



September 1, 2020

To,
BSE Limited,
Phiroz Jeejeebhoy Tower,
Dalal Street,
Mumbai-400001

Sub: Annual Report for the Financial Year 2019-20.

Ref: GALAXY BEARINGS LIMITED (Scrip Code: 5260731; Scrip ID: GALXBRG)

Dear Sir,

In compliance of provisions of Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith a copy of Annual Report of the Company for the Financial Year 2019-2020 which inter-alia includes Notice of the 30th Annual General Meeting, which is being sent through electronic Mode to the Members.

The Annual Report 2019-20 including Notice is also uploaded on company's website www.galaxybearings.com.

This is for your information and records.

Thanking you,

Yours faithfully,

For **GALAXY BEARINGS LIMITED**

A handwritten signature in black ink, appearing to read 'Urvasi', is written over a horizontal line.

URVASHI GANDHI
COMPANY SECRETARY



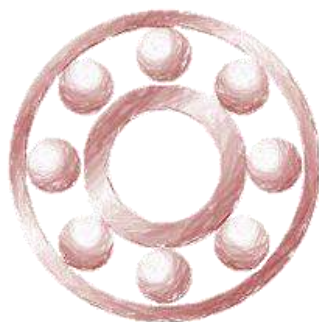


GALAXY
BEARINGS LIMITED



**30th ANNUAL
REPORT
2019-2020**

Welcome, To The Thirtieth Annual Report of Galaxy Bearings Limited



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About Us



Galaxy Bearings Limited started manufacturing Taper Roller Bearings & Cylindrical Roller Bearings in 1990 and so far we have developed a variety of bearings to cater different market segments.

We draw inspiration from the immense power and energy of the Sun. It is our symbol for all the values that we hold - Reliability, Strength, Quality and Energy. And just like the sun provides light and warmth to the universe, we strive to reach our customers, no matter where they are in the world and ensure that they receive highest quality product and services with punctual deliveries and for earning the warmth of business relationship based on high business morals and ethics.

Mission Statement

- To attain global best manufacturing practices and become a world class bearing manufacturer
- To provide affordable & reliable quality products

- To achieve excellence in service and reliability
- To earn the trust and confidence of all customers
- To consistently achieve high growth with the highest levels of productivity

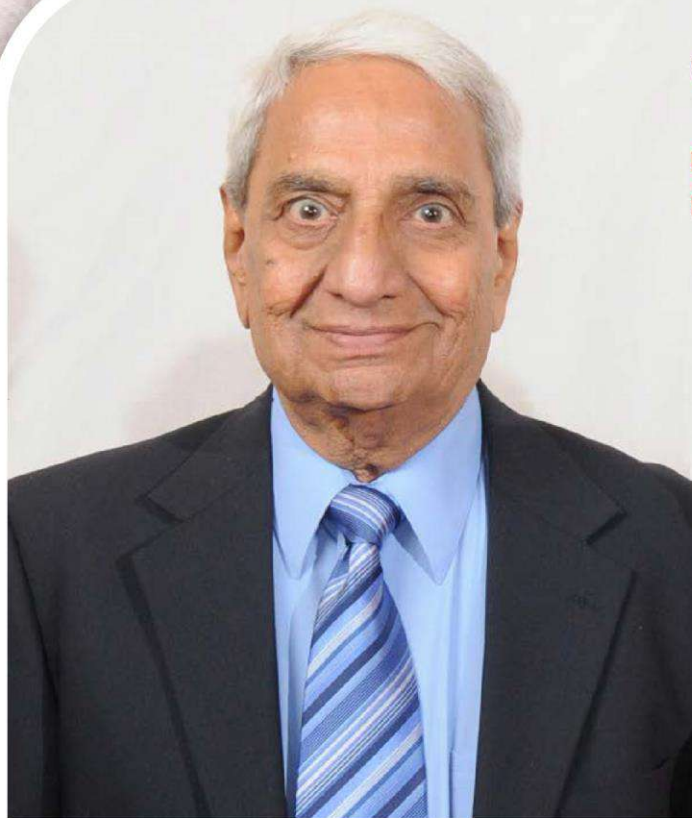
Vision Statement

To become a remarkable player in the bearing industries by manufacturing & supplying bearings as per the Indian Standard & customer specific requirements to customers in India & Worldwide

Company Values

- Mutual respect
- Team work
- Creativity
- Excellence
- Trust worthiness





We Miss You,

Late Shri Vinodrai Hirji Kansagara
Founder

“Growth to be meaningful, impactful and sustainable needs to be nurtured with Care. Care that is all inclusive and holistic.”



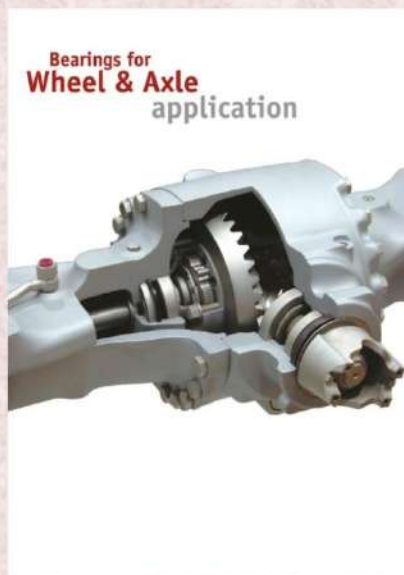
spearheading
spearheading a leading

The commercial transport market is extremely competitive. Whether the operation is in India or overseas, ensuring vehicles are on the road, working is a prime focus for all areas of the industry.

Providing reliable on-road operations with comprehensive yet flexible service, now drives much of the thinking & Galaxy Bearing Ltd. have already adopted the feel to provide high precision bearing. Our bearings are very predictable which makes it an ideal host for monitoring not only its performance, but also the performance of the greater assemblies of which it is a part.

Galaxy Bearings Ltd. is specialized in manufacturing anti-friction bearings used in Wheel & axle assemblies for applications such as container trailer, equipment carrier, port trailer, bulk tank trailer, and dump trailer as well as various automotive assemblies for agriculture.

Galaxy Bearing Ltd. also manufactures axle spare parts & exports to various countries. We pay special attention in manufacturing axle & wheel bearings as they play pivotal role in functioning of axles. Our made parts have met total customer's satisfaction due to quality & cost efficiency.



Our bearings are used in variety of Earth moving equipment such as Pick-n-Carry Cranes, Industrial Slew Cranes, Rough Terrain Slew Cranes, Boom Crawler Cranes, Articulated Boom Cranes, Forklifts Truck Loaders, Backhoe Loaders, Vibratory Compactors, Dumpers Excavators, Material Handlers, Wheel Loaders etc. which run under rugged conditions.

We offer bearings which supports, directs & minimizes the friction of motion that occurs between the machine parts. It is also the part of main machinery that supports the entire weight.

For smooth, fast and efficient working, our bearings are made as per customer's expectations to be used for varied applications such as wheel / axle, pulley and gearbox.

Bearings for
Earthmoving & Crane
application



extreme power
simplified
extreme load
nullified



Galaxy Bearings Ltd. also leads in manufacturing bearings to the motors & compressors industry which meets individual specifications & tolerances. This sustains the performance characteristics & physical properties which are the prerequisite of these applications.

By the means of specialized tooling & engineering techniques Galaxy Bearings Ltd. can produce in mass production. Our closed cooperation since the decade have led to innovative solutions and advancements in our bearings. Thus having better performing motors & compressors today, more reliable motors & compressors for tomorrow.

We are poised to provide you with the highest quality service available in the industry with both time and cost efficiency.



We have state of art manufacturing technology ensuring the quality of our product initiated from the raw material procurement to the final processes.

- Forging
- Spherodised annealing
- CNC turning
- Heat treatment (Through hardening)
- Grinding - SPM for bearing rings
 - Duplex grinders (Through feed)
 - Center less grinders
 - External track grinders
 - Lip grinders
 - Internal grinders
 - Super finishing
 - A complete line of imported, automized, CNC controlled grinding machine with MARPOSS in process & post process gauging
- Imported Automatic Washing & Oiling machine for assembly line
- Automatic roller shorting machine

Production Facilities



geared for
superior performance

Galaxy Bearings Ltd. has a required set up for ensuring desired quality. We are equipped with various testing equipment bearings...

- Surface finish & form Testing Instrument
- Roundness Tester
- Metallurgical Microscope
- Contamination testing equipment
- Magnetic crack detector
- Noise testing instrument
- Vibration analyzer
- Digital Dial Indicator Calibrator
- Required all other gauges & instruments in metrology laboratory.
- Required Metallurgical testing equipment in metallurgical laboratory.
- Bearing Test Rigs for product validation / functional test
- Bearing Frictional Torque measurement equipment

Quality Control



authenticity
inspiration
commitment
honesty



Product Range



Letter to Shareholders

Dear Shareholders,

On behalf of the Board, I'm delighted to report another year for Galaxy Bearings as we continue our focused efforts towards pursuing our long term objectives. Our strengths in the areas of metallurgy, part design, and global foot-print and skilled talent base remain the focal points around which we continue to invest. While giving you a glimpse of our near-term strategies, despite the year 2019-20 being marred by uncertainties and volatilities, we continued working closely with our customers – helping them mitigate all the ambiguities. We navigated through the challenging situation with our prompt and decisive actions while constantly delivering value for all our stakeholders.

The global economy demand slackened with a reduction in growth in major economies with financial disruptions and uncertainty in trade tensions between the US and China. Growth in most Emerging Market and Developing Economies (EMDE) regions which contributes to around 59% of total global GDP has drastically underperformed, reflecting downgrades to almost half of Emerging Markets and Developing Economies. The Indian economy is forecasted a receding rate, with at a 7-year-low GDP growth rate which precludes India's vulnerability to an extended economic slowdown. Adding to the weakened manufacturing and domestic and international demand; COVID-19 has created a breakdown in global supply chains at a time of organizations worldwide relying on the philosophies of globalization. An already fragile economy and uncertainty of production cycles Automobile sales in India across categories declined 19.08% in February as economic slowdown continued to hit demand. Your company has been closely monitoring the status of the pandemic outbreak and its potential unforeseen adverse impact. Anticipating the further time-scope of the current restrictions implemented by the Government of India.

Our top priority is the safety and well-being of our employees, who are vital to support our customers and the communities we operate in. Considering the potential risks of safety we have implemented a number of preventative and precautionary actions with immediate effect to ensure employee well-being and continued service of our customers. Our hearts go out to anyone who's been impacted by the virus, either directly or indirectly. Our thoughts are especially with those who are sick, to whom we extend our heartfelt wishes for a full recovery. And we're truly inspired by the selfless healthcare workers around the world who are on the front lines working tirelessly to care for people in need. We wish the world comes out safely from this notified disaster soon. We are grateful to our clients for their trust, to our employees for their steadfast efforts and to our stockholders for believing in our strategy and its potential for creation of value.

I thank all the stakeholders for placing their trust and confidence and look forward to your continued support.

Stay Safe & Stay Healthy.

Bharatkumar Ghodasara
Whole-Time Director,
Galaxy Bearing Limited

Corporate Information

BOARD OF DIRECTORS

Bharatkumar Ghodasara	Whole-time Director
Jyotsnaben Vachhani	Chairperson & Independent Director
Shetal Gor	Non-Executive Director
Devang Gor	Non-Executive Director
Navinchandra Patel	Non-Executive Director
Tuhina Bera	Non-Executive Director
Jitendra Shah	Independent Director
Pradeep Khetani	Independent Director

CHIEF FINANCIAL OFFICER

Dixit Patel

COMPANY SECRETARY

Urvashi Gandhi

BANKER

State Bank of India

STATUTORY AUDITORS

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

REGISTERED OFFICE

A-53/54, 5th Floor,
Pariseema Complex,
C.G. Road, Ellisbridge,
Ahmedabad 380006
Email: investor.gbl@gmail.com
Website: www.galaxybearings.com
Tel.: (079) 29606020

FACTORY PREMISES

Survey No.253,
National Highway No. 27
Shapar, Rajkot - 360 024

CORPORATE IDENTITY NUMBER

L29120GJ1990PLC014385

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Link Intime India Private Limited
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
Website: www.linkintime.co.in
Tel.: (079) 2646 5179/86/87

COMMITTEES

Audit Committee

Jyotsnaben Vachhani (Chairman)
Jitendra Shah
Pradeep Khetani

Stakeholders' Relationship Committee

Jyotsnaben Vachhani (Chairman)
Jitendra Shah
Pradeep Khetani

Nomination and Remuneration Committee

Jitendra Shah (Chairman)
Jyotsnaben Vachhani
Pradeep Khetani

Corporate Social Responsibility and Governance Committee

Jyotsnaben Vachhani (Chairman)
Jitendra Shah
Pradeep Khetani

Notice

NOTICE is hereby given that the Thirtieth Annual General Meeting of the members of Galaxy Bearings Limited (CIN: L29120GJ1990PLC014385) will be held on Friday, September 25, 2020 at 03:30 p.m. (IST) through Video Conference (“VC”) / Other Audio Visual Means (“OAVM”) (“hereinafter referred to as “electronic mode”) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2020 and the Reports of Board of Directors and Auditor’s thereon.
2. To appoint a Director in place of Mrs. Shetal Gor (DIN: 07056824), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. To re-appoint Mr. Bharatkumar Ghodasara (DIN: 00032054) as a Whole-time Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force) and in terms of recommendation of Nomination and Remuneration Committee, the consent of the Members be and is hereby accorded to the re-appointment of Mr. Bharatkumar Ghodasara (DIN: 00032054) as Whole Time Director of the Company for a period of 3(three) years with effect from September 01, 2020 to August 31, 2023, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said reappointment and / or remuneration as it may deem fit;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors

For **Galaxy Bearings Limited**

Urvashi Gandhi

Company Secretary & Compliance Officer

Ahmedabad, August 21, 2020

Registered Office:

A-53/54, 5th Floor,

Pariseema Complex,

C.G. Road, Ellisbridge,

Ahmedabad 380006

CIN: L29120GJ1990PLC014385

Website: www.galaxybearings.com

E-mail: investor.gbl@gmail.com

Tel: (079)29606020

Notes

1. An explanatory Statement setting out details relating to the special business to be transacted at the Annual General meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto. The Board of Directors of the Company at its meeting held on August 21, 2020 considered that the special business under Item Nos. 3, being considered unavoidable, be transacted at the Thirtieth Annual General Meeting of the Company.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020 (hereinafter collectively referred to as “MCA Circulars”) permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM.
3. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company, however, since this AGM is being held pursuant to the MCA Circular No. 14/2020 of dated April 08, 2020 through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution / Authorization etc., authorizing its representative to attend the Annual General Meeting through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution /Authorization shall be sent to the Company on their email id investor.gbl@gmail.com and to its RTA at instameet@linkintime.co.in

5. Registration of email ID and Bank Account details:

In case the shareholder’s email ID is already registered with the Company/its Registrar & Share Transfer Agent “RTA”/Depositories, the log in details for e-voting are being sent on the registered email address.

In case the shareholder has not registered his/her/their email address and Bank Account details with the Company/its RTA/ Depositories, the following instructions to be followed:

- i. Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit. OR

- ii. In the case of Shares held in Demat mode:

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

6. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2019-20 is being sent only by electronic mode to those Members whose email addresses are registered with the Company / Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2019-20 will also be available on the Company's www.Galaxybearings.com websites of the Stock Exchanges BSE Limited at www.bseindia.com and website of RTA www.linkintime.co.in. Members can attend and participate in the Annual General Meeting through VC / OAVM facility only.
7. Members attending the meeting through VC / OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent.
9. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company on or before September 21, 2020 through email on investor.gbl@gmail.com. The same will be replied by the Company suitably.
10. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
11. Members of the Company holding shares either in physical form or in Dematerialized forms as on cut-off date i.e. September 18, 2020 will be entitled to vote on the resolutions proposed in the Notice.

12. Members are requested to quote their Folio No. or DP ID/ Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar and Share Transfer Agent.
13. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 19, 2020 to Friday, September 25, 2020 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013.
- 14. Information and other Instructions relating to e-voting are as under:**
- a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020 and SEBI Circular dated May 12, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the Annual General Meeting. The Company has engaged the services of Link Intime India Private Limited as the Agency to provide e-voting facility for voting through remote e-voting, for participation in the Thirtieth AGM through VC/OAVM Facility and e-voting during the Thirtieth AGM.
 - b. The Board of Directors of the Company has appointed Mr. Jignesh Kotadiya Practicing company secretary as the Scrutinizer, to scrutinize the e-voting.
 - c. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. September 18, 2020.

Instruction for Shareholders/ Members for e-voting Facility:

The voting period begins on Tuesday, September 22, 2020 at 09.00 a.m. (IST) and ends on Thursday, September 24, 2020 at 5.00 p.m. (IST). The E-Voting module shall be disabled by Link Intime India Private Limited for voting thereafter. 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. September 18, 2020 only shall be entitled to cast their vote either through remote e-voting or through E voting at the AGM.

Remote e-Voting Instructions for Shareholders:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

- Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -

A. User ID: Enter your User ID

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

- Shareholders/ members holding shares in **CDSL demat account shall provide either ‘C’ or ‘D’, above**
 - Shareholders/ members holding shares in **NSDL demat account shall provide ‘D’, above**
 - Shareholders/ members holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above
- Set the password of your choice (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).
- Click “confirm” (Your password is now generated).

NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.
4. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).

7. 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'**.
8. After selecting the desired option i.e. **'Favour / Against'**, 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.
9. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <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.
10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

If you have forgotten the password:

- Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **'Submit'**.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- 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.

For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/ members have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

Process and manner for attending the Annual General Meeting through InstaMeet:

Shareholders/Members are entitled to attend and participate in the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process.

1. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and shall be kept open till the expiry of 15 minutes after the schedule time on first come first basis.
2. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first come first basis.
3. Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:

Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

➤ Select the **"Company"** and **'Event Date'** and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**

Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**

Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

- Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting). Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/Members to vote during the Annual General Meeting through Instameet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “**Cast your vote**”.
2. Enter 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on “**Submit**”.
3. After successful login, you will see “Resolution Description” and against the same the option “**Favor/ against**” for voting.
4. Cast your vote by selecting appropriate option i.e. “**Favor/Against**” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under “**Favor/Against**”.
5. After selecting the appropriate option i.e. Favor/Against as desired and you have decided to vote, click on “**Save**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate

in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id at investor.gbl@gmail.com for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

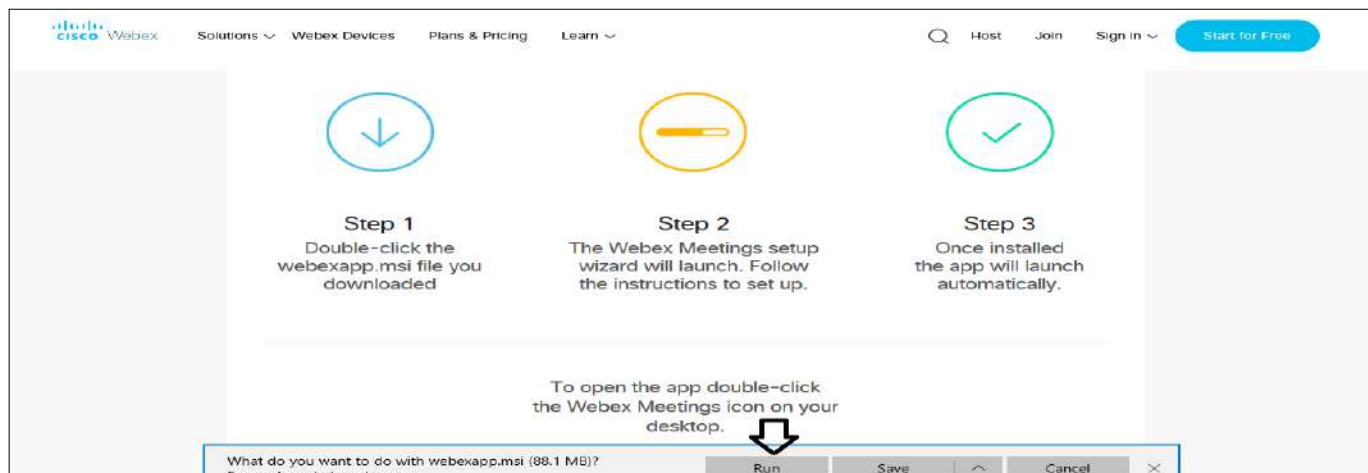
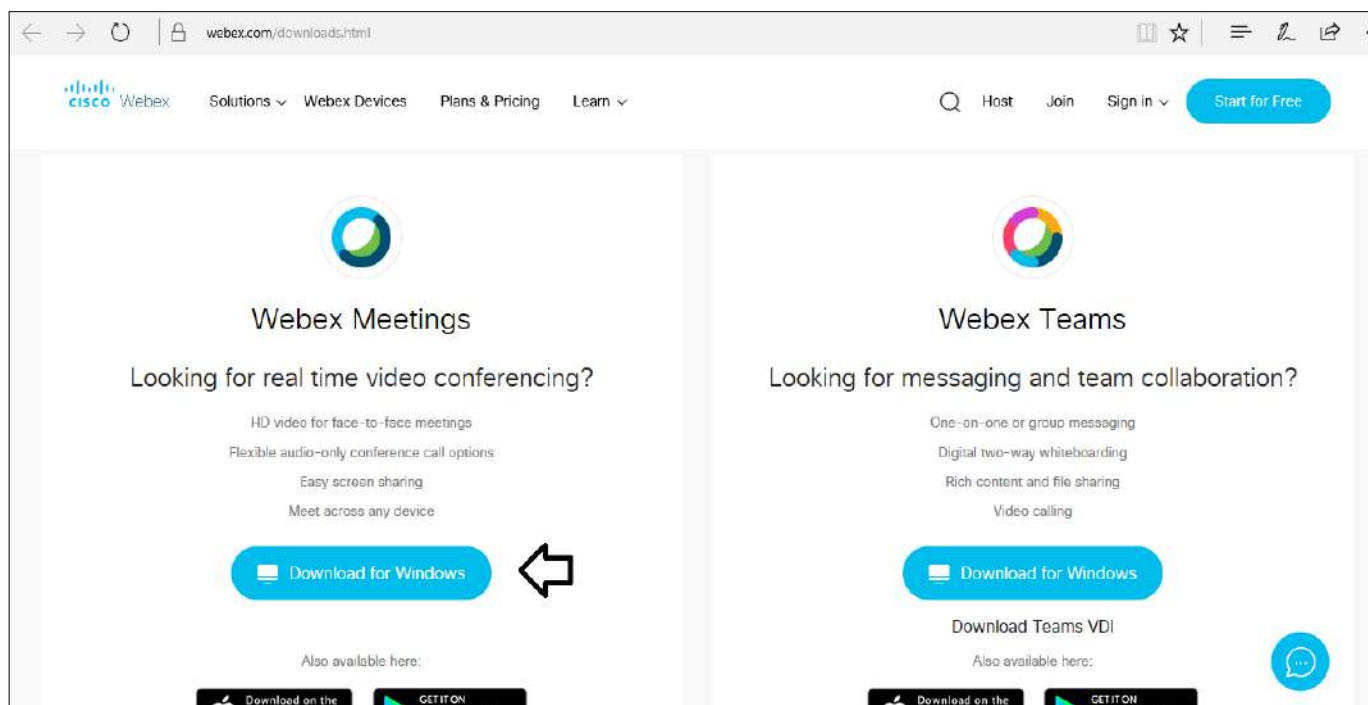
Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

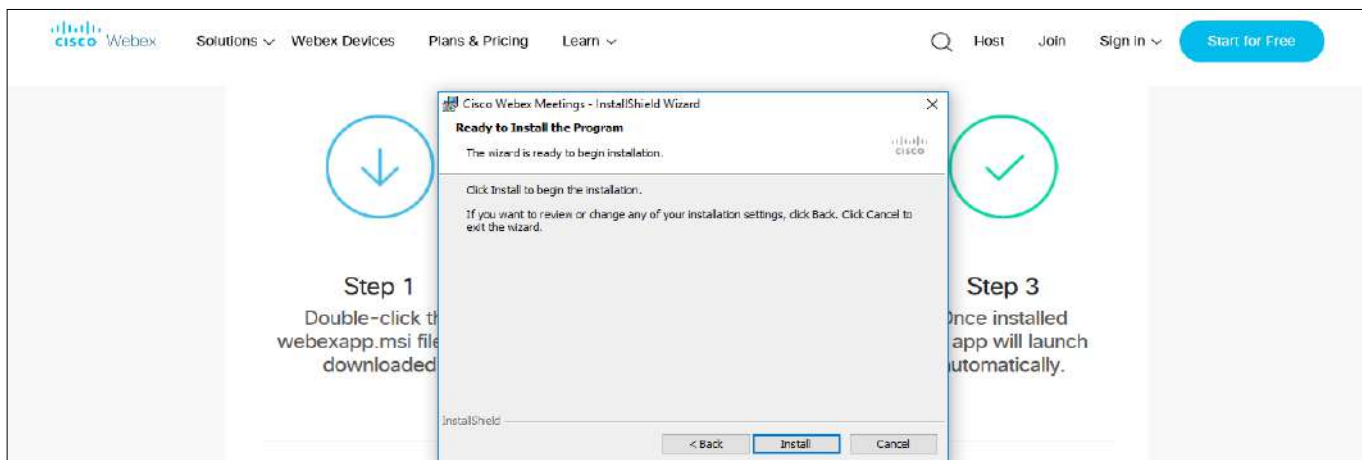
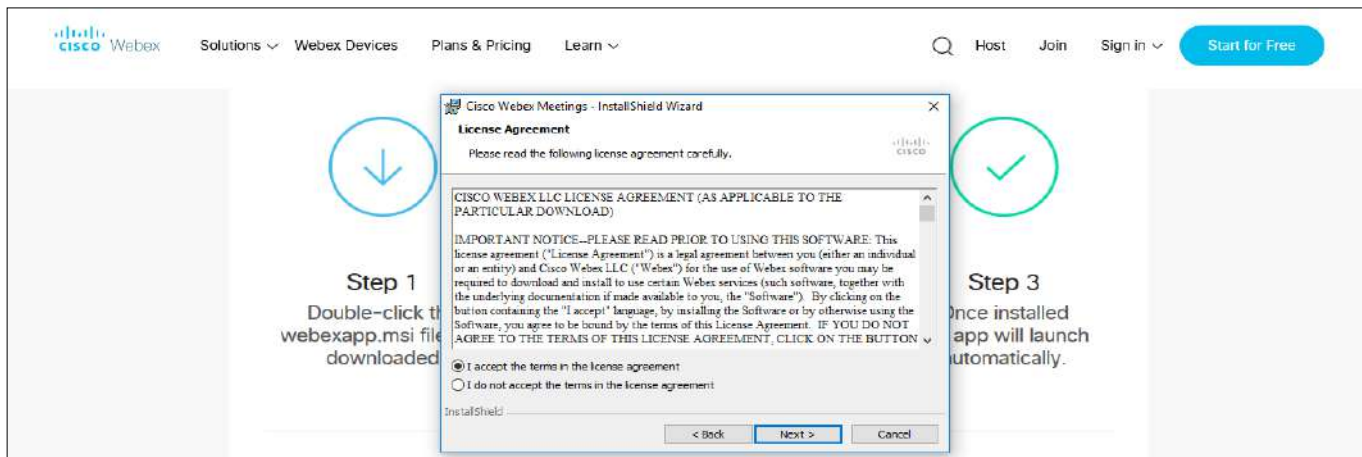
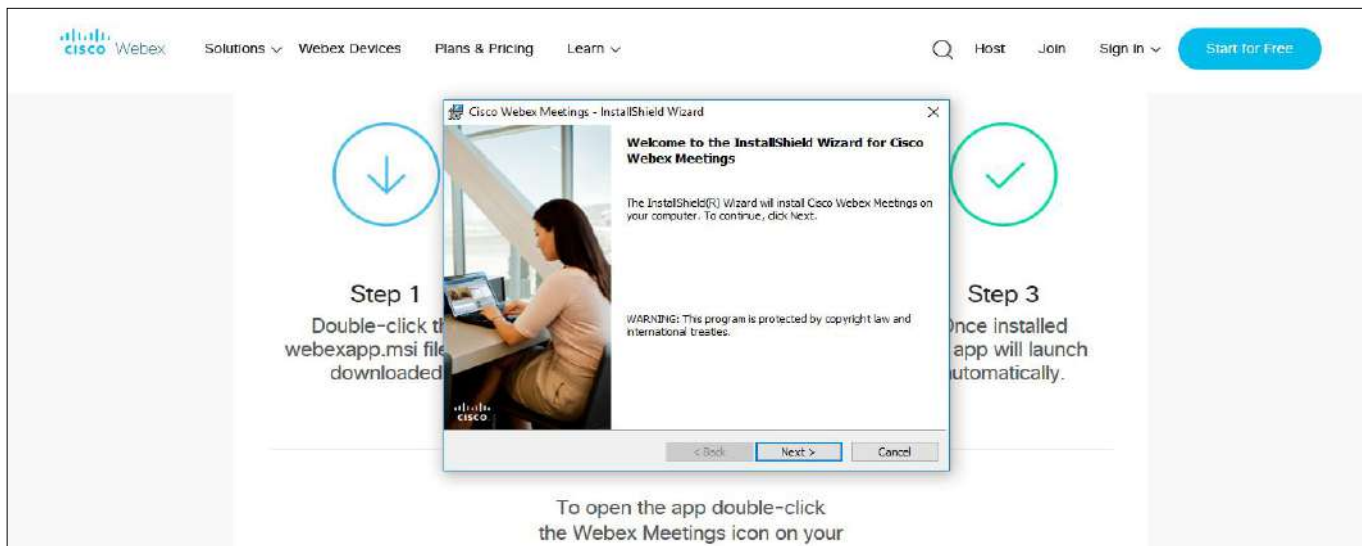
ANNEXURE

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>





OR

b) If you do not want to download and install the Webex application, you may join the meeting by following the

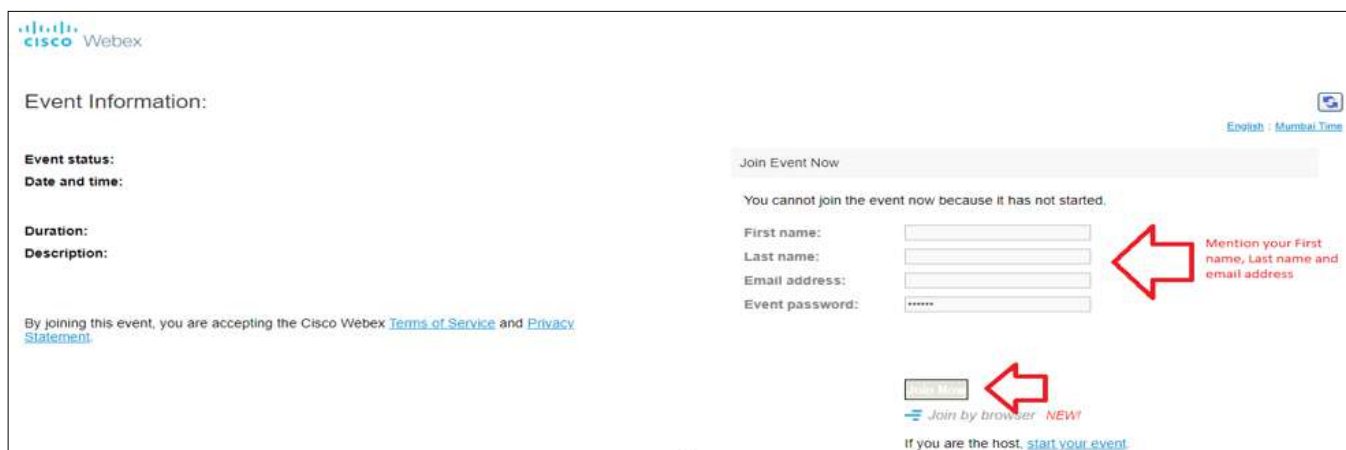
Step 1 Enter your First Name, Last Name and Email ID and click on Join Now.

1 (A) If you have already installed the Webex application on your device, join the meeting by clicking on Join Now

1 (B) If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.

Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

process mentioned as under:



The screenshot displays the Cisco Webex 'Join Event Now' interface. On the left, under 'Event Information:', there are fields for 'Event status:', 'Date and time:', 'Duration:', and 'Description:'. Below these, a note states: 'By joining this event, you are accepting the Cisco Webex [Terms of Service](#) and [Privacy Statement](#).' On the right, there is a 'Join Event Now' button. Below it, a message reads: 'You cannot join the event now because it has not started.' Further down are input fields for 'First name:', 'Last name:', 'Email address:', and 'Event password:'. A red arrow points to the 'Join Now' button, and another red arrow points to the input fields with the text 'Mention your First name, Last name and email address'. At the bottom, there is a 'Join by browser NEW!' link and a link for hosts to 'start your event'.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**ITEM NO.3**

The Board of Directors of the Company ("the Board"), at its meeting held on August 21, 2020 has, subject to approval of members, re-appointed Mr. Bharatkumar Ghodasara (DIN: 00032054) as a Whole-time Director, designated as Executive Director, for a period of 3 (three) years from the expiry of his present term, i.e., with effect from September 1, 2020, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the 'NR Committee') of the Board.

Members' approval is sought for the re-appointment of and remuneration payable to Mr. Bharatkumar Ghodasara as a Whole-time Director, designated as Executive Director of the Company, in terms of the applicable provisions of the Companies Act, 2013 ("the Act").

Broad particulars of the terms of reappointment of and remuneration payable Mr. Bharatkumar Ghodasara are as under:

(1) Salary:

Rs. 60,000/- per month (Increment in salary per annum will be as per rules of the Company).

(2) Perquisites:

The aggregate value of perquisites and other benefits shall not exceed Rs. 5,00,000/- per annum.

(3) Contribution to Provident Fund, Gratuity, Leave ,Bonus etc.:

As per the rules of the Company.

(4) Car:

Provision of Company's cars for official purpose.

(5) Reimbursement of costs, charges, and expenses:

The Company shall pay to or reimburse the Whole Time Director and he shall be entitled to be paid and/or to be reimbursed by the Company, all cost, charges and expenses that may have been or may be incurred by them for the purpose of or on behalf of the Company.

(6) General:

- i. The Whole-time Director shall perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board and the functions of the Whole-time Director will be under the overall authority of the Board of Directors.

- ii. The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- iii. The Whole-time Director shall adhere to the Company's Code of Conduct.
- iv. The office of the Whole-time Director may be terminated by the Company or by him by giving the other 1 (one) months' prior notice in writing.

Mr. Bharatkumar Ghodasara satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under subsection (3) of Section 196 of the Act for being eligible for his reappointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Bharatkumar Ghodasara under Section 190 of the Act.

Details of Mr. Bharatkumar Ghodasara are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii)

Details of Directors Retiring by Rotation / Seeking Reappointment at the Meeting

[Pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2 on General Meetings]

Name of the Director	Mrs. Shetal Gor	Mr. Bharatkumar Ghodasara
DIN	07056824	00032054
Age	49 Years	61 Years
Date of first appointment on the Board	January 8, 2015	March 28, 1994
Qualifications	M.S. in Electrical Engineering (USA)	B. Com, LLB
Experience & Expertise in specific functional areas	Finance, Managerial and Engineering Experience	Manufacturing, Production, Marketing and Finance
No. of Shares held in the Company as on March 31, 2020	183,210	15,600
List of Directorships held in other Companies as on March 31, 2020	NIL	Avni Dealings Private Limited
Membership / Chairmanship of Committees of other Boards as on March 31, 2020	NIL	NIL
Remuneration proposed to be paid	As per Item no 2 of the Thirtieth Annual General Meeting.	As per Item no 3 of the Thirtieth Annual General Meeting.
Remuneration last drawn for FY 2019-2020 (including sitting fees & commission, if any)	NIL	For remuneration details, please refer to the Board's Report.
Terms and Conditions of appointment/re-appointment	In term of section 152 of the Companies Act, 2013, Mrs. Shetal Gor (DIN: 07056824), Director of the	As per the resolution at Item No. 3 of the Notice convening this meeting read with explanatory

	Company retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.	statement thereto.
Relationships between Directors inter-se	Spouse of Mrs. Devang Gor & Sister of Tuhina Bera	NA
Number of Meetings of the Board attended during the year	3 out of 4	4 out of 4

By Order of the Board of Directors
For **Galaxy Bearings Limited**

Urvashi Gandhi

Company Secretary & Compliance Officer

Ahmedabad, August 21, 2020

Registered Office:

A-53/54, 5th Floor,

Pariseema Complex,

C.G. Road, Ellisbridge,

Ahmedabad 380006

CIN: L29120GJ1990PLC014385

Website: www.galaxybearings.com

E-mail: investor.gbl@gmail.com

Tel.: (079) 29606020

DIRECTOR S' REPORT

Dear Members,

Your Directors are pleased to present the **THIRTIETH ANNUAL REPORT** of Company together with the Audited Financial Statements for the year ended March 31, 2020.

FINANCIAL SUMMARY

(Rs. In lakhs)

Particulars	March 31,2020	March 31,2019
Total Revenue	4933.57	7470.03
Profit / (Loss) before Interest and Depreciation	815.44	1067.50
Less: Finance Cost	23.56	56.03
Profit/(Loss) Before Depreciation	791.88	1011.47
Less: Depreciation and Amortization Expense	99.18	97.05
Profit /(Loss) Before Tax	692.69	914.42
Provision for taxation		
Less: Current Tax	174.50	250.00
Less: Short / (Excess) Provision of Income Tax of earlier years	(40.37)	0.38
Less: Deferred Tax Liability / (Assets)	(1.41)	4.89
Net Profit /(Loss) After Tax	559.98	659.16
Add/(Less): Other Comprehensive income	3.36	(2.97)
Total Comprehensive Income for the period	563.34	656.19

* **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 decreased to Rs. 4933.57 lakhs as against Rs. 7470.03 lakhs in the previous year and net profit of the company for the year has decreased to as compared Rs. 559.98 lakhs to Rs. 659.16 lakhs for the previous year.

Performance of the company is mainly affected due to fluctuations in currencies , Trade wars between major economies, geo political developments across borders, outbreak of COVID-19, lockdown announced by India government, and slowdown in Global economy.

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report other than the impact of COVID-19 on the business operations of the Company detailed in this Report as well as Notes to the Financial Statements of the Company.

IMPACT OF COVID-19

In March 2020, The World Health Organization (WHO) declared COVID-19 a global pandemic consequent to this, Government of India declared nation-wide lockdown on March 24, 2020, which has impacted normal business operations of the Company. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial results, to determine the impact on the Company's revenue from operations for foreseeable future and the recoverability and carrying value of certain assets such as property, plant and equipment, investments, inventories, trade receivables. The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Company's financial results, which may differ from that considered as at the date of approval of the financials results. As the situation is unprecedented, while the lockdown gradually lifted, the Company is closely monitoring the situation as it evolves in the future. The Company does not anticipate any challenges in its ability to continue as going concern or meeting its financial obligations. At present, though the Company's financial health is in good condition but However, ultimate financial impact cannot be ascertained which depends up on how early country and the world is getting of the clutch of the subject pandemic.

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 March 31, 2020 was Rs. 318.00 Lakhs. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

AMOUNTS TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to General Reserve of the company. The Company earned net profit of Rs. 559.98 Lakhs which has been transferred to surplus in the statement of profit and loss account. Thus total reserve and surplus stood Rs. 3429.94 Lakhs at the end of the year.

DEPOSITS

During the year Company has Received Rs. 12.00 Lakhs as unsecured Loan from the Directors which are exempted under Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014. However, During the year under review your company has not accepted or nor renewed any deposits, within the meaning of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

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 April 01, 2019. The shareholders who continue to hold shares in physical form even after April 01, 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.

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 required to furnish the details of Section 129(3).

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of section 152 of the Companies Act, 2013, Mrs. Shetal Gor (DIN: 07056824), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. The Board of Directors recommends her re-appointment.

During the year under review, the Board of Directors on recommendation of the Nomination and Remuneration Committee reappointed Mr. Bharatkumar K. Ghodasara (having DIN: 00032054) as a Whole Time Director of the Company for a period of three years with effect from September 1, 2020 to August 31, 2023 subject to approval of members in the forthcoming Annual General Meeting.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel's (KMP) are as mentioned below:-

1. Mr. Bharatkumar Ghodasara, Whole Time Director
2. Mr. Dixit Patel, Chief Financial Officer

3. Ms. Urvashi Gandhi, Company Secretary and Compliance Officer (with effect from March 06, 2020)
4. Mrs. Upasna Patel Company Secretary and Compliance Officer (resigned December 21, 2019)

INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations that they meet the conditions of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfill the said conditions of independence. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics. In terms of requirements of the Listing Regulations, the Board has identified core skills, expertise and competencies of the Directors in the context of the Company's businesses for effective functioning, which are detailed in the Corporate Governance Report.

The Ministry of Corporate Affairs ('MCA') vide Notification No. G.S.R. 804(E) dated October 22, 2019 and effective from December 01, 2019 has introduced the provision relating to inclusion of names of Independent Directors in the Data Bank maintained by Indian Institute of Corporate Affairs ('IICA'). All Independent Directors of your Company are registered with IICA.

In the opinion of the Board, the independent directors possess the requisite integrity, experience, expertise, proficiency and qualifications.

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 March 31, 2020, 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

The details of the number of meetings of the Board held during the Financial Year 2019-20 forms part of the Corporate Governance Report.

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 of Directors
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Stakeholders Relationship Committee

The details of the Committees of the Board along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated as required under Section 134(3)(m) of the Companies Act, 2013 read with read with Rule 8(3) of 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'.

There were no employee(s) in receipt of remuneration of ₹ 1.02 Crores or more per annum or in receipt of remuneration of ₹ 8.50 Lakhs per month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014. 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.

COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

The Company is in compliance of applicable secretarial standards issued by the Institute of Company Secretaries of India from time to time.

AUDITORS**➤ STATUTORY AUDITOR**

M/s. Samir M. shah Associates (Firm Registration No.122377W) were appointed as Statutory Auditors of the Company for a period of five consecutive years at the Annual General Meeting (AGM) of the Members held on September 29, 2017 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors. Their appointment was subject to ratification by the Members at every subsequent AGM held after the AGM held on September 29, 2017. Pursuant to the amendments made to Section 139 of the Act by the Companies (Amendment) Act, 2017 effective from May 07, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Hence the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought.

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., Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2020.

Secretarial Audit Report for the year ended March 31, 2020 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) *Out of the total 46.77% of the promoters shareholding of the Company, 72.97% of shares held by promoter and promoter group are in dematerialized mode and 27.03% of shares held by promoter and promoter group are still held in physical mode as on March 31, 2020. 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

The Company had sent reminders to the promoters for getting their shares in demat.

EXTRACTS OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form 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, is annexed as '**Annexure - 4**' which forms an integral part of this Report and is also available on the Company's website and can be accessed at link www.galaxybearings.com/investor.html

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. The Whistle Blower Policy has been posted on the website of the Company at www.galaxybearings.com/investor.html

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

In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All women employees are covered under the above policy. The said policy has been uploaded on the internal portal of the Company for information of all employees. An Internal Complaint Committee (ICC) has been set up in compliance with the said Act. During the year under review, no complaints were reported to the Board.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

The Management Discussion and Analysis Report as required 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

The Company has formulated a Policy on Related Party Transactions in accordance with relevant provisions of Companies Act, 2013, and SEBI guidelines, which can be accessed on the Company's website at the web-link: www.galaxybearings.com/investor.html

Since all Related Party Transactions entered into by your Company were in the ordinary course of business and also on an arm's length basis therefore details required to be provided in the prescribed Form AOC - 2 is not applicable to

the Company. Necessary disclosures required under the Ind AS 24 have been made in the Notes to Financial Statements.

RISK MANAGEMENT POLICY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to the Company. The Company's future growth is linked with general economic conditions prevailing in the market. Management has taken appropriate measures for identification of risk elements related to the Industry, in which the Company is engaged, and is always trying to reduce the impact of such risks. The Company has also formulated Risk Management Policy and Risk Management Systems are evaluated by the Audit Committee.

CORPORATE SOCIAL RESPONSIBILITY

As a part of its initiative under the "Corporate Social Responsibility" (CSR) drive, the Company has undertaken projects in the areas of environment sustainability, Agroforestry, Maintaining quality of soil and water. These projects are in accordance with Schedule VII of the Act and the Company's CSR policy.

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. www.galaxybearings.com/investor.html. The CSR activity 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 Financial Year 2020-21 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.

CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation, for the contribution made by the employees at all levels but for whose hard work, and support, your Company's achievements would not have been possible. Your Directors also wish to thank its customers, dealers, agents, suppliers, investors and bankers for their continued support and faith reposed in the Company.

For and On behalf of the Board of Directors

For **Galaxy Bearings Limited**

Bharatkumar Ghodasara

(Whole-time Director)

DIN: 00032054

Jyotsna Vacahani

(Director)

DIN: 00535817

Ahmedabad, August 21, 2020

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 March 31, 2020

A. CONSERVATION OF ENERGY

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

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

1. Optimum usage of electricity purchased from Paschim Gujarat Viji Company Limited.
2. Natural air ventilation system has been installed on all manufacturing sheds. Apart from saving in energy, a human working comfort has been achieved.
3. Creating awareness of energy saving within the organization to avoid wastage of energy.
4. The company is putting continues efforts to reduce the consumption of energy and maximum possible saving of energy.
5. Planted more trees & increased greenery around the factory sheds to reduce carbon footprint.

(ii) the steps taken by the company for utilizing alternate sources of energy: NIL

(iii) the capital investment on energy conservation equipment: NIL

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: NIL**
- **in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : NIL**
- **Research & Development:**

- a) Specific areas in which R&D carried out by the Company:
- Enhancement of In house product testing facility for CRB
 - Product enhancement
- b) Benefits derived as result of the above R&D
- New Business opportunity
 - Addition of esteemed customers
- c) Expenditure incurred during the financial year 2019-2020 was ₹ 5, 50,930.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. in lakhs)

Sr. No.	Particulars	2019-20	2018-19
1.	Foreign Exchange Earned	4019.25	5259.21
2.	Outgo of Foreign Exchange (Traveling Exp. And Foreign Bank charges)	77.00	28.31

For and On behalf of the Board of Directors

 For **Galaxy Bearings Limited**
Bharatkumar Ghodasara

(Whole-time Director)

DIN: 00032054

Jyotsna Vacahani

(Director)

DIN: 00535817

Ahmedabad, August 21, 2020

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

A. The Ratio of the Remuneration of Each Director to the Median Remuneration of the Employees of the Company & Percentage Increase in Remuneration of Each Director for the Financial Year 2019-20

Sr. No.	Director's Name	Designation	Ratio to median remuneration of the employees	Percentage increase in remuneration (%)
1.	Mr. Bharatkumar Ghodasara	Whole-time Director	4.08:1	Nil
2.	Mr. Navinchandra M. Patel	Director	Nil	Nil
3.	Mrs. Jyotsnaben S. Vachhani	Director	Nil	Nil
4.	Mr. Jitendra V. Shah	Director	Nil	Nil
5.	Mr. Pradeep C. Khetani	Director	Nil	Nil
6.	Mr. Shetal D. Gor	Director	Nil	Nil
7.	Mr. Tuhina R. Bera	Director	Nil	Nil
8.	Mr. Devang Gor (appointed w.e.f. August 10,2019)	Director	Nil	Nil
9.	Mr. Vinodrai H. Kansagara(ceased w.e.f. August 02,2019)	Director	Nil	Nil
10.	Mr. Rashmikant V. Bhalodia (ceased w.e.f. September 25,2019)	Director	Nil	Nil

B. THE PERCENTAGE INCREASE IN REMUNERATION OF CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

Sr. No.	Director's Name	Designation	% increase in Remuneration
1.	Mr. Dixit S. Patel	Chief Financial Officer	27.27
2.	Ms. Urvashi Gandhi#	Company Secretary	Not Applicable*

*Not Applicable as Ms. Urvashi Gandhi appointed with effect from March 06, 2020 as Upsana patel resign on December 21, 2020.

- C. The median remuneration of employees excluding Key Managerial Personnel of the Company during the financial year 2019-20 decreased by approximately to 26.5 % as compared to previous financial year. For computation of median remuneration of employees, the details of employees serving the company as on March 31, 2020 has been consider.
- D. There were 76 permanent employees on the rolls of the Company as on March 31, 2020.
- E. Average increase in remuneration is 9.19% for employees other than Managerial Personnel and 13.6% for Managerial Personnel.
- F. Affirmation that the Remuneration is as per the Remuneration Policy of the Company:
We hereby, affirm that remuneration paid to the Employees, Directors & Key Managerial Personnel is as per the Remuneration Policy of the Company.

For and On behalf of the Board of Directors

For **Galaxy Bearings Limited**

Bharatkumar Ghodasara

(Whole-time Director)

DIN: 00032054

Jyotsna Vacahani

(Director)

DIN: 00535817

Ahmedabad, August 21, 2020

ANNEXURE- 3

FORM NO. MR-3

Secretarial Audit Report

For The Financial Year Ended On 31st March, 2020

[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
A-53/54,5th Floor,
Pariseema Complex,
C.G. Road, Ellisbridge,
Ahmedabad 380006

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 31st March, 2020 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 31st March, 2020 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:

- (i) Out of the total 46.77% of the promoters shareholding of the Company, 72.97% of shares held by promoter and promoter group are in dematerialized mode and 27.03% of shares held by promoter and promoter group are still held in physical mode as on 31st March, 2020. 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 demat 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.,
Practicing Company Secretarie

Date : 30th July, 2020
Place : Ahmedabad

Jignesh Kotadiya
Proprietor
COP : 19815
ACS : A52121
UDIN : A052121B000527552

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

Annexure - I'

To,
The Members,
GALAXY BEARINGS LIMITED
A-53/54,5th Floor,
Pariseema Complex,
C.G. Road, Ellisbridge,
Ahmedabad 380006

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.,
Practicing Company Secretarie

Date : 30th July, 2020
Place : Ahmedabad

Jignesh Kotadiya
Proprietor
COP : 19815
ACS : A52121
UDIN : A052121B000527552

ANNEXURE 4

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2020

[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	September 19, 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	Link Intime India Private Limited 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	SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
NOT APPLICABLE					

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4. A. MGT-9 IV.(i) Category-wise Share Holding

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the End of the year - 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	81,610	571530	6,53,140	20.54	270730	402110	672840	21.1585	0.6185
(b)	Central Government / State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)	0	0	0	0	0	0	0	0	0
	Sub Total (A)(1)	81,610	571530	653140	20.54	270730	402110	672840	21.1585	0.6185
[2]	Foreign									
(a)	Individuals (Non-Resident)									
(a)	Individuals / Foreign Individuals	6,44,060	76000	7,20,060	22.64	814561	0	814561	25.6151	2.9751
(b)	Government	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)	0	0	0	0	0	0	0	0	0
	Sub Total (A)(2)	644060	76000	720060	22.64	814561	0	814561	25.6151	2.9751
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	7,25,670	6,47,530	13,73,200	43.18	10,85,291	4,02,110	14,87,401	46.77	3.5936
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0	0	0	0	0	0
(b)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(c)	Alternate Investment Funds	0	0	0	0	0	0	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(e)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(f)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(g)	Insurance Companies	0	0	0	0	0	0	0	0	0
(h)	Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0
(i)	Any Other (Specify)	0	0	0	0	0	0	0	0	0
	Sub Total (B)(1)	0	0	0	0	0	0	0	0	0
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0	0	0	0	0	0
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	137700	1209600	1347300	42.37	216491	957200	1173691	36.9086	-5.4614
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	79400	250500	329900	10.37	265250	121800	387050	12.1714	1.8014
(b)	NBFCs registered with RBI Overseas	0	0	0	0	0	0	0	0	0
(c)	Depositories(holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)									
	Hindu Undivided Family	5100	4000	9100	0.29	4402	4000	8402	0.2642	-0.0258
	Clearing Member	800	0	800	0.025	459	0	459	0.0144	-0.0106
	Bodies Corporate	10600	109100	119700	3.76	28897	94100	122997	3.8678	0.1078
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	233600	1573200	1806800	56.815	515499	1177100	1692599	53.2264	-3.5886
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0	0	0	0	0	0
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0	0	0	0	0	0
	Non Promoter - Non Public shareholding (C)=(C)(1)+(C)(2)	0	0	0	0	0	0	0	0	0
	Total (A)+(B)+(C)	9,59,270	22,20,730	31,80,000	100	16,00,790	15,79,210	31,80,000	100	

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	Indiraben V. Kansagara	86440	2.72	0.00	227850	7.17	0.00	4.45
2	Sonal S. Patel	130700	4.11	0.00	154700	4.86	0.00	0.75
3	Shetal D. Gor	145810	4.59	0.00	183210	5.76	0.00	1.17
4	Tuhina R. Bera	114900	3.61	0.00	138900	4.37	0.00	0.76
5	Rimal Babubhai Bera	20000	0.63	0.00	0	0.00	0.00	-0.63
6	Navinchandra M. Patel	47610	1.50	0.00	47610	1.50	0.00	0.00
7	Rashmikant V. Bhalodia	60820	1.91	0.00	60820	1.91	0.00	0.00
8	Rajesh G. Patel	45710	1.44	0.00	45710	1.44	0.00	0.00
9	Dudhiben G. Patel	70500	2.22	0.00	70500	2.22	0.00	0.00
10	Govindlal J. Patel	30500	0.96	0.00	30500	0.96	0.00	0.00
11	Hemkunverben Patel	5500	0.17	0.00	5500	0.17	0.00	0.00
12	Valjibhai Patel	500	0.02	0.00	500	0.02	0.00	0.00
13	Mohanlal J. Patel	26000	0.82	0.00	26000	0.82	0.00	0.00
14	Savitaben M. Patel	30500	0.96	0.00	30500	0.96	0.00	0.00
15	Gautam N. Bhalodia	32000	1.01	0.00	32000	1.01	0.00	0.00
16	Kiran Valjibhai Patel	35200	1.11	0.00	35200	1.11	0.00	0.00
17	Nathabhai B. Delvadia	11700	0.37	0.00	4200	0.13	0.00	-0.24
18	Atul Nathabhai Patel	21400	0.67	0.00	28900	0.91	0.00	0.24
19	Vanita Nathalal Patel	12800	0.40	0.00	12800	0.40	0.00	0.00
20	Bharatkumar K. Ghodasara	15600	0.49	0.00	15600	0.49	0.00	0.00
21	Janakkumar R. Bhalodia	2000	0.06	0.00	2000	0.06	0.00	0.00
22	Jaykumar R. Bhalodia	30000	0.94	0.00	30000	0.94	0.00	0.00
23	Ajitbhai Kiran Patel	30000	0.94	0.00	30000	0.94	0.00	0.00
24	Ankur Ramesh Kantesaria	20200	0.64	0.00	20800	0.65	0.00	0.01
25	Ashaben R. Patel	12000	0.38	0.00	12000	0.38	0.00	0.00
26	Dharmistaben R. Kantesaria	3000	0.09	0.00	8000	0.25	0.00	0.16
27	Dilip Keshavji Ghodesara	7500	0.24	0.00	11,200	0.35	0.00	0.12
28	Dinesh K. Ghodesara	5000	0.16	0.00	8700	0.27	0.00	0.11
29	Mukesh K. Ghodasara	7500	0.24	0.00	11200	0.35	0.00	0.12
30	Jaiprakash J. Patel	500	0.02	0.00	500	0.02	0.00	0.00
31	Mona A. Patel	14000	0.44	0.00	14000	0.44	0.00	0.00
32	Rajnikant M. Bhalodia	20000	0.63	0.00	20000	0.63	0.00	0.00
33	Ramesh J. Kantesaria	27000	0.85	0.00	27000	0.85	0.00	0.00
34	Pushpaben R. Bhalodia	25000	0.79	0.00	25000	0.79	0.00	0.00
35	Rajeshkumar Patel HUF	500	0.02	0.00	500	0.02	0.00	0.00
36	Shobhna J. Patel	800	0.03	0.00	800	0.03	0.00	0.00
37	Kevin Rimal Bera	30700	0.97	0.00	40175	1.26	0.00	0.30
38	Kishen Rimal Bera	29000	0.91	0.00	38576	1.21	0.00	0.30
39	Devang Mahesh Gor	9000	0.28	0.00	31150	0.98	0.00	0.70
40	Pooja Kantesaria	1800	0.06	0.00	4800	0.15	0.00	0.09
41	Kunal Sanatkumar Patel	10000	0.31	0.00	0	0.00	0.00	-0.31
42	Vishal Sanatkumar Patel	10000	0.31	0.00	0	0.00	0.00	-0.31
43	Vinodrai Hirjibhai Patel	133510	4.20	0.00	0	0.00	0.00	-4.20
		1373200	43.18	0.00	1487401	46.77	0.00	2.06

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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	Indiraben V. Kansagara	86440	2.72	September, 2019	137910	224350	7.05		
				March, 2020	3500	227850	7.17	227850	7.17
2	Sonal S. Patel	130700	4.11	April, 2019	20000	150700			
				August, 2019	4000	154700	4.86	154700	4.86
3	Shetal D. Gor	145810	4.58	August, 2019	2000	147810	4.64		
				November, 2019	9000	156810	4.93		
				December, 2019	18400	175210	5.5		
				March, 2020	8000	183210	5.76	183210	5.76
4	Tuhina R. Bera	114900	3.61	April, 2019	20000	134900	4.24		
				August, 2019	4000	138900	4.37	138900	4.37
5	Rimal Babubhai Bera	20000	0.63	April, 2019	-20000	0	0	0	0
6	Navinchandra M. Patel	47610	1.5		No Change			47610	1.5
7	Rashmikant V. Bhalodia	60820	1.91		No Change			60820	1.91
8	Rajesh G. Patel	45210	1.44		No Change			45710	1.44
9	Dudhiben G. Patel	70500	2.22		No Change			70500	2.22
10	Govindlal J. Patel	30500	0.96		No Change			30500	0.96
11	Hemkunverben Patel	5500	0.17		No Change			5500	0.17
12	Valjibhai Patel	500	0.02		No Change			500	0.02
13	Mohanlal J. Patel	26000	0.82		No Change			26000	0.82
14	Savitaben M. Patel	30500	0.96		No Change			30500	0.96
15	Gautam N. Bhalodia	32000	1.01		No Change			32000	1.01
16	Kiran Valjibhai Patel	35200	1.11		No Change			35200	1.11
17	Nathabhai B. Delvadia	11700	0.37	July, 2019	-7500	4200	0.13	4200	0.13
18	Atul Nathabhai Patel	21400	0.67	July, 2019	7500	28900	0.91	28900	0.91
19	Vanita Nathalal Patel	12800	0.4		No Change			12800	0.4
20	Bharatkumar K. Ghodasara	15600	0.49		No Change			15600	0.49
21	Janakkumar R. Bhalodia	2000	0.06		No Change			2000	0.06
22	Jaykumar R. Bhalodia	30000	0.94		No Change			30000	0.94
23	Ajitbhai Kiran Patel	30000	0.94		No Change			30000	0.94
24	Ankur Ramesh Kantesaria	20200	0.64	April, 2019	-400	19800	0.62		
				October, 2019	500	20200	0.64		
				July, 2019	500	20800	0.65	20800	0.65
25	Ashaben R. Patel	12000	0.38		No Change			12000	0.38
26	Dharmistaben R. Kantesaria	3000	0.09	October, 2019	2400	5400	0.17	3000	0.09
				November, 2019	2600	8000	0.25	8000	0.25
27	Dilip Keshavji Ghodesara	7500	0.24	May, 2019	3700	11200	0.35	11200	0.35
28	Dinesh K. Ghodesara	5000	0.16	May, 2019	3700	8700	0.27	8700	0.27
29	Mukesh K. Ghodasara	7500	1.06	May, 2019	3700	11200	0.35	11200	0.35
30	Jaiprakash J. Patel	500	0.02		No Change			500	0.02
31	Mona A. Patel	14000	0.44		No Change			14000	0.44
32	Rajnikant M. Bhalodia	14000	0.44		No Change			14000	0.44
33	Ramesh J. Kantesaria	27000	0.85		No Change			27000	0.85
34	Pushpaben R. Bhalodia	25000	0.79		No Change			25000	0.79
35	Rajeshkumar Patel HUF	500	0.02		No Change			500	0.02
36	Shobhna J. Patel	800	0.03		No Change			800	0.03
37	Kevin Rimal Bera	30700	0.97	May, 2019	2000	32700	1.03		
				August, 2019	3475	36175	1.14		
				March, 2020	4000	40175	1.26	40175	1.26
38	Kishan Rimal Bera	29000	0.91	May, 2019	2100	31100	0.98		
				August, 2019	3476	34576	1.08		
				March, 2020	4000	38576	1.21	38576	1.21
39	Devang Mahesh Gor	9000	0.28	May, 2019	2350	11350	0.36		
				August, 2019	4500	15850	0.50		
				September, 2019	4000	19850	0.62		
				November, 2019	5300	25150	0.79		
				February, 2019	6000	31150	0.98	31150	0.98
40	Pooja Kantesaria	1800	0.06	May, 2019	1000	2800	0.09		
				Jun, 2019	2000	4800	0.15	4800	0.15
41	Kunal Sanatkumar Patel	10000	0.31		-10000	0	0.00	0	0
42	Vishal Sanatkumar Patel	10000	0.31		-10000	0	0.00	0	0
43	Vinodrai Hirjibhai Patel	133510	4.2	May, 2019	4400	137910	4.2		
				September, 2019	-137910	0	0.00	0	0

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		Cumulative Shareholding		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	Dixit Patel			April, 2019	6500	34900	1.0975		
				August, 2019	-150	34750	1.0928		
		28400	0.89	March, 2020	-16000	18750	0.5896	18750	0.59
4	Shantaben Devani	27400	0.86		No Change			27400	0.86
5	Gordhanbhai Devani	27100	0.85	April, 2019	100	27200	0.86	27200	0.86
6	Shakuntala Jagani	18700	0.59		No Change			18700	0.59
7	Jivanlal Jagani	18500	0.58		No Change			18500	0.58
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	Ghodasara Hansa Dineshkumar	13600	0.42		No Change			13600	0.43

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	Shetal Gor, Director	145810	4.58	August, 2019	2000	147810	4.64		
				November, 2019	9000	156810	4.93		
				December, 2019	18400	175210	5.5		
				March, 2020	8000	183210	5.76	183210	5.76
2	Navinchandra Patel, Director	47610	1.50		No Change			47610	1.5
3	Devang Mahesh Gor, Director	9000	0.28	May, 2019	2350	11350	0.36		
				August, 2019	4500	15850	0.50		
				September, 2019	4000	19850	0.62		
				November, 2019	5300	25150	0.79		
				February, 2019	6000	31150	0.97	31150	0.98
4	Bharatkumar Ghodasara, Whole Time Director	15600	0.49		No Change			15600	0.49
5	Jyotsna Vachhani, Director	2200	0.07		No Change			2200	0.07
6	Jitendra Shah, Director	100	0.00		No Change			100	0
7	Pradeep kumar Khetani, Director	300	0.01		No Change			300	0.01
8	Tuhina R. Bera, Director	114900	3.61	April, 2019	20000	134900	4.24		
				August, 2019	4000	138900	4.37	138900	4.37
9	Urvashi Gandhi	0	0.00		No Change			0	0
10	Dixit Patel	28400	0.89	April, 2019	6500	34900	1.0975		
				August, 2019	-150	34750	1.0928		
				March, 2020	-16000	18750	0.5896	18750	0.59

The details of holding has been clubbed based on PAN.

% of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 3180000 Shares.

5 INDEBTEDNESS

(Indebtedness of the Company including interest outstanding/accrued but not due for payment)

(Rs. in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits
Indebtedness at the beginning of the financial year			
(i) Principal Amount	872.36	68	0
(ii) Interest due but not paid			
(iii) Interest accrued but not due			
Total (i+ ii + iii)			
Change in Indebtedness during the financial year			
Addition			
Reduction	662.18	13.7	0
Net Change			
Indebtedness at the end of the financial year			
(i) Principal Amount	210.18	54.3	0
(ii) Interest due but not paid			
(iii) Interest accrued but not due			
Total (i+ ii + iii)	210.18	54.3	0

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

(Rs. in Lacs)

Particulars of Remuneration	Name of MD/WTD/ Manager Mr. Bharatkumar K. Ghodasara (Whole-time Director)	Total
1. Gross salary	8.15	8.15
(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		
2. Stock Options		
3. Sweat Equity		
4. Commission		
5. Others		
TOTAL (A)	8.15	8.15
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

(Rs. in Lacs)

Particulars of Remuneration	Name of Key Managerial Personnel			Total
	Dixit Patel (CFO)	*Upasana Patel (CS)	*Urvashi Gandhi(CS)	
1. Gross salary	11.6	2.31	0.14	14.05
(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				
2. Stock Options				
3. Sweat Equity				
4. Commission				
5. Others				
TOTAL	11.6	2.31	0.14	14.05

* For part of the year

7 PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalites / punishment / compounding of offences for the financial year 2019-20.

 For and On behalf of the Board of Directors
 For Galaxy Bearings Limited

 Bharatkumar Ghodasara
 Whole Time Director
 DIN: 00032054

 Jyotsna Vacahani
 Director
 DIN: 00535817

Ahmedabad, August 21, 2020

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” mean 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

The Board of Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as amended for the year ended March 31, 2020.

(1) PHILOSOPHY ON CODE OF GOVERNANCE

The Governance Philosophy of Company is embedded with ethical values and professionalism since its existence. Corporate governance is creation and enhancing long-term sustainable value for the stakeholders, through ethically driven business process.

The Company's Code of Business Conduct, Ethical View Reporting Policy and its well-structured internal control systems which are subjected to regular review for their effectiveness, reinforces accountability and integrity of reporting and ensures transparency and fairness in dealing with the Company's stakeholder.

The Company ensures that it evolves and follows the corporate governance guidelines and best practices and not defaulting in any trigger point. We consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance as well as the leadership and governance of the Company.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

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.

Composition of the Board as on March 31, 2020

Category	Number of Directors
Non-Executive and Independent Directors (Including one Independent Woman Director)	03
Non-Executive Directors (Including two Promoter Woman Director)	04
Executive Promoter Director	01

The Company is in compliance of Companies Act 2013 and Regulation 17A of SEBI LODR, i.e. None of the Directors on the Company's Board hold the office of Director in more than 20 (Twenty) Companies, including not more than 8 (Eight) listed public companies. The Company is in compliance of Regulation 26 of the SEBI LODR, i.e. none of the Directors are members in more than 10 (Ten) Committees or act as Chairperson of more than 5 (Five) committees, the committees being, Audit Committee and Stakeholders' Relationship Committee across all public limited companies, whether listed or not in which he/she is a Director. All the Directors except Independent Directors and Whole-time Director are liable to retire by rotation.

Pursuant to Regulation 27(2) of the SEBI LODR, the Company submits a quarterly compliance report on Corporate Governance to the Bombay Stock Exchange (BSE) within 15 days from the close of every quarter.

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

Four (4) meetings of the Board of Directors were held during the year on (1) May 20, 2019, (2) August 10, 2019, (3) November 09, 2019 and (4) February 11, 2020. 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 Director	Director Identification Number	Category	No. of Board Meeting entitled to attend and attended during FY 2019-20		Whether attended last AGM held on September 25, 2019	No of Directorship in other Public Companies as on March 31, 2020	#Number of Committee Positions held in Other Public Companies as on March 31, 2020	
				Held	Attended			Chairman	Member
1	Jyotsna Vachhani	00535817	C&ID	4	4	YES	NIL	2	NIL
2	Bharatkumar	00032054	ED	4	4	YES	NIL	NIL	1

	Ghodasara								
3	Pradeep Khetani	01786030	ID	4	4	YES	1	NIL	2
4	Jitendra Shah	01028713	ID	4	2	YES	NIL	NIL	2
5	Shetal Gor	07056824	P&NED	4	3	NO	NIL	NIL	NIL
6	Tuhina Bera	07063420	P&NED	4	3	YES	NIL	NIL	NIL
7	Navinchandra Patel	00016860	P&NED	4	2	NO	NIL	NIL	NIL
8	Rashmikanth Bhalodia*	00020098	P&NED	2	2	NO	NIL	NIL	NIL
9	Devang Gor**	08437363	P&NED	2	2	NO	NIL	NIL	NIL
10	Vinodrai Kansagara***	00015696	P&NED	1	NIL	NA	NIL	NIL	NIL

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

* ceased to be Director w.e.f September 25, 2019

** Appointed as Director w.e.f. August 10, 2019

***ceased to be Director W.e.f. August 02, 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.

Disclosure of relationships between directors inter-se;

The Board comprises of combination of Independent, Non-Executive and Executive Directors. Mrs. Shetal Gor is spouse Devan Gor and Mrs. Sheetal Gor & Mrs. Tuhina Bera are sisters. None of the other Directors are related to each other.

Number of shares held by non- executive directors

The numbers of shares held by the Non-Executive Directors as on March 31, 2020 are as below.

Name of the Directors	Number of Shares held as on March 31, 2020
Shetal Gor	1,83,210
Bera Tuhina	1,38,900
Navinchandra Patel	47,610
Devang Gor	31,150
Jyotsna Vachhani	2200
Jitendra Shah	100
Khetani Pradeep Kumar	300

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 by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013, the Board has framed a Familiarization Program for the Independent Directors of the Company in order to update them with the nature of industry in which the Company operates and business model of the Company in order to familiarize them with their roles, rights, responsibilities, etc. The details of the abovementioned Familiarization Program is uploaded on the website of the Company www.galaxybearings.com/investor.html

Each appointed Independent Director is taken through a formal induction program including the presentation from the Whole-Time Director and Chief financial officer of Company's Manufacturing, Marketing, Finance and other important aspects and structures of the Company and its functioning.

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 Act and Regulation 16(1) (b) of the Listing Regulations. They have also given declaration under Rule 6(1) and (2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, that their names are registered in the databank as maintained by the Indian Institute of Corporate Affairs (IICA). In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors, if applicable, are required to undertake online proficiency self-assessment test conducted by the IICA within a period of one (1) year from the date of inclusion of their names in the data bank or such time as amended by the Central Government. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. A formal letter of appointment

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 assess 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.

While all the Board members possess the skills identified, their area of core expertise is given below:

Name of Director	Expertise in Specific Functional Area
Bharatkumar Ghodasara	Manufacturing, Bearings industry, Marketing, Management skills
Shetal Gor	Strategic planning, Finance, Control, Management skills
Tuhina Bera	Leadership, Administration, Accounting
Devang Gor	Operations, , Management, Administration
Navinchandra M. Patel	Finance, Accounting, Industrial Experience
Jitendra Shah	Regulatory Legal knowledge, Analytical abilities
Jyotsnaben Vachhani	Finance, Governance, Human Resource Development
Pradeepkumar Khetani	Operations, Marketing, Finance

(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 March 31, 2020, the Audit Committee met 4 times i.e. on May 16, 2019, August 10, 2019, November 08, 2019 and February 11, 2020 under the Chairmanship of Mrs. Jyotsna Vacchani. The maximum gap between any two meetings was less than four months. Part of the year Upasna Patel, Company Secretary is the Secretary of the Audit Committee and part of year Ms. Urvashi Gandhi, Company Secretary is the Secretary of the Audit Committee. Apart from the members of the Audit Committee, 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	NE&ID	4	4
Jitendra Shah	Member	NE&ID	2	4
Pradeep Khetani	Member	NE&ID	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 March 31, 2020 the Committee met 3 times i.e., on May 16, 2019, February 11, 2020, August 10, 2020. 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	NE&ID	2	3
Jyotsna Vachhani	Member	NE&ID	3	3
Pradeep Khetani	Member	NE&ID	3	3

(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 2019-20, Mr. Bharatkumar Ghodasara, Whole Time Director of the Company has received remuneration amounting to Rs. 8,14,613/- 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, Ms. Upasna Patel, Company Secretary acted as a Compliance officer, on resignation of Company Secretary, Mr. Dixit Patel, Chief Financial Officer acted as a Compliance Officer and after appointment of Urvashi Gandhi, Company Secretary acted as a Compliance officer. During the year, 5 (Five) 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 May 16, 2019, August 10, 2019 and February 11, 2020.

Name of the Directors	Designation	Category	No. of SRC meeting	
			Attended	Held
Jyotsna Vachhani	Chairperson	NE&ID	3	3
Jitendra Shah	Member	NE&ID	3	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 meetings were held on May 16, 2019 and February 11, 2020 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 the Directors	Designation	Category	No. of CSR meeting	
			Attended	Held
Jyotsna Vachhani	Chairperson	NE&ID	2	2

Jitendra Shah	Member	NE&ID	2	2
Pradeep Khetani	Member	NE&ID	2	2

(7) GENERAL BODY MEETINGS

Location, Time, Venue of Preceding Three Annual General Meetings Held;

AGM No.	Year	Venue	Date	Time
29	2018-19	Shree Sardar Patel Seva Samaj, Beside Central Bank of India, Near Mithakhali Six Road, Ellis Bridge, Ahmedabad - 380 006	September 25, 2019	12 noon
28	2017-18	Shree Sardar Patel Seva Samaj, Beside Central Bank of India, Near Mithakhali Six Road, Ellis Bridge, Ahmedabad - 380 006	September 27, 2018	12 noon
27	2016-17	Shree Sardar Patel Seva Samaj, Beside Central Bank of India, Near Mithakhali Six Road, Ellis Bridge, Ahmedabad - 380 006	September 29, 2017	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.

Financial Year	Whether Special Resolution passed	Special Resolution
2018-19	Yes	Re-appointment of Jyotsna vachhani as independent Director Re-appointment of Pradeepkumar Khetani as independent Director Re-appointment of Jitendra Shah as independent Director
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

Special Resolutions pertaining to the Twenty-Nine 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 & Co, 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 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 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

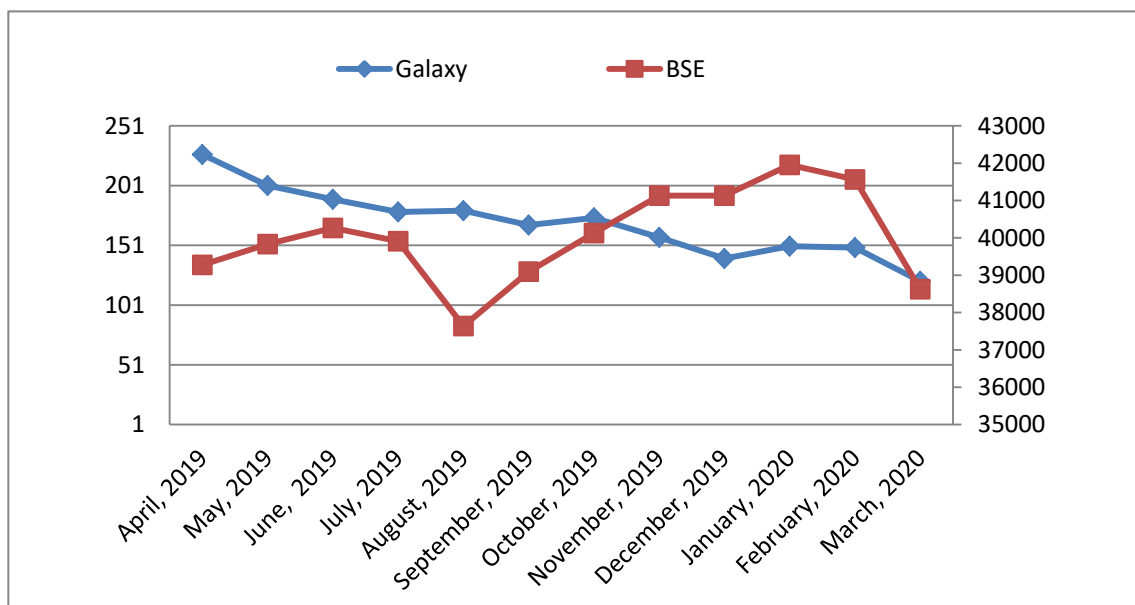
Annual General Meeting	Friday, September 25, 2020 at 3.30 PM (IST)
Video Conference, If Yes, Link	Yes, https://instameet.linkintime.co.in
Financial Year	April 01, 2019 to March 31, 2020
Cut off for E - Voting (if any)	September 18, 2020 (Friday)
Dates of Book Closure	September 19, 2020 (Saturday) to September 25, 2020 (Friday)
The name and address of each stock exchange(s) at which the listed entity's securities are listed	BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001
Stock Code	526073
Demat ISIN Number for NSDL and CDSL	INE020S01012

Confirmation about payment of annual listing fee to each of such stock exchange(s);	The Company has paid Listing Fees for the FY 2020 - 21 to the Bombay Stock Exchange, where the equity shares of the Company are listed.
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Market price data- high, low during each Month in Last Financial Year

SR.NO.	Month – Year	High (in ₹)	Low (in ₹)
1	April, 2019	227.00	122.05
2	May, 2019	201.00	145.05
3	June, 2019	189.50	149.45
4	July, 2019	178.95	153.05
5	August, 2019	180.00	131.25
6	September, 2019	168.00	126.05
7	October, 2019	173.95	110.30
8	November, 2019	157.65	126.25
9	December, 2019	140.00	110.30
10	January, 2020	150.30	126.25
11	February, 2020	149.10	108.45
12	March, 2020	121.00	97.45

BSE Sensex vs. Galaxy Bearings Limited Share Price



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

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

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	Percentage of Shareholders	No. of Shares held	Percentage of total shares
Upto 500	6152	96.4786	856472	26.9331
501-1000	79	1.2309	64857	2.0395
1001-2000	22	0.3428	32473	1.0212
2001-3000	29	0.4519	71721	2.2554
3001-4000	10	0.1558	36425	1.1454
4001-5000	16	0.2493	78100	2.4560
5001-10000	21	0.3272	160361	5.0428
10001 and above	49	0.7635	1879591	59.1066
Total	6378	100.00	3180000	100.00

Shareholding Pattern as on March 31, 2020

Category	No of equity shares held	Percentage of holding
Promoters (including Foreign Promoters)	1487401	46.7736
Public :		
Individuals	1560185	49.0625
Hindu Undivided Family	8402	0.2642

Non Resident Indians	556	0.0175
Clearing Member	459	0.0144
Bodies Corporate	122997	3.8678
Total	31,80,000	100

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 March 31, 2020, No. 16, 00,790 Equity Shares of the Company representing 50.33% 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 December 05, 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:

A-53/54,5th Floor,

Pariseema Complex,

C.G. Road, Ellisbridge,

Ahmedabad 380006

(10) OTHER DISCLOSURES

- (a) There are no materially significant related party transactions that may have potential conflict with the interests of the Company.
- (b) 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.
- (c) The Company has a working vigil mechanism and whistle blower policy. No personnel have been denied access to the Audit Committee.
- (d) The Company has complied with all the mandatory requirements and non-mandatory requirements have been adopted to the extent found feasible.
- (e) The Company does not have any subsidiary.
- (f) The policy for transactions with related party formulated by the Board of Directors is disclosed on the Company's website.
- (g) Disclosure of commodity price risks and commodity hedging activities: Not Applicable
- (h) The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).
- (i) The Company has obtained a certificate from Mr. Jignesh Kotadia, Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority
- (j) The Board of Directors has accepted all recommendations of all committees of the board which is mandatorily required, in the FY 2019-20.
- (k) The Company has paid Rs. 2,25,000 for the year 2019-20 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.
- (l) A disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013- The Company has implemented policy for Prevention of Sexual Harassment of Women at Workplace.
 - i. Number of complaints filed during the year. NIL
 - ii. Number of complaints disposed of during the year. NIL
 - iii. Number of complaints pending as on end of financial year. NIL

- (11) Non-Compliance of any requirement of Corporate Governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed. – NA
- (12) The Company has complied with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46
- (13) The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.
- i. After Declaration of quarterly/half-yearly Financials Results, the Company has been actively presenting quarterly, half -yearly financials of the Company to shareholders by submitting to Stock Exchanges and same on website of the Company. Company has also been arranging for Earnings Calls after Declaration of quarterly/half-yearly Financials Results to update shareholders on Financial Results and major events of the Company.
 - ii. The Company has moved towards a regime of financial statements with unmodified audit opinion.
 - iii. The internal auditor reports directly to the Audit Committee.

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 March 31, 2020.

For and On behalf of the Board of Directors

For Galaxy Bearings Limited

Bharatkumar Ghodasara

(Whole-time Director)

DIN: 00032054

Jyotsna Vacahani

(Director)

DIN: 00535817

Ahmedabad, August 21, 2020

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, 2020 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, 2020 which is 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 change in internal control over financial reporting during the financial year ended March 31, 2020;
 - (ii) There has not been significant changes in accounting policies during the financial year ended March 31, 2020, 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**

Bharatkumar Ghodasara

(Whole-time Director)

DIN: 00032054

Dixit Patel

(Chief Financial officer)

Ahmedabad, August 21, 2020

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 2020. 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, Jignesh Kotadiya & Co.,
Practicing Company Secretarie

Date : 30th July, 2020
Place : Ahmedabad

Jignesh Kotadiya
Proprietor
COP : 19815
ACS : A52121
UDIN : A052121B000527882

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS (Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
Galaxy Bearings Limited,
A-53/54, 5th Floor,
Pariseema Complex,
C.G. Road, Ellisbridge,
Ahmedabad 380006.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Galaxy Bearings Limited having CIN: L29120GJ1990PLC014385 and having registered office at A-53/54, 5th Floor, Pariseema Complex, C.G. Road, Ellisbridge, Ahmedabad 380006, (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and the respective Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	DIN	Name of Director	Date of appointment in the Company*
1	00016860	Navinchandra Mohanlal Patel	19/09/1990
2	00032054	Bharatkumar Keshavji Ghodasara	28/03/1994
3	00535817	Jyotsna Sudhir Vachhani	01/10/2014
4	01028713	Jitendra Vrajilal Shah	01/10/2014
5	01786030	Khetani Pradeep Kumar Chunilal	01/10/2014
6	07056824	Shetal Devang Gor	08/01/2015
7	07063420	Bera Tuhina Rimal	08/01/2015
8	08437363	Devang Maheshchandra Gor	10/08/2019

*The date of appointment is the original date of appointment as per the MCA portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, Jignesh Kotadiya & Co.,
Practicing Company Secretarie

Date : 30th July, 2020
Place : Ahmedabad

Jignesh Kotadiya
Proprietor
COP : 19815
ACS : A52121
UDIN : A052121B000527772

ANNEXURE- 7

Management Discussion and Analysis

ECONOMIC OVERVIEW

Although slowdown in the manufacturing sector and trade tensions between the US and China were among the many factors that softened the economic outlook for 2019, the year did begin on a firm footing. The projected global economic growth, albeit downgraded, was 2.9%. Despite the economic and financial headwinds, growth in developing Asia was projected to remain a robust 5.5% during 2019 (Asian Development Outlook, Update, September 2019). However, in 2019-20, the Indian economy grew by 4.2% against 6.1% expansion in 2018-19 whereas China's growth was 6.1% in 2019 vs. 6.7% in 2018. Growth among advanced economies was forecast to drop to 2% during the year although growth in Sub-Saharan Africa was projected to accelerate to 3.1% (Source: World Economic Outlook, International Monetary Fund). However, due to the COVID-19 pandemic, the International Monetary Fund has projected a sharp contraction of the global economy to a status much worse than what resulted from the 2008-09 financial crises.

India continues to be one of the fastest growing emerging economies in the world. A slowdown in the manufacturing and construction sector has lately affected GDP growth – slightly below 5% in the current fiscal. An impending revival in demand, positive consumption pattern and rising disposable income, makes India the most sought after investment destinations. Already the fifth largest economy in the world, India is supposed to take its place among the world's top three economic powers in the next 10-15 years. The pandemic has undoubtedly affected India, but with the right economic stimulus and the gradual opening up of the lockdown the situation can be expected to improve. Interstate movement of goods is gradually picking up and retail financial transactions are showing a healthy trend.

INDUSTRY STRUCTURE AND DEVELOPMENT AND OUTLOOK

The market is served primarily by organized global bearing majors through a mix of domestic manufacturing and imports. 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 automotive, leading to an increase in demand for automotive component, equipment, and vehicles in the developing countries.

The supply side also faced disruption as manufacturing facilities across India halted production in response to the Covid-19 crisis. Both demand and supply side felt repercussions due to the lockdown imposed during the pandemic. Nevertheless, the industry players are optimistic for growth once the pandemic fades out. A gradual restoration of demand to previous levels and more is also anticipated.

The Company is well-positioned to leverage opportunities. Firmly driven by its strategic focus on digitalization, world-class manufacturing, future workforce equipped to face the future with its strong resolute. This enables the Company to offer a comprehensive product portfolio to its customers, emphasizing high-quality standards and service aids, delivering value and sustainable growth.

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:

Bearings market size is forecast to reach USD 142 billion by 2022, as per a research report by Global Market Insights, Inc. High demand across the automotive sector coupled with need to achieve energy efficiency in various sectors is likely to spur global demand over the next seven years. Growing demand for commercial vehicles is expected to elevate the automotive sector over the next few years. Continuous trend towards the replacement of ageing fleet coupled with growing demand from industrial and infrastructural sector is expected to drive growth. Rising demand for energy effective products is projected to drive the bearings market growth during the forecast period. Strict rules & standards to preserve the global environment have stimulated the development of innovative application-specific bearings. The demand for large-bore anti-friction bearings in the heavy machinery and manufacturing industries as well as in the renewable energy sector such as for wind turbines are expected to drive the market.

Threats:

Sluggish global demand has led to underutilization of global manufacturing capacities. Globally Focus on localization and growing protectionism in some of the developed economies will pose a challenge. COVID-19, commodity prices, geopolitical trade wars and sentimental risk aversion will add to these challenges.

The bearing industry is facing two major threats, Counterfeit products and the other from cheap imports. Counterfeit products have a multifold impact on the industry; they not only are damaging the brands but also pose a safety and financial hazard for its victims. Cheap imports are a threat as they lead to inefficient utilization of Bearings are mainly manufactured using high grade steel or alloy steel, which exposes them to global steel price movement.

SEGMENT-WISE-PERFORMANCE

Galaxy Bearings is the most trusted supplier in the industry for bearings. It operates in a single segment, namely in “ball and roller bearings”, which are used in widespread applications across industries. The Company’s world-class manufacturing facilities.

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 Financial year 2019-20 the Company has earnings before interest, depreciation and tax amounting to Rs. 815.44 Lakhs after providing for finance cost of Rs. 23.56 Lakhs and depreciation of Rs. 99.18 Lakhs, Profit before tax comes to Rs. 692.69 Lakhs which was Rs. 914.42 Lakhs during the financial year 2018-2019.

HUMAN RESOURCES

With its vision of “Think Business Think People” – the 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. People are the most critical resource which drives our success and hence the Company is committed to the growth, development and engagement of the workforce.

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**

Bharatkumar Ghodasara

(Whole-time Director)

DIN: 00032054

Jyotsna Vacahani

(Director)

DIN: 00535817

Ahmedabad, August 21, 2020

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. http://www.galaxybearings.com/investor.htm
2	The Composition of the CSR Committee.	1. Mrs. Jyotsnaben Vachhani, Chairperson 2. Mr. Jitendrabhai Shah, Member 3. Mr. Pradeepbhai Khetani, Member
3	Average Net Profit of the Company for last three financial years.	Rs. 63,413,706
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs. 12,68,274
5	Details of CSR spent during the financial year	
	(a) Total amount to be spent for the financial year.	Rs. 12,68,274
	(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	12.68	13.01	Nil	13.01	Through 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**

Bharatkumar Ghodasara

(Whole-time Director)

DIN: 00032054

Jyotsna Vacahani

(Director)

DIN: 00535817

Ahmedabad, August 21, 2020

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 **31st March 2020**, 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 **31st March 2020** 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 Standalone Financial Statement 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 Standalone Financial Statement 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.

Emphasis of Matter

4. As described in Note 43 to the standalone annual Standalone Financial Statement, the extent to which the COVID-19 pandemic will impact the company's operations and financial performance is dependent on future developments, which are highly uncertain.
Our opinion is not modified in respect of the above matters.

Key Audit Matters

5. 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 standalone financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion, on these matters.

6. Key audit matter identified in our audit is on Recognition of Government Grant (Export Incentives) as follows:

Key audit matter	Audit Approach
Recognition of Government Grant (Export Incentives)	
<p>The Company receives government grants (Export Incentives Benefits) as per the Merchandise Exports from India Scheme (MEIS) under Foreign Trade Policy of India (FTP 2015-20).</p> <p>During the current financial year, the Company has recognised an amount Rs. 149.12 Lacs as other Operating Revenue. Company has received Rs. 209.77 Lacs during the year under the said scheme including income recognised in earlier years.</p> <p>We considered this to be a matter of most significance to our audit due to the:</p> <ul style="list-style-type: none"> • Significant level of Management Judgement involved in respect of reliable measurement of government grants and its accrual; • The quantum of the Export Incentives Income is 26.52 % of PAT. 	<p>We evaluated the accounting treatment of the government grant in terms of Ind AS -20 "Accounting for Government Grants". In respect of the same our audit procedures included the following:</p> <ul style="list-style-type: none"> • On a sample basis verified the claims lodged by the Company and its approval by the concerned Government Authorities; • In respect of claims pending for approval at the year end, we verified the empirical evidence of the claims lodged vis-à-vis claims approved to satisfy as regards the reliable measurement of government grant receivable.

Information other than the Standalone Financial Statement and Auditor's Report thereon

7. 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 Standalone Financial Statement 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 Standalone Financial Statement does not cover the other information and we do not express a conclusion thereon.

In connection with our audit of the Standalone Financial Statement, 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 Standalone Financial Statement 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

- 8.** 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 Standalone Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- 9.** In preparing the Standalone Financial Statement, 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.
- 10.** Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statement

- 11.** Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statement 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 Standalone Financial Statement.

- 12.** 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 Standalone Financial Statement, 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 Standalone Financial Statement 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 Standalone Financial Statement, including the disclosures, and whether the Standalone Financial Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- 13.** 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.
- 14.** 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.
- 15.** From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statement 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

- 16.** 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.
- 17.** 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 31st March 2020 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 31st March 2020 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 32 to the Standalone Financial Statement);
 - 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: 27.06.2020

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

(Samir M Shah)
Partner
[M. No. 111052]
(UDIN: 20111052AAAAIT4845)

ANNEXURE “A” TO INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 16 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, 2020**

1. In respect of Fixed Assets :

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- (b) As per the information and explanations given to us, the management at reasonable intervals during the year in accordance with a programme of physical verification physically verified the fixed assets and no material discrepancies were noticed on such verification as compared to the available records.
- (c) As explained to us, the title deeds of all the immovable properties are held in the name of the company.

2. In respect of its Inventories :

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

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

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

4. Loans, Investments and guarantees:

According to the information and explanation given to us, the company had neither given any loan, guarantee or security, nor made any investments during the year to the parties covered under section 185 & 186 of the Companies Act 2013. 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.
- (b) According to the information and explanations given to us, there is no such arrears in respect statutory dues were outstanding as at 31st March, 2020 for a period of more than six months from the date they became payable.
- (c) According to the records of the company, there is no 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.
- 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, the transactions entered by the company with related parties are in compliance with the provisions of section 177 and 188 of The Companies Act, 2013 and details thereof are properly disclosed in the Standalone Financial Statement.
- 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.

Place: Ahmedabad

Date: 27.06.2020

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

(Samir M Shah)
Partner
[M. No. 111052]
(UDIN: 20111052AAAAIT4845)

ANNEXURE “B” TO INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 17(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, 2020**.

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 2020**, 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 Standalone Financial Statement, 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 Standalone Financial Statement 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 Standalone Financial Statement 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 Standalone Financial Statement.

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 2020, 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.

Place: Ahmedabad

Date: 27.06.2020

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

(Samir M Shah)
Partner
[M. No. 111052]
(UDIN: 20111052AAAAIT4845)

Balance Sheet as at March 31, 2020
(Rs. In Lakhs)

Particulars		Note No.	As at 31/03/2020 Rs.	As at 31/03/2019 Rs.
A	ASSETS			
1	Non-Current Assets			
	(a) Property, Plant and Equipment	3	819.88	696.90
	(b) Capital Work-In-Progress	3	22.69	-
	(c) Other Intangible Assets	4	6.46	3.99
	(d) Financial Assets			
	(i) Loans	5	3.98	4.13
	(ii) Other Financial Assets	6	5.66	0.51
	(e) Other Non-Current Assets	7	110.80	30.77
	Total Non - Current Assets		969.48	736.30
2	Current Assets			
	(a) Inventories	8	1,456.38	1,423.62
	(b) Financial Assets			
	(i) Investments	9	526.11	17.14
	(ii) Trade Receivables	10	1,195.44	2,353.67
	(iii) Cash and Cash Equivalents	11	12.73	86.10
	(c) Current Tax Assets (Net)		-	-
	(d) Other Current Assets	12	492.87	492.57
	Total Current Assets		3,683.52	4,373.10
	Total Assets (1+2)		4,653.00	5,109.40
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Share Capital	13	318.00	318.00
	(b) Other Equity	14	3,429.94	2,866.60
	Total Equity		3,747.94	3,184.60
	Liabilities			
2	Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	54.30	68.00
	(b) Deferred Tax Liabilities (Net)	16	14.62	14.90
	Total Non - Current Liabilities		68.92	82.90
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17	210.18	872.36
	(ii) Trade Payables	18		
	-Total outstanding dues of micro and small enterprises		16.95	36.11
	-Total outstanding dues of creditors other than micro and small enterprises		513.44	863.03
	(iii) Other Financial Liabilities	19	19.39	8.91
	(b) Other Current Liabilities	20	61.75	23.12
	(d) Current Tax Liabilities (Net)	21	14.42	38.37
	Total Current Liabilities		836.14	1,841.90
	Total Equity and Liabilities (1+2+3)		4,653.00	5,109.40
	Summary of Significant Accounting Policies	2		
As per our report of even date attached herewith. For, Samir M Shah & Associates Chartered Accountants (Firm Regd. No.122377W) (Samir M Shah) Partner (M.No. 111502) UDIN: 20111052AAAAIT4845 Place : Ahmedabad Date : 27.06.2020			For, GALAXY BEARINGS LIMITED (J. S. Vachhani) (B. K. Ghodasara) Director Whole Time Director (DIN: 00535817) (DIN:00032054) (Dixit S. Patel) Urvashi Gandhi (Chief Financial Office) (Company Secretary) (M.No.: A57163)	

Statement of Profit and Loss for the year ended 31/03/2020
(Rs. In Lakhs)

Particulars	Note No.	Year Ended 31/03/2020 Rs.	Year Ended 31/03/2019 Rs.
Continuing Operations			
I Revenue from operations	22	4,820.29	7,434.43
II Other Income	23	113.28	35.60
III Total Income (I + II)		4,933.57	7470.03
IV EXPENSES			
(a) Cost of materials consumed	24	2,418.59	4,135.58
(b) Changes in inventories of finished goods stock-in-trade and work-in-progress	25	(252.16)	(186.23)
(c) Employee benefit expense	26	403.32	331.69
(d) Finance costs	27	23.56	56.03
(e) Depreciation and amortisation expense	28	99.18	97.05
(f) Other expenses	29	1,548.39	2,121.48
Total Expenses		4,240.88	6,555.61
V Profit/(loss) before tax (III- IV)		692.69	914.42
VI Tax Expense			
(a) Current tax	30	174.50	250.00
(b) Deferred tax	30	(1.41)	4.89
(c) Short/(Excess) Provision of Income Tax	30	(40.37)	0.38
Total tax expense		132.72	255.26
VII Profit/(loss) after tax from continuing operations (V - VI)		559.98	659.16
VIII Profit/(loss) for the period (VII)		559.98	659.16
IX Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans Gain /(Loss)	31	4.50	(4.10)
(ii) Income tax relating to items that will not be reclassified to profit or loss	31	(1.13)	1.13
Total of Other Comprehensive Income		3.37	(2.97)
X Total comprehensive income for the period (VIII+IX)		563.34	656.19
XI Basic & diluted earnings per share of face value of Rs.10 each Fully Paid up			
(a) Basic	32	17.61	20.73
(b) Diluted	32	17.61	20.73

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)
UDIN: 20111052AAAAIT4845
Place : Ahmedabad
Date : 27.06.2020

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

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

(Dixit S. Patel)
(Chief Financial Officer)

Urvashi Gandhi
(Company Secretary)
(M.No.: A57163)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2020				(Rs. In Lakhs)	
	PARTICULARS	2019-20		2018-19	
		Rs.	Rs.	Rs.	Rs.
A:	Cash from Operating Activities :				
	Net Profit before Taxation		692.69		914.42
	Adjustment For :				
	Depreciation	99.18		97	
	Net gain on Financial Assets designated at fair value through profit or loss	(8.97)		(1.11)	
	Interest Paid	23.56		55.04	
	Provision for Bad & Doubtful Debts (ECL)	1.20		(2.50)	
	Loss / (Profit) on Sale of Fixed Asset	(4.43)		0.23	
	Interest Income	(3.07)		(1.41)	
			107.48		147.30
	Operating Profit Before Working Capital Changes:		800.17		1,061.73
	Adjustment For :				
	Increase/(decrease) in Other Non Current Financial Assets	(5.00)		8.57	
	Increase/(decrease) in Loan	0.14		5.47	
	Increase/(decrease) in Other Non Current Assets	(15.82)		12.54	
	Decrease/(increase) in inventories	(32.76)		1,357.83	
	Decrease/(increase) in Trade Receivable	1,158.03		1,732.80	
	Increase/(decrease) in Other Current Assets	(0.30)		515.13	
	Decrease/(increase) in Trade Payable	(368.74)		(980.09)	
	Increase/(decrease) in Other Current Financial Asset	-		0.51	
	Increase / Decrease in Other Current Financial Liabilities	8.52		(7.53)	
	Increase/(decrease) in Other Current Liabilities	38.63		(129.51)	
	Impact of Other Comprehensive Income	4.50		(4.10)	
			787.20		2,510.62
	Cash Generated From Operations		1,587.37		3,574.34
	Income Tax Paid	(158.08)		(88.96)	
	Interest Paid	(21.59)		(54.14)	
			(179.67)		(92)
	Net Cash From Operating Activities (A)		1,407.70		3,482.24
B:	Cash Flow From Investment Activities :				
	Purchase of Fixed Assets (Including CWIP)	(312)		(113.29)	
	Purchase of Investment - Mutual Fund	(500)		Nil	
	Sale of Fixed Assets	5.16		0.31	
	Interest Income	3.07		2.0	
	Net Cash from Investment Activities (B)		(804.04)		(110.99)

C:	Cash Flow From Financing Activities :				
	Repayments of Long Term Borrowings	(13.70)		(134.80)	
	Repayments of Short Term Borrowings	(662.18)		(470.41)	
	Net Cash from Financing Activities (C)		(676)		(605)
	Net Increase in Cash & Cash Equivalents		(72.23)		3,371.25
	Cash & Cash Equivalents at the Beginning		86.10		17.78
	Cash & Cash Equivalents at the End		12.73		86.10
	As per our report of even date attached.				
<p>Notes :</p> <p>The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard - 7 Statement of Cashflow.</p> <p>As per our report of even date attached herewith.</p> <p>For, Samir M Shah & Associates For GALAXY BEARINGS LIMITED Chartered Accountants (Firm Regd. No.122377W)</p>					
(Samir M Shah) Partner (M.No. 111502) UDIN: 20111052AAAAIT4845		(J .S. Vachhani) Director (DIN: 00535817)		(B. K. Ghodasara) Whole Time Director (DIN:00032054)	
Place : Ahmedabad Date : 27.06.2020		(Dixit S. Patel) (Chief Financial Officer)		Urvashi Gandhi (Company Secretary) (M.No.: A57163)	

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 A/53 - 54, Pariseema Complex, C G Road, Ellisbridge, Ahmedabad - 380006, Gujarat, India.

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 38).

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 and 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

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.

Other income is recognized on accrual basis except when realization of such income is uncertain.

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.

Effective from 1st April, 2019, the Company has adopted Appendix C of Ind AS-12 and has provided for the tax liability based on the significant judgment that the taxation authority will not accept the tax treatment. However adoption of the same does not have any impact on the Balance Sheet, Statement of Change in Equity and Statement of Profit & Loss Account.

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 :

Effective from 1st April, 2019, the Company has adopted Ind AS-116 “Lease” retrospectively with the cumulative effect of applying this standard recognise at the date initial application.

Due to the same, the associated right-of-use assets are measured either at the carrying amounts as if the Standard has been applied since the commencement date or at the amount equal to the lease liability are included in and presented as “Right to use Asset” and “Other financial liabilities” respectively on the financial statements.

The right-of-use asset is depreciated over the shorter of the asset ’s useful life and the lease term on a straight-line basis. Lease term includes periods of an option to extend the lease if the lessee is reasonably certain to exercise that option and an option to terminate the lease if the lessee is reasonably certain not to exercise that option. Short-term leases for the underlying asset is of low value apply exemption rules of the standards, and recognize the lease payments associated with those leases as an expense mainly on straight-line basis over the lease term.

The cumulative effects due to the application of this standard were recognized on the commencement date of adoption in accordance with the transitional arrangements, the retrospective restatement of prior periods have not been applied.

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

Till the date of approval of these financial statements, no amendments to Ind AS that would be effective in future periods have been notified.

Statement of Changes in Equity for the year ended on 31st March, 2020
Equity Share Capital

Particulars	Amount Rs.
Balance as on 1st April, 2018	318.00
Changes during the year	Nil
Balance as on 31st March, 2019	318.00
Changes during the year	Nil
Balance as on 31st March, 2020	318.00

Other Equity
(Rs. In Lakhs)

Particulars	Note No.	Reserves and Surplus		Total
		Retained Earnings	General Reserve	
Balance as at 1st April, 2018		2,193.52	16.89	2,210.41
Profit for the year		659.16	Nil	659.16
Other comprehensive income for the year (net of Tax)		(2.97)		(2.97)
Total Comprehensive Income for the year		656.19	Nil	656.19
Balance as at 31st March, 2019		2,849.71	16.89	2,866.60
Profit for the year		559.98	Nil	559.98
Other comprehensive income for the year (net of Tax)		3.37	Nil	3.37
Total Comprehensive Income for the year		563.34	Nil	563.34
Balance as at 31st March, 2020		3,413.05	16.89	3,429.94

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) UDIN: 20111052AAAAIT4845 Place : Ahmedabad Date : 27.06.2020	(J. S. Vachhani) Director (DIN: 00535817)	(B. K. Ghodasara) Whole Time Director (DIN:00032054)
	(Dixit S. Patel) (Chief Financial Officer)	Urvashi Gandhi (Company Secretary) (M.No.: A57163)

Note 3: Property, Plant and Equipment							(Rs. In Lakhs)
Particulars	Land	Building	Plant & Machinery, Equipments	Furnitures & Fixtures	Vehicles	Computers	Total
Gross Carrying Value as on 01-04-2018	22.11	272.51	606.10	1.90	26.10	5.06	933.79
Addition during the year	-	-	111.28	-	-	1.62	112.89
Deduction during the year	-	-	1.98	-	-	-	1.98
Gross Carrying Value as on 31-03-2019	22.11	272.51	715.41	1.90	26.10	6.68	1,044.71
Addition during the year	-	22.72	171.47	23.73	-	3.25	221.17
Deduction during the year	-	-	14.69	-	-	-	14.69
Gross Carrying Value as on 31-03-2020	22.11	295.23	872.19	25.63	0.00	0.00	1,251.19
Accumulated depreciation as on 01-04-2018	-	30.41	210.12	0.23	11.65	1.55	253.96
Addition during the year	-	9.18	82.79	0.17	2.01	1.13	95.28
Deduction during the year	-	-	-	-	-	-	-
	-	-	1.43	-	-	-	1.43
Accumulated depreciation as on 31-03-2019	-	39.58	291.49	0.40	13.65	2.68	347.80
Addition during the year	-	9.23	84.22	0.39	2.01	1.61	97.46
Deduction during the year	-	-	13.95	-	-	-	13.95
Accumulated depreciation as on 31-03-2020	-	48.82	361.75	0.79	15.66	4.29	431.31
Net Carrying Vaue as on 31-03-2019	22.11	232.93	423.92	1.50	12.44	4.00	696.90
Net Carrying Value as on 31-03-2020	22.11	246.41	510.44	24.84	(15.66)	(4.29)	819.88
Capitalised borrowing cost :							
Borrowing cost are capitalised on property, plant and equipment for the year ended 31st March 2020 of Rs. Nil & 31st March 2019 of Rs. Nil.							
Assets pledged as Security							
Land & Building, Plant & Machinery & all other Fixed Assets of the company carry first charges in favour of the Bankers , as security for banking facilities availed.							

Note 4 : Other Intangible Assets

(Rs. In Lakhs)

Particulars	Computer Software	Total
Gross Carrying Value as on 01-04-2018	6.84	6.84
Addition during the year	0.40	0.40
Deduction during the year	-	-
Gross Carrying Value as on 31-03-2019	7.24	7.24
Addition during the year	4.20	4.20
Deduction during the year	-	-
Gross Carrying Value as on 31-03-2020	11.44	11.44
Accumulated depreciation as on 01-04-2018	1.48	1.48
Addition during the year	1.77	1.77
Deduction during the year	-	-
Accumulated depreciation as on 31-03-2019	3.25	3.25
Addition during the year	1.73	1.73
Deduction during the year	-	-
Accumulated depreciation as on 31-03-2020	4.98	4.98
Net Carrying Amount As at 31-03-2019	3.99	3.99
Net Carrying Amount As at 31-03-2020	6.46	6.46

5	<u>Loans</u>	As at 31/03/2020 Rs	As at 31/03/2019 Rs
	Loans to Employees- Unsecured considered good	3.98	4.13
	Total	3.98	4.13
6	<u>Other Non-Current Financial Assets</u>	As at 31/03/2020 Rs	As at 31/03/2019 Rs
	Fixed Deposits with original maturity of more than 12 months	5.00	Nil
	Interest Receivable	0.66	0.51
	Total	5.66	0.51
7	<u>Other Non-Current Assets</u>	As at 31/03/2020 Rs	As at 31/03/2019 Rs
	Security Deposits- Unsecured , considered good	28.66	24.98
	Gratuity Fund (Net)	17.93	5.78
	Advance to Supplier for property, plant Equipment	64.21	Nil
	Total	110.80	30.77
8	<u>Inventories</u>	As at 31/03/2020 Rs	As at 31/03/2019 Rs
	Raw materials	220.29	442.06
	Work-in-Process	326.66	235.71
	Finished Goods	833.69	672.47
	Stores & Others	47.23	52.37
	Packing Materials	28.51	21.01
	Total	1,456.38	1,423.62
8.1	The cost of inventories recognised as an expense during the year was Rs. Nil. (As at March 31, 2019: RS. Nil)		
8.2	The cost of inventories recognised as an expenses includes Rs. Nil (during 2018-19 Rs. Nil) in respect of write-down of inventory to net realisable value, and has been reduced by Rs. Nil (during 2018-19 : Rs. Nil) in respect of the reversal of such write-down.		
9	<u>Current Investments</u>	As at 31/03/2020 Rs	As at 31/03/2019 Rs
	Investments in Mutual Funds - FVTPL		
	- SBI Saving Fund Regular Plan Growth of FV Rs. 10/- each (1474509.497 units as on 31-03-2020, Nil units as on 31-03-2019)	457.06	Nil
	- SBI Liquid Fund Retular Growth of FV Rs. 10/- each (1643.989 units as on 31-03-2020, Nil units as on 31-03-2019)	50.86	Nil
	- SBI Corporate Bond Fund- Regular Plan- Growth of FV Rs. 10/- each (57381.345 units as on 31-03-2020, 57381.345 units as on 31-03-2019)	18.19	17.14
	Total	526.11	17.14
	Aggregate COST of quoted investments	515.00	15.00
	Aggregate NAV of quoted investments	526.11	17.14

10	Trade receivables	As at 31/03/2020	As at 31/03/2019			
		Rs	Rs			
	Trade Receivable Considered Good - Secured	Nil	Nil			
	Trade Receivable Considered Good - Unsecured	1,191.08	2,349.15			
	Trade Receivable which have significant increase in Credit Risk	5.61	4.57			
	Trade Receivables - credit impaired	Nil	Nil			
		1,196.69	2,353.72			
	Less: Allowance for doubtful receivables (Expected Credit Loss)	1.25	0.05			
	Total	1,195.44	2,353.67			
11	Cash & Cash Equivalents	As at 31/03/2020	As at 31/03/2019			
		Rs	Rs			
	Cash on hand	2.50	2.40			
	Balances with Bank - In Current Account	10.23	83.70			
	Total	12.73	86.10			
12	Other Current Assets	As at 31/03/2020	As at 31/03/2019			
		Rs	Rs			
	Advances recoverable in cash or kind	62.03	22.08			
	Export Incentive Receivable	122.15	182.68			
	Prepaid Expenses	15.25	18.70			
	Imprest to Employees	24.13	1.72			
	Balances with Statutory Authorities	269.31	267.39			
	Total	492.87	492.57			
13	Equity Share Capital	As at 31/03/2020	As at 31/03/2019			
		Rs	Rs			
	[i]Authorized Share Capital: 50,00,000 Equity shares of Rs.10 each (as at March 31, 2019 : 50,00,000 equity shares of Rs. 10 each)	500.00	500.00			
	[ii] Issued, Subscribed & Paid-up Capital : 31,80,000 equity shares of Rs. 10 each fully paid (as at March 31, 2019 : 31,80,000 equity shares of Rs.10 each)	318.00	318.00			
	Total	318.00	318.00			
(a)	Reconciliation of the number of shares outstanding and the amount of sharecapital as at 31/03/2020, 31/03/2019 is set out below:-					
	Particulars	As at 31/03/2020		As at 31/03/2019		
		No. of Shares	Amt (Rs.)	No. of Shares	Amt (Rs.)	
	Shares at the beginning	31,80,000	318.00	31,80,000	318.00	
	Addition	Nil	Nil	Nil	Nil	
	Deletion	Nil	Nil	Nil	Nil	
	Shares at the end	31,80,000	318.00	31,80,000	318.00	
	(b) The details of shareholders holding more than 5% shares is set out below.					
	Name of Shareholder		As at 31/03/2020		As at 31/03/2019	
			No. of Shares	% held	No. of Shares	% held
	Indiraben V Kansagara		227850	7.17%	86440	2.72%
	Shetal D Gor		183210	5.76%	145810	4.59%

14	Other Equity	As at 31/03/2020 Rs	As at 31/03/2019 Rs.
(a)	General Reserve		
	Balance as per last financial Statement	16.89	16.89
	Add : Amount transfer from surplus balance in the statement of profit and loss		
	Closing Balance	16.89	16.89
(b)	Retained Earnings		
	Balance as per last financial Statement	2,849.71	2,193.52
	Add : Profit for the year	559.98	659.16
	Add / (Less): Other Comprehensive income	3.37	(2.97)
	Net Surplus in the statement of profit and loss	3,413.05	2,849.71
	Total	3,429.94	2,866.60
	Retained earnings: 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.		
	General Reserve: 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.		
	Other Comprehensive Income: The remeasurement gain / (loss) on net defined benefit plans is recognised in Other Comprehensive Income net of tax.		
15	Non-Current Borrowings	As at 31/03/2020 Rs	As at 31/03/2019 Rs
	Unsecured Borrowing		
	Inter Corporate Deposits	Nil	Nil
	Loan from Directors	54.30	68.00
	Total	54.30	68.00
	Unsecured Loans		
	Unsecured Loans from Directors carry interest rate @12.50% p.a and loans are repayable in 2024-25.		
16	Deferred Tax Liabilities (Net)	As at 31/03/2020 Rs.	As at 31/03/2019 Rs
	Deferred Tax Liabilities	-	-
	Temporary Difference of Depreciation as per Income Tax Provisions and Companies Act, 2013.	20.45	17.51
	Deferred Tax Liability of Actuarial Gain recognised through OCI	(1.13)	1.14
		19.32	18.65
	Deferred Tax Assets		
	Provision for Defined benefit obligations	-	-
	Provision for Expenses allowable in subsequent years	4.39	2.48
	Provision for Doubtful Debts- Trade Receivables	0.31	1.27
		4.70	3.75
	Net Deferred Tax Liability	14.62	14.90
	Movements in Deferred Tax Liabilities		
		Provision for Bonus	Property, Plant and Equipment
	At April 01, 2018	-	(2.09)
	Charged/(credited):	-	-
	- to profit or loss	-	(0.38)
	- to other comprehensive income	-	-
	At 31st March, 2019	(2.48)	17.51
	Charged/(credited):		
	- to profit or loss	(1.91)	2.94
	- to other comprehensive income	Nil	Nil
	Net Deferred Tax Liability	(4.39)	20.45
		(1.13)	(0.31)

17	Current Borrowings	As at 31/03/2020 Rs.	As at 31/03/2019 Rs
	Secured Borrowing		
	Cash Credit from Bank (Repayable on Demand) #	210.18	872.36
		210.18	872.36
	Security :		
	# Working Capital facilities from State Bank of India is Primary Secured against hypothecation of stocks, Receivables, Plant & Machinery , all other current assets & Collateral Security against Equitable Mortgage of existing Factory land and Building and charge over Plant & Machinery at Plot No.253/p N.H.8B, Village Shapar, Dist.Rajkot		
18	Trade payables	As at 31/03/2020 Rs.	As at 31/03/2019 Rs
	Total outstanding dues of micro enterprises and small enterprises	16.95	36.11
	Total outstanding dues of creditors other than micro enterprises and small enterprises	513.44	863.03
	Total	530.40	899.14
	18.1 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.		
19	Other Current Financial Liabilities	As at 31/03/2020 Rs.	As at 31/03/2019 Rs
	Unsecured		
	Employee Benefits Payable	17.43	8.91
	Interest Payable	1.97	Nil
	Total	19.39	8.91
20	Other Current Liabilities	As at 31/03/2020 Rs.	As at 31/03/2019 Rs
	Other Statutory dues	17.28	13.61
	Advance received from customers	32.66	3.07
	Other Payables	11.82	6.44
	Total	61.75	23.12
21	Current Tax Liabilities (Net)	As at 31/03/2020 Rs.	As at 31/03/2019 Rs
	Provision For Income Tax	426.65	468.83
	Less: Advance Payment of Income Tax & TDS	412.23	430.46
	Total	14.42	38.37

22	Revenue from operation	Year ended 31/03/2020	Year ended 31/03/2019
		Rs.	Rs.
	Revenue from Contacts with Customers*		
	Sale of Product		
	Finished Goods	4,628.84	7,165.34
	Other Operating Revenue		
	Export Incentive	149.13	237.72
	Job Work Income	1.21	1.82
	Scrap Sales	41.12	29.54
	Total	191.45	269.09
		4,820.29	7,434.43
	* Revenue from Contacts with Customers is after providing discounts related to Sale of products		
	Sale of Product		
	Finished Goods	4,637.61	7,168.55
	Less: Discount / Rate Difference	8.77	3.20
		4,628.84	7,165.34
	Scrap Sales	41.12	29.54
	Total Sale of Product	4,669.96	7,194.88
23	Other Income	Year ended 31/03/2020	Year ended 31/03/2019
		Rs.	Rs.
	Interest Income	3.07	1.41
	Net gain on Current Investment designated at fair value through profit or loss	8.97	1.11
	Net gain on sale of Property, Plant & Equipment	4.43	Nil
	Gain/ (Loss) on Exchange Fluctuation (net)	96.81	33.09
	Total	113.28	35.60
24	Cost of Materials Consumed	Year ended 31/03/2020	Year ended 31/03/2019
		Rs.	Rs.
	Inventory at the beginning of the year	442.06	537.73
	Add: Purchase	2,196.82	4,039.92
	Less: Inventory at the end of the year	220.29	442.06
	Cost of Materials Consumed	2,418.59	4,135.58
25	Change In Inventories Of Finished Goods, Work In Progress And Stock In Trade	Year ended 31/03/2020	Year ended 31/03/2019
		Rs.	Rs.
	Inventory at the beginning of the year		
	Work-in-process	235.71	303.28
	Finished Goods	672.47	418.67
		908.18	721.95
	Inventory at the end of the year		
	Work-in-process	326.66	235.71
	Finished Goods	833.69	672.47
		1,160.34	908.18
	Decretion / (Accretion) to Stock	(252.16)	(186.23)

26	Employee Benefit Expense	Year ended 31/03/2020 Rs.	Year ended 31/03/2019 Rs.
	Salary, Wages & Bonus	367.59	304.36
	Contribution to Provident Fund & Other Funds	32.96	18.27
	Staff welfare Expenses	2.76	9.05
	Total	403.32	331.69
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, 2020.			
A.	Amount of Defined Benefit Obligation in respect of Gratuity liability is regonised in the balance sheet as Follows:		
	Particulars	Projected Unit Credit Method	
	Period Covered	2019-20	2018-19
A	Funded Status of the Plan	31-03-2020	31-03-2019
1.	Present Value of Unfunded obligations	Nil	Nil
2.	Present Value of Funded obligations	56.36	52.70
3.	Fair Value of Plan Asset	(74.29)	(58.49)
	Net Liability (Asset)	(17.93)	(5.78)
B	Funded Status of the Plan	31-03-2020	31-03-2019
	Service Cost :		
1	Current Service Cost	9.72	7.98
2	Past Service Cost and Loss/(Gain) on curtailments and settlement	Nil	Nil
3	Net Interest Cost	(0.80)	(0.46)
	Total Included in 'Employee Benefit Expenses'	8.92	7.53
	Total Charge to P & L	8.92	7.53
C	Comprehensive Income for the Current Period	31-03-2020	31-03-2019
	Components of actuarial gain/losses on obligations :		
1	Due to Changes in finaiical assumptions	(6.12)	0.26
2	Due to Changes in Demobraphic assumptions	(0.03)	Nil
3	Due to Experience adjustments	1.95	3.05
4	Return on plan assets excluding amounts included in interest Income	(0.30)	0.79
	Amounts Recognized in other Comprehensive (Income) / Expennses	(4.50)	4.10
D	Reconciliation of defined benefit Obligation	31-03-2020	31-03-2019
1.	Opening Defined Benefit Obligation	52.70	39.81
2	Transfer In /Out	Nil	Nil
3	Current Service Cost	9.72	7.98
4	Interest Cost	3.70	2.81
5	Components of actuarial gain/losses on boligation :	Nil	Nil
6	Due to change in financial assumption	(6.12)	0.26
7	due to changes in demographic assumption	(0.03)	Nil
8	Due to experience adjustments	1.95	3.05
9	Past Service Cost	Nil	Nil
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	(5.56)	(1.22)
	Closing Defined Benefit obligation	56.36	52.70

E	Reconciliation of Plan Assets	31-03-2020	31-03-2019
1.	Opening Value of Plan Assets	58.49	41.87
2.	Transfer in /out Plan Assets	Nil	Nil
3.	Interest Income	4.50	3.27
4	Return on plan assets excluding amounts included in interest income	0.30	(0.79)
5	Assets distributed on settlements	Nil	Nil
6	Contributions by employer	16.57	15.35
7	Assets acquired in an amalgamation in the nature of purchase	Nil	Nil
8	Exchange difference on foreign plans	Nil	Nil
9	Benefit paid	(5.56)	(1.22)
	Closing Value of Plan Assets	74.29	58.49
F	Reconciliation of net defined benefit liability	31-03-2020	31-03-2019
1.	Net Opening Provision in books of accounts	(5.78)	(2.06)
2.	Transfer in/(out) obligation	Nil	Nil
3.	Transfer in/(out) Assets	Nil	Nil
4.	Employee Benefit Expenses as per Annexure 2	8.92	7.53
5	Amounts recognized in other comprehensive Income	(4.50)	4.10
		9.57	9.57
6	Benefit paid by the Company	Nil	Nil
7	Contributions to plan Assets	(16.57)	(15.35)
	Closing Provision in Books of Accounts	(5.78)	(5.78)
G	Reconciliation of Asset Ceiling	31-03-2020	31-03-2019
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
	Closing Value of Plan asset ceiling	Nil	Nil
H	Composition of Plan Assets	31-03-2020	31-03-2019
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
	Total	100%	100%
I	Bifurcation of liability as per schedule III	31-03-2020	31-03-2019
1	Current Liability	(10.91)	(6.02)
2	Non Current Liability	(7.02)	0.23
	Net Liability	(17.93)	(5.78)
J	Principle Actuarial Assumptions	31-03-2020	31-03-2019
1.	Discount Rate	6.80% 0% P.A for next 1 year & 5.00% p.a. thereafter	7.50%
2	Salary increase rate	3.0% at younger ages reducing to 1% at older ages	7.00%
3	Withdrawal Rates	6.80% p.a	3% at younger ages reducing to 1% at older ages
7.	Rate of Return on Plan Assets		7.50% p.a

K	Expected cashflows based on past service liability	31-03-2020	31-03-2019
1	Year 1	8.36	6.82
	Distribution (%)	7.00%	5.10%
2	Year 2	3.22	1.02
	Distribution (%)	2.70%	0.08%
3	Year 3	3.62	3.08
	Distribution (%)	3.00%	2.30%
4	Year 4	1.48	3.05
	Distribution (%)	1.20%	2.30%
5	Year 5	4.92	1.50
	Distribution (%)	4.10%	1.10%
6	Year 6 to Year 10 Cash flow	27.23	26.12
	Distribution (%)	22.80%	19.50%
L	Sensitivity to Key Assumptions	31-03-2020	31-03-2019
1.	Discount Rate Sensivity		
	Increase by 0.5%	53.93	50.20
	(% Changes)	-4.31%	-4.74%
	Decrease by 0.5%	58.99	55.42
	(% Changes)	4.66%	5.15%
2	Salar Growth Rate Sensivity		
	Increase by 0.5%	58.59	54.65
	(% Changes)	3.95%	3.69%
	Decrease by 0.5%	53.89	50.50
	(% Changes)	-4.38%	-4.17%
3	Withdrawal Rate (W.R.) Sensivity		
	Increase by 0.5%	56.45	52.82
	(% Changes)	0.16%	0.22%
	Decrease by 0.5%	56.27	52.63
	(% Changes)	-0.16%	-0.22%
M	Breakup of defined benefit Obligation	31-03-2020	31-03-2019
1	Vested	46.86	38.88
2	Non Vested	9.51	13.82
	Total	56.36	52.70
N	Age wise distribution of defined benefit obligation	DBO (in Rs.)	
	Less than 25		0.67
	26 to 35		6.10
	36 to 45		12.17
	46 to 55		25.31
	56 & above		12.12
	Accured gratuity for left Employees		Nil
	Total		56.36
O	Past Service wise distribution of defined benefit obligation	DBO (in Rs.)	
	0 to 4		9.35
	4 to 10		18.94
	10 to 15		11.82
	15 & above		16.26
	Total		56.36
P	Expected contribution for the next year is Rs. 1091069/-		

27	<u>Finance Costs</u>	Year ended 31/03/2020 Rs.	Year ended 31/03/2019 Rs.
	Interest on Term Loans	Nil	2.62
	Interest on Working Capital Loans	11.78	42.19
	Interest to Others	8.87	11.08
	Other Borrowing Cost	2.91	0.13
	Total	23.56	56.03
28	<u>Depreciation And Amortisation Expense</u>	Year ended 31/03/2020 Rs.	Year ended 31/03/2019 Rs.
	Depreciation of Property, Plant & Equipment	97.46	95.28
	Depreciation of Intangible Assets	1.73	1.77
	Total	99.18	97.05
29	<u>Other Expenses</u>	Year ended 31/03/2020 Rs.	Year ended 31/03/2019 Rs.
	Stores & Spares consumed	298.16	327.87
	Packing Material Consumed	137.57	188.77
	Labour Expenses	654.58	1,045.84
	Electricity, Fuel Charges	75.63	90.10
	Repairs To:		
	Building	9.33	10.25
	Other	4.22	5.40
	Total	13.55	15.65
	Insurance	19.40	22.42
	Rent, Rates & Taxes	12.56	7.05
	Stationery & Printing Expense	6.47	6.15
	Communication Expense	8.43	6.32
	Advertisement & Sales Promotion Expense	4.16	4.11
	Traveling & Conveyance Expense	46.33	51.64
	Legal & Professional Expenses	37.43	54.00
	Freight & Delivery charges	81.50	102.33
	Auditor's Remuneration:		
	Audit Fees	2.25	2.25
	For Certification	0.12	0.01
	Total	2.37	2.26
	Directors Remuneration & Perquisite Charges	8.15	8.05
	Sales Promotion Expense	87.40	127.50
	Bank Charges	9.21	16.77
	Sundry Balances W/Off	4.11	22.38
	Provision for Bad & Doubtful Debts (ECL)	1.20	(2.50)
	Loss on sale of assets of Property, Plant & Equipment	Nil	0.23
	CSR Expenses	13.01	8.65
	General Charges (including Watch & Ward Charges , Calibration Charges, House Keeping Charges & Misc. Expenses)	27.18	15.89
	Total	1,548.39	2,121.48

30	Income tax recognised in profit or loss	Year ended 31/03/2020	Year ended 31/03/2019
		Rc	Rc
	Current tax		
	In respect of the current year	174.50	250.00
	In respect of the prior year	(40.37)	0.38
		134.13	250.38
	Deferred tax		
	In respect of the current year	(1.41)	4.89
		(1.41)	4.89
	Total	132.72	255.26
	Income tax reconciliation	Year ended 31/03/2020	Year ended 31/03/2019
	Particulars	Rs.	Rs.
	Profit before tax	692.69	914.42
	Tax expenses reported during the year	131.59	255.26
	Income tax expenses calculated (C.Y. @ 25.17) (P.Y.@27.82%)	174.34	254.39
	Difference	(42.75)	0.87
	Permanent disallowances	1.19	1.40
	Effect of deferred tax balances due to change in income tax rate from 27.82% to 25.17%	42.66	Nil
	Prior Year Tax	(40.37)	0.38
	Other item	0.61	(0.91)
	Total	4.09	0.87
31	Statement of Other Comprehensive Income	Year ended 31/03/2020	Year ended 31/03/2019
		Rs.	Rs.
	(i) Items that will not be reclassified to profit and loss		
	Remeasurement of defined benefit plans		
	Actuarial gain/(loss)	4.50	(4.10)
	(ii) Income tax relating to		
	Deferred tax impact on actuarial gain/(loss)	(1.13)	1.13
	Total	3.37	(2.97)

32 Earnings per Share (Rs. In Lakhs)

Particulars	Unit	31/03/2020 (Rs.)	31/03/2019 (Rs.)
Profit Attributable to Share Holders from Continuing Operations (Profit after Tax)	Rs.	5,59.98	6,59.16
Weighted average No. of shares used as denominator for calculating Basic and Diluted	No. of Shares	31,80,000	31,80,000
Nominal Value of Share	Rs.	10	10
Basic and Diluted Earnings per Share	Rs.	17.61	20.73

33 Contingent liabilities

- Disputed Demand of Excise Rs. Nil (P.Y. Rs.2.85 Lacs) [Against which company has paid Rs. Nil (P.Y. Rs.0.21 Lacs) under protest which are shown as Advances.
- Estimated amount of contract to be executed on Capital Account of Rs. 235.80 Lacs (P.Y. Rs. Nil) (Against which the Company has paid Rs. 64.21 Lacs (P.Y. Nil).

34 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 65.11% (P.Y. 67.54%) 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, 2020. (Rs. In Lakhs)

Particulars	India	Outside India	Total Rs.
Revenue by Geographical Market	1681.87 (2412.95)	3138.42 (5021.48)	4820.29 (7434.43)
Carrying Amount of Segment Assets	85.36 (8.33)	Nil (Nil)	85.36 (8.33)
Addition to Fixed Assets	167.58 (113.29)	57.79 (Nil)	225.37 (113.29)

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

Particulars	2019-20	2018-19
No. of customers contributing 10% or more of total revenue (individually)	2	2
Amount of revenue	1683.25	1805.06
% of total revenue	34.92	24.16 %

35 Related Party Transaction
A. List of Related Parties

Related Party relationship are as identified by the management and relied upon by the

<u>Key Management Personnel</u>	<u>Designation</u>
Vinodrai H. Kansagara (upto 02.08.2019)	Director
Devang Gor (w.e.f. 10.08.2019)	Director
Tuhina R. Bera	Director
Shetal D. Gor	Director
Bharatbhai K. Ghodasara	Whole Time Director
Dixit S. Patel	Chief Financial Officer (CFO)
Nayan Patel (upto 01.02.2019)	Company Secretary (CS)
Upasan Patel (w.e.f. 20.05.19 till 31.12.2019)	Company Secretary (CS)
Urvashi Gandhi (w.e.f. 06.03.2020)	Company Secretary (CS)

B. Related Party Transaction details

Related Party	Remuneration & Perquisites		Interest Expenses		Rent		Unsecure loan Taken		Unsecure loan Repaid	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Key Management Personnel										
Vinodbhai H. Kansagara	Nil	Nil	1.57	2.625	Nil	Nil	9.00	Nil	31.08	Nil
Tuhina Rimal Bera	Nil	Nil	3.13	2.94	Nil	Nil	1.50	Nil	Nil	Nil
Shetal D. Gor	Nil	Nil	3.13	2.94	1.80	Nil	1.50	Nil	Nil	Nil
Bharatbhai K. Ghodasara	8.15	8.05	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dixit S. Patel (CFO)	11.60	7.32	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Nayan Patel (CS) (upto 01.02.2019)	Nil	1.79	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Upasana Patel (CS) (from 20.05.2019 to 31.12.2019)	2.31	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Urvashi Gandhi (CS) (w.e.f. 06.03.2020)	0.14	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

C. Outstanding

	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Related party	Unsecured Borrowing	Unsecured Borrowing	Rent Payable	Rent Payable
Key Management Personnel				
Vinodbhai H. Kansagara	Nil	21.00	0.00	Nil
Tuhina Rimal Bera	27.15	23.50	0.00	Nil
Shetal D. Gor	27.15	23.50	0.62	Nil

36	Fair Value Measurements									
	Financial instrument by category and their fair value									
	As at 31st March, 2020	Note Ref. No.	Carrying Amount			Fair Value				
			FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets										
Investments		9	526.11	Nil	Nil	526.11	526.11	Nil	Nil	526.11
Trade Receivables		10	Nil	Nil	1,195.44	1,195.44	Nil	Nil	1,195.44	1,195.44
Cash and Cash Equivalents		11	Nil	Nil	12.73	12.73	Nil	Nil	12.73	12.73
Loans		5	Nil	Nil	3.98	3.98	Nil	Nil	3.98	3.98
Other Non Current Financial Assets		7	Nil	Nil	5.66	5.66	Nil	Nil	5.66	5.66
Total Financial Assets			526.11	Nil	1,217.81	1,743.92	526.11	Nil	1,217.81	1,743.92
Financial Liabilities										
Borrowings										
Non Current		15	Nil	Nil	54.30	54.30	Nil	Nil	54.30	54.30
Current		17	Nil	Nil	210.18	210.18	Nil	Nil	210.18	210.18
Other Current Financial Liabilities		19	Nil	Nil	19.39	19.39	Nil	Nil	19.39	19.39
Trade Payables		18	Nil	Nil	530.40	530.40	Nil	Nil	530.40	530.40
Total Financial Liabilities			Nil	Nil	814.27	814.27	Nil	Nil	814.27	814.27
	Fair Value									
	Financial instrument by category and their fair value									
	As at 31st March, 2019	Note Ref. No.	Carrying Amount			Fair Value				
			FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets										
Investments		9	17.14	Nil	Nil	17.14	17.14	Nil	Nil	17.14
Trade Receivables		10	Nil	Nil	2,353.67	2,353.67	Nil	Nil	2,353.67	2,353.67
Cash and Cash Equivalents		11	Nil	Nil	86.10	86.10	Nil	Nil	86.10	86.10
Loans		5	Nil	Nil	4.13	4.13	Nil	Nil	4.13	4.13
Other Non Current Financial Assets		7	Nil	Nil	0.51	0.51	Nil	Nil	0.51	0.51
Total Financial Assets			17.14	Nil	2,444.41	2,461.55	17.14	Nil	2,444.41	2,461.55
Financial Liabilities										
Borrowings										
Non Current		15	Nil	Nil	68.00	68.00	Nil	Nil	68.00	68.00
Current		17	Nil	Nil	872.36	872.36	Nil	Nil	872.36	872.36
Other Current Financial Liabilities		19	Nil	Nil	8.91	8.91	Nil	Nil	8.91	8.91
Trade Payables		18	Nil	Nil	899.14	899.14	Nil	Nil	899.14	899.14
Total Financial Liabilities			Nil	Nil	1,848.41	1,848.41	Nil	Nil	1,848.41	1,848.41

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:

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)

There were no transfers between the levels during the year

Valuation process

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 -

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.
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.

37

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

I

Credit Risk

II

Liquid Risk

III

Market Risk

Risk Management Framework

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

Credit Risk

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)

Ageing of Account Receivables

	As at 31/03/2020	As at 31/03/2019
	Rs.	Rs.
Within the credit period	Nil	Nil
1-30 days past due	309.22	1,291
31-90 days past due	543.63	678.89
91-180 days past due	336.98	379.32
More than 180 days past due	5.61	4.57
Total	1,195.44	2,353.67

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. 0.06 Lacs as at March, 2020 and Rs. 0.05 Lacs as at March 31, 2019. The movement in allowances for doubtful accounts comprising provision for both non-collection of receivables and delay in collection is as follows:

ii)

Movement in provision of doubtful debts

	As at 31/03/2020	As at 31/03/2019
	Rs	Rs
Balance at the beginning	4571	2,54,830
Impairment loss recognised	124716	(250259)
Impairment loss reversed	4,571	Nil
Amount written off	Nil	Nil
Balance at the end	1,24,716	4,571

The percentage of revenue from its top five customers is 54.50% for 2019-20 (58.95 % for 2018-19).

b) Advance Received from Customers (Against Export)	USD	Nil	Nil	
	INR	Nil	Nil	
	EURO	Nil	Nil	
	INR	Nil	Nil	
c) Trade Payables (Against import - including capital import)	USD	Nil	Nil	
	INR	Nil	Nil	
	EURO	Nil	Nil	
	INR	Nil	Nil	
Net Statement of Financial Exposure	USD	6.54	11.39	
	INR	209.51	787.96	
	EURO	3.28	8.31	
	INR	191.31	645.78	
ii) Foreign Currency Risk Sensitivity				
A change of 5% in Foreign currency would have following Impact on profit before tax				
Particulars	2019-20		2018-19	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	0.33	(0.33)	0.57	(0.57)
EURO	0.16	(0.16)	0.42	(0.42)
b) Interest Risk				
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.				
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.				
i) Exposure to interest rate risk				
Particulars	As at 31/03/2020 Rs		As at 31/03/2019 Rs	
Fixed Rate Instruments				
Financial assets	Nil		Nil	
- Current				
- Non -Current				
Financial liabilities				
- Current	Nil		Nil	
- Non -Current	54.30		68.00	
Total	54.30		68.00	
Variable Rate Instruments				
Financial liabilities				
- Current	210.18		872.36	
- Non -Current	Nil		Nil	
Total	210.18		872.36	
Total Borrowings	264.48		940.36	
% of Borrowings out of above bearing variable rate of interest	79.47		92.77	

ii)	Interest Rate Sensitivity		
A change of 50 bps in interest rates would have following Impact on profit before tax			
Particulars		2019-20	2018-19
50bp increase would decrease the profit before tax by		1.05	4.36
50bp decrease would increase the profit before tax by		(1.05)	(4.36)
c)	Price Risk		
As of 31st March 2020, the company has nil exposure on security price risks.			
38	Due to Micro, Small and Medium Enterprise		
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:			
Particulars		31/03/2020 Rs.	31/03/2019 Rs.
a. The Principal amount remaining unpaid to any supplier as at the year end		16.95	36.11
b. Interest due thereon		0.37	0.04
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		0.37	1.00
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.		0.37	1.00
* (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.			
39	Capital management		
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.			
The gearing ratio at the end of the reporting period was as follows:			
Particulars		As at	
		31.03.2020	31.03.2019
Debt		264.48	940.36
Cash and bank balances		12.73	86.10
Net debt		251.75	854.26
Equity		3,747.94	3,184.60
Net debt to equity ratio		6.72%	26.82%

40	Asset Pledge as security		
	The carrying amount of assets pledged as security for current and non-current borrowings are:		
	Particulars	31/03/2020	31/03/2019
		Rs.	Rs
I	Current Financial Assets		
	First Charge/ Floating Charge		
	Trade Receivables	1,195.44	2,353.67
II	Current Assets		
	First Charge/ Floating Charge		
	Inventories	1,456.38	1,423.62
	Other Current Assets	1,031.71	595.81
	Total current assets pledged as security	3,683.52	4,373.10
III	Non Current Assets		
	First Charge		
	Freehold land	22.11	22.11
	Buidling	246.41	232.93
	Plant & Machinery, Equipments & Electrci Installation	510.44	423.92
	Other Fixed Assets	40.92	17.95
41	The financial statement are recommended for issue by the Audit Committee as at its meeting on 27th June 2020 and approved by the Board of Directors on 27th June, 2020.		
42	The board has not recommended dividend.		

- 43** Due to outbreak of COVID-19 globally and in India, the company's management has made initial assessment of likely adverse impact on business and financial risks, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

The Management based on current estimates expects that the carrying amounts of Receivables, Inventories & Advances will be recovered, net of provisions made.

The extent to which the COVID-19 pandemic will impact the company's financial performance is dependent on future developments, which are highly uncertain including among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company. Given the uncertainty over the potential macro-economic conditions the impact of COVID-19 pandemic may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future period.

- 44** 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 "44"

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]
(UDIN: 20111052AAAAIT4845)

[J. S. Vachhani]
Director

[DIN-00535817]

[B. K.Ghodasara]
Whole Time Director

[DIN 00032054]

Place: Ahmedabad
Date: 27.06.2020

[Dixit S Patel]
Chief Financial Officer

Urvashi Gandhi
(Company Secretary)
(M.No.: A57163)

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Galaxy Bearings Limited

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C.G. Road, Ellisbridge,
Ahmedabad 380006

CIN: L29120GJ1990PLC014385