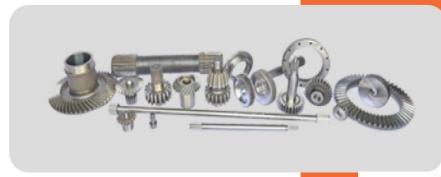
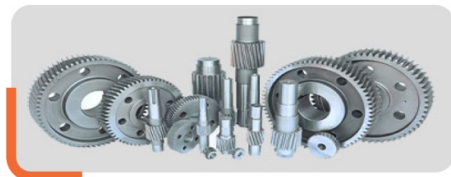


# 46<sup>th</sup> Annual Report 2019– 2020



G. G. Automotive Gears Limited

G.G. Automotive Gears Ltd. is a leading manufacturer of traction gears and pinions, based out of Dewas, Madhya Pradesh in India. GGAG has been a market leader in Locomotive gears for the last 40 years. Established in 1974, the company undertakes to manufacture of traction gears as a strategic shift from its traditional business of automotive gears.

Within a few years into the start of its traction gear business, the company assumed market leadership because of its unmatched cost, quality and delivery standards. G.G. Automotive Gears Ltd. is a self-sufficient organization capable of developing and manufacturing locomotive and industrial application gears & pinions, gearboxes and forged automotive components



## Mission

To become a world renowned manufacturer of gears and forged components

## Vision

GG Automotive Gears Ltd. aims to: Attain maximum customer satisfaction by ensuring timely supply of quality products. Minimize employee turnover ratio, to retain its valuable knowledge base grow exponentially with commitment towards continual improvement, while focusing on safeguarding the environment preservation of natural resources and adhering to legal compliances

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

CIN: L29130MPI974PLC035049

Tel: 91 (7272) 405310/404802 | Fax: 91 (7272) 404802

Web: [www.ggautomotive.com](http://www.ggautomotive.com) | Email: [ggmarketing@ggautomotive.com](mailto:ggmarketing@ggautomotive.com)

G. G. Automotive Gears Limited

### BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Name	Designation	DIN/PAN
Mr. Kennedy Ram Gajra	Managing Director	02092206
Mr. Anmol Gajra	Whole Time Director	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
Ms. Divya Desai	Company Secretary	FFGPD9199F

#### BANKERS

UNION BANK OF INDIA

#### SHARE TRANSFER AGENT

PurvaShareRegistry (India) Pvt. Ltd  
9, Shiv Shakti Industrial Estate, Sitaram Mills  
Compound, J. R. Boricha Marg, Lower Parel  
(East), Mumbai – 400 011.  
Contact No: 23018261  
Email: busicom@gmail.com

#### AUDITORS

M/S. MUKESH & ASSOCIATES,  
CHARTERED ACCOUNTANTS, MUMBAI

#### SECRETARIAL AUDITORS

HS ASSOCIATES,  
COMPANY SECRETARIES,  
MUMBAI



**G. G. Automotive Gears Limited**

## Chairman's Message



**MR. KENNEDY GAJRA**  
**CHAIRMAN**

Dear Shareholders,

We are happy to share with you our Annual Report for FY 2019-20. GGAG delivered a strong performance during the year as we made steady progress in reducing lead times to our customers, while increasing total output and maintaining the highest standards of quality. We have grown in a fiercely competitive and challenging environment by marginally increasing our sales revenues over FY 2019-20.

### PERFORMANCE REVIEW

FY19-20 has been an extremely satisfying year in terms of financial performance. Your Company has reported total turnover of Rs. 56,10,04,023/- (Rupees fifty six crore, ten lacs, four thousand and twenty three only) and Profit after tax for the year amounted to Rs. 1,73,08,841/- (One crore seventy three lacs eight thousand eight hundred and forty one only).

### FUTURE OUTLOOK

In light of the Covid-19 pandemic, and the economic repercussions that we face globally, there will be initial disturbances in supply chain management, and aggregate demand reaching normal levels. There is downward sentiment overall, but GGAG is confident of achieving similar growth levels in the coming financial year. Our strong brand value and market presence in the Indian Railways, along with lucrative opportunities opening up in the global railway market should help us achieve these targets.

Additionally, GGAG's foray into diversified markets such as earth moving equipment, mining, steel and industrial applications should help us insulate from negative business cycle effects as a result of the pandemic. GGAG shall continue to invest in better technology so as to remain true to our goal of reducing costs per components and improving customer satisfaction.

Our aim is to maintain our dominant presence in the Indian Railways and explore newer markets globally – with key areas being East Asia & the America. There have been numerous projects undertaken under the R&D wing of the company that should reach fruition in the near future and complement our pursuit of growth.

### KEY INITIATIVES

GGAG undertook several initiatives during the financial year that helped reduce our costs per component and better our lead times, whilst focusing strongly on quality control by keeping rejection rates at the bare minimum, all of which has led to improving overall customer satisfaction. In terms of our improving our facilities, we have retrofitted and refurbished existing machines, and have invested in newer machines that improve the capacity and capabilities of the production unit. With better industrial engineering in place, standard operating procedures have been set to improve upon cycle times. The company has also worked hard via its engineering and procurement departments to reduce the costs of consumables, and emphasized the importance of better systems in

place. The company has upgraded its Enterprise Resource Planning (ERP) software, keeping in line with this goal.

In terms of the marketing front, we have participated in online and offline expos and exhibitions, increasing our customer reach and increasing RFQs, eventually generating promising leads. GGAG has also bagged the ‘Most Promising SME’ award at the Rail Analysis’ Rail & Metro Awards held in New Delhi in 2020.

Lastly, we are looking to make our organization leaner and more effective, and have utilized team building tools to make the organization more effective and result-oriented. We encourage decentralization of decision making and democratize information flow. It is our endeavor to reach standards set by the Industry 4.0 in the coming years, and we are working towards the same.

#### ACKNOWLEDGEMENTS

I would like to thank each and every stakeholder in the organization, most importantly the company’s staff, executives and workforce for their dedicated service. I would also like to thank all my colleagues on the Board for their valuable advice and constant encouragement. My thanks are also due to the bank for its help in the sustained progress of the Company.

**KENNEDY RAM GAJRA**  
**CHAIRMAN & MANAGING DIRECTOR**

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### 46<sup>th</sup> ANNUAL GENERAL MEETING

Date: 29<sup>th</sup> July, 2020.

Day: Wednesday

Time: 11:30 A.M.



### **NOTICE**

NOTICE IS HEREBY GIVEN THAT THE 46<sup>th</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF G. G. AUTOMOTIVE GEARS LIMITED WILL BE HELD ON WEDNESDAY THE 29<sup>TH</sup> JULY, 2020 AT 11.30 A.M. THROUGH VIDEO CONFERENCING/ OTHER AUDIO-VISUAL MEANS (“VC/OAVM”) FACILITY TO TRANSACT FOLLOWING BUSINESS:

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#### **ORDINARY BUSINESS:-**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2020 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Anmol Gajra (DIN: 07835836), who retires by rotation and being eligible, offers himself for re-appointment.

#### **SPECIAL BUSINESS:-**

3. To consider and if thought fit to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mrs. Ruchi Sogani (DIN: 02805170), who was appointed as a Non-Executive Independent Director of the Company for a term of five years up to March 31, 2020, by the members at the 41<sup>st</sup> Annual General Meeting, in terms of Section 149 of the Companies Act, 2013, be and is hereby re-appointed as a Non-Executive Independent Director of the Company for a second term of five consecutive years commencing from April 1, 2020 up to March 31, 2025, not liable to retire by rotation.”

By order of the Board of Directors of  
**G. G. AUTOMOTIVE GEARS LIMITED**

Sd/-  
DIVYA DESAI  
COMPANY SECRETARY  
ACS: 61179

Place : Dewas, Madhya Pradesh.

Date : 16<sup>th</sup> June, 2020

## NOTICE (CONT.)

### **IMPORTANT NOTES:**

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide its circular dated May 05, 2020 read with circulars dated April 08, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide circular dated May 12, 2020 (“SEBI Circular”) permitted the holding of the Annual General Meeting (“the Meeting”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), MCA Circulars and SEBI Circular, the Meeting of the Company is being held through VC / OAVM.
2. A statement pursuant to section 102(1) of the Act (“Explanatory Statement”) relating to the Item No. 3 and special business to be transacted at the meeting is annexed hereto.
3. A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. However, pursuant to MCA Circulars and SEBI Circular, the AGM will be held through VC/OAVM and the physical attendance of Members in any case has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form is not annexed to this Notice.
4. Pursuant to Section 113 of the Act representatives of Corporate Members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the Meeting to be conducted through VC/OAVM.  
Corporate Members intending to attend the Meeting through their authorised representatives are requested to send a Certified True Copy of the Board Resolution and Power of Attorney, (PDF/JPG Format) if any, authorizing its representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorisation shall be sent to the Company by email through its registered email address, to [compliance@ggautomotive.com](mailto:compliance@ggautomotive.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
5. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the Meeting along with the Annual Report for FY 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report for FY 2019-20 will also be available on website of the Company, i.e. <https://www.ggautomotive.com/>, website of the Stock Exchanges i.e. BSE Limited and at [www.bseindia.com](http://www.bseindia.com), and on the website of the CDSL [www.evotingindia.com](http://www.evotingindia.com).
6. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 14.
7. Members attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.



8. Relevant documents referred to in the accompanying Notice and the Explanatory Statement, Registers and all other documents will be available for inspection in electronic mode. Members can inspect the same by sending an email to the Company at [compliance@ggautomotive.com](mailto:compliance@ggautomotive.com).
9. Notice is also given under Section 91 of the Act read with Regulation 42 of the Listing Regulations, that the Register of Members and the Share Transfer Book of the Company will remain closed from Friday, July 03, 2020 to Thursday, July 09, 2020 (both days inclusive).
10. For registration of email id for obtaining Annual Report and User ID/password for e-voting and updation of bank account mandates is annexed to this Notice use the link <http://www.purvashare.com/email-and-phone-updation/>.
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, to their Depository Participants (“DPS”) in case the shares are held by them in dematerialized form and to the Registrar and Share Transfer Agents of the Company i.e. Purva Sharegistry (India) Pvt. Ltd. in case the shares are held by them in physical form.
12. The Company has designated an exclusive email id called [compliance@ggautomotive.com](mailto:compliance@ggautomotive.com) to redress Members’ complaints/ grievances. In case you have any queries/ complaints or grievances, then please write to us at [compliance@ggautomotive.com](mailto:compliance@ggautomotive.com).
13. Members seeking any information/desirous of asking any questions at the Meeting with regard to the accounts or any matter to be placed at the Meeting are requested to send email to the Company at [compliance@ggautomotive.com](mailto:compliance@ggautomotive.com) at least 7 days before the Meeting. The same will be replied by the Company suitably.
14. Information and other instructions relating to e-voting are as under:
  - a) Pursuant to the provisions of Section 108 and other applicable provisions of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, MCA Circulars and SEBI Circular the Company is pleased to provide its Members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means.
  - b) The Company has engaged the services of Central Depository Services (India) Limited (“CDSL”) to provide e-voting facility to the Members.
  - c) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member/ beneficial owner (in case of electronic shareholding) as on the cut-off date, i.e., wednesday, July 22, 2020. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
  - d) A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., Wednesday, July 22, 2020, only shall be entitled to avail the facility of e-voting.
  - e) Members who are holding shares in physical form or who have not registered their email address with the Company/Depository or any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as of the cut-off date, i.e. Wednesday, July 22, 2020; such Member may obtain the User ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or [support@purvashare.com](mailto:support@purvashare.com). However, if a member is already registered with CDSL for e-voting then existing User ID and password can be used for casting vote.

- f) The Board of Directors of the Company has appointed Mr. Hemant Shetye, Partner of HS Associates, (membership no. 2827, COP: 1483) of Mumbai as scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
- g) The Scrutiniser, after scrutinizing the votes, will, not later than forty-eight hours from the conclusion of the Meeting; make a consolidated scrutiniser's report which shall be placed on the website of the Company, i.e. <https://www.ggautomotive.com/> and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchanges.
- h) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e. Wednesday, July 29, 2020.
- i) Information and other instructions relating to e-voting are as under:
- i. The remote e-voting facility will be available during the following period:  
Commencement of e-voting: at 9:00 a.m.(IST) on Sunday, July 26, 2020.  
End of e-voting: at 5:00 p.m. (IST) on Tuesday, July 28, 2020.  
The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon expiry of the aforesaid period.
  - ii. The Members who have cast their vote by remote e-voting prior to the Meeting may also attend/participate in the Meeting through VC / OAVM but shall not be entitled to cast their vote again.
  - iii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - iv. Click on "Shareholders" module.
  - v. Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8Digits Client ID,
    - c. Shareholders 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](http://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	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field or if the same is not updated, member may send an e-mail to Purva Sharegistry at <a href="mailto:support@purvashare.com">support@purvashare.com</a></li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	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. <ul style="list-style-type: none"> <li>• 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).</li> </ul>

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