



**GALAXY BEARINGS LTD**

**21st Annual Report  
2010-2011**

**GALAXY BEARINGS LIMITED**

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**Board of Directors** : **Shri V H Kansagara** *Chairman & Managing Director*  
**Shri B K Ghodasara** *Vice Chairman &*  
*Jt. Managing Director*  
**Shri N M Patel** *Director*  
**Shri R V Bhalodia** "  
**Shri R G Bhalodia** "

**Auditors** : **M/s. J T Shah & Company**  
Chartered Accountants  
Ahmedabad

**Banker** : State Bank of India

**Registered Office** : T-18, Vikram Chambers,  
Ashram Road,  
Ahmedabad - 380 009

**Factory** : Survey No. 253,  
National Highway No. 8B,  
Village : Shapar,  
Ta. Kotada Sagnani,  
Dist. Rajkot - 360 002

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**NOTICE**

NOTICE is hereby given that the TWENTY FIRST Annual General Meeting of members of the Company will be held on Monday, 26th September, 2011 at 11.30 a.m. at T-18, Vikram Chambers, Ashram Road, Ahmedabad - 380 009, to transact the following ordinary business:

1. To receive, consider and adopt audited Profit and Loss Account for the year ended on 31st March, 2011 and Balance Sheet as on that date, together with reports of the Directors and Auditors thereon and Compliance Certificate for the year ended on 31st March, 2011.
2. To appoint a Director in place of Shri Rashmikant Valjibhai Bhalodia, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Rajeshkumar Govindlal Bhalodia, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

**Regd Office:**  
T-18, Vikram Chambers  
Ashram Road  
Ahmedabad 380 009  
**Date:** 30-07-2011

By Order of the Board  
For **GALAXY BEARINGS LTD**

V H Kansagara  
*Chairman & Mg Director*

**NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 21st September, 2011 to Monday, 26th September, 2011 (both days inclusive).
3. Information pursuant to the Clause 49 of the Listing Agreement is annexed herewith.
4. Members are requested to **notify**, change of addresses, if any, immediately to the registered Office of the Company.

**Information pursuant to Clause 49 of the Listing Agreement:**

**Information pursuant to Clause 49 of the Listing Agreement:**

**Item No.2**

Shri R V Bhalodia aged about 63 years is a Diploma Holder in Electrical Engineering. He has a vast experience in the marketing and other areas in the Industry. He was appointed as a Director since incorporation of the Company. He has provided valuable services to the Company. He is Director in Galaxy Cinema Pvt Ltd, Gujarat Cine Enterprises Pvt Ltd and Galaxy Tradelinks Pvt Ltd.

None of the Directors, except Shri R V Bhalodia is concerned or interested in the resolution.

**Item No.3**

Shri R G Bhalodia aged about 60 years is a Commerce Graduate. He has a vast experience in accounts and finance Departments. He was appointed as a Director since incorporation of the the Company. He has provided valuable services to the Company. He is a Director in Galaxy Cinema Pvt Ltd, Gujarat Cine Enterprises Pvt Ltd and Star Forging Pvt Ltd.

None of the Directors, except Shri R G Bhalodia is concerned or interested in the resolution.

**Regd Office:**  
T-18, Vikram Chambers  
Ashram Road  
Ahmedabad 380 009  
**Date:** 30-07-2011

By Order of the Board  
For **GALAXY BEARINGS LTD**

V H Kansagara  
*Chairman & Mg Director*

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting this Twenty First Annual Report together with the audited accounts of the Company for the year ended 31st March, 2011.

<b>Financial Results</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Sales (Net)	<b>386766197</b>	248057095
Profit before Interest & Depreciation	<b>41285852</b>	22440942
Interest	<b>14371876</b>	8608881
Depreciation	<b>4722885</b>	4720970
Profit before Taxation	<b>22191091</b>	9111091
Prior period Expenses	<b>Nil</b>	95014
Short/Excess Provision	<b>5747</b>	6860
Provision for Taxation	<b>9000000</b>	3760000
Deferred Tax	<b>(420864)</b>	261229
Profit for the Year	<b>13606207</b>	4987988

**Operations**

Your Directors are pleased to report that the Company's performance was excellent and has posted record net sales and revenues during the year. The Company has secured sales of Rs.38,67,66,197/- i.e. increase of about 56% over the previous year's sales. The Company has also explored overseas market and executed export orders worth Rs.12.19 Crores as against orders worth Rs.4.99 Crores for the previous year. There has been continuous inflation with fluctuations in the foreign exchange rates, resulting into loss of Rs.27.29 lacs. This being unusual item, the Company decided to write off 1/3<sup>rd</sup> amount of such loss to the profit and loss account and the balance transferred to "Foreign Currency Monetary Item Transaction Difference Account" in loans and advances". The Company has received export incentives of Rs.73.39 lacs as against Rs.29.13 Lacs for the previous year. The Company has earned profit of Rs.1,36,06,207/- as against profit of Rs.49,87,988/- (after taxes) earned during the previous year.

**Deposits**

The amount borrowed by the Company is exempted and is not a deposit within the meaning of Rule 2 (b) (xi) of the Companies (Acceptance of Deposits) Rules, 1975.

**Particulars of Employees**

There were no employees covered under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and hence particulars are not given.

**Directors**

Shri Rashmikant V Bhalodia and Shri Rajeshkumar G Bhalodia are due to retire at the ensuing Annual General Meeting and eligible offered themselves for re-appointments. The Directors recommend the appointments.

## **GALAXY BEARINGS LIMITED**

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### **Responsibility Statement**

The Directors confirm

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.
- b) that 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 the year ended on 31st March, 2011.
- c) that to the best of their knowledge and information, they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) that they have prepared the annual accounts on a going concern basis.

### **Listings**

The shares are continued to be enlisted with the BSE, i.e. The Bombay Stock Exchange Ltd, Mumbai. The Company has paid annual listing fees to the BSE.

### **Auditors**

M/s J T Shah & Company, Chartered Accountants, retire as Auditors of the Company at the ensuing Annual General Meeting, but being eligible, offer themselves for their re-appointment.

The other observations of the Auditors read with Notes to the Accounts are self explanatory.

### **Corporate Governance**

As required under the amended provisions of Clause 49 of the Listing Agreements, the Company has already implemented the code of corporate governance for the year under review. The CFO/CEO has reported necessary compliances. A separate report on corporate governance as well as Management Discussion and Analysis Report of the Company form part of this Annual Report.

### **Conservation of Energy, Technology Absorption etc.**

The Company is conscious about conservation of energy and taken steps for optimum usage. Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and the details of foreign exchange earnings and outgo are also given by way of an Annexure forming part of this Report.

### **Acknowledgements**

Your Directors place on record of its appreciation of the co-operation and assistance received from Bankers of the Company. Your Directors wish to thank valued customers and suppliers of the Company for their co-operation.

Your Directors also appreciate the services rendered by staff members with their sincere and dedicated services provided to the Company.

For and on behalf of the Board  
For **GALAXY BEARINGS LTD**

**Place:** Ahmedabad

**Date:** 30-07-2011

V H Kansagara  
*Chairman & Mg Director*

**ANNEXURE TO THE DIRECTORS' REPORT**

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, and forming part of Director's Report:

**I. CONSERVATION OF ENERGY** The Company is conscious to save energy and has adopted various measures including improvement in manufacturing process, for competitive products. The Company has not made any additional investment. The other information is given as per Form A.

**FORM A**

(Form for Disclosure of Particulars with respect to Conservation of Energy)

<b>A. Power &amp; Fuel Consumption</b>		
	<b>31.03.2011</b>	31.03.2010
Electricity (Purchased)		
<b>Units consumed</b>	<b>654160</b>	<b>466940</b>
<b>Total Amount</b>	<b>3804018</b>	<b>2932913</b>
<b>Rate/Unit Rs</b>	<b>5.82</b>	<b>6.29</b>
 <b>B. Consumption per Unit of Production:</b>		
Avg. electricity consumption per Bearing Rs	<b>1.88</b>	2.47

**FORM B**

(Form for disclosure of particulars with respect to absorption)

**Research and development (R & D)**

- |  |   |
|--|---|
| 1. Specific areas in which R & D carried out by the Company. | The Company has no separate R & D Department and Developmental activities       |
| 2. Benefits derived as a result of the above R & D.          | are carried out with the Company's own team of experts Hence, expenses incurred |
| 3. Future plan of action                                     | are not separately worked out.  |
| 4. Expenditure on R & D:                                     |   |

**Technology absorption, adaptation and innovation**

- |   |  |
|---|--|
| 1. Efforts, in brief, made towards technology absorption, adaptation and innovation.  | The technology is indigenous and the Company has fully absorbed. |
| 2. Benefits derived as a result of the above efforts.   | N.A.   |
| 3. In case of imported technology (imported during last 5 yrs reckoned from the beginning of the financial year), following information may be furnished: | N.A.   |

(a) Technology imported.

**GALAXY BEARINGS LIMITED**

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(b) Year of import

- (c) Has Technology been fully absorbed?
- (d) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action.

**III. Foreign Exchange Earnings and Outgo :**

Earnings on account of Export : Rs. Rs.12,19,20,318/-

**Outgo:**

Traveling : Rs. 4,68,408/-

Foreign Bank Charges : Rs. 2,10,322/-

For and on behalf of the Board  
For **GALAXY BEARINGS LTD**

**Place :** Ahmedabad  
**Date :** 30.07.2011

V H Kansagara  
*Chairman & Mg Director*



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**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Overview**

Indian economy has emerged rapidly from the slowdown caused by the global financial crisis of 2007-09 and remains fastest growing economy in the World. GDP growth recovered sharply to 8%. Corporate Governance refers to the blend of laws, regulations and voluntary practices. The Company believes best management practices with ethical and transparent policy. Strong corporate governance is indispensable for safeguarding interests of all stakeholders,

**Industry Structure**

Bearing is the backbone of the automotive and other sectors and largely used by the OEM and replacement markets. The industry showed recovery from the global downturn trend and registered a positive growth. The automotive sector in Asia, particularly India and China have experienced strong growth. The annual production of the domestic organized sector has increased by 23% to Rs.3950 crores for the year 2010-11. However, the product has to be competitive and qualitative for better opportunities and revenues.

**Prospects**

With the frequent changes in bank rates and introduction of base rates by the Reserve Bank of India coupled with other measures taken by the Government of India to control inflationary conditions and revival of the economy, the Industrial Sector showed positive growth. The performance of the automobile sector improved manifold in view of the continuous focus on development of infrastructural facilities – roads, ports and airports. The demand for bearings and other products will also increase. The prospects of the Indian bearing industry are bright.

**Opportunities, Threats, Risks and concerns**

Bearings are used virtually in every machine or product which rotates or moves. The Company has a fair name in the Indian bearing industry and has strategic plans for marketing keeping in view the industry demand in domestic and international market. With the working capital facilities availed from bankers, the Company is set to achieve the higher production to meet with the industry demand. New bearings are also used for replacement of old, worn out bearings and this is a ongoing process. The global economy has showed constant recovery from overall slowdown. There have been heavy fluctuations in the foreign exchange rates. The Indian market potential has caught the attention of global bearing majors to foray into India or to further enhance their presence. Competition from such new entrants and supply chain readiness are the further challenges which will have to be countered by a stronger focus on reducing costs and increasing efficiency of operations. The Company's product has been qualitative and competitive. The Company has strengthened its marketing strategy. Further, the Company believes satisfaction of the customers and maintaining long term relationship with them, which will ultimately provide better opportunity to grow.

**Internal Control Systems**

The Company has adequate internal control systems in respect of efficiency of operation, financial reporting, compliance with laws etc. Exercises for safeguarding assets and protection against unauthorized use are undertaken. The Management reviews internal control system from time to time.

**Review of Financial Performance**

The financial performance during the year ended 31st March, 2011, has been excellent looking into the present industry trend and scenario. The Company expects better performance in the years to come, in view of the increasing demand of the Company's products and action taken to expedite expansion on hand.

**Human Resources**

The relations between the employees and the Management have remained cordial.

**Cautionary Statement**

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

**REPORT ON CORPORATE GOVERNANCE****1. A brief statement on Company's philosophy on code of conduct**

The Company believes in fair business and transparent corporate practices while dealing with the shareholders, employees, lenders, customers, creditors, and others. The Company is prompt in discharging its statutory obligations and duties. The philosophy encompasses the serving of long term interest of all its stake holders.

**2. Board of Directors****a) Composition:**

The Board of Directors presently comprises of five Directors, three of whom are independent and non executive Directors. The Board is headed by Shri Vinodbhai H Kansagara, Chairman and Managing Director and is composed of eminent persons with wide experience in various fields.

None of the non-executive Directors has material pecuniary relationship or transactions with the Company.

During the year, six Board Meetings were held on 30.4.2010, 23.7.2010, 31.7.2010, 23.8.2010, 30.10.2010 and 31.1.2011. The time gap between two Board Meetings did not exceed four months. The composition of the Board of Directors and other particulars are as under:

Name of Director	Category	No. of Board Meetings attended	Attendance at the last AGM(Y/N)	Directorship in other public companies	No of Committees in which Chairman member in other public co.
V H Kansagara	CMD	5	Y	Nil	Nil
N M Patel	NED	5	Y	Nil	Nil
R V Bhalodia	NED	6	Y	Nil	Nil
R G Bhalodia	NED	6	Y	Nil	Nil
B K Ghodasara	CMD	6	Y	Nil	Nil

Note :

1. CMD - Chairman and Managing Director including Vice Chairman and Joint Managing Director. The appointments are contractual.

2. NED - Non Executive Director and Independent Director

3. ED - Executive Director

**b) Board Procedure:**

The Board of Directors meet with detailed agenda for discussion and decision. The Directors actively take part in the discussion. All the decisions are taken unanimously. The terms of reference will, interalia, include the items covered under Clause 49 of the Listing Agreements.

**3. Audit Committee**

a) Terms of Reference:

The Committee has been constituted to review internal audit and control systems, meet statutory auditors and discuss their findings, suggestions and other related matters covered under Clause 49 of the Listing Agreement.

b) Composition:

The Audit Committee, presently comprises of three Non Executive Directors, i.e. (1) Shri N M Patel, (2) Shri R V Bhalodia and (3) Shri R G Bhalodia, all of whom are independent. Shri R V Bhalodia is a Chairman of the Committee.

c) Audit Committee Meetings:

During the year four meetings of the Audit Committee were held on 30.04.2010, 23.7.2010, 23.8.2010 and 30.10.2010; and all the members have attended the meeting.

**4. Remuneration Committee**

The Company has not set up separate remuneration Committee. However, Audit Committee was entrusted with the power of fixing remuneration payable to the working Directors of the Company. Non Executive Directors are not paid remuneration. Remuneration of other employees largely consists of base remuneration, perquisites, bonus, exgratia, etc. The components of the total remuneration vary for different cadres and are governed by the industry pattern, qualifications, experience and other relevant factors of the employees.

**5. Remuneration of Directors**

Details of remuneration paid to the Directors for the year 2010-2011

Name of Director	Remuneration Rs.	Perquisites Rs.
Shri V H Kansagara <i>Chairman &amp; Managing Director</i>	240000	20000
Shri B K Ghodasara <i>Vice-Chairman Jt Managing Director</i>	464843	32872

**6. Shareholders Grievance Committee**

The complaints relating to the split, issue of duplicate share certificate and complaints relating to non receipt of share certificates, non receipt of Annual Reports etc and other investors' grievances incidental thereto have been entrusted with the Shareholders/ Investors Grievance Committee, comprising of Shri Vinodbhai H Kansagara, Chairman & Mg Director and two other non executive Directors namely (1) Shri N M Patel and (2) Shri R V Bhalodia. Shri N M Patel is the Chairman of the Committee. The Committee is to meet as and when need arises. There is no share transfer pending as on 31.3.2011. Shri Dixit S Patel has been appointed as Compliance Officer. The details of complaints received and solved to the satisfaction of shareholders are as under:

**GALAXY BEARINGS LIMITED**

Nature of complaints	Received	Cleared
Non receipt of Annual Report	3	3
Dividend/Misc	5	5
<b>Total</b>	<b>8</b>	<b>8</b>

**7. General Body Meetings**

The details of the location and time for last three Annual General Meetings are given as under:

Year	Location/Venue	Date	Time
2007-2008	T-18, Vikram Chambers, Ashram Road, Ahmedabad-9	30.09.2008	11.30 a.m.
2008-2009	T-18, Vikram Chambers, Ashram Road, Ahmedabad-9	25.09.2009	11.30 a.m.
2009-2010	T-18, Vikram Chambers, Ashram Road, Ahmedabad-9	27.09.2010	11.30 a.m.

No Special Resolution was put through postal ballot last year. No special resolutions are proposed to be proposed through postal ballots at the ensuing Annual General Meeting.

**8. Disclosures**

No transaction of material nature has been entered into by the Company with its promoters, Directors or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the Company.

There were no instances of non-compliance or penalty, strictures imposed on the Company by Stock Exchanges or SEBI or any matter related to capital markets, during the last three years.

**9. Means of Communication**

Half yearly Results are not sent to each shareholder. Quarterly Results are sent to the Stock Exchanges for information of shareholders. The results are normally published in Western Times. The Management Discussion and Analysis (MD&A) is a part of the Annual Report.

**10. General Shareholder Information**

- a) Annual General Meeting:  
The 21<sup>st</sup> Annual General Meeting will be held on Monday, 26<sup>th</sup> September, 2011 at 11.30 am at T-18, Vikram Chambers, Ashram Road, Ahmedabad 380009.
- b) Book Closure:  
The Share Transfer Books and the Register of Members shall remain closed from Wednesday, 21<sup>st</sup> September, 2011 to Monday, 26<sup>th</sup> September, 2011 (Both days inclusive).
- c) Financial Calendar for the year 2011-2012 (Provisional)

<b>Results for the</b>	
Quarter ending 30th June, 2011	July, 2011
Quarter ending 30th September, 2011	October, 2011
Quarter ending 31st December, 2011	January, 2012
Quarter ending 31st March, 2012	April, 2012

**d) Share Transfer System :**

The Company's shares are not dematerialized and are only in physical form. The Company's Share transfers etc are handled by the In House Share Transfer Department. The Company had constituted Share Transfer Committee since 1993, to approve share transfers etc. At present, approval of the Share Transfers, Transmission, Transposition etc are delegated to Shri Vinodbhai H Kansagara, Chairman and Managing Director of the Company. The Share Transfers are normally approved and returned within 15-20 days provided the documents received are valid in all respects.

**e) Listings:**

The Company's shares are listed with the Bombay Stock Exchange Ltd at Mumbai. The Company has paid listing fees. No market price is available as there is no trading in the Company's shares except casual trading.

**f) Stock Code:**

Mumbai : 526073

**g) Distribution of Shareholdings as on 31.3.2011**

Authorised Share Capital: Rs.5,00,00,000/-

Issued, Subscribed & Paid Up Share Capital: Rs.3,18,00,000/-

Listed Share Capital Rs.3,18,00,000/-

Shareholdings From	To	No. of Folios	%	Shares Amt. Rs.	%
Below	5000	7286	94.91	10216600	32.13
5001	10000	156	02.03	1322300	4.16
10001	20000	40	0.52	573000	1.80
20001	30000	56	0.73	1412000	4.44
30001	40000	8	0.10	297000	0.93
40001	50000	43	0.56	2105000	6.62
50001	100000	37	0.48	2839000	8.93
100000	& above	51	0.66	1305100	40.99
Total		7677	100	3180000	100

**GALAXY BEARINGS LIMITED****h) Shareholding pattern as on 31.3.2011**

Category	No of holders	No of shares	% of holding
Promoters	105	1136000	35.72%
Body Corporates	10	110200	3.47 %
Indian Public	7562	1933800	60.81%
	7677	3180000	100.00 %

**i) Plant Location:**

Shaper Unit

Survey No.253

National Highway No.8B

Village: Shapar, Ta: Kotada Sagnani

Dist. Rajkot- 360 002 Gujarat

**j) Address for correspondence**T-18, Vikram Chambers, Ashram Road,  
Ahmedabad 380 009. Gujarat**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT:**

To

The Members of  
Galaxy Bearings Ltd  
Ahmedabad.

We have reviewed the implementation of Corporate Governance procedures by Galaxy Bearings Limited (the Company) during the year 2009-2010, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

On the basis of our review and according to the information and explanations given to us, the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges have been complied with in all material respects by the Company.

**For J T Shah & Company**  
*Chartered Accountants*Place: Ahmedabad  
Date: 30-07-2011**J T Shah**  
*Partner*  
M.No.3983

**COMPLIANCE CERTIFICATE**

The Members  
**GALAXY BEARINGS LTD**  
 L29120GJ1990PLC014385  
**Ahmedabad**

I have examined the registers, records, books and papers of GALAXY BEARINGS LTD (hereinafter referred to as the 'Company') as required to be maintained under the Companies Act, 1956 (the Act) and the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31<sup>st</sup> March, 2011** (the year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents and subject to the observations made by the Auditors of the Company in their Report of even date, I certify that in respect of the aforesaid year:

1. The Company has kept and maintained all registers as per Annexure 'A'.
2. The Company has filed the forms and returns as stated in Annexure 'B', with the Registrar of Companies, Gujarat.
3. The Company being a public limited Company, comments are not given as to the minimum prescribed paid up capital and its maximum number of members during the year.
4. The Board of Directors met 6 times on 30.4.2010, 23.7.2010, 31.7.2010, 23.8.2010, 30.10.2010 and 31.1.2011; and the proceedings were recorded in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 23rd September, 2010 to 27th September, 2010, in compliance of Section 154 of the Act.
6. The annual general meeting for the financial year ended on 31.3.2010 was held on 27.09..2010 and the resolutions passed thereat were recorded in the Books maintained for the purpose.
7. No extra ordinary general meeting was held during the year.
8. As informed to me, the Company has not advanced loans to its Directors and other persons referred to under Section 295 of the Act, *except* advances given as per Annexure 'C'.
9. The Company has complied with the provisions of Section 297 of the Act, *except* for transactions mentioned as per Annexure 'C'.
10. The Company has made entries in the register maintained under Section 301 of the Act.
11. The Company has not obtained approvals from the shareholders or Central Government pursuant to Section 314 of the Act, during the year.
12. The Company has not approved issue of duplicate share certificates, during the year.
13. The Company has delivered all certificates on lodgement thereof for transfer or transmission and has not declared dividend for the year.
14. The Board of Directors of the Company comprises of 5 Directors. There was no appointment of additional or alternate Director during the year.

## **GALAXY BEARINGS LIMITED**

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15. The Company has not appointed managerial personnel pursuant to the provisions of Section 269 of the Act.
16. The Company has not appointed sole-selling agent during the year.
17. No approval of the Central Government, Company Law Board, Regional Director or Registrar (ROC) was taken during the year,
18. The Directors have disclosed their interest in other firms / companies during the year.
19. The Company has not issued shares or debentures during the year.
20. The Company has not bought back any shares during the year.
21. The Company has not redeemed preference shares.
22. The Company is not required to keep in abeyance rights to dividend, rights shares and bonus shares during the year.
23. The Company has not invited deposits pursuant to the provisions of Section 58A of the Act and the Rules made thereunder, *except* acceptance of unsecured borrowings as per Schedule 4 of the audited accounts for the year.
24. The amount borrowed by the Company, during the year, is within the borrowing limits of the Company under Section 293 (1) (d) of the Act.
25. The Company has not made any loans, advances or given guarantees or provided securities to other bodies corporate during the year.
26. The Company has not altered or shifted its registered Office during the year.
27. The Company has not altered the Objects Clause of the Memorandum during the year.
28. The Company has not altered name Clause of the Memorandum during the year.
29. The Company has not altered share capital Clause of the Memorandum during the year.
30. The Company has not altered its Articles of Association during the year.
31. No prosecution was initiated against nor show cause notice received by the Company and pending for alleged offences under the Act during the year.
32. No security amount was received from its employees during the year.
33. The Company has not set up its separate Provident Fund Scheme under Section 418 of the Act during the year.

**Place:** Ahmedabad  
**Date :** 30.07.2011

**NARENDRA B SHAH**  
Company Secretary  
CP No. 2168



**ANNEXURE 'A'**

**Registers maintained during the year:**

1. Register of Members
2. Minutes Book of Board Meetings
3. Minutes Book of General Meetings
4. Minutes Book of Committee Meetings
5. Register of Contracts etc
6. Register of Directors
7. Register of Directors' shareholdings
8. Register of Charges
9. Register of Share Transfers etc
10. Register of Issue of Duplicate Share Certificates

**ANNEXURE 'B'**

**Forms and Returns as stated to have been filed by the Company with the Registrar of Companies, Gujarat during the financial year ending on 31<sup>st</sup> March, 2011**

1. E Form 20B with Annual Return as on 27.9.2010 filed u/s 159 on 19.10.2010 (SRN P55059299 for Rs.500/-)
2. E Form 23AC, 23ACA with Annual Accounts for the year ending 31.3.2010 filed u/s 220 on 25.11.2010 (SRN P61257630 for Rs.1000/-)
3. E Form 66 with compliance Certificate for the year ending 31.3.2010 filed u/s 383A on 19.10.2010 (SRN P55027171 for Rs.500/-)
4. E Form 8 filed u/s 125/135 on 25.8.2010 (SRN A92251826 for Rs.500/-)
5. E Form 8 filed 125/135 on 25.8.2010 (SRN A92249937 for Rs.500/-)
6. E Form 17 filed 138 on 28.8.2010 (SRN A92667245 for Rs.500/-)
7. E Form 17 filed 138 on 28.8.2010 (SRN A92666403 for Rs.500/-)
8. E Form 17 filed 138 on 28.8.2010 (SRN A92664671 for Rs.500/-)
9. E Form 17 filed 138 on 28.8.2010 (SRN A92659853 for Rs.500/-)

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

Sr No.	Nature of Transaction	Key Management Personnel	Relative of Key Management Personnel	Other Related Party	Total Rs.
<b>1. Unsecured Loan</b>					
	Loan taken during the year	Nil (Nil)	Nil (361364)	Nil (10000000)	Nil (10361364)
	Loan repaid during the Year	Nil Nil	798155 (36136)	1200000 (Nil)	1998155 (36136)
	Closing Balance	Nil Nil	2820000 (3216138)	10800000 (10000000)	12820000 (13216138)
<b>2. Advance Given</b>					
	Advance given during the year	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	Advance Settled during the year	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	Closing Balance	Nil (Nil)	Nil (Nil)	922454 (922454)	922454 (922454)
<b>3. Income</b>					
	Sales	Nil (Nil)	Nil (Nil)	15729285 (25616218)	15729285 (25616218)
<b>4. Expenses</b>					
	Directors Remuneration	757715 (701363)	Nil (Nil)	Nil (Nil)	757715 (701363)
	Interest Paid	Nil (Nil)	402017 (361364)	1200000 (111781)	1602017 (473145)

**Auditors' Report**

To,  
The Members of  
GALAXY BEARINGS LIMITED

1. We have audited the attached Balance Sheet of **GALAXY BEARINGS LIMITED** as at 31st March 2011, Profit & Loss Account and Cash Flow Statement of the company for the year ended on that date (together referred to as 'financial statements'). These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Company Law Board in term of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matter specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in para 3 above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in compliance with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
    - a) **Foreign currency difference arising on Short Term Foreign Currency Monetary items are deferred, which is not in accordance with the AS-11 "The Effects of Changes in Foreign Exchange Rates", and as a result profit is understated Rs.30.54 Lacs. (Pl. Refer Para 5 (e)(ii) of Schedule 16).**
    - b) **The Company has made provision of Gratuity Liability on the basis of contribution to fund managed by Life Insurance Corporation of India which is not in compliance with the Revised AS-15 "Employee benefits "which requires the actuarial valuation for the same .Further, the company has also not complied with the disclosure requirements of the AS-15 "Employee Benefits". In absence of the requisite information we are unable to comment its Impact on the profit for the year.(Pl. Refer Para 5 (f) of Schedule 16)**

- c) The Company has not made provision of Leave Encashment which is not in accordance with Accounting Standards 15 "Employee Benefits", the company has also not complied with the disclosure requirements of the AS-15 "Employee Benefits". In absence of the requisite information we are unable to comment its impact on the profit for the year. (Pl. Refer Para 5 (f) of Schedule 16).**
- (v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2011 from being appointed as directors in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956.
- (vi) *We further report that, without considering items mentioned at para (iv)(b) & (c) , above the effect of which could not be determined, had the observations made by us in para (iv)(a), above been considered, the profit for the year would have been Rs. 166.60 Lacs (as against the reported profit of Rs 136.06 Lacs) and Credit Balance in Profit & Loss Account would have been Rs. 413.81 Lacs (as against the reported figure of Rs. 383.27 Lacs).*
- (vii) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to and read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011;
- (b) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

**For, J T Shah & Company**  
*Chartered Accountants*  
(Firm Regd. No 109616W)

**(J. T. Shah)**

*Partner*  
[M. No. 3983]

Place : Ahmedabad

Date : 30-07-2011

ANNEXURE

GALAXY BEARINGS LIMITED

Referred to in paragraph 3 of our report of even date for the year ended 31<sup>st</sup> March 2011.

**1. In respect of Fixed Assets:**

- a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. As per the information and explanations given to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c. During the year, the Company has not disposed off any major/ substantial part of the plant and machinery so as to affect the going concern assumption.

**2. In respect of its Inventories:**

- a. As explained to us, physical verification of the inventory was carried out at reasonable intervals by the management. In our opinion, the frequency of verification is reasonable.
- b. In our opinion, and according to the information and explanation given to us, the procedure of physical verification of inventory followed by the management, are reasonable and adequate in relation to the size of the Company and nature of its business.
- c. In our opinion, and according to the information and explanation given to us, the Company has maintained proper records of its inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material.

**3. In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.**

- a. The Company has granted loans to one party covered in the register maintained under section 301 of the Companies Act, 1956. The year end balance is amounting to Rs. 9.22 Lacs and the maximum amount involved during the year was Rs. 9.22 Lacs.
- b. In our opinion and according to the information and explanations given to us, in case of loans given, the rates of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the company.
- c. The company has granted interest free loans therefore the clauses (iii)(b), (iii)(c) and (iii)(d) of The Companies (Auditor's Report) Order, 2003 are not applicable.
- d. The Company has taken loan from Companies and parties covered in the register maintained under section 301 of the Companies Act, 1956. There are three parties covered in the register maintained under section 301 of the Companies Act, 1956 from whom the company has taken loans. The maximum amount involved during the year was Rs. 133.45 Lacs and the year end balance of loans taken from such parties was Rs. 128.20 Lacs.

## **GALAXY BEARINGS LIMITED**

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- e. In our opinion and according to the information and explanation given to us, in case of loans taken during the year, the rates of interest and other terms and conditions are prime facie not prejudicial to the interest of the Company.
  - f. There are no stipulated terms of repayment of loans taken by the company from the companies/ firms/parties listed in the register maintained under section 301 of the Companies Act, 1956, hence there is no question of repayment of loans.
4. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
  5. In respect of contracts or arrangements covered under Section 301 of the Companies Act, 1956:
    - a. Based on the audit procedures applied by us and according to the information and explanations provided by management, we are of the opinion that the contracts or arrangements that need to be entered into the register maintained under section 301 have been so entered.
    - b. In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 in respect of any parties during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
  6. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India, the provisions of Sections 58A and 58AA and any other relevant provisions of the Companies Act, 1956 and the rules framed there under are applicable.
  7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
  8. 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 under Section 209 (1) (d) of the Companies Act, 1956 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.
  9. In respect of Statutory Dues:
    - a. *According to the information and explanations given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employee's state insurance, income-tax, sales-tax, wealth-tax, service tax, Professional Tax, custom duty, excise-duty, cess and other statutory dues applicable to it except there were delay in few cases of TDS, TCS and there is short fall in payment of advance tax of Rs. 38.80 Lacs.*
    - b. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, service tax, custom duty and excise duty were outstanding, as at 31st March, 2011 for a period of more than six months from the date they became payable.

- c. According to the records of the Company, there are no dues of sales tax, income tax, wealth-tax, service tax, custom duty, excise duty, cess which have not been deposited on account of disputes.
10. The company has no accumulated losses. The Company has not incurred any cash losses during the year under review and also not incurred any cash losses in immediately preceding financial year.
11. Based on the audit procedures and on the information and explanation given by the management, we are of the opinion that company is regular in repayment of interest and installments.
12. Based on our examination of documents and records and information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a Chit Fund or Nidhi / Mutual Benefit Fund / Societies. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiii) of the companies (Auditor's Report) Order,2003 are not applicable to the company.
15. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purpose for which they have been acquired.
17. On the basis of an overall examination of the balance sheet and cash flow statement of the company, in our opinion and according to the information and explanations given to us, no funds raised on a short term basis are applied for long-term purpose.
18. In our opinion, and according to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. During the year covered by our audit report, the company has not issued any debentures.
20. During the year covered by our audit report, the company has not raised any money by way of Public issues.
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

**For, J T Shah & Company**  
*Chartered Accountants*  
(Firm Regd. No 109616W)

Place : Ahmedabad  
Date : 30-07-2011

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

**GALAXY BEARINGS LIMITED**
**BALANCE SHEET AS AT 31ST, MARCH, 2011**

Particulars	Sche. No.	Rupees	As on	As on
			31-03-2011 Rs.	31-03-2010 Rs.
<b>SOURCES OF FUND</b>				
[1] <b>Shareholders' Funds :</b>				
(a) Share Capital	1	31800000		31800000
(b) Reserves and Surplus	2	<u>38327286</u>		<u>24721079</u>
			<b>70127286</b>	<b>56521079</b>
[2] <b>Loan Funds</b>				
(a) Secured Loans	3	87770628		59986614
(b) Unsecured Loans	4	<u>39355000</u>		<u>39412778</u>
			<b>127125628</b>	<b>99399392</b>
[3] <b>Deffered Tax Liability (Net)</b>			<u>4140220</u>	<u>4561084</u>
	Total....		<b><u>201393135</u></b>	<b><u>160481555</u></b>
<b>APPLICATION OF FUNDS</b>				
[1] <b>Fixed Assets</b>				
(a) Gross Block	5	85388062		82208461
(b) Less : Depreciation		<u>49664035</u>		<u>45036821</u>
Net Block			<b>35724027</b>	<b>37171640</b>
[2] <b>Investments</b>			<b>NIL</b>	<b>NIL</b>
[3] <b>Current Assets, Loans &amp; Advances</b>				
(a) Inventories	6	116321290		96391336
(b) Sundry Debtors	7	85946027		97813713
(c) Cash & Bank Balances	8	3845742		1146918
(d) Loans & Advances	9	<u>19390334</u>		<u>15825304</u>
Sub-Total [A]		<b>225503393</b>		<b>211177271</b>
[4] <b>Less: Current Liabilities &amp; Provisions</b>				
(a) Current Liabilities	10	55061250		86152398
(b) Provisions	11	<u>4773035</u>		<u>1714958</u>
Sub-Total [B]		<b>59834285</b>		<b>87867356</b>
<b>Net Current Assets</b>			<b>165669108</b>	<b>123309915</b>
[5] <b>Miscellaneous Expenditure</b> (To The extent not W/off or Adjusted)			<b>Nil</b>	<b>Nil</b>
	Total.....		<b><u>201393135</u></b>	<b><u>160481555</u></b>
Notes on Accounts	16			

As per our report of even date attached herewith

For **J T SHAH & Company**  
*Chartered Accountants*

For **GALAXY BEARINGS LTD.**

**J T Shah**  
*(Partner)*

**V H Kansagara**  
*Chairman & Mg. Director*

**B K Ghodasara**

*Vice Chairman & Jt. Mg. Director*

**Place :** Ahmedabad

**Date :** 30.07.2011



**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

Particulars	Sche. No.	Rupees	Year Ended 31-03-2011 Rs.	Year Ended 31-03-2010 Rs.
<b>INCOME</b>				
[1] Gross Sales		407382051		259651222
Less : Excise Duty		<u>20615854</u>		<u>11594127</u>
Sales (Net)			386766197	248057095
[2] Other Income	12		8269712	3680797
[3] Variation in Stock	13		<u>16135871</u>	<u>24870813</u>
			<u><b>411171780</b></u>	<u><b>276608705</b></u>
<b>EXPENDITURE</b>				
[1] Manufacturing & Other Expenses	14	354156645		228916948
[2] Finished Goods Purchase		15729284		25250816
[3] Depreciation	5	4722885		4720970
[4] Interest	15	<u>14371876</u>		<u>8608881</u>
			<u><b>388980690</b></u>	<u><b>267497615</b></u>
Profit Before Taxation & Prior Period Expenses			<u><b>22191091</b></u>	9111090
Less : Prior Period Expenses			<u><b>Nil</b></u>	<u>95014</u>
			<b>22191091</b>	9016076
Less : Provision for Taxation				
Current Year			<b>9000000</b>	3760000
Deferred Tax (Asset) / Liability			<b>(420864)</b>	261229
Short Provision of Income Tax of earlier years			<u><b>5747</b></u>	<u>6860</u>
			<b>13606207</b>	<b>4987987</b>
Add : Profit B/f from previous year			<u><b>22221079</b></u>	<u>17233092</u>
Balance carried over to Balance Sheet			<u><b>35827286</b></u>	<u>22221079</u>
<b>Basic and Diluted Earning per Share</b>			<b>4.28</b>	<b>1.57</b>
Notes on Accounts	16			

As per our report of even date attached herewith

For **J T SHAH & Company**  
Chartered Accountants

For **GALAXY BEARINGS LTD.**

**J T Shah**  
(Partner)

**V H Kansagara**  
Chairman & Mg. Director

**B K Ghodasara**

Vice Chairman & Jt. Mg. Director

Place : Ahmedabad

Date : 30.07.2011

**GALAXY BEARINGS LIMITED****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

PARTICULARS	2010- 2011		2009 - 2010	
	Rs.	Rs.	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net Profit/(Loss) before Tax and Extraordinary Items		22191091		9016077
Adjustment for :				
Depreciation	4722885		4720970	
Interest Paid	14371876		8435831	
Income Tax	5747		6860	
Loss/ Profit on Sale of Assets	122668		4246	
Bad Debts W/off	5027615		2405158	
		<u>24250791</u>		<u>15573065</u>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>46441882</b>		<b>24589141</b>
Adjustment for :				
Trade and Other Receivables	8302657		(38571874)	
Inventories	(19929954)		(37760595)	
Trade Payable	(31091148)		45762292	
Income Tax	(5747)		(6960)	
Bad Debts W/off	(5027615)		(2405158)	
		<u>(47751808)</u>		<u>(32982103)</u>
<b>CASH GENERATED FROM OPERATIONS</b>		<b>(1309926)</b>		<b>(8392962)</b>
Income Tax Paid	(5947670)	<u>(5947670)</u>	(1952125)	<u>(1952125)</u>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>		<b>(7257596)</b>		<b>(10345097)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets		(3581940)		(2970225)
Sale of Fixed Assets		184000		2500
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>		<b>(3397940)</b>		<b>(2967725)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds of Unsecured Loan		(57778)		21690094
Proceeds from Long Term Borrowings		(3230415)		(213175)
Proceeds from Short Term Borrowings		31014430		(3055660)
Interest		(14371876)		(8435831)
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>		<b>13354360</b>		<b>9985427</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS. (A+B+C)</b>		<b>2698824</b>		<b>(3327385)</b>
Cash and Cash Equivalents as at 01-04-2010		1146918		4474303
Cash and Cash Equivalents as at 31-03-2011		<b>3845742</b>		1146918

As per our report of even date attached herewith

For **J T SHAH & Company**

Chartered Accountants

For **GALAXY BEARINGS LTD.****J T Shah**

(Partner)

**V H Kansagara**

Chairman &amp; Mg. Director

**B K Ghodasara**

Vice Chairman &amp; Jt. Mg. Director

Place : Ahmedabad

Date : 30.07.2011

**SCHEDULES "1 TO 16" FORMING THE PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH 2011**

Particulars	As on 31-03-2011 Rs.	As on 31-03-2010 Rs.
<b>SCHEDULE - 1</b>		
<b>SHARE CAPITAL</b>		
(a) Authorised 5000000 Equity Shares of Rs. 10/- each	<u>50000000</u>	<u>50000000</u>
(b) Issued, Subscribed & Paid up 3180000 equity shares of Rs.10/- each fully paid up.	<u>31800000</u>	<u>31800000</u>
Total....	<u>31800000</u>	<u>31800000</u>
<b>SCHEDULE - 2</b>		
<b>RESERVE &amp; SURPLUS</b>		
(a) General Reserve Balance as per last year	2500000	2500000
(b) Profit & Loss Account Add : Profit for the year	22221079 <u>13606207</u>	17233092 <u>4987987</u>
Total....	<u>35827286</u>	<u>22221079</u>
Total....	<u>38327286</u>	<u>24721079</u>
<b>SCHEDULE - 3</b>		
<b>SECURED LOAN</b>		
(a) From Banks State Bank of India - Term Loan (Secured against Hypothecation of Plant & Machinery at Shapar (Veraval) & personal guarantee of Directors of the Company.)	8294749	12180963
(b) State Bank of India - Working Capital (Secured by hypothecation of Raw Materials, Receivables & Secured against First Charge by way of equitable mortgage of land, building, plant & machinery and other assets & personal guarantee of Directors of the Company.)	78748934	47734504
(c) HDFC Bank - (Secured by Hypothecation of Motor Cars)	<u>726946</u>	<u>71147</u>
Total....	<u>87770628</u>	<u>59986614</u>
Note : Amount repayable within 1 year Rs.42.40 lacs (Previous Yr Rs.45.71 lacs)		
<b>SCHEDULE - 4</b>		
<b>UNSECURED LOAN</b>		
(a) From Promoters/Shareholders	8355000	8412778
(b) From Corporate Bodies	<u>31000000</u>	<u>31000000</u>
Total....	<u>39355000</u>	<u>39412778</u>

GALAXY BEARINGS LTD

Fixed Assets as at 31st March, 2011.

SCHEDULE - "5" : FIXED ASSETS

Sr. No.	Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Balance As at 01/04/10 Rs.	Additions during the year Rs.	Deduction on A/c. of Sale or transfer Rs.	Balance as on 31/03/11 Rs.	Upto 01/04/10 Rs.	Provided during the year Rs.	Deduction on A/c. of Sale or transfer Rs.	Total Upto 31/03/11 Rs.	Balance As on 31/03/11 Rs.	Balance As on 31/03/10 Rs.
<b>A. TANGIBLE ASSET</b>											
1.	LAND	221188	Nil	Nil	221188	Nil	Nil	Nil	Nil	221188	221188
2.	BUILDING	10925212	Nil	Nil	10925212	5297624	364902	Nil	5662526	5262686	5627588
3.	PLANT & MACHINERY	57849892	2279508	63360	60066040	33100653	3535248	21476	36614425	23451615	24749239
4.	COMPUTER	2568690	192356	Nil	2761046	2170834	211978	Nil	2382812	378234	397856
5.	FURNITURE AND DEAD	1116034	Nil	Nil	1116034	512952	70645	Nil	583597	532437	603082
6.	TUBE WELL	534427	Nil	Nil	534427	272852	17850	Nil	290702	243725	261575
7.	ELECTRIC INSTALLATION	3207334	Nil	Nil	3207334	1873293	152348	Nil	2025641	1181693	1334041
8.	VEHICLES	3483990	1045325	338979	4190336	1548839	302920	74195	1777564	2412772	1935151
<b>B. INTANGIBLE ASSET</b>											
1.	COMPUTER SOFTWARE	311694	64751	Nil	376445	259774	66994	Nil	326768	49677	51920
<b>Total.....</b>		<b>82208461</b>	<b>3581940</b>	<b>402339</b>	<b>85388062</b>	<b>45036821</b>	<b>4722885</b>	<b>95671</b>	<b>49664035</b>	<b>35724027</b>	<b>37171640</b>
<b>Previous Year.....</b>		<b>79256986</b>	<b>2970225</b>	<b>18750</b>	<b>82208461</b>	<b>40327855</b>	<b>4720970</b>	<b>12004</b>	<b>45036821</b>	<b>37171640</b>	<b>38929131</b>

<b>Particulars</b>	<b>As on 31/03/2011 Rs.</b>	<b>As on 31/03/2010 Rs.</b>
<b>SCHEDULE - 6</b>		
<b>INVENTORIES</b>		
(As per inventory prepared, valued and certified by Director)		
(a) Raw Material	28934220	24126408
(b) Semi Finished Goods	14369530	14098506
(c) Finished Goods	67976981	52112134
(d) Consumable Stores, Spare & Packing Materials	<u>5040559</u>	<u>6054288</u>
Total....	<u>116321290</u>	<u>96391336</u>
<b>SCHEDULE - 7</b>		
<b>SUNDRY DEBTORS (UNSECURED)</b>		
(a) Outstanding for a period exceeding 6 months		
(i) Good	4585248	9215448
(ii) Doubtful	<u>Nil</u>	<u>Nil</u>
	4585248	9215448
(b) Others		
(i) Good	81360779	88598265
(ii) Doubtful	<u>Nil</u>	<u>Nil</u>
	81360779	88598265
Total....	<u>85946027</u>	<u>97813713</u>
<b>SCHEDULE - 8</b>		
<b>CASH AND BANK BALANCES</b>		
(a) Cash on Hand	202860	81978
(b) Balance with Scheduled Banks		
- In Current Account	1335458	671933
- In Fixed Deposit	<u>2307424</u>	<u>393007</u>
Total....	<u>3845742</u>	<u>1146918</u>
<b>SCHEDULE - 9</b>		
<b>LOANS AND ADVANCES</b>		
(Unsecured, considered good unless otherwise stated)		
(a) Advances to suppliers and others recoverable in cash or kind or for value to be received	17882204	14756595
(b) Deposits	1368116	988652
(c) Prepaid Expenses	102639	45043
(d) Balances with Excise Authority	<u>37375</u>	<u>35014</u>
Total....	<u>19390334</u>	<u>15825304</u>

**GALAXY BEARINGS LIMITED**

<b>Particulars</b>	<b>As on</b>	<b>As on</b>
	<b>31/03/2011</b>	<b>31/03/2010</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>SCHEDULE - 10</b>		
<b>CURRENT LIABILITIES</b>		
(a) Sundry Creditors	<b>54431501</b>	85517888
(b) Unpaid Expenses	<b>629749</b>	634510
Total....	<b><u>55061250</u></b>	<b><u>86152398</u></b>

<b>SCHEDULE - 11</b>		
<b>PROVISIONS</b>		
(a) Provision for Income Tax	12760000	3760000
Less : Advance Income Tax and TDS	<u>7986965</u>	<u>2045042</u>
Total....	<b><u>4773035</u></b>	<b><u>1714958</u></b>

<b>Particulars</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>31/03/2011</b>	<b>31/03/2010</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>SCHEDULE - 12</b>		
<b>OTHER INCOME</b>		
(a) Interest (TDS Rs.2607/- Pr.Year Rs.4599/-)	<b>75196</b>	63179
(b) Waste & Scrap Sales	<b>662490</b>	397803
(c) Export Incentive	<b>7339754</b>	2913152
(d) Commission Received (TDS Rs. Nil P. Y. Rs. 30666)	<b>Nil</b>	306663
(e) Job work income (TDS Rs.3983/- P.Y. Nil)	<b>166380</b>	Nil
(f) Other Income	<b>25892</b>	Nil
Total....	<b><u>8269712</u></b>	<b><u>3680797</u></b>

<b>SCHEDULE - 13</b>		
<b>VARIATION IN STOCK OF FINISHED GOODS &amp; SEMI-FINISHED GOODS</b>		
Opening Stock	<b>66210640</b>	41339827
Less : Closing Stock	<b>82346511</b>	66210640
Total....	<b><u>16135871</u></b>	<b><u>24870813</u></b>

Particulars	Year ended 31/03/2011 Rs.	Year ended 31/03/2010 Rs.
<b>SCHEDULE - 14</b>		
<b>MANUFACTURING AND ADMINISTRATION EXPENSES</b>		
(a) Raw Materials Consumed		
Opening Stock :	24126408	12545179
Purchases	228566806	145572226
	<u>252693214</u>	<u>158117405</u>
Less : Closing Stock	28934220	24126408
Raw Material Consumed	<b>223758994</b>	<b>133990997</b>
(b) Payments to and provisions made for employees		
(1) Wages, Salaries and Bonus	16647404	12459285
(2) Company's Contribution to Provident and other Funds	1098918	913751
(3) Gratuity	785894	897830
(4) Staff Welfare expenses	744396	344618
(5) Labour charges	52306214	34797153
(6) Directors' Remuneration & Perq.	<u>757715</u>	<u>701363</u>
	<b>72340541</b>	<b>50114000</b>
(c) Operating and other expenses		
(1) Stores Spares & Packing Materials consumed	23641797	14140648
(2) Freight, Octroi, Clearing and Forwarding Charges	4688576	1926271
(3) Power, Fuel & Water Charges	3929802	3077498
(4) Repairs and Maintenance		
• Building	393714	294957
• Plant & Machinery	193134	209696
• Others	295552	245701
(5) Rent, Rates and Taxes	0	61012
(6) Insurance	599590	398835
(7) Printing, Stationery, Postage Advertisement & Telephone Expense	1447164	1225914
(8) Travelling, Conveyance & Vehicle Expenses (Including Directors Travelling Exp. of Rs. Nil/-Pr. Yr. Rs. Nil Foreign Travelling Rs. 1285370/- Pr. Yr Rs. 1147708/-)	4184524	2933979
(9) Auditor's remuneration		
(a) Audit fees	60665	60665
(b) In other capacities		
- For Income tax	8272	8272
(c) Tax Audit Fees	<u>18200</u>	<u>18200</u>
	<b>87137</b>	<b>87137</b>

**GALAXY BEARINGS LIMITED**

<b>Particulars</b>	<b>Year ended 31/03/2011 Rs.</b>	<b>Year ended 31/03/2010 Rs.</b>
(10) Legal and Professional Charges	1053553	1498882
(11) Sales Expenses	6140389	4056459
(12) Bad Debts Written Off	5027615	2405158
(13) Exchange Difference (Net)	2729164	8182659
(14) Donation	25000	25000
(15) Loss on Sale of Asset	122668	4246
(16) Excise Duty Difference on Stock	1481486	2548055
(17) General expenses (including license fees, bank charges and other miscellaneous expenses)	<u>2016244</u>	<u>1489844</u>
	<b>58057109</b>	<b>44811951</b>
Total....	<u><b>354156645</b></u>	<u><b>228916948</b></u>

**SCHEDULE - 15****INTEREST & FINANCIAL CHARGES**

(a) Term Loan Interest	<b>1557284</b>	1452804
(b) Others Interest	<b>12114392</b>	6867993
(c) Bank Charges & Other Financial Charges	<b>700200</b>	288084
Total	<u><b>14371876</b></u>	<u><b>8608881</b></u>



**SCHEDULE - 16**

**NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011**

1. Paise are rounded upto the nearest rupee.
2. Previous year's figures have been regrouped or rearranged so as to make them comparable with those of current year wherever necessary.
3. Balances are subject to confirmation.
4. In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value stated if realized in the ordinary course of business.
5. Accounting Policies

The significant accounting policies followed by the company are as stated below:

**a) Basis of Accounting:**

The Financial statements are prepared on a historical Cost Convention on the accrual basis and are materially complies with the mandatory accounting standards issued by the Institute of Chartered Accountants of India. The accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles.

**b) Fixed Assets and Depreciation:**

Fixed Assets:

Fixed assets are stated at cost of acquisition/construction. Direct costs including the financing costs till commencement of commercial production are allocated to the respective fixed assets. All other indirect costs upto the date of commercial production are suitably apportioned to the fixed assets.

Depreciation:

Depreciation is provided on Straight Line Method except on Plant & Machinery which is on Written Down Value Method at the rates and in the manner specified under Schedule XIV of the Companies Act, 1956 (as revised vide notification No. GSR 756 (E) dated 16th December, 1993 of the Department of Company Affairs, Government of India.)

**c) Inventories:**

The basis of valuation of inventories is: " Lower of cost or net realisable value". Finished Goods and Work in Progress are valued on weighted average method. Other inventories are Valued on FIFO Basis.

**d) Sales:**

Sales are accounted for on dispatch of goods to the customers and are net of Sales Return.

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

- i. Monetary Transactions related to foreign currency are accounted for at the equivalent rupee converted at the rates prevailing at the time of respective transactions and outstanding in respect thereof are translated at year end rates except for the debts which are doubtful of recovery.
- ii. The Company has charged 1/3<sup>rd</sup> of Exchange difference arising on other then long term foreign currency items in the profit and loss A/c which is not in accordance with AS-11" The Effects of Changes in Foreign Exchange Rates", as a result profit are understated by Rs. 30.54 Lacs.

**f) Employee Benefit**

- I. The Employee and Company make monthly fixed Contribution to Government of India Employee's Provident Fund equal to a specified percentage of the Covered employee's salary, Provision for the same is made in the year in which services are rendered by the employee.
- II. The Company has taken a Group Insurance policy for Gratuity and the provision is made to the extent of premium paid to the Life Insurance Corporation of India.
- III. The Company is following the Cash Method of accounting in respect of Leave Encashment and in absence of actuarial valuation, the amount is not ascertainable.

**g) Taxation**

Provision for Taxation has been made in accordance with the Income Tax Laws and Rules prevailing at the time of the relevant assessment years.

Deferred Tax resulting from the timing difference between book and tax profit is accounted for under the liability method, at the current rate of tax to the extent that the timing difference are expected to crystallize.

**h) Borrowing Cost:**

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. All other borrowing cost is charged to revenue.

**i) Intangible Assets:**

Direct cost incurred for acquisition of Intangible Assets is capitalised. Intangible Assets are amortised over period of five years.

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

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

**k) Impairment**

The management periodically assesses, using external and internal sources whether there is an indication that an asset may be impaired. If an asset is impaired, the company recognises an impairment loss as the excess of the carrying amount of the asset over the recoverable amount.

**l) Earning per Share**

Basic earning 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 earning 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.

6. The Company deals with several Small Scale Industrial (SSI) Undertakings on mutually accepted terms and conditions. Basis on the information received from SSI suppliers, the various amounts due to SSIs and included under sundry creditors aggregate Rs. 22,008/- (Previous Year Rs.

52,06,302/-, the name of such SSI suppliers where individual balance is in excess of Rs.1,00,000/- and due for more than 30 days are M/s. M/s. Ravi Metal Treatment.)

7. The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, and hence disclosure relating to amounts unpaid as at year end together with interest paid / payable under this Act has not been given.
8. Interest and Finance Charges are net of Subvention received/receivable on Export Packing Credit amounting to Rs. Nil (Previous Year Rs.96,284/-).
9. Profit for the year has been arrived at after adjusting following prior period items:-

Particulars	2010-2011	2009-2010
Legal & Professional Expense	Nil	95014
<b>Total Amount (Rs.)</b>	<b>Nil</b>	<b>95014</b>

10. 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 43.80 % (P.Y. 28.39 %) 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, 2011.

	India	Outside India	Total
Revenue by Geographical Market	217372266 (177632011)	169393930 (70425084)	386766196 (248057095)
Carrying amount of Segment Assets	143186189 (103710526)	18917890 (20675889)	162104079 (124386415)
Addition to Fixed Assets	3581940 (2970225)	Nil (Nil)	3581940 (2970225)

13. List of related parties with whom transaction have taken place during the year.

**a. Key Management Personnel**

- 1 Vinodbhai H. Kansagara
- 2 Navinchandra M. Patel
- 3 Bharatbhai K. Ghodasara

**GALAXY BEARINGS LIMITED****b. Relative of Key Management Personnel**

<b>Name of Person</b>	<b>Related Party Relation</b>
Kiritkant H. Kansagara	Brother of Key Management Personnel
Gujarat Cine Ent. Pvt Ltd	Private Ltd.Co. where Director's have Control
Sanat D Patel	Relative of Director
Tuhina R Bera	Relative of Director

- c. List of Other Related Parties with whom transactions have taken place during the period :  
Forge & Forge Pvt. Ltd.

**Details of Transaction : -**

<b>Sr No.</b>	<b>Nature of Transaction</b>	<b>Key Management Personnel</b>	<b>Relative of Key Management Personnel</b>	<b>Other Related Party</b>	<b>Total Rs.</b>
<b>1.</b>	<b>Unsecured Loan</b>				
	Loan taken during the year	Nil (Nil)	Nil (361364)	Nil (10000000)	Nil (10361364)
	Loan repaid during the Year	Nil (Nil)	798155 (36136)	1200000 (Nil)	1998155 (36136)
	Closing Balance	Nil (Nil)	2820000 (3216138)	10800000 (10000000)	12820000 (13216138)
<b>2.</b>	<b>Advance Given</b>				
	Advance given during the year	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	Advance Settled during the year	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	Closing Balance	Nil (Nil)	Nil (Nil)	922454 (922454)	922454 (922454)
<b>3.</b>	<b>Income</b>				
	Sales	Nil (Nil)	Nil (Nil)	15729285 (25616218)	15729285 (25616218)
<b>4.</b>	<b>Expenses</b>				
	Directors Remuneration	757715 (701363)	Nil (Nil)	Nil (Nil)	757715 (701363)
	Interest Paid	Nil (Nil)	402017 (361364)	1200000 (111781)	1602017 (473145)

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

1. Unsecured Loan:	2010-11	2009-10
		Amount in Rs.
Taken:		
- Forge & Forge Pvt. Ltd	Nil	1,00,00,000/-
Repayment :		
- Kirtikant H Kansagara	3,82,209	31,982/-
- Tuhina R Bera	4,15,946	4,154/-
- Forge & Forge P Ltd., Rajkot	12,00,000	Nil
2. Income:		
Sales:		
- Forge & Forge Pvt. Ltd., Rajkot	1,57,29,285/-	2,52,50,816
3. Expenses :		
Directors Remuneration :		
- Vinodbhai Kansagara	2,60,000/-	2,60,000/-
- Bharatbhai Ghodasara	4,97,715/-	4,41,363/-
Interest Expense:		
- Kirtikant Hirjibhai Kansagara	3,55,801/-	3,19,821/-
- Forge & Forge Pvt. Ltd., Rajkot Common Director	12,00,000/-	1,11,781/-

12. Major components of deferred tax Assets & Liabilities arising out of timing difference are as follows

	31.03.11	31.03.10
	Amount Rs.	Amount Rs.
<b>1 Deferred Tax Asset on account of</b>		
Disallowance U/s 40 (a)(ia) TDS not deducted	Nil	96222
Unpaid Bonus Expense	195553	175091
<b>Total Deferred Tax Assets</b>	<b>195553</b>	<b>271313</b>
<b>Deferred Tax Liability on account of</b>		
Difference of Depreciation as per Tax provisions and Company Law	4335774	4832397
<b>Total Deferred Tax Liability</b>	<b>4335774</b>	<b>4832397</b>
<b>Net Deferred Tax Liability/(Assets)</b>	<b>4140220</b>	<b>4561084</b>

**GALAXY BEARINGS LIMITED**

**13. Earning per Share**

Particular	Unit	31.03.11	31.03.10
Numerator used for calculating Basic and Diluted Earning per Share (Profit after Tax)	Rs.	13606207	4987987
Weighted average No. of shares used as denominator for calculating Basic and Diluted	No. of Shares	3180000	3180000
Nominal Value of Share	Rs.	10	10
Basic and Diluted Earning per Share	Rs.	4.28	1.57

**14. Advance to Private Ltd. Companies where some of the Directors of the Company are interested as Directors/ Members.**

Sr. No.	Name of the Company	Debit Balance Rs.	Maximum Debit Balance at any time during the year
1.	Gujarat Cine Ent. Pvt. Ltd.	922454 (922454)	922454 (922454)

**15. Detailed quantitative information in respect for each class of Finished Goods (as certified by Director)**

**(A) Licensed & Installed Capacity :**

Product Name	Licensed Capacity per annum		Installed Capacity per annum	
	31-03-11	31-03-10	31-03-11	31-03-10
Ball and Roller Bearings (Nos.)	N.A.	N.A.	2100000 Nos.	2100000 Nos.

Particulars	Opening Stock		Production	Closing Stock		Sales	
	Nos./MT	Rs.		Nos./MT	Rs.	Nos./MT	Rs.
Class of Good Manufactured							
Ball & Roller Bearings	264827 (217287)	52112134 (30452504)	2028080 (1185068)	248372 (264827)	67976981 (52112134)	2044535 (1137528)	371036912 (222440877)
Steel Bar (In MT)	Nil (Nil)	Nil (Nil)	--	Nil (Nil)	Nil (Nil)	501.160 (852.905)	15729285 (25616218)
Total P. Y. Total		52112134 (30452504)			67976981 (52112134)		386766197 (248057095)

**(B) Purchase of Finished Goods :**

Particulars	Unit	Quantity	Amt. Rs.
Steel Bar	MT	501.160 (852.905)	15729284 (25250816)
	Total	501.160 (852.905)	15729284 (25250816)

**(C) Raw Materials and Components Consumed :**

No.	Particular	Unit	Quantity	Value in Rs.
(1)	Alloy Steel Bar	Mt.	2134.467 (1436.443)	96410080 (59604913)
(2)	Rolled/Forged Rings	Nos.	2459956 *(1744283)	7380409 (2130407)
(3)	Cages	Nos.	1231041 (847541)	18610913 (12445963)
(4)	Roller	Nos.	24158686 (16000053)	53398257 (32954982)
(5)	Semi Finished Bearings	Nos.	833667 (332950)	46813412 (26276437)
(6)	Other Components	Nos.	---	1673654 (578295)
Total....				223758994
Previous Year Total.....				(133990997)

\* Includes consumption of own production of 2334746 Pcs. (Pr. Year 1707017 Pcs)

**(D) Percentage of Consumption :**

	Indigenous	Imported	Total
(i) Raw Materials and Components :			
Value	223758994 (133990997)	Nil (Nil)	223758994 (133990997)
Percentage	100% (100%)	0.00% (0.00%)	100% (100%)
(ii) Stores & Spares :			
Value	23641797 (14140648)	Nil (Nil)	23641797 (14140648)
Percentage	100% (100%)	Nil (Nil)	100% (100%)

**GALAXY BEARINGS LIMITED**

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<b>(E) CIF Value of Imports :</b>	Amount (Rs.)
1. Raw Materials	Nil (Nil)
2. Components & Spare Parts	Nil (Nil)
3. Capital goods	Nil (Nil)
<b>(F) Expenditure in Foreign Exchange :</b>	
1. Travelling	468408 (363248)
2. Foreign Bank Charges	210322 (64907)
<b>(G) Earning in Foreign Exchange :</b>	
F.O.B. Value to Export	121920318 (49982923)

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As per our report of even date attached herewith

For **J T SHAH & Company**

*Chartered Accountants*

For **GALAXY BEARINGS LTD.**

**J T Shah**

*(Partner)*

**V H Kansagara**

*Chairman & Mg. Director*

**B K Ghodasara**

*Vice Chairman & Jt. Mg. Director*

**Place :** Ahmedabad

**Date :** 30.07.2011

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**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I. Registration Details

Registration No.    0  4  1  4  3  8  5 State Code  0  4

Balance Sheet Date  3  1  0  3  2  0  1  1

Date                      Month                      Year

II. Capital Raised during the year (Amount in Thousand)

Public Issue	Right Issue
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L
Bonus Issue	Private Placement
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L

III. Position of Mobilisation and Deployment of Funds (Rupees in Thousand)

Total Liabilities	Total Assets
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 2 <input type="text"/> 6 <input type="text"/> 1 <input type="text"/> 2 <input type="text"/> 2 <input type="text"/> 7	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 2 <input type="text"/> 6 <input type="text"/> 1 <input type="text"/> 2 <input type="text"/> 2 <input type="text"/> 7

Sources of Funds

Paid up Capital	Reserves & Surplus
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 3 <input type="text"/> 1 <input type="text"/> 8 <input type="text"/> 0 <input type="text"/> 0	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 3 <input type="text"/> 8 <input type="text"/> 3 <input type="text"/> 2 <input type="text"/> 7
Secured Loans	Unsecured Loans
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 8 <input type="text"/> 7 <input type="text"/> 7 <input type="text"/> 7 <input type="text"/> 7	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 3 <input type="text"/> 9 <input type="text"/> 3 <input type="text"/> 5 <input type="text"/> 5
Deferred Tax Liability	
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 0 <input type="text"/> 0	

Application of Funds

Net Fixed Assets	Investment
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 3 <input type="text"/> 5 <input type="text"/> 7 <input type="text"/> 2 <input type="text"/> 4	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L
Net Current Assets	Misc. Expenditure
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 1 <input type="text"/> 6 <input type="text"/> 5 <input type="text"/> 6 <input type="text"/> 6 <input type="text"/> 9	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L
Accumulated Loss	
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

IV. Performance of Company (Rupees in Thousand)

Turnover & Other Income	Total Expenditure
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 4 <input type="text"/> 1 <input type="text"/> 1 <input type="text"/> 1 <input type="text"/> 7 <input type="text"/> 2	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 3 <input type="text"/> 8 <input type="text"/> 8 <input type="text"/> 9 <input type="text"/> 8 <input type="text"/> 1
+ - Profit Before Tax	+ - Profit After Tax
<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="text"/> <input type="text"/> <input type="text"/> 2 <input type="text"/> 2 <input type="text"/> 1 <input type="text"/> 9 <input type="text"/> 1	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="text"/> <input type="text"/> <input type="text"/> 1 <input type="text"/> 3 <input type="text"/> 6 <input type="text"/> 0 <input type="text"/> 6

(Please tick Appropriate box + for Profit & - for Loss)

Earning per Share (In Rs.)  4  .  2  8 Dividend      N I L

V. Generic Names of Principal Products / Services of Company

I.T.C. Code	Product Description
<input type="text"/> 8 <input type="text"/> 4 <input type="text"/> 8 <input type="text"/> 2 <input type="text"/> . <input type="text"/> 1 <input type="text"/> 0	<input type="text"/> B <input type="text"/> A <input type="text"/> L <input type="text"/> L <input type="text"/> B <input type="text"/> E <input type="text"/> A <input type="text"/> R <input type="text"/> I <input type="text"/> N <input type="text"/> G <input type="text"/> S
<input type="text"/> 8 <input type="text"/> 4 <input type="text"/> 8 <input type="text"/> 2 <input type="text"/> . <input type="text"/> 2 <input type="text"/> 0	<input type="text"/> R <input type="text"/> O <input type="text"/> L <input type="text"/> L <input type="text"/> E <input type="text"/> R <input type="text"/> B <input type="text"/> E <input type="text"/> A <input type="text"/> R <input type="text"/> I <input type="text"/> N <input type="text"/> G <input type="text"/> S

Place : Ahmedabad  
Date : 30.07.2011

**V H Kansagara**  
Chairman & Mg. Director

**B K Ghodasara**  
Vice Chairman & Jt. Mg. Director

# GALAXY BEARINGS LIMITED

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

## ATTENDANCE SLIP

Folio No.....

No. of Shares Held.....

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company, and hereby record presence at the **TWENTY FIRST ANNUAL GENERAL MEETING** of the members of Galaxy Bearings Ltd., at T-18, Vikram Chambers, Ashram Road, Ahmedabad - 380 009, at 11.30 A.M. on Monday, 26th September, 2011.

.....  
(Member's/Proxy's Name in BLOCK Letters)

.....  
(Member's/Proxy's Signature)

Note : Please fill in this attendance slip and hand it over at the ENTRANCE OF THE HALL

.....  
TEAR HERE

# GALAXY BEARINGS LIMITED

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

## FORM OF PROXY

Folio No.....

No. of Shares Held.....

I/We ..... of ..... being member(s) of the above named Company, hereby appoint Shri/Smt. ....

..... of .....

or failing him/her, Shri/Smt ..... of .....

as my/our proxy to vote for me/us on my/our behalf at the **TWENTY FIRST ANNUAL GENERAL MEETING** of the Company to be held on Monday, 26th September, 2011 and at any adjournment thereof.

Signed this ..... day of .....,2011 Signature

1 Rs.  
Revenue  
Stamp

**Note:** This instrument of Proxy should be deposited at the Registered Office of the Company not less than 48 (FORTY EIGHT) hours before the time of holding the Meeting.

**GALAXY BEARINGS LIMITED**

T-18, Vikram Chambers,

Ashram Road,

Ahmedabad - 380 009

Gujarat