

**24th**  
**Annual Report**

**VISHAL BEARINGS LIMITED**

## NOTICE

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Notice is hereby given that the 24<sup>th</sup> Annual General Meeting of the Members of Vishal Bearings Limited will be held on Tuesday, June 09, 2015, at 04:00 P.M. at its registered office of the company, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at March 31, 2015, Statement of Profit and Loss for the financial year ended as on that date together with the Reports of the Auditors and the Directors thereon.
2. To ratifies the appointment of M/s. P. Ghanshyam & Co., Chartered Accountants (Firm Registration No. 103153W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty-seven AGM of the Company to be held in the year 2018 and to authorize the Board of Directors to fix their remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.

### SPECIAL BUSINESS

#### 3. FURTHER ISSUE OF SHARES

To consider and if thought fit, pass the following resolution with or without modification as a special resolution:

**"RESOLVED THAT** in terms of Section 23(1)(a), 29, 40, 62 (1) (C) and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to the consent of the Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI), Foreign Investment Promotion Board ("FIPB") and all other concerned authorities and departments if and to the extent necessary and such other approvals, permissions and sanctions as may be prescribed in granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include a duly authorised Committee thereof for the time being exercising the powers conferred by the Board) as its sole discretion, the consent of the Members of the Company be and is hereby accorded to the Board of Directors to create, offer, issue and allot to the public from time to time in one or more tranches such number of Equity Shares having Face value of Rs. 10 each at such premium and at such price, as the Board of Directors may deem fit and proper, within the overall limit of Rs. 5.50 Cr. (Rupees five Crore Fifty Lac only) and to enlist such allotted Equity Shares on the recognized Stock Exchange(s) (including SME platform) as the Board of Directors of the Company may deem fit and proper, to such person or persons, who may or may not be the Shareholders/ Members of the Company, to the general public at large and to other categories of investors viz. QIBs (FIIs, FIs, and other eligible entities as per SEBI Regulations), HNIs, Retail Investors, Employees of the Company, Non-resident Indians, Bodies Corporate or other entities as per the extant Regulations and to such other persons in one or more combinations thereof to the exclusion of all other categories of investors on such terms and conditions, as the Board or

a Committee thereof may at its sole discretion decide and approve through the public issue in consultation with Lead Manager (LM) on such terms and conditions including the number of shares to be issued, at par or at premium as may be finalized and approved by the Board in its absolute discretion in accordance with extant SEBI (ICDR) Regulations 2009, as amended from time to time and any other applicable statute.

**RESOLVED FURTHER THAT** the new equity shares so issued shall upon allotment have the same rights of voting as the equity shares and be treated for all other purposes pari passu with the existing equity shares of the Company and that the equity shares so allotted during the financial year shall be entitled to the dividend, if any declared, including other corporate benefits, if any, for the financial year in which the allotment has been made and subsequent years.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, things and matters of whatsoever nature that may be incidental thereto, including but not limited to appointment of Lead Manager (s), Legal Advisor, Syndicate Member(s), Underwriter(s), Market Maker(s), Depository(ies), Registrars and other agencies as may be involved in or concerned in such Public issue and to remunerate all such agencies by way of commission, brokerage, fees or otherwise, by way of entering into agreement or otherwise and to settle any question, doubt or difficulty that may arise in regard to the issue, offer and allotment of the said shares.

**RESOLVED FURTHER THAT** the consent of the members of the Company is accorded to the Board for allocation of such percentage of the Issue to any category or categories of persons in any Reservation as may be permissible in accordance with Chapter XB of the SEBI ICDR Regulations and other applicable laws, regulations, policies or guidelines and to do all such other acts, deeds, matters and things as it may from time to time, in its absolute discretion decide and including without limitation, to negotiate finalize and execute any document or agreement and any amendments or supplement thereto and generally to do all such acts, deeds, matters and things in relation to all matters incidental to the Reservation or in relation to the foregoing and to settle any question, difficulty, or doubt that may arise with regard thereto or in relation to the foregoing.

**RESOLVED FURTHER THAT** all the new Equity Shares as aforesaid to be issued and allotted in the manner aforesaid shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu inter se in all respects with the then existing Equity Shares of the Company except as otherwise provided pursuant to the terms of the Issue in any of the Issue documents.

**RESOLVED FURTHER THAT** over subscription to the extent of 10% of the Issue be retained for the purpose of rounding off while finalizing the basis of allotment.

**RESOLVED FURTHER THAT** Board may determine the terms of the Issue including the class of investors to whom the equity shares are to be allotted, listing on one or more stock exchanges in India as the Board in its absolute discretion deems fit, price of the Equity Shares offers to the public and further, the Board may do all such acts, deeds, matters and things as it may in its

absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the Issue including but not limited to allotment and utilization of the proceeds and further to do all such acts, deeds, documents and agreements, matters and things and to appoint Lead Manager(s), Advisor(s), if any, and such intermediaries as may be required in the process and to finalize the issue expenses including payments to intermediaries, regulators and any other entities as may be required and to decide on the structure of the Issue, including reservations/firm allotments for specified categories as permitted under the SEBI ICDR Regulations, and execute all documents and writings as may be necessary, proper, desirable or expedient as it may deem fit including the various agreements for the Issue with various parties and to give such directions and/or instructions as it may from time to time decide and to accept and give effect to such modifications, changes, variations, alterations, deletions, additions as regard the terms and conditions, including the timing of the Issue, vary the premium to be charged on the Equity Shares and to vary the size of the Issue as the Board may in its absolute discretion decide in the interest of the Company without requiring any further approval of the members or in relation to raising of resources as authorised herein and that all or any of the powers conferred on the Company and the Board vide this resolution may be exercised by the Board or such Committee thereof as the Board may constitute in this behalf.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board subject to applicable laws, regulations and guidelines be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

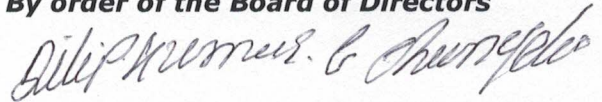
**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval for the preliminary as well as final offer document(s), determining the form and manner of the issue, including the class of investors to whom the equity shares are to be issued and allotted, number of equity shares to be allotted, issue price, face value, premium amount on issue/conversion of the Securities, if any, rate of interest, execution of various transaction documents, creation of mortgage/charge in accordance with the provisions of the Act in respect of any Securities as may be required either on pari-passu basis or otherwise, to decide and approve the terms and conditions of the Issue at its sole discretion, including but not limited to reservations for employees or other permitted categories, as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of equity shares and utilization of the issue proceeds and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as



may be required by the SEBI, the RoC, the Lead Managers, or other authorities or agencies involved in or concerned with the issue of equity shares and as it may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution and all actions taken by the Board or any committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing Resolutions be and are hereby approved, ratified and confirmed in all respects.

**RESOLVED FURTHER THAT** any of the Director(s) of the Company and/or Company Secretary of the Company be and are hereby severally authorized to file the requisite forms with the Registrar of Companies, and to execute and sign the documents including consent letter, power of attorney, certificates etc., as may be required in connection with the above and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and to settle any question or difficulty that may arise with regard to the aforesaid purpose and which it may deem fit in the interest of the Company."

**By order of the Board of Directors**



**DILIPKUMAR CHANGELA**  
**Chairman & Managing Director**

Shapar (Veraval)  
May 30, 2015

***Registered office:***

Survey No. 22/1, Plot No. 1,  
Shapar Main Road,  
Shapar (Veraval),  
Rajkot - 360 002 (GUJARAT)  
Tel : +91-2827-252273  
E-Mail : [compliance@vishalbearings.com](mailto:compliance@vishalbearings.com)  
Website : [www.vishalbearings.com](http://www.vishalbearings.com)

**NOTES:**

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business as set out above to be transacted at the Meeting is annexed hereto and forms part of this Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. All the documents referred in the Notice, Annual Report as well as Register of Directors' Shareholding are open for inspection, during the business hours, at the Registered Office of the Company up to and including the date of Annual General Meeting.
4. While Members holding shares in physical form may write to the Company for any change in their address and bank mandates may inform to the Company.
5. The Members holding shares in the same name or same order of names under different folios are requested to send the share certificates for consolidation of such shares to the Company.
6. The Members desirous of appointing their nominees for the shares held by them may apply in the Nomination Form (Form SH.13).
7. The Members desirous of obtaining any information/clarification concerning the accounts and operations of the Company are requested to address their questions in writing to the Company at least ten days before the Annual General Meeting, so that the information required may be made available at the Annual General Meeting.
8. Pursuant to the provisions of the Companies Act, 2013 read with the Rules framed there under, the Company may send notice of general meeting, directors' report, auditors' report, audited financial statements and other documents through electronic mode. Further, pursuant to the first proviso to the Rule 18 of the Companies (Management and Administration) Rule, 2014, the Company shall provide an advance opportunity atleast once in a financial year to the members to register their e-mail address and changes therein. In view of the same, Members are requested to kindly update their e-mail address with depository participants in case of holding shares in demat form. If holding shares in physical form, Members are requested to inform their e-mail ID to the Company.
9. THE COMPANY WHOLE-HEARTEDLY WELCOMES MEMBERS/PROXIES AT THE ANNUAL GENERAL MEETING OF THE COMPANY. THE MEMBERS/PROXIES MAY PLEASE NOTE THAT NO GIFTS/GIFT COUPONS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.



**EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS**  
(Pursuant to Section 102 of the Companies Act, 2013)

**ITEM NO.3**

The Company has grown consistently in past years. It is desirable that the Company may consider tapping the Capital market with an Initial Public Offering of Shares (IPO) to fund its massive fund raising programme by raising money for Working Capital Requirement, the Board of Directors of the Company at its meeting held on May 30, 2015 proposed a Public Issue by an offer, issue, allotment of such number Equity Shares of Rs. 10/- each (hereinafter referred to as "Securities") not exceeding Rs. 5.50 Cr. (Five Crore Fifty Lakh). Since the Board of Directors has proposed to come out with the Company's Initial Public Offer (IPO), the Board, in consultation with the Lead Merchant Banker(s), Underwriters, Market Makers and other Advisors, will finalize detailed terms of the issue including the pricing of the issue which will be fixed keeping in view the capital market conditions / practices and guidelines, if any, issued by the Securities and Exchange Board of India (SEBI). The proposed Resolution is an enabling resolution to authorize the Board of Directors to mobilize adequate resources to meet the growing needs of the Company through Public Issue(s).

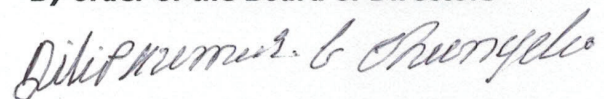
Under the proposed Special Resolution, consent of the shareholders be and is hereby accorded pursuant to the provisions of 62 (1)(C) and all other applicable provisions of the Companies Act, 2013, unlisted Public Companies (preferential Allotment) Rules 2003 and in terms of the provisions of the Listing Agreements proposed to be executed by the Company with Stock Exchange in India where the Company's Securities are proposed to be listed.

Since the Special Resolutions proposed may result in issue of Equity Shares of the Company otherwise than to the Members of the Company, consent of the Shareholders is being sought pursuant to the provisions of Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013, the Listing Agreements and other applicable rules and regulations.

The Directors recommended the Special resolution for your approval.

None of the directors, managers, key managerial personnel of the Company and their respective relatives are in any way interested in the resolution except to the extent of their shareholding in the Company.

**By order of the Board of Directors**



**DILIPKUMAR CHANGELA**  
**Chairman & Managing Director**

Shapar (Veraval)  
May 30, 2015

**Registered office:**

Survey No. 22/1, Plot No. 1,  
Shapar Main Road,  
Shapar (Veraval),  
Rajkot - 360 002 (GUJARAT)  
Tel: +91-2827-252273  
E-Mail: [compliance@vishalbearings.com](mailto:compliance@vishalbearings.com)  
Website: [www.vishalbearings.com](http://www.vishalbearings.com)

## DIRECTOR'S REPORT

Dear Members,

The Board of Directors ("Board") of Vishal Bearings Limited ("Company") with immense pleasure present their Twenty-fourth report on the business and operations of your Company for the financial year 2014-15. This Report is being presented along with the audited financial statements for the year.

### FINANCIAL PERFORMANCE:

Financial Particulars	For the year ended March 31	
	2015	2014
Revenue from operations	270,244,604	210,945,687
Other Incomes	12,586,877	2,393,067
<b>Total revenues</b>	<b>282,831,481</b>	<b>213,338,754</b>
Employee Benefit expense	37,122,804	28,173,909
Finance Costs	22,313,799	18,251,616
Depreciation and amortization expense	16,584,734	12,770,285
Other expenses	36,330,932	23,911,960
<b>Total Expenses</b>	<b>257,889,883</b>	<b>191,974,054</b>
Profit before tax	24,941,598	21,364,700
Tax expense		
<b>Profit for the year</b>	<b>17,400,934</b>	<b>15,111,949</b>

### PERFORMANCE REVIEW:

Your Company made significant progress during the year under review gaining market presence, volume growth and visibility for its products in the addressable markets. The revenue from operations for the financial year 2014-15 at Rs. 28.28 Crores was higher by 35.57% over last year (21.33 Crores in 2013-14). Earnings before interest, tax, depreciation and amortisation (EBITDA) was 27,109.62 crores excluding a significant adjustment for one-time employee reward, registering a growth of 7.78% over EBITDA of 25,152.79 crores in 2013-14. The reported EBITDA aggregated 24,481.71 crores. Profit after tax (PAT) for the year was 21,911.85 crores excluding the said one-time adjustment for employee reward recording a growth of 14.34% over the PAT of 19,163.87 crores in 2013-14. The reported PAT aggregated 19,852.18 crores.

Your Company achieved an all time high performance both in turnover and its profits. Your company had coupled with high level of modernization, concentrated efforts of both Management and 170 dedicated employees, the whole hearted support of Banks, suppliers and customers attained these levels of performance. The earnings per equity share (of face value Rs. 10) for the year increased to Rs. 69.60 from Rs. 60.45 for the previous year.

### DIVIDEND

To consider the resources for the future, Your Directors do not recommend any dividend.

### FUTURE PROSPECTS

Despite stiff competition from other countries, international buyers and sellers show preference to your company's products for its quality and timely delivery and hence your Directors are confident of achieving better working results in the coming years. The Consumer sector is showing more strength and hence business improvement is on the upswing with a reduction in Federal deficit gap.

Your company plans to take the performance to the next level by modernization, installing high tech and time saving machinery and supportive systems, improving

quality of work by employee training and in major areas pertaining to the industry the company is in business.

### **HUMAN RESOURCES DEVELOPMENT**

Your Company is well known for its execution capabilities, marketing and manufacturing strengths, product quality, and ability to keep to its commitment and deliver for its customers. Over the year, organizational strengths have enabled your company to grow faster than the industry average in each of the year. The momentum continued during the year under review with a new high in volume sold, highest over revenues and profit after tax. Your company has been well served by all the employees.

Employees today are looking for development opportunities, future career options, empowerment and work-life balance in an organization. To retain leadership position, the Company continuously innovates and customizes its human resource (HR) strategy to meet changing employee needs. The Company has well defined Human Resource Policies, excellent training facilities and as well established, healthy working environment.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

The directors report that

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss account of the company for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts on a going concern basis.
5. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **FIXED DEPOSITS**

The Company has not accepted any Fixed Deposits from the public and it is therefore not required to comply with the requirement under Non-Banking Non-Financial Companies (Reserve Bank) Directions, 1996 and Companies (Acceptance of Deposits) Rules, 1975.

### **FINANCE**

During the period up to this report, company has been utilizing cash credit from the Bank and the Company has been regular in payment of interest as well as instalments as per schedule to Banks.



#### **DIRECTORS**

During the period up to this Report, there was no change in the Board and none of the Directors are liable to retire by rotation. There was no change in composition of the Directors during the current financial year.

#### **MEETINGS OF THE BOARD OF DIRECTORS**

During the current financial year, the Board of Directors of the Company duly met 7 (Seven) times on 14<sup>th</sup> April, 2014, 26<sup>th</sup> August, 2014, 01<sup>st</sup> September, 2014, 30<sup>th</sup> September, 2014, 04<sup>th</sup> October, 2014, 13<sup>th</sup> November, 2014 and 10<sup>th</sup> January, 2015. Proper notices were given and the proceedings were properly recorded and signed in the Minutes Book as required by the Articles of Association of the Company and the Act.

#### **AUDITORS**

M/s P. Ghanshyam & Co., Chartered Accountant, Auditor of the Company will retire at the forthcoming Annual General Meeting and are eligible for reappointment. In accordance with the Companies Act 2013, it is proposed to re-appoint them as Auditor for the financial year 2015-16 from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, subject to the approval of shareholders.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

#### **RELATED PARTY TRANSACTIONS**

A detailed report on contracts and arrangements made during the year 2014-15, being arm's length transactions have been reported and annexed hereto in this report.

#### **EXTRACTS OF ANNUAL RETURN AND OTHER DISCLOSURES UNDER COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014**

As provided under Section 92(3) of the Act, the extract of annual return is given in Annexure III in the prescribed Form MGT-9, which forms part of this report.

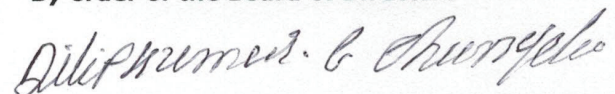
#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information as per Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure forming part of this report.

#### **ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation for the whole hearted and sincere co-operation the Company has received from its banker and various Government agencies. Your Directors also wish to thank all the employees for their co-operation.

*By order of the Board of Directors*



**DILIPKUMAR CHANGELA**  
*Chairman & Managing Director*

Shapar (Veraval)  
May 30, 2015

## Annexure to the Directors' Report

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### Annexure I

INFORMATION AS PER COMPANIES [DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS] RULES, 1988 AND FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2015

#### A. CONSERVATION OF ENERGY:

The Company continues its efforts to improve methods for energy conservation and utilization by

- (1) More usage of electricity purchased from GEB.
- (2) Intensified vigil on wastage control.

Power Consumption	Year Ended 31.03.2015	Year Ended 31.03.2014
	Rs.	Rs.
Electric Power	13,425,856	10,058,300

#### B. CONSUMPTION PER UNIT OF PRODUCTION:

The company manufactures different types of Rollers. Thus power and fuel consumption per unit of production cannot be appropriated separately.

#### C. TECHNOLOGY ABSORPTION:

Operations of the company do not involve any kind of special technology and there was no expenditure on research & development during this financial year. However, your company continues to upgrade its technology (computer technology and telecom infrastructure) in ensuring it is connected with its clients across the globe.

#### D. FOREIGN EXCHANGE EARNINGS AND OUTGO:

	2014-2015	2013-2014
Foreign Exchange earned during the year	Rs. 477,540	Rs. 749,638
Foreign Exchange outgo during the year	Rs. 120,798,072	Rs. 91,937,269

## Annexure II FORM No. MGT-9

### EXTRACT OF ANNUAL RETURN

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

#### REGISTRATION AND OTHER DETAILS

CIN	U29130GJ1991PLC016005
Registration Date	24/07/1991
Name of the Company	VISHAL BEARINGS LIMITED
Category of the Company	Company limited by shares / Indian Non-Government Company
Address of the Registered Office with contact Details	SURVEY NO 22/1, PLOT NO 1, SHAPAR MAIN ROAD, SHAPAR (VERAVAL) RAJKOT – 360 002 (GUJARAT) Tel : +91-2827-252273 Email : compliance@vishalbearings.com Website : <a href="http://www.vishalbearings.com">www.vishalbearings.com</a>
Whether listed Company	NO
Name , Address and Contact details of Registrar and Transfer	N.A.

#### PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sl. No.	Description of Main Products/Services	NIC Code of the Product/ Service	% to total turnover of the company
1.	All kinds of automobile and engineering bearing parts such as cons, Tapper, balls, rollers and needles	2814	100

#### PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company has not any Holding, Subsidiary and Associate Company.

#### SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (i) CATEGORY-WISE SHARE HOLDING

Category of Shareholder	No. of shares held at the beginning of the Year (01.04.2014)				No. of share held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
Individual/HUF	0	25000	25000	100	0	25000	25000	100	0
Central Govt.	0	0	0	0	0	0	0	0	0
State Govt(s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0



Banks/FI	0	0	0	0	0	0	0	0	0
Any	0	0	0	0	0	0	0	0	0
OTHER	0	0	0	0	0	0	0	0	0
Sub-Total (A) (1)	0	25000	25000	100	0	25000	25000	100	0
<b>(2) Foreign</b>									
NRIs-Individual	0	0	0	0	0	0	0	0	0
Other-Individual	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks/FI	0	0	0	0	0	0	0	0	0
Any	0	0	0	0	0	0	0	0	0
OTHER	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	0	25000	25000	0	0	25000	25000	0	0
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
Mutual Funds	0	0	0	0	0	0	0	0	0
Banks/FI	0	0	0	0	0	0	0	0	0
Central Govt.	0	0	0	0	0	0	0	0	0
State Govt(s)	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
FIIIs	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
Other (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B) (1)	0	0	0	0	0	0	0	0	0
<b>(2) Non-Institutions</b>									
a)Bodies Corp.				0					
Indian	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0
b)Individuals	0	0	0	0	0	0	0	0	0
Individual Shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
Individual Shareholders holding nominal share capital excess Rs. 1 lakh	0	0	0	0	0	0	0	0	0
c)Other (specify)	0	0	0	0	0	0	0	0	0
Clearing House	0	0	0	0	0	0	0	0	0
HUF	0	0	0	0	0	0	0	0	0
NRIs	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Sub-Total (B) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
<b>C. Shares held Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	0	25000	25000	100	0	25000	25000	100	0

## (ii) SHAREHOLDING OF PROMOTERS

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2014)			Shareholding at the end of the year (31.03.2015)			% Change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/enumerated to total	No. of shares	% of total shares of the Company	% of shares pledged/enumerated to total	
1	Mr. Hiralal G. Changela	1800	7.20	--	1800	7.20	--	0
2	Mr. Dilipkumar G. Changela	1800	7.20	--	1800	7.20	--	0
3	Mr. Girishkumar G. Changela	1200	4.80	--	1200	4.80	--	0
4	Mr. Vrajlal G. Changela	1800	7.20	--	1800	7.20	--	0

## (iii) CHANGE IN PROMOTERS' SHAREHOLDING (please specify, if there is no change) – No Change

Sl. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase/Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc):	No Change			
	At the End of the year				

## (iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (other than Directors, Promoters and Holders of GDRs and ADRs) – Not Applicable

Sl. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase/Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc):	Not Applicable			
	At the End of the year				

## (v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>At the beginning of the year</b>				
	Mr. Hiralal G. Changela	1800	7.20		
	Mr. Dilipkumar Changela	1800	7.20		
	Mr. Vrajlal Changela	1800	7.20		
	Mr. Girishkumar Changela	1200	4.80		
	<b>Date wise Increase/Decrease in Promoters</b>				

shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc):				
<b>At the End of the year</b>				
Mr. Hiralal G. Changela	1800	7.20		
Mr. Dilipkumar Changela	1800	7.20		
Mr. Vrajlal Changela	1800	7.20		
Mr. Girishkumar Changela	1200	4.80		

## INDEBTEDNESS

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

(Rs. In Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	2.60	11.52	0.00	14.12
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (I+II+III)</b>	<b>2.60</b>	<b>11.52</b>	<b>0.00</b>	<b>14.12</b>
Change in Indebtedness during the financial year				
Additions	1.64	2.98	0.00	4.62
Reduction	0.00	0.00	0.00	0.00
<b>Net Change</b>	<b>1.64</b>	<b>2.98</b>	<b>0.00</b>	<b>4.62</b>
Indebtedness at the end of the financial year				
(i) Principal Amount	4.24	14.50	0.00	18.74
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (I+II+III)</b>	<b>4.24</b>	<b>14.50</b>	<b>0.00</b>	<b>18.74</b>

## REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL

### A. Remuneration of Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of Managing Director/Whole-time Director / Manager	Total Amount
1	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	Not applicable	
2	Stock Option		
3	Sweat Equity		
4	Commission - As % of profit - Others, specify...		
5	Others, please specify		
	Total (A)		
	Ceiling as per Companies Act, 2013		

### B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Director	Total Amount
1	Independent Directors - Fees for attending Board/Committee Meetings - Commission - Others, please specify	Not applicable	
	Total (1)		
2	Other Non-executive Directors - Fees for attending Board and Committee meetings - Commission - Others, please specify		
	Total (2)		
	Total (B)= (1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Companies Act, 2013		

**C. REMUNERATION OF KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WHOLETIME DIRECTOR**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	CS	CFO	
1	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	Not applicable			
2	Stock Option				
3	Sweat Equity				
4	Commission - As % of profit - Others, specify...				
5	Others, please specify				
	Total				

**PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

There were no penalties, punishment or compounding of offences during the year ended March 31, 2015.

## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
**VISHAL BEARINGS LTD.**  
(Previously known as Vishal Bearings Pvt. Ltd.)

### Report on the Financial Statements

We have audited the accompanying standalone financial statements of VISHAL BEARINGS LIMITED, (Previously Known as " Vishal Bearings Pvt. Ltd.) which comprise the Balance Sheet as at 31st March, 2015, the Profit and Loss Statement, Cash Flow Statement for the year ended and a summary of significant accounting polices and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Director is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparations of these standalone financial statements that give a true and fair view of the financial position and financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, marketing judgments and estimate that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for insuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We have conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.



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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statement that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statement.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015.
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date
- (c) in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

Our opinion is not qualified / modified in respect of this matter.

### Report on Other Legal and Regulatory Requirement

As required by Section 143(3) of the Act, we report that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement deal with by this Report are in agreement with the books of account.



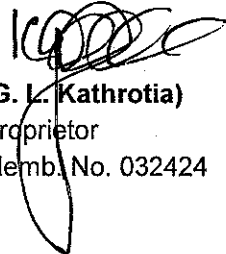
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- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representation received from the directors as on March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rule 2014, in our opinion and to the best of our information and according to the explanations given to us :
- (i) The Company has no pending litigation on its financial position in its financial statements ;
  - (ii) The Company has no material foreseeable losses on long term contract that required provision.
  - (iii) The Company has no amount that required to be transferred to the Investor Education and Protection Fund.

Place : Rajkot  
Date : 30th May, 2015



FOR P. GHANSHYAM & CO.,  
Chartered Accountants  
Firm Reg. No. 103153W

  
(G. L. Kathrotia)  
Proprietor  
Memb. No. 032424

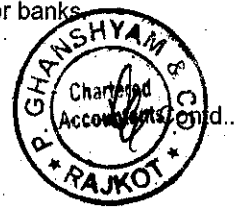
# VISHAL BEARINGS LIMITED

(Previously Known as " Vishal Bearings Pvt. Ltd.")

## ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

- (i) (a) The company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management at the year end and no material discrepancies were noticed on such verification.
- (ii) (a) As explained to us, inventories have been physically verified by the management at the year end.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and as explained to us, no material discrepancies were noticed on physical verification of inventory as compared to the books records.
- (iii) (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
- (b) In view of our comment given in Clause (iii)(a) above, the provisions of Clause 3(iii)(b) of the CARO 2015 are not applicable to the Company.
- (c) In view of our comment given in Clause (iii)(a) above, the provisions of Clause 3(iii)(c) of the CARO 2015 are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business, for purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- (v) The Company has not accepted any deposits from public during the year. Therefore, the Clause 3 (v) of the CARO 2015 are not applicable to the Company.
- (vi) We have been informed by the management that the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act.
- (vii) (a) According to the records, the Company is regular in depositing undisputed statutory dues including Provident Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities.
- (b) As informed to us and as per our verification there is no dues of Provident Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues have not been deposited on account of any dispute with the appropriate authorities.
- (c) In view of our comments, in Clause (vii)(b) above, the provisions of Clause 3(vii)(c) of the CARO, 2015 are not applicable to the Company
- (viii) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the year covered by the audit and in the immediately preceding financial year.
- (ix) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks.





**VISHAL BEARINGS LIMITED**  
(Previously Known as " Vishal Bearings Pvt. Ltd.")

**ANNEXURE TO THE AUDITORS' REPORT**


(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

- (x) According to the information and explanations given to us, the Company has not given any guarantee or loans taken by others from banks or financial institutions. Therefore, the provisions of Clause 3(x) of the CARO, 2015 are not applicable to the Company.
- (xi) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that term loans raised have been applied for the purpose for which the loans were obtained.
- (xxi) To the best of our knowledge and belief, and according to the information and explanations given to us, no fraud on or by the Company noticed or reported during the year.

Place : Rajkot  
Date : 30th May, 2015



**FOR P. GHANSHYAM & CO.,**  
Chartered Accountants  
Firm Reg. No. 103153W

  
(G. L. Kathrotia)  
Proprietor  
Mem. No. 032424

**VISHAL BEARINGS LIMITED**  
(Previously Known as " Vishal Bearings Pvt. Ltd.")

**BALANCE SHEET AS AT 31st MARCH, 2015**

Particulars	Note No.	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees
<b>I. EQUITY AND LIABILITIES :</b>			
<b>1. SHAREHOLDERS' FUNDS :</b>			
(a) Share capital	2	2500000	2500000
(b) Reserves and surplus	3	42933583	25470499
(c) Money received against share warrants	-	0	0
<b>Sub Total</b>		<b>45433583</b>	<b>27970499</b>
<b>2. SHARE APPLICATION MONEY</b>			
<b>PENDING ALOTMENT :</b>	-	0	0
<b>3. NON-CURRENT LIABILITIES :</b>			
(a) Long-term borrowings	4	148395071	118774713
(b) Deferred tax liabilities (Net)	5	6238635	5118028
(c) Other long term liabilities	-	0	0
(d) Long term provisions	6	1289065	0
<b>Sub Total</b>		<b>155922771</b>	<b>123892741</b>
<b>4. CURRENT LIABILITIES :</b>			
(a) Short-Term Borrowings	7	35100880	20243178
(b) Trade Payables	8	51404364	30921717
(c) Other Current Liabilities	9	5763201	13971305
(d) Short-Term Provisions	10	6975206	8640116
<b>Sub Total</b>		<b>99243651</b>	<b>73776316</b>
<b>TOTAL</b>		<b>300600005</b>	<b>225639556</b>

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**VISHAL BEARINGS LIMITED**  
(Previously Known as " Vishal Bearings Pvt. Ltd.")

**BALANCE SHEET AS AT 31st MARCH, 2015**

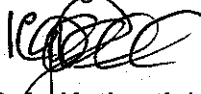
PARTICULARS	Note No.	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees
<b>II. ASSETS :</b>			
<b>1. NON-CURRENT ASSETS :</b>			
(a) Fixed Assets	11		
(i) Tangible assets		140903746	99121585
(ii) Intangible assets		0	0
(iii) Capital work-in-progress		2566029	384191
(iv) Intangible assets under development		0	0
(b) Non-current investment	12	6735782	5439782
(c) Deferred tax assets (Net)	-	0	0
(d) Long term loans and advances	-	0	0
(e) Other non-current assets	13	1522983	1521484
<b>Sub Total</b>		<b>151728540</b>	<b>106467042</b>
<b>2. CURRENT ASSETS</b>			
(a) Current Investments	-	0	0
(b) Inventories	14	74488973	55884852
(c) Trade Receivables	15	40355954	40096760
(d) Cash and Cash Equivalents	16	7477129	13770057
(e) Short-term Loans and Advances	17	8207950	642826
(f) Other Current Assets	18	18341459	8778019
<b>Sub Total</b>		<b>148871465</b>	<b>119172514</b>
<b>TOTAL</b>		<b>300600005</b>	<b>225639556</b>

**Accompanying Notes forming part of the  
Financial Statements**

1 to 40

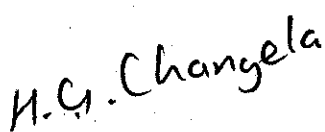
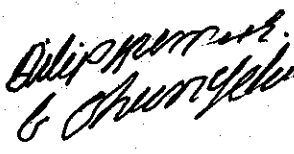
As per our report of even date attached

**FOR P. GHANSHYAM & CO.,**  
Chartered Accountants  
Firm Reg. No. 103153W

  
(G. L. Kathrotia)  
Proprietor  
Memb. No. 032424  
Place : Rajkot  
Date : 30th May, 2015



On behalf of the Board of Director

H. G. Changela  
Director  
Date : 30th May, 2015

D. G. Changela  
Director

# VISHAL BEARINGS LIMITED

(Previously Known as " Vishal Bearings Pvt. Ltd.")

## PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

PARTICULARS	Note No.	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees
I. Revenue from Operation	19	270244604	210945687
II. Other Income	20	12586877	2393067
<b>III. Total Revenue ( I + II )</b>		<b>282831481</b>	<b>213338754</b>
<b>IV. Expenses:</b>			
1. Cost of Materials and Stores Consumed	21	142025792	111684247
2. Purchases of Stock-in-Trade	-	0	
3. Changes in Inventories of Finished Goods, Work-inprocess and Stock-in-trade	22	3511821	-2817963
4. Employee Benefits Expenses	23	37122804	28173909
5. Financial Costs	24	22313799	18251616
6. Depreciation and Amortization Expenses	11	16584734	12770285
7. Other Expenses	25	36330932	23911960
<b>Total Expenses</b>		<b>257889883</b>	<b>191974054</b>
<b>V. Profit Before Exceptional and Extraordinary Items and Tax ( III - IV )</b>		<b>24941598</b>	<b>21364700</b>
VI. Exceptional Items		0	0
VII. Profit Before Extraordinary Items and Tax ( V - VI )		24941598	21364700
VIII. Extraordinary Items		0	0
<b>IX. Profit Before Tax ( VII - VIII )</b>		<b>24941598</b>	<b>21364700</b>
<b>X. Tax Expenses:</b>			
(1) Current tax		-6400000	-6415000
(2) Tax related to earlier year		-20057	-7591
(3) Deferred tax Credit/Charge		-1120607	169840
<b>XI. Profit(Loss) for the period from Continuing Operation ( IX - X )</b>		<b>17400934</b>	<b>15111949</b>
XII. Profit/(Loss) from Discontinuing Operation		0	0
XIII. Tax Expenses of Discounting Operation		0	0

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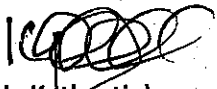
**VISHAL BEARINGS LIMITED**  
(Previously Known as " Vishal Bearings Pvt. Ltd.")

**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015**

PARTICULARS	Note No.	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees
XIV. Profit/(loss) from Discontinuing Operation ( XII - XIII )		0	0
XV. Profit/(Loss) for the period (XI + XIV)		<b>17400934</b>	<b>15111949</b>
XVI. Earning per equity share:			
(1) Basic		696.04	604.48
(2) Diluted		696.04	604.48
<i>Accompanying Notes forming part of the Financial Statements</i>	1 to 40		

As per our report of even date attached

**FOR P. GHANSHYAM & CO.,**  
Chartered Accountants  
Firm Reg. No. 103153W

  
(G. L. Kathrotia)  
Proprietor  
Mem. No. 032424  
Place : Rajkot  
Date : 30th May, 2015



On behalf of the Board of Director

*H. G. Changela* *D. G. Changela*

H. G. Changela  
Director

D. G. Changela  
Director

Date : 30th May, 2015

**VISHAL BEARINGS LIMITED**  
(Previously Known as " Vishal Bearings Pvt. Ltd.")

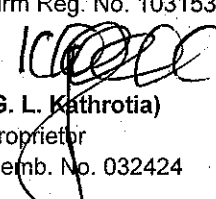
**CASH FLOW STATEMENT**

	Year Ended 31/03/2015	Year Ended 31/03/2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	24941598	21364700
<b>Adjustment for :</b>		
Depreciation and Amortization Exp.	16584734	12770285
Proposed Dividend & Dividend Tax	0	(11699500)
Dividend Income	(6392)	(5640)
Investment Income	(582357)	(332429)
Profit on Sale of machinery	0	(578294)
Profit on Sale of Investments	0	(87534)
Financial Cost	22313799	18251616
	38309784	18318504
<b>Operating profit before working capital changes</b>	<b>63251383</b>	<b>39683204</b>
<b>Adjustment for :</b>		
<b>Changes in Working Capital :</b>		
Increase / (Decrease) in Trade Payable	20482647	19040998
Increase / (Decrease) in Other Current Liability	(8208104)	4363040
Increase / (Decrease) in Short Term Provisions	(1664910)	3732791
(Increase) / Decrease in Inventories	(18604121)	(8763507)
(Increase) / Decrease in Trade Receivables	(259194)	-10122475
(Increase) / Decrease in Short Term Loans & Advances	(7565124)	157785
(Increase) / Decrease in Other Current Assets	(9563440)	(2174286)
	(25382246)	6234346
<b>Cash Generated from Operation</b>	<b>37869137</b>	<b>45917550</b>
Net Income-tax paid	(6420057)	(6422591)
<b>Net Cash Flow from Operating Activities</b>	<b>31449080</b>	<b>39494959</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Capital Expenditure on Fixed Assets	(60486583)	(20734719)
Sale of Fixed Assets	0	951000
Investment Income	582357	332429
Dividend Income	6392	5640
Profit on Sale of Investments	0	87534
(Increase)/Decrease in Other Non-current Liability	1289065	
(Increase)/Decrease in Other Non-current assets	(1499)	347879
(Increase)/Decrease in Investment	(1296000)	-1840134
<b>Net Cash Flow from/(used) in Investing Activities</b>	<b>(59906268)</b>	<b>(20850371)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Long Term Borrowings	29620358	10404953
Short Term Borrowings	14857702	351516
Financial Cost paid	(22313799)	(18251616)
<b>Net Cash Flow from/(used) in Financing Activities</b>	<b>22164261</b>	<b>-7495147</b>
Net Increase/(decrease) in Cash & Cash Equivalents(A+B+C)	<b>-6292928</b>	<b>11149441</b>
Cash & Cash Equivalents at the beginning of the period	13770057	2620616
	<b>7477129</b>	<b>13770057</b>
<b>Cash &amp; Cash Equivalents at the end of the period</b>	<b>7477129</b>	<b>13770057</b>

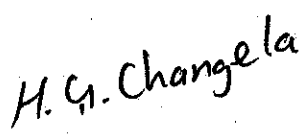
- 1) The figures in bracket indicate outflow  
2) Previous period's figures have been regrouped wherever considered necessary.

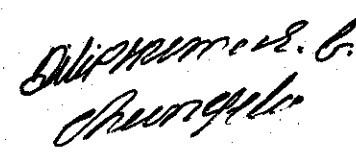
**FOR P. GHANSHYAM & CO.,**

Chartered Accountants  
Firm Reg. No. 103153W

  
(G. L. Kathrotia)  
Proprietor  
Memb. No. 032424



  
H. G. Changela  
Director  
Date : 30th May, 2015

  
D. G. Changela  
Director

**VISHAL BEARINGS LIMITED**  
(Previously Known as " Vishal Bearings Pvt. Ltd.")

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

**1. ACCOUNTING POLICIES**

**1.1 Basis of Accounting :**

The financial Statements are prepared under the historical cost basis of accounting and evaluated on a going-concern basis, with revenue and expenses accounted for on their accrual to comply in all material aspect with the Generally Accepted Accounting Principles in India Indian (GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

**1.2 Use of Accounting Estimates :**

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosures, of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

**1.3 Revenue Recognition :**

Revenue is being recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**1.4 Fixed Assets :**

Fixed assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange arising from exchange rate variations attributable to the assets.

**1.5 Depreciation and Amortization :**

Depreciation on fixed assets has been charged on W. D. V. method at the rates and useful life of the assets as specified in Schedule II to the Companies Act, 2013.

**1.6 Investments :**

Non-current Investments are recorded at cost.

**1.7 Foreign Currency Transactions :**

- a. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.
- b. Monetary items denominated in foreign currencies at the year end are translated at the year end rates
- c. Any income or expense on account of exchange difference either on settlement or on translation is recognised in Profit and Loss Statement.

**1.8 Inventories :**

Inventories of manufactured goods and raw materials are valued at lower of cost and net realizable value and cost is determined on first-in-first-out method. Cost of manufactured goods include related overheads.

Inventories are valued at lower of the cost or net realizable value except for wastage & scrap which are valued at net realizable value.

Cost of inventories of Work-in-progress include proportionate portion of cost of conversion.



**VISHAL BEARINGS LIMITED**  
(Previously Known as " Vishal Bearings Pvt. Ltd.")

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

**1.9 Borrowing Costs :**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying assets are capitalized as part of the cost of that assets till such time the asset is ready for its intended use. Other borrowing costs are recognized as an expenses in the period in which they are incurred.

**1.10 Provision for Current and deferred Tax :**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred Tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates applicable on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

**1.11 Provision and Contingencies :**

Provisions : Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities : Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the estimate of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or present obligation that arise from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**1.12 Cash Flow Statement :**

Cash Flows are reported using indirect method, whereby profit/(loss) before extraordinary items and taxes is adjusted for the effect 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.

**1.13 Employee Benefits :**

Provident Fund : Contribution towards provident Fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Scheme as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity : The Company has an obligation towards gratuity liability, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees on retirement, death while in employment or on termination of employment in an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service and for that in the financial year 2014-15 the Company has made provision for Gratuity Liability of Rs. 1292629/- for the year from 2009 -10 to 2014-15.

**1.14 Earning per Share (EPS) :**

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighed average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

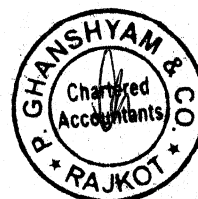




**VISHAL BEARINGS LIMITED**  
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**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

Particular	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees
<b>2 SHARE CAPITAL</b>		
(a) <b>Authorised :</b> 25000 Equity Shares of Rs. 100/- each.	<b>2500000</b>	<b>2500000</b>
(b) Issued, Subscribed & Fully Paid :	<b>2500000</b>	<b>2500000</b>
- 25000 Equity Shares of Rs. 100/- each fully paid	0	0
- Subscribed but not fully paid	0	0
(c) Par Value Per Share	100	100
(d) Number of Shares outstanding at the beginning of the reporting period	25000	25000
Number of Shares outstanding at the end of the reporting period	25000	25000
(e) the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and repayment of capital.	0	0
(f) Shares in respect of each class in the company held by its holding company or ultimate holding company.	0	0
(g) Shareholders holding more than 5% Shares :		
Names of Shareholders :	No. of shares held	No. of shares held
	%	%
Rambhoben G. Changela	1800	1800
Vrajlal G. Changela	1800	1800
Jyotiben V. Changela	1800	1800
Dilipkumar G. Changela	1800	1800
Rasilaben D. Changela	1800	1800
Hiralal G. Changela	1800	1800
Jayshriben H. Changela	1800	1800
Vishal V. Changela	1660	1660
Darshitkumar D. Changela	1777	1777
Divyesh H. Changela	1278	1278
	<b>17315</b>	<b>17315</b>
(h) Shares reserved for issue under option and contracts/ commitments for sale of shares/disinvestment.	0	0
(i) For the period of 5 years immediately preceding the date as at Balance Sheet is prepared :		
- Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	0	0
- Aggregate number and class of shares allotted as fully paid up by way of bonus shares	0	0
- Aggregate number and class of shares bought back	0	0
(j) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date	0	0
(k) Calls unpaid	0	0
(l) Forfeited shares	0	0



**VISHAL BEARINGS LIMITED**  
(Previously Known as " Vishal Bearings Pvt. Ltd.")

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

<i>Particular</i>	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees
<b>3 RESERVE AND SURPLUS :</b>		
(i) <b>Reserve and Surplus</b>		
(a) Capital Reserve - Cash Subsidy	1429623	1429623
(b) Capital Redemption Reserve	0	0
(c) Security Premium Reserve	0	0
(d) Debenture Redemption Reserve	0	0
(e) Revaluation Reserve	0	0
(f) Share Option Outstanding Account	0	0
(g) Other Reserve : General Reserve	5455173	5455173
(h) Balance in Statement of Profit and Loss Account :		
- Opening Balance	18585703	16684449
- Add : Adjustment Relating to Carrying amount of assets	62150	0
- Add : Profit for the year	17400934	15111949
	36048787	31796398
Less : Appropriations		
- Interim Dividend	0	10000000
- Dividend Tax	0	1699500
- Transfer to General Reserve	0	1511195
	0	13210695
	<b>36048787</b>	<b>18585703</b>
(ii) <b>Earmarked Investment Fund</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>42933583</b>	<b>25470499</b>
<b>4 LONG TERM BORROWINGS :</b>		
(a) Bonds / Debentures	0	0
(b) Term Loans :		
- From banks :	3357928	3540985
- From Others :	0	0
(c) Deferred Payment Liabilities	0	0
(d) Deposits	0	0
(e) Loans and Advances from Related Parties :		
- Unsecured :	145037143	115233728
(f) Long Term Maturities of Finance Lease Obligations	0	0
(g) Other Loans and Advances	0	0
<b>TOTAL</b>	<b>148395071</b>	<b>118774713</b>

Note Term loan from Bank :

Wind Mill Term loan from Kotak Mahindra Bank Ltd. is secured by hypothecation of Wind Mill and repayable in monthly instalment of Rs. 184479 including interest, rate of interest 13.40% p. a.

Machinery Term loan from Kotak Mahindra Bank Ltd. is secured by hypothecation of Plant & Machinery and repayable in monthly instalment of Rs. 113127 including interest, rate of interest 13.40% p. a.

Car loan from Kotak Mahindra Primes Bank Ltd. is secured by hypothecation of Motor Car and repayable in monthly EMI of Rs. 92000, rate of interest 13.40% p. a.

Period and amount of default - Nil

Unsecured loans from related parties :

No terms & conditions in respect of interest and repayment are specified.



**VISHAL BEARINGS LIMITED**  
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**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

<i>Particular</i>	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees
<b>5 DEFERRED TAX LIABILITY (NET) :</b>		
	Deferred Tax Liability/ (Asset) as at 31/03/2015	Current year Charge (Credit)
	Deferred Tax Liability/ (Asset) as at 31/03/2014	
Tax on difference between book & tax depreciation	6658028	5118028
Tax on Gratuity Provision not claimed as expenses in I. T.	(419393)	0
Net Deferred Tax Liability/(Asset)	<b>6238635</b>	<b>5118028</b>
<b>6 LONG TERM PROVISIONS :</b>		
Provision For Employees Benefit		1289065
		0
<b>TOTAL</b>		<b>1289065</b>
<b>7 SHORT TERM BORROWINGS :</b>		
Secured :		
Cash Credit from Kotak Mahindra Bank Ltd. - 083120000055	35100880	20243178
Buyer Credit from Kotak Mahindra Bank Ltd.	0	0
<b>TOTAL</b>	<b>35100880</b>	<b>20243178</b>
- Secured by hypothecation of stock and other movables of the company and guarantee by all Directors. - Period and amount of default - Nil		
<b>8 TRADE PAYABLE :</b>		
(a) Trade payable for goods	51404364	30921717
(b) Trade payable for expenses		
<b>TOTAL</b>	<b>51404364</b>	<b>30921717</b>
<b>9 OTHER CURRENT LIABILITIES :</b>		
Current Maturities of Long Term Debts	3943506	2213748
Dividend Payable	0	10000000
Other Payables :	1819695	1757557
<b>TOTAL</b>	<b>5763201</b>	<b>13971305</b>
<b>10 SHORT TERM PROVISIONS :</b>		
(a) Provision for current income-tax	6400000	6415000
(b) Other provisions :	575206	525616
(c) Dividend Tax Payable	0	1699500
<b>TOTAL</b>	<b>6975206</b>	<b>8640116</b>



# VISHAL BEARINGS LIMITED

(Previously Known as " Vishal Bearings Pvt. Ltd. ")

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

### NOTE - 11 : FIXED ASSETS :

Sr. No.	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		Balance as at 01/04/2014 Rs.	Addi- tion Rs.	Disposi- tion/ Adjustments Rs.	Balance as at 31/03/2015 Rs.	Upto 01/04/2014 Rs.	For the Year Rs.	Disposi- tion/ Adjustments Rs.	Upto 31/03/2015 Rs.	Balance as at 31/03/2015 Rs.
1	<b>Tangible Assets</b>									
	Land	177223	0	0	177223	0	0	0	0	177223
	Factory Building	7544859	0	0	7544859	4484538	289014	0	4773552	2771307
	Factory Bldg (VD)	2647620	0	0	2647620	801089	171717	0	972806	1674814
	Factory Bldg. New	17955617	3427652	0	21383269	1364028	1737625	0	3101653	18281616
	Factory Bldg.	862931	0	0	862931	160270	66444	0	226714	636217
	Plant & Machinery	99263294	54197654	130045	153330903	38308440	11204923	166399	49346964	103983939
	Furnace	1565282	0	0	1565282	625675	180665	0	806340	758942
	Atten. System	52737	46426	0	99163	16587	10235	0	26822	72341
	Electrification	3604022	0	10331	3593691	1125405	458849	12051	1572203	2021488
	Furniture	670228	12440	22111	660557	443589	71970	22394	493165	167392
	Computer	1491449	332160	82460	1741149	1020325	314523	88371	1246477	494672
	Refrigerator	21800	0	0	21800	16969	848	86	17731	4069
	EPABX	60010	0	18525	41485	35582	4249	18591	21240	20245
	Air Conditioner	315080	142870	0	457950	112981	47298	145	160134	297816
	Fax Machine	14500	0	0	14500	13216	0	0	13216	1284
	Water Filter	94775	0	0	94775	39473	10925	0	50398	44377
	Mobile Phone	152060	0	0	152060	59126	17733	0	76859	75201
	CCTV System	489850	119543	0	609393	180669	69148	0	249817	359576
	Weighing Scale	44830	26000	0	70830	23516	8074	0	31590	39240
	Car G3 Ec7565	1589811	0	0	1589811	818745	243071	0	1061816	527995
	Car - Rexton Rx	2387436	0	0	2387436	100915	705669	0	806584	1580852
	Car - GJ-3K-2153	346544	0	0	346544	344695	0	15478	329217	17327
	Scooters	46351	0	0	46351	46140	0	2107	44033	2318
	Honda CD Delux	43701	0	0	43701	28097	3821	0	31918	11783
	Honda Twister	51000	0	0	51000	32821	4448	0	37269	13731
	WIND MILL	12930220	0	0	12930220	5098754	963485	0	6062239	6867981
	<b>Total</b>	<b>154423230.4</b>	<b>58304745</b>	<b>263472</b>	<b>212464503</b>	<b>55301645</b>	<b>16584734</b>	<b>325622</b>	<b>71560757</b>	<b>140903746</b>
	<i>Previous year Total</i>	123415128	33237046	2228944	154423230.4	44387598	12770285	1856238	55301645.43	99121584.95
										79027530



# VISHAL BEARINGS LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

**NOTE - 10 : FIXED ASSETS :**

Sr. No.	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		Balance as at 01/04/2014 Rs.	Addi- tion Rs.	Dispo- sals Rs.	Balance as at 31/03/2015 Rs.	Upto 01/04/2014 Rs.	For the Year Rs.	Dispo- sals Rs.	Upto 31/03/2015 Rs.	Balance as at 31/03/2014 Rs.
II	Intangible Assets :	0	0	0	0	0	0	0	0	0
	Total	0	0	0	0	0	0	0	0	0
	Previous Year Total	0	0	0	0	0	0	0	0	0
III	Capital Work in-progress :									
	Factory Drumming shed	384191	2181838	0	2566029	0	0	0	0	2566029
	Total	0	2181838	0	2566029	0	0	0	0	2566029
	Previous Year Total	0	384191	0	384191	0	0	0	0	384191
IV	Intangible Assets Under Development :	0	0	0	0	0	0	0	0	0
	Total	0	0	0	0	0	0	0	0	0
	Previous Year Total	0	0	0	0	0	0	0	0	0



**VISHAL BEARINGS LIMITED**  
(Previously Known as " Vishal Bearings Pvt. Ltd.")

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

Particular	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees
<b>12 NON CURRENT INVESTMENTS :</b>		
Unquoted : (At Cost) :		
Share Deposit in Co-op. Bank of Rajkot Ltd.	100	100
Share in Co-op. Bank of Rajkot Ltd.	37600	37600
<b>Quoted : (At Cost) :</b>		
DSP Blackrock - Equity Fund (G) (MV Rs. 2682835 )	1647000	1323000
Franklin India Prima Plus (G) (MV Rs. 809151)	567000	243000
Franklin India Bluechip Fund (G) (MV Rs. 229573)	140333	140334
HDFC Equity Fund (G) (MV Rs. 361785)	194291	194291
ICICI Pru-Baln. Advant. Fund Reg (G) (MV Rs. 759328)	585066	585066
ICICI Prudential Infrastructure (MV Rs. 2676087)	1778711	1454711
IDFC Premier Equity Fund (MV Rs.3270459)	1647000	1323000
Reliance Equity Fund (MV Rs. 306140)	138681	138680
<b>TOTAL</b>	<b>6735782</b>	<b>5439782</b>
<b>13 OTHER NON-CURRENT ASSETS :</b>		
MAT Credit F. Y. 2010-11	155824	155824
Security Deposits	1365108	1363609
Other Deposit	2051	2051
<b>TOTAL</b>	<b>1522983</b>	<b>1521484</b>
<b>14 INVENTORIES :</b>		
(As taken, valued & certified by Director)		
Raw Materials	64137017	42021075
Work-in-process	9809632	13573459
Finished Goods	474818	104597
Stock-in-trade (in respect of goods acquired for trading)	0	0
Stores and Spares	0	0
Loose Tools	0	0
Others - Scrap/Wastage	67506	185721
(Inventories are valued at lower of the estimated cost or net realizable value)		
<b>TOTAL</b>	<b>74488973</b>	<b>55884852</b>
<i>Details of Raw-materials :</i>		
Emery Powder	57575	51450
Grinding Wheels	5599269	1660949
Packing Materials	156780	95250
Processing Oil	62525	70550
Steel Coil	58106808	40038366
Consumable Tools/Stores	104510	104510
Work-in-process :		
Bearing Rollers	9809632	13573459
Finished Goods :		
Bearing Rollers	474818	104597
Scrap/Waste	67506	185721



**VISHAL BEARINGS LIMITED**  
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**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

<i>Particular</i>	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees
<b>15 TRADE RECEIVABLES :</b>		
(a) Secured, considered good :	0	0
(b) Unsecured, considered good :		
- Outstanding or a period exceeding six months from the date they are due for payment.	0	0
- Outstanding or a period less than six months from the date they are due for payment.	40355954	40096760
(c) Doubtful	0	0
(d) Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or member others	0	0
<b>TOTAL</b>	<b>40355954</b>	<b>40096760</b>
<b>16 CASH AND CASH EQUIVALENTS :</b>		
(i) Cash and Cash Equivalents :		
(a) Balance with banks :	25535	10075158
(b) Cheques, drafts on hand	0	0
(c) Cash on hand	282876	581381
(d) Earmarked balances with banks	7168718	3113518
(ii) Balances with banks to the extent held as margin or security against the borrowings, guarantee or other commitments	0	0
(iii) Repatriation restrictions, if any, in respect of cash and bank balances.	0	0
(iv) Bank deposits with more than 12 months maturity.	0	0
<b>TOTAL</b>	<b>7477129</b>	<b>13770057</b>
<b>17 SHORT TERM LOANS &amp; ADVANCES :</b>		
Advances to Employees	338770	142826
Advances for Purchase of Assets	7869180	500000
<b>TOTAL</b>	<b>8207950</b>	<b>642826</b>
<b>18 OTHER CURRENT ASSETS :</b>		
Balance with Excise Authority	10253206	2686900
Balance with Income Tax Authority	6507041	5642249
Advances Recoverable in Cash or in Kind	677994	74159
Interest Receivable from PGVCL	105360	99508
Wind Power Income Receivable	229864	256485
Prepaid Expenses	567994	18718
<b>TOTAL</b>	<b>18341459</b>	<b>8778019</b>



**VISHAL BEARINGS LIMITED**  
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**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

Particular	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees
<b>19 REVENUE FROM OPERATION :</b>		
(a) Sale of products	286096516	230097499
(b) Sale of Services	0	0
(c) Other Operating Revenues	11592498	5289856
	<u>297689014</u>	<u>235387355</u>
Less : Excise Duty	27444410	24441668
	<b>TOTAL</b>	<b>210945687</b>
	<u><b>270244604</b></u>	<u><b>210945687</b></u>
<i>Details of Sale of Products :</i>		
Bearing Rollers	258652106	205655831
Jobwork & Packing Income	11592498	5289856
<b>20 OTHER INCOME :</b>		
Co-op. Bank Dividend Income	6392	5640
Interest on Bank Fixed Deposit	422378	221865
Interest on PGVCL Deposits	117067	110564
Interest Income On Income Tax Refund	42912	0
Exchange Rate Difference on Purchase of Machinery	2241460	0
Exchange Rate Difference on Purchase of Raw-materials	7997294	0
Discontinuance of Gratuity Liability	3564	0
Profit on Sale of Machinery	0	578294
Long Term Gain on Equity Oriented Fund	0	2468
Short Term Gain on Sale of Investment - Liquid Fund	0	85066
	<b>10831067</b>	<b>1003897</b>
Wind Mill Power Generation Income	1755810	1389170
	<b>TOTAL</b>	<b>2393067</b>
	<u><b>12586877</b></u>	<u><b>2393067</b></u>
<b>21 COST OF RAW MATERIAL AND STORES CONSUMED :</b>		
Opening Stock :	42021075	36075531
Add : Purchases	164141734	117629791
	<u>206162809</u>	<u>153705322</u>
Less : Closing Stock	64137017	42021075
	<b>TOTAL</b>	<b>111684247</b>
	<u><b>142025792</b></u>	<u><b>111684247</b></u>
<b>22 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS &amp; STOCK-IN-TRADE :</b>		
Opening Stock :		
Finished Goods	104597	29406
Semi-Finished Goods	13573459	10758906
Scrap/Wastage	185721	257502
	<b>Sub-Total</b>	<b>11045814</b>
	<u><b>13863777</b></u>	<u><b>11045814</b></u>
Less : Closing stock :		
Finished Goods	474818	104597
Semi-Finished Goods	9809632	13573459
Scrap/Wastage	67506	185721
	<b>Sub-Total</b>	<b>13863777</b>
	<u><b>10351956</b></u>	<u><b>13863777</b></u>
	<b>TOTAL</b>	<b>-2817963</b>
	<u><b>3511821</b></u>	<u><b>-2817963</b></u>





# VISHAL BEARINGS LIMITED

(Previously Known as " Vishal Bearings Pvt. Ltd.")

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

<i>Particular</i>	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees
<b>23 EMPLOYEE BENEFITS EXPENSES :</b>		
(a) Office Staff Bonus	25573	26114
(b) Office Staff Earn Leave Salary	13846	17900
(c) Staff Canteen Expenses	606799	463906
(d) Staff Welfare Expenses	233566	107600
(e) Directors Salary	3600000	1800000
(f) P. F. Contribution	1636461	1255764
(h) Office Staff Salary	330000	493500
(i) Workmen Accidental Medicliam Policy Premium	412447	386386
(j) Factory Staff Leave Pay	755048	854081
(k) Factory Staff Bonus	1318393	1102711
(l) Factory Staff Wages	20515940	16840375
(m) Labour Contract P. F.	239347	213179
(n) Labour Welfare Fund Contribution	1542	1776
(o) Labour LIC EDLIVE (Group) Insurance	105595	58714
(p) Contract Wages	5945127	4437279
(q) Medical Expenses	90491	114624
(r) Gratuity Expenses	1292629	0
Wind Mill :	0	0
<b>TOTAL</b>	<b>37122804</b>	<b>28173909</b>
<b>24 FINANCIAL COSTS :</b>		
<b>(a) Interest Expenses :</b>		
Intrest on Bank Cash Credit	1290221	399571
Intrest on Bank Term Loan	541698	246260
Intrest on Bank Term Loan of F.Y. 2010-11	0	119363
Intrest on Late Payment of TDS	4469	2412
Intrest on Late Payment of Excise	7287	0
Intrest on Late Payment of Service tax	17	0
Interest on Unsecured Loans	19609725	15767674
Interest on Car Loan	159207	18245
Interest on Buyers Credit	0	86120
Wind Mill :		
Term Loan Interest	387153	575266
<b>(b) Other Borrowing Costs :</b>		
Bank LC Issued Charges	209876	191522
Bank Commission & Charges	104147	845183
<b>(c) Loss on foreign Currency translation :</b>	0	0
<b>TOTAL</b>	<b>22313799</b>	<b>18251616</b>



**VISHAL BEARINGS LIMITED**  
(Previously Known as " Vishal Bearings Pvt. Ltd.")

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

<i>Particular</i>	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees
<b>25 OTHER EXPENSES :</b>		
<b>Direct Expenses :</b>		
Calibration Expenses	46320	55230
Clearing & Forwarding Exp.	2578777	1382201
Drumming Process Exp.	329955	354083
Electric Goods (pur.) & Repairs	497996	503121
Electric Inspection Fee	2000	5800
Electric Power	13425856	10058300
Factory Building Repairs & Maintenance	1090334	564239
Factory Expenses	304529	225561
Fuel Exp. (Diesel)	25116	69508
Fire, theft & Other Insurance	129762	101150
Jobwork Expenses	7284447	3558821
Laboratory Expenses	41984	36600
Machinery Repairs & Maintenance	1143667	703956
Manpower Recruitment Exp.	416160	310609
Segregation charges	3001	437762
Transportation & Labour Charges	3326084	2155809
VAT Reduce on OGS Sale & Gas	338295	175075
VAT Reversed on Fule	10485	8054
Purchase Commission	1933085	1149632
Water Expenses	740	351250
	<b>Sub-Total</b>	<b>22206761</b>
<b>Indirect Expenses :</b>		
Advertisement Expenses	8250	0
Auditor's Remuneration	30000	27500
Airconditior Repairing Exp.	4250	0
Computer Expenses	89124	71823
Donation Expenses	0	1850
Excise Audit Exp.	525292	0
Foreign Travelling Exp.	696886	156804
Furniture & Fixer Rep. Exp.	4200	36075
Garden Expenses	27740	5320
Customers' Hospitality Exp.	20620	49722
Motor Car Insurance	12115	54668
Vehicle Insurance - Two Wheeler	57558	2825
ISO Fees & Expenses	60000	116500
Kasar	9884	4449
Licence Renewal Exp.	63184	0
Legal & Professional Fees	210482	163579
Loan Processing Charges	0	5200
News Paper & Magazine Exp.	650	4750
Office Misc. Expenses	7688	14705
Packaging Material	1065	715
	<b>TOTAL C/F.</b>	<b>716485</b>



**VISHAL BEARINGS LIMITED**  
(Previously Known as " Vishal Bearings Pvt. Ltd.")

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

<i>Particular</i>	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees
TOTAL B/F.	1828988	716485
Postage & Courier Exp.	63031	18737
R. O. C. Filing Fee	5000	2000
Round-off difference	-7	-5
Sales Pramotion Exp.	8887	0
Sample Exp.	44940	0
Stationery & Printing	34987	92026
Service Tax On Fright O/W	29081	0
Staff Training Exp.	5100	0
Subscription	6389	1530
Telephone Charges	133471	116030
TDS Exp.	0	9569
Local Traveling Exp.	370894	0
Rate & Taxes	0	12447
VAT Assessment Exp.	0	49578
Vehicle Petrol - Two Wheelers	399344	272874
Vehicle Rapairs & Maint - Two Wheelers	75830	6545
Motor Car Repairs & Mint. Exp.	95878	102849
<b>WIND MILL EXPENSES :</b>		
Insurance Exp.	9070	9070
Maintenance Charges (O & M)	2500	16681
Wind Mill Land Lease Rent.	25000	0
Transmission Charges	263956	278783
<b>Sub-Total</b>	<b>3402339</b>	<b>1705199</b>
<b>TOTAL</b>	<b>36330932</b>	<b>23911960</b>



**VISHAL BEARINGS LIMITED**  
(Previously Known as " Vishal Bearings Pvt. Ltd.")

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

Particular	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees
<b>26</b> Contingent Liabilities and Commitments : (to the extent not provided for)		
(i) Contingent Liabilities	Nil	Nil
(a) Claim against the company not acknowledgement as debt		
(b) Guarantees		
(c) Other money for which the company is contingently liable		
(ii) Commitments	Nil	Nil
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil
(b) Uncalled liability on shares/investments partly paid	Nil	Nil
(c) Other commitments	Nil	Nil
<b>27</b> Value of imports calculated on CIF basis by the company during financial year in respect of :		
i. Raw materials	120101186	91780465
ii. Components and spare parts	Nil	Nil
iii. Capital Goods	Nil	Nil
<b>28</b> Expenditure in foreign currency on account of royalty, know-how, professional and consultation fees, interest and other matters :		
- Travelling Exp.	696886	156804
<b>29</b> i. Total value of imported raw materials, spare parts and components consumed during the financial year	94923912	86479456
ii. Total value of all indigenous raw materials, spare parts and components similarly consumed	47101880	25204791
iii. Total value of imported and indigenous raw materials, spare consumed during the financial year	142025792	111684247
iv. Imported raw materials and spare parts consumed in %	66.8%	77.4%
v. Indigenous raw materials and spare parts consumed in %	33.2%	25.6%
<b>30</b> The amount remitted during the year in foreign currencies on account of dividends.	Nil	Nil
<b>31</b> Earning in foreign exchange :		
i. Export of goods calculated on FOB basis	477540	749638
ii. Royalty, know-how, professional and consultation fee	Nil	Nil
iii. Interest and dividend	Nil	Nil
iv. Other income	Nil	Nil
<b>32</b> The amount of dividends proposed to be distributed to Equity and preference shareholders :		
i. Proposed dividend for the period	Nil	Nil
ii. Amount per share	Nil	Nil
<b>33</b> Payment to Auditors : - As Auditor	30000	27500
<b>34</b> Prior period items (Gratuity & Wind Turbine Lease Rent)	1312629	0



**VISHAL BEARINGS LIMITED**  
(Previously Known as " Vishal Bearings Pvt. Ltd.")

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

Particular	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees		
<b>35</b> Details of raw materials consumed : (In Rupees)				
Steel Coil, Consumable Stores & Packing Materials	142025792	117629791		
<b>36</b> Details of Manufactured Goods : (In Rupees)				
Product	<u>Bearing Rollers &amp; Scrap</u>			
Opening Stock	290318	286908		
Closing Stock	542324	290318		
Sales	258652106	205655831		
<b>37</b> Realisation :				
In the opinion of the Board and to the best of its knowledge and belief, the value on realisation of current assets, loans and advances will, in the ordinary course of business, not be less than the amount at which they are stated in the Balance Sheet.				
<b>38</b> Balance of Sundry Debtors, Creditors are subject to confirmation.				
<b>39</b> Related Party Disclosure :				
a. Name of Related Party :	Relationship			
Vrajlal G. Changela	Key Managerial Personnel			
Hiralal G. Changela	Key Managerial Personnel			
Dilipkumar G. Changela	Key Managerial Personnel			
b. Darshit D. Changela	Relative of Key Managerial Personnel			
Girishkumar G. Changela	"			
Jaynaben G. Changela	"			
Jayshreeben H. Changela	"			
Jyotiben V. Changela	"			
Manjulaben Jayantilal	"			
Prashantkumar G. Changela	"			
Rajan Girishkumar Changela	"			
Rambhaben G. Changela	"			
Rasilaben D. Changela	"			
Rinkuben D. Changela	"			
Vijaykumar V. Changela	"			
Vishal V. Changela	"			
Virdeep Rollers Pvt. Ltd.	Concern in which Key Managerial Personnel are interested.			
Virdeep Engg. Pvt. Ltd.	"			
Vijay Petroleum Co.	"			
c. Nature of Transactions :	Loan & Received Rupees	Interest paid Rupees	Remuneration paid Rupees	Purchase/Jobwork payment made Rupees
Vrajlal G. Changela	5433062	2125625	1200000	0
Hiralal G. Changela	3402626	1669585	1200000	0
Dilipkumar G. Changela	4224693	2227436	1200000	0
Darshit D. Changela	1782363	1202626	60000	0
Girishkumar G. Changela	1885530	1028367	0	0
Jaynaben G. Changela	781064	867849	0	0



**VISHAL BEARINGS LIMITED**  
(Previously Known as " Vishal Bearings Pvt. Ltd.")


**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

Particular	As at 31/03/2015 Rupees	As at 31/03/2014 Rupees		
Nature of Transactions :	Loan & Received	Interest paid	Remuneration paid	Purchase/Jobwork payment made
	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>
Jayshreeben H. Changela	2101299	1219221	0	0
Jyotiben V. Changela	1594441	1160490	0	0
Manjulaben Jayantilal	516814	352016	0	0
Prashantkumar G. Changela	667526	617259	0	0
Rajan Girishkumar Changela	642762	581423	0	0
Rambhaben G. Changela	2176086	1634540	0	0
Rasilaben D. Changela	997069	907854	0	0
Rinkuben D. Changela	1308744	616382	0	0
Vijaykumar V. Changela	1046405	629339	60000	0
Vishal V. Changela	1394168	765743	60000	0
Virdeep Rollers Pvt. Ltd.	0	298952	0	0
Virdeep Engg. Pvt. Ltd.	0	0	0	543452
Vijay Petroleum Co.	0	0	0	45346

40 Previous year's figures have been regrouped wherever necessary to confirm to the Current year's classification.

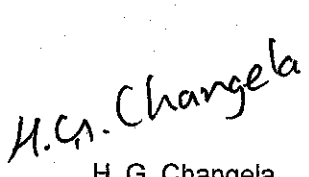
Signature to Note No. 1 to 40

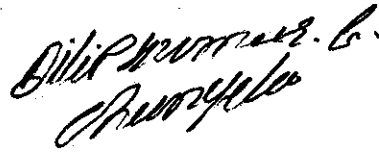
**FOR P. GHANSHYAM & CO.,**  
Chartered Accountants  
Firm Reg. No. 103153W

  
(G. L. Kathrotia)  
Proprietor  
Memb. No. 032424  
Place : Rajkot  
Date : 30th May, 2015



On behalf of the Board of Director

  
H. G. Changela  
Director  
Date : 30th May, 2015

  
D. G. Changela  
Director