





# **GI Engineering Solutions Limited**

**ANNUAL REPORT 2016-17**

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Sajid Malik	Managing Director
Mrs. Saroja Malik	Director
Mr. Ganapathy Vishwanathan	Independent Director
Mr. Ganesh Acharya	Independent Director

### AUDITORS

M/s. Dixit Dattatray & Associates,  
Chartered Accountants

### REGISTERED OFFICE

73-A, SDF-III  
SEEPZ, Andheri (East)  
Mumbai 400 096  
Telephone: 91-22-4488 4488  
Fascimile: 91-22-2829 0603  
**Web site:** www.giesl.com  
**Email:** investors@giesl.com  
**CIN No.:** L40109MH2006PLC163731

### SUBSIDIARY

Genesys Enterprises Inc., USA  
777 Westchester Ave,  
Suite 101, White Plains,  
NY 10604 USA

### BANKERS

State Bank of India  
HDFC Bank Ltd.

### REGISTRAR AND SHARE TRANSFER AGENT

Bigshare Services Private Limited  
1<sup>st</sup> Floor, Bharat Tin Works Building, Opp.  
Vsant Oasis, Makwana Road, Marol,  
Andheri (East), Mumbai-400059.  
Telephone: +91-22-6263 8200  
Fax: +91-22-6263 8299  
Email: investor@bigshareonline.com

<b>Contents .....</b>	<b>Page</b>
Managing Director's Message .....	4
Notice .....	5
Directors' Report .....	14
Annexure to the Directors' Report .....	19
Corporate Governance Report .....	33
Management Discussion & Analysis .....	49
Auditors' Report .....	52
Balance Sheet .....	58
Statement of Profit and Loss .....	59
Cash Flow Statement .....	60
Notes to Financial Statements .....	61
Consolidated Accounts .....	80

## MESSAGE FROM THE MANAGING DIRECTOR

Dear Shareholders,

I would like to present our performance for the financial year 2016-17 and the future outlook for the company.

Our engineering services related to HVAC and infrastructure / real estate markets continued to face challenges. The real estate markets witnessed muted demand. The Union Budget 2016-17 did earmark huge outlay for infrastructure sector but the much needed take-off momentum did not happen on expected lines.

However we expect the infrastructure spending to happen soon leading to revival of economic recovery. This would aid in creating demand for HVAC and engineering solutions. This would put your company in a better economic and financial path.

**SAJID MALIK**  
**MANAGING DIRECTOR**

# NOTICE

Notice is hereby given that the Eleventh Annual General Meeting of GI Engineering Solutions Limited will be held on Thursday, September 28, 2017 at 3.30 p.m. at, Kohinoor Continental, Andheri – Kurla Road, Andheri (East), Mumbai-400 059, Maharashtra to transact the following business:

## ORDINARY BUSINESS:

### 1. Adoption of Accounts, Report of the Auditors and Directors thereon:

- To receive, consider and adopt the audited standalone financial statements of the Company as at March 31, 2017 and the Reports of the Auditors and Board of Directors thereon.
- To receive, consider and adopt the audited consolidated financial statements of the Company as at March 31, 2017 and the Reports of the Auditors thereon.

### 2. Re-appointment of Directors retiring by rotation:

To appoint a director in place of Mrs. Saroja Malik, who retires by rotation and, being eligible, offers herself for re-appointment.

### 3. Appointment of Auditors:

To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, and pursuant to recommendation of the Audit Committee of the Board of Directors M/s. Sachin Phadke & Associates, Chartered Accountants (Firm Registration No. 133898W), be and is hereby appointed as the Statutory Auditors of the Company, to hold the office from conclusion of 11th AGM (i.e this AGM) of the Company to the conclusion of 16th AGM, subject to ratification by members at every Annual General Meeting under the provisions of the Companies Act, 2013 and that the Board of Directors be and is hereby authorised to fix the remuneration payable to them as may be determined and recommended by the Audit Committee in consultation with the Auditors, who has confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act and rule 4 of the Companies (Audit and Auditors) Rules, 2014.”

## SPECIAL BUSINESS:

### 4. Re-appointment of Mr. Sajid Malik (DIN:00400366) as Managing Director:

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**: **“RESOLVED THAT** pursuant to the recommendation of the Nomination & Remuneration Committee and approval of the Board, subject to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder or any amendments or substitution thereof (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company, consent of the Members be and is hereby accorded for re-appointment of Mr. Sajid Malik as Managing Director of the Company w.e.f. November 30, 2017 for a period of 5 (five) years on such terms and conditions without remuneration as elucidated in the Explanatory Statements annexed to the Notice and incorporated in the agreement to be entered into between the Company and Mr. Sajid Malik and approved by the Board with further liberty to the Board of Directors of the Company from time to time to alter the terms and conditions of appointment of Mr. Sajid Malik in the best interest of the Company and as may be permissible at law.”

**“RESOLVED FURTHER THAT** Mr. Sajid Malik will hold substantial powers of management and shall perform such duties and services as shall from time to time be entrusted to him including the powers exercisable by the Board under the Articles of Association of the Company and shall undertake to use his best endeavors to promote the interests of the Company and comply with such orders and directions as may be given to him by the Board from time to time.”

**“RESOLVED FURTHER THAT** during such time as Mr. Sajid Malik holds and continues to hold the office of Managing Director of the Company, he shall not be liable to retire by rotation.”

**“RESOLVED FURTHER THAT** any Director of the Company be and are hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

By Order of the Board of Directors  
For GI ENGINEERING SOLUTIONS LIMITED

## Registered Office:

73A, SDF-III, SEEPZ,  
Andheri (E), Mumbai - 400 096  
Place: Mumbai  
Dated: August 21, 2017

**SAJID MALIK**  
**MANAGING DIRECTOR**  
**(DIN: 00400366)**

## NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than 10% of the total share capital of the company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. The instrument appointing a proxy, duly completed, must be deposited with the Company at its Registered Office not less than 48 hours before the time of commencement of the Meeting. A proxy form is enclosed herewith.
5. During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with the conclusion of 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.
6. Members / Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting along with their copy of Annual Report.
7. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote on their behalf at the meeting.
8. 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 Annual General Meeting of the Company.
9. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.
10. The Register of Members and the Share Transfer Books of the Company will remain closed from September 21, 2017 to September 28, 2017 (both days inclusive) for the purpose of Annual General Meeting.
11. The members are requested to:
  - a) Intimate changes in their registered address, if any, to the Registrars, in respect of their holdings in physical form.
  - b) Notify immediately, any change in their registered address or Bank mandate, to their Depository Participants and not to the Company or Registrars, in respect of their holdings in electronic form.
12. Non-Resident Indian Shareholders are requested to inform the Company immediately:
  - a) Any change in residential status on return to India for permanent settlement
  - b) The particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not furnished earlier.
13. Pursuant to Section 72 of the Companies Act, 2013, members are entitled to make a nomination in respect of shares held by them in physical form. Members desirous of making nominations may procure the prescribed Form SH-13 from the Registrar and Transfer Agent of the Company. Members holding shares in electronic form may contact their respective depository participants for availing the said facility.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their

Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.

15. Disclosure pursuant to sub-regulation (3) of Regulation 36 of the SEBI (LODR) Regulations, 2015 with respect to the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting is provided in the Report on Corporate Governance forming part of Annual Report.
16. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your E-mail Address with your Depository Participant to enable us to communicate with you via E-mail.
17. Copies of the Annual Report 2016-17 are being sent by electronic mode to all the members whose E-mail Addresses are registered with the Company / Depository Participant(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their E-mail Addresses, physical copies of the Annual Report 2016-17 are being sent by the permitted mode.
18. The Government took a 'Green Initiative in Corporate Governance' in 2011 by allowing the Companies to service the documents to its members through electronic mode. Accordingly, the Notice of the Eleventh Annual General Meeting and instructions for E-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all the members who's E-mail Addresses are registered with the Company / Depository Participant(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their E-mail Addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
19. Members may also note that the Notice of the Eleventh Annual General Meeting and the Annual Report 2016-17 will be available on the Company's website [www.giesl.com](http://www.giesl.com).

The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at [investors@giesl.com](mailto:investors@giesl.com).

20. Members desiring any information relating to Annual Accounts of the Company for the year ended March 31, 2017 are requested to write to the Company at least 5 days before the date of Annual General Meeting, so as to enable the management to keep information ready.
21. Members are requested to handover the attendance slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall.

## 22. VOTING THROUGH ELECTRONIC MEANS

In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and sub-regulation (1) of Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide to its members, the facility to exercise their right to vote on resolutions proposed to be considered at the 11th Annual General Meeting (AGM) by Remote e-voting i.e. the facility of casting votes by a member using an electronic voting system from a place other than venue of the annual general meeting. Remote e-voting facility will be provided by Central Depository Services Limited (CDSL).

The instructions for e-voting are as under:

- A. The shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date viz. Wednesday, September 20, 2017 may cast their vote electronically.
- B. A shareholder can opt for only one mode of voting i.e. remote e-voting or voting through ballot or



voting at venue of AGM. In case a shareholder votes through remote e-voting as well as sends his/ her vote through ballot form, the vote cast through remote e-voting shall be considered and the voting through physical ballot shall not be considered by the scrutinizer.

- C. The shareholders who have cast their votes either through remote e-voting or ballot shall be entitled to attend the meeting, however, shall not be allowed to cast their vote again at the venue of the annual general meeting.
- D. The shareholders shall have one vote per equity share held by them. The facility of e-voting would be provided once for every folio/ client id, irrespective of the number of joint holders.
- E. The Company has appointed Mr. Dattatray B. Dixit, practicing chartered accountant, as the scrutinizer for conducting the e-voting process in a fair and transparent manner.
- F. The scrutinizer will submit his final and consolidated report to the Chairman of the Company within three days after the conclusion of annual general meeting.
- G. The results of annual general meeting shall be declared by the Chairman or his authorized representative or anyone Director of the Company on/ or after annual general meeting within the prescribed time limits.
- H. The result of voting will also be placed at the website of the Company viz. [www.giesl.com](http://www.giesl.com) and also on [www.cdslindia.com](http://www.cdslindia.com).
- I. The scrutinizer's decision on the validity of all kinds of voting will be final.

## Instructions for Remote E-Voting

- A. In case of members receiving e-mail:
  - i. If you are holding shares in demat form and have earlier logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote for Electronic Voting Sequence Number (EVSN) of any Company, then your existing login id and password are to be used.

- ii. If you have forgotten the password then enter the User ID and Captcha Code. Then, click on forgot password & enter the details as prompted by the system.

## Procedure for shareholders casting their vote electronically for the First time:

- a. To initiate the voting process, log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- b. Click on "Shareholders" tab to cast your votes.
- c. Thereafter, select the relevant Electronic Voting Sequence Number (EVSN) alongwith "Company Name" from the drop down menu and click on "SUBMIT" for voting.
- d. Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders).	
Bank Details OR Date of Birth (DOB)	Enter your bank details or Date of Birth in dd/mm/yyyy format as recorded with your depository participant in case of electronic shares or with the company in respect of physical shares in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Bank details field as mentioned above.	

\* Members who have not updated their PAN with the Company/ Depository Participant are requested to use first two characters of the first name and remaining eight digits from the sequence number. If the sequence number is less than eight digit the remaining digits should be padded with the relevant number of zeroes(0) from the left. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.

CDSL users can enter any one of the details viz. bank details or date of birth, in order to login; however, NSDL users mandatorily have to mention their bank account number in order to login. In case bank details are not recorded with the depository, please enter the number of shares held by you as on the cut-off date viz. Wednesday, September 20, 2017 in the Bank details field.

- i. After entering these details appropriately, click on "SUBMIT" tab.
- ii. Members holding shares in physical form will then reach directly to the EVSN 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.
- iii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- iv. Now select the relevant Electronic Voting Sequence Number (EVSN) alongwith "Company Name" on which you choose to vote.
- v. 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.

- vi. Click on the "Resolutions File Link" if you wish to view the entire resolutions.
- vii. 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.
- viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- ix. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
- x. 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.

## **B. ADDITIONAL INSTRUCTIONS FOR NON-INDIVIDUAL SHAREHOLDERS AND CUSTODIANS**

- a. Non-individual shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.co.in](http://www.evotingindia.co.in) and register themselves as Corporates.
- b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- c. 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.
- d. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- e. A scanned copy of the Board Resolution and Power of

# GI ENGINEERING SOLUTIONS LIMITED

Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- C. The voting period begins at 9.00 a.m. on Monday, September 25, 2017 and ends on 5.00 p.m., Wednesday, September 27, 2017. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, September 20, 2017, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- D. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under "Help" section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

## E. INSTRUCTIONS FOR VOTING THROUGH BALLOT

The Company is providing the facility of ballot form to those shareholders, who do not have access to remote voting in respect of the resolutions as set out in this notice. The ballot form with instructions is enclosed along with the Annual Report. The last date for receiving the ballot form will be Wednesday, September 27, 2017 on or before 5.00 p.m. Ballot forms received after this date shall not be considered.

A shareholder may download duplicate ballot form from the website of the Company forming part of Annual Report.

Detailed instructions for voting are provided in the ballot form.

The members who have not casted their votes either electronically or through Ballot Form, can exercise their voting rights at the AGM through poll papers.

A member can opt for only one mode of voting i.e. either in person or through proxy at the meeting or through e-voting or by ballot. If a member casts votes by all the three modes, then voting done through e-voting shall prevail and voting through other means shall be treated as invalid.

By Order of the Board of Directors  
For **GI ENGINEERING SOLUTIONS LIMITED**

**SAJID MALIK**  
**MANAGING DIRECTOR**  
**(DIN: 00400366)**

Registered Office:  
73A, SDF-III, SEEPZ,  
Andheri (E),  
Mumbai - 400 096

Place: Mumbai  
Dated: August 21, 2017

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 3

M/s Dixit Dattatray & Associates, Chartered Accountants has been Statutory Auditors of the Company and will complete his tenure in the ensuing Annual General Meeting to be held on September 28, 2017. Pursuant to Section 139 of the Companies Act, 2013 and the rules made thereunder, the Company is required to appoint new Statutory Auditors of the Company.

In view of above, on the recommendation of the Audit Committee, at its meeting held on August 21, 2017, the Board considered and approved the appointment of M/s. Sachin Phadke & Associates, Chartered Accountants (Firm Registration No. 133898W) as the Statutory Auditors to hold office from the conclusion of the 11th AGM on September 28, 2017 (i.e. the forthcoming AGM), until the conclusion of the 16th AGM, at a remuneration as may be agreed upon by the Board of Directors and the Auditors.

The Board of Directors recommend the Ordinary Resolution as set out in Item No. 3 of the Notice for the approval of the shareholders. None of the Directors or their relatives are, in any way, concerned with or interested in, financially or otherwise in the said resolution.

### **A brief profile of M/s. Sachin Phadke & Associates, Chartered Accountants is as follows:**

M/s. Sachin Phadke & Associates, Chartered Accountants (Firm Registration No. 133898W) is a Proprietorship Firm practicing for the last 7 years with specialization in the field of Direct taxes, Internal Audits & Statutory Audits of Companies.

Office Address: 309/313, New Building, Shastri Hall, Nana Chowk, J.D.Road, Grant Road (West), Mumbai -400007.

### Item No. 4:

The members of the Company had, vide their resolution passed at the 6th Annual General Meeting (AGM) of the Company held on September 28, 2012, re - appointed Mr. Sajid Malik as Managing Director of the Company for a period of 5 years with effect from November 30, 2012. The term of office of Mr. Sajid Malik as Managing Director was upto November 29, 2017.

The Board of Directors on the recommendation of Nomination & Remuneration Committee re-appointed Mr. Sajid Malik as Managing Director of the Company in its meeting held on May 30, 2017 with effect from November 30, 2017 for a period of (5) five years. It is recommended to the Members to consider and approve his re-appointment and terms and condition including remuneration.

Mr. Sajid Malik is a commerce graduate from Mumbai University, an OPM from Harvard University, Boston and a Member of the Institute of Chartered Accountants of India. He has varied experience in corporate advisory structured finance. He has an international exposure to developed markets in Europe, US and the Far East. His expertise spans over Banking, Finance, Foreign Exchange Management and Marketing.

# GI ENGINEERING SOLUTIONS LIMITED

The material provisions of the Agreement to be entered into between the Company and Mr. Sajid Malik are furnished below:

1. Period of Agreement - 5 years with effect from November 30, 2017

2. Remuneration : NIL

Mr. Sajid Malik is also Managing Director of Genesys International Corporation Ltd.

Mr. Sajid Malik shall not be subject to retirement by rotation during his tenure as a Director. No sitting fees shall be paid for attending meetings of the Board of Directors or any Committee thereof.

The agreement also provides for variation in the terms of appointment / agreement in accordance with the Companies Act, 2013, in force from time to time. The draft of the agreement to be entered into between the Company and Mr. Sajid Malik is available for inspection by the members at the Registered office of the Company between 11.00 a.m. and 1.00 p.m. on any working day of the Company till the date of ensuing Annual General Meeting.

It is hereby proposed to seek the members' approval for the re-appointment of Mr. Sajid Malik as a Managing Director, in terms of the applicable provisions of the Act and the relevant Rules made thereunder.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Sajid Malik under section 190 of Companies Act, 2013.

The Board recommends the Ordinary Resolution set out in item no. 4 of the Notice for approval by the Members.

Mr. Sajid Malik holds 3,18,995 equity shares of the face value Rs.10/- each in the Company. Mr. Sajid Malik is interested in the Resolution mentioned at the item no. 4 of the Notice with regard to his appointment. Mrs. Saroja Malik being relative of Mr. Sajid Malik is considered to be concerned or interested in the resolution. None of the other Director of the Company is concerned or interested in this resolution.

By Order of the Board of Directors  
For **GI ENGINEERING SOLUTIONS LIMITED**

**SAJID MALIK**  
**MANAGING DIRECTOR**  
**(DIN: 00400366)**

Registered Office:  
73A, SDF-III, SEEPZ,  
Andheri (E),  
Mumbai - 400 096

Place: Mumbai  
Dated: August 21, 2017

**PROFILE OF DIRECTORS BEING APPOINTED**

As required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the particulars of Directors who are proposed to be appointed or re-appointed are given below:

<b>Name of the Director</b>	<b>Mr. Sajid Malik</b>	<b>Mrs. Saroja Malik</b>
<b>Nature of Resolution</b>	Re-appointment as Managing Director	Re-appointment as Director
<b>Date of Birth</b>	April 1, 1964	September 28, 1937
<b>Date of appointment</b>	August 10, 2006	August 10, 2006
<b>Director Identification Number</b>	00400366	00400421
<b>Qualifications</b>	B.com, ACA	B.Com., LL.B.
<b>Brief Resume and Expertise in specific functional areas</b>	Mr. Sajid Malik's expertise spans over GIS, Banking, Finance, Foreign Exchange Management and Marketing. He has varied experience in corporate advisory, structured finances.	Mrs. Saroja Malik has in-depth experience in Legal Compliance, Income Tax & Allied Matters and Custom Regulations. She has a flair for Office Administration.
<b>Directorships held in other Companies</b>	<ol style="list-style-type: none"> <li>1. Genesys International Corporation Limited</li> <li>2. Ventura Guaranty Limited</li> <li>3. Ventura Securities Limited</li> <li>4. Virtual World Spatial Technologies Private Limited</li> <li>5. Valeo Nutra Private Limited</li> <li>6. Genesys Virtual World Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Genesys International Corporation Limited</li> <li>2. Ventura Guaranty Limited</li> <li>3. Valeo Nutra Private Limited</li> </ol>
<b>Chairman / Member of Committees of Other Companies</b>	<b>Genesys International Corporation Ltd :</b> Corporate Social Responsibility Committee- Chairman Compensation Committee – Chairman	<b>Genesys International Corporation Ltd :</b> Corporate Social Responsibility Committee- Member
<b>Number of Equity Shares held in the Company</b>	3,18,995	16,91,716
<b>Relationship between Directors</b>	Mr. Sajid Malik is son of Mrs. Saroja Malik.	Mrs. Saroja Malik is mother of Mr. Sajid Malik.

## DIRECTORS' REPORT

### Dear Shareholders,

Your Directors have pleasure in presenting their Eleventh Annual Report of the Company together with the Audited Statement of Accounts for the Financial Year ended March 31, 2017.

### 1. FINANCIAL RESULT

Summary of the Standalone performance of the Company for the year under review is tabulated below:

Particulars	(Rs. in Lacs)	
	March 31, 2017	March 31, 2016
Income	2.20	1.08
Operating Profit/ (Loss) before Depreciation, Interest and Taxes	(7.88)	(10.65)
Less: Diminution in the value of investment in wholly owned subsidiary	2,682.35	-
Profit/(Loss) before tax	(2,690.23)	(10.65)
Less: Current Tax	-	-
Profit (Loss) After Tax	(2,690.23)	(10.65)

### 2. DIVIDEND

Due to loss incurred during the year, your directors regret their inability to recommend any dividend for the year ended March 31, 2017.

### 3. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2017 was Rs. 8,61,18,780/- and 4.5% Redeemable Cumulative Preference Share Capital was Rs. 7,00,00,000/-. During the year under review, the Company has not issued any Shares.

### 4. OPERATIONS

During the year under review, the Company achieved the total income of Rs. 2.20 lacs as compared to Rs. 1.08 lacs in the previous financial year. The Company incurred an operating loss of Rs. 7.88 lacs. After providing for diminution in the value of investment of your wholly owned subsidiary, the loss after tax was Rs. 2,690.23 lacs for the year compared to loss after tax of Rs. 10.65 lacs for the previous year. Management is evaluating various propositions to improve the financial situation and is hopeful of arriving at some conclusion soon.

### 5. DEPOSITS

Your Company has neither invited nor accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### 6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans, guarantees and investments are given in the notes to the financial statements.

### 7. SUBSIDIARY COMPANY

The Wholly Owned Subsidiary Company viz., Genesys Enterprises Inc., USA filed an application for voluntary dissolution with the Secretary of State of New York. In accordance with the General Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary company are not being attached with the Balance Sheet of the Company.

The Company shall make available, the audited financial statements and related information of its

subsidiaries, to those members who wish to have copies of the same and these documents will also be kept open for inspection by members at the registered office of the Company during working hours upto the date of the Annual General Meeting.

## 8. EXTRACT OF ANNUAL RETURN

The details forming part of the extract Annual Return in Form MGT-9 is annexed herewith as “Annexure A”.

## 9. CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Consolidated financial statements of the Company and its subsidiary has been prepared as per the applicable accounting standards specified in Section 133 of the Companies Act, 2013 and issued by Institute of Chartered Accountants of India. The audited consolidated financial statements together with Auditors Report form part of the Annual Report.

## 10. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis of the financial conditions, future outlook and results of the operations of the Company for the year under the review, as stipulated under Regulation 34(2)(e) of SEBI (LODR) Regulations 2015 is given under separate section of this Annual Report and forms part of the Directors' Report.

## 11. CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance requirements set out by SEBI. In compliance with Regulation 34 and Schedule V of SEBI (LODR) Regulations, 2015, report on the Corporate Governance, along with a certificate from the Statutory Auditors of the Company on compliance with the provisions is annexed and forms part of the Annual Report.

## 12. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a Whistle blower mechanism in place to deal with instances of unethical behavior, fraud or mismanagement. The said policy has been explained in the Corporate Governance Report and also displayed on the Company's website under the 'Investors' section at [www.giesl.com](http://www.giesl.com)

## 13. DIRECTORS & KEY MANAGERIAL PERSONNEL

Mrs. Saroja Malik, Director of the Company retires by rotation at this Annual and being eligible, offers herself for re-appointment. The Board recommends her re-appointment.

Further, the term of office of Mr. Sajid Malik as 'Managing Director' expires in the current financial year and is therefore re-appointed with effect from November 30, 2017 for a period of five (5) years by the Board of Directors on recommendation of the Nomination & Remuneration Committee of the Board, subject to approval of members in the ensuing Annual General Meeting. The Board recommends their re-appointment for members approval at the ensuing Annual General Meeting.

Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 brief resume of Mrs. Saroja Malik and Mr. Sajid Malik, nature of their expertise in specific functional area and names of Companies in which they are Director and Member/Chairman of Committees of Board, are provided in the Corporate Governance Report forming part of the Annual Report.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 25 of SEBI (LODR) Regulations, 2015.

Given the current size of operations of the company, the company is facing challenges in short listing suitable candidates for the position of Chief Financial Officer and Company Secretary. The company is



continuing its effort in this direction and hopes to fill up both the vacancies as soon as possible.

## 14. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and under regulation 25 of the SEBI (LODR) Regulations, 2015, the Board has carried out the annual evaluation of its own performance, and each of the directors individually as well as of the working of its Committees. The manner in which the evaluation has been carried out is explained in detail in the Corporate Governance Report, which forms part of this Annual Report.

## 15. AUDITORS

### a) STATUTORY AUDITORS

M/s Dixit Dattatray & Associates, Chartered Accountants, Mumbai (ICAI Registration No. 102665W), Statutory Auditors of the Company hold office upto the current Annual General Meeting and are not eligible to be re-appointed for the next term due to end of their tenure. The Board places on record its sincere appreciation of the service rendered by M/s Dixit Dattatray & Associates.

In view of the same, the Board has proposed that M/s Sachin Phadke & Associates, Chartered Accountants (Firm Registration No. 133898W), be appointed as Statutory Auditors of the Company for the period of 5 years from FY 2017-18 to FY 2021-22, subject to shareholders' approval at the ensuing Annual General Meeting and ratification at every Annual General Meeting thereafter.

They have confirmed that their appointment, if made, at the Annual General Meeting, will be within the limits prescribed under the Companies Act, 2013. They have also confirmed that they hold a valid peer review certificate as prescribed under SEBI (LODR) Regulations, 2015.

Members are requested to consider their appointment and authorise the Board of Directors (including committee thereof) to fix their remuneration for the FY 2017-18. The Notice convening the 11th Annual General Meeting contains the resolution for their appointment.

### b) AUDITORS' REPORT

There are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditors, in their Audit Report for the financial year ended March 31, 2017.

### c) INTERNAL CONTROLS SYSTEM AND THEIR ADEQUACY

The Company has in place an Internal Control System commensurate with the size and scale of its operations. The Internal Control System provides reasonable assurance with regard to recording and providing reliable information, compliance with applicable laws, rules and regulations.

The Audit Committee reviews audit reports submitted by the Internal Auditors on a regular basis.

### d) SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013, M/s. Roy Jacob & Co., Practicing Company Secretaries (CP No. 8220), have been appointed to undertake the Secretarial Audit of the Company for the financial year ended on March 31, 2017. The Secretarial Audit Report forms part of this annual report as "Annexure B".

## 16. PARTICULARS OF EMPLOYEES

Managing Director does not receive any remuneration from the Company and the Company does not have employee drawing remuneration in excess of limits prescribed under section 197 read with Rule 5 of The Companies (Appointment and Remuneration

of Managerial Personnel) Rules, 2014. Hence, the information under this Proviso and Rule is not being provided.

## **17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The company continues to endeavor to reduce energy consumption. The company has not carried out any research and development activity or has imported any technology for its operations. There were no foreign exchange earning or outgo during the year under review. Therefore, details of the same are not annexed to this report.

## **18. MEETINGS**

During the year five Board Meetings and five Audit Committee Meetings were duly convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## **19. NOMINATION AND REMUNERATION POLICY**

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is explained in the Corporate Governance Report.

## **20. SEXUAL HARASSMENT**

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **21. RISK MANAGEMENT**

Risks are events, situations or circumstances which may negatively impact the Company's Business. Risk

management is a structured approach to manage uncertainty. The Company is adopting a formal approach to identify and evaluate business risks.

## **22. SIGNIFICANT & MATERIAL ORDERS PASSED BY REGULATORS/COURTS, IF ANY**

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of your Company and its future operations.

## **23. MATERIAL CHANGES & COMMITMENTS**

There are no material changes and commitments affecting the financial position of the Company occurred between the date of Financial Statements and Boards Report.

## **24. RELATED PARTY TRANSACTIONS**

All related party transactions that were entered in the ordinary course of business during the financial year were on an arm's length basis and in compliance with the applicable provisions of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company during the financial year 2016-17.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. The disclosure on Related Party Transactions is made in the Financial Statement of the Company.

## **25. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134 (5) of the Companies Act 2013, with respect to Directors' Responsibility Statement, your directors hereby confirm that;

- a) In the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards had been followed along with proper explanation relating to their material departures, wherever applicable;
- b) The directors had 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 the year under review;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts for the financial year ended March 31, 2017 on a going concern basis;
- e) 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;
- f) The directors have devised proper systems to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

## 26. ACKNOWLEDGEMENT

Your Company and its Directors wish to place on record their sincere thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives at all levels for their continuous cooperation and assistance.

**For and on behalf of the Board of Directors**

**SAJID MALIK**  
**MANAGING DIRECTOR**  
**(DIN: 00400366)**

**SAROJA MALIK**  
**DIRECTOR**  
**(DIN: 00400421)**

Place: Mumbai

Date: May 30, 2017

## ANNEXURE 'A' TO THE DIRECTORS' REPORT

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 2017

[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	L40109MH2006PLC163731
ii.	Registration Details	10.08.2006
iii.	Name of the Company	GI Engineering Solutions Limited
iv.	Category/ Sub-category of the Company	Company having Share Capital
v	Address of the Registered office and contact details	73-A, SDF-III, SEEPZ, Andheri (East), Mumbai-400096
vi	Whether listed company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400059. Telephone : +91-22-6263 8200 Fax : +91-22-6263 8299 E-mail : investor@bigshareonline.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)

Sr No.	Name and Description of main products/ services	NIC Code of the product/ service	% to total turnover of the Company
1.	Computer programming, consultancy and related activities	6201	100%

# GI ENGINEERING SOLUTIONS LIMITED

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name	Address	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	M/s Gene-sys Enterprises Inc., USA.	108, Corporate Park Drive, Suite 211, White Plains, New York 10604.	Foreign Company	Subsidiary Company	100.00	2(87)

## IV. Shareholding pattern (Equity Share Capital Breakup as percentage of Total Equity)

### i. Category wise shareholding

	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>A. Promoters</b>										
<b>1. Indian</b>										
a)	Individual / HUF	246711	0	246711	2.86	2010711	0	2010711	23.35	20.48
b)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A)(1)</b>		<b>246711</b>	<b>0</b>	<b>246711</b>	<b>2.86</b>	<b>2010711</b>	<b>0</b>	<b>2010711</b>	<b>23.35</b>	<b>20.48</b>
<b>2. Foreign</b>										
a)	NRIs - Individuals	1765000	0	1765000	20.49	1000	0	1000	0.01	-20.48
b)	Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corp.	1383466	0	1383466	16.06	1383466	0	1383466	16.06	0.00
d)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A)(2)</b>		<b>3148466</b>	<b>0</b>	<b>3148466</b>	<b>36.56</b>	<b>1384466</b>	<b>0</b>	<b>1384466</b>	<b>16.08</b>	<b>-20.48</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>		<b>3395177</b>	<b>0</b>	<b>3395177</b>	<b>39.42</b>	<b>3395177</b>	<b>0</b>	<b>3395177</b>	<b>39.42</b>	<b>0.00</b>
<b>B. Public Shareholding</b>										
<b>1. Institutions</b>										
a)	Mutual Funds	0	4050	4050	0.05	0	4050	4050	0.05	0.00
b)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00

# ANNUAL REPORT 2016-17

	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
d)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g)	FIs	0	0	0	0.00	0	0	0	0.00	0.00
h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (B)(1)</b>		<b>0</b>	<b>4050</b>	<b>4050</b>	<b>0.05</b>	<b>0</b>	<b>4050</b>	<b>4050</b>	<b>0.05</b>	<b>0.00</b>
<b>2. Non-Institutions</b>										
a)	Bodies Corp.	393338	3385	396723	4.61	353014	3385	356399	4.14	-0.47
i.	Indian									
ii.	Overseas									
b)	Individuals									
i.	Individual shareholders holding nominal share capital upto Rs. 1 lakh	2246155	18768	2264923	26.30	2236141	18997	2255138	26.19	-0.11
ii.	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1265937	0	1265937	14.70	1317787	0	1317787	15.30	0.60
c)	Others (specify)									
	Clearing Members	261	0	261	0.00	1820	0	1820	0.02	0.02
	Independent Directors & their Relatives	12777	201	12978	0.15	12777	201	12978	0.15	0.00
	OCB	1100000	25	1100025	12.77	1100000	25	1100025	12.77	0.00
	Trusts	96962	147	97109	1.13	96962	147	97109	1.13	0.00
	Non Resident Indians	74695	0	74695	0.87	71395	0	71395	0.83	-0.04
<b>Sub-Total (B)(2)</b>		<b>5190575</b>	<b>22526</b>	<b>5212651</b>	<b>60.53</b>	<b>5189896</b>	<b>22755</b>	<b>5212651</b>	<b>60.53</b>	<b>0.00</b>

# GI ENGINEERING SOLUTIONS LIMITED

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>5190575</b>	<b>26576</b>	<b>5216701</b>	<b>60.58</b>	<b>5189896</b>	<b>26805</b>	<b>5216701</b>	<b>60.58</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>8585302</b>	<b>26576</b>	<b>8611878</b>	<b>100.00</b>	<b>8585073</b>	<b>26805</b>	<b>8611878</b>	<b>100.00</b>	<b>0.00</b>

## ii. Shareholding of promoters

Sr. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	Mr. Sajid Malik	125772	1.46	0.00	318995	3.70	0.00	2.24
2	Mrs. Saroja Malik	120239	1.40	0.00	1691016	19.63	0.00	18.23
3	Mr. Sohel Malik	1765000	20.49	0.00	1000	0.01	0.00	-20.48
4	Kilam Holdings Ltd	1378405	16.01	0.00	1378405	16.01	0.00	0.00
5	Kadam Holding Ltd	5061	0.06	0.00	5061	0.06	0.00	0.00
6	Mrs. Saroja Malik jointly with Mr. Sajid Malik	700	0.01	0.00	700	0.01	0.00	0.00
	<b>Total</b>	<b>3395177</b>	<b>39.42</b>	<b>0.00</b>	<b>3395177</b>	<b>39.42</b>	<b>0.00</b>	<b>0.00</b>

## iii. Change in promoters' shareholding (please specify, if there is no change)

The changes in promoters shareholding is as stated below:

Sr. No.		As on Date	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
<b>1.</b>	<b>Mr. Sajid Malik</b>					
	At the beginning of the year	01.04.2016	125772	1.46	125772	1.46
	Inter se Transfer among Promoters	12.11.2016	-	-	193223	2.24
	At the End of the year	31.03.2017	-	-	318995	3.70
<b>2.</b>	<b>Mrs. Saroja Malik</b>					
	At the beginning of the year	01.04.2016	120239	1.40	120239	1.40
	Inter se Transfer among Promoters	12.11.2016	-	-	1570777	18.23
	At the End of the year	31.03.2017	-	-	1691016	19.63
<b>3.</b>	<b>Mr. Sohel Malik</b>					
	At the beginning of the year	01.04.2016	1765000	20.49	1765000	20.49
	Inter se Transfer among Promoters	12.11.2016	-	-	(1764000)	(20.48)
	At the End of the year	31.03.2017	-	-	1000	0.00
<b>4.</b>	<b>Kilam Holdings Limited</b>					
	At the beginning of the year	01.04.2016	1378405	16.01	1378405	16.01
	At the End of the year	31.03.2017	-	-	1378405	16.01
<b>5.</b>	<b>Kadam Holding Limited</b>					
	At the beginning of the year	01.04.2016	5061	0.06	5061	0.06
	At the End of the year	31.03.2017	-	-	5061	0.06
<b>6.</b>	<b>Mrs. Saroja Malik jointly with Mr. Sajid Malik</b>					
	At the beginning of the year	01.04.2016	700	0.01	700	0.01
	At the End of the year	31.03.2017	-	-	700	0.01



# GI ENGINEERING SOLUTIONS LIMITED

## iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

Sr. No.	For Each of the Top 10 Shareholders	As on Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year/ Shareholding at the end of the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1</b>	<b>Fortune Private Equity LLC</b>					
	At the beginning of the year	01.04.2016	1100000	12.77	1100000	12.77
	Date wise Increase/ Decrease in Share holding during the year			NIL		
	<b>At the End of the year</b>	<b>31.03.2017</b>	<b>-</b>	<b>-</b>	<b>1100000</b>	<b>12.77</b>
<b>2</b>	<b>Genesys Technologies Employee Welfare Trust through its trustee Ganapathy Vishwanathan</b>					
	At the beginning of the year	01.04.2016	96962	1.13	96962	1.13
	Date wise Increase/ Decrease in Share holding during the year			NIL		
	<b>At the End of the year</b>	<b>31.03.2017</b>	<b>-</b>	<b>-</b>	<b>96962</b>	<b>1.13</b>
<b>3</b>	<b>Uma Agarwal</b>					
	At the beginning of the year	01.04.2016	90000	1.04	90000	1.04
	Date wise Increase/ Decrease in Share holding during the year			NIL		
	<b>At the End of the year</b>	<b>31.03.2017</b>	<b>-</b>	<b>-</b>	<b>90000</b>	<b>1.04</b>
<b>4</b>	<b>Sasi Star Finance Pvt. Ltd.</b>					
	At the beginning of the year	01.04.2016	73000	0.85	73000	0.85
	Date wise Increase/ Decrease in Share holding during the year	24.02.2017			5000	0.06
	<b>At the End of the year</b>	<b>31.03.2017</b>	<b>-</b>	<b>-</b>	<b>78000</b>	<b>0.91</b>

<b>5</b>	<b>Tushar K Mehta</b>					
	At the beginning of the year	01.04.2016	56937	0.66	56937	0.66
	Date wise Increase/ Decrease in Share holding during the year	24.02.2017	-	-	5000	0.06
		03.03.2017	-	-	5000	0.06
	<b>At the End of the year</b>	<b>31.03.2017</b>	<b>-</b>	<b>-</b>	<b>66937</b>	<b>0.78</b>
<b>6</b>	<b>Rupan Mehta</b>					
	At the beginning of the year	01.04.2016	55000	0.64	55000	0.64
	Date wise Increase/ Decrease in Share holding during the year	24.02.2017	-	-	5000	0.06
		03.03.2017	-	-	5000	0.06
	<b>At the End of the year</b>	<b>31.03.2017</b>	<b>-</b>	<b>-</b>	<b>65000</b>	<b>0.75</b>
<b>7</b>	<b>Renu Sushil Agarwal</b>					
	At the beginning of the year	01.04.2016	60000	0.70	60000	0.70
	Date wise Increase/ Decrease in Share holding during the year			NIL		
	<b>At the End of the year</b>	<b>31.03.2017</b>	<b>-</b>	<b>-</b>	<b>60000</b>	<b>0.70</b>
<b>8</b>	<b>Anil Kumar Joshi</b>					
	At the beginning of the year	01.04.2016	55707	0.65	55707	0.65
	Date wise Increase/ Decrease in Share holding during the year			NIL		
	At the End of the year	31.03.2017	-	-	55707	0.65
<b>9</b>	<b>Vaziuddin M Alvi</b>					
	At the beginning of the year	01.04.2016	50000	0.58	50000	0.58
	Date wise Increase/ Decrease in Share holding during the year			NIL		
	<b>At the End of the year</b>	<b>31.03.2017</b>	<b>-</b>	<b>-</b>	<b>50000</b>	<b>0.58</b>
<b>10</b>	<b>Kruti Capital Services Pvt Ltd.</b>					
	At the beginning of the year	01.04.2016	50000	0.58	50000	0.58
	Date wise Increase/ Decrease in Share holding during the year			NIL		
	<b>At the End of the year</b>	<b>31.03.2017</b>	<b>-</b>	<b>-</b>	<b>50000</b>	<b>0.58</b>

# GI ENGINEERING SOLUTIONS LIMITED

## v. Shareholding of Directors and Key Managerial Personnel

Sr No.	For Each of the Directors and Key Managerial Personnel	As on Date	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
<b>1.</b>	<b>Mr. Sajid Malik - Managing Director</b>					
	At the beginning of the year	01.04.2016	125772	1.46	125772	1.46
	Date wise increase / decrease in promoters share holding during the year - <i>Inter se Transfer among the Promoters</i>	12.11.2016	-	-	193223	2.24
	<b>At the End of the year</b>	<b>31.03.2017</b>	<b>-</b>	<b>-</b>	<b>318995</b>	<b>3.70</b>
<b>2.</b>	<b>Mrs. Saroja Malik - Director</b>					
	At the beginning of the year	01.04.2016	120239	1.40	120239	1.40
	Date wise increase / decrease in promoters share holding during the year - <i>Inter se Transfer among the Promoters</i>	12.11.2016	-	-	1570777	18.23
	<b>At the End of the year</b>	<b>31.03.2017</b>	<b>-</b>	<b>-</b>	<b>1691016</b>	<b>19.63</b>
<b>3.</b>	<b>Mrs. Saroja Malik - Director (holding jointly with Mr. Sajid Malik)</b>					
	At the beginning of the year	01.04.2016	700	0.00	700	0.00
	Date wise increase / decrease in promoters share holding during the year specifying the reasons for increase / decrease (e.g. Allotment / transfer / bonus / sweat equity etc)		NIL	NIL	NIL	NIL
	<b>At the End of the year</b>	<b>31.03.2017</b>	<b>-</b>	<b>-</b>	<b>700</b>	<b>0.00</b>
<b>4.</b>	<b>Mr. Ganapathy Vishwanathan - Independent Director</b>					
	At the beginning of the year	01.04.2016	293	0.00	293	0.00
	Date wise increase / decrease in promoters share holding during the year specifying the reasons for increase / decrease (e.g. Allotment / transfer / bonus / sweat equity etc)		NIL	NIL	NIL	NIL
	<b>At the End of the year</b>	<b>31.03.2017</b>	<b>-</b>	<b>-</b>	<b>293</b>	<b>0.00</b>

<b>5.</b>	<b>Mr. Ganesh Acharya</b>					
	At the beginning of the year	01.04.2016	12493	0.15	12493	0.15
	Date wise increase / decrease in promoters share holding during the year specifying the reasons for increase / decrease (e.g. Allotment / transfer / bonus / sweat equity etc)		NIL	NIL	NIL	NIL
	<b>At the End of the year</b>	<b>31.03.2017</b>	<b>-</b>	<b>-</b>	<b>12493</b>	<b>0.15</b>

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i. Principal Amount	-	-	-	-
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due		-		
<b>Total (i + ii + iii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in indebtedness during the financial year</b>				
Addition	-	-	-	-
Reduction	-	-	-	-
<b>Net change</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Indebtedness at the end of the financial year</b>				
i. Principal Amount	-	-	-	-
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

# GI ENGINEERING SOLUTIONS LIMITED

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Managing Director Sajid Malik
	<b>Gross Salary</b>	
1	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL
	b. Value of perquisites u/s 17(2) of Income-tax Act, 1961	NIL
	c. Profits in lieu of Salary u/s 17(3) of Income-tax Act, 1961	NIL
2	Stock Option	NIL
3	Sweat Equity	NIL
4	Commission	NIL
	- as % of profit	NIL
	- others, specify	NIL
5	Others, please specify	NIL
	Total (A)	NIL
	Ceiling as per the Act	<b>5% of net profits</b>

**B. Remuneration to other Directors**

Particulars of Remuneration	Name of the Directors		Total Amount
	Ganapathy Vishwanathan	Ganesh Acharya	
<b>Independent Directors</b>			
Fee for attending Board/ Committee meetings	NIL	NIL	NA
Commission	NIL	NIL	NA
Others, please specify	NIL	NIL	NA
<b>Total (1)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<b>Other Non-Executive Directors</b>	<b>Saroja Malik</b>		
Fee for attending Board / Committee meetings	NIL		NA
Commission	NIL		NA
Others, please specify	NIL		NA
<b>Total (2)</b>	<b>NIL</b>		<b>NA</b>
<b>Total (B) = (1 + 2)</b>	<b>NIL</b>		<b>NA</b>
<b>Total Managerial Remuneration</b>	<b>NIL</b>		<b>NA</b>
<b>Overall ceiling as per the Act</b>	<b>1% of net profit</b>		

# GI ENGINEERING SOLUTIONS LIMITED

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	Chief Financial Officer	
	Gross Salary			
1	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	NA	NA
	b. Value of perquisites u/s 17(2) of Income-tax Act, 1961	NA	NA	NA
	c. Profits in lieu of Salary u/s 17(3) of Income-tax Act, 1961	NA	NA	NA
2	Stock Option	NA	NA	NA
3	Sweat Equity	NA	NA	NA
4	Commission	NA	NA	NA
	- as % of profit	NA	NA	NA
	- others, specify	NA	NA	NA
5	Others, please specify	NA	NA	NA
	<b>Total (C)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

## D. Penalties / Punishment/ Compounding Of Offences:

Till date we have not deposited any penalties, punishment and compounding of offences under Companies Act, 2013

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [ RD / NCLT / Court ]	Appeal made, if any (give details)
<b>COMPANY</b>					
Penalty					
Punishment			None		
Compounding					
<b>DIRECTORS</b>					
Penalty					
Punishment			None		
Compounding					
<b>OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			None		
Compounding					

## ANNEXURE 'B' TO THE DIRECTORS' REPORT

Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2017

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

To,  
The Members,  
GI Engineering Solutions Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GI Engineering Solutions Limited (hereinafter called 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 my verification of the 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder, except which are specifically mentioned therein 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;  
**Company has not appointed Company Secretary and Chief Financial Officer in compliance with the provisions of section 203(4)**
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings as applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and which are applicable to the company:-
  - (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, 2015;
  - (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 (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 to the Company during the Audit Period**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: **Not Applicable to the Company during the Audit Period**



# GI ENGINEERING SOLUTIONS LIMITED

- (VI) For the other applicable laws our audit is limited to
- a) The Information Technology Act, 2000
  - b) The Special Economic Zone Act, 2005
  - c) Employees Provident Fund and Miscellaneous Provisions Act, 1952
  - d) Payment of Bonus Act, 1965
  - e) Payment of Gratuity Act, 1972

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchanges Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015

**Not complied with Regulation 6(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations in respect of Appointment of Company Secretary**

Based on our such examination and further based on the Representation of the Management of the Company, the Company has during the period under review complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in composition of the Board of Directors during the period under review.

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.

**I further report that** as per the information & explanation given to us the company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Income Tax, Wealth Tax, Service Tax, Value

Added Tax and other statutory dues applicable to it.

**I further report that** I rely on statutory auditors reports in relation to the financial statements and accuracy of financial figures for sales Tax, Wealth Tax, Value Added Tax, Provident Fund etc. as disclosed under the financial statements of the Company.

**I 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.

I further report that:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for of opinion.
3. Wherever required, I have obtained the Management Representation about the compliance of Laws, Rules and Regulations and happening of events, etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of documents/procedures on the test basis.
5. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Roy Jacob & Co**  
Company Secretaries

Place: Mumbai  
Date: May 20, 2017

**Roy Jacob**  
(Proprietor)  
FCS No.: 9017  
COP No.: 8220

# CORPORATE GOVERNANCE REPORT

Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing an organization's wealth generating capacity. The report on Corporate Governance, for the financial year April 01, 2016 to March 31, 2017 as per the format prescribed by SEBI and incorporated in Schedule V(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred as "**SEBI (LODR) Regulations, 2015**") is set out as below:

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

GI Engineering Solutions Limited believes that sound corporate governance is critical to enhance and retain investor trust and consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance of the Company. Your Company endeavors to meet the growing aspiration of all stakeholders and is also committed to maintain the highest level of transparency, accountability and equity in its operations. Your Company is generally complying with the requirements of Corporate Governance Report.

## 2. BOARD OF DIRECTORS

### 1. Composition

The Board of Directors has an ideal combination of Executive and Non-Executive Directors and is in conformity with the provisions of Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015. The present Board comprises of four (4) Directors one of whom is Executive Director being the Managing Director and other three Non-Executive Directors two of which are Independent Directors. The Company is in compliance with the requirements relating to composition of Board of Directors, in line with Regulation 27 of SEBI (LODR) Regulations, 2015.

Details pertaining to the composition of Board of Directors with position held, number of other directorships and Committee Memberships, numbers of Equity Shares held as on March 31, 2017, relationship with other Directors etc. are given below:

Name of the Directors	Category	No. Of Equity Shares of Face Value of Rs. 10/- each held as on March 31, 2017	Number of Directorship(s) held in other Public Limited Companies as on March 31, 2017*	Number of Committee(s) position held in other Companies as on March 31, 2017**	
				Member	Chairman
Mr. Sajid Malik DIN: 00400366	Managing Director - Promoter Group	3,18,995	5	NIL	NIL
Mrs. Saroja Malik DIN: 00400421	Non-Executive Director - Promoter Group	16,91,716 <sup>#</sup>	2	NIL	NIL
Mr. Ganapathy Vishwanathan DIN: 00400518	Non-Executive Independent Director	293	3	NIL	2
Mr. Ganesh Acharya DIN: 00702346	Non-Executive Independent Director	12,493	2	1	2

Mr. Sajid Malik being the son of Mrs. Saroja Malik, both Mr. Sajid Malik and Mrs. Saroja Malik are related to each other.

\*Directorships in associations, private, foreign and Section 8 companies have not been considered.

\*\*Represents Chairmanships/Memberships of Audit Committee and Stakeholders' Relationship Committee excluding GI Engineering.

<sup>#</sup>Include 700 Shares held jointly by Mrs. Saroja Malik with Mr. Sajid Malik.

## II. BOARD FUNCTIONING & PROCEDURE

The Meeting of the Board of Directors are scheduled well in advance and generally held at the Registered office of the Company. The Board meets at least once a quarter to review the quarterly results and other items of the Agenda. During the financial year ended on March 31, 2017, Five Board Meetings were held and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:

1. May 30, 2016
2. August 13, 2016
3. November 04, 2016
4. November 29, 2016
5. February 14, 2017

The number of Board Meetings and the attendance of Directors as well as their attendance at the last AGM held on September 30, 2016 are as mentioned below:-

Name of Directors	Designation	No. of Board Meetings attended out of 5 Meetings held	Attendance at last AGM
Mr. Sajid Malik	Managing Director	5	Yes
Mrs. Saroja Malik	Non-Executive Director	4	No
Mr. Ganapathy Vishwanathan	Non-Executive Independent Director	5	Yes
Mr. Ganesh Acharya	Non-Executive Independent Director	4	No

## III. INDEPENDENT DIRECTORS

The Company has complied with provisions of Listing

Agreement read with SEBI (LODR) Regulations, 2015 and provisions of Section 149(6) of the Companies Act, 2013 with respect to appointment of Independent Directors. The Company has also received declarations from all Independent Directors pursuant to Section 149(7) of the Companies Act, 2013.

### a. Meeting of Independent Directors

The Independent Directors met once in a year without the presence of non-independent directors. The matters considered and discussed thereat, inter alia, include those prescribed under Schedule IV to the Act and Regulation 25 of the SEBI (LODR) Regulations, 2015.

### b. Familiarisation Programme

The familiarisation Programme aims to provide insight to the Independent Directors to understand the Business of the Company. Upon induction, the Independent Directors are familiarised with their roles, rights and responsibilities. The directors are updated on a continuing basis on any significant changes. Details of such familiarization programmes for Independent Directors is available on the website of the Company at [www.giesl.com](http://www.giesl.com)

## 3. BOARD COMMITTEES

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following committees:

### I. AUDIT COMMITTEE

The Audit Committee of your Company is constituted in accordance with the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015, read with Section 177 of the Act.

### COMPOSITION

The Audit Committee comprises of three Non-Executive Directors, two of them being Independent Directors. All the members of the Committee are financially

literate with requisite expertise and experience. The Committee is headed by Mr. Ganapathy Vishwanathan, who is highly qualified professional with more than 20 years of experience in finance.

The Audit Committee is entrusted with the responsibility to oversee the quality and integrity of auditing and accounting practices, legal and statutory compliances and the overall financial health of the Company.

The primary role of Audit Committee of the Board is to act as a catalyst in monitoring and supervising the management's financial reporting process.

The terms of reference of the Audit Committee cover the matters as contained in Part C of Schedule II of the SEBI (LODR) Regulation and Section 177 of the Companies Act, 2013.

The role of the Audit Committee includes, inter-alia,

- a. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommending about the appointment, remuneration and terms of appointment of auditors of the listed entity;
- c. Approval of payment to statutory auditors for any other services rendered by them;
- d. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  1. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  2. Changes, if any, in accounting policies and practices and reasons for the same;
  3. Major accounting entries involving estimates based on the exercise of judgment by management;
  4. Significant adjustments made in the financial statements arising out of audit findings;
- e. Compliance with listing other legal requirements relating to financial statements;
- f. Disclosure of any related party transactions;
- g. Modified opinion(s) in the draft audit report;
- e. Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- f. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- g. Approval or any subsequent modification of transactions of the listed entity with related parties;
- h. Scrutiny of inter-corporate loans and investments;
- i. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- j. Evaluation of internal financial controls and risk management systems;
- k. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- l. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- m. Discussing with internal auditors of any significant findings and follow up there on;
- n. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity, if any, or a failure of internal control systems of a material nature and reporting the matter to the board;
- o. Discussing with the statutory auditors about the nature and scope of audit as well as post-audit to ascertain any area of concern;
- p. Reviewing reasons for defaults in the payment to the shareholders (in case of non-payment of declared dividends), depositors, debenture holders and creditors, if any;
- q. Reviewing the functioning of the Whistle Blower Mechanism;

- r. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
- s. Carrying out any other function as may be assigned by the Board of Directors from time to time.

During the year under review, Five Audit Committee Meetings were held and the time gap between any two meetings was not more than 4 months. The dates on which the Audit Committee Meetings were held are as follows:

1. May 30, 2016
2. August 13, 2016
3. November 04, 2016
4. November 29, 2016
5. February 14, 2017

The composition of the Audit Committee and details of meetings attended by the members thereof in 2016-17 were as follows:

Name of Directors	Status	No. Of Meetings Attended
Mr. Ganapathy Vishwanathan	Chairman	5
Mrs. Saroja Malik	Member	4
Mr. Ganesh Acharya	Member	5

The Chairman of the Audit Committee Mr. Ganapathy Vishwanathan, was present at the Tenth Annual General Meeting of the Company held on September 30, 2016.

## II. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee is entrusted with the responsibility of redressal of all the shareholders'/ investors' grievances related to transfer of shares, non-receipt of annual reports, dematerialization or re-materialization of shares etc. The committee also oversees the performance of the Registrar and Transfer Agent of the Company.

The Stakeholders Relationship Committee of the Company is comprised of Mr. Ganapathy Vishwanathan as the Chairman, Non-Executive Independent Director and Mr. Ganesh Acharya, Non-Executive Independent Director and Mrs. Saroja Malik, Non-Executive Directors, as members of the Committee.

The role of Stakeholders' Relationship Committee is as follows:

- To oversee and review all matters related with transfer, transmission, transposition, dematerialization and mutation of securities;
- To approve issue of share certificates including duplicate, split/ sub-divided or consolidated certificates;
- To oversee and review removal of shareholders' grievance with respect to non-receipt of annual reports, transfer and dematerialization/ re-materialization of shares etc. ;
- Ensuring expeditious share transfer process;
- Evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company;

To redress investor grievances, the Company has a dedicated E-mail ID, investors@giesl.com to which shareholders may send complaints/grievances.

Details of the investors' complaints received and redressed during the year 2016-17 are as follows:

Number of Complaints received during the year	Number of Complaints solved to the satisfaction of shareholders	Number of Pending Complaints
NIL	NIL	NIL

During the financial year 2016-17, 4 meetings of the said committee were held on May 30, 2016, August 13, 2016, November 04, 2016 and February 14, 2017.

Attendance records of the members of the Stakeholders' Relationship Committee for FY 2016-17 were as follows:

Name of Directors	Status	No. Of Meetings Attended
Mr. Ganapathy Vishwanathan	Chairman	4
Mrs. Saroja Malik	Member	3
Mr. Ganesh Acharya	Member	4

The constitution, duties and responsibilities of the Stakeholders' Relationship Committee are in line with the Regulation 20 of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013.

### III. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee comprises of 3 members namely Mr. Ganapathy Vishwanathan, as the Chairman and Mr. Ganesh Acharya and Mrs. Saroja Malik as members of the Committee. The Committee comprises of majority of Independent Directors including its Chairman.

The terms of reference of the Nomination and Remuneration Committee are broadly as under:

- To formulate the structure, size and composition of the Board of Directors and Committees;
- To formulate criteria for qualifications, appointment, positive attributes and independence of Directors;
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management and recommending to the Board their appointment and removal;
- reviewing and determining all elements of remuneration package i.e. salary, benefits, bonus etc.;
- To evaluate every Director's performance and set appropriate performance benchmarks;
- Any other related activities as the Committee or the Board deems necessary or appropriate;
- To devise policy on Board diversity;

During the year under review, no meeting was held.

### REMUNERATION POLICY

The Company has not paid any remuneration to any of the Directors of the Company. However, the Company has formulated Policy for Remuneration of Directors and KMP. Brief details of policy have been produced herein below.

- On recommendation of Nomination and Remuneration Committee and approval by Board of Directors of the Company, Non-executive directors may receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board Meeting within the overall limits prescribed under the Companies Act, 2013 and the rules framed thereunder.
- Remuneration of Executive Directors, KMP & other senior employees will be subject to mutual agreement between the Company and concern person and shall be subject to recommendation of Nomination and Remuneration Committee and approval of Board in compliance of the Companies Act, 2013 and rules made thereunder.

### 4. SUBSIDIARY COMPANY

Your Company does not have any Indian subsidiary. The Audit Committee reviews the financial statement of its foreign subsidiary company viz. Genesys Enterprises Inc., USA from time to time.

### 5. CODE OF CONDUCT

The Board has adopted a Code of Conduct which is applicable to all Board members. The said Code has been communicated to all Directors and they have affirmed compliance with said Code. The code is also posted on the Company's website i.e. [www.giesl.com](http://www.giesl.com). A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

### 6. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring

adherence to all laws and regulations as amended from time to time. In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors at their meeting held on May 30, 2015 has adopted a "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSII)" and "Code of Conduct to Regulate, Monitor and Report Trading by Insiders".

The code binds all Directors and Connected persons of the Company to safeguard the confidentiality of all such information obtained in the course of their work at the Company. The Code also lays down Guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them of the consequences of violations.

## **7. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER ATTRIBUTES**

The Company has appropriate combination of executive, non-executive and independent directors. The Nomination & Remuneration Committee of the Company will lead the process for Board appointments in accordance with the requirements of Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other applicable guidelines.

While making appointment/re-appointment of directors, the Board takes into consideration personal and professional ethics, integrity, values and character, appreciation of the Company's vision, values, professional skill, knowledge and expertise, financial literacy and such other competencies and skills as may be considered necessary.

## **8. PERFORMANCE EVALUATION OF THE BOARD**

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India

(Listing Obligations and Disclosure Requirements) Regulations 2015.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. Annual performance of other committees like Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee was also carried out by the Board. The Directors expressed their satisfaction with the evaluation process.

## **9. CEO / CFO CERTIFICATION**

Mr. Sajid Malik, Managing Director and Mr. Ganapathy Vishwanathan, Director (Chairman of Audit Committee) of the Company have certified to the Board as stated in Regulation 17(8) regarding compliance made by them as specified in Part B of Schedule II of SEBI (LODR) Regulations, 2015. The Certificate forms part of Annual Report.

## **10. OTHER DISCLOSURES**

### **i. Policy on Related Party Transactions**

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website i.e. [www.giesl.com](http://www.giesl.com)

### **ii. Policy For Determining Material Subsidiary**

The requirements of Regulation 24 of SEBI (LODR) Regulations, 2015 w.r.t. Subsidiary company have been complied with. However there is no material non-listed Indian Subsidiary Company requiring appointment of Independent Director of the Company on the Board of Directors of the Subsidiary Company.

The Board has approved a policy for determining material subsidiaries which has been uploaded on the Company's website i.e. [www.giesl.com](http://www.giesl.com)

### iii. Whistle Blower Policy / Vigil Mechanism

Pursuant to Section 177(9) & (10) of the Companies Act, 2013 and Regulation 21 of SEBI (LODR) Regulations, 2015, the Company has formulated Whistle Blower Policy for Vigil Mechanism for Director and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors, who use such mechanism and make provision for direct access to the Chairman of the Audit Committee. The policy is displayed on the website of the Company.

It is also hereby affirmed that, no personnel has been denied access to the Audit Committee of the Company.

### iv. Non-compliance / Strictures / Penalties imposed

There were no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last

three years.

The Company is yet to appoint the Company Secretary in terms of the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013.

### v. Risk Management

Business risk evaluation and management is an ongoing process within the Company. The Board and Audit Committee review periodically the risk assessment in the Company.

### vi. Disclosure of accounting treatment

In preparing the Annual Accounts in respect of the Financial Year 2016-17, the Company has followed the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013.

### vii. Compliance with mandatory requirements and adoption of non-mandatory requirements

The Company is in compliance with the applicable mandatory requirements of SEBI (LODR) Regulations, 2015 relating to Corporate Governance.

During the year under review, there is no audit qualification in the Auditor's Report.

## 11. GENERAL BODY MEETINGS:

### A. Details of General Meetings and Special Resolutions passed

Annual General Meetings (AGM) held during the past 3 years and the Special Resolution(s) passed therein:

YEAR	LOCATION	DATE & TIME	SPECIAL RESOLUTION(S) PASSED
2013-14	Kohinoor Continental, Andheri - Kurla Road, Andheri (East), Mumbai- 400059	September 29, 2014 at 3.15 p.m	NIL
2014-15	The Mirador Hotel, New Link Road, Opp. Solitare Corporate Park, Chakala, Andheri (East), Mumbai- 400099	September 29, 2015 3.00 p.m.	NIL
2015-16	Kohinoor Continental, Andheri - Kurla Road, Andheri (East), Mumbai- 400059	September 30, 2016 3.00 p.m.	NIL



# GI ENGINEERING SOLUTIONS LIMITED

## B. Extraordinary General Meetings held during the past 3 years

There had been no Extraordinary General Meeting during the past 3 years.

## C. No Postal Ballot was conducted during the year under review.

## 12. Profile of Directors seeking appointment / re-appointment

Details of the Director seeking re-appointment form part of the Notice convening the Tenth Annual General Meeting of the Company as required by Regulation 36(3) of SEBI (LODR) Regulations, 2015.

## 13. Means of Communication:

### a) Quarterly / Annual Results

The Company's quarterly financial results, investor updates and other information are posted on the Company's website ([www.giesl.com](http://www.giesl.com)). The quarterly financial results of the Company are generally published in the Free Press Journal (English) and Navshakti (Marathi). Financial results and all material information are also regularly provided to the Stock Exchanges as per the requirements of the SEBI (LODR) Regulations, 2015.

### b) Posting of information on the website of the Company

The Quarterly/Annual Results of the Company, shareholding pattern, Corporate Governance, Notices, Annual Reports etc. are regularly posted on Company's website [www.giesl.com](http://www.giesl.com) under the separate dedicated head 'Investors'.

## 14. General Shareholder Information

### A. Annual General Meeting

Day & Date : Thursday, September 28, 2017  
Time : 3.30 p.m.  
Venue : Kohinoor Continental,  
Andheri - Kurla Road,  
Andheri (East), Mumbai-400 059

## B. Financial Year

Financial Year of the company is From April 1, 2016 to March 31, 2017.

## C. Book Closure

The Register of Members and the Share Transfer Books of the Company shall remain closed from Thursday, September 21, 2017 to Thursday, September 28, 2017 (both days inclusive) for the purpose of Annual General Meeting.

## D. Listing on Stock Exchanges:

The Equity shares of the Company are listed on the following Stock Exchanges:

Name of Stock Exchanges	Symbol / Scrip Code	ISIN
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051	GISOLUTION	INE065J01016
BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai-400001	533048	INE065J01016

## E. Corporate Identification Number

Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is L40109MH2006PLC163731 and the Company is registered in the State of Maharashtra, India.

## F. Registered Office

73-A, SDF-III, SEEPZ, Andheri (East),  
Mumbai-400096.  
Tel No: 91-22-44884488  
Fax No.: 91-22-28290603  
Website: [www.giesl.com](http://www.giesl.com)

## G. Registrar & Share Transfer Agent

Bigshare Services Private Limited  
Unit: GI Engineering Solutions Limited  
1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East, Mumbai 400059,  
Maharashtra.

Tel No.: 91-22-62638200

Fax No.: 91-22-62638299

E-Mail: investor@bigshareonline.com

## H. Investors Correspondence

Stakeholders' Relationship Committee  
GI Engineering Solutions Limited  
73-A, SDF-III, SEEPZ, Andheri (East),  
Mumbai-400096.

Tel No: 91-22-44884488

Fax No.: 91-22-28290603

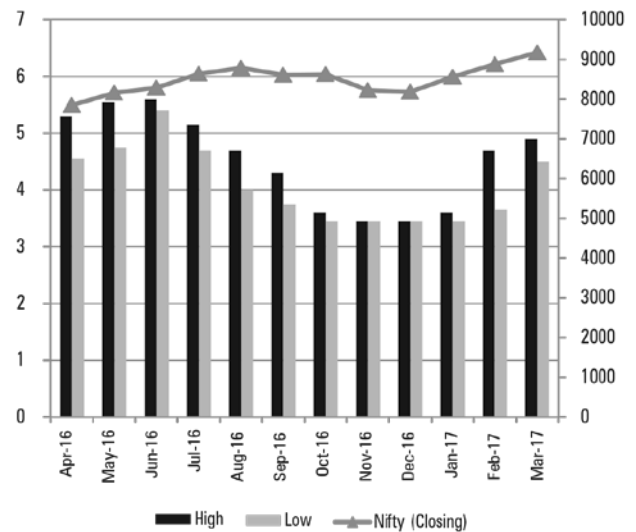
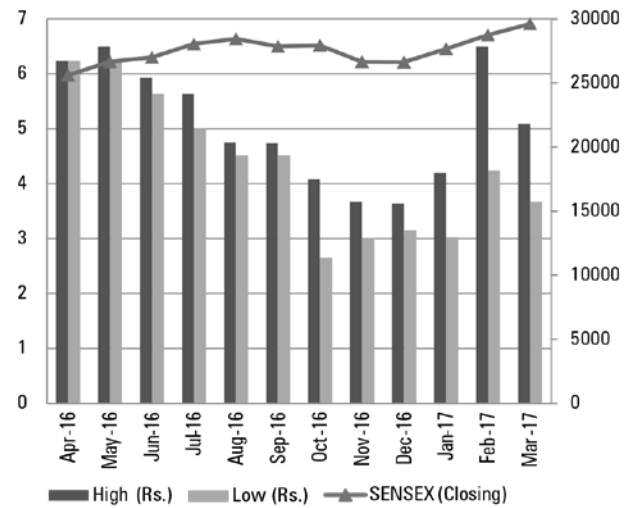
E-mail: investors@giesl.com

## I. Market Price Data:

BSE Limited			NSE Limited		
Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
Apr-16	6.24	6.24	Apr-16	5.30	4.55
May-16	6.50	6.24	May-16	5.55	4.75
Jun-16	5.93	5.64	Jun-16	5.60	5.40
Jul-16	5.64	5.00	Jul-16	5.15	4.70
Aug-16	4.75	4.52	Aug-16	4.70	4.00
Sep-16	4.74	4.52	Sep-16	4.30	3.75
Oct-16	4.08	2.65	Oct-16	3.60	3.45
Nov-16	3.67	3.01	Nov-16	3.45	3.45
Dec-16	3.64	3.15	Dec-16	3.45	3.45
Jan-17	4.20	3.03	Jan-17	3.60	3.45
Feb-17	6.50	4.24	Feb-17	4.70	3.65
Mar-17	5.09	3.67	Mar-17	4.90	4.50

## J. Performance of Equity Shares:

Performance of the Company's shares in comparison to BSE Sensex and NSE S&P CNX Nifty is given in the chart below:



\*Based on closing Price on Last Trading day of the Month

# GI ENGINEERING SOLUTIONS LIMITED

## K. Distribution of Shareholding:

Distribution Schedule of the Equity Shares as on March 31, 2017 is given below:-

No. of Equity Shares held	Shareholders		Share Capital	
	Number	% to Total	Amount in ₹	% to Total
0001 - 5000	2753	73.94	45,06,480	5.23
5001 - 10000	385	10.34	32,57,270	3.78
10001 - 20000	230	6.18	35,76,940	4.15
20001 - 30000	100	2.69	25,64,020	2.98
30001 - 40000	46	1.23	16,57,650	1.93
40001 - 50000	58	1.56	27,90,520	3.24
50001 – 100000	74	1.99	54,08,760	6.28
100001 & above	77	2.07	6,23,57,140	72.41
<b>Total</b>	<b>3723</b>	<b>100.00</b>	<b>8,61,18,780</b>	<b>100.00</b>

## L. Shareholding Pattern:

The shareholding of different categories of the shareholders as on March 31, 2017 is given below:

Description	Number of Shares	% to Total
Promoters	33,95,177	39.42%
Mutual Funds	4,050	0.05%
Bodies Corporate	3,56,399	4.14%
Individuals	35,72,925	41.49%
Independent Directors & their relatives	12,978	0.15%
Clearing Members	1,820	0.02%
Overseas Corporate Bodies	11,00,025	12.77%
Trusts	97,109	1.13%
NRI	71,395	0.83%
<b>Total</b>	<b>86,11,878</b>	<b>100%</b>

## M. Dematerialization of shares:

About 99.69% of the total Equity Share Capital was held in dematerialized form as on March 31, 2017.

## N. Share Transfer System:

The shares in physical form which are lodged for transfer are processed, registered and returned by the Registrar and Share Transfer Agent within the stipulated time of 15 days from the date of lodgement subject to the documents being valid and complete in all respects.

## O. Plant Location:

The Company is into the business of Engineering & IT solutions and hence does not require any manufacturing plants.

## P. Financial Calendar 2017-2018 (tentative)

First quarterly results	August 2017
Second quarterly / Half yearly results	November 2017
Third quarterly results	February 2018
Fourth quarterly results	May 2018
Annual General Meeting for the year ending on March 31, 2018	September 2018

**DETAILS PURSUANT TO REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015 IN RESPECT OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT**

Brief Resume of Director seeking re-appointment:

Abbreviated resumes of the Director of the Company seeking re-appointment

<b>Name of Director</b>	<b>Mr. Sajid Malik</b>	<b>Mrs. Saroja Malik</b>
Nature of Resolution	Re-appointment as Managing Director	Re-appointment as Director
Date of Birth	April 1, 1964	September 28, 1937
Date of Appointment	August 10, 2006	August 10, 2006
Director Identification Number	00400366	00400421
Qualifications	B.Com, ACA	B.Com, LLB
Brief Resume and Expertise in specific functional areas	Mr. Sajid Malik's expertise spans over GIS, Banking, Finance, Foreign Exchange Management and Marketing. He has varied experience in corporate advisory, structured finances.	Mrs. Saroja Malik has in-depth experience in Legal Compliance, Income Tax & Allied Matters and Custom Regulations. She has a flair for Office Administration.
Directorship held in other Companies	<ol style="list-style-type: none"> <li>1. Genesys International Corporation Limited</li> <li>2. Ventura Guaranty Limited</li> <li>3. Ventura Securities Limited</li> <li>4. Virtual World Spatial Technologies Private Limited</li> <li>5. Valeo Nutra Private Limited</li> <li>6. Genesys Virtual World Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Genesys International Corporation Limited</li> <li>2. Ventura Guaranty Limited</li> <li>3. Valeo Nutra Private Limited</li> </ol>
Chairman / Member of Committees of Other Companies	Genesys International Corporation Ltd : Corporate Social Responsibility Committee- Chairman Compensation Committee – Chairman	Genesys International Corporation Ltd : Corporate Social Responsibility Committee- Member
Number of Equity Shares held in the Company	3,18,995	16,91,716
Relationship between Directors	Mr. Sajid Malik is son of Mrs. Saroja Malik.	Mrs. Saroja Malik is mother of Mr. Sajid Malik.

# GI ENGINEERING SOLUTIONS LIMITED

## CEO/ CFO CERTIFICATION

### **CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

To

The Board of Directors

**GI Engineering Solutions Limited**

This is to certify that for the Financial Year 2016-17 :

- A. We have reviewed the financial statements read with the cash flow statement for the financial year ended March 31, 2017 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls over financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
  - (i) Significant changes in internal controls over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours sincerely,

For **GI ENGINEERING SOLUTIONS LIMITED**

**SAJID MALIK**  
**MANAGING DIRECTOR**

**GANAPATHY VISHWANATHAN**  
**DIRECTOR**

Place: Mumbai

Dated: May 30, 2017

# CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

To

The Members of

**GI Engineering Solutions Limited**

**Sub: Declaration under Regulation 34(3) read with Schedule V (D) of SEBI (LODR) Regulations, 2015**

I hereby declare that all Directors of the Company have confirmed compliance with the Code of Conduct for the financial year ended March 31, 2017.

For **GI ENGINEERING SOLUTIONS LIMITED**

**SAJID MALIK**

**MANAGING DIRECTOR**

Place: Mumbai

Dated: May 30, 2017

## REPORT OF THE AUDITORS ON CORPORATE GOVERNANCE

To,

The Members of

**GI Engineering Solutions Limited**

I have examined the compliance of the conditions of the Corporate Governance by **GI Engineering Solutions Limited** ("the Company") for the year ended on March 31, 2017 as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI (LODR) Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For DIXIT DATTATRAY & ASSOCIATES,**

**Chartered Accountants**

**Firm Registration No. : 102665W**

**D. B. DIXIT**

Proprietor

Membership No: 40032

Place: Mumbai

Dated : May 30, 2017

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129  
read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement  
of subsidiaries/associate companies/joint ventures

### Part "A": Subsidiaries

(₹ in lacs)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Genesys Enterprises Inc., USA
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding Company (April to March)
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	As on 31.03.2017 USD 1\$ = Rs.65.60
4.	Share capital	2,682.34
5.	Reserves & surplus	(2,584.14)
6.	Total assets	98.20
7.	Total Liabilities	98.20
8.	Investments	-
9.	Turnover	-
10.	Profit before taxation	(3,122.27)
11.	Provision for taxation	6.89
12.	Profit after taxation	(3,115.37)
13.	Proposed Dividend	-
14.	% of shareholding	100%

1. Names of subsidiaries which are yet to commence operations - NIL

2. Names of subsidiaries which have been liquidated or sold during the year.

\*The Foreign Subsidiary i.e. Genesys Enterprises Inc., USA has filed application for dissolution with the Secretary of State of New York.

### Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

There were no Associates and Joint Ventures as on 31st March, 2017.

**For and on behalf of the Board of Directors**

**SAJID MALIK**  
**MANAGING DIRECTOR**

**GANAPATHY VISHWANATHAN**  
**DIRECTOR**

Date : May 30, 2017

Place : Mumbai



## Form AOC-2

Particulars of contracts/arrangements made with related parties  
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and  
Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

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

There was no contract or arrangement or transaction entered into by the Company during the year ended March 31, 2017 which was not at arm's length basis.

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

There was no material contract or arrangement or transaction entered into by the Company during the year ended March 31, 2017.

**For and on behalf of the Board of Directors**

**SAJID MALIK  
MANAGING DIRECTOR**

**GANAPATHY VISHWANATHAN  
DIRECTOR**

Date : May 30, 2017

Place : Mumbai

# MANAGEMENT DISCUSSION AND ANALYSIS

## Industry Overview

At a time when the global IT services market is going through a down trend, the Engineering services which leverages digital, automation and design led manufacturing is witnessing a robust growth. The Engineering Services outsourcing market is expected to be about US\$ 40 Billion by 2020, with an additional US\$ 4-5 Billion coming from the domestic market. The growth drivers for Engineering research and design services are - discrete product engineering to complex and complete product development; New Technologies – Cloud, Virtualization, Mobility, Social Networking, Android; New non-linear business models – Productized Solutions, Revenue Share Model; focus not only on core products but the entire ecosystem, platform and user experience.

The upcoming trend with the companies, in the Engineering research and development segment, is to help customers define product strategy and roadmap, reinvent engineering processes and product architecture and discover value through component engineering techniques that speeds up technology adoption with a focus on business results which will enable deliver a superlative experience to the end customers.

## Opportunities and Threats

Despite narrowing gaps of cost advantage in terms of labour and infrastructure, country has managed to source sizable outsourcing contracts across the world. Engineering services offers opportunities thru traditional engineering market and newer technology module. As in any other industries intense competition and rapid changes with regard to technology and end use applications are affecting the Industry

## Risks and Concerns

Risks and Concerns which can be attributed to our kind of operations are:

1. Technological changes
2. Outsourcing – Resistance from local
3. Global market uncertainties

4. Availability and retention of Human resources
5. Foreign Exchange Fluctuation
6. Government policies
7. Political stability
8. Competition

## Internal Control System and its adequacy

The necessary internal control measures and systems are already in place in order to effectively control and monitor its operations. These cover the entire operations of the company and also there are periodically review of the same with test checks.

The current internal control measures and systems commensurate with size of the nature and size of the operations of the Company, the management believes, the internal control processes in place, are adequate to take care of the current need.

## Discussion on Financial Performance

### LIABILITIES AND ASSETS

#### Share Capital

During the year ended March 31, 2017, there was no changes in the Share capital. The authorized Capital as on March 31, 2016, was as below:

- 8,490,000,000 Equity Shares of Rs.10 each: Total of Rs.84,900,000,000
- 10,000,000 4.5% Redeemable Preference Shares of Rs.10 each: Total of Rs.100,000,000

Of which as on same day the Issued, Subscribed and Paid-up Share Capital of the Company, consist of the following:

- 8,611,878 Equity Shares of Rs.10 each: Total of Rs.86,118,780
- 7,000,000 4.5% Redeemable Preference Shares of Rs.10 each: Total of Rs.70,000,000

# GI ENGINEERING SOLUTIONS LIMITED

## Reserves and Surplus

Reserves and Surplus consists of balance in the General Reserve, Security Premium Account, debit balance in the Profit and Loss account, besides balance in the exchange fluctuation reserve account arising out consolidation.

The balances as on 31st March 2017 in General Reserve Account was Rs.2,998.48 lacs which was same as the balance at the end of the previous year. In case of balance in share premium account also there was no movement during the year with year end balance of Rs 88 lacs. As on 31st March 2017 debit balance of Profit & Loss Account stood at Rs. 4064.90 lacs as compared to previous year Rs.941.64 lacs.

## Current Liabilities

Liabilities and Provisions consist of Long term provision towards Trade payables, Other current liabilities and Short Term provisions, including provision for income tax. As on March 31, balance of all liabilities and provisions was at Rs.114.92 lacs as against previous year of Rs.380.84 lacs.

## Fixed Assets

There was no addition or deletion in the gross block vis-a vis the end of earlier year and as on 31st March 2017 it was 440.94 lacs . Net Block was Rs 96.59 lacs on account goodwill arising out of consolidation.

## Sundry Debtors

Sundry Debtors, net of provisions, if any, as on March 31, 2017, was at Rs.10.30 lacs as against Rs.2,793.79 lacs at the end of previous year.

## Cash and Bank Balance

Cash and bank balance as on March 31, 2017, was at Rs. 2.51 lacs as against Rs.3.56 lacs in the earlier year. The Company maintains such balances in current, fixed deposit and EEFC accounts with nationalized and other scheduled banks.

## Loans and Advances

Loans and advances represent cash outlay against which benefits are being received or expected to be received by the Company in future and include:

- Deposits
- Prepaid expenses
- Advance to other body corporates

Loans and Advances as on 31st March 2017 stood at Rs.1511.14 lacs as against previous year amount of Rs.2,051.46 lacs.

## INCOME & EXPENDITURE

### Income

During the year 2016-17, the Company recorded a total income of Rs.149.14 lacs as against Rs. 1.07 lacs in the previous year 2015-16. The Company for the year has recorded a loss of Rs.3130.16 lacs against previous year loss of Rs 12.72 Lacs

### Expenditure

The Company in current year incurred total operating cost of Rs.3279.30 lacs, including depreciation, compared to previous year of Rs 13.79 lacs.

## CAUTIONARY STATEMENT

*Certain statements made in the Management Discussion and Analysis Report may constitute 'forward-looking-statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections, etc., whether express or implied. Several factors could make a significant difference to the Company's operations. These include climate and economic conditions affecting demand and supply, government regulations and taxation, natural calamities, etc. over which the Company does not have any direct control.*

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## REPORT OF THE INDEPENDENT AUDITORS

TO THE SHAREHOLDERS OF GI ENGINEERING SOLUTIONS LIMITED

**TO,  
THE MEMBERS OF GI ENGINEERING SOLUTIONS LTD**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **GI ENGINEERING SOLUTIONS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone 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, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

In conducting 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 of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards and pronouncement 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 standalone 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 standalone 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 standalone 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, of the state of affairs of the Company as at 31 March, 2017, and its loss and its cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw attention to Note No. 25 as regards to the application

made by the wholly owned subsidiary for voluntary winding up; pursuant to this event the company has made provision for diminution in value of this investment as on March 31, 2017. The same has been shown as exceptional item in Statement of Profit & Loss. Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, 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, based on our audit, we report, to the extent applicable that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed 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 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to

our separate report in "Annexure B"; and

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 17 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
  - iv. The company has provided requisite disclosures in its standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the company.

For **DIXIT DATTATRAY & ASSOCIATES,**

**Chartered Accountants**

**(Firm Registration No.102665W)**

**(D.B. Dixit)**

**(Proprietor)**

Mumbai, May 30, 2017

**(Membership No. 40032)**

## ANNEXURE 'A'

### TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management as per a phased program of verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on verification were not material and have been properly dealt with in the books of accounts.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company is a service company, primarily rendering computer based services in the area of Geospatial Information System (GIS). Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii)(a)(b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or securities to the parties covered under section 185 and 186 of the Act. Therefore, the provision of Clause 3(iv) of the said Order are not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Rules framed there under. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Therefore the provisions of paragraph 3(vi) of the Order are not applicable to the company.
- (vii) In respect of statutory dues:
- (a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been generally regularly deposited with appropriate authorities. Based on the information and explanations given to us and records of the company examined by us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2017 for a period of more than six months from the date of it becoming payable.
- (b) According to the records of the Company, the dues outstanding of income tax, sales tax, Service Tax, customs duty, wealth tax, excise duty and cess which have not been deposited as at March 31, 2017 on account of any dispute are given below :

<b>Statute and nature of dues</b>	<b>Assessment Year</b>	<b>Amount (₹ in lacs)</b>	<b>Forum where dispute is pending</b>
Income Tax Act, 1961	2009-10	3.78	DCIT
Income Tax Act, 1961	2011-12	14.38	DCIT

- (viii) In our opinion and according to the information and explanations given to us, the Company has not have any borrowing from any financial institutions, banks and government nor has it issued any debentures as at balance sheet date the provisions of Clause 3(viii) of the Order are not applicable to the Company.

- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year under consideration. According, to the information and explanation given to us and based on our examination of the records, The company has not raised any term loans, accordingly the provision of Clause 3(ix) of the Order are not applicable to the Company.
- (x) According to the information and explanations given to us and based on our audit, we have not come across any material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, No Managerial remuneration has been paid or provided during the year, accordingly the provision of Clause 3(xi) of the Order are not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) In our opinion and according to information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For DIXIT DATTATRAY & ASSOCIATES,  
Chartered Accountants  
(Firm Registration No.102665W)**

**(D.B. Dixit)  
(Proprietor)**

Mumbai, May 30, 2017

**(Membership No. 40032)**



## ANNEXURE 'B'

### TO THE INDEPENDENT AUDITORS' REPORT

#### **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 **GI Engineering Solutions Limited** ("the Company") as of 31 March 2017 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance 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 judgment, 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, to the best of our information and according to the explanations given to us, 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 31st March, 2017, 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 DIXIT DATTATRAY & ASSOCIATES,  
Chartered Accountants  
(Firm Registration No.102665W)**

**(D.B. Dixit)**

**(Proprietor)**

Mumbai, May 30, 2017

**(Membership No. 40032)**

# GI ENGINEERING SOLUTIONS LIMITED

## BALANCE SHEET

AS AT MARCH 31, 2017

PARTICULARS	Note No.	March 31, 2017 ₹	March 31, 2016 ₹
<b>EQUITY AND LIABILITIES</b>			
<b>1) SHAREHOLDERS FUNDS</b>			
a) Share Capital	3	156,118,780	156,118,780
b) Reserves & Surplus	4	<u>(15,376,475)</u>	<u>253,646,061</u>
		<b>140,742,305</b>	<b>409,764,841</b>
<b>2) CURRENT LIABILITIES</b>			
a) Trade Payables	5	1,020,899	756,705
b) Other Current Liabilities	6	10,089,144	10,070,348
c) Short-Term Provisions	7	<u>381,744</u>	<u>381,744</u>
		<b>11,491,787</b>	<b>11,208,797</b>
<b>Total</b>		<b><u>152,234,092</u></b>	<b><u>420,973,638</u></b>
<b>ASSETS</b>			
<b>1) NON-CURRENT ASSETS</b>			
a) Fixed Assets	8		
Tangible Assets - Property, Plant & Equipment		-	-
Intangible Assets		-	-
b) Non-Current Investments	9	-	268,234,232
c) Long-Term Loans & Advances	10	<u>151,113,771</u>	<u>151,618,771</u>
		<b>151,113,771</b>	<b>419,853,003</b>
<b>2) CURRENT ASSETS</b>			
a) Trade Receivables	11	1,030,280	1,031,350
b) Cash & Cash Equivalents	12	<u>90,041</u>	<u>89,285</u>
		<b>1,120,321</b>	<b>1,120,635</b>
<b>Total</b>		<b><u>152,234,092</u></b>	<b><u>420,973,638</u></b>

### Notes forming integral part of financial statements 1 to 27

As per our Report of even date attached

**For DIXIT DATTATRAY & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Registration No. : 102665W

**D. B. DIXIT**

PROPRIETOR

Membership No. 40032

Date: May 30, 2017

MUMBAI

For and on behalf of the Board of Directors

**SAJID MALIK**

MANAGING DIRECTOR

**GANAPATHY VISHWANATHAN**

DIRECTOR

Date: May 30, 2017

MUMBAI

# STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2017

PARTICULARS	Note No.	March 31, 2017 ₹	March 31, 2016 ₹
<b>INCOME</b>			
Revenue from Operations		220,150	99,050
Other Income	13	-	8,761
<b>Total Revenue</b>		<u>220,150</u>	<u>107,811</u>
<b>EXPENSES</b>			
Employee Benefit Expenses	14	51,046	107,796
Finance Costs	15	2,473	1,785
Depreciation / Amortization	8	-	-
Other Expenses	16	954,934	1,063,432
<b>Total Expenses</b>		<u>1,008,453</u>	<u>1,173,013</u>
<b>PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX</b>		<u>(788,303)</u>	<u>(1,065,202)</u>
Less : Exceptional Items (Refer note no.25)		268,234,232	-
<b>PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX</b>		<u>(269,022,535)</u>	<u>(1,065,202)</u>
<b>Tax Expense:</b>			
Current Tax		-	-
<b>PROFIT/(LOSS) AFTER TAX</b>		<u>(269,022,535)</u>	<u>(1,065,202)</u>
<b>EARNINGS PER EQUITY SHARE</b>			
Equity Shares of par value of ₹ 10 each			
Basic & Diluted	23	(31.24)	(0.12)

## Notes forming integral part of financial statements 1 to 27

As per our Report of even date attached

For DIXIT DATTATRAY & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No. : 102665W

D. B. DIXIT

PROPRIETOR

Membership No. 40032

Date: May 30, 2017

MUMBAI

For and on behalf of the Board of Directors

SAJID MALIK

MANAGING DIRECTOR

GANAPATHY VISHWANATHAN

DIRECTOR

Date: May 30, 2017

MUMBAI

# GI ENGINEERING SOLUTIONS LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2017

PARTICULARS	NOTE NO.	YEAR ENDED	
		MARCH 31, 2017	MARCH 31, 2016
		₹	₹
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit/(Loss) before tax as per statement of profit and Loss		(269,022,535)	(1,065,202)
Bank charges to consider separate below		2,473	1,785
Provision for Diminution on value of investments		268,234,232	
		<u>268,236,705</u>	<u>1,785</u>
<b>Operating Profit/(Loss) before working capital changes</b>		<b>(785,830)</b>	<b>(1,063,417)</b>
Adjustments for:			
(Increase)/ Decrease in Trade Receivables		1,070	(99,050)
(Increase)/ Decrease in Loans & Advances		505,000	48,815
Increase/ (Decrease) in Current Liabilities and Provisions		282,990	542,240
		<u>789,060</u>	<u>492,005</u>
<b>CASH GENERATED FROM OPERATIONS</b>		<b>3,229</b>	<b>(571,412)</b>
Taxes (Paid) / Refund received		-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>3,229</b>	<b>(571,412)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>			
Receipt from Other Body Corporates		-	500,000
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>-</b>	<b>500,000</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>			
Bank charges		(2,473)	(1,785)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>(2,473)</b>	<b>(1,785)</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>		<b>756</b>	<b>(73,197)</b>
<b>CASH &amp; CASH EQUIVALENTS (OPENING BALANCE)</b>		<b>89,285</b>	<b>162,482</b>
<b>CASH &amp; CASH EQUIVALENTS (CLOSING BALANCE)</b>		<b>90,041</b>	<b>89,285</b>
Cash & Bank Balance Comprise			
Balance with Banks	12	<u>90,041</u>	<u>89,285</u>
<b>Cash &amp; Bank Balance as at the end of the year</b>		<b>90,041</b>	<b>89,285</b>

This is the Cash Flow statement referred to in our report of even date.

**As per our Report of even date attached**

**For DIXIT DATTATRAY & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Registration No. : 102665W

**D. B. DIXIT**

PROPRIETOR

Membership No. 40032

Date: May 30, 2017

MUMBAI

**For and on behalf of the Board of Directors**

**SAJID MALIK**

MANAGING DIRECTOR

**GANAPATHY VISHWANATHAN**

DIRECTOR

Date: May 30, 2017

MUMBAI

# NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

## 1. Company's Background

GI Engineering Solutions Ltd. is formed to provide Information Technology, Engineering Services and other related services.

## 2. Significant Accounting Policies

### A. Basis of preparation of financial statements

These financial statements are prepared and presented in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis of accounting. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing counting standard requires a change in the accounting policy hitherto in use.

### B. Use of estimates

Preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include estimate of useful life of assets and provision for retirement benefits. Actual results could differ from the estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized. Any revisions to accounting estimates are recognized prospectively in current and future periods.

### C. Revenue recognition and expenses

Revenues are recognized on accrual basis. Revenue from operations is accounted for on the basis of services rendered and billed to / accepted by clients. Interest income, if any, is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Expenses are accounted on accrual basis and provisions are made for all known liabilities as on the date of the financial statements.

### D. Fixed Assets

Fixed Assets are stated at cost of acquisition including freight, installation charges, finance charges, duties & taxes & other incidental expenses related to acquisition and installation of the concerned assets.

Advances paid, if any, towards the acquisition of fixed assets are disclosed under the head Long Term Loans & Advances, as capital advance.

### E. Depreciation / Amortization

Depreciation is charged on fixed assets, other than the assets mentioned below, on straight line basis using useful lives of tangible assets contained in Part "C" Schedule II to the Companies Act, 2013.

Following fixed assets are subjected to accelerated rate of depreciation on straight line basis to take care of technology obsolescence, data relevance, etc.,

Particulars	Useful life
<b>(A) Tangible Assets</b>	
- Computer hardware (servers & networks)	3 years
- Imaging Systems	3 years
- Other assets	As specified in Schedule II
<b>(B) Intangible Assets</b>	
- Computer software	3 years
- GIS database	3 years

Depreciation/Amortization is charged on a pro-

## NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

rata basis on assets purchased /sold during the year with reference to date of installation/ disposal. Assets costing individually ₹5,000/- or less are fully depreciated in the year of purchase / installation.

### F. Impairment of assets

The carrying amounts of the Company's assets including intangible assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated, as the higher of the net selling price and the value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating units exceeds its recoverable amount. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reinstated at the recoverable amount subject to a maximum of depreciable historical cost.

### G. Borrowing Costs

Borrowing costs, if any, directly attributable to the acquisition of the fixed assets are capitalized for the period until the asset is ready for its intended use.

Other borrowing costs are recognized as expense in the period in which they are incurred.

### H. Investments

Investments are classified either as current or long term in accordance with Accounting Standard (AS) -13 on "Accounting for Investments".

Current investments are stated at lower of cost or fair value. Any reduction in the carrying amount and any reversal of such reductions are charged or credited to the statement of profit & loss.

Long Term Investments are stated at cost. Provision is

made to recognize a decline, other than temporary, in the value of such investments.

### I. Leases

#### (i) Finance Lease

Assets taken on finance lease if any, are accounted for as fixed assets in accordance with Accounting Standard 19 on leases, (AS 19) issued by The Institute of Chartered Accountants of India.

#### (ii) Operating Lease

Assets taken on lease under which all the risk and rewards of ownership are effectively retained by the lesser if any, are classified as operating lease. Lease payments under operating lease are recognized as expenses on accrual basis in accordance with the respective lease agreement.

### J. Foreign Currency Transactions

Transactions denominated in foreign currency, if any, are recorded at rates that approximate the exchange rate prevailing on the date of the respective transaction.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss of the year. Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year end closing exchange rate and the resultant exchange differences are recognized in the Statement of profit and loss.

The premium or discount arising at the inception of the forward exchange contracts, if any, related to underlying receivables and payables are amortized as an expense or income recognized over the period of the contracts. Gains or losses on renewal or cancellation of foreign exchange forward contracts are recognized as income or expense for the period.

# NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

Investments in overseas Subsidiary are recognized at the relevant exchange rates prevailing on the date of investments.

## K. Earning per Share

In accordance with the Accounting Standard 20 (AS – 20) “Earning per Share” issued by the Institute of Chartered Accountants of India, basic and diluted earnings per share are computed using weighted average number of shares outstanding during the year.

## L. Taxation

### i. Current Tax

The provision for current tax is made on the basis of tax liability computed after considering the admissible deductions and exemptions under the provisions of the Income Tax Act, 1961.

### ii. Deferred Tax

Deferred tax asset or liability is recognized for reversible timing differences between the profit as per financial statements and the profit offered for income taxes, based on tax rates that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets on unabsorbed losses are not recognized unless there is virtual/reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized.

Deferred Tax assets and liabilities are reviewed at each balance sheet date.

## M. Employee Benefits :

(i) **Short-term employee benefits** – Employee benefits payable wholly within twelve months

of rendering the service are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.

(ii) **Post employment benefits (defined benefit plans)** – The employees’ gratuity scheme is a defined benefit plan. The obligation under such defined benefit plan is determined at each Balance Sheet date based on management estimates unless they are significant for actuarial valuation.

(iii) **Post employment benefits (defined contribution plans)** – Contributions to the provident fund is defined contribution scheme and is recognized as an expense in the Statement of profit and loss in the period in which the contribution is due.

(iv) **Long-term employee benefits** – Long-term employee benefits comprise of compensated absences and other employee incentives. These are measured based on management estimates unless they are significant for actuarial valuation.

## N. Provisions and Contingent Liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources, which can be reliably estimated. Disclosures for a contingent liability is made, without a provision in books, when there is an obligation that may, but probably will not, require outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions are not discounted to their present value and are determined.

Contingent assets are neither recognized nor disclosed in the financial statements.

## O. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank, cheque on hand and cash in hand.



## NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

### 3. SHARE CAPITAL

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
<b>AUTHORIZED</b>		
<u>Equity Shares of ₹ 10/- each</u>		
8,49,00,00,000 Equity Shares of ₹ 10/- each (Previous Year : 8,49,00,00,000)	<b>84,900,000,000</b>	84,900,000,000
<u>Preference Shares of ₹ 10/- each</u>		
1,00,00,00,000 Preference Shares of ₹ 10 each (Previous Year : 1,00,00,00,000)	<b>100,000,000</b>	100,000,000
<b>Total</b>	<b>85,000,000,000</b>	85,000,000,000
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID-UP</b>		
<u>Equity Shares of ₹ 10/- each fully paid up</u>		
86,11,878 (Previous Year : 86,11,878) Equity Shares of ₹10/- each fully paid up	<b>86,118,780</b>	86,118,780
<u>Redeemable Cumulative Preference Shares of ₹10/- each fully paid up</u>		
70,00,000 (4.5%) (Previous Year : 70,00,000) Redeemable Cumulative Preference Shares of ₹10/- each fully paid up	<b>70,000,000</b>	70,000,000
<b>Total</b>	<b>156,118,780</b>	156,118,780

The reconciliation of the number of Equity Shares outstanding as at March 31, 2017 is given below:

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Number of equity shares at the beginning	<b>8,611,878</b>	8,611,878
Add/Less: No. of shares issued/reduced during the year	-	-
Number of equity shares at the end	<b>8,611,878</b>	8,611,878

#### Rights, Preferences and restrictions attached to shares

##### Equity Shares:

The Company has one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount in proportion to their shareholding.

##### Redeemable Cumulative Preference Shares:-

The Board of Directors, pursuant to approval of the Shareholders, had allotted on March 30, 2012 70,00,000 4.5% Redeemable Cumulative Preference Shares of face value of ₹10/- each to M/s Genesys International Corporation Limited (hereafter 'GICL') with the tenure of 3 year from the date of allotment. The Company, in view of its current financial position has requested the Board of Directors of GICL for extension of tenure of the above preference shares by another 3 years. On receipt of approval from the Board of Directors of GICL, the Company has extended tenure of the said Redeemable Preference Shares by 3 years, effective March 30, 2015; with the option given to the company to redeem it earlier.

## NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

The details of shareholders holding more than 5% shares as at March 31, 2017 is given below:

Name of the Shareholder	No. of shares	% held as at MARCH 31, 2017	No. of shares	% held as at MARCH 31, 2016
<b>Equity Shares</b>				
Mr. Sohel Malik	-		1,765,000	20.49%
Mrs. Saroja Malik	1,691,716	19.64%	-	-
M/s. Kilam Holdings Limited	1,378,405	16.01%	1,378,405	16.01%
M/s. Fortune Private Equity, LLC	1,100,000	12.77%	1,100,000	12.77%
<b>Preference Shares</b>				
M/s. Genesys International Corporation Limited	7,000,000	100%	7,000,000	100%

#### 4. RESERVES & SURPLUS

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
<b>SECURITIES PREMIUM - Opening Balance</b>	8,800,000	8,800,000
Add: Receipt during the year	-	-
	<u>8,800,000</u>	<u>8,800,000</u>
<b>GENERAL RESERVE - Opening Balance</b>	306,079,105	306,079,105
Add: Transfer from Surplus	-	-
	<u>306,079,105</u>	<u>306,079,105</u>
<b>SURPLUS/(DEFICIT) - Opening Balance</b>	(61,233,044)	(60,167,843)
Add: Net loss after tax transferred from Statement of Profit and Loss	(269,022,536)	(1,065,201)
<b>SURPLUS/(DEFICIT) - Closing Balance</b>	<u>(330,255,580)</u>	<u>(61,233,044)</u>
<b>Total</b>	<u>(15,376,475)</u>	<u>253,646,061</u>

#### 5. TRADE PAYABLES

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Trade Payables	1,020,899	756,705
<b>Total</b>	<u>1,020,899</u>	<u>756,705</u>

## NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

### Amount due to Micro, Small and Medium Enterprises :

- (a). Trade payables includes (i) ₹Nil (Previous year: Nil) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME); and (ii) ₹1,020,899 (Previous year: ₹756,705 ) due to other parties.
- (b). No interest is paid/payable during the year to any enterprise registered under the MSME.
- (c). The above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under the MSME.

### 6. OTHER CURRENT LIABILITIES

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Other payables	10,089,144	10,070,348
<b>Total</b>	<b>10,089,144</b>	<b>10,070,348</b>
*Other payables includes :		
Statutory Liabilities	11,898	1,329
Others	10,077,246	10,069,019
<b>Total</b>	<b>10,089,144</b>	<b>10,070,348</b>

### 7. OTHER SHORT-TERM PROVISIONS

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Provision for Income Taxes (net of advance taxes)	381,744	381,744
<b>Total</b>	<b>381,744</b>	<b>381,744</b>

# NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

**8. FIXED ASSETS**

(in ₹)

Particulars	Original Cost				Depreciation / Amortization				Net Book Value	
	Opening Balance as at 1.04.16	Addition during the half year	Sale during the year	Closing Balance as at 31.03.2017	Up to 1.04.16	For the half year	On Deduction	Up to 31 March 2017	As at 31.03.17	As at 31.03.16
<b>Tangible Assets</b>										
Computer Hardware	831,351	-	-	<b>831,351</b>	831,351	-	-	<b>831,351</b>	-	-
Furniture & Fixtures	128,374	-	-	<b>128,374</b>	128,374	-	-	<b>128,374</b>	-	-
Office Equipments	1,666,905	-	-	<b>1,666,905</b>	1,666,905	-	-	<b>1,666,905</b>	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-
<b>Sub total</b>	2,626,630	-	-	<b>2,626,630</b>	2,626,630	-	-	<b>2,626,630</b>	-	-
<b>Intangible Assets</b>										
Computer Software	273,558	-	-	<b>273,558</b>	273,558	-	-	<b>273,558</b>	-	-
<b>Sub Total</b>	273,558	-	-	<b>273,558</b>	273,558	-	-	<b>273,558</b>	-	-
<b>Total</b>	2,900,188	-	-	<b>2,900,188</b>	2,900,188	-	-	<b>2,900,188</b>	-	-
<b>Previous Year</b>	2,900,188	-	-	2,900,188	2,900,188	-	-	2,900,188	-	-

## NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

### 9. NON - CURRENT INVESTMENTS

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
<b>Trade Investments - Unquoted at cost</b>		
<b>Investment in Equity Instruments</b>		
Wholly owned subsidiary -		
5,50,650 Common Stock USD 10 par value in Genesys Enterprises Inc., USA		
(Previous year: 5,50,650 common stock USD 10 par value)	<b>268,234,232</b>	268,234,232
Less : Provision for Diminution on value of investment. (refer note no. 25)	<b>268,234,232</b>	-
	<u>-</u>	<u>268,234,232</u>

### 10. LONG TERM LOANS & ADVANCES

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
<b>Unsecured, considered good</b>		
Other Loans & Advances		
Other Advances	<b>1,347,618</b>	1,347,618
Loan to Other Body Corporate (Note no. 22)	<b>130,766,153</b>	100,271,153
Other Deposits	<b>19,000,000</b>	50,000,000
<b>Total</b>	<b>151,113,771</b>	151,618,771

### 11. TRADE RECEIVABLES

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
<b>Debts outstanding for a period exceeding six months</b>		
<b>Unsecured</b>		
Considered Good	<b>904,130</b>	999,350
Considered Doubtful	<b>29,083,658</b>	29,083,658
	<b>29,987,788</b>	30,083,008
Less: Provision for Doubtful Debts	<b>29,083,658</b>	29,083,658
	<b>904,130</b>	999,350
<b>Other Debts</b>		
<b>Unsecured</b>		
Considered Good	<b>126,150</b>	32,000
Considered Doubtful	-	-
	<b>126,150</b>	32,000
Less: Provision for Doubtful Debts	-	-
	<b>126,150</b>	32,000
<b>Total</b>	<b>1,030,280</b>	1,031,350

## NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

### 12. CASH & CASH EQUIVALENTS

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Cash in Hand	804	-
Balances with Banks		
In Current Accounts	89,237	89,285
In Deposit Accounts	-	-
<b>Total</b>	<b>90,041</b>	<b>89,285</b>

### 13. OTHER INCOME

(in ₹)

PARTICULARS	2016-2017	2015-2016
Gain/ (Losses) on foreign currency, net	-	8,761
<b>Total</b>	<b>-</b>	<b>8,761</b>

### 14. EMPLOYEE BENEFIT EXPENSES

(in ₹)

PARTICULARS	2016-2017	2015-2016
Salaries, Allowances and Bonus	48,024	103,524
Staff Welfare	1,750	3,000
Contribution to Provident Fund & other funds	1,272	1,272
<b>Total</b>	<b>51,046</b>	<b>107,796</b>

### 15. FINANCE COSTS

(in ₹)

PARTICULARS	2016-2017	2015-2016
Bank Charges	2,473	1,785
<b>Total</b>	<b>2,473</b>	<b>1,785</b>

## NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

### 16. OTHER EXPENSES

PARTICULARS	(in ₹)	
	2016-2017	2015-2016
Legal & Professional Fees	100,674	84,520
Printing & Stationery	119,216	210,000
Communication Expenses	4,196	28,646
Foreign Exchange Loss - Others	1,303	-
Miscellaneous expenses	704,545	715,266
Remuneration to Auditors		
- Statutory Audit	25,000	25,000
<b>Total</b>	<b>954,934</b>	<b>1,063,432</b>

### 17. Contingent Liabilities:

PARTICULARS	(in ₹)	
	As at MARCH 31, 2017	MARCH 31, 2016
<b>Contingent Liabilities</b>		
Estimated amount of claims against the company not acknowledged as debts in respect of :	-	-
Disputed Income Tax Matters	1,816,017	3,019,029

### 18. Specified Bank Notes

The Ministry of Corporate Affairs (MCA) in its notification dated 30th March, 2017 amended Schedule III to the Companies Act, requiring companies to provide the following disclosure in the financial statement in respect of specified Bank Notes (SBN) held and trasacted during the period 8th November, 2016 to 30th December, 2016:

Particulars	Specified Bank Notes	Other Denomination Notes
Closing cash in hand as on 8th November, 2016	-	804
(+) Permitted receipts	-	-
(-) Permitted Payments	-	-
(-) Amount deposited in Banks	-	-
Closing cash in hand as on 30th December, 2016	-	804

# NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

19. Disclosure requirements as per the Accounting Standard – 18 (AS – 18) "Related Party Disclosure" issued by the Institute of Chartered Accountants of India.

List of Related Parties:-

**A. Wholly owned Subsidiary Company**

M/s Genesys Enterprises Inc., USA

**B. Key Management Personnel**

Name of Personnel	Designation
Mr. Sajid Malik	Managing Director
Mrs. Saroja Malik	Director

**C. Principal Shareholder**

M/s Kilam Holdings Ltd, Mauritius

**D. Associate Enterprises**

M/s Genesys International Corporation Limited

M/s Valueo Nutra Private Limited

Details of Transactions with related parties are as follows:

PARTICULARS	(in ₹)	
	2016-2017	2015-2016
<b>Transactions during the year -</b>		
Services Provided to Genesys International Corporation Limited	-	-
Reimbursement expenses to Genesys International Corporation Limited	-	941

**20. Employee Benefits :**

Post-employment benefits plans

**(a) Defined Contribution Plans –**

In respect of the defined contribution plans, an amount of ₹Nil (Previous Year: ₹Nil) has been provided in the Profit & Loss account for the year towards employer share of PF contribution.

**(b) Defined Benefit Plans –**

The Liability in respect of gratuity is determined for current year as per management estimate ₹Nil (previous year ₹Nil as per management estimate) carried out as at Balance Sheet date. Amount recognized in profit and loss account ₹Nil (previous year ₹Nil)



## NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

21 In accordance with the Accounting Standard – 22 (AS – 22) “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India, details of deferred tax assets estimated by the Company is given below- (in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
<b>Deferred Tax Assets</b>		
Fixed Assets (Depreciation/Amortization)	498,442	558,635
Provision for Doubtful Debts	93,456,015	8,986,850
Total	93,954,457	9,545,485
<b>Deferred Tax Liability</b>	-	-
<b>Net Deferred Tax (Liability)/Assets</b>	93,954,457	9,545,485

Deferred Tax Assets arising on account of fixed assets depreciation/amortization, provisions for employees’ benefits and doubtful debts etc. are not recognized in the books in absence of virtual/reasonable certainty of future taxable income against which deferred tax assets can be set off.

22 Loans to other body corporate include :

Sr.No	PARTICULARS	(in ₹)	
		MARCH 31, 2017	MARCH 31, 2016
1	Ekveera Marketing Pvt Ltd	32,238,950	32,238,950
2	Gopesh Impex Pvt Ltd	34,990,298	7,490,298
3	Saourav Impex Pvt Ltd	63,536,905	60,541,905
	<b>Total</b>	<b>130,766,153</b>	<b>100,271,153</b>

All the above loans are given for business purpose

23. EARNINGS PER SHARE:

PARTICULARS	2016-2017	2015-2016
Weighted average number of shares used as denominator for calculating <b>Basic earning per share</b>	8,611,878	8,611,878
Weighted average number of shares used as denominator for calculating <b>Dilutive earning per share</b>	8,611,878	8,611,878
<b>Net Profit / ( Loss ) after tax (₹.)</b>	<b>(269,022,535)</b>	<b>(1,065,202)</b>
Basic EPS (₹.)	(31.24)	(0.12)
Diluted EPS (₹.)	(31.24)	(0.12)
Nominal value of Shares (₹.)	10	10

## NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

24. The Company operates only in single Primary Segment i.e. Engineering based services for the purpose of AS – 17 Segmental reporting.

The disclosure requirement in respect of secondary segment (geographical segment) as per the Accounting Standard - 17 is as under:

### SECONDARY SEGMENT (Geographical Segment based on Sales Continent viz)

Segment Revenue	(amount in ₹)	
	2016-2017	2015-2016
Asia	220,150	99,050
<b>Total Revenue from Operations</b>	<b>220,150</b>	<b>99,050</b>

25. During the year wholly owned subsidiary has filed for voluntary dissolution with the Secretary of State of New York. Hence, the company has provided for the diminution in the value of investment of ₹268,234,232/- in its books of accounts.
26. **Exchange Differences**  
During the period realized and unrealized exchange loss amounting to ₹1,303 (Previous Year: exchange gain of ₹8761 ) is included in the profit and loss account.
27. Figures for the previous year have been re-grouped/re-classified wherever necessary to confirm to current year's presentation.

#### As per our Report of even date attached

#### For DIXIT DATTATRAY & ASSOCIATES

CHARTERED ACCOUNTANTS  
Firm Registration No. : 102665W

**D. B. DIXIT**  
PROPRIETOR  
Membership No. 40032

Date: May 30, 2017  
MUMBAI

#### For and on behalf of the Board of Directors

**SAJID MALIK**  
MANAGING DIRECTOR

**GANAPATHY VISHWANATHAN**  
DIRECTOR

Date: May 30, 2017  
MUMBAI

## REPORT OF THE AUDITORS

ON CONSOLIDATED FINANCIAL STATEMENTS OF GI ENGINEERING SOLUTIONS LIMITED

### **TO THE MEMBERS OF GI ENGINEERING SOLUTIONS LTD**

We have audited the accompanying consolidated financial statements of **GI Engineering Solutions Limited** (herein after referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act ") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Holding Company and its subsidiary 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 (as amended). The Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the Company and its subsidiary company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its subsidiary company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the standards on auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated 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 Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 Consolidated state of affairs of the Group as at March 31, 2017;
- (b) In the case of Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- (c) In the case of Consolidated Cash Flow Statement, of the cash flow of the Group for the year ended on that date.

**Emphasis of Matter**

We draw attention to Note No. 23 as regards to the application made by the Wholly owned subsidiary for voluntary winding up, pursuant to this event the company has made provision for diminution in value of this investment as on March 31, 2017. The same has been shown as exceptional item in Statement of Profit and loss. However, for consolidation purpose, such provision in the diminution in the value of investment has been reversed. Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
  - (b) In our opinion, proper books of account as required by law maintained by the Holding Company, and subsidiary company incorporated outside India including relevant records relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and records of the Holding and subsidiary Company

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its subsidiary company incorporated outside India including relevant records relating to the preparation of the Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated 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 of the Holding Company as on 31st March, 2017 and taken on record by the Board of Directors of the Holding Company and the subsidiary company incorporated outside India, none of the directors of the Holding Company and its subsidiary company incorporated outside India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary company incorporated outside India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Consolidated Financial Statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Holding Company and its subsidiary company – Refer Note 16 to the Consolidated Financial Statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

# GI ENGINEERING SOLUTIONS LIMITED

- iii. There were no amounts which were required to be transferred to the investor Education and Protection Fund by Holding company incorporated in India and its subsidiary Company incorporated outside India, during the year ended March 31, 2017.
- iv. The Holding Company has provided requisite disclosures in the consolidated financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in

accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated financial statements and as produced to us.

For **DIXIT DATTATRAY & ASSOCIATES,**  
**Chartered Accountants**  
**(Firm Registration No.102665W)**

**(D.B. Dixit)**

**(Proprietor)**

Mumbai, 30 May, 2017

**(Membership No. 40032)**

## ANNEXURE 'A'

### TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of GI Engineering Solutions Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, incorporated outside India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the company and its subsidiary company, which are companies incorporated outside India are responsible for establishing and maintaining internal financial controls based on 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 ('ICAI'). 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 ("the Act").

#### **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 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 judgment, 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 Holding Company and its subsidiary company which are incorporated in India and USA respectively have, 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 31 March 2017, 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 DIXIT DATTATRAY & ASSOCIATES,  
Chartered Accountants  
(Firm Registration No.102665W)**

**(D.B. Dixit)  
(Proprietor)**

Mumbai, May 30, 2017

**(Membership No. 40032)**

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# GI ENGINEERING SOLUTIONS LIMITED

## CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2017

PARTICULARS	Note No.	March 31, 2017 ₹	March 31, 2016 ₹
<b>EQUITY AND LIABILITIES</b>			
<b>1) SHAREHOLDERS FUNDS</b>			
a) Share Capital	2	156,118,780	156,118,780
b) Reserves & Surplus	3	<u>(5,557,193)</u>	<u>300,771,220</u>
		<b>150,561,587</b>	<b>456,890,000</b>
<b>2) CURRENT LIABILITIES</b>			
a) Trade Payables	4	1,020,899	4,431,564
b) Other Current Liabilities	5	10,089,144	33,270,378
c) Short-Term Provisions	6	<u>381,744</u>	<u>381,744</u>
		<b>11,491,787</b>	<b>38,083,686</b>
<b>Total</b>		<u><b>162,053,374</b></u>	<u><b>494,973,686</b></u>
<b>ASSETS</b>			
<b>1) NON-CURRENT ASSETS</b>			
a) <b>Fixed Assets</b>	7		
Tangible Assets - Property, Plant & Equipment		-	-
Intangible Assets		<u>9,658,625</u>	<u>9,658,625</u>
		<b>9,658,625</b>	<b>9,658,625</b>
b) <b>Long-Term Loans &amp; Advances</b>	8	<u>151,113,771</u>	<u>205,145,811</u>
		<b>160,772,396</b>	<b>214,804,436</b>
<b>2) CURRENT ASSETS</b>			
a) Trade Receivables	9	1,030,280	279,379,297
b) Cash & Cash Equivalents	10	250,698	355,540
c) Short-Term Loans & Advances	11	<u>-</u>	<u>434,413</u>
		<b>1,280,978</b>	<b>280,169,250</b>
<b>Total</b>		<u><b>162,053,374</b></u>	<u><b>494,973,686</b></u>

Notes forming integral part of consolidated financial statements 1 to 25

As per our Report of even date attached

For **DIXIT DATTATRAY & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Registration No. : 102665W

**D. B. DIXIT**

PROPRIETOR

Membership No. 40032

Date: May 30, 2017

MUMBAI

For and on behalf of the Board of Directors

**SAJID MALIK**

MANAGING DIRECTOR

**GANAPATHY VISHWANATHAN**

DIRECTOR

Date: May 30, 2017

MUMBAI

**STATEMENT OF CONSOLIDATED PROFIT AND LOSS**

FOR THE YEAR ENDED MARCH 31, 2017

<b>PARTICULARS</b>	<b>Note No.</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
		₹	₹
<b>INCOME</b>			
Revenue from Operations		220,150	99,050
Other Income	12	14,694,110	8,761
<b>Total Revenue</b>		<u>14,914,260</u>	<u>107,811</u>
<b>EXPENSES</b>			
Employee Benefit Expenses	13	51,046	107,796
Finance Costs	14	19,973	21,394
Depreciation / Amortization	7	-	-
Other Costs	15	327,859,079	1,250,278
<b>Total Expenses</b>		<u>327,930,098</u>	<u>1,379,468</u>
<b>PROFIT/(LOSS) BEFORE TAX</b>		<u>(313,015,838)</u>	<u>(1,271,658)</u>
<b>Tax Expense</b>			
Current Tax		-	721,226
Tax Adjustment of Previous years		(689,723)	721,226
		<u>(689,723)</u>	<u>1,442,451</u>
<b>PROFIT/(LOSS) AFTER TAX</b>		<u>(312,326,115)</u>	<u>(2,714,109)</u>
<b>EARNINGS PER EQUITY SHARE</b>			
Equity Shares of par value of ₹ 10 each			
Basic & Diluted	20	(36.27)	(0.32)

**Notes forming integral part of consolidated financial statements 1 to 25****As per our Report of even date attached****For DIXIT DATTATRAY & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Registration No. : 102665W

**D. B. DIXIT**

PROPRIETOR

Membership No. 40032

Date: May 30, 2017

MUMBAI

**For and on behalf of the Board of Directors****SAJID MALIK**

MANAGING DIRECTOR

**GANAPATHY VISHWANATHAN**

DIRECTOR

Date: May 30, 2017

MUMBAI

# GI ENGINEERING SOLUTIONS LIMITED

## CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2017

PARTICULARS	Note No.	YEAR ENDED March 31, 2017 ₹	YEAR ENDED March 31, 2016 ₹
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit/(Loss) before tax as per statement of profit and loss		(313,015,839)	(1,271,658)
Adjustments for:			
Bank charges to consider separate below		19,973	21,394
Provision for doubtful loans and advances		55,154,234	-
Provision for bad and doubtful debts		271,749,911	-
		<u>326,924,118</u>	<u>-</u>
		<u>13,908,280</u>	<u>(1,250,264)</u>
<b>Operating Profit/(Loss) before working capital changes</b>			
Adjustments for:			
(Increase)/ Decrease in Trade Receivables		6,599,106	(9,760,604)
(Increase)/ Decrease in Loans & Advances		(687,781)	(2,979,969)
Increase/ (Decrease) in Current Liabilities and Provisions		(26,591,899)	(2,782,913)
		<u>(20,680,575)</u>	<u>(15,523,486)</u>
<b>CASH GENERATED FROM OPERATIONS</b>		<u>(6,772,295)</u>	<u>(16,773,750)</u>
Taxes (Paid) / Refund		689,723	(1,442,451)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<u>(6,082,572)</u>	<u>(18,216,201)</u>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>			
Receipt from Other Body Corporates		-	500,000
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		-	500,000
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>			
Bank charges		(19,973)	(21,394)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<u>(19,973)</u>	<u>-</u>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>		<u>(6,102,545)</u>	<u>(17,737,595)</u>
Exchange difference on translation of foreign currency accounts / deposits		5,997,703	17,321,601
<b>CASH &amp; CASH EQUIVALENTS (OPENING BALANCE)</b>		<u>355,540</u>	<u>771,534</u>
<b>CASH &amp; CASH EQUIVALENTS (CLOSING BALANCE)</b>		<u>250,698</u>	<u>355,540</u>
Cash & Bank Balance Comprise			
Balance with Banks	10	<u>250,698</u>	<u>355,540</u>
<b>Cash &amp; Bank Balance as at the end of the year</b>		<u>250,698</u>	<u>355,540</u>

This is the Cash Flow statement referred to in our report of even date.

As per our Report of even date attached

For DIXIT DATTATRAY & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No. : 102665W

D. B. DIXIT

PROPRIETOR

Membership No. 40032

Date: May 30, 2017

MUMBAI

For and on behalf of the Board of Directors

SAJID MALIK

MANAGING DIRECTOR

GANAPATHY VISHWANATHAN

DIRECTOR

Date: May 30, 2017

MUMBAI

# NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

## 1. Significant Accounting Policies

### a. Basis & Principles of Consolidation

- i These financial statements are prepared and presented in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis of accounting. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

List of subsidiary considered in the consolidated financial statements:

Name of the Entity	Nature of Relationship	Country of Incorporation
Genesys Enterprises Inc.	Subsidiary	USA

- ii Use of estimates – The Preparation of Consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Any revisions to accounting estimates are recognized prospectively in current and future periods.
- iii. The consolidated financial statements of the group have been prepared based on a line-by-line consolidation of Statement of Profit and Loss for the period ended 31st March, 2017 and Balance Sheet as on that date by adding together the book values of like items of income, expenses, assets and liabilities. All inter-company balances and transactions are eliminated on consolidation. The consolidated financial statements have been prepared in Indian Rupees.

### b. Foreign Currency Translation

In case of the Consolidated Accounts, the summarized revenue and expense transactions reflected in statement of profit and loss have been translated into Indian Rupees at an average of monthly exchange rate. The assets and liabilities in the balance sheet have been translated into Indian Rupees at the closing exchange rate at the year-end. The resultant translation exchange gain/ loss have been disclosed as Exchange Fluctuation Reserve which is reflected under Reserves and Surplus.

### c. Other Significant Accounting Policies

These are set out under "Significant Accounting Policies" as given in the respective financial statements of the Company and its subsidiary company.

## NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

### 2. SHARE CAPITAL

(in ₹)

PARTICULARS	As at	
	March 31, 2017	March 31, 2016
<b>AUTHORIZED</b>		
Equity Shares of ₹ 10/- each	84,900,000,000	84,900,000,000
8,49,00,00,000 Equity Shares of ₹ 10/- each (Previous Year : 8,49,00,00,000)		
Preference Shares of ₹ 10/-	100,000,000	100,000,000
1,00,00,000 Preference Shares of ₹ 10 each (Previous Year : 1,00,00,000)		
<b>Total</b>	<b>85,000,000,000</b>	<b>85,000,000,000</b>
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID-UP</b>		
Equity Shares of ₹ 10/- each	86,118,780	86,118,780
86,11,878 Equity Shares of ₹ 10/- each fully paid up (Previous Year : 86,11,878)		
4.5% Redeemable Cumulative Preference Shares of ₹ 10/- each	70,000,000	70,000,000
70,00,000 (4.5%) Redeemable Cumulative Preference Shares of ₹ 10 each fully paid up (Previous Year : 70,00,000)		
<b>Total</b>	<b>156,118,780</b>	<b>156,118,780</b>

The reconciliation of the number of Equity Shares outstanding as at March 31, 2017 and March 31, 2016 is given below:

PARTICULARS	As at	
	March 31, 2017	March 31, 2016
Number of equity shares at the beginning	8,611,878	8,611,878
Add/Less: No. of shares issued/reduced during the year	-	-
Number of equity shares at the end	<b>8,611,878</b>	<b>8,611,878</b>

### Rights, Preferences and restrictions attached to shares

#### Equity Shares:

The Company has one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount in proportion to their shareholding.

#### Redeemable Cumulative Preference Shares:-

The Board of Directors, pursuant to approval of the Shareholders, had allotted on March 30, 2012 70,00,000 4.5% Redeemable Cumulative Preference Shares of face value of ₹10/- each to M/s Genesys International Corporation Limited (hereafter 'GICL') with a tenure of 3 year from the date of allotment. The Company, in view of its current financial position has requested the Board of Directors of GICL for extension of tenure of the above preference shares by another 3 years. On receipt of approval from the Board of Directors of GICL, the Company has extended tenure of the said Redeemable Preference Shares by 3 years, effective March 30, 2015; with the option given to the company to redeem it earlier.

# NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

The details of shareholders holding more than 5% shares as at March 31, 2017 is given below:

Name of the Shareholder	No. of shares	% held as at MARCH 31, 2017	No. of shares	% held as at
			MARCH 31, 2016	MARCH 31, 2016
<b>Equity Shares</b>				
Mr. Sohel Malik	-	-	1,765,000	20.49%
Mrs. Saroja Malik	1,691,716	19.64%	-	-
M/s. Kilam Holdings Limited	1,378,405	16.01%	1,378,405	16.01%
M/s. Fortune Private Equity, LLC	1,100,000	12.77%	1,100,000	12.77%
<b>Preference Shares</b>				
M/s. Genesys International Corporation Limited	7,000,000	100%	7,000,000	100%

### 3. RESERVES & SURPLUS

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
<b>SECURITIES PREMIUM - Opening Balance</b>	8,800,000	8,800,000
Add: Receipt during the year	-	-
	<u>8,800,000</u>	<u>8,800,000</u>
<b>GENERAL RESERVE - Opening Balance</b>	299,848,078	299,848,078
	<u>299,848,078</u>	<u>299,848,078</u>
<b>EXCHANGE FLUCTUATION RESERVE - Opening Balance</b>	86,287,009	68,965,408
Add: Amount for the current year	5,997,703	17,321,601
	<u>92,284,712</u>	<u>86,287,009</u>
<b>SURPLUS/ (DEFICIT) - Opening Balance</b>	(94,163,868)	(91,449,759)
Add: Net loss after tax transferred from Statement of Profit and Loss	(312,326,115)	(2,714,109)
Amount available for appropriation	(406,489,983)	(94,163,868)
<b>SURPLUS/(DEFICIT) - Closing Balance</b>	<u>(406,489,983)</u>	<u>(94,163,868)</u>
<b>Total</b>	<u>(5,557,193)</u>	<u>300,771,219</u>

### 4. TRADE PAYABLES

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Trade Payables	1,020,899	4,431,564
<b>Total</b>	<u>1,020,899</u>	<u>4,431,564</u>

## NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

### Amount due to Micro, Small and Medium Enterprises :

- (a). Trade payables includes (i) ₹ Nil (Previous year: Nil) due to micro and small enterprises registered under the Micro Small and Medium Enterprises Development Act, 2006 (MSME); and (ii) ₹1,020,899 (Previous year: ₹4,431,564 ) due to other parties.
- (b). No interest is paid/payable during the year to any enterprise registered under the MSME.
- (c). The above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under the MSME.

### 5. OTHER CURRENT LIABILITIES

(in ₹)

PARTICULARS	As at	
	March 31, 2017	March 31, 2016
Other payables	10,089,144	33,270,378
<b>Total</b>	<b>10,089,144</b>	<b>33,270,378</b>
Other payables include:		
Statutory Liabilities	14,398	1,329
Others	10,074,746	33,269,049
<b>Total</b>	<b>10,089,144</b>	<b>33,270,378</b>

### 6. OTHER SHORT-TERM PROVISIONS

(in ₹)

PARTICULARS	As at	
	March 31, 2017	March 31, 2016
Provision for Income Taxes (net of advance taxes)	381,744	381,744
<b>Total</b>	<b>381,744</b>	<b>381,744</b>

# NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

**7. FIXED ASSETS**

(in ₹)

Particulars	Original Cost				Depreciation / Amortization				Net Book Value	
	Opening Balance as at 1.04.16	Addition During the year	Sale / Adjustment	Closing Balance as on 31.03.17	Up to 1.04.16	For the year	On Deduction	Up to 31.03.17	As at 31.03.17	As at 31.03.16
<b>Tangible Assets</b>										
Computer Hardware	11,180,888	-	-	11,180,888	11,180,888	-	-	11,180,888	-	-
Furniture & Fixtures	8,206,800	-	-	8,206,800	8,206,800	-	-	8,206,800	-	-
Office Equipments	2,719,896	-	-	2,719,896	2,719,896	-	-	2,719,896	-	-
Vehicles	1,929,806	-	-	1,929,806	1,929,806	-	-	1,929,806	-	-
Leasehold improvement	3,473,111	-	-	3,473,111	3,473,111	-	-	3,473,111	-	-
<b>Sub Total</b>	<b>27,510,501</b>	-	-	<b>27,510,501</b>	<b>27,510,501</b>	-	-	<b>27,510,501</b>	-	-
<b>a) Intangible Assets</b>										
Computer Software	273,558	-	-	<b>273,558</b>	273,558	-	-	<b>273,558</b>	-	-
<b>b) Other Intangible Assets</b>										
Goodwill on consolidation and other intangible assets	16,310,186	-	-	16,310,186	6,651,561	-	-	6,651,561	9,658,625	9,658,625
<b>Sub Total</b>	<b>16,583,744</b>	-	-	<b>16,583,744</b>	<b>6,925,119</b>	-	-	<b>6,925,119</b>	<b>9,658,625</b>	<b>9,658,625</b>
<b>Total</b>	<b>44,094,245</b>	-	-	<b>44,094,245</b>	<b>34,435,620</b>	-	-	<b>34,435,620</b>	<b>9,658,625</b>	<b>9,658,625</b>
<b>Previous Year</b>	44,094,245	-	-	44,094,245	33,562,415	-	-	34,435,620	9,658,625	9,658,625



# GI ENGINEERING SOLUTIONS LIMITED

## NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

### 8. LONG TERM LOANS & ADVANCES

(in ₹)

PARTICULARS	As at	
	March 31, 2017	March 31, 2016
<b>Unsecured, considered good</b>		
Other Loans & Advances		
Other Advances	1,347,618	54,874,658
Loan to Other Body Corporate (Note 21)	130,766,153	100,271,153
Other Deposits	19,000,000	50,000,000
<b>Total</b>	<b>151,113,771</b>	<b>205,145,811</b>

### 9. TRADE RECEIVABLES

(in ₹)

PARTICULARS	As at	
	March 31, 2017	March 31, 2016
<b>Debts outstanding for a period exceeding six months</b>		
Unsecured		
Considered Good	904,130	279,347,297
Considered Doubtful	29,083,658	47,783,506
	<b>29,987,788</b>	<b>327,130,803</b>
Less: Provision for Doubtful Debts	29,083,658	47,783,506
	<b>904,130</b>	<b>279,347,297</b>
<b>Other Debts</b>		
Unsecured		
Considered Good	126,150	32,000
Considered Doubtful	-	-
	<b>126,150</b>	<b>32,000</b>
Less: Provision for Doubtful Debts	-	-
	<b>126,150</b>	<b>32,000</b>
<b>Total</b>	<b>1,030,280</b>	<b>279,379,297</b>

### 10. CASH & CASH EQUIVALENTS

(in ₹)

PARTICULARS	As at	
	March 31, 2017	March 31, 2016
Cash in Hand	20,034	19,776
Balances with Banks		
In Current Accounts	230,664	335,764
<b>Total</b>	<b>250,698</b>	<b>335,764</b>

# NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

**11. SHORT TERM LOANS & ADVANCES**

(in ₹)

PARTICULARS	As at	
	March 31, 2017	March 31, 2016
<b>Unsecured, considered good</b>		
Others		
Prepaid Expenses	-	206,989
Other Deposits	-	227,424
<b>Total</b>	<u>-</u>	<u>434,413</u>

**12. OTHER INCOME**

(in ₹)

PARTICULARS	2016-2017	2015-2016
Miscellaneous Income	14,694,110	-
Gain on foreign currency, net	-	8,761
<b>Total</b>	<u>14,694,110</u>	<u>8,761</u>

**13. EMPLOYEE BENEFIT EXPENSES**

(in ₹)

PARTICULARS	2016-2017	2015-2016
Salaries, Allowances and Bonus	48,024	103,524
Staff Welfare	1,750	3,000
Contribution to Provident Fund & other funds	1,272	1,272
<b>Total</b>	<u>51,046</u>	<u>107,796</u>

**14. FINANCE COST**

(in ₹)

PARTICULARS	2016-2017	2015-2016
Bank Charges	19,973	21,394
<b>Total</b>	<u>19,973</u>	<u>21,394</u>

## NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

### 15. OTHER EXPENSES

(in ₹)

PARTICULARS	2016-2017	2015-2016
Legal & Professional Fees	100,674	261,532
Printing & Stationery	119,216	210,000
Communication Expenses	4,196	28,646
Foreign Exchange Loss - Others	1,303	-
Provision for loans and advances	55,154,234	-
Provision for bad and doubtful debts	271,749,911	
Miscellaneous expenses	704,545	715,266
Remuneration to Auditors		
- Statutory Audit	25,000	34,834
<b>Total</b>	<b>327,859,079</b>	<b>1,250,278</b>

### 16. CONTINGENT LIABILITIES

(in ₹)

	As at	
	March 31, 2017	March 31, 2016
<b>Contingent Liabilities</b>		
Estimated amount of claims against the company not acknowledged as debts in respect of :		
Disputed Income Tax Matters	1,816,017	3,019,029

### 17. Specified Bank Notes

The Ministry of Corporate Affairs (MCA) in its notification dated 30th March, 2017 amended Schedule III to the Companies Act, requiring companies to provide the following disclosure in the financial statement in respect of specified Bank Notes (SBN) held and trasacted during the period 8th November, 2016 to 30th December, 2016 :

PARTICULARS	Specified Bank Notes	Other Denomination Notes
Closing cash in hand as on 8th November, 2016	-	20,034
(+) Permitted receipts	-	-
(-) Permitted Payments	-	-
(-) Amount deposited in Banks	-	-
Closing cash in hand as on 30th December, 2016	-	20,034

# NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

18. Disclosure requirements as per the Accounting Standard – 18 (AS – 18) “Related Party Disclosure” issued by the Institute of Chartered Accountants of India.

List of Related Parties:-

## A. Key Management Personnel

Name of Personnel	Designation
Mr. Sajid Malik	Managing Director
Mrs. Saroja Malik	Director
Mr. Sohel Malik	President – Genesys Enterprises Inc., USA

## B. Principal Shareholder

- M/s Kilam Holdings Ltd., Mauritius

## C. Associate Enterprises

- M/s Genesys International Corporation Limited
- M/s Valueo Nutra Private Limited

Details of Transactions with related parties are as follows:

PARTICULARS	(in ₹)	
	2016-17	2015-16
<b>Transactions during the year -</b>		
Services Rendered to Genesys International Corporation Limited	-	-
Reimbursement of expenses to Genesys International Corporation Limited	-	941

19. (a) The Company operates only in single Primary Segment i.e. Engineering based services for the purpose of AS – 17 Segmental reporting.
- (b) The disclosure requirement in respect of secondary segment (geographical segment) as per the Accounting Standard - 17 is as under:

## SECONDARY SEGMENT (Geographical Segment based on Sales Continent viz)

Segment Revenue	(in ₹)	
	2016-17	2015-16
Asia	220,150	99,050
<b>Total Revenue from Operations</b>	<b>220,150</b>	<b>99,050</b>

## NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

20. In accordance with the Accounting Standard 20 (AS – 20) “Earning per Share” issued by the Institute of Chartered Accountants of India, basic and diluted earning per share is computed using weighted average number of shares outstanding during the year.

PARTICULARS	As at	
	March 31, 2017	March 31, 2016
Weighted average number of shares used as denominator for calculating Basic earning per share	8,611,878	8,611,878
Weighted average number of shares used as denominator for calculating Dilutive earning per share	8,611,878	8,611,878
Net Profit / ( Loss ) after taxation (₹)	(312,326,115)	(2,714,109)
Basic EPS (₹)	(36.27)	(0.32)
Diluted EPS (₹)	(36.27)	(0.32)
Nominal value of Shares (₹)	10	10

21. Loans to other body corporate include :

SR.NO	PARTICULARS	As at	
		March 31, 2017	March 31, 2016
1	Ekveera Marketing Pvt Ltd	32,238,950	32,238,950
2	Gopesh Impex Pvt Ltd	34,990,298	7,490,298
3	Saurav Impex Pvt Ltd	63,536,905	60,541,905
<b>Total</b>		<b>130,766,153</b>	<b>1,00,271,153</b>

Note: All the above loans are given for business purpose.

**22. Current Tax and Deferred Tax**

Provision for Current Tax is made as per the local tax laws of respective countries. The Company has estimated deferred tax asset/liability in accordance with the provisions of Accounting Standard – 22 “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India. The details of deferred tax assets are given below –

PARTICULARS	As at	
	March 31, 2017	March 31, 2016
<b>Deferred Tax Assets</b>		
Fixed Assets - Depreciation/Amortization	498,442	558,635
Provision for Doubtful Debts	93,456,015	8,986,850
Total	93,954,457	9,545,485
<b>Deferred Tax Liability</b>	-	-
<b>Net Deferred Tax (Liability)/Assets</b>	93,954,457	9,545,485

Deferred Tax Assets arising on account of fixed assets depreciation/ amortization, provisions for employees’ benefits and doubtful debts etc. are not recognized in the absence of virtual certainty of future taxable income against which deferred tax assets can be set off.

23. During the year, wholly owned subsidiary has filed for voluntary dissolution with the Secretary of State of New York. Hence, the company has provided for the diminution in the value of investment of Rs.268,234,232/- in its books of accounts. However, for consolidation purpose, such provision in the diminution in the value of investment has been reversed.

**24. Other Notes to Accounts**

These are set out in the Notes to Accounts for the respective financial statements of the Company and its Subsidiary Company.

25. Figures pertaining to the subsidiary company have been reclassified wherever necessary to bring them in line with the parent company’s financial statements. Figures for the previous year have been re-grouped/re-classified wherever necessary to conform to current year’s presentation.

**As per our Report of even date attached**

**For DIXIT DATTATRAY & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
Firm Registration No.102665W

**D. B. DIXIT**  
PROPRIETOR  
Membership No. 40032

Date: May 30, 2017  
MUMBAI

**For and on behalf of the Board of Directors**

**SAJID MALIK**  
MANAGING DIRECTOR

**GANAPATHY VISHWANATHAN**  
DIRECTOR

Date: May 30, 2017  
MUMBAI











**GI ENGINEERING SOLUTIONS LIMITED**

Registered Office: 73-A, SDF-III, SEEPZ, Andheri (E), Mumbai-400096

Website: www.giesl.com ; E-mail: investors@giesl.com

CIN: L40109MH2006PLC163731

**BALLOT FORM**

(in lieu of e-voting)

Name of the Member(s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Name(s) of Joint-Holder(s), if any: \_\_\_\_\_

Folio No. / Client ID :

DP ID :

No. of Shares held :

I / We exercise my/our vote in respect of Resolution(s) to be passed for the business stated in the Notice convening the Annual General Meeting of the Company to be held on September 28, 2017 by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark in the appropriate box below:

Resolution Number	Resolution	No of shares held by me	I / We assent to the Resolution FOR	I / We dissent to the Resolution AGAINST
<b>Ordinary business</b>				
1	Adoption of Accounts, Report of the Auditors and Directors thereon;			
2	Appointment of a director in place of Mrs. Saroja Malik, who retires by rotation and, being eligible, offers herself for re-appointment			
3	Appointment of Statutory Auditors; and to fix their remuneration.			
<b>Special Business</b>				
4	Re-appointment of Mr. Sajid Malik (DIN:00400366) as Managing Director			

-----  
Signature of the member

Place:

Date:



## INSTRUCTIONS

1. Members may fill up the Ballot Form and send it to Mr. Dattatray Dixit, Chartered Accountant in Practice, The Scrutinizer at 264, Maru Sadan, N.C. Kelkar Road, Dadar, Mumbai – 400 028 so as to reach on or before 5.00 pm on September 27, 2017. Ballot Form received thereafter will strictly be treated as if not received.
2. The Company will not be responsible if the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
4. In the event member casts his votes through both the processes, i.e. E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
5. The right of voting by Ballot Form shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
7. There will be only one Ballot Form for every Folio/DP ID/Client ID irrespective of the number of joint members.
8. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot Form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
9. Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/Society, etc. a certified copy of the relevant authorization/Board resolution to vote should accompany the Ballot Form.
10. Instructions for E-voting procedure are available in the Notice of the Annual General Meeting and are also placed on the website of the Company. ([www.giesl.com](http://www.giesl.com))

## ROUTE MAP FOR AGM LOCATION



(Map not to scale)



**GI ENGINEERING SOLUTIONS LIMITED**

**Registered Office: 73-A, SDF-III, SEEPZ, Andheri (E), Mumbai-400096**

Ph: 022-44884488; Fax: 022-28290603

Website: www.giesl.com ; E-mail: investors@giesl.com

CIN: L40109MH2006PLC163731

**PROXY FORM**

((pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_

E-mail : \_\_\_\_\_

Folio No. / Client ID : 

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

DP ID : 

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I / We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint

Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail : \_\_\_\_\_

Signature : \_\_\_\_\_

or failing him / her

Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail : \_\_\_\_\_

Signature : \_\_\_\_\_

or failing him / her

Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail : \_\_\_\_\_

Signature : \_\_\_\_\_

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Eleventh Annual General Meeting of the Company, to be held on the the 28th day of September 2017 at 3.30 p.m. at Kohinoor Continental, Andheri - Kurla Road, Andheri (East), Mumbai-400 059, and at any adjournment thereof in respect of such resolutions as are indicated below:



Resolution No.	Resolution	Vote		
		FOR	AGAINST	ABSTAIN
<b>Ordinary Business:</b>				
1	Adoption of Accounts, Report of the Auditors and Directors thereon			
2	Appointment of a director in place of Mrs. Saroja Malik, who retires by rotation and being eligible, seeks re-appointment			
3	Appointment of Statutory Auditors; and to fix their remuneration.			
<b>Special Business:</b>				
4	Re-appointment of Mr. Sajid Malik (DIN:00400366) as Managing Director			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

\_\_\_\_\_  
Signature of the shareholder

\_\_\_\_\_  
Signature of the Proxy Holder (s)

**Note:**

- 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.
- A proxy need not be a member of the Company.
- This is only optional. Please put a '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 the resolutions, your proxy will be entitled to vote in the manner as he/ she thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

Affix Revenue Stamp
---------------------------



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**ATTENDANCE SLIP**

(For physical holding)

Registered Folio No.																	
No. of shares held																	

(For demat holding)

Client ID																	
D.P. ID																	

I / we certify that I/ we, am/ are a Member / Proxy for the Member of the Company.

I hereby record my presence at the Eleventh Annual General Meeting of the Company on the 28th day of September 2017 at 3.30 p.m. at Kohinoor Continental, Andheri - Kurla Road, Andheri (East), Mumbai-400 059.

Members' / Proxy's Name in Block Letters:

\_\_\_\_\_

Signature of Shareholder/ Proxy:

\_\_\_\_\_

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual General Report to the meeting.









## GI Engineering Solutions Limited

73-A, SDF-III, SEEPZ, Andheri (East), Mumbai 400 096

Telephone: 91-22-4488 4488

Fascimile: 91-22-2829 0603

Web site: [www.giesl.com](http://www.giesl.com)