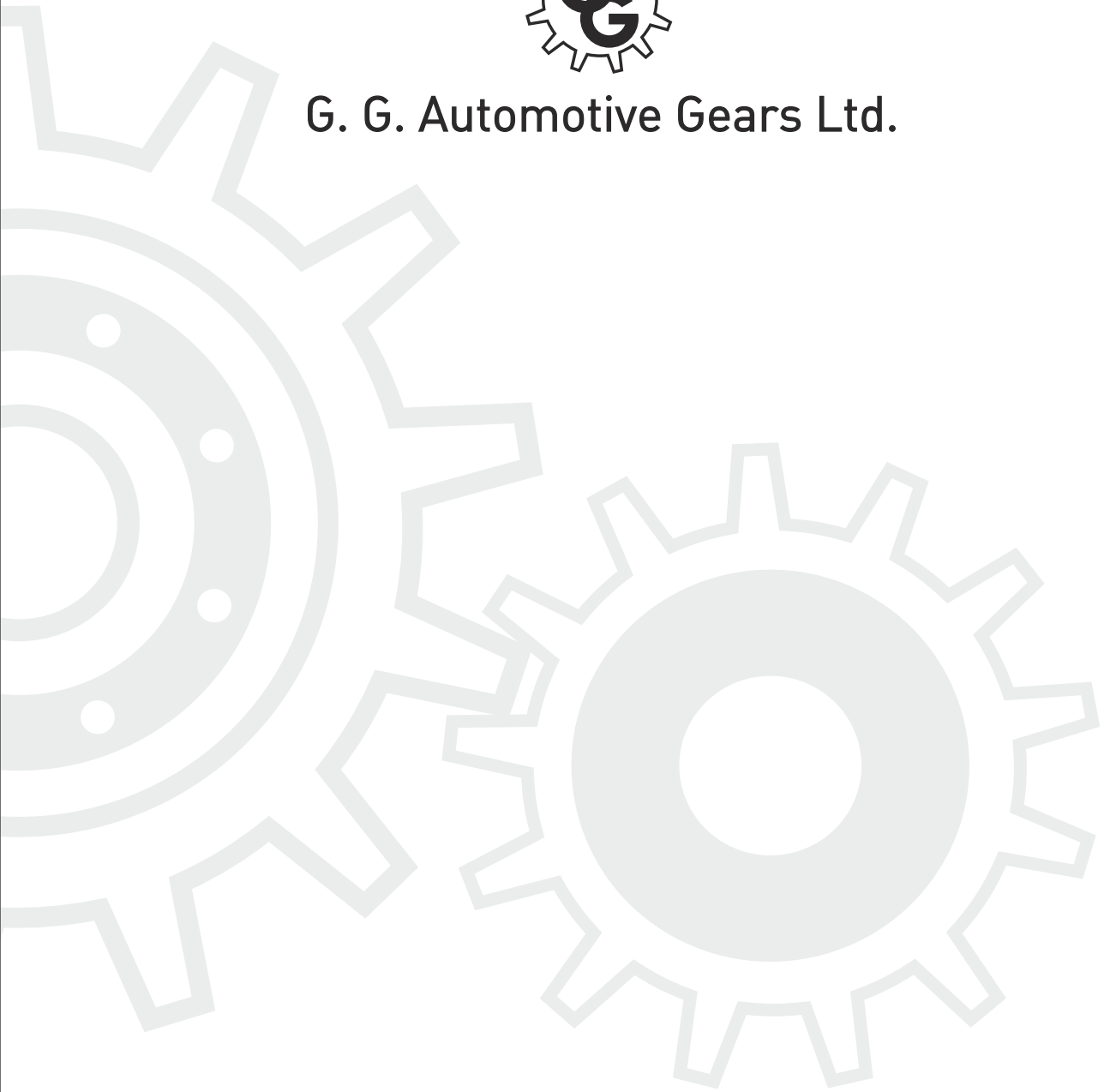




G. G. Automotive Gears Ltd.



42nd Annual Report 2015-16

G.G AUTOMOTIVE GEARS LIMITED

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

CIN: L29130MP1974PLC035049

Tel No.: 91 (7272) 405310/404802

Fax.: 91 (7272) 404802

Web site: www.ggautomotive.com

Email ID: ggautomotive@yahoo.com

BOARD OF DIRECTORS

Mr. Ram S. Gajra	Chairman and Managing Director	(DIN 02092248)
Mr. Kennedy R. Gajra	Jt. Managing Director	(DIN 02092206)
Mr. Shailendra Ajmera	Non-Executive, Independent Director	(DIN 02138042)
Mr. Pravin Kumar Shishodiya	Non-Executive, Independent Director	(DIN 03011429)
Mrs. Ruchi Sogani	Non-Executive, Independent Director	(DIN 02805170)
Mr. Narayan Shrivats	Chief Financial Officer (CFO)	(PAN BPVPS3147F)

BANKERS

Union Bank of India

AUDITORS

Shah Gandhi & Co, Chartered Accountants,
Mumbai - 400 067

REGISTERED & ADMINISTRATIVE OFFICE

2-A, I. S. Gajra Industrial Area No. 1,
A.B. Road, Dewas- 455001 (MP)

SHARE TRANSFER AGENT

Purva Sharegistry (India) Pvt. Ltd
9, Shiv Shakti Industrial Estate,
Sitaram Mills Compound,
J. R. Boricha Marg,
Lower Parel (East),
Mumbai – 400 011.
Contact No. 91 (22) 23016761
Email-busicomp@vsnl.com

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42nd ANNUAL GENERAL MEETING

Date : 27th August 2016.

Day : Saturday

Time : 11:00 A.M.

Place : Dewas.

Vision and 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. The company's vision, which is a clear testimony of a blend of commitment and innovate thought, has been defined over 41 countries across the globe.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 42ND ANNUAL GENERAL MEETING OF THE MEMBERS OF G. G. AUTOMOTIVE GEARS LIMITED WILL BE HELD ON SATURDAY THE 27TH AUGUST, 2016 AT 11:00 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 2016 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. Kennedy Gajra (DIN: 02092206), who retires by rotation and being eligible, offers himself for re-appointment.
3. Ratification of Appointment of Statutory Auditors:

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** M/s. Shah Gandhi & Co., Chartered Accountants, Mumbai registered with the Institute of Chartered Accountants of India vide firm registration no 109569W who were appointed as Statutory Auditors of the Company at the 40th Annual General Meeting held on 28th August, 2014 (hereinafter referred as said AGM) from the conclusion of the said AGM till the conclusion of 43rd Annual General Meeting to be held in the year 2017, be and are hereby ratified for the financial year 2016-17 to audit the accounts of the Company, including the audit of Cash Flow statements, on a remuneration plus service tax and out of pocket expenses to be mutually decided by the Board in consultation with the Statutory Auditors of the Company.”

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

Date : 30.07.2016
Place : Dewas.

SD/-
RAM GAJRA
(MANAGING DIRECTOR)
(DIN: 02092248)

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. Estt. 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 42nd 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 Saturday, 20th August, 2016 to Tuesday, 27th August, 2016 (both days inclusive).
9. Electronic copy of the Notice convening the 42nd 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 NSDL. The process for voting through e-voting is annexed hereto. The remote e-voting period will commence on Wednesday, 24th August, 2016 at 9.00 a.m. and will end on Friday, 26th August, 2016 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. Saturday, 20th August, 2016, may cast their vote by remote e-voting. The remote e-voting module will be disabled by NSDL 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, Shri Nitin Sarfare, Partner of HS Associates, (Membership No. 36769, COP: 13729), at the Registered Office of the Company not later than by 5.00 p.m. on Friday, 26th August, 2016. 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. Saturday, 20th August, 2016 have the option to request for physical copy of the Ballot Form by sending an e-mail to nshrivias@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 Friday, 26th August, 2016 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. Saturday, 20th August, 2016.
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 Wednesday, 24th August, 2016 at 9.00 a.m. and will end on Friday, 26th August, 2016 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 Saturday 20th August 2016 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	Kennedy Gajra
DIN	02092206
Experience	Having 33 years of experience.
Relationship with Directors	Son of Ram Gajra
Expertise in specific functional area	Wide managerial experience
Board Membership of Companies as on March 31, 2016	G. G. Automotive Gears Limited
Number of Shares held in the Company as on March 31, 2016	1667514

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

Date : 30.07.2016
Place : Dewas.

SD/-
RAM GAJRA
(MANAGING DIRECTOR)
(DIN: 02092248)

DIRECTORS' REPORT

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

Your Directors have great pleasure in presenting 42nd ANNUAL REPORT along with the Audited Balance Sheet and Profit and Loss Account, for the year ended 31st March, 2016.

1. FINANCIAL RESULTS:

	(Rs. in Lacs)	
	Year ended on	
	31.03.2016	31.03.2015
Profit Before Depreciation	18,473,990	19,387,742
Less: Depreciation	13,339,729	12,585,936
Profit before tax	5,134,261	6,801,806
Less: Provision for Income Tax	986,656	1,950,469
Less: Provision for Deferred Tax Liability/ (Asset)	1,679,891	200,206
Profit after tax	2,467,714	4,651,131
Add: Previous year's profit brought forward	—	—
Balance carried to Balance sheet	2,467,714	4,651,131

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

During the year your Company has reported a total turnover of Rs. 21,79,30,897/- (Rupees Twenty-One Crore Seventy-Nine Lakhs Thirty Thousand Eight Hundred and Ninety-Seven Only). However, the total expenditure incurred by the Company during the year under review amounted to Rs. 21,27,96,636/- (Rupees Twenty-One Crores Twenty-Seven Lakhs Ninety-Six Thousand Six Hundred and Thirty-Six Only)

During the year, due to sluggish and adverse market trend your Company has reported a reduced amount of net profit of Rs. 24,67,714/- (Rupees Twenty-Four Lakhs Sixty-Seven Thousand Seven Hundred and Fourteen Only) as compared to net profit of Rs. 46,51,131 /- (Rupees Forty-Six Lakhs Fifty-One Thousand One Hundred and Thirty-One Only) in previous year. Your Directors are taking optimum efforts to increase the profits, through aggressive sales campaign.

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 2016 with a view to conserve the resources.

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. CORPORATE GOVERNANCE REPORT:

With the introduction of the new Companies Act, 2013 and the issue of SEBI circular no. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014, the provisions of amended Clause 49 of the Listing Agreement related to the corporate governance would be applicable with effect from 1st October, 2014 to the Company Companies having paid up equity share capital not exceeding Rs.10 crore and Net Worth not exceeding Rs.25 crores, as on the last day of the previous financial year. As such your company does not fall in this category thus this report is not annexed.

7. ACCOUNTS AND ACCOUNTING STANDARDS:

The Company adheres to the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 and Rule 7 of the Companies (Accounts) Rules, 2014 in the preparation of its financial statements.

8. DISCLOSURES:

The Company has made adequate disclosures regarding related party transactions, contingent liabilities, and significant accounting policy in the Notes to Accounts as an integral part of the Balance Sheet and Statement of Profit & Loss.

9. STOCK EXCHANGES – COMPLIANCE OF LISTING AGREEMENTS:

The Company's shares are listed at the BSE Ltd. and the Company has paid the listing fees to the Stock Exchange. Further, the Company has demat connectivity with both the Depositories, NSDL and CDSL and paid Annual Fees to both the Depositories. The company has entered into new listing agreement with BSE Ltd.

10. NUMBER OF BOARD MEETINGS AND ITS COMMITTEES:

During the year under review, 7 Board Meeting were convened and held as on 22nd May 2015, 13th August 2015, 29th October 2015, 16th December 2015, 09th February 2015, 12th February 2015 and 02nd March 2015

Details of the Meetings held during the financial year are as follows:

Audit Committee:

Composition:

Pursuant to the provisions of section 177 of the Companies Act, 2013 and read with revised clause 49 of the Listing Agreement the audit committee shall have minimum three directors as members. Two thirds of the members of audit committee shall be Independent Directors.

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 were held on 22nd May 2015, 13th August 2015, 29th October 2015 and 09th February 2016. The time gap between the two meetings was not more than 120 days.

Nomination and Remuneration Committee:

During the year there was two (2) Nomination and Remuneration Committee Meetings was held on 13th August 2015 and 09th February 2016. The members of the Nomination and Remuneration Committee comprises of Mr. Pravin Kumar Shishodiya (Independent, non-executive), Mr. Shailendra Ajmera (Independent, non-executive), Mrs. Ruchi Sogani (Independent Non-Executive Director)

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The stakeholders Relationship Committee is duly constituted. The composition of the committee is Mr. Pravin Kumar Shishodiya-Chairman & Independent Non-Executive, Mr. Shailendra Ajmera- Member & Independent Non - Executive Director, Mrs. Ruchi Sogani-Member & Independent Non - Executive Director.

11. 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.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Retirement by rotation and subsequent re-appointment:

Shri. Kennedy 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 re-appointment. Appropriate resolutions for their re-appointment is being placed for your approval at the ensuing AGM. The brief resume of the Directors and other related information has been detailed in the Notice convening the 42nd AGM of your Company. Your Directors recommend his re-appointment as Executive Director of your Company.

During the year the company revised the remuneration payable to Mr. Ram Gajra, Managing Director of the company.

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 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).

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 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)

13. 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 has is in the process of revocation of the suspension order.

14. 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.

15. 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.

16. 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.

17. POLICY ON DIRECTORS APPOINTMENT, REMUNERATION & BOARDS PERFORMANCE:

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Chairman, who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

The said policy is available on the website of the Company under the following link <http://www.ggautomotive.com/pdf/Nomination-&-Remunerati-n-Policy.pdf>.

18. COMMENTS ON AUDITOR'S REPORT:

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s Shah Gandhi & Company, Statutory Auditors, in their report. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

19. AUDITORS:

M/s Shah Gandhi & Company, Chartered Accountants, Mumbai (Firm Registration No 109569W) were appointed as Statutory Auditors at the Annual General Meeting held on 28th August, 2014 for the period of three (3) years. i.e. for the Annual General Meeting to be held in year 2017 subject to ratification at each Annual General Meeting. The Company has received letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment

The resolution for ratification of his appointment is put forward for your approval in the ensuing Annual General Meeting.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There are no Loans, Guarantees or Investment made by the Company under Section 186 of the Companies Act, 2013

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the financial year 2015-16, your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, all of which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013, read with the Rules issued thereunder and the Listing Regulations. Further, there were no transactions with related parties which qualify as material transactions under the Listing Regulations. All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approvals are granted by the Audit Committee for related party transactions which are of repetitive nature, entered in the ordinary course of business and are on arm's length basis in accordance with the provisions of Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations.

The details of the related party transactions as per Accounting Standard 18 are set out in Note [2 (c)] to the Standalone Financial Statements forming part of this report.

The Form AOC - 2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as Annexure IV.

The particulars of the undergoing contracts or arrangements of the Company with related parties during the period under review referred to in Section 188(1) of the Company Act, 2013 were in ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the

related party transaction policy of the Company. The said policy as approved by the Board in terms of provisions of Clause 49 of the Listing Agreement is available on the website of the Company i.e. www.ggautomotive.com under the link <http://www.ggautomotive.com/pdf/RPT-policy.pdf>

22. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There were no material changes and commitments affecting the financial position of the Company during the financial year of the Company to which the financial statements relate and the date of the report.

23. CONSERVATION OF ENERGY, TECHNOLOGY & FOREIGN EXCHANGE:

Information on conservation of energy, technology absorption, foreign exchange earnings and out go, is required to be given pursuant to provision of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is annexed hereto marked Annexure III and forms part of this report.

24. CORPORATE SOCIAL RESPONSIBILITY:

The company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable for the period under review.

25. WHISTLE BLOWER POLICY/VIGIL MECHANISM:

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns, details of which have been given in the Corporate Governance Report annexed to this Report. It is available on the Company's website: www.ggautomotive.com.

26. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, is annexed to this report.

27. SUBSIDIARIES/ JOINT VENTURES & ASSOCIATE COMPANYS:

The Company operates as a single entity with no subsidiaries or Joint Venture or Associate Companies as explained within the meaning of the Companies Act, 2013. Since the Company has no Joint Venture or Associate Companies the company is not required to give information in AOC-1 as required under Companies Act, 2013.

28. SECRETARIAL AUDITOR & REPORT:

The Board of Directors of the Company has appointed M/s. Nitin Sarfare, Practicing Company Secretary; to conduct the Secretarial Audit and their Report on Company's Secretarial Audit is appended to this Report as Annexure I.

Auditors Observation:

The company has not appointed Company Secretary as required under section 203 read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Directors Comment:

The Company could not find a suitable candidate as Company Secretary, however the company is in the search of the right candidate and will be appointing a Company Secretary immediately.

29. COSTAUDIT:

In pursuant to Companies (Cost Records and Audit) Amendment Rules, 2014 notified by the Ministry of Corporate Affairs (MCA) on 31 December, 2014, the Company shall not be mandatorily required to get its Cost Records for the financial year 2015-2016 audited in terms of provisions of Section 148 of the Companies Act, 2013 as the Industry under which the Company falls has been exempted from the Cost Audit by MCA vide Companies (Cost Records and Audit) Amendment Rules, 2014.

30. INTERNALAUDITORS:

As per section 138 of the Companies Act, 2013, the Company has appointed M/s. S.N. Gadiya & Co., internal auditors for the year to 2016-2017 to conduct the internal audit and to ensure adequacy of the Internal controls, adherence to Company's policies and ensure statutory and other compliance through, periodical checks and internal audit.

31. PARTICULARS OF EMPLOYEES:

There are no employees in the Company, who if employed throughout the financial year, were in receipt of remuneration, whose particulars if so employed, are required to be included in the report of the Directors in accordance with the provisions of Rule 5 (2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

32. DISCLOSURE UNDER SEXUAL HARASSMENT ACT:

Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 do not mandate the Company to Sexual Harassment Redressal Mechanism within the Company, as there are no female employees in the Company.

33. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the support which the Company has received from its promoters, lenders, business associates including distributors, vendors and customers, the press and the employees of the Company.

BY ORDER OF THE BOARD
For **G. G. AUTOMOTIVE GEARS LIMITED**

SD/-
RAM GAJRA
CHAIRMAN
DIN: 02092248

Date : 30.07.2016
Place : Dewas.

ANNEXURE I

Form No. MR-3

For the financial year ended on 31st March, 2016.

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014].

To,
The Members,
G. G. Automotive Gears Limited
2-A, I.S. Gajra Industrial Area-1,
A.B. Road, Dewas
MP 455001 IN

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by G. G. Automotive Gears Limited (hereinafter referred to as “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Company**, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit year covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers and minute books, Forms and returns filed and other records maintained by the Company, for the year ended on 31st March, 2016 according to the applicable provisions, if any, of:

- I. The Companies Act, 1956 and the Companies Act, 2013 (**the Act**) and the Rules made there under, as applicable;
- II. The Securities Contracts (Regulation) Act, 1956 (**‘SCRA’**) and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings. (Not applicable to the Company during the Audit Period);
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**‘SEBI Act’**) were applicable during the period: -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period);
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the Audit Period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 -Not applicable for the period under audit.
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015(with effect from 1st December, 2015);
- iii) The Listing Agreements entered into by the Company with the BSE Limited.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards and Listing Agreement/Obligations mentioned above subject to the following observations:

The company has not appointed Company Secretary as required under section 203 read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test – check basis, the Company has complied with the following laws applicable specifically to the Company:

- a. The Environment (Protection) Act, 1986; and
- b. Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards; and
- c. Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the State Pollution Control Boards.
- d. Factories Act, 1948;

We further report that:

The Board of Directors of the Company is duly constituted, except for the Key Managerial Personnel of the Companies under section 203 of the Companies Act, 2013. There were no changes in the board composition during the period under Audit.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has;

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- Passed Special resolution to regularize the appointment of Mrs. Ruchi Sogani (DIN: 02805170) who was appointed as an Additional Non-Executive Director of the Company on 31st March 2015 was regularized on 30th September 2015.
- Passed Special Resolution to adopt new set of Articles of Association.
- Passed Special Resolution to vary the terms of appointment of Mr. Kennedy Gajra Jt. Managing Director of the Company.
- Passed Special Resolution to vary the terms of appointment of Mr. Ram Gajra Managing Director of the Company.
- Passed Special Resolution to shift the Registered office of the company from the State of Maharashtra to the State of Madhya Pradesh.

For **HS Associates**
Company Secretaries

Date: 30th July 2016
Place: Mumbai

Sd/-
Nitin Sarfare
Partner
ACS No.: 36769

This report is to be read with our letter which is annexed as Annexure I and forms an integral part of this report.

ANNEXURE II

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2016**

**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]**

I. REGISTRATION AND OTHER DETAILS:	
i) CIN	L29130MP1974PLC035049
ii) Registration Date	15/02/1974
iii) Name of the Company	G. G. AUTOMOTIVE GEARS LIMITED
iv) Category / Sub-Category of the Company	Company Limited by Shares/Indian Non Government Company
v) Whether listed Company (Yes/No)	YES
vi) Address of the Registered Office and contact details	2-A, I.S. Gajra Industrial Area-1, A.B. Road, Dewas, MP 455001 Tel: 91 (7272) 405310 E-mail: ggautomotive@yahoo.com
vii) Name, Address and Contact details of Registrar and Transfer	Purva Sharegistry (India) Pvt. Ltd 9, Shiv Shakti Industrial Estate, Sitaram Mills Compound, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400 013. Tel: 91-22-2301 6761 / 8261 Fax: 91-22-2301 2517 Email: busicomp@vsnl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing of Railway Gears & Pinions, Industrial Gear, Industrial Gear Boxes	2814	100 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Not Applicable to the Company as there are no Subsidiaries, Associates & Holding Companies					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-4-2015]				No. of Shares held at the end of the year[As on 31-3-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	350000	0	350000	4.42	0	0	0	0	Re-classification
e) Banks / FI	0	0	0	0	0	0	0	0	—
f) Any other	0	0	0	0	0	0	0	0	—
f(i) Directors	768205	600333	1368538	17.28	768205	900333	1668538	21.09	3.80
F(ii) Directors Relative	165499	238898	404397	5.10	165665	238732	404397	5.10	No Change
Sub-total (A) (1)	1283704	839231	2131268	26.92	933870	1139065	2072935	26.19	0.73
(2) Foreign									
a) NRIs – Individuals	0	8333	8333	0.105	0	8333	8333	0.11	No Change
b) Other – Individuals	0	0	0	0	0	0	0	0	—
c) Bodies Corp.	0	0	0	0	0	0	0	0	—
d) Banks / FI	0	0	0	0	0	0	0	0	—
e) Any Other	0	0	0	0	0	0	0	0	—
Sub-total (A) (2)	0	8333	8333	0.11	0	8333	8333	0.11	No Change
Total Shareholding of promoter (A) = (A) (1) + (A) (2)	1283704	847564	2139601	27.03	933870	1147398	2081268	26.30	0.73
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	—
b) Banks / FI	0	0	0	0	0	0	0	0	—
c) Central Govt.	0	0	0	0	0	0	0	0	—
d) State Govt. (s)	0	0	0	0	0	0	0	0	—
e) Venture Capital Funds	0	0	0	0	0	0	0	0	—
f) Insurance Companies	0	0	0	0	0	0	0	0	—
g) FIIs	0	0	0	0	0	0	0	0	—
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	—
i) Others (specify)	0	0	0	0	0	0	0	0	—
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	—

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Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-4-2015]				No. of Shares held at the end of the year [As on 31-3-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	499130	493665	992795	12.54	640752	9799	650551	8.22	4.32
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3623096	140241	3763337	47.54	3614183	139508	3753691	47.42	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	790891	0	790891	9.99	1012278	194066	1206344	15.24	5.25
c) Others (specify)									
NRI (Repat & Non Repat)	38459	15997	54456	0.69	27703	14331	42034	0.531	0.159
Hindu Undivided Family	180825	0	180825	2.28	178028	0	178028	2.25	-0.03
Clearing Members	66	0	66	0.00	1722	0	1722	0.021	0.021
Other Body Corporates	0	0	0	0	0	0	0	0	
Employee	0	2529	2529	0.032	0	2529	2529	0.032	No Change
Sub-total (B)(2):-	5132467	652432	5784899	73.07	5474666	360233	5834899	73.70	0.63
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5132467	652432	5784899	73.07	5474666	360233	5834899	73.70	0.63
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	—
Grand Total (A+B+C)	6416171	1508329	7916167	100	6408536	1507631	7916167	100	No Change

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year 31-03-2015			Shareholding at the end of the year 31-03-2016			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kennedy Ram Gajra	1367514	17.26	—	1667514	21.07	--	+3.81
2	Anita Ravichandran	156500	1.98	—	156500	1.98	—	No Change
3	Versa J Gajra	141000	1.78	—	141000	1.78	—	
4	Savitri J. Gajra	93900	1.19	—	93900	1.18	—	No Change
5	Suresh Gajra	8333	0.11	—	8333	0.11	—	No Change
6	Indira R. Gajra	7666	0.10	—	7666	0.10	—	No Change
7	Bela Bajaj	1666	0.021	—	1666	0.02	—	No Change
8	Swaranjeet Singh Nagpaul	2499	0.031	—	2499	0.03	—	No Change
9	J. S. Gajra	1000	0.013	—	1000	0.01	—	No Change
10	Ram S. Gajra	1024	0.012	—	1024	0.01	—	No Change
11	Prem S. Gajra	166	0.002	—	166	0.00	—	No Change
	TOTAL	17,81,268	22.5	—	2081268	26.29	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year 01-04-2015		Cumulative Shareholding during the year 31-03-2016	
		No. of shares	% of total Shares of the company	No. of shares	% of total Shares of the company
1.	Kennedy Gajra				
	At the beginning of the year	1367514	17.28	1367514	17.28
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	300000	3.79	300000	3.79
	At the End of the year	1667514	21.064	1667514	21.064

(iv) (iii) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year 1st April, 2015		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	PATTON INTERNATION LIMITED				
	At the beginning of the year	350000	4.42	350000	4.42
	Change during the year	No Change	No Change	350000	4.42
	At the End of the year	350000	4.42	350000	4.42
2.	NARAYAN SHRIVAS				
	At the beginning of the year	61500	0.77	61500	0.77
	Change during the year	392393	4.96	453893	4.96
	At the End of the year	453893	5.73	453893	5.73
3.	VIPUL RASIKLAL SHAH				
	At the beginning of the year	78201	0.98	78201	0.98
	Change during the year	No Change	No Change	78201	0.98
	At the End of the year	78201	0.98	78201	0.98
4.	ADUSUMILLI NIRMALA				
	At the beginning of the year	39165	0.49	39165	0.49
	Change during the year	No Change	No Change	39165	0.49
	At the End of the year	39165	0.49	39165	0.49
5.	BHAVESH DHIRAJLAL TANNA				
	At the beginning of the year	0	0	0	0
	Change during the year	32323	0.40	32323	0.40
	At the End of the year	32323	0.40	32323	0.40
6.	AMJAY IMPEX PVT LTD				
	At the beginning of the year	30000	0.37	30000	0.37
	Change during the year	No Change	No Change	30000	0.37
	At the End of the year	30000	0.37	30000	0.37
7.	TILAKRAJ NATHALAL SOLANKI				
	At the beginning of the year	30000	0.37	30000	0.37
	Change during the year	No Change	No Change	30000	0.37
	At the End of the year	30000	0.37	30000	0.37
8.	RATNA GOSWAMI				
	At the beginning of the year	30000	0.37	30000	0.37
	Change during the year	No Change	No Change	30000	0.37
	At the End of the year	30000	0.37	30000	0.37
9.	TEJASH FINSTOCK PVT LTD				
	At the beginning of the year	29775	0.37	29775	0.37
	Change during the year	No Change	No Change	29775	0.37
	At the End of the year	29775	0.37	29775	0.37

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10.	PAMIDI VENKATA NARASIAH				
	At the beginning of the year	29000	0.36	29000	0.36
	Change during the year	No Change	No Change	29000	0.36
	At the End of the year	29000	0.36	29000	0.36
11.	DINESH BABULAL DOSHI				
	At the beginning of the year	25030	0.31	25030	0.31
	Change during the year	No Change	No Change	25030	0.31
	At the End of the year	25030	0.31	25030	0.31

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Kennedy Gajra (Jt. MD & CEO)	1367514	17.27	1667514	21.064
2.	Ram Gajra (MD)	1024	0.01	1024	0.01
3.	Shailendra Ajmera (Independent director)	166	0.002	166	0.002
4.	Pravin Kumar Shishodiya (Independent Director)	1332	0.02	1332	0.02
5.	Narayan Shrivastava (CFO)	61500	0.78	453893	5.73

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	37980248	23587341	—	61567589
ii) Interest due but not paid			—	
iii) Interest accrued but not due			—	
Total (i+ii+iii)	37980248	23587341	—	61567589
Change in Indebtedness during the financial year				
Addition		1956540	—	1956540
Reduction			—	
Net Change		1956540	—	1956540
Indebtedness at the end of the financial year				
i) Principal Amount	32990127	25543881	—	58534008
ii) Interest due but not paid			—	
iii) Interest accrued but not due			—	
Total (i+ii+iii)	32990127	25543881	—	58534008

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager Rs. in Lacs		Total Amount
		Kennedy Ram Gajra (Jt. Managing Director)	Ram Gajra (Managing Director)	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	30,00,000	12,00,000	42,00,000
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil
	- As % of Profit			
	- Others, specify			
5.	Others,	Nil	Nil	
	1. Sitting Fees	—	—	—
	2. Gross Provision to PF	360000	—	360000
	Total (A)	30,00,000	12,00,000	46,22,000
	Ceiling as per the Act	42,00,000	42,00,000	42,00,000

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Director		
		SHAIENDRA AJMERA (Non-Executive Independent Director)	RUCHI SOGANI (Non-Executive Independent Director)	PRAVIN KUMAR SHISHODIYA (Non-Executive Independent Director)
	Independent Directors			
	· Fee for attending board committee meetings	12500	50000	Nil
	· Commission	Nil	Nil	Nil
	· Others, please specify	-	-	-
	Total (1)	12500	50000	Nil
	Other Non-Executive Directors	-	-	-
	· Fee for attending board committee meetings	-	-	-
	· Commission	-	-	-
	· Others, please specify	-	-	-
	Total (2)	Nil	Nil	Nil
	Total (B) = (1+2)	12500	50000	Nil
	Total Managerial Remuneration	Nil	Nil	Nil
	Overall Ceiling as per the Act			

C. Remuneration To Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Narayan Shrivastava (CFO)	Total
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	503700	503700
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission	NIL	NIL
	- as % of profit		
	- others, specify...	NIL	NIL
5	Others, please specify	NIL	NIL
	Total	503700	503700

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Detail
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

BY ORDER OF THE BOARD
For G. G. AUTOMOTIVE GEARS LIMITED
RAM GAJRA
CHAIRMAN
DIN: 02092248

Date : 30.07.2016
Place : Dewas.

Annexure III

Report on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo and forming part of Board's Report for the year ended 31 March, 2016.

(A) Conservation of Energy:

- (i) **Steps taken or impact on conservation of energy:** The company is taking adequate steps progressively on conservation of energy.
- (ii) **Steps taken by the Company for utilizing alternate sources of energy:** The company is not making use of alternate sources of energy.
- (iii) **capital investment on energy conservation equipment's:** During the Financial year 2015-2016 the company has not spent amount on capital investment on energy conservation equipment.

(B) Technology absorption: -

1. The efforts made towards technology absorption	During the year the company has not made any technological changes.
2. The benefits derived like product improvement, cost reduction, product development or import substitution	The installed equipment's has resulted in enhanced production capacity and better quality product at lower power consumption
3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year: a) the details of technology imported b) the year of import c) whether the technology been fully absorbed d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	The company has not imported technology during the last three financial years.

C. Foreign Exchange Earnings and Outgo:

	2015-2016	2014-2015
Foreign Exchange earned	82.35	48.48
Foreign Exchange used	179.12	57.31
Net Foreign Exchange earnings	-96.77	-8.83

Annexure D**FORM NO. AOC - 2**

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies(Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with the related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sr. No	Name of the Related Party & Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Not Applicable								

2. Details of contracts or arrangements or transactions at arm's length basis:

Name of the Related Party & Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advances, if any
Mrs. B. K. Gajra	RENT GIVEN TO WIFE OF KENNEDY GAJRA (Managing Director)	Annually	AS PER THE TERMS OF THE AGREEMENT	1,80,000/- p.a.
Mr. Kennedy Gajra	Salary	Annually	As per the terms and conditions of appointment of Managing Director	30,00,000/- p.a.
Mr. Ram Gajra	Salary	Annually	As per the terms and conditions of appointment of Managing Director	12,00,000/- p.a.
Mr. Anmol Gajra	Salary Given to son of Kennedy Gajra	Annually	As per terms of employment	4,80,000/- p.a.
Mrs. Aashna Gajra	Salary given to daughter of Kennedy Gajra	Annually	As per terms of employment	5,10,300/- p.a.
Mr. Kennedy Gajra	Provident Fund to Managing Director	Annually	As per the terms and conditions of appointment of Managing Director	3,60,000/- p.a.
Mr. Anmol Gajra	Provident Fund to Son of Mr. Kennedy Gajra	Annually	As per terms of employment	61,200/- p.a.
Mr. Aashna Gajra	Provident Fund to daughter of Mr. Kennedy Gajra	Annually	As per terms of employment	55,500/- p.a.

Kennedy Gajra
Jt. Managing Director
DIN: 02092206
DATE: 30.07.2016
PLACE: DEWAS.

Name: Ram Gajra
Managing Director
DIN: 02092248

ANNEXURE VI

Sr. No.	Disclosure Requirement	Disclosure Details		
1.	Ratio of the remuneration of each director to the median remuneration of the employees for the financial year	<p>Mr. R. S. GAJRA, the Chairman & Managing Director Ratio: 9.19 times</p> <p>Mr. K. R. GAJRA Ratio: 22.98 times</p> <p>Mr. Shailendra Ajmera Ratio: NIL times</p> <p>Mr. Pravin Kumar Shisodiya Ratio: NIL times</p> <p>Mrs. Ruchi Sogani Ratio: Nil Times</p>		
2.	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Director/KMP	Designation	% increase/ (decrease) in Remuneration
		Mr. Ram. S. GAJRA	Managing Director	No Change
		Mr. Kennedy R. GAJRA	Jt. Managing Director	No Change
3.	Percentage increase in the median remuneration of employees in the financial year	5%		
4.	Number of permanent employees on the rolls of Company at the end of the year	105.		
5.	Explanation on the relationship between average increase in remuneration and Company performance	The remuneration expense of the Company has not changed during the financial year 2015-16.		
6.	Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the Company	Aggregate compensation of KMP (CFO) has increased by 8.5 % as against a drop in 2.7% in revenues for the FY 2015-16.		

7.	Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer	Particulars	March 31, 2016	March 31, 2015	Variation (%)
		Market Capitalisation	3.88 (Rs.in Cr)	3.88 (Rs. In Cr.)	No Change
		Price earnings ratio (based on consolidated EPS)	15.81	8.31	7.5 %
		As on March 31, 2016, the shares of the Company were quoted at 4.90 per share on BSE Limited. The Stock price as at March 31, 2016 has remained unchanged, since trading has been suspended by BSE Ltd.			
8.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The aggregate remuneration of employees other than managerial Personnel have increased by 5 % and that of the KMPs has increased 8.5 %.			
9.	Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company	Directors/KMP	Designation	Remuneration % of PBT (standalone)	FY 2015-16 % of PBT (Consolidated)
		Narayan Shrivastava	CFO	9.8	9.8
		Kennedy Ram Gajra	MD	58	58
		Kennedy Ram Gajra	CMD	23	23
		Shailendra Ajmera	NIL	NIL	NIL
		Pravin Kumar Shishodiya	NIL	NIL	NIL
		Ruchi Sogani	NIL	NIL	NIL
10.	Key parameters for any variable component of remuneration availed by the directors	The key parameters for variable component of remuneration availed by directors are: <input type="checkbox"/> Group Performance; <input type="checkbox"/> Business Performance; and <input type="checkbox"/> Individual Performance			
11.	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not applicable.			
12.	Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid to the employees including KMPs is as per the Remuneration Policy of the Company			

**ANNEXURE VI
MANAGEMENT DISCUSSION AND ANALYSIS**

Industry Structure and Development:

The Company is in automotive gears and allied products industry; it has registered a steady growth over a period of years. The trend has been upward and gives an indication of bright future. Government announcement of reduced excise duty on vehicles in last budget helped in improving the market sentiments. In line with market developments, the company is also expanding its market by adding more products in its product range.

Review of Operations:

Operations of the company have been satisfactory despite of sluggish and weaken market conditions prevailing in the types of industry in which the company belongs and more particularly described in Directors' Report.

Future Plans and Outlook:

Automotive market is on up swing and registering a steady growth. The outlook appears bright.

Segment wise Performance:

The company is engaged in manufacturing of automotive parts as well as trading thereof with allied activities. The performance is reflected in the Balance Sheet and Profit and Loss Account.

Risk Factors:

The product is influenced by the major changes in Govt. policy.

Financial Performance:

Financial performance is forming part of the Directors Repot.

Human Resources/industrial Relations:

Your company considers its human resources as its most valuable assets, among all other assets of the company. it has been the policy of the company to promote the talent by providing opportunities to develop themselves within the organization. The company continued to have very cordial and harmonious relations with its employees.

Internal Control System and Adequacy:

Your company has been maintaining an adequate internal control system commensurate with the size and nature of its business.

By Order of the Board
For **G. G. AUTOMOTIVE GEARS LIMITED**

Sd/-
RAM GAJRA
CHAIRMAN
(DIN 02092248)

DATE : 30.07.2016
PLACE : DEWAS

INDEPENDENT AUDITOR'S REPORT

To the Members of G. G. Automotive Gears limited

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of G. G. Automotive Gears limited, which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss for the year ended, and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- (b) in the case of the Profit and Loss Account, of the profits for the year ended on that date; and
- (c) in the case of the Cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

For Shah Gandhi & Company
Chartered Accountants
Firm's Registration Number: 109569W

Place: Mumbai
Date: 30.05.2016

Kamlesh B. Mehta
Partner
Membership Number: 036323

ANNEXURE REFERRED TO IN POINT 1 OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF THE REPORT OF THE AUDITORS ON THE ACCOUNTS OF G.G. AUTOMOTIVE GEARS LIMITED FOR THE YEAR ENDED 31st MARCH, 2016

- 1 (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) A major portion of the assets has been physically verified by the management in accordance with the phased programme of verification adopted by the company. In our opinion, the frequency of verification is reasonable. To the best of our knowledge, no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable property are held in the name of the company.
- 2 The inventory has been physically verified by the management during the year at reasonable intervals. In our opinion, the frequency of verification is reasonable. On the basis of our examination of stock records, we are of the opinion that no material discrepancies were noticed on physical verification.
- 3 The company has not granted any secured or unsecured loans to any companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- 4 The company has no such transaction during the year to which the provisions of section 185 and 186 of the Companies Act, 2013 gets attracted.
- 5 In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the Act and the rules framed there under.
- 6 The company is covered under the clause regarding maintenance of cost records as prescribed by the Central Government under section 148 (1) of the Companies Act, 2013 and as certified by the cost auditor, the company has maintained proper accounts and records for the same.
- 7 (a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and other statutory dues applicable to it.
- (b) According to the records of the company, there are no dues of sales tax, service tax, custom duty, excise duty or value added tax on account of any dispute except due of income tax as follows:

A.Y.	Amount	Forum where dispute is pending
2013-14	16,40,540	CIT (A), appeal filed on 25.04.2016
- 8 According to information and explanation given to us the company has not defaulted in repayment of dues to any financial institution, bank or government. The company has not issued any debentures.
- 9 The company has not raised money by way of initial public offer or further public offer (including debt instrument) during the year. According to the information and explanation given to us the term loan of the company were applied for the purpose for which those are raised.
- 10 No fraud on or by the company has been noticed or reported during the year.

11. According to information and explanation given to us the company has paid or provided the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 of the Companies Act, 2013.
12. The said company is not a Nidhi company. Hence the provisions of Nidhi company are not applicable.
13. According to information and explanation given to us the company has disclosed all the transactions with the related parties in compliance with the sections 177 and 188 of the Companies Act, 2013 and details have been enclosed in the Financial Statements as required by applicable accounting standard.
14. The company has not made any preferential allotment or private placements of shares.
15. According to information and explanation given to us the company has not entered into any non cash transactions with directors or persons connected with them.
16. The company is not required to registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Shah Gandhi & Company
Chartered Accountants
Firm's Registration Number: 109569W

Place: Mumbai
Date: 30.05.2016

Kamlesh B. Mehta
Partner
Membership Number: 036323

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF G.G. AUTOMOTIVE GEARS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of G.G. AUTOMOTIVE GEARS LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Shah Gandhi & Company
Chartered Accountants
Firm's Registration Number: 109569W

Place: Mumbai
Date: 30.05.2016

Kamlesh B. Mehta
Partner
Membership Number: 036323

NOTES ON ACCOUNTS :

1. SIGNIFICANT ACCOUNTING POLICIES:**a. ACCOUNTING CONVENTION**

The financial statements are prepared on the basis of going concern, under historical cost convention on an accrual basis and in accordance with the requirement of the Companies Act, 2013 and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

b. INVESTMENTS:

Investments are stated at cost.

c. INVENTORIES

Finished goods are valued at lower of cost and market price, while Raw Material and Work in Progress are valued at cost. The Scrap is valued at realizable value. Cost of work in progress excludes expenses on material received for processing on Job basis.

d. FIXED ASSETS AND DEPRECIATION:

Fixed assets are stated at cost and depreciated on written down value (WDV) method in accordance with provisions of schedule II of the Companies Act, 2013 except addition on Machinery w.e.f. 01.04.1989, vehicle and computer w.e.f. 01.04.1996 where S.L.M. method is followed.

e. REVENUE RECOGNITION:

Sales are recognised at the point of dispatch to customers.

2. ACCOUNTING STANDARDS:**a. Accounting Standard 04 – Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.**

There is no change in accounting policies. As regards prior period item, those have been earmarked.

b. Accounting Standard 11 – Accounting for effects of change in Foreign Exchange

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Assets and Liabilities related to foreign currency transactions, remaining unsettled at the year end, are stated at the contracted rates, when covered under forward exchange contracts and at year end rates in other cases. The premium payable on forward foreign exchange contracts is amortized over the period of contract. Exchange gains /losses are recognized in the profit and loss account.

	(Rs. In Lacs)	
	2016	2015
Earning in foreign currency	Rs. 82.35	Rs. 48.28
Expenditure in foreign currency	Rs. 156.58	Rs. 57.31
-For capital goods	Rs. 22.54	Nil
-For Others		
Foreign exchange fluctuation gain /(loss) recognized in P&L	(17.00)	3.03

c Related parties disclosure as per accounting Standard 18:

The related parties, as defined by Accounting Standard 18 'Related party disclosure' issued by The Institute of Chartered Accountants of India are as follows:

Name of the related parties and description of relationship.

Sr. No.	Particulars	Name of the party
1.	Key Management Personnel	Mr. R.S.Gajra Mr. K.R.Gajra
2.	Relatives of Key Management Personnel	Mrs. B.K. Gajra (Wife of Mr. K.R. Gajra Ms Aashna Gajra (Daughter of Mr. K.R. Gajra) Mr. Anmol Gajra (Son of Mr. K.R. Gajra)

Related Party Transactions:

Sr. No.	Particulars	Key Management Personnel	Relatives of Key Management Personnel
1.	Salary	42,00,000	9,75,600
2.	Contribution to PF	3,60,000	1,16,700
3.	Sitting fees	62,500	—
4.	Rent	—	1,80,000

d Earning per share as per Accounting Standard 20:

	2015-16	2014-15
a. Weighted average number of share at the beginning and end of the year	79,16,167	7,916,167
b. Net Profit after tax available for equity share holders	24,67,714	46,51,131
c. Basic and Diluted earnings per share	0.31	0.59

e. Taxes on Income Tax as per Accounting Standard 22:

- i. Provision for Income Tax is made in accordance with the Income Tax Act, 1961.
- ii. Current Tax is determined as the amount of tax payable in respect of taxable income for the year.
- iii. The company has recognized Deferred Taxes which result from timing difference between the Book profits and Tax profits.

3. CONTINGENT LIABILITY:

Particulars	(Rs. in lacs)	
	2016	2015
Bank guarantee issued by company's Bankers	95.30	254.74
BSE Fees	0.95	-

4. In the opinion of the Board, the Current Assets, Loans and advances Debtors & Creditors have a value on realization in ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. However, no confirmation has been obtained on the same.

5. Fixed monthly remuneration has been paid to directors as per resolution passed by the Shareholders in their meeting.

Directors Remuneration:	2015-16	2014-15
Salaries	42,00,000	42,00,000
Contribution to P.F.	3,60,000	3,60,000

6. In compliance with the requirement of the Accounting Standard on valuation of Inventories issued by the Institute of Chartered Accountant of India, Excise Duty payable amounting to Rs. 9,48,425/- (Prev. Year Rs.24,73,916/-) on Finished Goods as on 31st March, 2016 has been included in the valuation of the said stocks. This has no impact on profit for the year.
7. Amount due to small industries Rs. Nil as on 31.03.2016 out of which amount outstanding for more than Rs. 1.00 lac and due for more than 30 days is Rs. Nil.
8. Previous year's figures have been regrouped and rearranged wherever considered necessary.

As per our Report of even date attached.

For Shah Gandhi & Company
Chartered Accountants

Sd/-
Kamlesh Mehta
Partner
Membership No : 036323
FRN No : 109569W

Date : 30.05.2016
Place : Mumbai

On behalf of the Board

Sd/-
R. S. GAJRA
Chairman & Mg. Director

Sd/-
K. R. GAJRA
Managing Director

Sd/-
Narayan Shrivastava
CFO

BALANCE SHEET AS AT 31.03.2016

	Note No.	2016 (Rupees)	2015 (Rupees)
I. EQUITY & LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	1	7,91,61,670	7,91,61,670
(b) Reserves & Surplus	2	6,15,79,744	5,91,12,030
(2) Non-current Liabilities			
(a) Long-term borrowings	3	2,55,43,881	2,35,87,341
(b) Deferred tax liabilities (Net)		2,09,58,196	1,92,78,306
(c) Long Term Provision	4	-	13,05,821
(3) Current Liabilities			
(a) Short term borrowings	5	3,29,90,127	3,79,80,248
(b) Trade payables	6	3,89,18,987	4,25,69,486
(c) Other current liabilities	7	1,76,58,510	1,19,41,897
(d) Short-term provisions	8	47,16,721	36,72,312
TOTAL		28,15,27,837	27,86,09,110
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	15,28,19,000	13,03,20,750
(ii) Intangible assets	10	7,57,169	7,89,315
(b) Long term loans and advances	11	15,77,307	35,58,589
(c) Capital work- in -progress		6,63,236	-
(2) Current assets			
(a) Inventories	12	2,98,98,065	3,41,40,039
(b) Trade receivables	13	8,24,54,032	8,94,37,559
(c) Cash & cash equivalents	14	1,16,05,798	1,86,87,954
(d) Short term loans and advances	15	17,53,231	16,74,904
Total		28,15,27,837	27,86,09,110

See accompanying notes to the financial statements

As per our Report of even date attached.

For Shah Gandhi & Company
Chartered Accountants

Sd/-
Kamlesh Mehta
Partner
Membership No : 036323
FRN No : 109569W

Date : 30.05.2016
Place : Mumbai

On behalf of the Board

Sd/- Sd/-
R. S. GAJRA **K. R. GAJRA**
Chairman & Mg. Director Managing Director

Sd/-
Narayan Shrivastava
CFO

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2016

Particulars	Note No.	2016 (Rupees)	2015 (Rupees)
INCOME :			
I. Revenue from operations	16	21,54,74,238	22,14,71,392
II. Other Income	17	24,56,659	28,07,331
III. Total Revenue		21,79,30,897	22,42,78,723
IV. Expenses:			
Cost of materials consumed	18	9,98,97,020	11,35,75,503
Changes in inventories of finished goods and work-in-progress	19	31,81,533	(45,36,758)
Employee benefits expense	20	2,89,79,336	2,56,75,818
Finance cost	21	40,94,317	60,56,349
Depreciation and amortisation expenses	22	1,33,39,729	1,25,85,936
Other expenses	23	6,33,04,702	6,41,20,069
Total expenses		21,27,96,636	21,74,76,917
V. Profit before exceptional and extraordinary items and tax		51,34,261	68,01,806
VI. Exceptional Items		-	-
VII. Profit before tax		51,34,261	68,01,806
VIII. Tax expense:	24		
(1) Current tax		9,86,656	19,50,469
(2) Deferred Tax Liability / (Asset)		16,79,891	2,00,206
IX. Profit/(Loss) for the year		24,67,714	46,51,131
X. Earning per equity share:			
(1) Basic		0.31	0.59
(2) Diluted		0.31	0.59

See accompanying notes to the financial statements

As per our Report of even date attached.

For Shah Gandhi & Company
Chartered Accountants

Sd/-
Kamlesh Mehta
Partner
Membership No : 036323
FRN No : 109569W

Date : 30.05.2016
Place : Mumbai

On behalf of the Board

Sd/-
R. S. GAJRA
Chairman & Mg. Director

Sd/-
K. R. GAJRA
Managing Director

Sd/-
Narayan Shrivastava
CFO

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31.03.2016**

Particulars	Year ended 31.03.2016	Year ended 31.03.2015
A. Cash flow from operating activities		
Net profit before tax & extraordinary items	51,34,261	68,01,806
Adjustment for :		
Depreciation	1,33,39,729	1,25,85,936
Loss on sale of asset	1,30,091	2,46,626
Interest paid	40,94,317	60,56,349
Less : Interest and dividend received	19,94,449	20,23,998
Operating profit before working capital changes	2,07,03,949	2,36,66,719
Adjustment for :		
Trade and other receivables	69,05,200	1,63,31,289
Inventories	42,41,974	(38,63,464)
Trade and other payables	(31,85,417)	(2,55,74,149)
Cash generated from operations	2,86,65,705	1,05,60,394
Direct Tax paid	9,86,656	19,50,469
Net cash from operating activities	2,76,79,049	86,09,925
B. Cash flow from investment activities		
Sale of fixed assets (Net)	6,89,655	104365
Purchase of Fixed Assets	(3,66,25,579)	(89,51,817)
Capital WIP, Cap. Adv. & Pre-op. Exps.	13,18,046	(2066782)
Interest received	19,94,449	20,23,998
Net cash from investment activities	(3,26,23,429)	(88,90,236)
C. Cash flow from financing activities		
Repayment of borrowings	19,56,540	(1,00,36,694)
Interest paid	(40,94,317)	(60,56,349)
Net cash from financing activities	(21,37,777)	(1,60,93,043)
Net increase in cash and cash equivalents	(70,82,156)	(1,63,73,354)
Cash and cash equivalents at beginning of the year	1,86,87,954	3,50,61,308
Cash and cash equivalents at end of the year	1,16,05,798	1,86,87,954

We have checked the above cash flow statement of G. G. Automative Gears Limited, derived from the audited annual financial statement for the period ended 31st March 16, with the books and records maintained in the ordinary course of business and found the same to be in accordance therewith

As per our Report of even date attached.

For Shah Gandhi & Company
Chartered Accountants

Sd/-
Kamlesh Mehta
Partner
Membership No : 036323
FRN No : 109569W

Date : 30.05.2016
Place : Mumbai

On behalf of the Board

Sd/-
R. S. GAJRA
Chairman & Mg. Director

Sd/-
K. R. GAJRA
Managing Director

Sd/-
Narayan Shrivastava
CFO

NOTES TO THE FINANCIAL STATEMENTS

Note No. 1 : Share Capital

	2016 (Rupees)	2015 (Rupees)
(a) Authorised		
8,000,000 Equity Shares of Rs. 10/- each	8,00,00,000	8,00,00,000
(Previous year 8,000,000 shares of Rs. 10/- each)	8,00,00,000	8,00,00,000
(b) Issued, Subscribed and Paid-up		
(7,916,167 Equity Shares of Rs. 10/- each fully paidup)	7,91,61,670	7,91,61,670
Share Capital	7,91,61,670	7,91,61,670
(c) Reconciliation of no. of shares outstanding as at 31.03.2016 and 31.03.2015		
No. of shares at the beginning of the year	79,16,167	79,16,167
Add: Shares issued	-	-
No. of shares at the end of the year	79,16,167	79,16,167
(d) Shareholder's Holding more than 5% shares		
Name of the shareholder	No. of shares held	No. of shares held
Mr. K.R. Gajra	16,67,514	13,67,514
Total	16,67,514	13,67,514

Note No. 2 : Reserve & Surplus

Security premium	58,02,130	58,02,130
Surplus :		
Balance B/F	5,33,09,900	4,86,58,769
Add/Less : Profit/(loss) during the year	24,67,714	46,51,131
	6,15,79,744	5,91,12,030

Note No. 3 : Long term borrowings

Term loan :		
- Klingenberg GMBH Germany	72,56,915	-
Note:		
Terms of repayment:		
Supplier's credit from M/S Klingenberg GMBH, Germany is repayable in 4 quarterly installments of 33300 Euros & one installment of 33500 Euros.		
Others:		
- Directors (Interest free)	1,77,71,439	2,16,96,439
- Customer Credit Balance	5,15,527	18,90,902
	2,55,43,881	2,35,87,341

Note:

Loan from directors are interest free and unsecured.

Note No. 4 : Long Term Provisions

Provision for Gratuity	-	13,05,821
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NOTES TO THE FINANCIAL STATEMENTS

	2016 (Rupees)	2015 (Rupees)
Note No. 5 : Short Term Borrowings		
Working capital from bank	3,29,90,127	3,79,80,248
Note: Working capital loan is secured by way of hypothecation of inventory, book debts and collateral security of fixed assets besides personal guarantee of promoter directors.		
Note No. 6 : Trade Payables		
Sundry Creditors	3,89,18,987	4,25,69,486
Note No. 7 : Other Current Liabilities		
Other Creditors	96,07,389	73,82,645
Statutory Liabilities	20,79,072	20,52,014
Current maturities of long term debt	50,23,625	33,322
Central Excise Duty on Closing Stock	9,48,425	24,73,916
	1,76,58,510	1,19,41,897
Note No. 8 : Short term provisions		
Income Tax	9,90,165	20,03,509
Less : TDS & Advance tax	7,44,438	20,03,509
	2,45,727	-
Provision for employees expenses	31,19,691	24,72,131
Provision for expenses	13,51,303	12,00,181
	47,16,721	36,72,312

NOTES TO THE FINANCIAL STATEMENTS

Note No. 9 : Tangible Assets

DESCRIPTION OF ASSETS	USEFUL LIFE, METHOD	G R O S S		B L O C K		D E P R E C I A T I O N		N E T		B L O C K	
		AS ON 01.04.2015	ADDITION DURING THE YEAR	DISCARD/ DELETION DURING THE YEAR	AS ON 31.03.2016	UP TO 01.04.2015	PROVIDED DURING THE YEAR	(ON REV.)	WRITTEN BACK DURING THE YEAR		AS ON 31.03.2016
LEASE HOLD LAND		9,607	-	-	9,607	3,747	97	-	-	3,844	5,860
BUILDING	30, WDV	92,16,066	-	12,72,601	79,43,465	70,78,626	17,406	-	12,72,601	58,23,430	21,20,035
PLANT & MACHINERY (BEFORE 01.04.89)	NIL	2,38,99,902	-	-	2,38,99,902	1,94,84,386	-	-	-	1,94,84,386	44,15,516
PLANT & MACHINERY (AFTER 01.04.89)	15, SLM	23,30,47,016	3,49,51,160	-	26,79,98,176	12,27,20,873	1,08,94,588	-	-	13,36,15,461	11,03,26,143
FURNITURE & FIXTURE	10, WDV	26,97,036	36,782	22,35,236	4,98,582	26,14,513	30,713	-	22,35,236	4,09,991	88,591
OFFICE EQUIPMENT	5, WDV	22,53,457	49,400	7,98,464	15,04,393	21,42,492	31,233	-	7,98,464	13,75,261	1,29,132
ELECTRICAL INSTALLATION	10, WDV	19,07,437	-	-	19,07,437	14,34,554	1,95,566	-	-	16,30,120	2,77,317
LABORATORY EQUIPMENT	10, WDV	5,85,501	-	-	5,85,501	2,19,986	98,037	-	-	3,18,022	2,67,479
VEHICLES	8, SLM	1,91,53,129	15,14,447	43,01,847	1,63,65,729	70,10,123	19,74,425	-	34,82,101	55,02,446	1,08,63,283
COMPUTER (BEFORE 1.4.96)	6, WDV	18,02,629	-	4,26,557	13,76,072	18,02,629	-	-	4,26,557	13,76,072	-
COMPUTER (AFTER 1.4.96)	3, SLM	31,69,507	73,790	2,24,020	30,19,277	29,08,610	65,517	-	2,24,020	27,50,107	2,60,897
TOTAL		29,77,41,287	3,66,25,579	92,58,725	32,51,08,141	16,74,20,538	1,33,07,582	-	84,38,979	17,22,89,141	13,03,20,750
PREVIOUS YEAR		29,56,01,537	86,30,356	64,90,606	29,77,41,287	16,10,06,563	1,25,53,789	-	61,39,615	16,74,20,538	15,28,19,000
Add : Capital Work in progress, Capital Advances & Pre-operative exps.											
										6,63,236	20,66,782
										15,34,82,236	13,23,87,532

Note No. 10 : Intangible Assets

DESCRIPTION OF ASSETS	AMORTISATION PERIOD	G R O S S		B L O C K		ACCUMULATED DEPRECIATION		N E T		B L O C K
		AS ON 01.04.15	ADDITION DURING THE YEAR	AS ON 31.03.16	UP TO 01.04.2015	DURING THE YEAR	AS ON 31.03.2016	AS ON 31.03.2016	AS ON 31.03.2015	
Goodwill		5,00,000	-	5,00,000	-	-	-	5,00,000	5,00,000	5,00,000
Software	10	3,21,461	-	3,21,461	32,146	32,146	64,292	2,57,169	2,89,315	7,89,315
		8,21,461	-	8,21,461	32,146	32,146	64,292	7,57,169	7,89,315	7,89,315

NOTES TO THE FINANCIAL STATEMENTS

	2016 (Rupees)	2015 (Rupees)
Note No. 11 : Long term loans and advances		
Capital advances	-	20,66,782
Security Deposits	15,77,307	14,91,807
	<u>15,77,307</u>	<u>35,58,589</u>
Note No. 12 : Inventories		
Raw Materials	21,09,840	16,48,445
Work in progress	1,07,52,483	99,49,769
Finished goods	1,58,07,077	1,97,91,324
Stores, Tools, Jig & Spares	2,30,240	2,26,586
Scrap	50,000	50,000
Excise Duty on Closing Stock	9,48,425	24,73,916
	<u>2,98,98,065</u>	<u>3,41,40,039</u>
Note No. 13 : Trade receivables (Unsecured, Considered good)		
Outstanding for a period exceeding six months	3,47,456	1,34,330
Others	8,21,06,576	8,93,03,229
	<u>8,24,54,032</u>	<u>8,94,37,559</u>
Note No. 14 : Cash & cash equivalents		
Cash in hand	1,800	51,506
Balance with Banks :		
(i) On Current accounts	63,954	1,78,320
(ii) On Deposit accounts	1,01,32,295	1,55,98,100
(iii) Interest accrued on deposits	14,07,749	28,60,028
	<u>1,16,05,798</u>	<u>1,86,87,954</u>
(Fixed Deposits are given as security against Bank guarantee and / or foreign letter of credit)		
Note No. 15 : Short term loans and advances (Unsecured, considered good)		
Advances (Recoverable in cash or kind or for value to be received)	7,57,341	6,93,173
Balance with revenue authorities	9,95,890	7,07,205
TDS Certificate	-	2,74,526
	<u>17,53,231</u>	<u>16,74,904</u>
Note No. 16 : Revenue from operations		
Sales of Mfg. Goods	23,43,73,350	22,53,28,421
Less : Excise duty	2,14,81,679	2,40,07,518
	<u>21,28,91,671</u>	<u>20,13,20,903</u>
Job Work	25,82,567	2,01,50,489
	<u>21,54,74,238</u>	<u>22,14,71,392</u>

NOTES TO THE FINANCIAL STATEMENTS

	2016 (Rupees)	2015 (Rupees)
Note No. 17 : Other Income		
Interest	19,94,449	20,23,998
Scrap Sales	2,94,525	4,15,720
Foreign exchange fluctuation gain	-	3,03,200
Miscellaneous income	1,67,685	64,413
	24,56,659	28,07,331
Note No. 18 : Cost of materials consumed		
(a) Raw materials consumption		
Opening Stock	16,48,445	8,12,880
Add : Purchases	10,03,58,415	11,44,11,068
	10,20,06,860	11,52,23,948
Less : Closing Stock	21,09,840	16,48,445
	9,98,97,020	11,35,75,503
Note No. 19 : Changes in inventories		
Opening Stock :		
Finished Goods	1,97,91,324	2,31,86,030
Work In Progress	99,49,769	19,58,305
Scrap	50,000	1,10,000
	2,97,91,093	2,52,54,335
Closing Stock :		
Finished Goods	1,58,07,077	1,97,91,324
Work In Progress	1,07,52,483	99,49,769
Scrap	50,000	50,000
	2,66,09,560	2,97,91,093
(Increase)/ Decrease in stock	31,81,533	(45,36,758)
Note No. 20 : Employee benefits expenses		
Salary, Wages, Bonus & Allowances	2,43,28,435	2,23,97,857
Contribution to Welfare funds	21,18,577	19,68,060
Staff & Labour welfare & Hospitality	4,71,668	9,07,013
Gratuity	20,60,656	4,02,888
	2,89,79,336	2,56,75,818
Note No. 21 : Finance Cost		
Interest : Working Capital	40,94,317	54,98,788
: Term Loan	-	5,57,561
	40,94,317	60,56,349
Note No. 22 : Depreciation and amortisation expenses		
On Tangible assets	1,33,07,582	1,25,53,790
On Intangible assets	32,146	32,146
	1,33,39,729	1,25,85,936

NOTES TO THE FINANCIAL STATEMENTS

	2016 (Rupees)	2015 (Rupees)
Note No. 23 : Other Expenses		
(a) Manufacturing Exp.		
Consumption of stores	1,35,17,881	1,30,40,359
Power & Fuel	1,10,70,871	1,04,63,685
Repair to Plant & Machinery	20,00,191	1,15,14,764
Job Charges	13,59,788	10,93,122
Freight, Cartage etc.	13,54,734	15,47,354
Insurance charges	7,15,147	6,46,903
Repair to Building	12,35,492	5,87,369
Diesel	10,13,944	1,78,994
Inspection Charges	8,300	51,757
Testing Charges	5,01,199	1,43,390
Entry tax	6,03,308	2,60,249
(b) Office & Administrative exp.		
Printing & Stationery	1,90,975	2,18,112
Postage & Courier Charges	1,60,558	1,03,964
Telephone	3,06,323	3,12,303
Rent	1,80,000	1,80,000
Vehicle Repairs & Maintenance	14,84,744	9,85,074
Conveyance	6,16,685	9,19,142
Legal & Professional Charges	19,13,673	16,92,837
Licence & Registration fee	3,95,486	3,60,775
Electricity & Water charges	3,73,912	3,44,407
General repairs	56,715	1,19,887
Membership & Subscription	1,51,271	1,26,765
Office Expenses	18,53,045	19,29,824
Listing Fee	2,24,720	28,090
Rates & Taxes	3,73,716	29,369
(c) Selling & Distribution expenses		
Packing, forwarding & freight	34,74,726	37,59,341
Discount	8,50,685	3,51,918
Rebate	14,10,022	10,02,166
Liquidated damages	17,39,976	12,69,153
Advertisements	1,19,825	1,23,893
Sales Promotion	7,26,715	6,52,995
Travelling Exp.	13,91,591	14,26,621
Other Selling exp.	5,37,265	4,33,271
(d) Other Expenses		
Auditors' Remuneration :		
Audit Fee	1,50,000	1,50,000
Tax Audit Fees	50,000	50,000
Out of packet exp.	20,994	10,246
Donation	1,75,000	7,00,000
Loss on sale of asset	1,30,091	2,46,626
Foreign Exchange Fluctuation Loss	17,00,121	-
Directors' remuneration :		
(i) Gross salary	42,00,000	42,00,000
(ii) Gross Contribution to PF	3,60,000	3,60,000
(iii) Sitting Fees	62,500	-
Directors' Travelling & Other Expenses	45,42,513	25,05,344
	6,33,04,702	6,41,20,069

Note No. 24 : Tax Expense	2016	2015
	(Rupees)	(Rupees)
(a) Current tax :		
Provision for Income tax	9,90,165	20,03,509
Earlier year taxes	(3,509)	(53,040)
(b) Deferred Tax :	16,79,891	2,00,206
	26,66,547	21,50,675
	26,66,547	21,50,675

Particulars	Balance as at 01/04/2015	Arising during the year	Balance as at 31/03/2016
Deferred Tax Liability			
On account of timing difference			
A. Depreciation	1,93,10,750	23,59,412	2,16,70,163
B. Deferred Revenue	-	-	-
Total	1,93,10,750	23,59,412	2,16,70,163
Deferred Tax Assets			
On account of timing difference			
A. Unabsorbed Losses	-	-	-
B. U/S 43B dis-allowance	(32,445)	(97,335)	(1,29,780)
C. Carry over losses	-	(5,82,187)	(5,82,187)
Total	(32,445)	(6,79,522)	(7,11,967)
Net	1,92,78,305	16,79,891	2,09,58,196

As per our Report of even date attached.

For Shah Gandhi & Company
Chartered Accountants

Sd/-
Kamlesh Mehta
Partner
Membership No : 036323
FRN No : 109569W

Date : 30.05.2016
Place : Mumbai

On behalf of the Board

Sd/- R. S. GAJRA Chairman & Mg. Director	Sd/- K. R. GAJRA Managing Director
--	--

Sd/-
Narayan Shrivastava
CFO

FORM NO SH-13

Nomination Form

[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To,
G. G. AUTOMOTIVE GEARS LIMITED
2-A, I.S. Gajra Industrial Area-1, A.B. Road,
Dewas, MP 455001

I/We _____ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of Securities	Folio No.	No. of Securities	Certificate No.	Distinctive Nos.

2. PARTICULARS OF NOMINEE/S –

- a) Name :
- b) Date of Birth:
- c) Father's/Mother's/Spouse's name:
- d) Occupation:
- e) Nationality:
- f) Address:
- g) E-mail Id:
- h) Relationship with the security holder:

3. IN CASE NOMINEE IS A MINOR -

- a) Date of Birth
- b) Date of attaining majority
- c) Name of guardian
- d) Address of guardian

Name: _____

Address: _____

Name of the Security Holder(s) _____

Signature _____

Witness with name and address _____

Signature _____

Name: _____

Address: _____

Name of the Security Holder(s)

Signature

Witness with name and address

Signature

FORM NO SH-14

Cancellation or Variation of Nomination

[Pursuant to sub-section (3) of Section 72 of the Companies Act, 2013 and rule 19(9) of the Companies (Share Capital and Debentures) Rules 2014]

To,
G. G. AUTOMOTIVE GEARS LIMITED
2-A, I.S. Gajra Industrial Area-1, A. B. Road,
Dewas, MP 455001

I/We hereby cancel the nomination(s) made by me/us in favor of _____
(name and address of the nominee) in respect of the below mentioned securities.

Or

I/We hereby nominate the following person in place of _____
as nominee in respect of the below mentioned securities in whom shall vest all rights in respect of such securities
in the event of my/our death.

PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of Securities	Folio No.	No. of Securities	Certificate No.	Distinctive Nos.

PARTICULARS OF NOMINEE/S –

Name:

Date of Birth:

Father's/Mother's/Spouse's name:

Occupation:

Nationality:

Address:

E-mail Id:

Relationship with the security holder:

IN CASE NOMINEE IS A MINOR -

Date of Birth

Date of attaining majority

Name of guardian

Address of guardian

Name: _____

Address: _____

Name of the Security Holder (s) : _____

Signature _____

Witness with the name and address: _____

Signature _____

Name of the Security Holder(s) _____

Witness with name and address _____

ROUTE MAP



G. G. AUTOMOTIVE GEARS LIMITED

2-A, I.S. Gajra Industrial Area-1,

A.B. Road, Dewas, MP 455001 IN.

CIN:- L29130MP1974PLC035049

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

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

ATTENDANCE SLIP

I/we hereby record my/our presence at the 42nd Annual General meeting of the Company held on Saturday the 27th August, 2016 at 11:00 a.m. at the Registered Office of the Company Situated at 2-A, I.S. Gajra Industrial Area-1, A.B. Road, Dewas Dewas MP 455001.

	Serial:	
Name and Address of the Shareholder (s):		
Joint Holder (s):		
Registered Folio /DP ID & Client ID		
No. of Share (s)		
If Shareholder (s), please sign here	If Proxy, please mention name and sign here	
	Name of the Proxy	Signature

Note: Please sign this Attendance Slip and hand it over at the ENTRANCE OF THE MEETING HALL.

ELECTRONIC VOTING PARTICULARS		
Electronic Voting Sequence Number (EVSN)	User ID	*Default PAN
160708002		

*Only Members who have not updated their PAN with the Company / Depository Participant (DP) shall use default PAN in the PAN field.

Note: Please read the instructions for e-voting given in the notice of the 42nd Annual General Meeting. The Voting period starts from Wednesday the 24th August, 2016 at 09:00 a.m. to Friday the 26th August, 2016 at 05:00 p.m. The voting module shall be disabled by CDSL for voting thereafter.

Form No. MGT-11

G. G. AUTOMOTIVE GEARS LIMITED

REGD. OFFICE: 2-A, I.S. Gajra Industrial Area-1,

A.B. Road, Dewas MP 455001.

CIN: L29130MP1974PLC035049

Tel No. +91 (22) 24112044/ +91 (7272) 405310

Fax. +91 (22) 24112044/ +91 (7272) 404802

Web site: www.ggautomotive.com

Email ID: ggautomotive@yahoo.com

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014).

Name of the member (s) :

Registered Address:

E.Mail Id:..... Folio No./Client Id DP ID.....

I/We,being the member(s) holding of.....shares of the above named Company, hereby appoint

1. Name:

Address:

.....E.mail ID.....Signature:..... or failing him

2. Name:

Address:

.....E.mail ID.....Signature:..... or failing him

3. Name:

Address:

.....E.mail ID.....Signature:..... as my/our

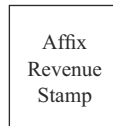
proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42nd Annual General Meeting of the Company, to be held on Saturday, 27th August, 2016 at 11.00 A.M. at the registered office of the company situated at 2-A, I.S. Gajra Industrial Area-1, A.B. Road, Dewas, Madhya Pradesh - 455001 at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Resolutions		
	Ordinary Business	For	Against
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2016 together with the reports of the Board of Directors and Auditors thereon.		
2	To appoint a Director in place of Shri. Kennedy Gajra (DIN: 02092206), who retires by rotation and being eligible, offers himself for re-appointment.		
3	To Ratify the appointment of M/s. Shah Gandhi & Co. as Statutory Chartered Accountants for the Financial year 2016-17.		

Signed this.....day of2016

Signature of Shareholder

Signature of Proxy holder(s).....



Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, explanatory statements and notes, please refer to the notice of 42nd Annual General Meeting.
3. It is Optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
4. Please complete all details including details of member(s) in the above box before submission

G. G. AUTOMOTIVE GEARS LIMITED

REGD. OFFICE: 2-A, I.S. Gajra Industrial Area-1,

A.B. Road, Dewas MP 455001.

CIN: L29130MP1974PLC035049

Tel No. +91 (22) 24112044/ +91 (7272) 405310

Fax. +91 (22) 24112044/ +91 (7272) 404802

Web site: www.ggautomotive.com

Email ID: ggautomotive@yahoo.com

BALLOT FORM

1. Name(s) & Registered Address :
Of the sole / first named
Member
2. Name(s) of the Joint-Holder(s) :
If any
3. i) Registered Folio No. :
ii) DP ID No & Client ID No. :
[Applicable to Members
Holding shares in dematerialized Form]
4. Number of Shares(s) held :
5. I/ W hereby exercise my/our vote in respect of the following resolutions to be passed for the business stated in the Notice of the 42nd Annual General Meeting dated 27th August 2016, by conveying my/ our assent or dissent to the resolutions by placing tick (✓) mark in the appropriate box below:

Resolution No	Resolutions	No of Ordinary Shares for which votes cast	(For)	(Against)
			I/We assent to the Resolution	I/We dissent to the Resolution
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2016 together with the reports of the Board of Directors and Auditors thereon.			
2	To appoint a Director in place of Shri. Kennedy Gajra (DIN: 02092206), who retires by rotation and being eligible, offers himself for re-appointment.			
3	To Ratify the appointment of M/s. Shah Gandhi & Co. as Statutory Chartered Accountants for the Financial year 2016-17.			

Place:
Date:

.....
Signature of the Member
Or
Authorised Representative

Note: Please read the instructions printed overleaf carefully before exercising your vote.

GENERAL INSTRUCTIONS

1. This Ballot Form is provided for the benefit of Members who do not have access to remote e-voting facility.
2. A Member can opt for only one mode of voting i.e. either through remote e-voting or by Ballot. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and ballot shall be treated as invalid.
3. The scrutinizer will collate the votes downloaded from the remote e-voting system and votes received through ballot to declare the final result for each of the resolutions forming part of the Notice of the AGM.
4. The results declared along with Scrutinizer's Report, shall be placed on the Company's website www.ggautomotive.com and on the website of the Central Depository Service (India) Private Limited <https://www.cdslindia.com/evoting/evotingproc.html> within two (2) days of the passing of the Resolutions at the 42nd AGM of the Company on 27th August, 2016 and communicated to the BSE Limited, where the shares of the Company are listed.

PROCESS AND MANNER FOR MEMBERS OPTING TO VOTE BY USING THE BALLOT FORM

1. Voting rights are reckoned on the basis of the shares registered in the names of the Members/Beneficial Owners as on 19th August 2016.
2. Please complete and sign the Ballot Form and return the form in the self-addressed Business Reply envelope so as to reach the Scrutinizer, Shri Nitin Sarfare at G. G. Automotive Gears Limited 2-A, I.S. Gajra Industrial Area-1, A.B. Road, Dewas MP 455001 appointed by the Board of Directors of the Company on or before 26th August, 2016 (5.00 p.m.).
3. The Form should be signed by the Member as per the specimen signature registered with the Company/Depositories. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of vote by Ballot is not permitted through proxy.
4. In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution together with their specimen signatures authorizing their representative.
5. A Member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate Form should reach the Scrutinizer not later than the date and time specified in serial no. b above
6. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. The Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.
7. The decision of the Scrutinizer on the validity of the Ballot Form and any other related matter shall be final.

NOTES:

A series of horizontal dashed lines for taking notes, spanning the width of the page.

If undelivered, please return to:



G. G. AUTOMOTIVE GEARS LIMITED

2-A, I.S. Gajra Industrial Area No. 1, A. B. Road, Dewas - 455 001 (M.P.)

CIN: L29130MP1974PLC035049

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