

GALAXY KNITS LIMITED

NOTICE

Notice is hereby given that the Fourth Annual General Meeting of GALAXY KNITS LIMITED will be held on Friday the 19th August 2016 at the Registered office of the Company at 252, Periyar Colony, Anupparpalayam, Tirupur - 641 652 at 05.00 PM to transact the following business:

AGENDA

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2016 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To Appoint Auditor and to fix their remuneration.
3. To appoint a Director in the place of Mr.P.Nataraj who retires by rotation and being eligible, offers himself for re-appointment.

By order of the Board



K.P.Ramasamy
Chairman

Coimbatore
19/04/2016

Note:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint one or more Proxy (ies) to attend and vote instead of himself/ herself and such Proxy need not be a Member of the Company. Proxies in order to be effective must be received at the Company's Registered Office not later than 48 hours before the Commencement of the Meeting.

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT:

Name of the Director	Mr.P.Nataraj
Date of Birth	04/08/1957
Date of Appointment	24/07/2012
Expertise in specific functional area	Mr.P.Nataraj , has over two decades of experience in the apparel industry, including the production & marketing of cotton yarn, hosiery fabric, knitted apparel, and dyeing of fabric. He is also experienced in internal control, project implementation and tax planning. He manages the financial functions of the Holding Company M/s. K.P.R.Mill Limited and also oversees the entire commercial activities of its spinning divisions. Mr.P.Nataraj is a Member in 'Cotton Yarn Advisory Board' constituted by the Government of India and a Director of Confederation of Indian Textile Industry (CITI) .He is the Deputy Chairman of South India Mills Association (SIMA) and the Vice-President of Indian Cotton Federation.
Qualification	F.C.A
Directorship held in other public Companies (Excluding foreign and private companies)	K.P.R. Mill Limited K.P.R Developers Limited K.P.R. Sugar Mill Limited
Chairmanship/Membership of Committees in other Indian Public Companies	Member – Audit Committee – K.P.R. Mill Limited Member – Stakeholders Relationship Committee – K.P.R. Mill Limited Member – Audit Committee – K.P.R. Sugar Mill Limited
Shares in the Company – No.of Shares	1
Relationship between Directors inter-se	Brothers: Mr. K.P.Ramasamy Mr. KPD Sigamani

GALAXY KNITS LIMITED

DIRECTORS' REPORT

LADIES / GENTLEMEN,

Your Directors present the Fourth Annual Report of the Company together with the Audited Accounts for the year ended 31.03.2016.

REVIEW OF OPERATIONS:

During the year under review the Company has not commenced any major business activity.

SHARE CAPITAL

During the year the Company has not issued any shares.

DEPOSITS:

The Company has not accepted any fixed deposit from Public during the year under review.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

As the Company has not commenced business activities, the provisions of Section 134 (3) (m) do not apply to the company.

DIRECTORS:

Mr.P.Nataraj, who retires by rotation at the ensuing Annual General Meeting and is eligible, offers himself for re-appointment.

BOARD MEETINGS:

The Board of Directors met Four times during the financial year. They were held on 24.04.2015, 16.07.2015, 19.10.2015 and 14.01.2016.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

There were no loans, guarantees or investments made by the Company under Section 186 of the Act, during the year under review and hence the said provision is not applicable.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary Company.

PARTICULARS OF EMPLOYEES:

No Employee or Director is in receipt of any remuneration pursuant to Section 197 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence no reporting is required.

RELATED PARTY TRANSACTIONS:

The Company has not commenced any operations during the year hence the said provision is not applicable.

CONSTITUTION OF COMMITTEES AS PER COMPANIES ACT, 2013

The provisions of Section 177 & 178 of the Companies Act, 2013 are not applicable to the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134(5) of the Act, the Board of Directors of the Company hereby state and confirm that;

I. In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

II. The Directors had selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.

III. The Directors had taken proper and sufficient care for the maintenance of adequate record in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

IV. The Directors had arranged preparation of the accounts for the financial year ended March 31, 2016 on a going concern basis.

V. 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.

VI. 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.

MANAGERIAL REMUNERATION CRITERIA:

None of the Directors received any remuneration or commission from the Company.

AUDITOR & AUDITORS REPORT

Mr. A. Vetrivel Chartered Accountant, Coimbatore, the Statutory Auditor of the Company retires at the ensuing Annual General Meeting and is eligible for re-appointment. The Auditor's Report to the Shareholders does not contain any qualification remarks

EXTRACT OF ANNUAL RETURN:

Pursuant to section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 forms part of this Report

FOR AND ON BEHALF OF THE BOARD

Coimbatore
19/04/2016


K.P. Ramasamy
Chairman

Form No.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON
31.03.2016

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U18100TZ2012PLC018577
ii.	Registration Date	24/07/2012
iii.	Name of the Company	Galaxy Knits Limited
iv.	Category/Sub-Category of the Company	Public Company / Indian Non-Government Company
v.	Address of the Registered office and contact details	252, Periyar Colony, Anuppapalayam, Tirupur – 641652. Ph: 0421-2487081-86, Fax: 0421-2470780 Mail: galaxy.knits@india.com
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the	% to total turnover of the company
1	NIL	-	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No .	Name And Address Of The Company	CIN/GLN	Holding / Subsidiary /Associate	%of shares held	Applicable Section
1.	K.P.R. Mill Limited No.9, Gokul Buildings, Ist Floor, A.K.S. Nagar, Thadagam Road, Coimbatore – 641 001	L17111TZ2003 PLC010518	Holding	100%	2 (46)

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

i. Category-wise Shareholding

[illegible]

Sub-total(A)(2):-									
B. Public Shareholding									
Total Public Shareholding (B)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	50,000	50,000	100	-	50,000	50,000	100	-

ii.Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total	% change in share holding during the year
1.	K.P.R Mill Limited	49994	99.99	-	49994	99.99	-	-
2.	K.P. Ramasamy	1	0.00	-	1	0.00	-	-
3.	KPD. Sigamani	1	0.00	-	1	0.00	-	-
4.	P.Nataraj	1	0.00	-	1	0.00	-	-
5.	C.R.Anandakrishnan	1	0.00	-	1	0.00	-	-
6.	E.K.Sakthivel	1	0.00	-	1	0.00	-	-
7.	D.Geetha	1	0.00	-	1	0.00	-	-
	Total	50,000	100	-	50,000	100	-	-

Note: Beneficial Interest in shares held by Shareholders under Sl.no 2 to 7 vests with K.P.R. Mill Limited, the Holding Company

iii.Change in Promoters' Shareholding: No Change

INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not Due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

None of the Directors receive any remuneration from the Company.

VI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

The Company has not paid any penalties, received any punishments or went for Compounding of any offences.



No. 1/1, Seth Narayandas Layout-II, Tatabad,
Coimbatore - 641 012. Phone : 2495760, 4378813
E-mail : vetrivelfca@gmail.com

Date :

AUDITOR'S REPORT

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF M/S.GALAXY KNITS
LIMITED**

Report on the Financial statements

I have audited the accompanying financial statements of M/S. GALAXY KNITS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2016, Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under 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; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



**M/S. GALAXY KNITS LIMITED
TIRUPUR**

Auditors Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I 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 there under.

I conducted my audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a 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 and 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 Company's Directors, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the financial statements.



**M/S. GALAXY KNITS LIMITED
TIRUPUR**

Opinion

In my opinion and to the best of my information and according to the explanations given to me, the 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 of the state of affairs of the company as at 31st March, 2016 and its Loss and cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, I give in the Annexure "A" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, I report that:
 - a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;
 - b. In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In my opinion, the aforesaid financial statement 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 written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.



**M/S. GALAXY KNITS LIMITED
TIRUPUR**

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure - B" and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:
- i. There were no pending litigations which would impact the financial position of the Company.
 - ii. The Company did not have any long-term contracts including derivative contracts on which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

**DATE : 19.04.2016
PLACE : COIMBATORE**


**A.VETRIVEL
CHARTERED ACCOUNTANT
MEMBERSHIP NUMBER 025028**

**A.VETRIVEL, B.Sc., F.C.A.
CHARTERED ACCOUNTANT
M.No. 25028
1/1, SETH NARAYANDAS LAY-OUT-II
TATABAD, COIMBATORE - 641 012
Phone : 2495760, 4378813**

**M/S. GALAXY KNITS LIMITED
TIRUPUR**

Annexure "A" to the Independent Auditor's Report for the year ended 31st March 2016

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of my report of even date)

1. In respect of Fixed assets

There is no fixed asset of the Company as on 31.3.2016.

2. In respect of Inventories:

There is no opening inventory as on 01.04.2015 and closing inventories of the Company as on 31.03.2016.

3. According to the information and explanations given to me, the Company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 during the year.
4. In my opinion and according to the information and explanations given to me, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanations given to me, the Company has not accepted any deposit during the year.
6. The Company has not commenced its business activity during the year 2015-16, hence the maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013, is not applicable.
7. According to the information and explanations given to me, in respect of statutory dues:
The company has not commenced its business activity since inception, hence there is no Statutory dues, including Provident Fund, Employees State Insurance, Income tax, Sales tax, Wealth Tax, Service Tax, Duty of Customs, Excise Duty, Value Added Tax, Cess etc., to the Company as on 31.3.2016.
8. The company has not availed any Loan from financial institutions and banks during the year 2015-16, hence the defaulted in repayment of dues is not applicable to the Company. The Company has not issued any debentures.



**M/S. GALAXY KNITS LIMITED
TIRUPUR**

9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the Company has not availed any term loans during the year 2015-16.
10. To the best of my knowledge and according to the information and explanations given to me, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In my opinion and according to the information and explanations given to me, the Company has not paid / provided managerial remuneration during the year and hence provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the Company.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
13. In my opinion and according to the information and explanations given to me the Company is in compliance with Sections 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 Order is not applicable to the Company.
15. In my opinion and according to the information and explanations given to me, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
16. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

**DATE : 19.04.2016
PLACE : COIMBATORE**


**A.VETRIVEL
CHARTERED ACCOUNTANT
MEMBERSHIP NUMBER 025028**

**A.VETRIVEL, B.Sc., F.C.A.
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Phone : 2495760, 4378813**

**M/S. GALAXY KNITS LIMITED
TIRUPUR**

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

I have audited the internal financial controls over financial reporting of M/S.GALAXY KNITS LIMITED ("the Company") as of 31.03.2016 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



**M/S. GALAXY KNITS LIMITED
TIRUPUR**

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



**M/S. GALAXY KNITS LIMITED
TIRUPUR**

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In my opinion, to the best of my information and according to the explanations given to me, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31.03.2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**DATE : 19.04.2016
PLACE : COIMBATORE**



**A.VETRIVEL
CHARTERED ACCOUNTANT
MEMBERSHIP NUMBER 025028**


**A.VETRIVEL, B.Sc., F.C.A.
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GALAXY KNITS LIMITED
BALANCE SHEET AS AT 31.03.2016


	Note	As at 31.03.2016	As at 31.03.2015
		(In ₹)	
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	3	5,00,000	5,00,000
(b) Reserves and Surplus	4	(66,736)	(52,077)
		4,33,264	4,47,923
2 Current Liabilities			
(a) Trade Payables	5	11,117	5,408
		4,44,381	4,53,331
B ASSETS			
1 Current Assets			
(a) Cash and Bank Balances	6	3,99,516	4,08,466
(b) Other Current Assets	7	44,865	44,865
		4,44,381	4,53,331
		4,44,381	4,53,331

See accompanying notes forming part of the financial statements
For and on behalf of the Board of Directors

"To be read with my report of even date"


K.P. Ramasamy
Managing Director


A. Vetrivel
Chartered Accountant


KPD Sigamani
Director


P. Nataraj
Director

Coimbatore
19.04.2016

A. VETRIVEL, B.Sc., F.C.A.
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GALAXY KNITS LIMITED
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31.03.2016

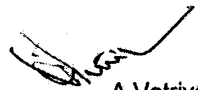
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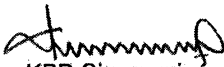
	Note	Year Ended	
		31.03.2016	31.03.2015
I. Revenue from Operations		-	-
Less: Excise Duty		-	-
Revenue from Operations (Net)		-	-
II. Other Income		-	-
III. Total Revenue		-	-
IV. Expenses			
Cost of Materials Consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Finished Goods, Work- in-Progress and Stock in Trade		-	-
Employee Benefits Expenses		-	-
Finance Costs		-	-
Depreciation and Amortization Expenses		-	-
Other Expenses	8	14,659	10,026
Total Expenses		14,659	10,026
V. Profit /(Loss) Before Tax		(14,659)	(10,026)
VI. Tax Expense			
1. Current Tax Expense for Current Year		-	-
Net Tax Expenses		-	-
VII. Profit /(Loss) for the Year		(14,659)	(10,026)
VIII. Earnings per equity share of ₹ 10 each			
1. Basic & Diluted (in ₹)		(0.29)	(0.20)
See accompanying notes forming part of the financial statements			


For and on behalf of the Board of Directors

"To be read with my report of even date"


K.P. Ramasamy
Managing Director


A. Vetrivel
Chartered Accountant

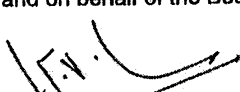




KPD Siganani
Director


P. Nataraj
Director

A.VETRIVEL, B.Sc., F.C.A.
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Coimbatore
19.04.2016

GALAXY KNITS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2016

PARTICULARS		Year Ended 31.03.2016	Year Ended 31.03.2015
		(In ₹)	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit Before Tax		(14,659)	(10,026)
Operating profit before Working Capital adjustments		(14,659)	(10,026)
Increase / (Decrease) in Current Liabilities		5,709	408
Cash Generated from Operations		(8,950)	(9,618)
Net Income Tax (Paid) / Refunds			
Net Cash from Operating Activities	(A)	(8,950)	(9,618)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets			
Net Cash flow used in Investing Activities	(B)	-	-
CASH FLOW FROM FINANCING ACTIVITIES			
Net Cash used in Financing Activities	(C)	-	-
Net Increase in Cash and Cash Equivalents	(A+B+C)	(8,950)	(9,618)
Opening Balance of Cash and Cash Equivalents		4,08,466	4,18,084
Closing Cash and Cash Equivalents		3,99,516	4,08,466
Reconciliation of Cash and cash equivalents with the Balance Sheet: Cash and Bank Balances (Refer Note 6)		3,99,516	4,08,466
Closing Cash and Cash Equivalents		3,99,516	4,08,466
See accompanying notes forming part of the financial statements			
For and on behalf of the Board of Directors		"To be read with my report of even date"	
 K.P. Ramasamy Managing Director		 A. Vetrivel Chartered Accountant	
 KPD Sigamani Director		 R. Nataraj Director	
Coimbatore 19.04.2016		A.VETRIVEL, B.Sc., F.C.A. CHARTERED ACCOUNTANT M.No. 25028 1/1, SETH NARAYANDAS LAY-OUT-II TATABAD, COIMBATORE - 641 012 Phone : 2495760, 4378813	

1 Company Overview

Galaxy Knits Limited is the Wholly owned Subsidiary Company of K.P.R.Mill Limited. It is incorporated under the provisions of the Companies Act, 1956.

2 Significant Accounting Policies

A) BASIS OF ACCOUNTING

(i) The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable.

(ii) The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. The financial statements have been prepared on accrual basis under the historical cost convention.

B) USE OF ESTIMATES

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Actual results could differ from those estimates.

C) CASH FLOW STATEMENT

Cash flow statement has been prepared in accordance with the indirect method prescribed in Accounting Standard 3 Cash Flow Statement.

D) INVENTORIES

Items of Inventories are valued at lower of cost or net realizable value. Cost is ascertained on Specific identification method/FIFO method as appropriate. Cost includes all direct costs and applicable production overheads, to bring the goods to the present location and condition.

E) REVENUE RECOGNITION

Sales includes sale of products and waste. Revenue from sale of products and waste are recognized when the property in goods are transferred.

F) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

G) TAXATION

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

The deferred tax for timing difference between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

Deferred tax assets in case of unabsorbed losses are recognized only if there is virtual certainty that such deferred tax asset can be realized against future taxable profits.



GALAXY KNITS LIMITED
Notes forming part of the Financial Statements

		As at 31.03.2016	As at 31.03.2015
		(In ₹)	
3 SHARE CAPITAL			
Authorised			
50,000 (Pr.Yr 50,000) Equity Shares of ₹10 each		5,00,000	5,00,000
		5,00,000	5,00,000
Issued, Subscribed & Fully Paid up			
50,000 (Pr.Yr 50,000) Equity Shares of ₹10 each fully paid-up with voting rights		5,00,000	5,00,000
		5,00,000	5,00,000
3.1 Equity Shares:	As per the provisions of the Companies Act, 1956 and Articles of Association of the Company.		
3.2 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period			
Equity Shares with voting rights	For the year ended 31.03.2016		For the year ended 31.03.2015
Particulars	Number of Shares	(In ₹)	Number of Shares
At the beginning of the period	50,000	5,00,000	50,000
Issued during the year	-	-	-
Outstanding at the end of the period	50,000	5,00,000	50,000
3.3 Details of Shares held by Holding Company			
Particulars	Number of Shares	%	Number of Shares
M/s K P R Mill Limited	50,000	100	50,000
3.4 Details of Shareholders holding more than 5% shares in the company			
Particulars	Number of Shares	%	Number of Shares
M/s K P R Mill Limited	50,000	100	50,000
4 RESERVES AND SURPLUS			
Surplus in Statement of Profit and Loss			
Opening Balance		(52,077)	(42,051)
Profit / (Loss) for the year		(14,659)	(10,026)
Closing Balance		(66,736)	(52,077)
		(66,736)	(52,077)
5 TRADE PAYABLES			
Other than Acceptance		11,117	5,408
		11,117	5,408
6 CASH AND BANK BALANCES			
(a) Cash on Hand		3,48,701	3,57,651
(b) Balance with Banks		50,815	50,815
i) In Current Accounts		3,99,516	4,08,466
7 OTHER CURRENT ASSETS:			
Others (Pre operative expenses to be capitalised)		44,865	44,865
		44,865	44,865



GALAXY KNITS LIMITED
Notes Forming part of the Financial Statements

(In ₹)

		Year Ended	
		31.03.2016	31.03.2015
8	OTHER EXPENSES		
	<u>Administration Expenses</u>		
	Payment to Auditor	11,050	9,618
	General Expenses	3,609	408
		14,659	10,026



GALAXY KNITS LIMITED

9 Payment to Auditors

(in ₹)

Particulars	2015-16	2014-15
Audit Fees	7,500	5,000
Tax Audit and Tax Matters	-	4,618
Total	7,500	9,618

10 Micro, Small and Medium Enterprises

In accordance with the Notification No: G.S.R.679 (E) dated 04.09.2015 issued by the Ministry of Corporate Affairs, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Development Act, 2006. Since the Company has not started its operations, this notification does not apply.

11 Related Party disclosures

In accordance with Accounting Standard 18 – "Related Party Disclosure", the company has compiled the required information as detailed below, as identified and disclosed by the management and relied upon by the Auditors:


11.1 Name of related parties and nature of relationship where control exists are as under

Holding Company	M/s. K.P.R.Mill Limited
Key Management Personnel	Sri K.P.Ramasamy Sri KPD Sigamani Sri P.Nataraj
Relatives of Key Managerial Personnel	Sri C.R.Anandakrishnan (Son of Sri K.P.Ramasamy) Sri E.K.Sakthivel (Daughter's Husband of Sri.KPD Sigamani) Smt D.Geetha (Daughter of Sri.KPD Sigamani)
Enterprises owned by key management personnel/Directors or their relatives	M/s K.P.R.Developers Limited M/s K P R Cements Private Limited M/s K P R Holdings Private Limited M/s K P R Agro Farms Private Limited M/s Jahnvi Motor Private Limited M/s K P R Charities M/s K.P.R.Sugar Mill Limited

12 Earnings Per Share (EPS)

(in ₹)

Particulars	2015-16	2014-15
Profit After Tax (₹)	(14,659)	(10,026)
Weighted average number of Shares	50,000	50,000
EPS (₹) Basic & Diluted	(0.29)	(0.20)
Face Value Per Share (₹)	10	10


P.Nataraj
Director

