



# **GAJRA BEVEL GEARS LIMITED**

**40th Annual Report 2014-15**



## ANNUAL REPORT 2014 -15

### BOARD OF DIRECTORS:

|                              |                                     |
|------------------------------|-------------------------------------|
| Mr. Surendra Singh           | : Chairman & Non Executive Director |
| Mr. Parmal Singh Raghuwanshi | : Independent Director              |
| Mr. Dwarika Prasad Soni      | : Independent Director              |
| Mrs. Rani Singh              | : Women Director                    |

### Chief Executive Officer

Mr. Ranveer Singh

**CS & COMPLIANCE OFFICER:**  
**CS Shivani Khandelwal**

**CHIEF FINANCIAL OFFICER:**  
**Mr. Atul Rangnekar**

### AUDIT COMMITTEE

|                              |                                  |
|------------------------------|----------------------------------|
| Mr. Parmal Singh Raghuwanshi | : Independent Director-Chairman  |
| Mr. Dwarika Prasad Soni      | : Independent Director- Member   |
| Mr. Surendra Singh           | : Non-Executive Director- Member |

### NOMINATION AND REMUNERATION COMMITTEE

- |                                 |                                  |
|---------------------------------|----------------------------------|
| 1. Mr. Parmal Singh Raghuwanshi | : Independent Director-Chairman  |
| 2. Mr. Dwarika Prasad Soni      | : Independent Director- Member   |
| 3. Mr. Surendra Singh           | : Non-Executive Director- Member |

### STAKEHOLDERS RELATIONSHIP COMMITTEE

- |                                 |                                  |
|---------------------------------|----------------------------------|
| 1. Mr. Parmal Singh Raghuwanshi | : Independent Director-Chairman  |
| 2. Mr. Dwarika Prasad Soni      | : Independent Director- Member   |
| 3. Mr. Surendra Singh           | : Non-Executive Director- Member |

### RISK MANAGEMENT COMMITTEE

- |                                 |                                    |
|---------------------------------|------------------------------------|
| 1. Mr. Surendra Singh           | : Non-Executive Director- Chairman |
| 2. Mr. Parmal Singh Raghuwanshi | : Independent Director- Member     |
| 3. Mr. Dwarika Prasad Soni      | : Independent Director- Member     |

### STATUTORY AUDITORS:

**O.T. Gandhi & Co.**

**Chartered Accountants**

4<sup>th</sup> Floor, Surya Sadhna Building  
Malviya Nagar Square, A.B. Road,  
Indore (M.P.)

### SECRETARIAL AUDITORS:

**CS Naveen Kumar Jain**

**Practicing Company Secretary**

207, Ojas Vally , 59 Shraddhanand Marg  
Chhawani , Indore (M.P.) 452001

### BANKERS

IDBI Bank Ltd.

Bank of Baroda



**Gajra Bevel  
Gears Limited**

**REGISTERED OFFICE AND PLANT:**

Industrial Area, A.B. Road

Dewas (M.P.) 455001

Phone: 07272- 258493, 258494

Fax: 07272- 258001

Email: [ssg@gajrabevel.com](mailto:ssg@gajrabevel.com), [secretary@gajrabevel.com](mailto:secretary@gajrabevel.com)

Website: [www.gajrabevel.com](http://www.gajrabevel.com)

**CORPORATE OFFICE:**

3/1, Race Course Road,

Indore 452003

Phone: 0731 2434327, 4065246

Fax: 0731 2432909

Email: [ssg@gajrabevel.com](mailto:ssg@gajrabevel.com)

: [secretary@gajrabevel.com](mailto:secretary@gajrabevel.com)

**REGISTRAR AND TRANSFER AGENT:**

**Link Intime India Pvt. Ltd.**

C-13, Pannalal Silk Mills Compound,

L.B.S.Marg, Bhandup (W)

Mumbai 400078

Phone: 022- 25963838

Fax: 022-25946969

Email: [suman.shetty@linkintime.co.in](mailto:suman.shetty@linkintime.co.in)



## NOTICE

**Notice** is hereby given that the 40<sup>th</sup> Annual General Meeting of the members of **GAJRA BEVEL GEARS LIMITED** will be held on Wednesday the 30<sup>th</sup> day of September, 2015 at 2.00 P.M. at the Registered Office of the Company at 3-7, Industrial Area, A.B. Road, Dewas (M.P.) 455001 to transact the following businesses:

### ORDINARY BUSINESSSES:

1. To receive, consider and adopt the audited Financial Statements containing the Balance Sheet as at March 31, 2015, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended March 31, 2015 and the Reports of the Boards' and Auditors thereon.
2. To appoint a director in place of Smt. Rani Singh (DIN: 01015696) who liable to retire by rotation and being eligible offers herself for re-appointment.
3. To ratify the appointment of statutory auditors of the Company, and to fix their remuneration and to pass the following resolution as **an ordinary resolution** thereof:

**RESOLVED THAT** pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, pursuant to recommendations of the Audit Committee of the Board of Directors and pursuant to the resolution passed by the members at the 39<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> day of September, 2014 the appointment of M/s O.T.Gandhi & Co. Chartered Accountants (Firm Registration No. 001120C, M.No. 411107) as the Auditors of the Company to hold office till the conclusion of the 42<sup>st</sup> Annual General Meeting of the Company to be held in the year 2017 be and is hereby ratified for the year 2015-16 and the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2016 as may be determined by the Audit Committee in consultation with the Auditors.

**By Orders of the Board**

Date: 14<sup>th</sup> August, 2015

Place: Indore

**Registered Office:**

CIN: L34300MP1974PLC001598

3-7, Industrial Area A.B. Road,

Dewas (M.P.) 455001

**NOTE:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregating not more than 10% of the total share capital of the Company carry voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or member.
3. The register of members and share transfer books from September, 24<sup>th</sup> 2015 to September, 30<sup>th</sup> 2015 (both days inclusive).
4. The Members are requested to:

**SHIVANI KHANDELWAL  
COMPANY SECRETARY  
ACS 34141**



- a) Intimate changes, if any, in their registered addresses immediately.
  - b) Quote their ledger folio number in all their correspondence.
  - c) Hand over the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.
  - d) Bring their Annual Report and Attendance Slips with them at the AGM venue.
  - e) Send their Email address to us for prompt communication and update the same with their D.P. to receive softcopy of the Annual Report of the Company.
5. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Directors.
  6. Members seeking any information are requested to write to the Company by email at [secretary@gajrabevel.com](mailto:secretary@gajrabevel.com) at least 7 days before the date of the AGM to enable the management to reply appropriately at the AGM.
  7. Members are requested to notify immediately any change in their address and E-Mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company at Link Intime India Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai- 400078.
  8. Electronic copy of the Annual report is being sent to the members whose email IDs are registered with the Company/Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual report s being sent in the permitted mode.
  9. Members may also note that the Annual Report for FY 2014-15 will also available for downloading on Company's website [www.gajrabevel.com](http://www.gajrabevel.com).
  10. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting needs to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
  11. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the company on all working days, except Saturday, between 11:00 A.M and 1:00 P.M up to the date of the meeting.
  12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements 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.

### **13. Voting through electronic means**

In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide its members the facility to exercise their right to vote at the 40<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Service Limited (CDSL).

The Company shall provide facility for voting through polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting.

The Members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

### **Instructions for e-Voting**

The instructions for members for voting electronically are as under:

- (i) The voting period begins on Sunday, 27<sup>th</sup> Sept., 2015 from 9:00 a.m. and ends on Tuesday, 29<sup>th</sup> Sept., 2015 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on Wednesday the 23<sup>rd</sup> Sept., 2015, being the Cut-Off date 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](http://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](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 and Physical Form PAN Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for shareholders holding shares in demat as well as physical form) Dividend Bank Details OR Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) Date of Birth (DOB) as recorded in your demat account or in the company records in order to login. • 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 R-EVSN of GAJRA BEVEL 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](http://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](mailto: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](mailto: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 favour 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). Contact Details: Deputy Manager, CDSL 17<sup>th</sup> Floor, PJ Towers, Dalal Street, Fort, Mumbai-400001. Email: [wenceslausf@cdslindia.com](mailto:wenceslausf@cdslindia.com), Tel: 022-22723333/8588



15. Brief profile of the directors seeking re-appointment as per Item No. 2 of the notice at the ensuing Annual General Meeting as per Clause 49 of the Listing Agreement and the Companies Act, 2013 are as under:

|  |  |
|--|--|
| <b>Name of Directors</b>   | <b>Mrs. Rani Singh</b>                     |
| <b>Designation</b>   | <b>Woman Director</b>                      |
| Date of Birth  | 07/02/1956                                 |
| Date of Appointment  | 14/08/2014                                 |
| Expertise / Experience in specific functional areas  | General Administration and colonizing, etc |
| Qualification  | B.A.                                       |
| No. & % of Equity Shares Held  | 3,01,630 (3.21%)                           |
| List of outside Company's directorship held  | NIL  |
| Chairman / Member of the Committees of the Board of Directors of the Company                           | NIL  |
| Chairman / Member of the Committees of the Board Directors of other Companies in which she is director | NIL  |

**By Orders of the Board**

**SHIVANI KHANDELWAL  
COMPANY SECRETARY  
ACS 34141**

Place: Indore  
Date: 14<sup>th</sup> August, 2015

## Board's Report & Management Discussion and Analysis

To  
The members of  
**Gajra Bevel Gears Limited**

Your Directors take pleasure in presenting the 40th Annual Report together with the audited financial statements for the year ended March, 31 2015. The Management Discussion and Analysis has also been incorporated into this report.

### 1. HIGHLIGHTS OF PERFORMANCE:

- There has not been any manufacturing / business activity in the Company and therefore there was no revenue from operations. Other Income of the Company for the year was Rs. 529.26 Lakhs as compared to Rs.95.84 Lakhs.
- Net sales for the year were Nil as compared to Nil in the previous year, no change;
- Profit before tax for the year was Rs. 374.03 Lakhs as compared to loss of Rs. 497.09 Lakhs in the previous year;
- There is no Tax Liability on the profits for the year and therefore the profit after tax for the year remained at Rs. 374.03 Lakhs as compared to Loss of Rs. 880.65 Lakhs in the previous year which includes provision of earlier operation years assessed liabilities of Income Tax and Commercial Tax to the tune of Rs.383.56 Lakhs.

### 2. FINANCIAL RESULTS:

The Summarized financial results are as under:

(Rs. In Lakhs)

| Particulars   | Year ended<br>31.03.2015 | Year ended<br>31.03.2014 |
|---|--------------------------|--------------------------|
| Revenue from operation  | 0.00                     | 0.00                     |
| Other Income  | 529.26                   | 95.85                    |
| <b>Total Income</b>   | <b>529.26</b>            | <b>95.85</b>             |
| Total Expenses  | 148.44                   | 442.22                   |
| <b>Profit/Loss before Interest, Depreciation &amp; Tax (EBIDTA)</b> | <b>380.81</b>            | <b>(346.37)</b>          |
| Less: Interest  | 0.00                     | 0.00                     |
| Less: Depreciation and amortization expenses                        | 6.78                     | 150.72                   |
| <b>Profit /Loss before Tax</b>                                      | <b>374.06</b>            | <b>(497.09)</b>          |
| Less: (a) Current Tax   | 0.00                     | 0.00                     |
| (b) Deferred Tax  | 0.00                     | 0.00                     |
| (c) Earlier year (Income Tax and Commercial Tax)                    | -                        | 383.56                   |
| <b>Net Profit/Loss for the year</b>                                 | <b>374.03</b>            | <b>(880.65)</b>          |
| Add: Loss brought forward from previous year                        | (4936.81)                | (4056.16)                |
| <b>Accumulated Losses Carried to Balance Sheet</b>                  | <b>(4562.78)</b>         | <b>(4936.81)</b>         |
| Paid up Equity Share Capital  | 940.08                   | 940.08                   |
| Earnings per share (Rs.10/- each) Basic & Diluted (in Rs.)          | 3.98                     | (9.37)                   |

### 2. DIVIDEND:

Due to requirement of the long term financial resources and cover huge accumulated losses of the previous financial years your directors proposes to preserve the profits for the growth of the company and do not recommend any dividend for the year 2014-15. (previous year 2013-14 Rs. Nil)

### **3. SHARE CAPITAL & LISTING:**

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2015 was Rs. 940.07 Lakhs divided into 94,00,750 equity shares of Rs. 10/- each. During the year under review, it has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on 31<sup>st</sup> March, 2015, none of the Directors of the Company hold convertible instruments of the Company. The Company's some of the shares issued on preferential basis are not listed by the stock exchanges and the Company is making efforts to regularize the same by way of listing at the BSE.

SEBI has passed an order on June 09<sup>th</sup>, 2015 providing the exit to Madhya Pradesh stock Exchanges Limited (MPSE). For derecognition, therefore now the Company's shares are listed with the BSE only.

#### **3.1 Transfer to Reserve:**

During the year your company has transferred Rs. 50.00 Lakhs to the General Reserves. Previous year Nil.

### **4. FINANCE:**

Cash and cash equivalent as at 31<sup>st</sup> March, 2015 was Rs. 4.07 Lakhs. The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

#### **4.1 Deposits:**

The Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unclaimed deposits as on 31<sup>st</sup> March, 2015.

#### **4.2 Particulars of loans, guarantees or investments:**

The Company has not provided any loans and guarantees and not made any investments pursuant to Section 186 of the Companies Act, 2013. The Company has not given advance against salary or otherwise to employees of the Company as per the terms of appointment and the Company's policy on which no interest were charged.

### **5.OVER ALL REVIEW AND FUTURE PROSPECTS:**

The Company had no manufacturing/business activity during the year ended on 31/03/2015. The management of the Company continued making the efforts for rehabilitation of the Company and in course of that succeeded in settlement of dues of loan accounts of SBI, IDBI, IFCI, MPSIDC and MPAVN by way of OTS, by the financial support of Abhimanyu Agro Pvt. Ltd. and Rani Agro Pvt. Ltd. During the financial year Company had paid off the OTS dues of IDBI also. The management of the Company is also making efforts to settle the only left secured creditors Madhya Pradesh Financial Corporation by way of OTS.

After satisfying the terms of OTS, during the year, the Company has written off a sum of Rs.45601978/- being the credit balance of settled loan accounts considering the same as waiver which has resulted into a net profit of Rs.37403252/- for the year ended 31<sup>st</sup> March'2015. This year's net profit has reduced the accumulated losses to Rs.4562.78 Lacs as against the previous year's accumulated losses of Rs.4936.81 Lacs.

The members are well aware of the facts that the Company's entire net worth had already been eroded long back and based on Audited Balance Sheet as at 30 Sept.'2008, the Hon'ble BIFR had declared the Company as a SICK INDUSTRIAL COMPANY in terms of section

3(1) (o) of Sick Industrial Companies (Special Provisions) Act, 1985 and appointed the IDBI as the Operation Agency.

The Board of Directors of the Company is making best efforts to re-store the manufacturing activity of the Company as early as possible.

#### **6. FINANCIAL REVIEW AND STATUS OF SICKNESS:**

Your directors report that based on the Financial Statements as at 30<sup>th</sup> Sept., 2008 a reference u/s 15(1) of SICA (SP) Act, 1985 has been filed by the Company with the BIFR and the same has been registered as Case no. 27/2009 on 13<sup>th</sup> July, 2009. The BIFR vide its order of hearing held on 6<sup>th</sup> Jan., 2010 declared the company as a Sick Industrial Company in terms of section 3(1)(o) of SICA (SP) Act, 1985 and appointed IDBI as the Operating Agency. The DRS for rehabilitation of the Company is under preparation.

Since there was no manufacturing/business activity, the management has taken a decision 'NO WORK NO PAY' and therefore no provision for employees remunerations were made in the books of accounts for the year ended 31<sup>st</sup> March, 2015

In view of the settlement process no provision has been made for the interest on institutional borrowings for the year under review as per policy followed in previous years.

#### **7. HUMAN RESOURCES:**

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which has helped the Organization achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/functional capabilities in order to meet future talent requirement.

The Company's HR processes such as hiring and on-boarding, fair transparent online performance evaluation and talent management process, state-of-the-art workmen development process, and market aligned policies have been seen as benchmark practices in the Industry.

During the year under review, the following Human Resources initiatives received greater focus:

- **Employer of Choice:** Employees are encouraged to express their views and are empowered to work independently. Employees are given the opportunity to learn through various small projects which make them look at initiatives from different perspectives and thus provide them with a platform to become result oriented. This has helped greatly in overall development of the employee and has significantly arrested the attrition rate.
- **Leadership Development:** As a part of leadership development, talented employees have been seconded to the senior leadership team to mentor them and prepare them for the next higher role.
- **Industrial Relations:** The Company's manufacturing activities has been stopped since long. However, there is no problem with the labour and industrial relations on assuming the manufacturing activities by the Company in future.

#### **7.1 Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary,