



47th

Annual Report
2020-2021



G.G. AUTOMOTIVE GEARS LTD.

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 | Email: 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 RAM GAJRA
CHAIRMAN

Dear Shareholders,

We are happy to share with you our Annual Report for FY 2020-21. GGAG delivered a good 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 faced in a fiercely competitive and challenging environment (due to the COVID-19 pandemic)

PERFORMANCE REVIEW

Your Company has reported total turnover of Rs. 300,623,179/- (Rupees Thirty crore, six lacs, twenty three thousand and one hundred seventy nine 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. We would like to strengthen our position in diversified business vertical built over the last year.

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 de-centralization 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.

Sd/-

KENNEDY RAM GAJRA
CHAIRMAN & MANAGING DIRECTOR

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47th ANNUAL GENERAL MEETING

Date: 25th September, 2021.

Day: Saturday

Time: 11:30 A.M.



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 47th ANNUAL GENERAL MEETING OF THE MEMBERS OF G. G. AUTOMOTIVE GEARS LIMITED WILL BE HELD ON SATURDAY THE 25TH SEPTEMBER, 2021 AT 11.30 A.M. THROUGH VIDEO CONFERENCING/ OTHER AUDIO-VISUAL MEANS (“VC/OAVM”) FACILITY TO TRANSACT FOLLOWING BUSINESS:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2021 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Kennedy Ram Gajra (DIN:02092206), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:-

3. **To re-appoint Mr. Kennedy Ram Gajra (DIN: 02099206) as Managing Director of the Company**

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

“RESOLVED THAT pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, as amended from time to time thereto, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company and subject to such modifications, variations as may be approved and acceptable, approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Kennedy Ram Gajra (DIN: 02092206) as Managing Director of the Company, whose office will be liable to determination by retirement by rotation, for a period of three years from 1st July, 2021 to 30th June, 2024 and payment of remuneration for the aforesaid period on the terms and conditions which are set out in Explanatory Statement annexed to the notice convening this meeting;

RESOLVED FURTHER THAT the terms of remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the event of any inadequacy or absence of profits in any financial year or years, the remuneration comprising salary, perquisites and benefits approved herein be continued to be paid as minimum remuneration to the Managing Director, subject to such other approvals as may be necessary;

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee of Directors) be and is hereby authorized to vary and/or revise the remuneration of Mr. Kennedy Ram Gajra as Managing Director within the overall limits under the Act and to do all such acts, deeds and things and execute all such documents, instruments as may be necessary and expedient to give effect to the said resolution.

4. **To re-appoint Mr. Anmol Gajra (DIN: 07835836) as Whole-Time Director of the Company**

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

“RESOLVED THAT pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, as amended from time

to time thereto, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company and subject to such modifications, variations as may be approved and acceptable, approval of the Company be and is hereby accorded for the re-appointment of Mr. Anmol Gajra (DIN: 07835836) as Whole-Time Director of the Company, whose office will be liable to determination by retirement by rotation, for a period of three years from 1st June, 2020 to 31st May, 2023 and payment of remuneration for the aforesaid period on the terms and conditions which are set out in Explanatory Statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT the terms of remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the event of any inadequacy or absence of profits in any financial year or years, the remuneration comprising salary, perquisites and benefits approved herein be continued to be paid as minimum remuneration to the Whole Time Director, subject to such other approvals as may be necessary;

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee of Directors) be and is hereby authorized to vary and/or revise the remuneration of Mr. Anmol Gajra as Whole Time Director within the overall limits under the Act and to do all such acts, deeds and things and execute all such documents, instruments as may be necessary and expedient to give effect to the said resolution.

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 : 14th August, 2021

IMPORTANT NOTES:

1. In view of the massive outbreak of Covid-19 pandemic, social distancing is the norm to be followed and pursuant to the Ministry of Corporate Affairs (“MCA”) vide its Circular No. 20/2020 dated May 05, 2020 read with Circular No. 14/2020 dated April 08, 2020 and Circular No.17/2020 dated April 13, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively referred to as “SEBI Circulars”) 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 Circulars, the Meeting of the Company is being held through VC / OAVM.

For this purpose, necessary arrangements have been made by the Company with Purva Sharegistry (India) Private Limited and instructions for the process to be followed for attending and participating in the ensuing AGM through VC / OAVM is forming part of this Notice.

2. The statement pursuant to section 102(1) of the Act (“Explanatory Statement”) relating to the Item No. 3 and 4 (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 with a copy marked to 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 2020-21 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 2020-21 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, and on the website of the CDSL 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.
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 Sunday 19th September, 2021 to Saturday 25th September, 2021. (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 to redress Members' complaints/ grievances. In case you have any queries/ complaints or grievances, then please write to us at 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 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., Saturday, 18th September, 2021. 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., Saturday 18th September, 2021, only shall be entitled to avail the facility of e-voting.
 - e) The Board of Directors of the Company has appointed Mr. Prakash Naringrekar, Partner of HS Associates, of Mumbai as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - f) The Scrutinizer, after scrutinizing the votes, will, not later than two working days from the conclusion of the Meeting; make a consolidated scrutinizer'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.
 - g) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e. Saturday 25th September, 2021.
 - h) Information and other instructions relating to e-voting are as under:
 1. The remote e-voting facility will be available during the following period:

Commencement of e-voting: at 9:00 a.m. (IST) on Wednesday 22nd September, 2021.
End of e-voting: at 5:00 p.m. (IST) on Friday 24th September, 2021.

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.
 2. 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.