



G.G. AUTOMOTIVE GEARS LTD.



If undelivered, please return to:



G. G. AUTOMOTIVE GEARS LIMITED

CIN: L29130MP1974PLC035049

2-A, I.S. Gajra Industrial Area-1, A. B. Road, Dewas - 455 001. (MP)

Tel No.: 91-7272-405310, 404802 • Fax: 91-7272-404802

Web site: - www.ggautomotive.com • Email ID: ggautomotive@yahoo.com

44th Annual Report 2017-18

VISION & MISSION

G. G. Automotive Gears Ltd. was incorporated under the Companies Act in the state of Maharashtra, India, in the year 1974.

Subsequently, the company became a Public Limited Company in 1995. G.G. Automotive Gears Ltd. is a leading manufacturer of traction gears and pinions, based out of Dewas, Madhya Pradesh in India. A unit spun off from its parent company, M/s Gajra Gears Ltd., GGAG has been a market leader in automotive gears for the last 44 years. Established in 1974, the company undertakes to manufacture of traction gears as a strategic shift from its traditional business of automotive gears.

Over 200 satisfied OE customers assert by our quality, which is backed by ISO:9001:2015 certificate by TUV INDIA. We have the capability of manufacturing helical and spur gears ranging from 50 mm die to 1600 dia up to 30 module, hardened and ground to DIN class 3 / 4 accuracies.

G.G AUTOMOTIVE GEARS LIMITED

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Tel No.: +91 (7272) 405310/404802, Fax.: +91 (7272) 404802

Website: www.ggautomotive.com , Email ID: ggautomotive@yahoo.com

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Name	Designation	DIN/PAN
Mr. Kennedy R. Gajra	Managing Director & CEO	02092206
Mr. Anmol Gajra	Whole Time Director (w.e.f. 01/06/2017)	07835836
Mr. Shailendra Ajmera	Non-Executive, Independent Director	02138042
Mr. Pravin Kumar Shishodiya	Non-Executive, Independent Director	03011429
Mrs. Ruchi Sogani	Non-Executive, Independent Director	02805170
Mr. Narayan Shrivastava	Chief Financial Officer (CFO)	BPVPS3147F

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Shreya Thombre (w.e.f 22nd June, 2018)

BANKERS

Union Bank of India

AUDITORS

S. C. Kabra & Co,
Chartered Accountants, Mumbai - 400 063.

SECRETARIAL AUDITORS

HS Associates,
Company Secretary, Mumbai

REGISTERED & ADMINISTRATIVE OFFICE

2-A, I. S. Gajra Industrial Area-1, A. B. Road,
Dewas, Madhya Pradesh - 455001

SHARE TRANSFER AGENT

Purva Sharegistry (India) Pvt. Ltd
9, Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Lower Parel (East),
Mumbai – 400 011.
Contact No. +91 (22) 23018261
Email: busicom@gmail.com

CONTENTS

Notice	2
Directors' Report	7
Secretarial Audit Report	13
Management Discussion and Analysis Report	27
Auditors' Report	29
Balance Sheet, Profit & Loss A/c	35
Notes to Accounts	38
Nomination Form, Attendance Slip,	49
Proxy Form & Postal Ballot Form, Route Map	54

44th ANNUAL GENERAL MEETING

Date: 24th July, 2018.
Day: Tuesday
Time: 11:30 A.M.
Place: Dewas (Madhya Pradesh).

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 44th ANNUAL GENERAL MEETING OF THE MEMBERS OF G. G. AUTOMOTIVE GEARS LIMITED WILL BE HELD ON TUESDAY THE 24TH JULY, 2018 AT 11:30 A. M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 2-A, I. S. GAJRA INDUSTRIAL AREA-1, A. B. ROAD, DEWAS, MP - 455001 TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2018 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Anmol Gajra (DIN: 07835836), who retires by rotation and being eligible, offers himself for re-appointment.

BY ORDER OF THE BOARD OF DIRECTORS
FOR **G. G. AUTOMOTIVE GEARS LIMITED**

Place : Dewas, Madhya Pradesh
Date : 22nd June, 2018

SD/-
KENNEDY RAM GAJRA
(CHAIRMAN CUM MANAGING DIRECTOR)
(DIN: 02092206)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) OF THE COMPANY MAY APPOINT A PROXY TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy should be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of the Annual General Meeting. Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital carrying voting rights may appoint single person as a proxy and such person shall not act as proxy for any other member.
2. During the period beginning 24 hours before the time fixed for the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company provided that not less than three days of notice in writing is given to the Company.
3. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification.
4. Corporate members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution together with their specimen signatures authorizing their representative(s) to attend and vote on their behalf at the AGM to the Company's Registrar and Transfer Agent, Purva Sharegistry (India) Pvt. Ltd. Unit no. 9 Shiv Shakti Ind. Estate, J. R. Boricha Marg Opp. Kasturba Hospital Lane Lower Parel (E) Mumbai 400 011.
5. A route map showing directions to reach the venue of the 44th AGM is given along with this Annual Report as per the requirement of the "Secretarial Standards - 2" on General Meetings.
6. As a measure of austerity, copies of the Annual Report will not be distributed at the AGM. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM. The Register of Contracts or Agreements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 18th July, 2018 to Tuesday, 24th July, 2018 (both days inclusive).
9. Electronic copy of the Notice convening the 44th AGM of the Company, Annual Report along with the Attendance Slip and Proxy Form are being sent to the members who have registered their email ids with the Company / Depository Participant(s). For members who have not registered their email ids, physical copies of the aforementioned documents are being sent in the permitted mode.
10. Members who have not registered their email address so far, are requested to register their email ids for receiving all communications including Annual Report, Notices, etc., from the Company electronically.
11. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 hereinafter referred to as 'Listing Regulations' (including any statutory modification(s) and / or re-enactment(s) for the time being in force), the members are provided with the following alternatives by which they may cast their votes:
 - (i) by electronic means through the remote e-voting platform provided by CDSL. The process for voting through e-voting is annexed hereto. The remote e-voting period will commence on Saturday, 21st July, 2018 at 9.00 a.m. and will end on Monday, 23rd July, 2018 at 5.00 p.m. During this period,

members of the Company holding shares either in physical or dematerialized form, as on the cut-off date, i.e. Tuesday, 17th July, 2018, may cast their vote by remote e-voting. The remote e-voting module will be disabled by CDSL for voting thereafter.

- (ii) Members who do not have access to remote e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Prasad Chavan, Partner of HS Associates, (Membership No. 49921, COP: 20415), at the Registered Office of the Company not later than by 5.00 p.m. on Monday, 23rd July, 2018. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. Tuesday, 17th July, 2018 have the option to request for physical copy of the Ballot Form by sending an e-mail to npskrivas@ggautomotive.com or busibusicomp@gmail.com by mentioning their Folio / DP ID and Client ID No. Ballot Forms received after 5.00 p.m. on Monday, 23rd July, 2018 will be treated as invalid. A member can opt for only one mode of voting i.e. either through remote e-voting or by Ballot. If a member casts vote by both modes, voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.
 - (iii) The facility of e-voting shall also be made available at the AGM venue for the members who have not cast their votes earlier.
- 12. Members who have cast their votes by remote e-voting or by Ballot Form prior to the AGM may also attend the Meeting but they shall not be entitled to cast their vote again.
 - 13. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital in the Company as on the cut-off date i.e. Tuesday, 17th July, 2018.
 - 14. The Securities Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Purva Sharegistry (India) Pvt. Ltd.
 - 15. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to Purva Share registry (India) Pvt. Ltd., Company's R&T Agent. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.
 - 16. The instructions for shareholders voting electronically are as under:
 - (i) The voting period begins on Saturday, 21st July, 2018 at 9.00 a.m. and will end on Monday, 23rd July, 2018 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday 17th July, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iv) Click on Shareholders.
 - (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>For demat shareholders: Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department.</p> <p>For physical shareholders, please use the first two letters of your name and the 8 digits of the sequence number in the PAN field.</p> <ul style="list-style-type: none"> In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on “SUBMIT” tab.

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

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

(xii) Click on the EVSN for the relevant G. G. Automotive Gears Limited on which you choose to vote.

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

(xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

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

(xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xviii) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

17. In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

18. If you are already registered with CDSL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

19. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

20. Information required under Regulation 36(3) of the Listing Regulations (relating to Corporate Governance) with respect to the Directors retiring by rotation and being eligible seeking re-appointment is as under:

Name of Director	Anmol Gajra
DIN	07835836
Experience	Mr. Anmol Gajra is 23 years of age and is a B.A. (Hons) Business Economics – Lancaster University, UK and MSC Management – Cass Business School, London, UK. Mr. Anmol Gajra has been associated with the Company from last 3 years and during such association, he has served the Company. Considering his association with the Company and adequate experience in various fields, the Board recommends confirmation of the appointment.
Relationship with Directors	Son of Mr. Kennedy Gajra
Expertise in specific functional area	2 Years managerial experience
Board Membership of Companies as on March 31, 2018	G. G. Automotive Gears Limited
Number of Shares held in the Company as on March 31, 2018	Nil

BY ORDER OF THE BOARD OF DIRECTORS
FOR **G. G. AUTOMOTIVE GEARS LIMITED**

SD/-

KENNEDY RAM GAJRA

(CHAIRMAN CUM MANAGING DIRECTOR)

DIN: 02092206

Date : 22nd June, 2018

Place : Dewas, Madhya Pradesh.

DIRECTORS' REPORT

To,
The Members,
G. G. AUTOMOTIVE GEARS LIMITED.

Your Directors have great pleasure in presenting 44TH ANNUAL REPORT along with the Audited Balance Sheet and Profit and Loss Account, for the year ended 31st March, 2018.

1. FINANCIAL RESULTS:

	(Rs. in INR)	
	Year ended on	
	31.03.2018	31.03.2017
Profit Before Depreciation	6,41,59,443	2,50,15,570
Less: Depreciation	2,78,22,077	1,63,16,732
Profit before tax	3,63,37,366	86,98,838
Less: Provision for Income Tax	56,44,695	16,52,922
Less: Provision for Deferred Tax Liability/ (Asset)	43,80,321	(11,00,481)
Less : Foreign Exchange Fluctuation	88,58,551	1,24,007
Profit after tax	1,74,53,799	80,22,390

2. FINANCIAL OPERATIONS & STATE OF AFFAIRS OF THE COMPANY:

During the year your Company has reported a total turnover of Rs. 42,34,46,017/- (Rupees Forty Two Crores Thirty Four Lakhs Forty Six Thousand and Seventeen Only). However, the total expenditure incurred by the Company during the year under review amounted to Rs. 38,88,55,557/- (Rupees Thirty Eight Crores Eighty Eight Lakhs Fifty Five Thousand Five Hundred and Fifty Seven Only)

During the year, due to Better and favorable market conditions your Company has reported an increased amount of net profit of Rs. 1,74,53,799/- (Rupees One Crore Seventy Four Lakhs Fifty Three Thousand Seven Hundred and Ninety Nine only) as compared to net profit of Rs. 80,22,390/- (Rupees Eighty Lakhs Twenty Two Thousand Three Hundred and Ninety Only) in previous year. Your Directors are taking optimum efforts to increase the profits, through aggressive sales campaign and increasing production capacities with the quality.

3. TRANSFER TO RESERVES:

There are no transfers to any specific reserves during the year.

4. DIVIDEND:

Your directors do not recommend dividend for the year 31st March 2018 with a view to conserve the resources use it for purchase of machines & expansion of divisions for better manufacturing facilities.

5. PUBLIC DEPOSITS:

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

6. NUMBER OF BOARD MEETINGS AND ITS COMMITTEES:

During the year under review, 4 Board Meeting were held.

7. COMMITTEES OF THE BOARD :

The Company's Board has the following committees:

1. Audit, Risk and Compliance Committee
2. Nomination and Remuneration Committee
3. Shareholders/Investors Grievance Committee (Stakeholders' Relationship Committee)

The said committee consists of 3 (Three) Members out of which 2 (Two) members are Independent and 1 (one) is Promoter Director.

During the year there were in total 4 Audit Committee Meetings, 1 Nomination & Remuneration Committee and 4 Stakeholders Relationship Committee were held.

8. INDUSTRIAL RELATIONS:

Your Company has always considered its workforce as its valuable asset and continues to invest in their excellence and development programs. Your Company has taken several initiatives for enhancing employee engagement and satisfaction.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Retirement by rotation and subsequent re-appointment:

Mr. Anmol Gajra is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company and being eligible has offered himself for reappointment. Appropriate resolutions for their re-appointment is being placed for your approval at the ensuing AGM.

The Independent Directors of your Company hold office upto 31st March, 2019 and are not liable to retire by rotation. Shri Kennedy Gajra, Managing Director & CEO, Mr. Anmol Gajra, Whole Time Director and Shri Narayan Shrivastava, CFO, are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

During the year there is change in the Composition of Directors of the Company:

Mr. Anmol Gajra has appointed as a Whole-Time Director of the Company w.e.f. 1st June, 2017.

Disclosure Relating to Remuneration of Directors, Key Managerial Personnel and particulars of Employees:

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

The Managing Director & CEO of your Company does not receive remuneration from any of the subsidiaries of your Company.

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of your Company is set out in Annexure VI to this report and is also available on the website of your Company (www.ggautomotive.com)

10. LISTING OF SHARES:

The Equity Shares of the Company are listed on the BSE Limited, Mumbai. However, the trading of Shares has been suspended by BSE.

Your Company received Listing Approval for 16,15,900 Equity Shares of Rs. 10/- each issued to par to Non Promoter on reissue of forfeited shares on 25th January, 2018 and Trading Approval dated 26th February, 2018 from Bombay Stock Exchange for Trading said 16,15,900 (Sixteen Lakhs Fifteen Thousand Nine Hundred) forfeited shares which were reissued. The said shares also listed at Bombay Stock Exchange w.e.f. 27th February, 2018.

Further your Company received Listing Approval for 10,77,267 (Ten Lakhs Seventy Seven Thousand Two Hundred Sixty Seven) Bonus Equity Shares kept in abeyance dated 23rd May, 2018 from Bombay Stock Exchange.

Further your company has initiated the revocation process to start the Trading of shares on the Bombay Stock Exchange in due course of time.

11. EXTRACT OF ANNUAL RETURN:

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure II and is attached to this Report.

12. DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors hereby confirms.

- i) That in the preparation of the annual accounts, the applicable accounting standard had been followed along with proper explanation relating to material departures.
- ii) That 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 or Loss of the Company for that period.
- iii) That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors have prepared the Annual accounts on a going concern basis.
- v) That 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) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating.

13. DECLARATION OF INDEPENDENT DIRECTORS:

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(7) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.