

GI ENGINEERING SOLUTIONS LIMITED

Regd. Office: 73A SDF-III, SEEPZ, Andheri (East), Mumbai-400 096

Tel No: 022-44884488, Fax No: 022-28290603

CIN: L40109MH2006PLC163731

Website: www.giesl.in; E-mail ID: investors@giesl.in

September 07, 2021

BSE Limited Corporate Relationship Department P.J. Towers, Dalal Street, Fort, Mumbai - 400 001	National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (East) Mumbai - 400 051
Scrip Code : 533048	Symbol : GISOLUTION

Dear Sir,

Sub: Submission of Annual Report for financial year 2020-21 along with the Notice of 15th Annual General Meeting (AGM) of the Company under Regulation 34(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In terms of provision of Regulation 34 (1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed the 15th Annual Report for the financial year 2020-21 along with the Notice of 15th Annual General Meeting of the Company to be held on Thursday, September 30, 2021 at 3.30 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"). The proceedings of the AGM shall be deemed to be conducted at the registered office of the Company at 73A, SDF-III, SEEPZ, Andheri (East) Mumbai-400 096, Maharashtra.

The above is also uploaded on the website of the Company www.giesl.in.

You are requested to take the same on record.

Thanking You,

Yours faithfully,

For **GI Engineering Solutions Limited**

 

Pranjali Joshi
Company Secretary & Compliance Officer

***GI Engineering
Solutions Limited***



2020/21
ANNUAL
REPORT

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Sajid Malik	Managing Director
Mrs. Saroja Malik	Director
Mr. Ganesh Acharya	Independent Director
Mr. Manish Patel	Independent Director

CHIEF FINANCIAL OFFICER

Ms. Astrid Lobo (w.e.f. 03.02.2021 upto 31.05.2021)

COMPANY SECRETARY

Ms. Astrid Lobo (w.e.f 12.02.2020 upto 31.05.2021)

Ms. Pranjali Joshi (w.e.f. 30.07.2021)

AUDITORS

M/s. Sachin Phadke & 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.in
Email: investors@giesl.in
CIN No.: L40109MH2006PLC163731

REGISTRAR AND SHARE TRANSFER AGENT

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai - 400059.

BANKERS

State Bank of India
HDFC Bank Ltd.

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GI ENGINEERING SOLUTIONS LIMITED

NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of GI Engineering Solutions Limited will be held on Thursday 30th Day of September, 2021 at 3.30 pm through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) on account of outbreak of Covid 19 Pandemic and in accordance with the relevant circulars issued by Ministry of Corporate Affairs, 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 financial statements of the Company for the financial year ended March 31, 2021 together with the Reports of Board of Directors and Auditors thereon.

2. Re-appointment of Director 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.

By Order of the Board of Directors
For **GI Engineering Solutions Limited**

Pranjali Joshi
Company Secretary & Compliance Officer

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

Place: Mumbai
Dated: September 01, 2021

NOTES

1. In view of the ongoing COVID-19 pandemic, social distancing norms to be followed and pursuant to General Circular No. 14/2020 dated April 8, 2020 read with General Circular No. 17/2020 dated April 13, 2020 read with General Circular No. 39/2020 dated December 31, 2020 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as "MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India (collectively referred to as "SEBI Circulars") and in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 this AGM is being convened to be held through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company at 73-A, SDF III, Seepz Andheri (E) Mumbai 400 096, Maharashtra, India.
2. The AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the Members will not be available. However, Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate thereat and cast their votes through e-voting. The deemed venue for the 15th AGM shall be the Registered Office of the Company.
3. Pursuant to the Circulars, the Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the aforesaid Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-Voting system as well as e-voting during the AGM will be provided by CDSL.
6. The Notice of the AGM has been uploaded on the website of the Company at www.giesl.in The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of CDSL i.e. www.evotingindia.com
7. Since the AGM will be held through VC/ OAVM facility, the route map, proxy form and attendance slip are not annexed in this Notice.
8. As per the provisions of section 72 of the Act, the facility of making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their respective Depository Participant in case the shares are held by them in electronic form and to the Company / RTA, in case the shares are held in physical form.
9. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company / RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such members after making requisite changes.
10. A brief resume of Director, who seeks re-appointment as a Director, has also been appended hereto.
11. Pursuant to the Circulars, in view of the prevailing situation, there are difficulties in dispatching of physical copies of the Notice of the 15th AGM and the Annual Report for the financial year 2020-21 and therefore the same are being sent only by email to the Members whose email address is registered with the Company/

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Depositories. Members may note that the Notice of the 15th AGM and the Annual Report will also be available on the Company's website viz. www.giesl.in and on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website CDSL i.e. www.evotingindia.com

12. Members who have not yet registered their email addresses are requested to register the same with their Depository participants in case the shares are held by them in electronic mode and with the Registrar & Share Transfer Agent (RTA) of the Company in case the shares are held by them in physical form. However, for limited purpose like receiving the notice of the forthcoming Annual General Meeting and related documents, Members holding shares in electronic mode may register their email addresses with our RTA as per the process given in the e-Voting instructions of the notes to this notice.
13. The Register of Members and Share Transfer Books of the Company will remain closed from, September 24, 2021 to, September 30, 2021 (both days inclusive).
14. In case of joint holders attending the Meeting, the joint holder who is highest in the order of names will be entitled to vote at the Meeting.
15. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members basis the request being sent on www.giesl.in. All documents referred to in the Notice will also be available for electronic inspection by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to investors@giesl.in.
16. Members are requested to send all communications relating to shares, change of address, etc. to the Registrar & Share Transfer Agent of the Company, at their address: M/s. BIGSHARE SERVICES PVT. LTD. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059 Tel. No.: 022 – 62638200, Fax.: 022 -62638299.
17. Members are requested to notify immediately any change in their addresses to the Registrar & Share Transfer Agent of the Company at the above address, if

shares are held in physical form, and to the respective depository participants, if shares are held in electronic mode.

18. In terms of the SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from April 01, 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.
19. To prevent fraudulent transactions, we urge the Members to exercise due diligence and notify the Company of any change in address / stay abroad or demise of any Member as soon as possible. Members are requested not to leave their demat account dormant for long. Periodic statements of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
20. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, accordingly, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
21. Members desirous of obtaining any information/clarification(s), intending to raise any query concerning the financial statements/Annual Report of the Company, are requested to send the same at least 7 working days before the AGM mentioning their name, demat account number/folio number, email id, mobile number at investors@giesl.in so that the same may be replied to suitably.

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 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 15th 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. September 23, 2021 may cast their vote electronically.
- B. A shareholder can opt for only one mode of voting i.e. remote e-voting or voting while attending AGM through VC/OAVM facility. In case a shareholder votes through remote e-voting as well as voting during AGM through VC/OAVM, the vote cast through remote e-voting shall be considered and the voting during AGM shall not be considered by the scrutinizer.
- C. 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.
- D. The Company has appointed M/s DSM & Associates, Company Secretaries in Practice (CP No 9394) as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- E. The Scrutinizer shall immediately after the conclusion of the voting at the Annual General Meeting, first count the votes cast at the Annual General Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (Two) witnesses not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than forty-eight hours after the conclusion of the Annual General Meeting to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- F. The result of voting will also be placed at the website of the Company viz. www.giesl.in and also on www.evotingindia.com.
- G. The scrutinizer's decision on the validity of all kinds of voting will be final.

Instructions for Remote E-Voting

- I. The remote e-voting period will commence at 9.00 a.m. (IST) on Monday, September 27, 2021 and will end at 5.00 p.m. (IST) on Wednesday, September 29, 2021. During this period the Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 23, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. The facility for e-voting shall also be made available at the meeting through VC or OAVM and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- III. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/ CIR/P/2020/242** dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, on "e-voting facility provided by Listed Companies", e-voting process has been enabled for all the individual demat account holders, **by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants** in order to increase the efficiency of the voting process.
- IV. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- V. Shareholders are advised to update their mobile number and email- ID with their DPs in order to access e-voting facility.

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VI. Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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- a) Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.
- b) Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL
- 6) If you are a first-time user follow the steps given below:

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for “GI engineering Solutions Limited “to vote.

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- (vi) 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.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) 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.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) 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.
- (xii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- VII. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the

duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; sanam.u@dsmcs.in & investors@giesl.in respectively, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id).
8. Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM for a maximum time of 3 (three) minutes each, once the floor is open for shareholder queries. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time for the AGM.

9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 10. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM
 11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
 3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

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PROFILE OF DIRECTOR BEING APPOINTED/RE-APPOINTED

As required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and clause 1.2.5 of Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India, the particulars of Directors who are proposed to be appointed/re-appointed are given below:

Name of the Director	Mrs. Saroja Malik
Nature of Resolution	Re-appointment as Director who retires by rotation
Date of Birth	September 28, 1937
Date of appointment	August 17, 2000
Director Identification Number	00400421
Qualifications	B.com, L.L.B.
Expertise in specific functional areas	Legal Compliance, Income Tax and Customs Regulations.
Brief Profile	Mrs. Saroja Malik has vast experience in Project Management, System Implementation for mid-sized fast growing organisations. She possesses the necessary skills for creating business processes and service departments in diversified businesses
Other Companies in which they are Director excluding Directorship in Private and companies under Section 8 of the Companies Act , 2013	<ol style="list-style-type: none"> 1. Genesys International Corporation Limited. 2. Ventura Guaranty Limited.
Chairman / Member of Committees of GI Engineering Solutions Limited	Chairperson: <ol style="list-style-type: none"> 1. Stakeholder Relationship Committee Member: <ol style="list-style-type: none"> 1. Audit Committee 2. Nomination and Remuneration Committee
Chairman / Member of Committees of Other Companies	Genesys International Corporation Limited Chairperson: NIL Member: <ol style="list-style-type: none"> 1. Stakeholder Relationship Committee 2. Executive Committee
Number of Equity Shares held in the Company	16,91,716
Non – executive Director remuneration drawn during the FY 2020 – 21	NIL
Details of proposed Remuneration of non-executive director	NIL
Relationship between Directors	Mrs. Saroja Malik is mother of Mr. Sajid Malik

DIRECTORS' REPORT

Dear Shareholders,

The Directors present the Fifteenth Annual Report together with the Audited Statement of Accounts for the financial year ended March 31, 2021.

1. FINANCIAL RESULTS

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

(₹ in Lakhs)

Particulars	Standalone	
	March 31, 2021	March 31, 2020
Income	20.22	11.74
Operating Profit/ (Loss) before Depreciation, Interest and Taxes	(19.88)	(3.61)
Profit/(Loss) before tax	(244.19)	(3.59)
Less: Current Tax		-
Tax adjustment of earlier years	8.00	
Profit (Loss) After Tax	(252.19)	(3.59)

2. TRANSFER TO RESERVE

The Company has not transferred any amount to General Reserve.

3. DIVIDEND

Your Directors have not recommended any dividend for the financial year under review.

4. SHARE CAPITAL

During the financial year 2020-21, the Authorised Share Capital of the Company remains unchanged. During the financial year, the Company has not issued any shares or equity shares with differential rights as to dividend, voting or otherwise, sweat equity shares or any equity shares under Employee Stock Option Scheme or other securities during the year under review.

The issued, subscribed and paid-up equity share capital as on March 31, 2021 was ₹ 8,61,18,780/- divided into 86,11,878 equity shares of ₹ 10/- each.

The equity shares of the Company are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

5. OPERATIONS

The Company continues to be engaged in the activities pertaining to Information Technology based Engineering Services and other related services. There is no change of nature of business of the Company during the financial year 2020-21.

During the year under review, your Company achieved a total income of ₹ 20.22 Lakhs as compared to ₹ 11.74 Lakhs in the previous financial year. The Company incurred loss after tax of ₹ 252.19 Lakhs for the year compared to the loss after tax of ₹ 3.59 Lakhs for the previous year.

Management is evaluating various propositions to improve the financial situation and is hopeful of arriving at some conclusion soon.

6. 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.

7. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments have been disclosed in the notes to financial statements.

8. SUBSIDIARY & ASSOCIATES COMPANY

During the year under review, your Company did not have any subsidiary, associate and joint venture company.

9. WEB ADDRESS FOR ANNUAL RETURN

Pursuant to Section 92(3) Section 134 (3) (a) of the Companies Act, 2013, the Company has placed copy of Annual Return as on 31st March, 2021 as prescribed in Form MGT-7 of the Companies (Management and Administration) Rules, 2014 on its website at <http://www.giesl.in/investors.html>. By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's 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

As per regulation 15(2) of the Listing Regulation, the Compliance with the Corporate Governance provisions shall not apply to listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year. Therefore, the provisions of Corporate Governance as specified in Regulations 17, 17[A], 18, 19, 20, 21, 22, 23, 24,24[A], 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulation, 2015 are not applicable to the Company for the financial year ended March 31, 2021.

However your Company has complied with the relevant provision of the Companies Act, 2013 and rules thereunder with regards to formation of committees.

12. WHISTLE BLOWER POLICY AND VIGIL MECHANISM

The Company has a Whistleblower Policy and has the necessary vigil mechanism to deal with unethical behavior. This Policy is available on the Company's website on <https://www.giesl.in/investors.html>

13. DIRECTORS & KEY MANAGERIAL PERSONNEL DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Saroja Malik, Director of the Company retires by rotation and being eligible offers herself for re-appointment at the ensuing Annual General Meeting.

Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015, brief resume of Mrs. Saroja Malik, nature of her expertise in specific functional area and names of Companies in which she is a Director and Member/Chairperson of Committees of Board, are provided in the Notice forming part of the Annual Report.

Declarations by Independent Directors

Pursuant to provisions of Section 149 of the Act and Regulation 25 of the Listing Regulations,, the Company has received declarations from each of the Independent Directors confirming that they meet with the criteria of independence as laid down in Section 149(6) of the Act, along with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and have also complied with the Code for Independent Directors as

prescribed in Schedule IV of the Act. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

None of the Directors disqualifies for appointment/re-appointment under Section 164 of the Companies Act, 2013.

There has been no change other than above in the Directors and the Key Managerial Personnel during the financial year 2020-21.

Appointment and Resignation of Key Managerial Personnel

Ms. Astrid Lobo was appointed as the Company Secretary and was designated as the Key Managerial Personnel with effect from February 12, 2020 and further she was designated as Chief Financial Officer with effect from February 03, 2021. She resigned from the closure of business hours of May 31, 2021

Ms. Pranjali Joshi was appointed as the Company Secretary and Compliance officer and was designated as the Key Managerial Personnel of the Company with effect from July 30, 2021.

14. PERFORMANCE EVALUATION OF THE BOARD

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Board and Committees was carried out by the Board and Nomination & Remuneration Committee in accordance with the Board Performance Evaluation Policy of the Company through a structured evaluation process covering various aspects of the Boards functioning such as diversity in composition of the Board & Committees, its roles & responsibilities, experience & competencies, performance of specific/general duties & obligations, etc.

The performance evaluation of the Chairman was carried on the grounds of Effectiveness, Leadership, Knowledge, Competency and on the basis of performance of the Company. The Independent Directors were evaluated on additional criteria of independence and applicability of independent views and judgment in the decision-making process of all matters considered important.

The performance evaluation of Non-Independent Directors was carried out by Independent Directors at a separately convened meeting.

15. AUDITORS

a) STATUTORY AUDITORS

Sachin Phadke & Associates, Chartered Accountants, Mumbai (Firm Registration No. 133898W), were appointed as the Statutory Auditor of the Company for a period of 5 consecutive years at the 11th Annual General Meeting held on 28th September, 2017 until the conclusion of 16th Annual General Meeting to be held in FY 2022.

The Company has received written consent and certificate of eligibility from the Statutory Auditors of the Company under Section 139(1) of the Act and rules framed thereunder.

b) AUDITORS' REPORT

The statutory auditors' report and secretarial auditors' report for the financial year 2020-21 do not contain any qualifications, reservations or adverse remarks. The auditors' report is attached to the financial statements and secretarial auditors' report as 'Annexure A'. There are no frauds reported by the auditors of the Company under sub section 12 of section 143 of the Companies Act, 2013 during the financial year under review.

Provisions of Section 148 of the Companies Act, 2013 regarding maintenance of cost records and audit thereof is not applicable to your Company.

c) INTERNAL CONTROLS SYSTEM AND THEIR ADEQUACY

The Board is responsible for establishing and maintaining adequate internal financial control as per Section 134 of the Act. Your Company's internal control systems and processes commensurate with scale of operations of the Business.

Periodical reviews are carried out by the Internal Auditors and are subject to assessment and trial to provide reasonable assurance as to reliable information & compliance. The Internal Audit Report submitted by the Internal Auditors, M/s. Akshay Tambe & Co. Chartered Accountants, Mumbai (Firm Registration No. 139942W) for the year under review is apprised by the Audit Committee and noted by the Board.

16. PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is been annexed to this report as 'Annexure B'.

None of the employees of the Company are being paid remuneration exceeding the prescribed limit under the said provisions and rules.

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

The information on technology absorption and foreign exchange earnings and outgo as required pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed to this Report as 'Annexure C'.

18. MEETINGS

A. BOARD MEETINGS

The meetings of the Board of Directors are scheduled well in advance and generally held at the registered office of the Company. MCA vide its General Circular no. 11/2020 dated March 24, 2020 provided a one time relaxation with respect to the gap between two consecutive meetings of the Board extended to 180 days till the quarter ended 30th September ,2020, instead of 120 days as required in the Act. 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, 2021, five (5) Board Meetings were held. The dates on which the Board Meetings were held are as follows:

1. June 29, 2020
2. July 31, 2020
3. August 28, 2020
4. November 13, 2020
5. February 03, 2021

The number of Board Meetings and the attendance of Directors as well as their attendance at the last AGM held on September 28, 2020 are as mentioned below :-

GI ENGINEERING SOLUTIONS LIMITED

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

B. DISCLOSURE OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS:

I. AUDIT COMMITTEE

The Company has constituted a well qualified and Independent Audit Committee as required under Section 177 of the Companies Act, 2013 as also in fulfillment of the requirements of Regulations 18 of the SEBI (LODR) Regulations, 2015. The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosure and transparency, integrity and quality of financial reporting.

Mr. Ganesh Acharya, Chairman of the audit committee is a professional and an industry expert with experience of over two and half decades in financial matters.

The terms of reference of the Audit Committee are broadly as under:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending appointment or removal of the Auditors, fixation of audit fees, approval of payment for any other services rendered by the Auditors.
- Reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement and the Board's report in terms of section 134(3)(c) of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made, if any, in the financial statements arising out of audit findings.
 - Compliance with the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other legal requirements relating to financial statements.
 - Disclosure of related party transactions, if any.
 - Qualifications, if any, in the draft audit report
- Reviewing with the management, quarterly financial statements, before its submission to the board for approval.
 - Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 - Review and monitor the Auditors' independence and performance, and effectiveness of audit processes.
 - Approval or any subsequent modification of transactions of the company with related parties.
 - Scrutiny of inter-corporate loans and investment, if any.
 - Valuation of undertakings or assets of the company, wherever it is necessary.
 - Evaluation of internal financial controls and risk management system.
 - Reviewing with the management, performance of Statutory and Internal Auditors, adequacy of the internal control system.

- Reviewing the adequacy of internal audit function, including the staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - Discussing with Internal Auditors any significant findings and follow up there on.
 - 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.
 - Discussing with Statutory Auditors about the nature and scope of audit and ascertain post audit any area of concern.
 - Reviewing reasons for defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors, if any.
 - Reviewing the functioning of the Whistle Blower mechanism.
 - Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
 - Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
 - Review the following:
 - a) Management discussion and analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions;
 - c) Management letters / letters of internal control weaknesses, if any, issued by the Statutory Auditors;
 - d) Internal Audit reports relating to internal control weaknesses, if any;
 - e) The appointment, removal and terms of remuneration of the Internal Auditor
 - f) Statement of deviations:
 - i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015.
 - ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015.
 - Approval of appointment of CFO or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background etc. of the candidate.
 - Such other functions, as may be assigned by the Board of Directors from time to time or as may be stipulated under any law, rule or regulation including the Listing Regulations and the Companies Act, 2013.
- During the year under review, four (4) Audit Committee Meetings were held. The dates on which the Audit Committee Meetings were held are as follows:
1. June 29, 2020
 2. July 31, 2020
 3. November 13, 2020
 4. February 03, 2021
- The composition of Audit Committee and details of meetings attended by the Members thereof are as follows:
- | Name of Directors | Status | No. of Meetings Attended |
|--------------------|----------|--------------------------|
| Mr. Ganesh Acharya | Chairman | 4 |
| Mrs. Saroja Malik | Member | 4 |
| Mr. Manish Patel | Member | 4 |
- The Company Secretary acts as the Secretary to the Committee. The Chief Financial Officer and representative of Statutory Auditor of the Company were invitees for all the audit committee meetings.
- The Chairman of the Audit Committee, Mr. Ganesh Acharya, was present at the Fourteenth Annual General Meeting held on September 28, 2020 to answer the shareholders' queries.
- ## II. STAKEHOLDERS' RELATIONSHIP COMMITTEE
- The composition of the Stakeholders Relationship Committee is in compliance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015.
- The terms of reference of the Stakeholders Relations Committee are broadly as under:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- The Committee also reviews matters relating to unclaimed equity shares and dividend transferred to Investor Education and Protection Fund (IEPF) pursuant to the IEPF Rules.

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

Details of the investor's complaints received and redressed during the year 2020-21 are as follows:

No. of Complaints received during the year	No. of Complaints solved to the satisfaction of investors	No. of pending complaints
Nil	Nil	Nil

During the financial year 2020-21, four (4) meetings of the said committee were held are as follows:

- June 29, 2020
- July 31, 2020
- November 13, 2020
- February 03, 2021

The composition of the Stakeholders' Relationship Committee and details of meetings attended by the members thereof in 2020-21 were as follows:

Name of Directors	Status	No. of Meetings Attended
Mrs. Saroja Malik	Chairperson	4
Mr. Ganesh Acharya	Member	4
Mr. Manish Patel	Member	4

The Chairperson of the Stakeholders' Relationship Committee Mrs. Saroja Malik, was present at the Fourteenth Annual General Meeting of the Company held on September 28, 2020.

III. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee comprises of three members namely Mr. Ganesh Acharya, as a Chairman, Mrs. Saroja Malik and Mr. Manish Patel as members of the Committee. The Committee comprises of majority of Independent Directors including its Chairman. The Composition and Role of the Committee is in conformity with provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations

Major Terms of reference:

- To review and recommend the structure, size and composition of the Board of Directors and Committees;
- To formulate criterias for determining Qualification, positive attribute and independence of a Director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel (KMP) and other employees;
- Formulation of criteria for performance evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, set appropriate performance benchmarks;
- To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- Recommend to the board, all remuneration, in whatever form, payable to senior management;
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors;
- Any other related activities as the Committee or the Board deems necessary or appropriate.

During the year under review, two (2) meetings were held on: August 28, 2020 and February 03, 2021

The Composition of Nomination & Remuneration Committee and details of meeting attended by the Members thereof are as follows:

Name of Directors	Status	No. of Meetings Attended
Mr. Ganesh Acharya	Chairman	2
Mrs. Saroja Malik	Member	2
Mr. Manish Patel	Member	2

The Chairman of the Nomination & Remuneration Committee Mr. Ganesh Acharya, was present at the Fourteenth Annual General Meeting of the Company held on September 28, 2020.

19. NOMINATION AND REMUNERATION POLICY

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013 and as per the Listing regulations, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees which is also available on the Company's website at www.giesl.in.

20. CORPORATE SOCIAL RESPONSIBILITY

Provisions of Section 135 of the Companies Act, 2013, read with applicable Rules, not applicable during the year under review.

21. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

22. DISCLOSURE REGARDING INTERNAL COMPLAINTS COMMITTEE

Your company is not required to constitute Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as there are less than 10 employees in the company.

23. RISK MANAGEMENT

Internal financial control system and timely review of external, operational and other risks enables the Board of your company towards identification and mitigation of the risks.. The Company's approach to mitigate

business risks is through periodic review and reporting mechanism to the Audit Committee and the Board and thereby maximizing returns and minimizing risks

24. MATERIAL CHANGES, IF ANY, AFFECTING THE COMPANY:

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

25. 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.

26. RELATED PARTY TRANSACTIONS

All related party transactions during the year under review were on arm's length basis, in the ordinary course of business and in compliance with the Policy on Related Party Transactions of the Company. During the year, the Company has not entered into any contracts / arrangements / transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The provisions of Section 188 of the Companies Act, 2013 and/or Regulation 23 of the SEBI (LODR) Regulations, 2015 were duly complied. The Related Party Transactions are placed before the Audit Committee and the Board for their approval on quarterly basis.

The disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC - 2 is not applicable to your Company.

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

27. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profit or loss of the Company for that period;
- c) They have 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) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) They have devised proper systems to ensure compliance with the provision of all applicable laws

and that such systems are adequate and operating effectively.

28. ACKNOWLEDGEMENT

Your Directors acknowledges the efforts of its employees, at all levels, for their continued hardwork, dedication and commitment towards the growth of the Company.

The Directors also place on record continued support of its investors, clients, vendors, bankers and financial institutions during the year under review and look forward for the same in the years to come.

The Company also expresses its sincere gratitude to the Stock Exchanges, Regulatory Authorities, SEEPZ (SEZ) Authorities and all the government agencies for the continued support extended during the year 2020-21.

For and on behalf of the Board of Directors

SAJID MALIK
MANAGING DIRECTOR
(DIN: 00400366)

Place : Mumbai

Dated : September 01, 2021

ANNEXURE - A' TO THE DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[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 as defined in the current scenario / industry by **GI Engineering Solutions Limited having the CIN No. L40109MH2006PLC163731** (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 opinions 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, 2021 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, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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) 1. 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 (Listing Obligations and Disclosure Requirements) Regulation, 2015.
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - (d) 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.
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the company:
- (a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2018.
 - (b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
 - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
- (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 Secretarial Standards issued by The Institute of Company Secretaries of India.

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, and Goods and Services 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 Income Tax, Wealth Tax, Goods and Services 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. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. Due to the spread of contagious pandemic Covid-19 and consequent travel restrictions, I could not verify certain secretarial records physically.
4. Wherever required, I have obtained the Management Representation about the compliance of Laws, Rules and Regulations and happening of events, etc.
5. 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.
6. 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

Roy Jacob
(Proprietor)
FCS No.: 9017
COP No.: 8220
UDIN: F009017C000873166
P.R No. 686/200

Place: Mumbai
Date: September 01, 2021

'ANNEXURE - B' TO DIRECTORS' REPORT**I. PARTICULARS OF EMPLOYEES PURSUANT TO RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014****i. The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 2020-21:**

Name of Directors	Ratio of Remuneration of each Director to median remuneration of Employees
Mr. Sajid Malik, <i>Managing Director</i>	NA
Mrs. Saroja Malik, <i>Director</i>	NA

Note : 1) During the year 2020-21, the Company has not paid any remuneration or sitting fees to the Directors.

ii. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2020-21:

Name	Remuneration for FY 2020-21 (₹ in Lacs)	% increase in Remuneration in FY 2020-21
Mr. Sajid Malik, <i>Managing Director</i>	-	-
Mrs. Saroja Malik, <i>Director</i>	-	-
*Ms. Astrid Lobo <i>Company Secretary, Compliance Officer & Chief Financial Officer</i>	3.68	NA
**Mr. Ravi T. Ramaswamy <i>Chief Financial Officer</i>	0.95	NA

*Percentage increase in remuneration not reported as position was held for part of the financial year 2020-21.

**For the period 24.04.2019 upto 05.08.2020.

iii. The percentage increase in the median remuneration of the employees of the Company for the Financial Year 2020-21 – NA**iv. The number of permanent employees on the rolls of Company :**

There were 1(one) permanent employees on the rolls of the Company as on March 31, 2021.

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year : Nil**vi. Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

The remuneration is as per the Remuneration Policy of the Company. Salient features of the remuneration policy for remuneration of directors, KMPs & other employees forms part of this report.

'ANNEXURE - C' TO DIRECTORS' REPORT

DISCLOSURE PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

(A) Conservation of energy:

Steps taken or impact on conservation of energy	The Company has not spent any substantial amount on Conservation of Energy to be disclosed here.
Steps taken by the company for utilizing alternate sources of energy	
Capital investment on energy conservation equipments	

(B) Technology absorption:

Efforts made towards technology absorption	Considering the nature of activities of the Company, there is no requirement with regard to technology absorption.
Benefits derived like product improvement, cost reduction, product development or import substitution	
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
· Details of technology imported	Nil
· Year of import	Not Applicable
· Whether the technology has been fully absorbed	Not Applicable
· If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
Expenditure incurred on Research and Development	Nil

(C) Foreign exchange earnings and Outgo:

	FY 2020-21	FY 2019-20
	Amount in ₹	Amount in ₹
Actual Foreign Exchange earnings	Nil	Nil
Actual Foreign Exchange outgo	Nil	Nil

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Overview:

Engineering services firms are critical enablers of this global vision as they are upgrading infrastructure to incorporate sensing technology and data analytics that could improve the lives of the people. Thus, the new investments for industry expansion and massive infrastructure investments in countries such as India, Indonesia, and China are now fuelling the growth of engineering and design services. Engineering services include the technical application of engineering in product designing, innovations, and others in industries such as building construction, mining, power and energy, transportation, manufacturing, and others.

The global engineering services market is expected to grow from \$830.48 billion in 2020 to \$938 billion in 2021 at a compound annual growth rate (CAGR) of 12.9%. The growth is mainly due to the companies rearranging their operations and recovering from the COVID-19 impact, which had earlier led to restrictive containment measures involving social distancing, remote working, and the closure of commercial activities that resulted in operational challenges. The market is expected to reach \$1167.21 billion in 2025 at a CAGR of 5.6%.

Opportunities and Threats:

The engineering services market is expected to benefit from steady economic growth in developed and developing countries. The International Monetary Fund (IMF) predicts that the global real GDP growth will be 3.7% over 2019, 2020, and 3.6% from 2021 to 2023. This trend will be mainly driven by regions of Asia and Africa. According to the report, Asia will represent 66% of the global middle-class population by 2030. Going forward, the Asia Pacific and Middle Eastern regions are expected to be the fastest-growing markets in the engineering services, design, animation, and graphic designing industries. Developing

countries such as India and China have started attracting foreign investments to improve their infrastructure. This was mainly due to an increase in internet penetration, growth in population, and increasing economic activity.

Lack of quality control and safety concerns of engineering firms may hinder the engineering services market growth. Companies in the industry are incurring high maintenance and budgeting costs to develop new and advanced methods to combat issues of safety and control.

Risks and Concerns:

Risks and Challenges being faced by the Company are same as what others in the industry are facing and those are

1. Technological advancement
2. High cost of resources.
3. Attracting talented and retaining skilled staff.
4. Project Management
5. Government policies
6. Competition and customer acquisition

Hence, it's crucial for the future prosperity of the engineering solutions service industry that firms remain proactive on the challenges of tomorrow.

Internal Control System and its adequacy:

Adequate internal Control system help to prevent and detect frauds and errors, safeguarding of assets and accuracy and completeness of accounting records. The Company's well structured internal control systems which are subject to regular assessment of its effectiveness, reinforces, integrity of Management and fairness in dealing with the Company's stakeholders.

GI ENGINEERING SOLUTIONS LIMITED

Discussion on Financial Performance

Ratios	FY 2020-21	FY 2019-20
Debtors Turnover Ratio	1.71	1.46
Current Ratio	19.56	4.00
Operating Margin Ratio	(194.33%)	(31.52%)
Net Profit Margin	(1247.27%)	(30.58%)
Return on Net Worth (RONW)	(57.95%)	(0.52%)

Particulars	(₹ in lakhs)	
	FY 2020-21	FY 2019-20
Average Debtors*	5.98	7.83
Turnover	10.23	11.45
Total Revenue	20.22	11.74
Current Assets (A)	458.64	916.18
Current Liabilities (B)	23.45	228.80
Net Current Assets (A) – (B)	435.19	687.38
Operating Expenses	40.1	15.33
Operating Profit/(Loss)	(19.88)	(3.61)
Net Profit/(Loss)	(252.20)	(3.59)
Net worth	435.19	687.38

*average debtors = (Opening debtors+Closing debtors) / 2

Debtors' turnover ratio has increased due to Company's efficient collection policy and consequently there has been an improvement in the debtors' turnover ratio in the year 2020-21 over the previous year.

Current ratio has increased due to improved reduction in Other Current Financial Liabilities and short-term Borrowings grouped under Current Liabilities. at the end of 2020-21 compared to the previous year.

Operating Margin ratio has reduced due to increase in the other expenses.

Net profit margin ratio has reduced due to written off of non-recoverable items included in Total Expenses.

Return on Net Worth has reduced due to increase in Net Loss.

ASSETS AND LIABILITIES

Assets:

Property Plant & Equipment

There was no addition in the gross block during FY 2020-21 and FY 2019-20 and Gross block as on March 31, 2021 was ₹ 29 lakhs (Previous year ₹ 29.00 lakhs). Net Block was Nil (Previous year Nil).

Current Assets

Trade receivables

Trade receivable (net of provisions) as on March 31, 2021, was at ₹ 2.43 lakhs as against ₹ 9.52 lakhs at the end of previous year.

Cash and cash equivalents

Cash and cash equivalents as on March 31, 2021, was at ₹ 14.09 lakhs as against ₹ 1.94 lakhs in the earlier year. The Company maintains such balances in current, EEFC accounts with nationalized and other scheduled banks.

Loans

As on March 31, 2021 Loans stood at ₹ 437.64 lakhs as against previous year amount of ₹ 875.11 lakhs.

Current Tax Assets

Current Tax Assets comprises of Tax deducted at source, net of provisions as at March 31, 2021: ₹ 4.11 lakhs as against previous year amount of ₹ 16.24 lakhs.

Other Current Assets

Other Current Assets consists of Other Advances as at March 31 2021 ₹ 0.37 lakhs as against previous year amount of ₹ 13.37 lakhs.

Liabilities:

Equity

During the year ended March 31 2021 there was no changes in the Equity Share capital.

Authorized Capital as on March 31, 2021, was: 84,900 lakhs Equity Shares of ₹ 10 each: Total of ₹ 849,000 lakhs

Of which the Issued, Subscribed and Paid-up Share Capital of the Company, consist of: 8,611,878 Equity Shares of ₹ 10 each: Total of ₹ 861.19 lakhs.

Other Equity

Other Equity has a debit balance as on 31st March 2021 of ₹ 426.00 lakhs as compared to debit balance of ₹ 173.80 lakhs at the end of previous year. Other Equity consists of balance in the General Reserve, Security Premium Account, Capital redemption reserve, debit balance in the Profit and Loss account.

The balances as on 31st March 2021 in General Reserve Account was ₹ 2,360.79 lakhs 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 ₹ 88 lakhs. Capital redemption reserve was ₹ 700.00 lakhs which was same as balance at the end of previous year. As on 31st March 2021 debit balance of Profit & Loss Account stood at ₹ 3,574.79 lakhs compared to previous year's balance of ₹ 3,322.59 lakhs.

Current Liabilities

Current liabilities represent, Short term borrowings, Trade payable, Other Current Financial Liabilities, Other Current Liabilities and Current Tax Liabilities.

Borrowings

Short-term borrowing as on March 31, 2021, was NIL as against ₹ 99.50 lakhs at the end of previous year.

Trade payables

Trade payables as on March 31, 2021 was at ₹ 11.24 lakhs as against ₹ 21.81 lakhs at the end of previous year.

Other Current Financial Liabilities:

Other Current Financial Liabilities represents Other payables as on March 31, 2021, was Nil as against ₹ 90.04 lakhs at the end of previous year.

Current Tax Liabilities

Current tax liabilities as on March 31, 2021 was ₹ 12.20 lakhs, as against balance of ₹ 17.37 lakhs at the end of previous year.

INCOME & EXPENDITURE

Income

During the year 2020-21, the Company recorded a total income of ₹ 20.22 lakhs as against ₹ 11.74 lakhs in the previous year 2019-20. The Company for the year 2020-21 has recorded a loss of ₹ 252.19 lakhs against previous year loss of ₹ 3.59 Lakhs.

Expenditure

The Company in the year 2020-21 incurred total operating cost of ₹ 40.1 lakh (depreciation nil), compared to previous year of ₹ 15.33 lakhs.

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.

GI ENGINEERING SOLUTIONS LIMITED

CERTIFICATE

(Under Clause 34(3) and 53(7) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015)

We have examined the relevant registers, records, forms, returns and disclosures received from GI Engineering Solutions Limited having CIN L40109MH2006PLC163731 and having registered office at 73A SDF-III, SEEPZ, Andheri (East) Mumbai-400096 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Roy Jacob & Co**
Company Secretaries

Place: Mumbai
Date: September 01, 2021

(Roy Jacob)
Proprietor
(C.P. No.8220), (FCS No.9017)
UDIN: F009017C000873496
P.R No.686/2020

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

To,

The Members of
GI Engineering Solutions Limited
Sub: Declaration for Code of Conduct

Pursuant to Schedule V (Clause D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, it is hereby declared that the members of Board of Directors and Senior Management personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management for the year ended March 31, 2021.

For **GI ENGINEERING SOLUTIONS LIMITED**

SAJID MALIK
CHAIRMAN & MANAGING DIRECTOR
DIN: 00400366

Place: Mumbai
Dated: September 01, 2021

INDEPENDENT AUDITORS' REPORT

**To the Members of
GI ENGINEERING SOLUTIONS LIMITED
Report on the Audit of Financial Statements
Opinion**

We have audited the accompanying financial statements of **GI ENGINEERING SOLUTIONS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of the Act of the state of affairs of the Company as at March 31, 2021, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to Note 32 to the financial statements which explain the uncertainties and

management's assessment of the financial impact due to the lockdown and other restrictions imposed by the Government and condition related to the COVID-19 pandemic situation, for which definitive assessment of the impact would highly depend upon circumstances as they evolve in the subsequent period. Our opinion is not modified in respect of this matter.

We also draw your attention to Note 26 to the financial statements wherein the Company has given loans to other body corporates for business purposes standing to the tune of ₹ 4.38 crores outstanding as on the Balance Sheet date for which no interest provision is made in the Company's books and the same are recoverable in future as certified by the management.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Loans to other body corporates given for business purpose as referred to in the financial statements were written off to the tune of ₹ 1.75 crores during the previous year as certified by the management.

In view of the lockdown imposed pursuant to the second wave of Covid-19 outbreak in India, our audit team have conducted the major part of the audit from remote location. As a result, we have relied completely on digital or electronic evidence as a part of our audit process effective from 19th April, 2021 till the date of this report. Had we been physically present at the Company premises, we would have otherwise verified the physical copies of critical documents and we would have collected the audit evidence in physical copies.

We have carried out the validation of the digital / electronic evidence provided by the management by understanding the process implemented by the management to convert physical documents into digital / electronic version and by getting representations from the management wherever necessary.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in Board's report including annexures of Board's report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Responsibilities of Management and those charged with governance for the financial statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation

precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 subject 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; to the extent applicable.
2. Further to our comments in Annexure A as required by Section 143 (3) of the Act, we report 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, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - (d) In our opinion, the aforesaid 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 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 financial statements – Refer Note 21 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, 2021.
 - iv. The reporting on disclosures relating to Specified Bank Notes have not been made in these financial statements since they do not pertain to the financial year ended March 31, 2021.

For **SACHIN PHADKE & ASSOCIATES**
Chartered Accountants
Firm Registration No 133898W

Sachin Phadke
Proprietor
Membership No.117084
UDIN: 21117084AAAABI4552

Place : Mumbai,
Date : 29 June, 2021

ANNEXURE - A

TO THE INDEPENDENT AUDITORS' REPORT

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit and to the best of our knowledge and belief we report that:

- (i) (a) The Company has maintained proper records of its fixed assets.
- (b) On the basis of our examination of the records of the Company since No physical assets exist as on the Balance Sheet date, this clause is not applicable.
- (c) On the basis of our examination of the records of the Company since No physical assets exist as on the Balance Sheet date, this clause is not applicable.
- (ii) The Company is a service company, primarily rendering Information Technology based Engineering services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register to be 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) 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 explanations given to us and records of the Company produced, undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, sales-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, 2021 for a period of more than six months from the date they become payable.
 - (b) According to the information and explanation given to us, there are no dues outstanding of income tax, sales tax, service tax, goods and service tax customs duty, excise duty or cess which have not been deposited by the Company on account of any dispute.
- (viii) According to the information and explanations given to us, the Company does 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 **SACHIN PHADKE & ASSOCIATES**
Chartered Accountants
Firm Registration No 133898W

Sachin Phadke
Proprietor
Membership No.117084
UDIN: 21117084AAAABI4552

Place : Mumbai,
Date : 29 June, 2021

ANNEXURE - B

TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section 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")

We have audited the internal financial controls over financial reporting of GI Engineering Solutions Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the 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 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, during our review when the period of second phase of Covid-19 lockdown was prevailing in India, we have relied upon the information and explanations provided to us and the report received from the Company's Internal Audit department which has specifically covered the transactions and controls implemented.

For **SACHIN PHADKE & ASSOCIATES**
Chartered Accountants
Firm Registration No 133898W

Sachin Phadke
Proprietor
Membership No.117084
UDIN: 21117084AAAABI4552

Place : Mumbai,
Date : 29 June, 2021

GI ENGINEERING SOLUTIONS LIMITED

BALANCE SHEET

AS AT MARCH 31, 2021

Particulars	Note No.	March 31, 2021 ₹	March 31, 2020 ₹
I. ASSETS			
1) Non-Current Assets			
a) Property, Plant and Equipment	3 (a)	-	-
b) Intangible Assets	3 (b)	-	-
Total Non-Current Assets		<u>-</u>	<u>-</u>
2) Current Assets			
a) Financial Assets:			
Trade Receivables	4	2,42,500	9,52,450
Cash and cash equivalents	5	14,08,707	1,93,849
Loans	6	4,37,64,458	8,75,11,027
b) Current Tax Assets (Net)	7	4,11,355	16,24,112
c) Other Current Assets	8	36,850	13,36,543
Total Current Assets		<u>4,58,63,870</u>	<u>9,16,17,981</u>
TOTAL ASSETS		<u><u>4,58,63,870</u></u>	<u><u>9,16,17,981</u></u>
II. EQUITY AND LIABILITIES			
1) Equity			
a) Share Capital	9	8,61,18,780	8,61,18,780
b) Other Equity	10	(4,25,99,709)	(1,73,80,323)
Total Equity		<u>4,35,19,071</u>	<u>6,87,38,457</u>
Liabilities			
2) Current Liabilities			
a) Financial Liabilities:			
Borrowings	11	-	99,50,000
Trade Payables	12	11,24,326	21,81,139
Other Current Financial Liabilities	13	-	90,03,518
b) Other Current Liabilities	14	-	8,186
c) Current Tax liabilities (Net)	15	12,20,473	17,36,681
Total Current Liabilities		<u>23,44,799</u>	<u>2,28,79,524</u>
TOTAL EQUITY AND LIABILITIES		<u><u>4,58,63,870</u></u>	<u><u>9,16,17,981</u></u>

III. Notes forming integral part of the Ind AS Financial Statements 1 to 33

As per our Report of even date attached
For SACHIN PHADKE & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. : 133898W

For and on behalf of the Board Of Directors

SAJID MALIK
MANAGING DIRECTOR
DIN: 00400366

SAROJA MALIK
DIRECTOR
DIN: 00400421

SACHIN PHADKE
(Proprietor)
Membership No. 117084

Date: June 29, 2021
Place: MUMBAI

Date : June 29, 2021
Place: MUMBAI

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Note No.	March 31, 2021 ₹	March 31, 2020 ₹
I. Income			
Revenue from Operations	16	10,22,850	11,45,000
Other Income	17	9,99,383	28,534
Total Revenue		20,22,233	11,73,534
II. Expenses			
Employee Benefit Expenses	18	4,67,986	5,89,592
Finance Costs	19	1,359	1,896
Depreciation and Amortization Expense	3	-	-
Other Expenses	20	2,59,71,949	9,41,104
Total Expenses		2,64,41,294	15,32,591
III Profit / (Loss) before exceptional Items		(2,44,19,061)	(3,59,057)
Less : Exceptional Items		-	-
IV. Profit/(Loss) Before Tax		(2,44,19,061)	(3,59,057)
V. Tax Expense:			
Current Tax		-	-
Tax Adjustment for earlier years		8,00,326	-
VI. Profit / (Loss) from continued operations after tax		(2,52,19,387)	(3,59,057)
VII. Profit / (Loss) from discontinued operations		-	-
VIII. Tax Expense of discontinued operations		-	-
IX. Profit/(Loss) from Discontinued Operations after Tax		-	-
Other Comprehensive Income for the year, net of tax		-	-
X. Total Comprehensive income for the year, net of tax		(2,52,19,387)	(3,59,057)
XI. EARNINGS PER EQUITY SHARE	27		
Equity Shares of face value of ₹ 10 each			
Basic & Diluted - Before exceptional Items		(2.93)	(0.04)
Basic & Diluted - After exceptional Items		(2.93)	(0.04)
Number of shares used in computing earnings per share		86,11,878	86,11,878

XII The notes forming integral part of the Ind AS Financial Statements 1 to 33

As per our Report of even date attached
For SACHIN PHADKE & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. : 133898W

For and on behalf of the Board Of Directors

SAJID MALIK
MANAGING DIRECTOR
DIN: 00400366

SAROJA MALIK
DIRECTOR
DIN: 00400421

SACHIN PHADKE
(Proprietor)
Membership No. 117084

Date: June 29, 2021
Place: MUMBAI

Date : June 29, 2021
Place: MUMBAI

GI ENGINEERING SOLUTIONS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Note no.	March 31, 2021 ₹	March 31, 2020 ₹
A CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax and extraordinary items		(2,52,19,387)	(3,59,057)
Bank charges to consider separate below		1,359	1,896
		<u>1,359</u>	<u>1,896</u>
Operating Profit before working capital changes		<u>(2,52,18,028)</u>	<u>(3,57,161)</u>
Adjusted for:			
Increase/(Decrease) in Borrowings	(99,50,000)	94,50,000	
(Increase)/Decrease in Trade Receivables	7,09,950	(3,38,350)	
(Increase) / Decrease in Loans	4,37,46,569	(86,50,000)	
(Increase) / Decrease in Other Assets	25,12,450	(20,974)	
Increase / (Decrease) in Financial liabilities	(1,00,60,331)	(2,47,554)	
Increase / (Decrease) in Other Current Liabilities	(5,24,394)	(785)	
		<u>2,64,34,245</u>	<u>1,92,336</u>
Cash Generated from Operations		<u>12,16,217</u>	<u>(1,64,825)</u>
Income Taxes (Paid) / Refund received			
Net Cash Flow from Operating Activities [A]		<u>12,16,217</u>	<u>(1,64,825)</u>
B CASH FLOW FROM INVESTING ACTIVITIES			
Redeemable cumulative preference shares Inter head change		-	-
Net Cash used in Investing Activities [B]		-	-
C CASH FLOW FROM FINANCING ACTIVITIES			
Bank charges	(1,359)	(1,896)	
Net Cash Flow from Financing Activities [C]		<u>(1,359)</u>	<u>(1,896)</u>
Net Increase in Cash & Cash Equivalents [A+B+C]		<u>12,14,858</u>	<u>(1,66,721)</u>
Cash & Bank Balance (Opening Balance)	5	<u>1,93,849</u>	<u>3,60,570</u>
Cash & Bank Balance (Closing Balance)	5	<u>14,08,707</u>	<u>1,93,849</u>
Cash & Bank balance comprise			
Cash in Hand		7,167	1,206
Balance with Banks		<u>14,01,540</u>	<u>1,92,643</u>
Cash & Bank Balance as at the end of the year		<u>14,08,707</u>	<u>1,93,849</u>

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) -7 - "Cash Flow Statements"

**As per our Report of even date attached
For SACHIN PHADKE & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. : 133898W**

For and on behalf of the Board Of Directors

SAJID MALIK
MANAGING DIRECTOR
DIN: 00400366

SAROJA MALIK
DIRECTOR
DIN: 00400421

SACHIN PHADKE
(Proprietor)
Membership No. 117084

Date: June 29, 2021
Place: MUMBAI

Date : June 29, 2021
Place: MUMBAI

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2021

(A) Equity share capital

Particulars	Notes	No. of shares	(₹)
Balance as at April 1, 2019		86,11,878	8,61,18,780
Changes in equity share capital during the year		-	-
Balance as at March 31, 2020		86,11,878	8,61,18,780
Changes in equity share capital during the year		-	-
Balance as at March 31, 2021	9	86,11,878	8,61,18,780

(B) Other Equity

Particulars	Notes	(in ₹)				
		General Reserve	Securities Premium	Capital Redemption Reserve	Retained Earnings	Total Other Equity
Balance as at April 1, 2019		23,60,79,105	88,00,000	7,00,00,000	(33,19,00,370)	(1,70,21,265)
Profit for the year		-	-	-	(3,59,057)	(3,59,057)
As at March 31, 2020		23,60,79,105	88,00,000	7,00,00,000	(33,22,59,427)	(1,73,80,323)
Profit for the year		-	-	-	(2,52,19,387)	(2,52,19,387)
As at March 31, 2021	10	23,60,79,105	88,00,000	7,00,00,000	(35,74,78,813)	(4,25,99,709)

As per our Report of even date attached
For SACHIN PHADKE & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. : 133898W

SACHIN PHADKE
(Proprietor)
Membership No. 117084

Date: June 29, 2021
Place: MUMBAI

For and on behalf of the Board Of Directors

SAJID MALIK
MANAGING DIRECTOR
DIN: 00400366

SAROJA MALIK
DIRECTOR
DIN: 00400421

Date : June 29, 2021
Place: MUMBAI

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

1. Company's Background

GI Engineering Solutions Limited (herein after referred as 'Company' or 'GIESL') is formed to provide Information Technology based Engineering Services and other related services.

The company is a public limited company incorporated and domiciled in India and has its registered office at Mumbai, Maharashtra.

The company has its Equity Shares listed on Bombay Stock Exchange and National Stock Exchange.

Authorisation of Financial Statements:

The Financial Statements were authorized for issuance in accordance with a resolution of the Board of Directors in its meeting held on June 29, 2021.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These accounting policies have been consistently has been applied in all the financial statements presented by the Company unless otherwise stated.

A) Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as Ind-AS) notified under section 133 of Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and rules thereunder.

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities measured at fair value (refer accounting policies for financial instruments).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hetherto in use

The Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency.

B) Use of Estimates and Judgements :

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Critical estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that effect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognized prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the relevant notes

C). Current versus Non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification.

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

All the assets and liabilities have been classified as current/non-current as per the Company's normal operating cycle and other criteria set out in Division II to Schedule III of the Companies Act, 2013.

Based on the nature of services and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

D) Revenue recognition and expenses

Company earns revenue primarily from IT Based Engineering Services.

Revenue is recognised upon transfer of control of promised services or products to customers in an amount that reflects the consideration which Company expects to receive in exchange for those services or products.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct third party hardware and / or software is recognised at the point in time when control is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Company disaggregates revenue from contracts with customers by geography.

Expenses are accounted for on accrual basis and provisions are made for all known liabilities and losses.

Interest Income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. For all debt instruments measured either at amortized cost

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

Dividend Income:

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Other Income:

Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

E) Property, Plant and equipments

(i) Tangible Assets

Property, plant and equipment's (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Cost of acquisition includes directly attributable costs for bringing the assets to its present location and use.

The cost of an item of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the assets derecognized.

Particulars	Useful Life
(A) Tangible Assets	
Computer hardware (including servers & networks)	3 years
Imaging Systems	3 years
Other Assets	As per Useful Life specified in Schedule II

Depreciation / Amortization is charged on a pro-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.

Residual value is considered as Nil for all the assets.

(ii) Intangible Assets

Intangibles are stated at the acquisition price including directly attributable costs for bringing the asset into use, less accumulated amortization and impairment. Direct expenditure, if any, incurred for internally developed intangibles from which future economic benefits are expected to flow over a period of time is treated as intangible asset as per the Ind AS on Intangible Assets.

Depreciation:

Depreciation on Intangible assets is provided on straight line method as per the useful life prescribed in Schedule II of the Companies Act, 2013 except in case of following category of Intangible assets in which case the life of the items of Intangible assets has been assessed as under based on technical estimate, taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

technological changes, manufacturer's warranties and maintenance support etc.

(B) Intangible Assets	
- Computer software	3 years
- GIS database	3 years

Depreciation / Amortization is charged on a pro-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.

Residual value is considered as Nil for all the assets.

F) Borrowing Costs

Borrowing costs, if any, directly attributable to the acquisition of the qualifying asset are capitalized for the period until the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

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

G) Financial Instruments

Initial measurement

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for the trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition.

a) Subsequent measurement (Non derivative financial instruments)

1. Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely for payments of principal and interest on the principal amount outstanding.

2. Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely for payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

3. Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

4. Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

5. Investment in Subsidiaries and Associates:

Investment in subsidiaries and Associates are carried at cost less impairment.

b) Share Capital – Ordinary Shares

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all its liabilities. Equity instruments recognised at the proceeds received net of direct issue cost.

c) De-recognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

H) Fair Value measurement of Financial Instruments

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market which can be accessed by the Company for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate

in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

I) Impairment of assets

(i) Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

(ii) Non-Financial Assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

J) Leases

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating

leases. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit and Loss over the lease term.

K) Foreign Currency Transactions

All transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date when the relevant transactions take place.

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 the form of Loans, Current Assets and Current 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 related to underlying receivables and payables, if any, 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.

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

All transactions of the foreign branch during the year are included in the accounts at the rate of exchange prevailing at the end of the month in which the transactions took place. Net Gain / Loss in foreign currency transactions are recognized in the Statement of Profit and Loss. Monetary assets and liabilities are translated at the rates prevailing on the balance sheet date.

L) Employee Benefits

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.

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

Post-employment benefits (defined benefit plans) – The employees' gratuity scheme is a defined benefit plan. The present value of 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.

Post-employment benefits (defined contribution plans) – Contributions to the provident fund is defined contribution plan and is recognized as an expense in the Statement of Profit and Loss in the period in which the contribution is due.

Long-term employee benefits – Long-term employee benefits comprise of compensated absences and other employee incentives, if any. These are measured based on management estimates unless they are significant for actuarial valuation.

M) Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- F Has a legally enforceable right to set off the recognized amounts; and
- F Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deffered Income Tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as deferred tax in the Statement of Profit and Loss. The credit available under the Income Tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent it is probable that future taxable profit will be available against which these tax credit can be utilised. Such an asset is reviewed at each Balance Sheet date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilized.

Deferred tax assets and liabilities are offset only if:

- F Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- F Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority

N) Earnings per Share (EPS)

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

O) Cash and Cash Equivalents

Cash and Cash equivalents comprises cash and calls on deposit with banks and corporations. The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalent.

P) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Q) Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

R) Provisions and Contingencies

Provisions are recognized when the Company has a present obligation as a result of a past event, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provision is not discounted to its present value and is determined based on the last estimate required to settle the obligation at the year end.

Contingent liabilities are not provided for and are disclosed by way of notes to accounts, where there is an obligation that may, but probably will not, require outflow of resources.

Where there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

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

2A) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

3 (a). Property, Plant and equipment

				(in ₹)
Particulars	Computers	Furniture & Fictures	Office Equipments	Total
Gross Block				
As at April 1, 2019	8,31,351	1,28,374	16,66,905	26,26,630
Additions	-	-	-	-
Deductions	-	-	-	-
As at March 31, 2020	8,31,351	1,28,374	16,66,905	26,26,630
Additions	-	-	-	-
Deductions	-	-	-	-
As at March 31, 2021	8,31,351	1,28,374	16,66,905	26,26,630
Depreciation				
As at April 1, 2019	8,31,351	1,28,374	16,66,905	26,26,630
Charge for the year	-	-	-	-
Deductions	-	-	-	-
As at March 31, 2020	8,31,351	1,28,374	16,66,905	26,26,630
Charge for the year	-	-	-	-
Deductions	-	-	-	-
As at March 31, 2021	8,31,351	1,28,374	16,66,905	26,26,630
Net Block				
As at March 31, 2020	-	-	-	-
As at March 31, 2021	-	-	-	-

3(b). Intangible Assets

(in ₹)

Particulars	Computer Software
Gross Block	
As at April 1, 2019	2,73,558
Additions	-
Deductions	-
As at March 31, 2020	2,73,558
Additions	-
Deductions	-
As at March 31, 2021	2,73,558
Depreciation	
As at April 1, 2019	2,73,558
Charge for the year	-
Deductions	-
As at March 31, 2020	2,73,558
Charge for the year	-
Deductions	-
As at March 31, 2021	2,73,558
Net Block	
As at March 31, 2020	-
As at March 31, 2021	-

NOTES FORMING PART OF FINANCIAL STATEMENTS

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4. Trade receivables		(in ₹)	
Particulars	As at		
	March 31, 2021	March 31, 2020	
(Unsecured, Considered good at amortised cost)			
Others	2,93,26,158	3,00,36,108	
Less : Allowance for doubtful debts	2,90,83,658	2,90,83,658	
Total Trade Receivables	2,42,500	9,52,450	
5. Cash and cash equivalents		(in ₹)	
Particulars	As at		
	March 31, 2021	March 31, 2020	
i) Balance with banks			
In Current Accounts	14,01,540	1,92,643	
ii) Cash on Hand	7,167	1,206	
Total Cash and Cash equivalents	14,08,707	1,93,849	
6. Loans		(in ₹)	
Particulars	As at		
	March 31, 2021	March 31, 2020	
Unsecured, considered good			
Loan to Other Body Corporates (Refer Note 26)	4,37,64,458	7,42,11,027	
Other Deposits	-	1,33,00,000	
Total Loans	4,37,64,458	8,75,11,027	
7. Current Tax Assets		(in ₹)	
Particulars	As at		
	March 31, 2021	March 31, 2020	
Advance Income Tax (Net of Provision Nil (As at 31st March, 2019: ₹1,683,209))			
	4,11,355	16,24,112	
Total Current Tax Assets	4,11,355	16,24,112	
8. Other Current Assets		(in ₹)	
Particulars	As at		
	March 31, 2021	March 31, 2020	
Unsecured, considered good			
Other Advances	36,850	13,36,543	
Total Other Current Assets	36,850	13,36,543	

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

9. Share Capital

(in ₹)

Particulars	As at	
	March 31, 2021	March 31, 2020
Authorised		
Equity Share Capital		
8,49,00,00,000 Equity Shares of ₹ 10/- each	84,90,00,00,000	84,90,00,00,000
Preference Share Capital		
1,00,00,00,000 Preference Shares of ₹ 10 each	10,00,00,000	10,00,00,000
Issued Subscribed and Fully Paid-up Capital		
86,11,878 Equity Shares of ₹ 10/- each	8,61,18,780	8,61,18,780
Total	8,61,18,780	8,61,18,780

Reconciliation of number of equity share outstanding as at the beginning and at the end of reporting period

Particulars	March 31, 2021		March 31, 2020	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	86,11,878	8,61,18,780	86,11,878	8,61,18,780
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	86,11,878	8,61,18,780	86,11,878	8,61,18,780

The Company has only one class of share referred to as equity shares having a par value of '10. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

During the period of five financial years immediately preceding the Balance Sheet date, the company has not:

- allotted any equity shares pursuant to any contract without payment being received in cash; and
- bought back any equity shares.

The details of shareholders holding more than 5% shares as at March 31, 2021 and March 31, 2020 are set out below:

Particulars	As at		As at	
	March 31, 2021		March 31, 2020	
Equity Shares				
Mrs. Saroja Malik	16,91,716	19.64%	16,91,716	19.64%
M/s. Kilam Holdings Limited	13,78,405	16.01%	13,78,405	16.01%
M/s. Fortune Private Equity, LLC	11,00,000	12.77%	11,00,000	12.77%

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

Rights, Preferences and Restrictions

The Authorised Share Capital of the Company consists of Equity Shares having nominal value of ₹ 10/- each. The rights and privileges to equity shareholders are general in nature and allowed under Companies Act, 2013.

The equity shareholders shall have:

- (1) a right to vote in shareholders' meeting. On a show of hands, every member present in person shall have one vote and on a poll, the voting rights shall be in proportion to his share of the paid up capital of the Company;
- (2) a right to receive dividend in proportion to the amount of capital paid up on the shares held.

The shareholders are not entitled to exercise any voting right either in person or through proxy at any meeting of the Company if calls or other sums payable have not been paid on due date.

In the event of winding up of the Company, the distribution of available assets/losses to the equity shareholders shall be in proportion to the paid up capital.

10. Other Equity

Particulars	As at	
	March 31, 2021	March 31, 2020
SECURITIES PREMIUM RESERVE - Opening Balance	88,00,000	88,00,000
Add: Receipt during the year	-	-
	88,00,000	88,00,000
GENERAL RESERVE - Opening Balance	23,60,79,105	23,60,79,105
Add: Transfer from Surplus	-	-
	23,60,79,105	23,60,79,105
Capital Redemption Reserve - Opening	7,00,00,000	7,00,00,000
Add: Transfer from General Reserve	-	-
	7,00,00,000	7,00,00,000
SURPLUS / (DEFICIT) - Opening Balance	(33,22,59,427)	(33,19,00,370)
Add: Net loss after tax transferred from Statement of Profit and Loss	(2,52,19,387)	(3,59,057)
	(35,74,78,813)	(33,22,59,427)
Less: Appropriations	-	-
SURPLUS / (DEFICIT) - Closing Balance	(35,74,78,813)	(33,22,59,427)
Total Other Equity	(4,25,99,709)	(1,73,80,323)

11. Borrowings

Particulars	As at	
	March 31, 2021	March 31, 2020
Long term borrowings	-	99,50,000
Total Borrowings	-	99,50,000

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

12. Trade Payables

(in ₹)

Particulars	As at	
	March 31, 2021	March 31, 2020
Trade Payables	11,24,326	21,81,139
Total Trade payables	11,24,326	21,81,139

Amount due to Micro, Small and Medium Enterprises :

- There were no amounts outstanding to be paid to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).
- No interest is paid/payable during the year to any enterprise registered under the MSMED.
- 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 MSMED.

13. Other Current Financial Liabilities

(in ₹)

Particulars	As at	
	March 31, 2021	March 31, 2020
Other Liabilities		
Other payables	-	90,03,518
Total Other Current Financial Liabilities	-	90,03,518

14. Other Current Liabilities

(in ₹)

Particulars	As at	
	March 31, 2021	March 31, 2020
Statutory Liabilities	-	8,186
Total Other Current Liabilities	-	8,186

15. Current Tax Liabilities

(in ₹)

Particulars	As at	
	March 31, 2021	March 31, 2020
Provision for Income Tax (Net of Advance Tax ₹ 12,20,473 (As at 31st March, 2020: ₹ 11,36,527))	12,20,473	17,36,681
Total Current Tax Liabilities	12,20,473	17,36,681

16. Revenue From Operations

(in ₹)

Particulars	2020-21	2019-20
Revenue	10,22,850	11,45,000
Total Revenue from Operations	10,22,850	11,45,000

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

17. Other Income

(in ₹)

Particulars	2020-21	2019-20
Exchange Gain (Net)	-	4,491
Miscellaneous Income	9,99,383	24,043
Total Other Income	9,99,383	28,534

18. Employee Benefit Expenses

(in ₹)

Particulars	2020-21	2019-20
Salaries, Allowances and Bonus	4,62,511	5,86,228
Staff Welfare	4,500	2,500
Contribution to Provident Fund and Other Funds	975	864
Total Employee Benefit Expenses	4,67,986	5,89,592

19. Finance Costs

(in ₹)

Particulars	2020-21	2019-20
Bank Charges	1,359	1,896
Total Finance Costs	1,359	1,896

20. Other Expenses

(in ₹)

Particulars	2020-21	2019-20
Conveyance and Traveling	3,247	3,000
Meeting Expenses	-	25,075
Legal and Professional Fees	27,03,775	1,04,004
Communication Expenses	2,091	19,781
Electricity and Water Charges	6,500	6,500
Printing & Stationery	42,127	78,878
Custodial Fee	75,958	61,996
Listing Fee	5,40,000	5,40,001
Share Transfer Charges	1,04,629	36,036
Miscellaneous Expenses	37,831	40,833
Sundry Balances Written off	2,24,30,791	-
Remuneration to Auditors		
- Statutory Audit	25,000	25,000
Total Other Expenses	2,59,71,949	9,41,104

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

21. Contingent Liabilities:

(in ₹)

Particulars	As at	
	March 31, 2021	March 31, 2020
Contingent Liabilities		
Estimated amount of claims against the company not acknowledged as debts in respect of :		
Disputed Income Tax Matters	-	18,16,017

22. 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)

23. The Company operates only in single Primary Segment i.e. Engineering based services for the purpose of IND-AS 108 Segmental reporting.

The disclosure requirement for Secondary Segment as per the Ind-AS - 108 is as under:

(in ₹)

SECONDARY SEGMENT (Geographical Segment based on Sales Continent viz)		
	2020-21	2019-20
Segment Revenue		
Asia	10,22,850	11,45,000
Total Revenue from Operations	10,22,850	11,45,000

24 Related party transactions:

List of Related Parties:-

A. With whom no transaction during the year :-

a. Wholly owned Subsidiary Company

Nil

b. Key Management Personnel

Name of Personnel	Designation
Mrs. Saroja Malik	Director
Mr. Ganesh Acharya	Independent Director
Mr. Manish Chhaganlal Patel	Independent Director

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

- c. Principal Shareholder**
M/s Kilam Holdings Ltd, Mauritius
- d. Associate Enterprises**
M/s. Valeo Nutra Private Limited

B. With whom transaction made during the year :-

a. Key Management Personnel

Name of Personnel	Designation
Mr. Sajid Malik	Managing Director
Ms. Astrid Lobo	Company Secretary cum Chief Financial Officer (till 31st May, 2021)
Mr. Ravi.T.R	Chief Financial Officer (till 5th August 2020)

Details of Transactions with related parties are as follows :

Nature of Transactions	Designation	(in ₹)
Loan received during the year	Managing Director	Nil (94,50,000)
Closing balance		Nil (99,50,000)
Remuneration to Key Managerial Personnel (Refer note iii below) for the year		
For the year	Company Secretary	3,67,757 (2,48,380)
Closing balance		40,500 (34,800)
For the year	Chief Financial Officer	94,754/- (3,40,000)
Closing balance		Nil (29,800)

Note :

- i) Figures in brackets are for the previous year.
- ii) There are no transactions with relative of Key Managerial Persons during the current and previous year
- iii) Remuneration to key managerial person does not include provision for gratuity and leave encashment which is determined for the Company as a whole

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

- 25** In accordance with the Ind AS– 12 “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, 2021	March 31, 2020
Deferred Tax Assets		
Fixed Assets (Depreciation/Amortization)	2,66,865	2,98,630
Provision for Doubtful Debts	75,61,751	75,61,751
Total	78,28,616	78,60,381
Deferred Tax Liability		
Net Deferred Tax (Liability)/Assets	78,28,616	78,60,381

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.

- 26** Loans to other body corporate include :

(in ₹)

Particulars	As at	
	March 31, 2021	March 31, 2020
Ekveera Marketing Pvt Ltd	-	11,38,950
Gopesh Impex Pvt Ltd	32,75,450	51,68,748
Saourav Impex Pvt Ltd	4,04,89,008	6,79,03,329
Total	4,37,64,458	7,42,11,027

Note : All the above loans are given for business purpose

- 27 Earnings per share:**

(in ₹)

Particulars	2020-21	2019-20
Weighted average number of shares used as denominator for calculating Basic earning per share	86,11,878	86,11,878
Weighted average number of shares used as denominator for calculating Dilutive earning per share	86,11,878	86,11,878
Net Profit / (Loss) after tax (₹)	(2,52,19,387)	(3,59,057)
Basic EPS (₹)	(2.93)	(0.04)
Diluted EPS (₹)	(2.93)	(0.04)
Nominal value of Shares (₹)	10	10

- 28. Exchange Differences**

During the period realized and unrealized exchange gain/(loss) amounting to (₹ 1,575) (Previous Year: of ₹ 4,490/) is included in the profit and loss account.

NOTES FORMING PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

29. Financial Instruments

A. The carrying value and fair value of financial instruments:

(in ₹)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
<u>At Amortised Cost</u>				
Trade Receivables (Refer Note 4)	2,42,500	2,42,500	9,52,450	9,52,450
Cash & Cash equivalents (Refer Note 5)	14,08,707	14,08,707	1,93,849	1,93,849
Loans (Refer Note 6)	4,37,64,458	4,37,64,458	8,75,11,027	8,75,11,027
Total	<u>4,54,15,665</u>	<u>4,54,15,665</u>	<u>8,86,57,326</u>	<u>8,86,57,326</u>
Financial Liabilities				
At Amortised Cost				
Borrowings (Refer Note 11)	-	-	99,50,000	99,50,000
Trade Payables (Refer Note 12)	11,24,326	11,24,326	21,81,139	21,81,139
Other Financial Liabilities (Refer Note 13)	-	-	90,03,518	90,03,518
Total	<u>11,24,326</u>	<u>11,24,326</u>	<u>2,11,34,657</u>	<u>2,11,34,657</u>

B. Fair value measurements recognised in the statement of financial position:

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES FORMING PART OF FINANCIAL STATEMENTS

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(in ₹)

Particulars	As at March 31, 2021			As at March 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
At Amortised Cost						
Trade Receivables (Refer Note 4)			2,42,500			9,52,450
Cash & Cash equivalents (Refer Note 5)			14,08,707			1,93,849
Loans (Refer Note 6)			4,37,64,458			8,75,11,027
Subtotal	-	-	4,54,15,665	-	-	8,86,57,326
Financial Liabilities						
At Amortised Cost						
Borrowings (Refer Note 11)			-			99,50,000
Trade Payables (Refer Note 12)			11,24,326			21,81,139
Other Financial Liabilities (Refer Note 13)			-			90,03,518
Subtotal	-	-	11,24,326	-	-	2,11,34,657

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Cash and cash equivalents, Trade receivables, Other current Financial assets, Trade payable and other current Financial liabilities approximate their carrying amounts largely due to the short-term maturities or nature of these instruments.

30. Financial risk management:

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee reports to the Board of Directors on its activities. The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risks limits and controls and to monitor risk and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit.

1. Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivable from customers. Credit risk is managed through credit approvals establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. The company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade receivables and other financial assets.

NOTES FORMING PART OF FINANCIAL STATEMENTS

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2. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as far as possible, that it will all ways have sufficient liquidity to meets it liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to Company's reputation.

3. Market Risk

Market risk is the risk that changes in market prices- such as foreign exchange rates, interest rates and equity prices- will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payable and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive in our foreign currency revenues and costs. The Company uses derivative to manage market risk.

31. Statement of Management

- (a) The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent if any stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.
- (b) Balance Sheet, Statement of Profit & Loss and Cash Flow statement read together with the schedules to the accounts and notes thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review.

32. Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the impact of COVID-19 pandemic on its business operations and financial results based on its review of current indicators of future economic conditions and expects that the carrying amount of the assets will be recovered. However, the impact assessment of this pandemic is a continuing process given the uncertainties associated with its nature and duration. Accordingly, the Company will continue to monitor any material changes to future economic conditions.

33. Figures for 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 SACHIN PHADKE & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. : 133898W**

For and on behalf of the Board Of Directors

SAJID MALIK
MANAGING DIRECTOR
DIN: 00400366

SAROJA MALIK
DIRECTOR
DIN: 00400421

SACHIN PHADKE
(Proprietor)
Membership No. 117084

Date: June 29, 2021
Place: MUMBAI

Date : June 29, 2021
Place: MUMBAI

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