



48th

Annual Report 2021-2022



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: L29130MP1974PLC035049

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	Chairman and 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
Ms. Ruchi Sogani	Non-Executive Independent Director	02805170
Mr. Narayan Shrivastava	Chief Financial Officer (CFO)	BPVPS3147F
Ms. Lata Narang	Company Secretary	FLIPS3155N

BANKERS

UNION BANK OF INDIA

SHARE TRANSFER AGENT

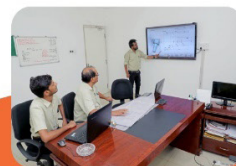
PURVA SHAREGISTRY (INDIA) PVT. LTD.
 9, SHIVSHAKTI INDUSTRIAL ESTATE, SITARAM
 MILLS COMPOUND, J. R. BORICHA MARG,
 LOWER PAREL (EAST), MUMBAI – 400 011.
 CONTACT NO. 23018261
 EMAIL: support@purvashare.com

AUDITORS

M/S MUKESH AND ASSOCIATES
 CHARTERED ACCOUNTANTS, MUMBAI

SECRETARIAL AUDITORS

HSPN & ASSOCIATES LLP,
 COMPANY SECRETARIES, MUMBAI
 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 2021-22. 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.

PERFORMANCE REVIEW

Your Company has reported total income of Rs. 47,71,04,610/- (Rupees Forty Seven Crore Seventy One Lacs Four thousand six hundred ten only). Your company has seen a 63 % YOY growth in annual revenues.

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. 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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48th ANNUAL GENERAL MEETING

Date: 25th August, 2022

Day: Thursday

Time: 11:30 A.M.



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 48th ANNUAL GENERAL MEETING OF THE MEMBERS OF G. G. AUTOMOTIVE GEARS LIMITED WILL BE HELD ON THURSDAY, 25TH AUGUST, 2022 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, 2022 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Anmol Ram Gajra (DIN:07835836), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Authority to the Board of Directors under Section 180 (1) (c) of the Companies Act, 2013 for borrowings upto the revised limit of Rs. 75 crores.

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180 (1) (c) of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Memorandum and Articles of Association of the Company and in supersession of earlier resolutions passed by the members of the Company in this regard, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee constituted by the Board or any person(s) authorized by the Board) for borrowing from time to time, by way of loans, credit facilities, debt instruments or in any other forms, any such sum or sums of money (either Indian or foreign currency) from Banks, Financial Institutions, Bodies Corporate, Companies, firms or any one or more persons on such terms and conditions and with or without security as the Board may think fit, notwithstanding that monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided that the total amount so borrowed (other than temporary loans from the Company’s bankers in the ordinary course of business) and outstanding at any point of time shall not exceed a sum of Rs. 75 Crores (Rupees Seventy Five Crores Only);

RESOLVED FURTHER THAT the Board be and is hereby authorized to execute such documents and to perform all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for giving effect to this Resolution.”

4. Authority to the Board of Directors under Section 180 (1) (a) of the Companies Act, 2013 for creation of charge upto the revised limit of Rs. 75 crores.

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180 (1) (a) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder

(including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Memorandum and Articles of Association of the Company and in supersession of earlier resolutions passed by the members of the Company in this regard, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee constituted by the Board or any person(s) authorized by the Board) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, for the purpose of due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company in respect of such borrowings and in such form, manner and with such ranking and on such terms & conditions, as the Board may deem fit, in favour of the Lenders / Security Trustee, provided that the aggregate indebtedness secured by the assets/properties of the Company shall not at any time exceed the aggregate limit of Rs. 75 Crores (Rupees Seventy Five Crores Only);

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, execute such documents as may be considered necessary, desirable or expedient for giving effect to this Resolution.”

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

Sd/-
LATA NARANG
COMPANY SECRETARY
& COMPLIANCE OFFICER
MEM NO. A66669

Place : Dewas, Madhya Pradesh.

Date : 23rd July, 2022

NOTICE (CONT.) IMPORTANT NOTES:

1. In view of the continuing COVID-19 pandemic and pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021 and 02/2022 dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021, 8th December, 2021, 14th December, 2021 and 5th May, 2022, respectively issued by the, Ministry of Corporate Affairs (‘MCA’) (collectively referred to as “MCA Circulars”) and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 12th May, 2020, 15th January, 2021 and 13th May, 2022, respectively issued by the Securities and Exchange Board of India (collectively referred to as “SEBI Circulars”), the holding of the Annual General Meeting through VC/OAVM, without the physical presence of the Members has been permitted. In compliance with the provisions of the Companies Act, 2013 (‘the Act’), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘the Listing Regulations’), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/OAVM which does not require the physical presence of the Members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
2. Details of the Director seeking re-appointment under Item No. 2 of this Notice is provided at page no. 17 of this Notice.
3. As this AGM is being held through VC/OAVM and physical attendance of the Members has been dispensed with in line with the MCA Circulars and the SEBI Circulars, the facility for

appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. In accordance with the aforesaid MCA Circulars, the Company has made necessary arrangements for the Members to register their e-mail addresses for receiving the Notice. Members who have not registered their e-mail addresses are requested to register the same as per the process mentioned in the Notes.
5. In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and various MCA Circulars, the Company is pleased to provide its Members with the e-voting facility to exercise their right to vote on the proposed resolutions electronically. For this purpose, the Company has appointed Mr. Prakash Naringrekar, Company Secretary, having Membership No. ACS-5941 & Certificate of Practice No. 18955, Designated Partner of M/s HSPN & Associates LLP, Practicing Company Secretaries, as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
6. The Company has engaged Central Depository Services (India) Limited ("CSDL") as the agency to provide the e-voting facility and the instructions for e-voting are provided as part of this Notice.
7. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the Cut-Off Date i.e., Thursday 18th August, 2022.
8. Corporate Members intending to authorise their representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.
9. The Members of the Company can join the AGM through VC/OAVM 15 minutes before and after the scheduled time of the commencement of the AGM. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 Members of the Company on first come first served basis. This will not include large Members (Members holding 2% or more shares of the Company), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of various Committees of the Company, Auditors etc. who are allowed to attend the AGM without any restriction.
10. The attendance of the Members at the AGM through VC/OAVM will be counted for the purpose of determining the quorum under Section 103 of the Act.
11. The Register of Members and the Share Transfer Books of the Company will be closed from Friday 19th August, 2022 to Thursday 25th August, 2022 (both days inclusive).
12. Members are requested to submit their queries/requests for clarification, if any, on the Annual Report via e-mail at compliance@ggautomotive.com latest by Friday, 19th August, 2022, to enable the Company to furnish the replies at the AGM.
13. Members are requested to notify any change in their address or bank mandate to: (a) their respective Depository Participants in case of shares held in electronic form; or (b) the Company's Registrar & Share Transfer Agent, Purva Sharegistry (India) Private Limited at Shiv Shakti Industrial Estates, Unit No. 9, 7-B J. R. Boricha Marg, Sitaram Mills Compound, Mumbai 400011. Tel: 23016761 Email: support@purvashare.com, in case of shares held in physical form.

14. The Company's Equity Shares are listed on BSE Limited, P.J. Towers, Dalal Street, Mumbai – 400 001. The Company has paid the annual listing fees for the financial year 2022-2023.
15. In terms of Section 72 of the Companies Act, 2013 and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, every holder of securities of the Company may, at any time, nominate, in the prescribed manner, a person to whom his/her securities of the Company shall vest in the event of his/her death. Members, who wish to avail of this facility, may fill in the prescribed Form No. SH-13 and forward the same to Purva Shareregistry (India) Private Limited.
16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant ('DP') and holdings should be verified from time to time.
17. Members who desire to take part in the Green Initiative of the Company, are requested to register their e-mail addresses with their Depository Participant(s) in case they hold shares in demat form and with the Company/ their RTA for the shares held in physical form by submitting the Investor Service Request Form - Form ISR1, ISR2 and Nomination form duly filed and signed, as per the specimen signatures registered against the folio, along with the supporting documents stated thereon. On registration, all the communications will be sent to the e-mail address of the Member registered with the Company.
18. An electronic copy of the Annual Report 2021-2022 along with the Notice are being sent to all those Members whose e-mail addresses are registered with the Company/Depository Participant(s) and physical copy of the same is not being provided in line with the aforementioned circulars issued by the MCA and SEBI. Members may also note that the Notice of the 48th AGM and the Annual Report are available on the Company's website www.ggautomotive.com. The aforesaid documents can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL (agency for providing the e-voting facility) i.e. www.evotingindia.com.
19. The documents referred to in the Notice of the AGM are available for inspection electronically without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to compliance@ggautomotive.com.
20. As per Regulation 40 of the Listing Regulations, securities of the listed companies can only be transferred in demat form with effect from 1st April 2019, except in case of request for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holding to demat form. Members can contact the Company or Purva Shareregistry (India) Private Limited (RTA) for assistance in this regard.
21. Members may please note that SEBI has made Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. SEBI has also made it mandatory for submission of PAN in the following cases: (i) Deletion of name of the deceased Member(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.