

**24th
ANNUAL REPORT
2013-2014**



Bearings Limited

CIN No. : **L29120GJ1990PLC014385**

Board of Directors : **Shri Vinodrai H Kansagara** *Chairman & Managing Director*
(DIN : 00015696)

Shri Baratkumar K Ghodasara *Jt. Managing Director*
(DIN : 00032054)

Shri Navinchandra M Patel *Director*
(DIN : 00016860)

Shri Rashmikan V Bhalodia *Director*
(DIN : 00020098)

Shri Rajeshkumar G patel *Director*
(DIN : 00022721)

Auditors : **M/s. J T Shah & Company**
Chartered Accountants,
Ahmedabad
FRN - 109616W

Cost Auditors : **M/s. Rajendra Patel & Associates**
Cost Accountants,
Ahmedabad

Banker : State Bank of India

Registered Office : T-18, Vikram Chambers,
Ashram Road,
Ahmedabad - 380 009
Email ID : share@galaxybearings.com
Web Site : galaxybearings.com

Plant/Factory : Survey No. 253,
National Highway No. 8B,
Village : Shapar,
Ta. Kotada Sagnani,
Dist. Rajkot - 360 002
Email ID : share@galaxybearings.com
Web Site : galaxybearings.com

NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of members of the Company will be held on Saturday, 27th September, 2014 at 11.30 a.m. at T-18, Vikram Chambers, Ashram Road, Ahmedabad - 380 009, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt audited Profit and Loss Account for the year ended on 31st March, 2014 and Balance Sheet as on that date, together with reports of the Directors and Auditors thereon; and Compliance Certificate for the year ended on that date.
2. To appoint a Director in place of Shri Rasmikant Valjibhai Bhalodia (DIN020098), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Rajeshkumar Govindlal Patel (DIN00022721), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, M/s J T Shah and Company, Chartered Accountants of Ahmedabad having Firm Reg.No.109616W be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration to be determined by the Board of Directors plus reimbursement of service tax and out of pocket expenses on actual basis."

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Jitendra Vrajlal Shah (DIN00535817), in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company, be and is hereby appointed as Independent Director of the Company, for a term of five consecutive years from 1st October, 2014 to 30th October, 2019 and who is not liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company or Committee thereof, be and is hereby authorized to determine and pay such fees and remuneration within the limits and ceilings, as may be prescribed, from time to time, to Shri Jitendra Vrajlal Shah (DIN00535817) as an Independent Director of the Company and to do all such acts, deeds and things as may be necessary for the purpose."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Pradip Chunilal Khatani (DIN01786030), in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company, be and is hereby appointed as Independent Director of the Company, for a term of five consecutive years from 1st October, 2014 to 30th October, 2019 and who is not liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company or Committee thereof, be and is hereby authorized to determine and pay such fees and remuneration within the limits and ceilings, as may be prescribed, from time to time, to Shri Pradip Chunilal Khatani (DIN01786030) as an Independent Director of the Company and to do all such acts, deeds and things as may be necessary for the purpose."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Smt Jyotsnaben Sudhirbhai Patel (DIN00535817), in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing her candidature for the office of Director of the Company, be and is hereby

appointed as Woman Director/Independent Director of the Company, for a term of five consecutive years from 1st October, 2014 to 30th October, 2019 and who is not liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company or Committee thereof, be and is hereby authorized to determine and pay such fees and remuneration within the limits and ceilings, as may be prescribed, from time to time, to Smt Jyotsnaben Sudhirbhai Patel (DIN00535817) as an Independent Director of the Company and to do all such acts, deeds and things as may be necessary for the purpose."

8. To consider and, if thought fit, to pass with or without modification, the following resolution as **Special Resolution**:

"RESOLVED THAT in partial modification of the special resolution passed by the members of the Company in their Annual General Meeting held on 25th September, 2009, and pursuant to the provisions of Sections 196, 197, 203, 188 & any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V to the Companies Act, 2013, Shri Bharatkumar Keshavji Ghodasara(DIN00032054), be and is hereby re-appointed as **Jt. Managing Director** of the Company for a further period of three years with effect from 1st April, 2014 on the terms and conditions set out in the Explanatory Statement annexed hereto."

"RESOLVED FURTHER THAT the Board of Directors or Committee thereof, be and are hereby severally authorised to alter, revise, amend, vary, enhance or modify, from time to time, the terms and conditions including terms of agreements and remuneration payable to Shri Bharatkumar Keshavji Ghodasara(DIN00032054) of the Company, subject however to the ceilings laid down in Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors or Committee thereof, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to above resolutions."

9. To consider and, if thought fit, to pass with or without modification, the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 94 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to keep the Register Members and Index of Members and copies of all Annual Returns under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents as may be required, at the office of the Registrar and Share Transfer Agent of the Company within the city of Ahmedabad instead of keeping the registers and records at the Registered Office of the Company."

"RESOLVED FURTHER THAT the Board of Directors or Committee thereof, be and are hereby severally authorised to instruct Registrar and Share Transfer Agent of the Company to carry out the duties for better compliances and to enter into such agreements and deeds, for appointment of suitable Registrars and Share Transfers and to keep the registers and other records at any other place or places accordingly and to do all such acts, deeds, matters and things as may be deemed necessary for the purpose."

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

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

V H Kansagara
Chairman & Mg Director
DIN00015696

Date: 13.08.2014

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER.**
- The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 22nd September, 2014 to Saturday, 27th September, 2014 (both days inclusive).
- Information pursuant to the Clause 49 of the Listing Agreement are annexed herewith.
- The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in Securities Market. The members are requested to submit PAN details to the Company.
- The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/document including Annual Report can be sent by email to its members. To support this green initiative of the Government in full measure,

members who have not registered their email addresses, so far, are requested to register their email addresses with the Company.

6. Members are requested to notify, change of addresses, if any, immediately to the registered Office of the Company.
7. The Company has fixed Friday, 1st August, 2014, as the cut-off date/entitlement date for identifying the shareholders entitled to participate through voting by postal ballot/electronic mode.
8. The Voting rights will be reckoned on the paid up value of shares registered in the name of shareholders on the cut-off date/entitlement date.
9. All documents including draft agreements, referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal hours between (11.00 am to 1.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.

10. INSTRUCTIONS FOR VOTING

Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to all its members to enable them to cast their vote for all the resolutions/special resolutions proposed at 24th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited.

The instructions for members for voting electronically are as under:-

A. In case of members receiving e-mail:

- (i) Open your web browser during the e-voting period. E-voting period begins from **Monday, 22nd September, 2014 (9.00 am) and ends on Tuesday, 23rd September, 2014 (6.00 pm)**. During this period, shareholders holding shares either in physical form or dematerialised form, as on Friday, 1st August, 2014, being cut-off date/entitlement date, may cast their vote electronically. The e-voting shall be disabled by CDSL for voting thereafter. Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select "**GALAXY BEARINGS LTD**" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

- PAN * Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.

In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.

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- **DOB #** Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
- **Dividend Bank Details#**
Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.●

Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter **the number of shares held by you as on the cut off date** in the **Dividend Bank details field**.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant "GALAXY BEARINGS LTD" Company Name on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B. In case of members receiving the physical copy :

(A) Please follow all steps from Sl. No. (i) to Sl. No. (xvii) above to cast vote.

(B) The voting period begins on **Monday, 22nd September, 2014 (9.00 am) and ends on Tuesday, 23rd September, 2014 (6.00 pm)**. During this period, shareholders holding shares either in physical form or dematerialised form, as on Friday, 1st August, 2014, being cut-off date/entitlement date, may cast their vote electronically. The e-voting shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT pursuant to Section 173 of the Companies Act, 1956 and information pursuant to Clause 49 of the Listing Agreement:

Item No. 2

Shri R V Bhalodia aged about 65 years is a Diploma Holder in Electrical Engineering. He has a vast experience in the marketing and other areas in the Industry. He was appointed as a Director since incorporation of the Company. He has provided valuable services to the Company. He is Director in the following Companies, namely (1) Gujarat Cine Enterprises Pvt. Ltd, (2) Galaxy Cinema Pvt. Ltd, (3) Galaxy Tradelinks Pvt Ltd, (4) Galaxy Amusement Ltd, (5) Galaxy Tech Pvt Ltd (6) Swadeshi Machine Tools P Ltd (7) Shastri Complex Pvt Ltd, (8) Everest Reality Pvt Ltd, (9) Brainwave Software Pvt Ltd, (10) Galaxy Infrastructure P Ltd, (11) Galaxy Residential & Hospitality Ser. P Ltd, (12) Galaxy Motors Pvt Ltd, (13) Aarcee Precision Casting P Ltd, (14) Dwarkadhish Developers P Ltd and (15) Galaxy Cinema (Rajkot) P Ltd (16) Galaxy Capital Services Ltd

Shri R V Bhalodia holds 40010 equity shares in the Company.

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

Item No. 3

Shri R G Patel aged about 62 years is a Commerce Graduate. He has a vast experience in accounts and finance Departments. He was appointed as a Director since incorporation of the the Company. He has provided valuable services to the Company. He is a Director in (1) Gujarat Cine Enterprises Pvt.Ltd, (2) Galaxy Cinema Pvt.Ltd, (3) Star Forgings Pvt. Ltd, (4) Galaxy Amusement Ltd, (5) Galaxy Conveyors P Ltd, (6) Sun Piston Rings Ltd, (7) Toral Township P Ltd, (8) Gem Township P Ltd, (9) Galaxy Capital Services Ltd (10) Swadeshi Machines Tools Pvt Ltd, (11) Shastri Complex Pvt Ltd, (12) Everest Reality Pvt Ltd, (13) Galaxy Infrastructure Pvt Ltd, (14) Real Time Investment Consultancy P Ltd (15) Galaxy Education Pvt Ltd, (16) Dearthadhish Developers P Ltd, (17) Galaxy Motors Pvt Ltd, (18) Gem Apartment P Ltd, (19) Aarcee Precision Casting P Ltd, (20) Galaxy Oils Pvt Ltd, (21) Galaxy Diesel Pvt Ltd, (22) Galaxy Cinema (Rajkot) Pvt Ltd, (23) Forge & Forge Pvt Ltd, (24) JHP Education Foundation, (25) Polybright Packs Pvt Ltd and (26) Galaxy Tradelink P Ltd (27) Galaxy Leather Pvt Ltd (28) Vitrum Systems LLP.

Shri R G Patel holds 40010 equity shares in the Company.

Item No.5

Shri Jitendra Vrajilal Shah (DIN01028713) is a Commerce Graduate and aged about 54 years. He has very rich experience in marketing and finance for more 25 years. He is a promoter Director of M/s Preelude Laminates Pvt Ltd (CINU20299GJ2000PTC038076) since 24th May, 2000. The Board of Directors considered him fit and proper person as an Independent Director of Company and appointed him with effect from 15th March, 2014. Further, he meets the criteria and conditions for appointment as an Independent Director as laid down under the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. Accordingly, the Board of Directors further seeks approval of the members for his appointment as an Independent Director for a period of five years with effect from 1st October, 2014. He holds 100 equity shares in the capital of the Company. A notice has been received from a member proposing Shri Jitendra Shah as a candidature for the office of an Independent Director of the Company.

A copy of the draft letter for appointment of Shri Jitendra Shah as an Independent Director is available for inspection without any fee by the members at the registered office of the Company during business hours as mentioned in the notice.

The Board considers that his association would be of immense benefit to the Company and also recommends the resolution for the appointment of Shri Jitendra Shah for a period of five years.

Except Shri Jitendra Shah being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise in the proposed special resolution. This explanatory statement may be regarded as a disclosure under Clause 49 of the Listing Agreement with the BSE Ltd, Mumbai.

Item No.6

Shri Pradip Chunilal Khatani (DIN01786030) is a Post Graduate in Commerce and aged about 59 years. He has very rich experience in manufacturing, production, marketing and finance for more three decades. He has been working as a Managing Director of M/s Ambar Proteins Ltd (CINL15400GJ1992PLC018758) since 10th February, .2004. The Board of Directors considered him fit and proper person as an Independent Director of Company and appointed him with effect from

GALAXY BEARINGS LIMITED

15th March, 2014. Further, he meets the criteria and conditions for appointment as an Independent Director as laid down under the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. Accordingly, the Board of Directors further seeks approval of the members for his appointment as an Independent Director for a period of five years with effect from 1st October, 2014. He does not hold equity shares in the capital of the Company. A notice has been received from a member proposing Shri Pradip Khatani as a candidature for the office of an Independent Director of the Company.

A copy of the draft letter for appointment of Shri Pradip Khatani as an Independent Director is available for inspection without any fee by the members at the registered office of the Company during business hours as mentioned in the notice.

The Board considers that his association would be of immense benefit to the Company and also recommends the resolution for the appointment of Shri Pradip Khatani for a period of five years.

Except Shri Pradip Khatani being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise in the proposed special resolution. This explanatory statement may be regarded as a disclosure under Clause 49 of the Listing Agreement with the BSE Ltd, Mumbai.

Item No. 7

Smt Jyotsnaben Sudhirbhai Patel (DIN00535817) is a Commerce Graduate and aged about 59 years. He has very rich experience in accounts, marketing and finance for more three decades. She is Director of M/s Saurajanya Finance and Trading Pvt Ltd (CINU65910GJ1994PTC021478) since 23rd August, 1994 and M/s Swan Holiday Resorts Pvt Ltd (U55101GJ1990PTC013450) since 21st July, 2005. The Board of Directors considered him fit and proper person as an Independent Director of Company and appointed her with effect from 15th March, 2014. Further, She is a Woman Director and meets the criteria and conditions for appointment as an Independent Director as laid down under the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. Accordingly, the Board of Directors further seeks approval of the members for her appointment as Woman/ Independent Director for a period of five years with effect from 1st October, 2014. She holds 6000 equity shares in the capital of the Company. A notice has been received from a member proposing Smt Jyotsnaben Patel as a candidature for the office of an Independent Director of the Company.

A copy of the draft letter for appointment of Smt Jyotsnaben Patel as an Independent Director is available for inspection without any fee by the members at the registered office of the Company during business hours as mentioned in the notice.

The Board considers that her association would be of immense benefit to the Company and also recommends the resolution for the appointment of Smt Jyotsnaben Patel for a period of five years.

Except Smt Jyotsnaben Patel being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise in the proposed special resolution. This explanatory statement may be regarded as a disclosure under Clause 49 of the Listing Agreement with the BSE Ltd, Mumbai.

Item No. 8

Shri Bharatkumar Keshavji Ghodasara ((DIN00032054) was appointed as Vice Chairman and Jt Managing Director of the Company with effect from 1st April, 2009 for a period of 5 years by the members of the Company in their Annual General Meeting held on 25th September, 2009. His tenure expired on 31st March, 2014 and the Board of Directors on the recommendation of the Audit Committee, in their meeting held on 15th March, 2014 considered his contribution, expertise and valuable guidance provided to the Company and re-appointed him for a further period of three years with effect from 1st April, 2014. He is a promoter Director in Avani Dealings Pvt Ltd (CINU50101gj1996PTC029334) with effect from 15th April, 1996. He is holding 10000 equity shares in the capital of the Company. The major terms and conditions of appointment of his re-appointment are as under:

1. Name	:	Shri Bharatkumar Keshavji Ghodasara
2. DIN	:	00032054
3. Nationality	:	Indian
4. Date of Birth	:	01.02.1969
5. Educational Qualification	:	B.Com
6. Designation	:	Jt. Managing Director
7. Tenure of present appointment	:	One Year from 1 st April, 2014 to 31 st March, 2015
8. Languages known	:	English, Gujarati and Hindi
9. Experience	:	30 years
10. Remuneration:		

(1) Salary : Rs.50,000/- per month in the scale of Rs.50000-5000-20000-100000

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

- 1) **Provident Fund** : 12% of the basic salary. The contribution to provident fund, superannuation fund, annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- 2) **Car** : Provision of Company cars for official and for personal purpose of the appointee.
- 3) **Telephone** : Provision of 2 (two) telephones at the residence of the appointee and internet broadband and reimbursement of mobile telephone expenses.

Benefits and Amenities:

- 4) **Gratuity**: Benefits shall not exceed a half month's salary for each completed year of service.
- 5) **Leave**: Leave on full pay and allowances at the rate of one month for every eleven months of service with liberty to accumulate such leave. The appointee shall be entitled to Leave encashment at the end of tenure of his appointment.
- 6) The appointee shall be entitled to the benefits of Bonus and Incentives as per Rules of the Company.

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

Other Terms and Conditions :

1. The Managing Director shall devote his valuable time and attention to the overall affairs of the Company and shall use his best endeavour to promote its interest and welfare.
2. The Managing Director shall maintain confidentiality as any information or knowledge in connection with the business affairs of the Company, obtained by him during the course of his current tenure or at any time thereafter.
3. The Managing Director shall act in accordance with superintendence, control and direction of the Board of Directors of the Company.
4. The appointment may be terminated by giving two months notice either side.
5. The Managing Director shall not be paid sitting fees for attending meetings of the Board of Directors or Committees thereof.
6. **Reimbursement of costs, charges, and expenses**: The Company shall pay to or reimburse the Executive 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.

The above terms and conditions of appointment and payment of remuneration to Shri Bharatkumar Ghodasara have been approved by the Nomination and Remuneration Committee in its meeting held on 15th March, 2014. The Company has not raised money through public deposits nor through issue of debentures and has not made any default in repayment of any of its debts including interest payable during the financial year ended on 31st March, 2014.

A copy of the appointment letter containing terms and conditions relating to the appointment and payment of remuneration to Shri Bharatkumar Ghodasara as Jt. Managing Director is available for inspection without any fee by the members at the registered office of the Company during business hours as mentioned in point no. 22 of the notes to the notice.

In terms of the provisions of the Companies Act, 2013 read with Section II of Part II of Schedule V thereto, your approval is required by way of special resolution for the aforesaid appointment and payment of remuneration to Shri Bharatkumar Ghodasara as Jt. Managing Director of the company. The Board hereby recommends the special resolution.

This explanatory statement may be regarded as a disclosure under Clause 49 of the Listing Agreement with the BSE Ltd, Mumbai.

None of the Directors, except Shri Bharatkumar Ghodasara, being Key Managerial Personnel) are interested or concerned, financially or otherwise, in these special resolutions.

Item No. 9

As required under the provisions of Section 94 of the Companies Act, 2013, certain documents such as Register of Members, Index of Members, copies of Annual Returns, Certificates and other records are required to be kept at the registered office of the Company. However, these documents and registers can be kept at any other place within the city, town or village in which

GALAXY BEARINGS LIMITED

the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a special resolution passed at a general meeting of the Company.

As per the SEBI requirements, appointment of common Registrar & Transfer Agent has become mandatory and the Board of Directors felt it necessary and are in process of appointing suitable RTA located at Ahmedabad or any other office as may be suggested or selected by the said Registrar. The Board of Directors also seeks your approval for change of place for keeping such documents and Registers or Agents in case of change of the Registrars.

Accordingly, the approval of the members is sought by way of special resolution in terms of Section 94(1) of the Companies Act, 2013 for keeping documents and registers including Register of Members at places other than the Registered Office.

A copy of the proposed resolution is being forwarded in advance to the Registrar of Companies, Gujarat, Ahmedabad as required under the said aforesaid provisions.

The Directors recommend the said special resolution.

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

Regd Office:
T-18, Vikram Chambers
Ashram Road
Ahmedabad 380 009
Date : 13.08.2014

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

V H Kansagara
Chairman & Mg Director
DIN00015696