial Assets</b>	As at	As at
		31/03/2019	31/03/2018
		Rs	Rs
Security Deposits- Unsecured , considered good		2,243,180	2,243,180
Fixed Deposits with original maturity more than 12 months		Nil	Nil
<b>Total .....</b>		<b>2,243,180</b>	<b>2,243,180</b>
7	<b>Other Non-Current Assets</b>	As at	As at
		31/03/2019	31/03/2018
		Rs	Rs
Security Deposits- Unsecured , considered good		255,041	260,341
Gratuity Fund (Net)		578,407	206,022
<b>Total .....</b>		<b>833,448</b>	<b>466,363</b>
8	<b>Inventories</b>	As at	As at
		31/03/2019	31/03/2018
		Rs	Rs
Raw materials		44,205,944	53,772,743
Work-in-Process		23,571,258	30,327,548
Finished Goods		67,246,743	41,867,377
Stores & Others		5,236,581	4,666,085
Packing Materials		2,101,090	5,150,352
<b>Total .....</b>		<b>142,361,616</b>	<b>135,784,105</b>
8.1 The cost of inventories recognised as an expense during the year was Rs. Nil. (As at March 31, 2018: RS. Nil)			
8.2 The cost of inventories recognised as an expenses includes Rs. Nil (during 2017-18 Rs.Nil ) in respect of write-down of inventory to net realisable value, and has been reduced by Rs. Nil (during 2017-18 : Rs. Nil) in respect of the reversal of such write-down.			
9	<b>Trade receivables</b>	As at	As at
		31/03/2019	31/03/2018
		Rs	Rs
Trade Receivables - credit impaired		38,389,028	49,733,568
Less: Allowance for doubtful receivable / Credit impaired		Nil	Nil
		<b>38,389,028</b>	<b>49,733,568</b>
<b>(Unsecured unless otherwise stated)</b>			
Trade Receivable Considered Good - Unsecured		196,982,951	123,553,675
Less: Provision for Expected Credit Loss		(4,571)	(254,830)
		196,978,380	123,298,845
<b>Total .....</b>		<b>235,367,408</b>	<b>173,032,413</b>
10	<b>Cash &amp; Cash Equivalents</b>	As at	As at
		31/03/2019	31/03/2018
		Rs	Rs
Cash on hand		239,805	308,443
Balances with Bank - In Current Account		8,370,347	1,469,186
<b>Total .....</b>		<b>8,610,152</b>	<b>1,777,630</b>



<b>11</b>	<b>Other Current Financial Assets</b>	<b>As at</b>		<b>As at</b>	
		<b>31/03/2019</b>		<b>31/03/2018</b>	
		Rs		Rs	
	Interest Receivable	51,057		58,461	
	<b>Total .....</b>	<b>51,057</b>		<b>58,461</b>	
<b>12</b>	<b>Other Current Assets</b>	<b>As at</b>		<b>As at</b>	
		<b>31/03/2019</b>		<b>31/03/2018</b>	
		Rs		Rs	
	Advances recoverable in cash or kind	2,207,974		608,613	
	Export Incentive Receivable	15,795,407		14,683,064	
	Prepaid Expenses	1,869,746		785,741	
	Loans to Employees	584,819		1,079,490	
Balances with Statutory Authorities	29,211,857		34,356,265		
	<b>Total .....</b>	<b>49,669,804</b>		<b>51,513,174</b>	
<b>13</b>	<b>Equity Share Capital</b>	<b>As at</b>		<b>As at</b>	
		<b>31/03/2019</b>		<b>31/03/2018</b>	
		Rs		Rs	
	(i) Authorised Share Capital: 50,00,000 Equity shares of Rs.10 each (as at March 31, 2018 : 50,00,000 equity shares of Rs. 10 each)	50,000,000		50,000,000	
	(ii) Issued, Subscribed & Paid-up Capital : 31,80,000 equity shares of Rs. 10 each fully paid (as at March 31, 2018 : 31,80,000 equity shares of Rs.10 each )	31,800,000		31,800,000	
	<b>Total .....</b>	<b>31,800,000</b>		<b>31,800,000</b>	
<b>(a)</b>	Reconciliation of the number of shares outstanding and the amount of share capital as at 31/03/2019, 31/03/2018 is set out below:-				
		<b>As at 31/03/2019</b>		<b>As at 31/03/2018</b>	
	<b>Particulars</b>	<b>No. of Shares</b>	<b>Amt (Rs.)</b>	<b>No. of Shares</b>	<b>Amt (Rs.)</b>
	Shares at the beginning	3,180,000	31,800,000	3,180,000	31,800,000
	Addition	Nil	Nil	Nil	Nil
	Deletion	Nil	Nil	Nil	Nil
	Shares at the end	3,180,000	31,800,000	3,180,000	31,800,000
<b>(b)</b>	The details of shareholders holding more than 5% shares is set out below.				
	There is no shareholder, holding more than 5% of shares of the company.				
<b>14</b>	<b>Other Equity</b>	<b>As at</b>		<b>As at</b>	
		<b>31/03/2019</b>		<b>31/03/2018</b>	
		Rs		Rs.	
<b>(a)</b>	<b>General Reserve</b>				
	Balance as per last financial Statement	1,688,987		1,688,987	
	Add : Amount transfer from surplus balance in the statement of profit and loss	Nil		Nil	
	Closing Balance	1,688,987		1,688,987	
<b>(b)</b>	<b>Retained Earnings</b>				
	Balance as per last financial Statement	219,352,184		183,160,731	
	Add : Profit for the year	65,916,082		36,061,589	
	Add / (Less): Other Comprehensive income	(297,185)		129,864	
	Net Surplus in the statement of profit and loss	284,971,082		219,352,184	
		<b>Total .....</b>	<b>286,660,069</b>		<b>221,041,171</b>

	<b>Retained earnings:</b> The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013.			
	<b>General Reserve:</b> General Reserve is created from time to time by transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.			
	<b>Other Comprehensive Income:</b> The remeasurement gain / (loss) on net defined benefit plans is recognised in Other Comprehensive Income net of tax.			
<b>15</b>	<b>Non-Current Borrowings</b>	<b>As at 31/03/2019 Rs</b>	<b>As at 31/03/2018 Rs</b>	
	<b>Secured Borrowing</b>			
	Term Loan from Banks	Nil	6,680,306	
	Less : Current maturities of long-term debt (Note: 20)	Nil	6,680,306	
		Nil	Nil	
	<b>Unsecured Borrowing</b>			
	Inter Corporate Deposits	Nil	Nil	
	Loan from Directors	6,800,000	6,800,000	
	<b>Total .....</b>	<b>6,800,000</b>	<b>6,800,000</b>	
	<b>Secured Term loan from Banks</b>			
	<b>Name of Borrower</b>	<b>Securities Details</b>	<b>Interest Rate</b>	
	State Bank of India, Rajkot Term Loan	Primary Security against hypothecation of stocks, Receivables and all other current assets & Collateral Security against Equitable Mortgage of existing factory land and Plant & Machinery at Plot No.253/p N.H.8B, Village Shapar, Dist.Rajkot	Base rate + 2.90%	
	HDFC Bank- Toyota Car Loan	Secured against specific assets	9.40%	
	<b>Unsecured Loans</b>			
	Unsecured Loans from Directors carry interest rate @12.50% p.a and loans are repayable in 2024-25:			
<b>16</b>	<b>Deferred Tax Liabilities (Net)</b>	<b>As at 31/03/2019 Rs.</b>	<b>As at 31/03/2018 Rs</b>	
	<b>Deferred Tax Liabilities</b>			
	Temporary Difference of Depreciation as per Income Tax Provisions and Companies Act,2013.	1,750,568	1,344,527	
	Deferred Tax Liability of Actuarial Gain recognised through OCI	114,120	49,868	
		1,864,688	1,394,395	
	<b>Deferred Tax Assets</b>			
	Provision for Defined benefit obligations	Nil	Nil	
	Provision for Expenses allowable in subsequent years	247,915	209,445	
	Provision for Doubtful Debts- Trade Receivables	127,153	70,894	
		375,068	280,339	
	<b>Net Deferred Tax Liability</b>	<b>1,489,620</b>	<b>1,114,056</b>	
	<b>Movements in Deferred Tax Liabilities</b>	<b>Provision for Bonus</b>	<b>Property, Plant and Equipment</b>	<b>Defined benefit obligations</b>
				<b>Provision for doubtful debts - trade receivables</b>
	<b>At April 01, 2017</b>	<b>(253,150)</b>	<b>1,835,721</b>	<b>(359,156)</b>
	Charged/(credited):			
	- to profit or loss	43,705	(491,194)	309,767
	- to other comprehensive income	Nil	Nil	49,388
	<b>At 31st March, 2018</b>	<b>(209,445)</b>	<b>1,344,527</b>	<b>Nil</b>
	Charged/(credited):			
	- to profit or loss	(38,470)	406,041	113,022
	- to other comprehensive income	Nil	Nil	(113,022)
	<b>Net Deferred Tax Liability</b>	<b>(247,915)</b>	<b>1,750,568</b>	<b>Nil</b>



17	<b>Current Borrowings</b>	As at 31/03/2019 Rs.	As at 31/03/2018 Rs
	<b>Secured Borrowing</b>		
	Cash Credit from Bank (Repayable on Demand) #	87,236,101	47,041,981
		<b>87,236,101</b>	<b>47,041,981</b>
	<b>Security :</b>		
	# Working Capital facilities from State Bank of India is Primary Secured against hypothecation of stocks, Receivables and all other current assets & Collateral Security against Equitable Mortgage of existing factory land and Plant & Machinery at Plot No.253/p N.H.8B, Village Shapar, Dist.Raikot		
18	<b>Trade payables</b>	As at 31/03/2019 Rs.	As at 31/03/2018 Rs
	Total outstanding dues of micro enterprises and small enterprises	3,611,115	Nil
	Total outstanding dues of creditors other than micro enterprises and small enterprises	86,303,127	98,010,004
	<b>Total .....</b>	<b>89,914,242</b>	<b>98,010,004</b>
	15.1 Balances of trade payables are subject to reconciliation, confirmation and consequential adjustments, if any.		
	15.2 The informatio has been determined to the extent such arties have been identified on the basi intimation received from the "suppliers" regarding ther status under the Micro, Small and Medium Entperirses Development Act 2006.		
19	<b>Other Current Financial Liabilites</b>	As at 31/03/2019 Rs.	As at 31/03/2018 Rs
	<b>Secured</b>		
	Current Maturity of long term borrowings (Note : 16)	Nil	6,680,306
	<b>Unsecured</b>		
	Bonus Payable	891,139	752,859
	<b>Total .....</b>	<b>891,139</b>	<b>7,433,165</b>
20	<b>Other Current Liabilities</b>	As at 31/03/2019 Rs.	As at 31/03/2018 Rs
	Other Statutory dues	1,361,424	846,676
	Advance received from customers	306,826	11,883,157
	Other Payables	643,989	132,043
	<b>Total .....</b>	<b>2,312,239</b>	<b>12,861,877</b>
21	<b>Current Tax Liabilities (Net)</b>	As at 31/03/2019 Rs.	As at 31/03/2018 Rs
	Provision For Income tax	46,883,000	54,183,170
	Less: Advance Payment of Income Tax	43,046,426	45,287,273
	<b>Total .....</b>	<b>3,836,574</b>	<b>8,895,897</b>

22	<u>Revenue from operation</u>	Year ended 31/03/2019 Rs.	Year ended 31/03/2018 Rs.
	<u>Revenue from Contacts with Customers*</u>		
	<b>Sale of Product</b>		
	Finished Goods	716,534,363	509,602,747
	<b>Other Operating Revenue</b>		
	Export Incentive	23,772,468	16,789,799
	Scrap Sales	2,953,564	483,428
	<b>Total .....</b>	<b>26,726,032</b>	<b>17,273,227</b>
		<b>743,260,394.91</b>	<b>526,875,974.26</b>
	* Revenue from Contacts with Customers is after providing discounts related to Sale of products		
	<b>Sale of Product</b>		
	Finished Goods	716,854,649	509,602,747
	Scrap Sales	2,953,564	483,428
		<b>719,808,213</b>	<b>510,086,175</b>
	Less: Discount / Rate Difference	320,286	Nil
	<b>Total Sale of Product</b>	<b>719,487,927</b>	<b>510,086,175</b>
23	<u>Other Income</u>	Year ended 31/03/2019 Rs.	Year ended 31/03/2018 Rs.
	Interest Income	140,541	65,526
	Misc. Income	294,422	Nil
	Job Work Income	182,495	Nil
	Net gain on Financial Assets designated at fair value through profit or loss	111,085	98,805
	Net gain on sale of assets of Property, Plant & Equipment	Nil	993,507
	Increase/(decrease) of excise duty on inventory	Nil	7,768,543
	Gain/ (Loss) on Exchange fluctuation (net)	3,308,683	8,987,338
	<b>Total .....</b>	<b>4,037,226</b>	<b>17,913,719</b>
24	<u>Cost of Materials Consumed</u>	Year ended 31/03/2019 Rs.	Year ended 31/03/2018 Rs.
	Inventory at the beginning of the year	53,772,742	28,145,272
	Add: Purchase	404,286,096	271,000,372
	Less: Inventory at the end of the year	44,205,944	53,772,743
	<b>Cost of Materials Consumed</b>	<b>413,852,894</b>	<b>245,372,901</b>
25	<u>Change In Inventories Of Finished Goods, Work In Progress And Stock In Trade</u>	Year ended 31/03/2019 Rs.	Year ended 31/03/2018 Rs.
	<b>Inventory at the beginning of the year</b>		
	Work-in-process	30,327,548	18,339,587
	Finished Goods	41,867,377	69,916,886
		<b>72,194,925</b>	<b>88,256,473</b>
	<b>Inventory at the end of the year</b>		
	Work-in-process	23,571,258	30,327,548
	Finished Goods	67,246,743	41,867,377
		<b>90,818,001</b>	<b>72,194,925</b>
	<b>Decretion / (Accretion) to Stock</b>	<b>(18,623,076)</b>	<b>16,061,548</b>



26	<b>Employee Benefit Expense</b>	Year ended	Year ended
		31/03/2019	31/03/2018
		Rs.	Rs.
	Salary, Wages & Bonus	30,436,456	21,743,507
	Contribution to Provident Fund & Other Funds	1,827,195	2,320,958
	Staff welfare Expenses	905,382	324,852
	<b>Total .....</b>	<b>33,169,033</b>	<b>24,389,317</b>
<b>26.1 Ind AS 19 the Company has recognized in the financial statements in respects of Employee Benefits Schemes as per Actuarial Valuation as on 31st March, 2019.</b>			
<b>A. Amount of Defined Benefit Obligation in respect of Gratuity liability is regonised in the balance sheet as Follows:</b>			
<b>Particulars</b>		<b>Projected Unit Credit Method</b>	
<b>Period Covered</b>		<b>2018-19</b>	<b>2017-18</b>
<b>A</b>	<b>Funded Status of the Plan</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
1.	Present Value of Unfunded obligations	Nil	Nil
2.	Present Value of Funded obligations	5,270,280	3,981,047
3.	Fair Value of Plan Asset	(5,848,687)	(4,187,069)
	<b>Net Liability (Asset)</b>	<b>(578,407)</b>	<b>(206,022)</b>
<b>B</b>	<b>Funded Status of the Plan</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
<b>Service Cost :</b>			
1	Current Service Cost	798,225	699,517
2	Past Service Cost and Loss/(Gain) on curtailments and settlement	Nil	316,376
3	Net Interest Cost	(45,687)	13,748
	<b>Total Included in 'Employee Benefit Expenses'</b>	<b>752,538</b>	<b>1,029,641</b>
	<b>Total Charge to P &amp; L</b>	<b>752,538</b>	<b>1,029,641</b>
<b>C</b>	<b>Comprehensive Income for the Current Period</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
<b>Components of actuarial gain/losses on obligations :</b>			
1	Due to Changes in financial assumptions	25,931	(120,050)
2	Due to Changes in Demographic assumptions	Nil	Nil
3	Due to Experience adjustments	305,355	316,376
4	Return on plan assets excluding amounts included in interest Income	78,921	84,686
	<b>Amounts Recognized in other Comprehensive Income</b>	<b>410,207</b>	<b>281,012</b>
<b>D</b>	<b>Reconciliation of defined benefit Obligation</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
1.	Opening Defined Benefit Obligation	3,981,047	4,229,534
2	Transfer In /Out	Nil	Nil
3	Current Service Cost	798,225	699,517
4	Interest Cost	281,396	267,578
5	Components of actuarial gain/losses on obligation :	Nil	Nil
6	Due to change in financial assumption	25,931	(120,050)
7	due to changes in demographic assumption	Nil	Nil
8	Due to experience adjustments	305,355	(143,888)
9	Past Service Cost	Nil	316,376
10	Loss (gain) on curtailments	Nil	Nil
11	Liabilities extinguished on settlements	Nil	Nil
12	Liabilities extinguished on settlements	Nil	Nil
13	Liabilities assumed in an amalgamation in th enature of purchsae	Nil	Nil
14	Exchange difference on foreign plans	Nil	Nil
15	Benefit paid	(121,674)	(1,268,020)
	<b>Closing Defined Benefit obligation</b>	<b>5270280</b>	<b>3981047</b>

<b>E</b>	<b>Reconciliation of Plan Assets</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
1.	Opening Value of Plan Assets	4,187,069	3,690,157
2.	Transfer in /out Plan Assets	Nil	Nil
3.	Interest Income	327,083	253,830
4.	Return on plan assets excluding amounts included in interest income	(78,921)	(84,686)
5.	Assets distributed on settlements	Nil	Nil
6.	Contributions by employer	1,535,130	1,595,788
7.	Assets acquired in an amalgamation in the nature of purchase	Nil	Nil
8.	Exchange difference on foreign plans	Nil	Nil
9.	Benefit paid	(121,674)	(1,268,020)
	<b>Closing Value of Plan Assets</b>	<b>5848687</b>	<b>4187069</b>
<b>F</b>	<b>Reconciliation of net defined benefit liability</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
1.	Net Opening Provision in books of accounts	(206,022)	539,377
2.	Transfer in/(out) obligation	Nil	Nil
3.	Transfer in/(out) Assets	Nil	Nil
4.	Employee Benefit Expenses as per Annexure 2	752,538	1,029,641
5.	Amounts recognized in other comprehensive Income	410,207	(179,252)
		<b>956,723</b>	<b>1,389,766</b>
6.	Benefit paid by the Company	Nil	Nil
7.	Contributions to plan Assets	(1,535,130)	1,595,788
	<b>Closing Provision in Books of Accounts</b>	<b>(578,407)</b>	<b>(206,022)</b>
<b>G</b>	<b>Reconciliation of Asset Ceiling</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
1.	Opening value of Asset Ceiling	Nil	Nil
2.	Interest on opening value of asset ceiling	Nil	Nil
3.	Loss/ (Gain) on asset due to surplus / deficit	Nil	Nil
	<b>Closing Value of Plan asset ceiling</b>	<b>Nil</b>	<b>Nil</b>
<b>H</b>	<b>Composition of Plan Assets</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
1.	Government of India Securities	Nil	Nil
2.	State Government Securities	Nil	Nil
3.	High Quality Corporate Bonds	Nil	Nil
4.	Equity Shares of Listed Companies	Nil	Nil
5.	Property	Nil	Nil
6.	Special Deposit Scheme	Nil	Nil
7.	Policy of Insurance	100%	100%
8.	Bank Balance	Nil	Nil
9.	Other Investments	Nil	Nil
	<b>Total</b>	<b>100%</b>	<b>100%</b>
<b>I</b>	<b>Bifurcation of liability as per schedule III</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
1.	Current Liability	(601,639)	(240,870)
2.	Non Current Liability	23,232	34,848
	<b>Net Liability</b>	<b>(578,407)</b>	<b>(206,022)</b>
<b>J</b>	<b>Principle Actuarial Assumptions</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
1.	Discount Rate	7.50%	7.55%
2.	Salary increase rate	7.00%	7.00%
3.	Withdrawal Rates	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages
7.	Rate of Return on Plan Assets	7.50% p.a	7.55% p.a



<b>K</b>	<b>Expected cashflows based on past service liability</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
1	Year 1	681,521	507,900
	Distribution (%)	5.10%	
2	Year 2	102,233	161,063
	Distribution (%)	0.08%	
3	Year 3	307,533	234,123
	Distribution (%)	2.30%	
4	Year 4	305,142	204,451
	Distribution (%)	2.30%	
5	Year 5	149,708	89,507
	Distribution (%)	1.10%	
6	Year 6 to Year 10 Cash flow	2,611,627	
	Distribution (%)	19.50%	
<b>L</b>	<b>Sensitivity to Key Assumptions</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
1.	<b>Discount Rate Sensivity</b>		
	Increase by 0.5%	5,020,224	3,793,631
	(% Changes)	-4.74%	-4.71%
	Decrease by 0.5%	5,541,836	4,184,511
	(% Changes)	5.15%	5.11%
2	<b>Salar Growth Rate Sensivity</b>		
	Increase by 0.5%	5,464,954	4,154,237
	(% Changes)	3.69%	4.35%
	Decrease by 0.5%	5,050,463	4,184,511
	(% Changes)	-4.17%	-4.23%
3	<b>Withdrawal Rate (W.R.) Sensivity</b>		
	Increase by 0.5%	5,281,640	3,982,484
	(% Changes)	0.22%	0.04%
	Decrease by 0.5%	5,262,853	3,979,868
	(% Changes)	-0.14%	-0.03%
<b>M</b>	<b>Breakup of defined benefit Obligation</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
1	Vested	3,888,267	2,787,792
2	Non Vested	1,382,013	1,193,255
	<b>Total</b>	<b>5,270,280</b>	<b>3,981,047</b>
<b>N</b>	<b>Age wise distribution of defined benefit obligation</b>	<b>DBO (in Rs.)</b>	
	Less than 25		53,512
	26 to 35		700,120
	36 to 45		1,229,034
	46 to 55		2,373,668
	56 & above		913,946
	Accured gratuity for left Employees		Nil
	<b>Total</b>		<b>5,270,280</b>
<b>27</b>	<b>Finance Costs</b>	<b>Year ended 31/03/2019</b>	<b>Year ended 31/03/2018</b>
		<b>Rs.</b>	<b>Rs.</b>
	Interest on Term Loans	262,116	1,427,214
	Interest on Working Capital Loans	4,219,470	6,437,684
	Interest to Others	1,108,164	2,069,327
	Other Borrowing Cost	13,400	979,470
	<b>Total .....</b>	<b>5,603,150</b>	<b>10,913,695</b>

28	<b>Depreciation And Amortisation Expense</b>	Year ended	Year ended
		31/03/2019	31/03/2018
		Rs.	Rs.
	Depreciation of Property, Plant & Equipment	9,527,794	11,755,621
	Depreciation of Intangible Assets	177,471	133,739
	<b>Total .....</b>	<b>9,705,265</b>	<b>11,889,360</b>
29	<b>Other Expenses</b>	Year ended	Year ended
		31/03/2019	31/03/2018
		Rs.	Rs.
	Stores & Spares consumed	32,786,674	26,323,848
	Packing Material Consumed	18,876,831	21,709,306
	Labour Expenses	104,584,317	83,615,186
	Electricity, Fuel Charges	9,010,158	8,116,340
	<b>Repairs To:</b>		
	Building	1,024,926	552,326
	Other	540,135	407,883
	<b>Total .....</b>	<b>1,565,060</b>	<b>960,209</b>
	Insurance	2,242,054	1,686,824
	Rent, Rates & Taxes	704,857	1,866,826
	Stationery & Printing Expense	614,675	480,779
	Communication Expense	631,923	511,129
	Advertisement & Sales Promotion Expense	411,334	467,549
	Traveling & Conveyance Expense	5,163,634	5,628,911
	Legal & Professional Expenses	5,400,152	1,064,500
	Freight & Delivery charges	10,233,487	7,530,441
	<b>Auditor's Remuneration:</b>		
	Audit Fees	225,000	225,000
	For Tax Audit	Nil	Nil
	For Certification	1,000	3,480
	<b>Total .....</b>	<b>226,000</b>	<b>228,480</b>
	Directors Remuneration & Perquisite Charges	804,607	761,292
	Sales Promotion Expense	12,750,084	5,841,770
	Bank Charges	1,677,230	954,966
	Bad Debts W/Off	2,238,055	660,350
	Provision for Bad & Doubtful Debts (ECL)	(250,259)	244,270
	Operating Income Receivable W/off	Nil	5,000,000
	Loss on sale of assets of Property, Plant & Equipment	23,192	Nil
	CSR Expenses	865,000	Nil
	General Charges (including Watch & Ward Charges , Calibration Charges, House Keeping Charges & Misc. Expenses)	1,588,872	3,345,423
	<b>Total .....</b>	<b>212,147,935</b>	<b>176,998,401</b>
30	<b>Income tax recognised in profit or loss</b>	Year ended	Year ended
		31/03/2019	31/03/2018
		Rs	Rs
	<b>Current tax</b>		
	In respect of the current year	25,000,000	20,733,000
	In respect of the prior year	37,750	(910,201)
		25,037,750	19,822,799
	<b>Deferred tax</b>		
	In respect of the current year	488,586	(155,257)
		488,586	(155,257)
	<b>Total .....</b>	<b>25,526,336</b>	<b>19,667,542</b>



<b>Income tax reconciliation</b>		
<b>Particulars</b>	<b>Year ended 31/03/2019 Rs.</b>	<b>Year ended 31/03/2018 Rs.</b>
<b>Profit before tax</b>	91,442,419	55,729,131
Tax expenses reported during the year	25,526,336	19,667,542
Income tax expenses calculated @27.82%	25,439,281	18,425,723
<b>Difference</b>	87,055	1,241,819
Permanent disallowances	139,996	1,955,520
Effect of deferred tax balances due to change in income tax rate from 33.06% to 27.82 % in p.y.	Nil	191,160
Prior Year Tax	37,750	(910,201)
Other item	(90,691)	5,340
<b>Total</b>	<b>87,055</b>	<b>1,241,819</b>
<b>31 Statement of Other Comprehensive Income</b>		
	<b>Year ended 31/03/2019 Rs.</b>	<b>Year ended 31/03/2018 Rs.</b>
<b>(i) Items that will not be reclassified to profit and loss</b>		
<b>Remeasurement of defined benefit plans</b>		
Actuarial gain/(loss)	(410,207)	179,252
<b>(ii) Income tax relating</b>		
Deferred tax impact on actuarial gain/(loss)	113,022	(49,388)
<b>Total .....</b>	<b>(297,185)</b>	<b>129,864</b>

**32 Earning per Share**

Particulars	Unit	31/03/2019 (Rs.)	31/03/2018 (Rs.)
Profit Attributable to Share Holders from Continuing Operations (Profit after Tax)	Rs.	6,57,90,201	3,60,61,589
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 Earnings per Share</b>	<b>Rs.</b>	<b>20.69</b>	<b>11.34</b>

**33 Contingent liabilities**

- ✓ Disputed Demand of Excise Rs. 2.85 Lacs (P.Y. Rs.2.85 Lacs) [Against which company has paid Rs.0.21 Lacs (P.Y. Rs.0.21 Lacs) under protest which are shown as Advances.
- ✓ There is no Contract remaining outstanding to be executed on capital account.

**34** The company has applied Ind AS 115 Revenue from Contracts with Customers notified by the Ministry of Corporate Affairs on 28 March 2018 and effective from 1 April 2018 for the first time. The said standard replaced Ind AS 18 Revenue which was applicable to the company for recognising and measuring revenue on 31 March 2018. Ind AS 18 revenue required recognition of revenue on transfer of significant risks and rewards and measurement of revenue at fair value. The company has applied Ind AS 115 retrospectively only to contract those are not completed at the date of initial application with the cumulative effect of initially applying the Standard being recognised on 1 April 2018. The application of Ind AS 115 has no material impact either on the financial position or financial performance for the year.

**35 Segment Reporting**

The Company's management, consisting of the chief executive officer, the chief financial officer and the manager for corporate planning, monitors the operating results of the below business segments separately for the purpose of making decisions about resource allocation and performance assessment and accordingly, based on the principles for determination of segments given in Indian Accounting Standard 108 "Operating Segments" and 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 67.17 % (P.Y. 62.74%) 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, 2019.

Particulars	India	Outside India	Total Rs.
Revenue by Geographical Market	24,51,49,493 (20,51,50,344)	50,21,48,128 (33,96,39,260)	74,72,97,621 (54,47,89,694)
Carrying Amount of Segment Assets	7,48,79,947 (7,28,32,368)	Nil (Nil)	7,48,79,947 (7,28,32,368)
Addition to Fixed Assets	1,13,29,222 (28,89,564)	Nil (Nil)	1,13,29,222 (28,89,564)

Details of customer contributing 10% or more of total revenue:

Particulars	2018-19	2017-18
No. of customers contributing 10% or more of total revenue (individually)	3	2
Amount of revenue	74,32,60,394	54,47,89,694
% of total revenue	41.82 %	33.13 %



**36 Related Party Transaction**

<b>A. List of Related Parties</b>				
Related Party relationship are as identified by the management and relied upon by				
<b>Key Management Personnel</b>				
Vinodrai H. Kansagara				
Bharatbhai K. Ghodasara				
Dixit S. Patel (CFO)				
Nayan Patel (CS) (resigned on 13.05.17 & Reappointed w.e.f from 03.11.2018)				
<b>Relatives of Key Managerial Personnel</b>				
Tuhina R. Bera				
Shetal D. Gor				
<b>B. Related Party Transaction details</b>				
Related Party	Remuneration & Perquisites		Interest Expenses	
	2018-19	2017-18	2018-19	2017-18
<b>Key Management Personnel</b>				
Vinodbhai H. Kansagara	Nil	70,000	262,500	262,500
Bharatbhai K. Ghodasara	804,607	691,292	Nil	Nil
Dixit S. Patel (CFO)	731,731	534,077	Nil	Nil
Nayan Patel (CS)	179,340	45,000	Nil	Nil
<b>Total</b>	<b>1,715,678</b>	<b>1,340,369</b>	<b>262,500</b>	<b>262,500</b>
<b>Relatives of Key Managerial Personnel</b>				
Tuhina Rimal Bera	Nil	Nil	293,750	293,750
Shetal D. Gor	Nil	Nil	293,750	293,750
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>587,500</b>	<b>587,500</b>
<b>C. Outstanding</b>				
Related party	As at	As at		
	31.03.2019	31.03.2018		
	Unsecured Borrowing	Unsecured Borrowing		
<b>Key Management Personnel</b>				
Vinodbhai H. Kansagara	2,100,000	2,100,000		
<b>Relatives of Key Managerial Personnel</b>				
Tuhina Rimal Bera	2,350,000	2,350,000		
Shetal D. Gor	2,350,000	2,350,000		
<b>Total</b>	<b>4,700,000</b>	<b>4,700,000</b>		





	As at 31st March, 2019	Carrying Amount			Fair Value				
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>									
Borrowings									
Non Current		Nil	Nil	6,800,000	6,800,000	Nil	Nil	6,800,000	6,800,000
Current		Nil	Nil	47,041,981	47,041,981	Nil	Nil	47,041,981	47,041,981
Other Financial Liabilities									
Non Current		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Current		Nil	Nil	7,433,165	7,433,165	Nil	Nil	7,433,165	7,433,165
Trade Payables		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total Financial Liabilities</b>		<b>Nil</b>	<b>Nil</b>	<b>61,275,145</b>	<b>61,275,145</b>	<b>Nil</b>	<b>Nil</b>	<b>61,275,145</b>	<b>61,275,145</b>
<p>The above fair value hierarchy explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost for which fair values are disclosed in the financial statements. To provide the indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments in to three levels prescribed is as under:</p> <p>Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities                      Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)                      Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)</p> <p>There were no transfers between the levels during the year</p> <p><b>Valuation process</b>                      The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The fair valuation of level 1 and level 2 classified assets and liabilities are readily available from the quoted prices in the open market and rates available in secondary market respectively. The valuation method applied for various financial assets and liabilities are as follows -</p> <ol style="list-style-type: none"> <li>1. Quoted price in the primary market (NAV) considered for the fair valuation of the current investment i.e Mutual fund. Gain / (loss) on fair valuation is recognised in profit and loss.</li> <li>2. The carrying amount of trade receivable, trade payable, cash and bank balances, short term loans and advances, statutory/ receivable, short term borrowing, employee dues are considered to be the same as their fair value due to their short-term nature.</li> </ol>									

<b>38</b>	<b>Financial risk management</b>		
		The Company has exposure to the following risks arising from financial instruments:	
	I	Credit Risk	
	II	Liquid Risk	
	III	Market Risk	
		<b>Risk Management Framework</b>	
		The Company's risk management is governed by policies and approved by the board of directors. Company's identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The company has policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.	
		The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.	
	I	<b>Credit Risk</b>	
		Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to credit risk at the reporting date is primarily from trade receivables and loans to related parties. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. On account of the adoption of Ind AS 109, the company uses ECL model to assess the impairment loss or gain. The company uses a provision matrix to compute the ECL allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors and the company's experience for customers.	
	i)	<b>Ageing of Account Receivables</b>	
			As at 31/03/2019      As at 31/03/2018
			Rs.                      Rs
		Within the credit period	Nil                      Nil
		1-30 days past due	129,089,445          74,760,393
		31-90 days past due	67,888,935          48,493,627
		91-180 days past due	37,931,973          24,295,393
		More than 180 days past due	457,055              25,483,002
		<b>Total .....</b>	<b>235,367,408          173,032,414</b>
		The Company reviews trade receivables on periodic basis and makes provision for doubtful debts if collection is doubtful. The Company also calculates the expected credit loss (ECL) for non-collection of receivables. The Company makes additional provision if the ECL amount is higher than the provision made for doubtful debts. In case the ECL amount is lower than the provision made for doubtful debts, the Company retains the provision made for doubtful debts without any adjustment.	
		The provision for doubtful debts including ECL allowances for non-collection of receivables and delay in collection, on a combined basis, was Rs. 0.05 Lacs as at March, 2019 and Rs. 2.54 Lacs as at March 31, 2018. The movement in allowances for doubtful accounts comprising provision for both non-collection of receivables and delay in collection is as follows:	
	ii)	<b>Movement in provision of doubtful debts</b>	
			As at 31/03/2019      As at 31/03/2018
			Rs                      Rs
		Balance at the beginning	254,830              10,560
		Impairment loss recognised	(250259)            244,270
		Impairment loss reversed	Nil                      Nil
		Amount written off	Nil                      Nil
		<b>Balance at the end</b>	<b>4,571                  254,830</b>
		The percentage of revenue from its top five customers is 58.95 % for 2018-19 (72.22 % for 2017-18).	



**II Liquid Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and liabilities including debt financing plans and maintenance of balance sheet liquidity ratios are considered while reviewing the liquidity position.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31.03.2019	Carrying Amount	Contractual Cash Flows				
		< 1 year	1-2 year	3-5 years	5 years and Above	Total
<b>Financial Liabilities</b>						<b>Nil</b>
Non Current Borrowings	6,800,000	Nil	Nil	6,800,000	Nil	<b>6,800,000</b>
Current Borrowings	87,236,101	87,236,101	Nil	Nil	Nil	<b>87,236,101</b>
Trade Payables	89,914,242	89,914,242	Nil	Nil	Nil	<b>89,914,242</b>
Non current financial liabilities	Nil	Nil	Nil	Nil	Nil	<b>Nil</b>
Current financial liabilities	891,139	891,139	Nil	Nil	Nil	<b>891,139</b>
<b>Total</b>	<b>184,841,482</b>	<b>178,041,482</b>	<b>Nil</b>	<b>6,800,000</b>	<b>Nil</b>	<b>184,841,482</b>

31.03.2018	Carrying Amount	Contractual Cash Flows				
		< 1 year	1-2 year	3-5 years	5 years and Above	Total
<b>Financial Liabilities</b>						<b>Nil</b>
Non Current Borrowings	6,800,000	Nil	Nil	Nil	6,800,000	<b>6,800,000</b>
Current Borrowings	53,722,286	53,722,286	Nil	Nil	Nil	<b>53,722,286</b>
Trade Payables	98,010,004	98,010,004	Nil	Nil	Nil	<b>98,010,004</b>
Non current financial liabilities	Nil	Nil	Nil	Nil	Nil	<b>Nil</b>
Current financial liabilities	7,433,165	7,433,165	Nil	Nil	Nil	<b>7,433,165</b>
<b>Total</b>	<b>165,965,455</b>	<b>159,165,455</b>	<b>Nil</b>	<b>Nil</b>	<b>6,800,000</b>	<b>165,965,455</b>

**III Market Risk**

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market factors. Market risk comprises three type of risks:

- a) Currency Risk
- b) Interest Risk
- c) Price Risk

**a) Currency Risk**

The functional currency of the Company is Indian Rupee. The Company is exposed to currency risk on account of payables and receivables in foreign currency. Company is exposed to currency risk on account of payables and receivables in foreign currency. The average exports account for 66.21 % of total sales which perceived to be a major risk. The imports Purchase is Nil.

Company does not use derivative financial instruments for trading or speculative purposes.

i) Particulars of unhedged foreign currency exposures at the reporting date				
Particulars	Currency	As at		
		31/03/2019	31/03/2018	
		Rs	Rs	
a) Trade Receivables (Against Export)	USD	1,139,161	997,052	
	INR	78,795,739	64,852,336	
	EURO	831,121	218,022	
	INR	64,578,098	17,461,438	
b) Advance Received from Customers (Against Export)	USD	Nil	178,459	
	INR	Nil	11,607,678	
	EURO	Nil	Nil	
	INR	Nil	Nil	
c) Trade Payables (Against import - including capital import)	USD	Nil	12,947	
	INR	Nil	852,953	
	EURO	Nil	Nil	
	INR	Nil	Nil	
Net Statement of Financial Exposure	USD	1,139,161	805,646	
	INR	78,795,739	52,391,705	
	EURO	831,121	218,022	
	INR	64,578,098	17,461,438	
ii) Foreign Currency Risk Sensitivity				
A change of 5% in Foreign currency would have following impact on profit before tax				
Particulars	2018-19		2017-18	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	56,958	(56,958)	40,282	(40,282)
EURO	41,556	(41,556)	10,901	(10,901)
b) Interest Risk				
<p>Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.</p> <p>According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.</p>				
i) Exposure to interest rate risk				
Particulars	As at			
	31/03/2019	31/03/2018		
	Rs	Rs		
<b>Fixed Rate Instruments</b>				
Financial assets	2,243,180	2,243,180		
- Current				
- Non -Current				
Financial liabilities				
- Current	Nil	Nil		
- Non -Current	6,800,000	6,800,000		
<b>Total .....</b>	<b>9,043,180</b>	<b>9,043,180</b>		



<b>Variable Rate Instruments</b>			
Financial liabilities			
- Current		87,236,101	53,722,286
- Non -Current		Nil	Nil
<b>Total .....</b>		<b>87,236,101</b>	<b>53,722,286</b>
Total Borrowings		94,036,101	60,522,286
% of Borrowings out of above bearing variable rate of interest		92.77	88.76
<b>ii) Interest Rate Sensitivity</b>			
<b>A change of 50 bps in interest rates would have following Impact on profit before tax</b>			
<b>Particulars</b>		<b>2018-19</b>	<b>2017-18</b>
50bp increase would decrease the profit before tax by		436,181	268,611
50bp decrease would increase the profit before tax by		(436,181)	(268,611)
<b>c) Price Risk</b>			
As of 31st March 2019, the company has nil exposure on security price risks.			
<b>39 Due to Micro, Small and Medium Enterprise</b>			
Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from 02.10.2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below:			
<b>Particulars</b>		<b>31/03/2019</b>	<b>31/03/2018</b>
		<b>Rs.</b>	<b>Rs.</b>
a. The Principal amount remaining unpaid to any supplier as at the year end		3,611,115	Nil
b. Interest due thereon		4,492	Nil
c. Amount of interest paid by the Company in terms of section 16 of MSMED Act.		Nil	Nil
d. Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED 2006.		Nil	Nil
e. Amount of interest accrued and remaining unpaid at the end of accounting year		99,550	Nil
f. the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprise Development Act, 2006.		99,550	Nil
* (a)The information has been determined to the extent such parties have been identified on the basis of intimation received from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act 2006.			
<b>40 Capital management</b>			
The Company's capital management is intended to maximise the return to shareholders and benefits for other stakeholders for meeting the long-term and short-term goals of the Company; and reduce the cost of capital through the optimization of the capital structure i.e. the debt and equity balance.			
The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.			
<b>The gearing ratio at the end of the reporting period was as follows:</b>			
		<b>As at</b>	
<b>Particulars</b>		<b>31.03.2019</b>	<b>31.03.2018</b>
Debt		94,036,101	53,841,981
Cash and bank balances		8,610,152	1,777,630
Net debt		85,425,950	52,064,351
Equity		318,460,069	252,841,171
Net debt to equity ratio		26.82%	20.59%

<b>41</b>	<b>Asset Pledge as security</b>		
	The carrying amount of assets pledged as security for current and non-current borrowings are:		
	<b>Particulars</b>	<b>31/03/2019</b>	<b>31/03/2018</b>
		<b>Rs.</b>	<b>Rs</b>
I	Current Financial Assets		
	First Charge/ Floating Charge		
	Trade Receivables	235,367,408	173,032,413
II	Current Assets		
	First Charge/ Floating Charge		
	Inventories	142,361,616	135,784,105
	Total current assets pledged as security	<b>377,729,024</b>	<b>308,816,518</b>
III	Non Current Assets		
	First Charge		
	Freehold land	2,211,188	2,211,188
	Plant and Equipments	41,659,722	38,782,402
<b>42</b>	The financial statement are recommended for issue by the Audit Committee as at its meeting on 18th May 2019 and approved by the Board of Directors on 20th May, 2019.		
<b>43</b>	The board has not recommended dividend.		



- 44 In the opinion of Management, any of the assets other than items of property, plant and equipment, intangible assets and Non-Current Investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, unless otherwise stated.
- 45 Borrowing costs attributable to the acquisition or construction of Qualifying Assets amounting to Rs. Nil (Previous Year Rs. Nil) is capitalized by the company.
- 46 In the opinion of Management, any of the assets other than items of property, plant and equipment, intangible assets and Non-Current Investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, unless otherwise stated.
- 47 On periodical basis and as and when required, the Company reviews the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss has been provided in the Financial Year 2018-19 (Previous Year Rs. Nil).
- 48 Balances of trade payables, trade receivables, loans & advances, advances from customers, other non-current/current liabilities have been taken as per books are subject to reconciliation / confirmation and consequential adjustments, if any.
- 49 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 "49"

As Per Our Report of Even Date attached herewith

For, Samir M Shah & Associates  
Chartered Accountants  
[Firm Regd. No. 122377W]

For, Galaxy Bearings Limited

[Samir M Shah]  
Partner  
[M.No. 111052]

\_\_\_\_\_  
[ J. S. Vachhani]  
Director  
[DIN-00535817]

\_\_\_\_\_  
[B. K.Ghodasara]  
Whole Time Director  
[DIN 00032054]

Place : Ahmedabad  
Date : 20.05.2019

\_\_\_\_\_  
[Dixit S Patel]  
Chief Financial Officer

**Galaxy Bearings Limited**

[CIN: L29120GJ1990PLC014385]

Regd. Office: T-16, Vikram Chambers, Ashram Road, Ahmedabad – 380 009.

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]]

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

I/We being a Member(s) of \_\_\_\_\_ Equity 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 29<sup>th</sup> Annual General Meeting of the Company to be held on **Wednesday, 25<sup>th</sup> September, 2019** 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.	Consideration and adoption of the Audited Financial Statements of the Company for the year ended 31 <sup>st</sup> March, 2019 along with Reports of Board of Directors and Auditor's thereon.		
2.	Re-appointment of Mr. Rashmikant Bhalodiya(DIN: 00020098), who retires by rotation.		
<b>Special Business</b>			
3.	Appointment of Mr. Devang Gor (DIN : 08437363), as a Director		
4.	Re-appointment of Mrs. Jyotsna Vachhani as an Independent Director for a period of five years		
5.	Re-appointment of Mr. Pradeepkumar Khetani, as an Independent Director for a period of five years		
6.	Re-appointment of Mr. Jitendra Shah, as an Independent Director for a period of five years		

Signed this .....day of .....2019.

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- 16, 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 - 16, Vikram Chambers, Ashram Road, Ahmedabad – 380 009.  
**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 29<sup>th</sup> Annual General Meeting of the Company held on **Wednesday, 25<sup>th</sup> September, 2019** 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

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

**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

