

# 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](http://www.giesl.in); E-mail ID: investors@giesl.in

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September 8, 2022

Listing Compliance Department  
National Stock Exchange of India Limited.  
Exchange Plaza, Bandra-Kurla Complex,  
Bandra (E), Mumbai 400051  
Fax: 022-26598235/36

Listing Compliance Department  
BSE Limited.  
Phirozee Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

**NSE Symbol: GISOLUTION**

**Scrip Code: 533048**

**Subject: 16<sup>TH</sup> Annual Report of the Company for the Financial Year 2021-22.**

Dear Sir/Ma'am,

Pursuant to Regulation 34 (1) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find the enclosed herewith copy of 16<sup>th</sup> Annual Report of the Company for the Financial Year 2021-22.

The above information is also available on the Company's website at [www.giesl.in](http://www.giesl.in).

We request you to kindly take the above information on record and oblige.

Thanking you,

Yours Faithfully,  
for **GI Engineering Solutions Limited**

**Pranjali Joshi**  
Company Secretary

**GI Engineering Solutions Ltd**  
**CIN: L40109MH2006PLC163731**

**ANNUAL  
REPORT**  
2021-2022



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## GENERAL INFORMATION

### BOARD OF DIRECTORS

Mr. Vishesh Gupta	Director
Mr. Suresh Kumar Dhingra	Whole Time Director
Mrs. Swati Gupta	Independent Director
Mr. Om Prakash Agarwal	Independent Director
Mr. Amandeep Singh	Independent Director

### COMPANY SECRETARY

Ms. Pranjali Joshi

### 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](http://www.giesl.in)  
Email: [investors@giesl.in](mailto:investors@giesl.in)  
CIN No.: L40109MH2006PLC163731

### REGISTRAR AND SHARE TRANSFER AGENT

Office No. S6-2 6<sup>th</sup> Floor,  
Pinnacle Business Park, Next to Ahura Centre  
Mahakali Caves Road  
Andheri {E} Mumbai – 400093  
Telephone : 91- 22- 6263 8200  
Fax : 91- 22- 6263 8299  
E-mail : [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

### BANKERS

State Bank of India  
HDFC Bank Ltd.

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## NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of GI Engineering Solutions Limited will be held on Friday, September 30, 2022 at 03.30 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

### **ORDINARY BUSINESS**

#### **1. ADOPTION OF AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022:**

To consider and adopt the Audited Financial Statements for the Financial Year (FY) ended March 31, 2022, together with the reports of the Board of Directors and Auditors thereon and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Audited Financial Statements of the Company for the financial year ended March 31, 2022, along with the reports of Board of Directors and Auditors thereon, as circulated to the Members be and are hereby received, considered and adopted."

#### **2. APPOINTMENT OF STATUTORY AUDITOR OF THE COMPANY**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any amendment(s), statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of the Audit Committee and the Board of Directors of the Company, M/s A.K. Bhargav & Co. Chartered Accountants (Firm Registration No. 0034063N) be and are hereby appointed as the Statutory Auditors of the Company for a term of 5 (five) consecutive years to hold office from the conclusion of 16<sup>th</sup> Annual General Meeting till conclusion of this 21<sup>st</sup> Annual General Meeting at such remuneration plus out-of-pocket expenses and applicable taxes etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.

**RESOLVED FURTHER THAT** any of the Director of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or to give effect to this resolution."

### **SPECIAL BUSINESS:**

#### **3. APPOINTMENT OF MR. VISHESH GUPTA (DIN: 00255689) AS DIRECTOR OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications) or re-enactment thereof for the time being in force). Mr. Vishesh Gupta (DIN: 00255689) who was appointed as Additional Director by the Board of Directors on August 30, 2022 in terms of Section 161 of the Companies Act 2013, and whose appointment as a Director is recommended by Nomination and Compensation Committee and the Board of Directors of the Company, and in respect of whom

the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as Director (Executive Category) of the Company liable to retire by rotation on such terms and conditions as may be determined by the Board of Directors of the Company from time to time.

**RESOLVED FURTHER THAT** any of the Directors and/or Company Secretary be and are hereby severally authorized to file pay returns/forms with the Registrar of Companies and to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

#### **4. APPOINTMENT OF MR. SURESH KUMAR DHINGRA (DIN: 03513272) AS DIRECTOR OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications) or re-enactment thereof for the time being in force). Mr. Suresh Kumar Dhingra (DIN: 03513272) who was appointed as Additional Director by the Board of Directors on August 30, 2022 in terms of Section 161 of the Companies Act 2013, and whose appointment as a Director is recommended by Nomination and Compensation Committee and the Board of Directors of the Company, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company liable to retire by rotation on such terms and conditions as may be determined by the Board of Directors of the Company from time to time.

**RESOLVED FURTHER THAT** any of the Directors and/or Company Secretary be and are hereby severally authorized to file pay returns/forms with the Registrar of Companies and to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

#### **5. APPOINTMENT OF MR. SURESH KUMAR DHINGRA (DIN: 03513272) AS A WHOLE-TIME DIRECTOR**

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as a **Special resolution**:

**"RESOLVED THAT** pursuant to the provisions of sections 196, 197, 198, 203, Schedule V and any other applicable provisions of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof). Articles of Association of the Company, the approval of the members of the company be and is hereby accorded for the appointment of Mr. Suresh Kumar Dhingra (DIN: 03513272) as Whole Time Director of the Company for a term of five consecutive years effective from August 30, 2022 ending on August 29, 2027 (both days inclusive) for an overall maximum remuneration of Rs. 7,20,000/- per annum subject to such periodical increase including base salary, variable pay, perquisites, various allowances, bonus & other benefits etc., and the aforesaid remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment as minimum remuneration in terms Part II of Schedule V of Companies Act, 2013, with liberty to the Board ("Board") to alter and vary the terms & conditions of the said appointment in such manner as may be agreed between the Board and Mr. Suresh Kumar Dhingra and approved by Nomination and Remuneration Committee in terms of applicable provisions of the law.

**RESOLVED FURTHER THAT** Mr. Suresh Kumar Dhingra appointed as Whole Time Director of the Company shall be liable to retire by rotation and being eligible offers himself for reappointment and the reappointment as such shall not be deemed to constitute a break in his office as a Whole Time Director of the Company.

**RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to schedule V to the Companies Act, 2013, or as a part of periodic review, on the basis of recommendation of Nomination and Remuneration Committee, the Board of Directors or a Committee thereof be and is hereby authorised to vary or increase the remuneration including salary, perquisites, allowances, etc. and the said terms of remuneration of Mr. Suresh Kumar Dhingra (DIN: 03513272) be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the

Company in general meeting

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

**6. APPOINTMENT OF MRS. SWATI GUPTA (DIN: 09652245) AS A DIRECTOR OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications) or re-enactment thereof for the time being in force), Mrs. Swati Gupta (DIN: 09652245) who was appointed as Additional Director by the Board of Directors on August 30, 2022 in terms of Section 161 of the Companies Act 2013, and whose appointment as a Director is recommended by Nomination and Compensation Committee and the Board of Directors of the Company, and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company liable to retire by rotation on such terms and conditions as may be determined by the Board of Directors of the Company from time to time.

**RESOLVED FURTHER THAT** any of the Directors and/or Company Secretary be and are hereby severally authorized to file pay returns/forms with the Registrar of Companies and to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

**7. APPOINTMENT OF MRS. SWATI GUPTA (DIN: 09652245) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as a **Special resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 149, 152, 161 read with other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Schedule IV to the Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Swati Gupta (DIN: 09652245), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from August 30, 2022 in terms of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at the Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Independent Non-Executive Director of the Company for a consecutive period of 5 years w.e.f from August 30, 2022

**FURTHER RESOLVED THAT** the Board of Directors and/or Company Secretary of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution. "

**8. APPOINTMENT OF MR. OM PRAKASH AGARWAL (DIN: 09553402) AS A DIRECTOR OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications) or re-enactment thereof for the time being in force). Mr. Om Prakash Agarwal (DIN: 09553402) who was appointed as Additional Director by the Board of Directors on August 30, 2022 in terms of Section 161 of the Companies Act 2013, and whose appointment as a Director is recommended by Nomination and Compensation Committee and the Board of Directors of the Company, and in respect of whom

the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company liable to retire by rotation on such terms and conditions as may be determined by the Board of Directors of the Company from time to time.

**RESOLVED FURTHER THAT** any of the Directors and/or Company Secretary be and are hereby severally authorized to file pay returns/forms with the Registrar of Companies and to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

**9. APPOINTMENT OF MR. OM PRAKASH AGARWAL (DIN: 09553402) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as a **Special resolution**:

“**RESOLVED THAT** in accordance with the provisions of Section 149, 152, 161 read with other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Schedule IV to the Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Om Prakash Agarwal (DIN: 09553402), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from August 30, 2022 in terms of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at the Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Independent Non-Executive Director of the Company for a consecutive period of 5 years w.e.f from August 30, 2022 .

**FURTHER RESOLVED THAT** the Board of Directors and/or Company Secretary of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution. “

**10. APPOINTMENT OF MR. AMANDEEP SINGH (DIN: 09727614) AS A DIRECTOR OF THE COMPANY**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications) or re-enactment thereof for the time being in force). Mr. Amandeep Singh (DIN: 09727614) who was appointed as Additional Director by the Board of Directors on September 5, 2022 in terms of Section 161 of the Companies Act 2013, and whose appointment as a Director is recommended by Nomination and Compensation Committee and the Board of Directors of the Company, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company liable to retire by rotation on such terms and conditions as may be determined by the Board of Directors of the Company from time to time.

**RESOLVED FURTHER THAT** any of the Directors and/or Company Secretary be and are hereby severally authorized to file pay returns/forms with the Registrar of Companies and to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

**11. APPOINTMENT OF MR. AMANDEEP SINGH (DIN: 09727614) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as a **Special resolution**:

“**RESOLVED THAT** in accordance with the provisions of Section 149, 152, 161 read with other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in



force) and Schedule IV to the Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Amandeep Singh (DIN: 09727614), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from September 5, 2022 in terms of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at the Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Independent Non-Executive Director of the Company for a consecutive period of 5 years w.e.f from September 5, 2022.

**FURTHER RESOLVED THAT** the Board of Directors and/or Company Secretary of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution. “

## **12. MEMBERS APPROVAL FOR BORROWING UNDER SECTION 180 (1)(C) OF THE COMPANIES ACT, 2013**

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as a Special resolution:

“**RESOLVED THAT** in supersession of all the earlier resolutions passed in this regard if any, and subject to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors to borrow money, as and when required, from, including without limitation, any Bank and/or other Financial Institution and/or foreign lender and/or any body corporate/ entity/entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time. as may be deemed appropriate by the Board for an aggregate amount not exceeding a sum of Rs. 100 crore (Rupees One hundred Crore only) for the Company, notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company and its free reserves.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all the matters arising on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

## **13. MEMBERS APPROVAL FOR SECURING THE BORROWINGS OF THE COMPANY UNDER SECTION 180(1)(a) OF THE COMPANIES ACT, 2013**

To consider, and if thought fit, to pass, with or without modification (s) the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of all the earlier resolutions passed in this regard if any, and subject to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, consent of the shareholders of the company be and is hereby accorded, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed a sum of Rs. 100 crore (Rupees One hundred Crore only).

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

**14. MEMBERS APPROVAL TO MAKE LOAN AND INVESTMENT EXCEEDING THE CEILING PRESCRIBED UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

To consider, and if thought fit, to pass, with or without modification (s) the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force, and subject to such other consents, permissions, approvals, as may be required in that behalf, and in supersession of the resolution passed earlier, if any, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to (i) give any loan to any person or other body corporate, (6) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (ii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 100 crore (Rupees One hundred Crore only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to file necessary returns/ forms with the Registrar of Companies and to do all such acts, deeds and things as may be considered necessary. incidental and ancillary in order to give effect to this Resolution."

**15. MEMBERS APPROVAL FOR GIVING LOAN AND GUARANTEE OR PROVIDING SECURITY IN CONNECTION WITH LOAN AVAILED BY ANY SPECIFIED PERSON UNDER SECTION 185 OF THE COMPANIES, ACT, 2013**

To consider, and if thought fit, to pass, with or without modification (s) the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 185 and all other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Amendment) Act, 2017 and Rules made thereunder, including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force, and subject to such other consents, permissions, approvals. as may be required in that behalf, and in supersession of all the earlier resolutions passed in this regard if any, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to advance any loan including any loan represented by a book debt, business advance, advance for securing supplies of services/goods on a future date or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the Company or any other person in whom any of the Directors of the Company Interested/deemed to be interested, up to limits approved by the shareholders of the Company u/s 186 of the Companies Act, 2013, from time to time, in their absolute discretion as may be deemed beneficial and in the interest of the Company. provided that such loans are utilized by the borrowing company for its principal business activities.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to file necessary returns/ forms with the Registrar of Companies and to do all such acts, deeds and things as may be considered necessary. incidental and ancillary in order to give effect to this Resolution."

**16. MEMBERS APPROVAL FOR RELATED PARTY TRANSACTIONS UNDER SECTION 188 OF THE COMPANIES ACT 2013**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special resolution**:

"**RESOLVED THAT** in supersession of all the earlier resolutions passed in this regard if any, and pursuant to the

provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations') and the Company's policy on Related Party Transactions, approval of the Members be and is hereby accorded to the Board of Directors of the Company (Board) to enter into contract(s)/ arrangement(s)/transaction(s) with a related party(s) within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI Listing Regulations, to avail and provide any service and for purchase and sale of goods and material, as the Board may deem fit, up to a maximum aggregate value of Rs. 100 crore (Rupees Hundred Crore Only) at arm's length basis and in the ordinary course of business, for the Financial Year 2022-23.

**RESOLVED FURTHER THAT** documents, file applications and make representations in respect thereof the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contracts, schemes, agreements and such other and seek approval from relevant authorities, including Governmental authorities in this regard and deal with any matters, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Director(s) or Chief Financial Officer or Company Secretary or to any other Officer(s)/Authorized Representative(s) of the Company to do all such acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution(s).

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution are hereby approved, ratified and confirmed in all respects."

#### **17. TO ADOPT NEW SET OF MEMORANDUM OF ASSOCIATION OF THE COMPANY**

To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:-

**"RESOLVED THAT** pursuant to the provisions of Sections 5, 14 and other applicable provisions, if any, of the Companies Act, 2013, as amended, and the rules and regulations made thereunder (including the Companies (Incorporation) Rules, 2014, as amended) (collectively referred to as the "Companies Act"), and other applicable laws, if any, the set of existing memorandum of association of the Company, as placed before the members of the Company be and is hereby substituted with the amended set of memorandum of association in conformity with the Companies Act, 2013, placed before the members of the Company and the same be approved and be adopted as memorandum of association of the Company, in total exclusion and substitution of the existing memorandum of association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorized severally to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any committee of directors or the Managing Director or any director(s) or any other Key Managerial Personnel or any other officer(s) of the Company."

#### **18. APPROVAL TO ADOPT NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY**

To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:-

**"RESOLVED THAT** pursuant to the provisions of Sections 5, 14 and other applicable provisions, if any, of the Companies Act, 2013, as amended, and the rules and regulations made thereunder (including the Companies (Incorporation) Rules, 2014, as amended) (collectively referred to as the "Companies Act"), and other applicable laws, if any, the set of existing articles of association of the Company, as placed before the members of the

Company be and is hereby substituted with the amended set of articles of association in conformity with the Companies Act, 2013, placed before the members of the Company and the same be approved and be adopted as articles of association of the Company, in total exclusion and substitution of the existing articles of association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorized severally to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any committee of directors or the Managing Director or any director(s) or any other Key Managerial Personnel or any other officer(s) of the Company.”

#### **19. AMENDMENT IN OBJECT CLAUSE OF THE MEMORANDAM OF ASSOCIATION OF THE COMPANY**

To consider, and, if thought fit, to pass, with or without modification(s) the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to Section 13, 15 and other applicable provisions read with the rules and regulations made there under including any amendment, re-enactment or statutory modification thereof, and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as “Board” which term shall include any Committee), consent of the members be and is hereby accorded to amend Clause III (the Object Clause) of the Memorandum of Association of the Company in the following manner:

- a) to re-number the existing following sub clause 2A as sub clause 3.
3. To Carry on the business of generation, developing, transmitting, trading, accumulation, distribution and supply of and to generally deal in all forms of electrical power/energy including dealing in all aspects of Thermal, Hydro, Nuclear, Solar, Tidal, Biomass, Wind Power and Power generated through any Conventional/Non-Conventional/Renewable Energy sources including construction, generation, operation & maintenance, renovation & modernization of Power Stations and Power Projects and also to undertake the business of other allied/ancillary industries including those for utilization/sale/supply of steam and ash generated at power stations and other by-products and deal-in, supply, install, operate and manage all necessary plants, items of equipment, cables, wires, lines, establishments and other works related to Energy/Power and other forms of Energy/Power services like Project Management, Project Advisory services, including Supply of Coal, Fuel. Oil, gas based captive power and to carry on in India or out of India the business of power, minerals and fuels of all kind, to establish, operate and maintain power generation stations and plants, accumulation, tie-lines, sub-stations, workshops, transmission lines, to establish and develop power projects and other infrastructure projects to promote industrial, commercial activity for inland and foreign trade, and to do government liaison work and other work.
- b) by addition of following sub clause 4 and 5 after existing sub clauses 3 of the Clause III(A) (Main Objects) of Memorandum of Association of the Company:
  4. To carry on business of purchase, sale, subscription, acquisition, investment or dealing in shares, units, negotiable instruments, foreign exchange, debentures, bonds, obligations, mortgages, and securities of any kind, movable and immovable assets and any interest therein and lending and advancing money or give credit to any persons and to advance loans and to make investment in securities, shares, mutual funds, bonds, warrants, debentures, or any other kind of interest or instrument carrying rights.
  5. To carry on new edge technology and data driven businesses, trades and activities, essentials for enhancing quality of life, livelihood, overall environment or otherwise, having economic values and to undertake these businesses either individually or in collaboration with other persons, companies or corporations and to enter into agreements and contracts, strategic alliances, business association, joint-ventures, partnerships or into any arrangement for sharing profits, union of interest, co-operation, reciprocal concession or other alike business propositions, with such person, firm,

corporate or other entity carrying on or engaged in or about to carry on or engage in any business or transaction which this company is authorised to carry on or engage in or any business or undertaking or transaction which may seem capable of being carried on or conducted so as directly or indirectly to benefit the company.

**20. APPROVAL TO SHIFT REGISTERED OFFICE OF THE COMPANY FROM STATE OF MAHARASHTRA AT MUMBAI TO NATIONAL CAPITAL TERRITORY OF DELHI AND CONSEQUENT AMENDMENT IN CLAUSE II OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:-

**“RESOLVED THAT** pursuant to the provisions of Sections 12 and 13 of the Companies Act, 2013, (including any amendments thereto or re-enactment thereof) read with Rule 30 of the Companies (Incorporation) Rules, 2014 and subject to approval of the Regional Director (WR), Ministry of Corporate Affairs at Mumbai, the consent of the shareholders of the Company be and is hereby accorded for shifting of the Registered Office of the Company from State of Maharashtra at Mumbai to National Capital Territory of Delhi .

**“RESOLVED FURTHER THAT** the existing clause II of the Memorandum of Association of the Company be and is hereby substituted with the following new Clause II:-

“II. The Registered Office of the Company will be situated in the National Capital Territory of Delhi.”

**“RESOLVED FURTHER THAT** for the purpose of giving the effect to above resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things, fillings, and execute all such deeds, documents, instruments and writings as may be required, on behalf of the Company.”

**21. TO AUTHORIZE CAPITAL RAISING THROUGH ISSUANCE OF EQUITY SHARES OR OTHER CONVERTIBLE SECURITIES**

To consider, and, if thought fit, to pass, with or without modification(s) the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in suppression of the earlier resolution(s) passed and pursuant to the provisions of Sections 23, 41, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013, and the applicable rules there under (the ‘Act’), the Foreign Exchange Management Act, 1999, as amended and rules and regulations framed there under, including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India from time to time, as in force, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, the Depository Receipts Scheme, 2014, the Rules, Regulations, Guidelines, Notifications and Circulars, if any, prescribed by the Government of India, the Reserve Bank of India (‘RBI’), the Securities and Exchange Board of India (‘SEBI’), including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the ‘ICDR Regulations’), relevant Registrar of Companies, or by any other competent authority, whether in India or abroad, from time to time, to the extent applicable including enabling provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the ‘Listing Regulations’) and any other applicable law or regulation, (including any statutory amendment(s) or modification(s) or variation(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company and subject to necessary approvals, consents, permissions and/or sanctions of concerned statutory and other authorities and as may be required, and subject to such conditions as might be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to by, the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), be and is hereby authorized on behalf of the Company, to create, offer, issue and allot in one or more tranches, in the course of domestic and/ or international offering(s) in one or more foreign markets, by way of a public issue, qualified institutions placement, private placement or a

combination thereof of equity shares of the Company having face value of Rs. 10/- (Rupee Ten) each (the 'Equity Shares') or through an issuance of Global Depository Receipts ('GDRs'), Foreign Currency Convertible Bonds ('FCCBs'), fully convertible debentures/partly convertible debentures/ non-convertible debentures with warrants, with a right exercisable by the warrant holder to exchange the said warrants with Equity Shares/any other securities (other than warrants), which are convertible into or exchangeable with Equity Shares, whether rupee denominated or denominated in foreign currency (hereinafter collectively referred to as the 'Securities') or any combination of Securities, to all eligible investors, including residents and/or non-residents and/or institutions/ banks/ venture capital funds/alternative investment funds/foreign portfolio investors, mutual funds / pension funds, multilateral financial institutions, qualified institutional buyers and/or other incorporated bodies and/or individuals and/or trustees and/or stabilizing agent or otherwise, and whether or not such investors are Members of the Company (collectively the 'Investors'), as may be decided by the Board in its absolute discretion and permitted under applicable laws and regulations, through one or more prospectus and/or letter of offer or circular, and/or placement document and/or on private placement basis, at such time or times, at such price or prices, and on such terms and conditions considering the prevailing market conditions and other relevant factors wherever necessary, for, or which upon exercise or conversion of all Securities so issued and allotted, could give rise to the issue of Equity Shares aggregating (inclusive of such premium as may be fixed on the securities) up to Rs. 100 Crores including series of Right Issue(s), each tranche not exceeding Rs. 50 Crore (Rs. Fifty Crores Only).

**RESOLVED FURTHER THAT:**

- a. the offer, issue and allotment of the Equity Shares shall be made at appropriate time or times, as may be approved by the Board subject, however, to applicable laws, guidelines, notifications, rules and regulations; and
- b. the Equity Shares to be issued by the Company as stated aforesaid shall rank pari-passu with all existing Equity Shares of the Company, including receipt of dividend that may be declared for the financial year in which the allotment is made in terms of the applicable laws.

**RESOLVED FURTHER THAT** in case of a qualified institutions placement pursuant to the ICDR Regulations, the allotment of Securities (or any combination of the Securities as decided by the Board) shall only be made to Qualified Institutional Buyers within the meaning of the ICDR Regulations, such Securities shall be allotted as fully paid-up and the allotment of such Securities shall be completed within 365 days from the date of this resolution at such price being not less than the price determined in accordance with the pricing formula provided under the ICDR Regulations. The Company may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on the floor price calculated in accordance with the pricing formula provided under the ICDR Regulations.

**RESOLVED FURTHER THAT** in the event that Equity Shares are issued by way of a qualified institutional placement under the ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares.

**RESOLVED FURTHER THAT** in the event that convertible securities and/or warrants which are convertible into Equity Shares of the Company are issued along with non-convertible debentures to qualified institutional buyers under Chapter VI of the ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities and/or warrants simultaneously with non-convertible debentures and such securities shall be issued at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the ICDR Regulations.

**RESOLVED FURTHER THAT** subject to applicable laws, the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

- a) in the event the Company is making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares pursuant to the proposed issue, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the equity shares capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced proportionately;
- b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the

Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which they are offered to the existing Members;

c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted; and

d) in the event of consolidation and/or division of outstanding Equity Shares into smaller number of Equity Shares (including by way of stock split) or reclassification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, issue of additional Equity Shares, variation of the conversion price of the Securities or period of conversion of Securities into Equity Shares during the duration of the Securities and the Board be and is hereby authorized, in its absolute discretion, in such manner as it may deem fit, to dispose-off such of the Securities that are not subscribed.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to create, issue, offer and allot such number of Equity Shares as may be required to be issued and allotted, including issue and allotment of Equity Shares upon conversion of any depository receipts or other Securities referred to above or as may be necessary in accordance with the terms of the offer, and all such Equity Shares shall be issued in accordance with the terms of the Memorandum of Association and Articles of Association and shall rank pari-passu inter-se and with the then existing Equity Shares of the Company in all respects.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of terms and conditions for issuance of Securities including the number of Securities that may be offered in domestic and international markets and proportion thereof, determination of investors to whom the Securities will be offered and allotted in accordance with applicable law, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, entering into and executing arrangements for managing, underwriting, marketing, listing, trading and providing legal advice as well as acting as depository, custodian, registrar, stabilizing agent, paying and conversion agent, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalize, approve and issue any document(s), including but not limited to prospectus and/or letter of offer and/or placement document(s) and/or circular, documents and agreements including filing of registration statements, prospectus and other documents (in draft or final form) with any Indian or foreign regulatory authority or stock exchanges and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorized on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India or outside India and the listing of Equity Shares underlying the GDRs on the Stock Exchanges in India.

**RESOLVED FURTHER THAT**

i. the offer, issue and allotment of the aforesaid Equity Shares shall be made at such time or times as the Board may in its absolute discretion decide, subject, however, to applicable guidelines, notifications, rules and regulations;

ii. the Equity Shares to be issued by the Company as stated aforesaid shall rank pari-passu with all existing Equity Shares of the Company;

iii. the Board be and is hereby authorized to decide and approve the other terms and conditions of the issue of the above mentioned Equity Shares and also shall be entitled to vary, modify or alter any of the terms and conditions, including size of the issue, as it may deem expedient;

iv. the Board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final offer document(s), placement document or offering circular, as the case may be, execution of various transaction documents, as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to engage/appoint merchant bankers, underwriters, guarantors, depositories, custodians, registrars, trustees, stabilizing agents, bankers, lawyers, advisors and all such agencies as may be involved or concerned in the issue and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, contracts/agreements, memorandum, documents, etc., with such agencies, to seek the listing of Securities on one or more recognized stock exchange(s), as may be required.

**RESOLVED FURTHER THAT** subject to applicable law, the Board be and is hereby authorized to delegate all or any of its powers herein conferred by this resolution to any Committee of Director or Directors or any one or more executives of the Company to give effect to the above resolutions.”

## **22. PREFERENTIAL ALLOTMENT OF UPTO 3,00,00,000 EQUITY SHARES TO THE PERSONS BELONGING TO PROMOTER & PROMOTER GROUP AND NON-PROMOTER CATEGORY**

To consider, and, if thought fit, to pass, with or without modification(s) the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Companies Act”) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and the Companies (Share Capital and Debentures) Rules, 2014, as amended and other relevant rules made there under {including any statutory modification(s) thereto or re-enactment thereof for the time being in force}, enabling provisions in Memorandum and Articles of Association of the Company, provisions of the uniform listing agreement entered into with BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed (“Stock Exchanges”), and in accordance with the guidelines, rules and regulations of the Securities and Exchange Board of India (“SEBI”), as amended including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended, the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 (“Takeover Regulations”) as amended, the Foreign Exchange Management Act, 1999 as amended and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines issued thereon, from time to time, by the Reserve Bank of India (“RBI”), Ministry of Corporate Affairs, SEBI and / or any other competent authorities, and subject to the approvals, consents, permissions and / or sanctions, as may be required from the Government of India, SEBI, RBI, Stock Exchange, and any other relevant statutory, regulatory, governmental authorities or departments, institutions or bodies and subject to such terms, conditions, alterations, corrections, changes, variations and / or modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and / or sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, which the Board has constituted or may hereafter constitute, to exercise one or more of its powers, including the powers conferred hereunder), consent of the members of the Company be and is hereby accorded to the Board to create, issue, offer and allot, on a preferential basis, up to 3,00,00,000 Equity Shares of face value of Rs.10/- (Rupees Ten Only) each fully paid up, for cash, at an issue price of Rs. 10/- (Rupees Ten Only) per Equity Share, determined in accordance with the provisions of Chapter V of SEBI ICDR Regulations, for an aggregate amount



of up to Rs. 30,00,00,000 (Rupees Thirty Crores only) on such further terms and conditions as may be finalized, to the below mentioned persons (“Proposed Allottees”):

S.N	Proposed Allotees	Category	No of Equity Shares
1	Mr. Vishesh Gupta	Promoter	15,00,000
2	M/s. Vrindaa Advanced Materials Ltd.	Promoter	1,22,50,000
<b>Total (A)</b>			<b>1,37,50,000</b>
3	M/s. G G Engineering Limited	Non- Promoter	90,00,000
4	M/s. Yoshi Envirotech Private Limited	Non- Promoter	12,50,000
5	M/s. Jasmine Ispat Private Limited	Non- Promoter	30,00,000
6	Mr. Mukesh Mittal	Non- Promoter	3,20,000
7	Ms. Nirmal Agarwal	Non- Promoter	3,20,000
8	Ms. Urvashi Mittal	Non- Promoter	3,20,000
9	Ms. Aarti Mittal	Non- Promoter	3,60,000
10	Mr. Govind Agarwal	Non- Promoter	3,20,000
11	Mr. Krishan Kumar	Non- Promoter	3,60,000
12	Mr. Mrinaal Mittal	Non- Promoter	3,20,000
13	Mr. Naresh Aggarwal	Non- Promoter	3,60,000
14	Ms. Sonakshi Mittal	Non- Promoter	3,20,000
<b>Total (B)</b>			<b>1,62,50,000</b>
<b>Grand Total (A+B)</b>			<b>3,00,00,000</b>

**RESOLVED FURTHER THAT** the 'Relevant Date', as per the provisions of Chapter V of the SEBI ICDR Regulations for the purpose of determining the minimum issue price of the Equity Shares proposed to be allotted to the above mentioned allottees is August 30, 2022 (i.e. being the date, which is 30 days prior to the date of shareholder’s meeting which is scheduled on September 30, 2022).

**RESOLVED FURTHER THAT** the Equity Shares to be issued to the Proposed Equity Allottee(s) in the preferential issue shall be listed on the Stock Exchange where the existing Equity Shares are listed.

**RESOLVED FURTHER THAT** the Board or any committee thereof, be and is hereby authorized to make an offer to the Proposed Equity Allottee (s) through private placement offer letter in Form PAS-4 as prescribed under the Companies Act after passing of this shareholders’ resolution with a stipulation that the allotment would be made only upon receipt of in-principle approval from the Stock Exchange, receipt of the consideration as aforesaid and within the timelines prescribed under the applicable laws.

**RESOLVED FURTHER THAT** the aforesaid issue of Equity Shares shall be subject to the following terms and conditions:

- The proposed allottees shall be required to bring in 100% of the consideration, for the Equity Shares to be allotted, on or prior to the date of allotment thereof, from their respective bank account;
- The pre-preferential shareholding of the proposed allottees and the equity shares to be allotted to the Proposed Allottees shall be under lock in for such period as may be prescribed under Chapter V of the SEBI ICDR Regulations;
- The Equity Shares so allotted to the Proposed Allottees under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations, 2018 except to the extent and in the manner permitted thereunder;
- Allotment shall only be made in dematerialized form;
- The allotment of Equity Shares is proposed to be completed within the time limit prescribed under Chapter V of the SEBI ICDR Regulations;
- The Equity Shares proposed to be issued shall rank *pari passu* with the existing Equity Shares of the Company in all respects and that the Equity Shares so allotted shall be entitled to the dividend declared

and/or any other corporate action/benefits, if any, for which the book closure or the record date falls in between.

- The issue and allotment of Equity Shares shall be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Equity Shares proposed to be so allotted shall rank *pari-passu* in all respects including as to dividend, other corporate benefits if any, with the existing fully paid-up Equity Shares of Rs.10/- (Rupees Ten Only) each of the Company, subject to the relevant provisions contained in the Memorandum of Association and Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors of the Company and/or any Committee constituted by the Board for this purpose and/or Company Secretary & Compliance Officer of the Company be and are hereby authorized severally on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient, including without limitation to make application to Stock Exchanges for obtaining of in-principle approval, listing of shares, filing of requisite documents with the Registrar of Companies, National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and/ or such other authorities as may be necessary for the purpose, to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said Equity Shares, utilization of issue proceeds, signing of all deeds and documents as may be required without being required to seek any further consent or approval of the shareholders.

**RESOLVED FURTHER THAT** in connection with any of the foregoing resolutions, the Board of Directors/Committee(s) of the Board and Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to execute and deliver any and all other documents, papers and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the preferential issue; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be.”

**By orders of Board  
For GI Engineering Solutions Limited**

**Sd/-  
Pranjali Joshi  
Company Secretary**

**Place: Mumbai**

**Date: September 5, 2022**

**NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 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 EGM/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 and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/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 Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) 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 venue voting on the date of the EGM/AGM will be provided by NSDL.
6. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed.
7. The Register of Members and Share Transfer Books shall remain closed from Saturday, September 24, 2022 to Friday, September 30, 2022 (Both days inclusive) for the purpose of annual closing and for the 16th Annual General Meeting of the Company.
8. The Company has appointed M/s Kumar G & Co., a Practicing Company Secretary, as Scrutinizer to scrutinize the remote e-voting process and through poll at the Annual General Meeting in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
9. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.giesl.in](http://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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
10. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

11. A copy of the Financial Statements along with the Auditor’s Report, Board’s Report and such other matters necessary for the shareholders is annexed to the notice in the Annual Report. Electronic copy of the Annual Report for 2021-22 is being sent to all the Members whose e-mail addresses are registered with the Company / Depository Participants(s) for communication. The Annual Report may also be accessed on the Company’s Corporate Website [www.giesl.in](http://www.giesl.in).

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Tuesday, September 27, 2022 at 09:00 A.M. and ends on Thursday, September 29, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 23, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 23, 2022.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDEAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDEAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

	<p>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Existing users who have opted for Easi / Easiest, they can login through their 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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</p> <p>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</p>
<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. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
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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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open

- the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
    - a) Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

#### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

##### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

##### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [kumargpankaj@gmail.com](mailto:kumargpankaj@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User](#)

[Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [investors@giesl.in](mailto:investors@giesl.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investors@giesl.in](mailto:investors@giesl.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. [Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.](#)
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted 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 in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.



3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@giesl.in. The same will be replied by the company suitably.
6. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted 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.
8. 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.

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

### **Item No. 2:**

M/s. Sachin Phadke & Associates, Chartered Accountants (Firm Registration No. 133898W) was appointed as statutory auditors of the Company for a period of 5 years i.e. to hold office from the conclusion of 11<sup>th</sup> Annual General Meeting (AGM) held on 28<sup>th</sup> September, 2017 till the conclusion of ensuing 16<sup>th</sup> AGM.

Therefore, Board of Directors of the Company recommended at its meeting held on 5<sup>th</sup> September, 2022, that M/s A.K. Bhargav & Co., Chartered Accountants (Firm Registration No. 0034063N) be appointed as statutory auditors of the Company for a period of 5 consecutive years from the conclusion of 16<sup>th</sup> AGM till the conclusion of 21<sup>st</sup> AGM to be held in the year 2027.

M/s A.K. Bhargav & Co. have conveyed their consent to be appointed as the statutory auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

The terms of appointment including the remuneration payable to the statutory auditor will be specified by the Audit Committee & the Board of Directors of the Company.

The Audit Committee and Board of Directors of the Company have considered the following credentials of M/s A.K. Bhargav & Co. While considering their appointment:

- Availability of expertise in Accounting procedures/ processes, Audit, Direct/Indirect Taxation and Corporate Laws.
- Professional integrity, ethics and independence.
- Availability of well trained and experienced professionals.

The Board of Directors of your Company, therefore, recommend the Resolution set out in item no. 2 of this Notice for the approval of the members by way of passing an Ordinary Resolution.

None of the Director(s), Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise, in the above referred resolution except to the extent of their shareholding.

### **Item No. 3:**

In accordance with the provisions of Section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company Mr. Vishesh Gupta (DIN: 00255689), was appointed as an Additional Director on the Board of the Company with effect from August 30, 2022. In terms of Section 161 of the Companies Act, 2013, they are eligible to hold office only up to the conclusion of the ensuing Annual General Meeting.

The Board based on the recommendation of Nomination and Compensation Committee, is of the view that the appointment of Mr. Vishesh Gupta as a Director (Executive Category) of the Company is desirable and would be beneficial to the Company. Mr. Vishesh Gupta is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Board of Directors recommended the appointment of Mr. Vishesh Gupta, who being eligible offered himself for appointment. Every Director has to be appointed by the Company in General Meeting in terms of the provisions of Section 152 of the Companies Act, 2013. Therefore, the Board proposes to obtain the approval of shareholders by way of passing an Ordinary Resolution.

The Board recommends the resolution set forth in Item No. 3 for the approval of the members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives except Mr. Vishesh Gupta, to whom the resolution relates, is concerned or interested, financially or otherwise, in the resolution set out in the Notice, except to the extent of their shareholding, if any.

#### **Item No. 4**

In accordance with the provisions of Section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company Mr. Suresh Kumar Dhingra (DIN: 03513272), was appointed as an Additional Director on the Board of the Company with effect from August 30, 2022. In terms of Section 161 of the Companies Act, 2013, they are eligible to hold office only up to the conclusion of the ensuing Annual General Meeting.

The Board based on the recommendation of Nomination and Compensation Committee, is of the view that the appointment of Mr. Suresh Kumar Dhingra as a Director of the Company is desirable and would be beneficial to the Company. Mr. Suresh Kumar Dhingra is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Board of Directors recommended the appointment of Mr. Suresh Kumar Dhingra, who being eligible offered himself for appointment. Every Director has to be appointed by the Company in General Meeting in terms of the provisions of Section 152 of the Companies Act, 2013. Therefore, the Board proposes to obtain the approval of shareholders by way of passing an Ordinary Resolution.

The Board recommends the resolution set forth in Item No. 4 for the approval of the members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives except Mr. Suresh Kumar Dhingra, to whom the resolution relates, is concerned or interested, financially or otherwise, in the resolution set out in the Notice, except to the extent of their shareholding, if any.

#### **Item No. 5**

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of your Company in its meeting held on August 30, 2022 appointed Mr. Suresh Kumar Dhingra (DIN: 03513272) as Whole Time Director of the Company, liable to retire by rotation, for a period of five years effective from August 30, 2022 itself, subject to approval of the shareholders.

The Board, while appointing Mr. Suresh Kumar Dhingra as Whole Time Director of the Company, considered his rich background and experience. Mr. Suresh Kumar Dhingra is Post Graduate Diploma holder in Personnel Management and Labour Welfare and has an over three decades experience in general corporate affairs, business management, human resources and labour laws, investors relations.

The Brief profile and specific areas of expertise of Mr. Suresh Kumar Dhingra are provided as **Annexure A** to this Notice.

The main terms and conditions relating to the appointment and remuneration of Mr. Suresh Kumar Dhingra as Whole-Time Director of the Company are as follows:

##### **(1) Term of Appointment**

For a period of 5 years i.e. from August 30, 2022 to August 29, 2027

##### **(2) Nature of Duties:**

The Whole-Time Director shall devote his whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company.

##### **(3) Remuneration**

Current basic salary of 7,20,000 per annum including base salary, variable pay, perquisites, various allowances, bonus & other benefits etc., to be increased by inflationary standard annually based on the recommendations of the Nomination and Remuneration Committee ('NRC'). The recommendation of NRC will be based on Company performance and individual performance.

#### **(4) Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained where in any financial year during the tenure of Mr. Suresh Kumar Dhingra, the Company has no profits or its profits are inadequate, the Company will pay him aforesaid remuneration as minimum remuneration in terms Part II of Schedule V of Companies Act, 2013 by way of salary, benefits and perquisites and allowances, bonus etc. as approved by the Board.

#### **(5) Other Terms of Appointment**

- a. The Whole-Time Director, so long as he functions as such, undertakes not to become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.
- b. The terms and conditions of the appointment of the Whole-Time Director and/or this Agreement may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Whole-Time Director, subject to such approvals as may be required.
- c. All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to the Whole-Time Director unless specifically provided otherwise.
- d. The appointment may be terminated earlier, without any cause, by either Party by giving to the other Party six months' notice of such termination or the Company paying six months' remuneration which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated Bonus/ Performance Linked Incentive/ Commission (paid at the discretion of the Board), in lieu of such notice. Further, the employment of the Whole-Time Director may be terminated by the Company without notice or payment in lieu of notice, if he is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by him of any of the stipulations, instructions of the Board or in the event the Board expresses its loss of confidence in the Whole-Time Director.
- e. The terms and conditions of appointment of Whole-Time Director also include clauses pertaining to adherence to the Company's Code of Conduct, protection and use of intellectual property, noncompetition, non-solicitation post termination of agreement and maintenance of confidentiality etc.

In compliance with the provisions of Section 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act as amended, and based on the recommendation of the Board and the Nomination and Remuneration Committee, approval of the Members is sought for the appointment and remuneration of Mr. Suresh Kumar Dhingra as Whole Time Director as set out above.

The Board recommends the resolution set forth in Item No. 5 for the approval of the members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives except Mr. Suresh Kumar Dhingra to whom the resolution relates, is concerned or interested, financially or otherwise, in the resolution set out in the Notice, except to the extent of their shareholding, if any.

#### **Item No. 6**

In accordance with the provisions of Section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company Mrs. Swati Gupta (DIN: 09652245), was appointed as an Additional Director on the Board of the Company with effect from August 30, 2022. In terms of Section 161 of the Companies Act, 2013, they are eligible to hold office only up to the conclusion of the ensuing Annual General Meeting.

The Board based on the recommendation of Nomination and Compensation Committee, is of the view that the appointment of Mrs. Swati Gupta as a Director of the Company is desirable and would be beneficial to the Company. Mrs. Swati Gupta is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Board of Directors recommended the appointment of Mrs. Swati Gupta, who being eligible offered herself for appointment. Every Director has to be appointed by the Company in General Meeting in terms of the provisions of Section 152 of the Companies Act, 2013. Therefore, the Board proposes to obtain the approval of shareholders by

way of passing an Ordinary Resolution.

The Board recommends the resolution set forth in Item No. 6 for the approval of the members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives except Mrs. Swati Gupta, to whom the resolution relates, is concerned or interested, financially or otherwise, in the resolution set out in the Notice, except to the extent of their shareholding, if any.

**Item No. 7:**

Upon the recommendations of the Nomination and Remuneration Committee, the Board at its meeting held on August 30, 2022, appointed Mrs. Swati Gupta as an Independent Director, subject to the approval of the shareholders, to hold office for five consecutive years effective from August 30, 2022 to August 29, 2027 not liable to retire by rotation.

The Company has received a notice in writing under the provisions of Section 160 of the Act from a member proposing the candidature of Mrs. Swati Gupta for the office of Director. Mrs. Swati Gupta is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("the Act") and has given her consent for appointment as an Independent Director. The Company has also received declaration from Mrs. Swati Gupta that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the SEBI Listing Regulations.

The Board, while appointing Mrs. Swati Gupta as Independent Director of the Company, considered her knowledge and experience. Mrs. Swati Gupta is independent of the management and possesses appropriate skills, experience and knowledge. Her Brief profile and specific areas of expertise are provided as **Annexure A** to this Notice.

The Board of Directors of the Company recommends the resolution at Item No. 7 of the Notice of AGM, in relation to the appointment of Mrs. Swati Gupta as an Independent Director, for approval of the shareholders, as Special Resolution.

Mrs. Swati Gupta does not hold by herself or through his relatives on a beneficial basis, any shares in the Company.

Except Mrs. Swati Gupta being an appointee, none of the Directors and Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, the resolution.

**Item No. 8:**

In accordance with the provisions of Section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company Mr. Om Prakash Agarwal (DIN: 09553402), was appointed as an Additional Director on the Board of the Company with effect from August 30, 2022. In terms of Section 161 of the Companies Act, 2013, they are eligible to hold office only up to the conclusion of the ensuing Annual General Meeting.

The Board based on the recommendation of Nomination and Compensation Committee, is of the view that the appointment of Mr. Om Prakash Agarwal as a Director of the Company is desirable and would be beneficial to the Company. Mr. Om Prakash Agarwal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Board of Directors recommended the appointment of Mr. Om Prakash Agarwal, who being eligible offered himself for appointment. Every Director has to be appointed by the Company in General Meeting in terms of the provisions of Section 152 of the Companies Act, 2013. Therefore, the Board proposes to obtain the approval of shareholders by way of passing an Ordinary Resolution.

The Board recommends the resolution set forth in Item No. 8 for the approval of the members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives except Mr. Om Prakash Agarwal, to whom the resolution relates, is concerned or interested, financially or otherwise, in the resolution set out in the Notice, except to the extent of their shareholding, if any.

**Item No. 9:**

Upon the recommendations of the Nomination and Remuneration Committee, the Board at its meeting held on August 30, 2022, appointed Mr. Om Prakash Agarwal as an Independent Director, subject to the approval of the shareholders, to hold office for five consecutive years effective from August 30, 2022 to August 29, 2027 not liable to retire by rotation.

The Company has received a notice in writing under the provisions of Section 160 of the Act from a member proposing the candidature of Mr. Om Prakash Agarwal for the office of Director and he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("the Act") and has given his consent for appointment as an Independent Director. The Company has also received declaration from Mr. Om Prakash Agarwal that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the SEBI Listing Regulations.

The Board, while appointing Mr. Om Prakash Agarwal as Independent Director of the Company considered his skills, experience and knowledge. Mr. Om Prakash Aggarwal, is a Delhi University Graduate, having more than 40 years of experience in the industry, trade, and commerce. His expertise includes manufacturing of PVC and Footwear Compounds, trading of Infrastructure Products. He possesses good business acumen, analytical skills and widely known for his organizational abilities and strong strategic plannings. The appointment of Mr. Om Prakash Agarwal will be of immense benefit to the Company. His Brief profile and specific areas of expertise are provided as **Annexure A** to this Notice.

The Board of Directors of the Company recommends the resolution at Item No. 9 of the Notice of AGM, in relation to the appointment of Mr. Om Prakash Agarwal as an Independent Director, for approval of the shareholders, as Special Resolution.

Mr. Om Prakash Agarwal does not hold by himself or through his relatives on a beneficial basis, any shares in the Company.

Except Mr. Om Prakash Agarwal being an appointee, none of the Directors and Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, the resolution.

**Item No. 10**

In accordance with the provisions of Section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Amandeep Singh (DIN: 09727614), was appointed as an Additional Director on the Board of the Company with effect from September 5, 2022. In terms of Section 161 of the Companies Act, 2013, they are eligible to hold office only up to the conclusion of the ensuing Annual General Meeting.

The Board based on the recommendation of Nomination and Compensation Committee, is of the view that the appointment of Mr. Amandeep Singh as a Director of the Company is desirable and would be beneficial to the Company. Mr. Amandeep Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Board of Directors recommended the appointment of Mr. Amandeep Singh, who being eligible offered himself for appointment. Every Director has to be appointed by the Company in General Meeting in terms of the provisions of Section 152 of the Companies Act, 2013. Therefore, the Board proposes to obtain the approval of shareholders by way of passing an Ordinary Resolution.

The Board recommends the resolution set forth in Item No. 10 for the approval of the members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives except Mr. Amandeep Singh, to whom the resolution relates, is concerned or interested, financially or otherwise, in the resolution set out in the Notice, except to the extent of their shareholding, if any.

**Item No. 11**

Based on the recommendations of the Nomination and Remuneration Committee, the Board recommended the appointment of Mr. Amandeep Singh (DIN: 09727614) as an Independent Director, subject to the approval of the shareholders, to hold office for five consecutive years effective from August 30, 2022 to August 29, 2027 not liable to retire by rotation.

The Company has received a notice in writing under the provisions of Section 160 of the Act from a member proposing the candidature of Mr. Amandeep Singh for the office of Director and he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("the Act") and has given his consent for appointment as an Independent Director. The Company has also received declaration from Mr. Amandeep Singh that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the SEBI Listing Regulations.

The Board, while appointing Mr. Amandeep Singh as Independent Director of the Company considered his skills, experience and knowledge. The appointment of Mr. Amandeep Singh will strengthen the board of the Company. His Brief profile and specific areas of expertise are provided as **Annexure A** to this Notice.

The Board of Directors of the Company recommends the resolution at Item No. 11 of the Notice of AGM, in relation to the appointment of Mr. Amandeep Singh as an Independent Director, for approval of the shareholders, as Special Resolution.

Mr. Amandeep Singh does not hold by himself or through his relatives on a beneficial basis, any shares in the Company.

Except Mr. Amandeep Singh being an appointee, none of the Directors and Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, the resolution.

**Item No. 12 & 13:**

To support Company's business operations, the company requires funds and these funds are generally availed from various financial and/or lending institutions including banks and/or non-banking financial companies, and/or any other body corporate/entity/entities and/or authority/authorities and/or through suppliers credit, any other instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from of official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits upto Rs. 100 crore (Rupees One hundred Crore only).

In term of section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Further, to secure the borrowing made by the Company, the company is generally asked to create charge on certain assets whole of the undertaking of the Company. Section 180(1)(a) of the Companies Act, 2013 empowers the Board of Directors to sell lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the general meeting.

Hence, it proposed to seek necessary members approval to borrow money from any bank, financial institutions, bodies corporate or business associates or through permitted channel in excess of paid up capital and free reserves of the company by a sum not exceeding Rs. 100 crore and creation of security through mortgage or pledge or hypothecation or otherwise or through combination for securing the limits as may be sanctioned by the lenders, for the loans to be sanctioned by any one or more company's bankers and/or by any one or more persons, firms, bodies corporate, or financial institutions or banks, the Company would be required to secure all or any of the Current assets, moveable properties of the Company present and future.

The resolution as set out at item No. 12 & 13 of the notice is placed for your approval of the aforesaid limits of borrowing by the board up to an amount not exceeding Rs. 100 crore.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 12 & 13 of the Notice, except to the extent of their shareholding, if any.

**Item No. 14**

Pursuant to the provisions of Section 186(2) of the Companies Act, 2013 ('Act'), the Company shall not directly or indirectly: -

(a) give any loan to any person or other body corporate:

(b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and

(c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its premium account whichever is higher.

(c) acquire by way of subscription, purchase or otherwise,

exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one free reserves and securities premium account, whichever is higher.

Pursuant to the provisions of Section 186 (3) of the 'Act', where the giving of any loan or guarantee or providing any security or the acquisition of securities exceeds the limits specified in Section 186 (2) of the 'Act', prior approval by means of a Special Resolution passed at a General Meeting is necessary. In terms of Rule No.11 (1) of the Companies (Meeting of Board and its Powers) Rules ('Rules'), where a loan or guarantee is given or security has been provided by a company to its wholly-owned subsidiary or a joint venture, or acquisition is made by a holding company, by way of subscription of securities of its wholly owned subsidiary, the requirement of Section 186 (3) of the 'Act' shall not apply, however it will be included for the purpose of overall limit. In line with the long term objectives of the Company and for expanding its business further, the Company may be required to give loans or guarantees or make investments in excess of the limits specified in Section 186 (2) of the 'Act':

And accordingly, it is proposed to seek prior approval of Members vide an enabling Resolution to provide loans, guarantees and make investments up to a sum of Rs. 100 crore (Rupees One hundred Crore only) over and above the limits specified in Section 186 (2) of the 'Act' at any point of time.

The resolution is accordingly recommended for approval of the Members by way of a Special Resolution. None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 14 of the Notice, except to the extent of their shareholding, if any.

**Item no. 15:**

As per the provisions of Section 185 of the Companies Act, 2013, no company shall, directly or indirectly, advance any loan including any loan represented by a book debt, business advance, advance for securing supplies of services/goods on a future date to any of its Directors or to any other person in whom the Director is interested or give any guarantee or provide any security in connection with any loan taken by him or such other person.

However, in order to promote ease of doing business, the entire Section 185 of the Companies Act, 2013 has been substituted vide Companies (Amendment) Act, 2017 and the same was notified by the Ministry of Corporate Affairs on 7th May, 2018 In terms of the amended Section 185 of the Act, a company may advance any loan, including any loan represented by a book debt, to any person in whom any of the Directors of the Company is interested or give any guarantee or provide any security in connection with any loan taken by any such person, subject to the condition that approval of the shareholders of the Company is obtained by way of passing a Special Resolution and requisite disclosures are made in the Explanatory Statement.

The management is of the view that the Company may be required to invest funds in joint ventures, strategic alliance



and other entities in the normal course of its business, make business advances or otherwise, give guarantee or provide any security in connection with any loans/debentures/bonds etc. raised by its associate or wholly owned subsidiary or to any other body corporate(s) in which the Directors of the Company may be interested, as and when required.

Hence, as an abundant caution, the Board decided to seek approval of the shareholders pursuant to the amended provisions of Section 185 of the Act to advance any loan, including any loan represented by book debt, to its subsidiary company(ies) (Indian or overseas) or other body corporate(s) in whom any of the Directors of the Company is interested or to give guarantee or provide any security in connection with any loans/debentures/bonds etc raised by its subsidiary companies) (Indian or overseas) or other body corporate(s) in whom any of the Directors of the Company is interested up to an aggregate amount of approved by the shareholder of the Company under Section 186 of the Company Act, 2013 over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more.

The Board of Directors recommends resolution for approval of the members of the Company by way of passing a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 15 of the Notice, except to the extent of their shareholding, if any.

**Item No. 16:**

To ensure continuous business operation without any interruption, approval of the shareholders is being sought, to enter into related party transaction(s) with related party(s) as defined under within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI Listing Regulations, to avail and provide any service and for purchase and sale of goods and material for an amount of Rs. 100 crore during Financial Year 2022-23.

Approval being sought for Financial Year 2022-23 as per the requirements of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), all material related party transactions shall require the approval of Members through a Resolution. Further, the explanation to Regulation 23(1) of the SEBI Listing Regulations states that a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during the financial year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. The estimated value of transaction with related party(s) for Financial Year 2022-23 will be Rs. 100 crore, which would breach the materiality threshold of 10% of the annual turnover of the Company as per last audited financial statements of FY 2021-22. Hence, to ensure uninterrupted operations of the Company, it is proposed to secure shareholders' approval for the related party contracts/ arrangements to be entered into with related party(s) during Financial Year 2022-23, as mentioned in Item no. 16 of the Notice.

The Board recommends the Ordinary Resolution set forth at Item No. 16 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 16 of the Notice, except to the extent of their shareholding, if any

**Item No. 17:**

The existing Memorandum of Association (MOA) of the Company, presently in force, is based on the erstwhile Companies Act, 1956. According to the Companies Act, 2013, the Companies are required to have only "the objects to be pursued by the Company and matters which are necessary for furtherance of the objects specified." Further in terms of provisions of the Companies Act, 2013, MOA shall not consist of "other objects clause". Therefore, it is considered expedient to replace the existing MOA to incorporate the aforesaid object clause as per the Companies Act, 2013.

The new set of MOA to be substituted in place of the existing MOA are in the format prescribed under "Table A" of the Act which sets out the model MOA for a Company limited by shares.

The Board at its meeting held on September 5, 2022, has approved alteration of the MOA of the Company and the Board now seeks Members' approval for the same. Pursuant to Section 13 of the Act, the consent of the Members by way of Special Resolution is required for alteration of MOA of the Company.

The Board of Directors of the Company recommends the special resolution at Item No. 17 of the Notice, in relation to adoption of new set of MOA pursuant to the Act, for approval of the members.

A copy of the proposed MOA of the Company would be available for inspection of the Members at the Registered Office of the Company during normal business hours on any working day excluding Saturday till the date of the AGM.

None of the Directors or Key Managerial Personnel of the Company including their relatives are interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

**Item No. 18:**

The existing Articles of Association (AOA) are based on the Companies Act, 1956 and several articles in the existing AOA contain references to specific sections of the Companies Act, 1956 and some articles in the existing AOA need to be in conformity with the Companies Act, 2013 ("Act"). Substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act, several articles in the existing AOA of the Company, which contain references to the sections of the erstwhile Companies Act, 1956, require alteration or deletions.

Given this position, it is considered expedient to update the existing AOA by a new set of Articles.

The new AOA to be substituted in place of the existing AOA are based on Table 'F' to Schedule I to the Act which sets out the model Articles of Association for a company limited by shares.

Certain provisions of the existing AOA have been simplified by providing reference to relevant sections to the Act, and the Rules framed thereunder, to avoid repetition in its entirety.

The Board at its meeting held on September 5, 2022, has approved alteration of the AOA of the Company and the Board now seeks Members' approval for the same. Pursuant to Section 14 of the Act, the consent of the Members by way of Special Resolution is required for alteration of AOA of the Company.

The Board of Directors of the Company recommends the special resolution at Item No. 18 of the Notice, in relation to adoption of new set of AOA pursuant to the Act, for approval of the members.

A copy of the proposed AOA of the Company would be available for inspection of the Members at the Registered Office of the Company during normal business hours on any working day excluding Saturday till the date of the AGM.

None of the Directors or Key Managerial Personnel of the Company including their relatives are interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

**Item No. 19:**

Presently your company main objects permits the business of civil engineering, development of software, software programmes and other related IT support services only. Though considering the company's long-term business plan to expand its business further into different segments and to utilize the resources in more optimum ways, the management of your company has decided to amend the Main Objects which will enable your Company to take certain new activities including investments, venture into new products, processes, segments, businesses which are under the existing circumstances conveniently and advantageously could be combined with the present activities of the Company.

The Board of Directors thinks that it is in the best interest of the Company and its Shareholders that the activities of the Company be diversified, therefore, to facilitate enlarging the Company's scope of operations, the Board of Directors of your Company has approved and recommended amendment to the object clause of the MOA by

renumbering the existing sub clause 2A of the Clause III(A) (Main Objects) of Memorandum of Association of the Company as sub clause 3 and adding sub clause 4 and 5 after existing sub clauses 3 of the Clause III(A) (Main Objects) of Memorandum of Association of the Company, as detailed in the resolution stated at item No. 19 of this notice. The proposed alteration/amendment to MOA requires the approval of the Shareholders by means of Special Resolution(s) pursuant to the provisions of the Companies Act, 2013 and relevant rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and accordingly, Board recommends the resolution set out at Item No. 19 of this notice for the approval of the members by means of passing Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 19 of the Notice, except to the extent of their shareholding, if any.

#### **Item No. 20**

Presently, the Registered Office of the Company is situated in the State of Maharashtra at Mumbai at "73A SDF-III, SEEPZ, Andheri (East) Mumbai, Maharashtra-400096, India". Pursuant to the share purchase agreement dated March 4, 2022 and open offer in terms of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011, the Company was acquired by Mr. Vishesh Gupta and M/s. Vrindaa Advanced Materials Limited, pursuant to which the management of the Company underwent a change. The Company appointed and composed a new Board of Directors and Key Managerial Personnel (KMP) of the Company. Majority of the Directors and KMP of the Company are residing in the National Capital Territory of Delhi. Therefore, the business activities and day to day operations of the Company are proposed to carry out from National Capital Territory of Delhi.

With a view to carry out operations of the Company in an efficient manner, the Board of Directors of the Company considered it advisable and in the interest of the Company to shift the registered office of the Company from State of Maharashtra at Mumbai to National Capital Territory of Delhi.

In accordance with the provisions of Section 12 and 13 of the Companies Act, 2013 read with Rule 30 of the Companies (Incorporation) Rules, 2014, the approval of shareholders is required for shifting of Registered Office of the Company from one State to another State and consequent alteration in Clause II of the Memorandum of Association of the Company by way of Special Resolution. The Board of Directors of the Company at its meeting held on September 5, 2022 decided to seek the approval of the shareholders of the Company by way of Special Resolution. Therefore, the Board recommends the Special Resolution at Item No. 20 for the approval of the shareholders.

None of the Director of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 20 of the Notice.

#### **Item No. 21**

The Company is currently engaged in the business of civil engineering and IT support and is also exploring different avenues to expand its business through new avenues, agreements, acquisitions, joint ventures, other strategic alliances to broad base the business interests in other business activities.

Therefore, considering the growth and expansion plans of the company, investment in future operations and for general corporate purpose and to enhance financial resources, and in suppression of the earlier resolutions passed in this regard, the Board of Directors of your Company explored various options to manage resources more efficiently and has decided to raise additional funds aggregating up to Rs. 100 Crores by way of issuance of securities, convertible instruments, FCCB, QIP, Depository Receipts including series of Right Issue(s) with each tranche not exceeding Rs. 50 Crore (Rupees Fifty Crores Only).

This may also help the Company to improve its balance sheet and credit profile which in turn will improve the capability to obtain credit facilities at better terms and overall reduced cost and accordingly the Board at its meeting held on September 5, 2022, had approved the proposal of raising of additional fund aggregating up to Rs. 100 crores (Rupees Hundred Crores) or its equivalent, which may be consummated in one or more tranches as may be decided by the Board of Directors or Committee of the Company from time to time, by any of the following method provided:

- Qualified Institutions Placement, Private Placement in international markets through Depository Receipts, GDRs etc;
- Foreign Currency Convertible Bonds;
- Right Issue of Equity Shares
- Issue of fully convertible debentures/partly convertible debentures/ non-convertible debentures with warrants, with a right exercisable by the warrant holder to exchange the said warrants with Equity Shares;
- Preference Shares convertible into Equity Shares;
- Any other financial instruments or securities convertible into Equity Shares, whether rupee denominated or denominated in foreign currency or a Public Issue or any other methods

The Board may in their discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the Members of the Company. The proposed issue of capital is subject to the approvals of the by the Securities and Exchange Board of India and any other government/regulatory approvals as may be required in this regard.

In case the issue is made through a qualified institutions placement, the pricing of the Securities that may be issued to qualified institutional buyers pursuant to a qualified institutions placement shall be determined by the Board in accordance with the regulations on pricing of securities prescribed under Chapter VI of the ICDR Regulations. The resolution enables the Board to offer such discount as permitted under applicable law on the price determined pursuant to the ICDR Regulations. The Company may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the floor price determined pursuant to the ICDR Regulations (not be less than the average of the weekly high and low of the closing prices of the equity shares quoted on a stock exchange during the two weeks preceding the Relevant Date', less a discount of not more than 5%). Moreover, as per the same regulations, the Company shall not make any subsequent QIP until the expiry of two weeks from the date of the prior QIP made pursuant to one or more special resolutions. The Relevant Date for this purpose would be the date when the Board or a duly authorized Committee of the Board decides to open the qualified institutions placement for subscription, if Equity Shares are issued, or, in case of issuance of convertible securities, the date of the meeting in which the Board decides to open the issue of the convertible securities as provided under Chapter VI of the SEBI ICDR Regulations.

The Company proposes to utilize the funds raised through the proposed issuance to support growth and expansion and general corporate purposes.

The Special Resolution also seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and/or individuals or otherwise as the Board in its absolute discretion deem fit. The detailed terms and conditions for the issue(s)/offering(s) will be determined by the Board or its committee in its sole discretion in consultation with the advisors, lead managers, underwriters and such other authority or authorities as may be necessary considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors.

The Equity Shares to be allotted would be listed on one or more stock exchanges in India and in case of GDR internationally. The offer/ issue/ allotment would be subject to the availability of the regulatory approvals, if any. The conversion of Securities held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap and relevant foreign exchange regulations. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the stock exchanges as may be required under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, Section 62(1)(a) of the Act provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further Equity Shares, such further Equity Shares shall be offered to the existing Members of such company in the manner laid down therein unless the Members by way of a special resolution in a General Meeting/ postal ballot decide otherwise. Since, the Special Resolution proposed in the business of the Notice may result in the issue of Equity Shares of the Company to persons other than existing Members of the Company, consent of the Members is also being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Act as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Directors, therefore, recommend the special resolution, in supersession of the all earlier resolutions passed in this regard, as set forth in Item No. 21 of this Notice, for approval by the Members of the Company.

The Directors and Key Managerial Personnel of the Company and relatives thereof may be deemed to be concerned or interested in the passing of resolution to the extent of securities issued/allotted to them or to the companies in which they are directors or members. Save as aforesaid, none of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

**Item No. 22:**

The Special Resolution contained in Item No. 22 of the notice, have been proposed pursuant to the provisions of Sections 42 and 62 of the Companies Act, 2013, to issue and allot up to 3,00,00,000 (Three Crore) Equity Shares of face value of Rs. 10/- each at an issue price of Rs. 10/- each, aggregating up to Rs. 30,00,00,000/- (Rupees Thirty Crores only).

The proposed Preferential Issue is to be issued to the persons belonging to Promoter & Promoter Group and Non-Promoter Category. The preferential issue shall be made in terms of Chapter V of the SEBI ICDR Regulations, 2018 and applicable provisions of Companies Act, 2013.

The said proposal has been considered and approved by the Board in its meeting held on September 5, 2022.

The approval of the members is accordingly being sought by way of a 'Special Resolution' under Sections 42, and 62(1)(c) of the Companies Act, 2013, read with the rules made thereunder, and Regulation 160 of the SEBI ICDR Regulations.

The details of the issue and other particulars as required in terms of Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Regulation 163 of the SEBI (ICDR), Regulations are set forth below:

**I. Objects of the Preferential Issue**

The proceeds of the issue will be utilized for expansion plan, meeting working capital requirements, and other general corporate purposes of the Company.

**II. Particulars of the offer including the maximum number of specified securities to be issued:**

3,00,00,000 (Three Crore) Equity Shares of face value of Rs. 10/- each at an issue price of Rs. 10/- each, aggregating up to Rs. 30,00,00,000/- (Rupees Thirty Crores only).

**III. The intent of the promoters, directors or key management personnel of the issuer to subscribe to the offer.**

Promoters of the Company are subscribing to the issue to the extent of number of Equity Shares proposed to be issued, written against their names, as detailed in the following table:

S. N	Proposed Allotees	Category	No of Equity shares
1	Mr. Vishesh Gupta	Promoter	15,00,000
2	M/s. Vrindaa Advanced Materials Ltd	Promoter	1,22,50,000
Total			1,37,50,000

**IV. The Shareholding Pattern of the issuer before and after the preferential issue.**

Category	Pre Issue Shareholding Structure		Equity shares to be allotted	Post Issue Shareholding	
	No. of shares	% of shareholding		No. of shares	% of shareholding
<b>A) Promoter Shareholding</b>					
Indian					

a) Individuals & HUF	8,99,194	10.44	1500000	23,99,194	6.21
b) Bodies Corporate	25,32,021	29.40	12250000	1,47,82,021	38.28
Sub Total (A)(1)	34,31,215	39.84	1,37,50,000	1,71,81,215	44.49
2) Foreign Promoters	1,000	0.01	-	1000	0.00
Total Promoter Shareholding A=A1 +A2	34,32,215	39.85	1,37,50,000	1,71,82,215	44.49
<b>B) Public Shareholding</b>					
B1) Institutional Investors	4,050	0.05	-	4050	0.01
B2) Central Govt./Stat Govt./POI	0	0	-	0	0
<b>B3) Non-Institutional Investors</b>					
Individuals	35,16,098	40.83	1,62,50,000	1,97,66,098	51.19
Body Corporate	2,80,134	3.25	2,80,134	2,80,134	0.73
Others (Including NRI)	13,79,381	16.02	13,79,381	13,79,381	3.58
Total Public Shareholding B=B1+B2+ B3	52,16,701	60.10	1,79,09,515	2,14,25,613	55.50
C) Non-Promoter - Non-Public	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>86,11,878</b>	<b>100</b>	<b>3,00,00,000</b>	<b>3,86,11,878</b>	<b>100</b>

Notes:

(1) The pre-issue shareholding pattern is as on the latest BENPOS date i.e. September 2, 2022

(2) Post shareholding structure may change depending upon any other corporate action in between.

**V. Proposed time limit within which the allotment shall be complete:**

In terms of Regulation 170 of the SEBI ICDR Regulations, preferential allotment of said Equity Shares will be completed within a period of 15 (fifteen) days from the date of passing of such resolution ie. September 30, 2022.

**VI. Number of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:**

During the year, no preferential allotment has been made to any person as of the date of this Notice.

**VII. The identity of the natural persons who are the ultimate beneficial owners of the securities proposed to be allotted and/or who ultimately control the proposed allottee(s):**

Sl. No.	Name of the proposed allottee	Category	Name of Ultimate Beneficial Owner
1	Mr. Vishesh Gupta	Promoter	Not Applicable <sup>(Note 1)</sup>
2	M/s. Vrindaa Advanced Materials Ltd	Promoter	Mr. Nand Kishore Garg
3	M/s. G G Engineering Ltd	Non- Promoter	Not Applicable <sup>(Note 2)</sup>
4	M/s. Yoshi Envirotech Private Ltd	Non- Promoter	Ms. Seema Gupta
5	M/s. Jasmine Ispat Private Ltd	Non- Promoter	Ms. Sukriti Garg
6	Mr. Mukesh Mittal	Non- Promoter	Not Applicable <sup>(Note 1)</sup>
7	Ms. Nirmal Agarwal	Non- Promoter	Not Applicable <sup>(Note 1)</sup>
8	Ms. Urvashi Mittal	Non- Promoter	Not Applicable <sup>(Note 1)</sup>
9	Ms. Aarti Mittal	Non- Promoter	Not Applicable <sup>(Note 1)</sup>

10	Mr. Govind Agarwal	Non- Promoter	Not Applicable <sup>(Note 1)</sup>
11	Mr. Krishan Kumar	Non- Promoter	Not Applicable <sup>(Note 1)</sup>
12	Mr. Mrinaal Mittal	Non- Promoter	Not Applicable <sup>(Note 1)</sup>
13	Mr. Naresh Aggarwal	Non- Promoter	Not Applicable <sup>(Note 1)</sup>
14	Ms. Sonakshi Mittal	Non- Promoter	Not Applicable <sup>(Note 1)</sup>

<sup>(Note 1)</sup> being allottee is a natural person

<sup>(Note 2)</sup> being allottee is a listed entity

**VIII. The percentage of post preferential issue capital that may be held by the allottee(s) and change in control, if any, in the issuer consequent to the preferential issue**

Name	Pre-Issue Shareholding Structure		Equity shares to be allotted	Post Issue Shareholding	
	No. of shares	% of shareholding		No. of shares	% of shareholding
<b>(A) Promoter Category</b>					
Mr. Vishesh Gupta	8,99,194	10.44	15,00,000	23,99,194	6.21
M/s. Vrindaa Advanced Materials Ltd	25,26,960	29.34	1,22,50,000	1,47,76,960	38.27
<b>Total</b>	<b>3,42,6154</b>	<b>39.78</b>	<b>1,37,50,000</b>	<b>1,71,76,154</b>	<b>44.48</b>
<b>(B) Non-Promoter Category</b>					
M/s. G G Engineering Ltd	0	0	90,00,000	90,00,000	23.31
M/s. Yoshi Envirotech Private Ltd	0	0	12,50,000	12,50,000	3.24
M/s. Jasmine Ispat Private Ltd	0	0	30,00,000	30,00,000	7.77
Mr. Mukesh Mittal	0	0	3,20,000	3,20,000	0.83
Ms. Nirmal Agarwal	0	0	3,20,000	3,20,000	0.83
Ms. Urvashi Mittal	0	0	3,20,000	3,20,000	0.83
Ms. Aarti Mittal	0	0	3,60,000	3,60,000	0.93
Mr. Govind Agarwal	0	0	3,20,000	3,20,000	0.83
Mr. Krishan Kumar	0	0	3,60,000	3,60,000	0.93
Mr. Mrinaal Mittal	0	0	3,20,000	3,20,000	0.83
Mr. Naresh Aggarwal	0	0	3,60,000	3,60,000	0.93
Ms. Sonakshi Mittal	0	0	3,20,000	3,20,000	0.83
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1,62,50,000</b>	<b>1,62,50,000</b>	<b>42.09</b>

It is pertinent to mention that Mr. Vishesh Gupta and M/s. Vrindaa Advanced Materials Limited have already become the new promoters in the Company pursuant to Share Purchase Agreement dated March 4, 2022 and closure of subsequent Open Offer, and have acquired control over the affairs of the Company.

**Thus, there will be no change in the control or management of the Company pursuant to the proposed preferential issue. However, voting rights will change in tandem with the shareholding pattern.**

**XI Lock-in Period:**

(a) The Equity Shares to be allotted shall be subject to lock-in in accordance with Chapter V of the SEBI ICDR Regulations.

(b) The entire pre-preferential allotment shareholding, if any, of the Proposed Allottees, shall be locked-in as per Chapter V of the SEBI ICDR Regulations.

**IX. Issue price and Relevant Date:**

In terms of Regulation 161 of SEBI (ICDR) Regulations, 2018 the Relevant Date has been reckoned as August 30, 2022, for the purpose of computation of issue price of Equity Shares.

The Equity Shares of the Company are listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ('BSE'), though not frequently traded, and accordingly in terms of Regulation 165 of the SEBI (ICDR)

Regulations, 2015 the Company has obtained a certificate/report from independent registered valuer Mr. Angad Singh, Registered valuer (IBBI/RV/03/2021/14621).

Management of the Company decided to issue these Equity Shares to be allotted on preferential basis to the proposed allottees at par with the nominal value of the Equity Share i.e. Rs. 10/- (Rupees Ten only) each.

**X. Undertakings:**

- None of the Company, its Directors or Promoters are categorized as willful defaulter(s) or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines issued by Reserve Bank of India. Consequently, the undertaking required under Regulation 163(1)(i) is not applicable.
- None of its Directors or Promoters is fugitive economic offenders as defined under the SEBI ICDR Regulations.
- As the equity shares have been listed on a recognized Stock Exchange(s) for a period of more than 90 trading days as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable. Consequently, the undertaking required under Regulation 163(1)(g) and Regulation 163(1)(h) is not applicable.
- None of the allottees have sold or transferred any Equity Shares during the 90 trading days preceding the relevant date.

**XI. Disclosures specified in Schedule VI of ICDR Regulations, if the issuer or any of its promoters or directors is a willful defaulter or fraudulent borrower: Not Applicable**

**XII. The current and proposed status of the allottee(s) post the preferential issues namely, promoter or non-promoter:**

Name of the allottees	Current Status	Post Status
Mr. Vishesh Gupta	Promoter	Promoter
M/s. Vrinda Advanced Materials Limited	Promoter	Promoter
M/s. G G Engineering Limited	Non- Promoter	Non- Promoter
M/s. Yoshi Envirotech Private Limited	Non- Promoter	Non- Promoter
M/s. Jasmine Ispat Private Limited	Non- Promoter	Non- Promoter
Mr. Mukesh Mittal	Non- Promoter	Non- Promoter
Ms. Nirmal Agarwal	Non- Promoter	Non- Promoter
Ms. Urvashi Mittal	Non- Promoter	Non- Promoter
Ms. Aarti Mittal	Non- Promoter	Non- Promoter
Mr. Govind Agarwal	Non- Promoter	Non- Promoter
Mr. Krishan Kumar	Non- Promoter	Non- Promoter
Mr. Mrinaal Mittal	Non- Promoter	Non- Promoter
Mr. Naresh Aggarwal	Non- Promoter	Non- Promoter
Ms. Sonakshi Mittal	Non- Promoter	Non- Promoter

**XIII. Practicing Company Secretary's Certificate:**

The certificate from M/s. Kumar G & Co. (COP: 7579), Practicing Company Secretaries, certifying that the preferential issue of Shares is being made in accordance with requirements of Chapter V of SEBI ICDR Regulations has been obtained considering the said preferential issue.



**XIV. Details of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.**

None of the Directors/ Key Managerial Personnel of the Company/ their relatives is/ are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 22 of this Notice except to the extent of their respective shareholding entitlements in the Company, if any.

The Board of Directors recommends the resolutions as set out in Item No. 22 of this notice for the issue of Equity Shares on a preferential basis, to the proposed allottees by way of Special Resolution.

**By orders of Board  
For GI Engineering Solutions Limited**

**Sd/-  
Pranjali Joshi  
Company Secretary**

**Place: Mumbai  
Date: September 5, 2022**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING OF THE COMPANY**

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 12.5 of Secretarial Standard-2 on General Meeting

<b>Particulars</b>	Mr. Vishesh Gupta	Mr. Suresh Kumar Dhingra	Mrs. Swati Gupta	Mr. Om Prakash Agarwal	Mr. Amandeep Singh
<b>DIN</b>	00255689	03513272	09652245	09553402	09727614
<b>Date of Birth and Age</b>	08/12/1985 (37 years)	02/02/1958 (64 years)	10/01/1995 (27 years)	16/03/1956 (66 years)	12/03/1977 (45 years)
<b>Nationality</b>	Indian	Indian	Indian	Indian	Indian
<b>Date of first appointment on the Board</b>	August 30, 2022	August 30, 2022	August 30, 2022	August 30, 2022	September 5, 2022
<b>Qualification</b>	Graduation	Post Graduate Diploma holder in Personnel Management and Labour Welfare	Chartered Accountant	Graduate	Chartered Accountant
<b>Experience and Expertise</b>	He holds an experience of around 12 years in the plastic and chemical industry and has handled various areas of business including strategic planning and implementation, procurement, storage, marketing and has led institutions across business development, strategy as well as operations over the period of years.	He has an over three decades experience in general corporate affairs, business management, human resources and labour laws, investors relations.	She has an experience of more than 4 years in the field of Accounts/Finance/Internal Audit/Taxation field.  She also has knowledge of Corporate Law, Strategic/Financial Planning, Working Capital Management, Filings, Statutory Compliances and MIS among other aspects of corporate functioning.	He has an experience of more than 40 years of experience in the industry, trade, and commerce. His expertise includes manufacturing of PVC and Footwear Compounds, trading of Infrastructure Products. He possesses good business acumen, analytical skills and widely known for his organizational abilities and strong strategic plannings.	He has 15+ years in the fields of Finance, Accounts, Taxation & Commercial matters and has handled different types of Audits and other professional assignments such as Statutory Audit of Banks like Punjab National Bank and State Bank of India, Statutory Audit of listed and unlisted entities like Swaraj Automotives Ltd, MMTC Ltd, Concurrent

					Audit of Bank of Maharashtra, Central Bank of India and Punjab & Sind Bank, Revenue Audits & Stock Audits.
<b>Directorship held in other Companies (excluding foreign Companies, Private Companies and Section 8 Companies)</b>	Integra Essentia Limited	Nil	Advik Capital Limited	G G Engineering Limited	Nil
<b>Chairmanship/ Membership of Committees in other Companies (only two Committees viz. Audit Committee and Stakeholders Relationship Committee have been considered)</b>	Nil	Nil	Membership of Audit Committee: 1		Nil
<b>Relationship with other directors, manager and other key managerial personnel of the Company</b>	Not related	Not related	Not related	Not related	Not related
<b>No. of shares held</b>	8,99,194 equity shares	Nil	Nil	Nil	Nil
<b>Number of meetings attended during the year</b>	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>Terms &amp; conditions of re-appointment</b>	Appointment as Promoter & Executive Director	Appointment as Whole Time Director	Appointment as Independent Director	Appointment as Independent Director	Appointment as Independent Director
<b>Remuneration sought to be paid and remuneration last drawn</b>	Not Applicable	Rs. 7,20,000/- p.a. (to be paid)	Not Applicable	Not Applicable	Not Applicable

## DIRECTORS' REPORT

Dear Shareholders,

The Directors present the 16<sup>th</sup> Annual Report together with the Audited Statement of Accounts for the financial year ended March 31, 2022.

### 1. FINANCIAL RESULTS AND OPERATIONS

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

(Rs. In Lakhs)

Particulars	Standalone	
	March 31, 2022	March 31, 2021
Income from Operations	11.20	10.23
Other Income	0.02	9.99
Total Income	11.22	20.22
Total expenses	(13.39)	(264.41)
Operating Profit/ (Loss) before Depreciation, Interest and Taxes	(2.17)	(244.19)
Profit/(Loss) before tax	(2.17)	(244.19)
Less: Current Tax	-	-
Tax adjustment of earlier years	(3.00)	8.00
Profit (Loss) After Tax	0.72	(252.19)
EPS	0.01	(2.93)

During the year under review, the Company achieved a turnover of Rs. 11.20 Lacs as against Rs. 10.23 Lacs for previous year whereas, the loss of the Company for the period under review were Rs. 2.17 Lacs as compared to profit of the company Rs. 244.19 Lacs in the previous year. Though company has managed to book some amount of profits during the period under review, your management is optimistic to back on track in near future and register good volumes with profitability and is evaluating various propositions to improve the financial situation and is hopeful of arriving at some conclusion soon.

### 2. BUSINESS OVERVIEW

The Company continues to be engaged in the activities pertaining to Information Technology based Engineering Services, civil engineering, development of software, software programmes and other related services.

However, post closure of the period under review, the management of your company after considering the company's long-term business plan to expand its business further into different segments and to utilize the resources in more optimum ways, has decided to amend the Main Objects which will enable your Company to take certain new activities including investments, venture into new products, processes, segments, businesses which are under the existing circumstances conveniently and advantageously could be combined with the present activities of the Company.

And accordingly, the Board of Directors of your Company subject to members approval, has approved the amendment to the object clause of the MOA by renumbering the existing sub clause 2A of the Clause III(A) (Main Objects) of Memorandum of Association of the Company as sub clause 3 and adding sub clause 4 and 5 after existing sub clauses 3 of the Clause III(A) (Main Objects) of Memorandum of Association of the Company. Further, the existing Memorandum of Association (MOA) and Articles of Association (AOA) are based on the Companies Act, 1956 and several clauses/articles contain references to specific sections of the Companies Act, 1956 which needs to be in conformity with the Companies Act, 2013. Therefore, the board of directors in their meeting held on September 5, 2022, has approved adoption of new set of the MOA and AOA of the Company in accordance with the Companies Act, 2013 and has sought members approval for the same in the ensuing Annual General Meeting.

### **3. CHANGE IN CONTROL AND MANAGEMENT PURSUANT TO SHARE PURCHASE AGREEMENT AND OPEN OFFER**

On March 4, 2022, the Company's erstwhile promoters Mr. Sajid Siraj Malik and Mrs. Saroja Malik has entered into a Share Purchase Agreement with Mr. Vishesh Gupta and M/s. Vrindaa Advanced Materials Limited (collectively known as Acquirers) for sell/ transfer their entire stake in the Company 33,89,116 fully paid-up equity shares of face value of Rs. 10/- each representing 39.35% of the paid-up Equity Share Capital of the Company.

Consequently, an Open Offer in terms of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011 was made by the Acquires to acquire upto 26% of the total Voting Shares of the Company from public shareholders in terms of Letter of Offer dated March 21, 2022.

Upon completion of the said open offer, and in terms of the Share Purchase Agreement dated March 4, 2022, our Company was acquired by Mr. Vishesh Gupta and M/s. Vrindaa Advanced Materials Limited in the current fiscal i.e 2022-2023, by acquisition of total 34,26,154 Equity Shares representing 39.78% of the total Equity, and resultantly the management of your Company underwent a change.

In furtherance to change in management certain other changes took place in company's management, status, name, situation and object clauses of the Memorandum of Association of the Company among others, which are discussed and detailed in relevant headings of this report.

### **4. CHANGE IN REGISTERED OFFICE FROM ONE STATE TO ANOTHER STATE**

During the year under review there was no change in the Registered office of the Company.

However, post closure of the year under review, pursuant to share purchase agreement dated March 4, 2022 and open offer in terms of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011, the management of the Company underwent a change and Mr. Vishesh Gupta and M/s. Vrindaa Advanced Materials Limited becomes the new promoters of the Company.

Therefore, with a view to carry out operations of the Company in an efficient manner, as majority of the Directors and/or KMP of the Company are residing in the National Capital Territory of Delhi, the Board of Directors of the Company considered that it will be in the best interest of the Company to shift the registered office of the Company from State of Maharashtra to NCT of Delhi and accordingly the Board of Directors of the Company at its meeting held on September 5, 2022 decided to seek the approval of the shareholders of the Company by way of Special Resolution in the ensuing Annual General Meeting.

### **5. TRANSFER TO RESERVE**

During the year under review, the Company has not transferred any amount to General Reserve.

### **6. DIVIDEND**

In order to conserve the resources of the Company, your Directors have not recommended any dividend for the financial year under review.

### **7. SHARE CAPITAL**

During the financial year 2021-22, 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, 2022 was Rs. 8,61,18,780/- divided into 86,11,878 equity shares of Rs. 10/- each.

However, post closure of the financial year under, to augment the long-term financial resources of the Company, board of directors of the company in their board meeting held on September 5, 2022 considered and approved subject to shareholders' approval and other statutory approvals, fund raising by way of following methods:

- 1) the Issue and allotment of 3,00,00,000 (Three Crore) Equity Shares of face value of Rs. 10/- each to persons belonging to Promoter & Promoter Group and Non-Promoter Category, on preferential basis, at an issue price of Rs. 10/- in accordance with provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- 2) issuance and allotment of equity shares for up to an aggregate amount of up to Rs. 100 Crores by way of QIP's, ADR, GDR, FCCB or any other method or combination thereof including series of Right Issue(s), each tranche not exceeding Rs. 50 Crore (Rs. Fifty Crores Only).

## **8. DEPOSITS**

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

## **9. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Details of Loans, Guarantees and Investments have been disclosed in the notes to Financial Statements.

## **10. SUBSIDIARY & ASSOCIATES COMPANY**

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

## **11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There has been no change/commitment affecting the financial position of the Company during the period from the end of the financial year 2021-22 to the date of this report. There has been no change in the nature of business of the Company.

## **12. 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 31<sup>st</sup> March, 2022 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.

## **13. 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.

## **14. 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, 2022.

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

#### 15. WHISTLE BLOWER POLICY AND VIGIL MECHANISM

The Vigil Mechanism/ Whistle Blower Policy has been put in place for the Directors and Employees to report their genuine concerns about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards against the victimization of directors and employees who avail of the mechanism. The Whistleblower Policy is available on the Company's website on <https://www.giesl.in/investors.html>

#### 16. BOARD OF DIRECTORS

During the financial year 2021-22, no appointment or cessation of any Director was made. As on March 31, 2022, your Board comprises of Four Directors, and Company Secretary. Amongst the directors, one is executive, and three are Non-Executive including two Independent Directors.

However, post the period under review, pursuant to change in control and management and on the recommendation of Nomination and Remuneration Committee following changes took place in the composition of Board of Directors :

Sl. No.	DIN	Name	Designation	Change
<b>Incoming Directors</b>				
1.	00255689	Mr. Vishesh Gupta	Director	Appointment (w.e.f August 30, 2022)
2.	09652245	Mrs. Swati Gupta	Independent Director	Appointment (w.e.f August 30, 2022)
3.	03513272	Mr. Suresh Kumar Dhingra	Whole Time Director	Appointment (w.e.f August 30, 2022)
4.	09553402	Mr. Om Prakash Agarwal	Independent Director	Appointment (w.e.f August 30, 2022)
5.	09727614	Mr. Amandeep Singh	Independent Director	Appointment (w.e.f September 5, 2022)
<b>Outgoing Directors</b>				
6.	00400366	Mr. Sajid Malik	Managing Director	Resignation (w.e.f August 30, 2022)
7.	00400421	Mrs. Saroja Malik	Director	Resignation (w.e.f August 30, 2022)
8.	00702346	Mr. Ganesh Yadava Acharya	Independent Director	Resignation (w.e.f August 30, 2022)
9.	03051315	Mr. Manish Chhaganlal Patel	Independent Director	Resignation (w.e.f September 7, 2022)

Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015, brief resume of above mentioned Directors, nature of their expertise in specific functional area and names of Companies in which 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 Regulation 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 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 2021-22.

#### **Appointment and Resignation of Key Managerial Personnel**

During the year under review, Mr. Astrid Lobo resigned as Company Secretary of the Company w.e.f. May 31, 2021 and Ms. Pranjali Joshi was appointed as Company Secretary and Compliance Officer of the Company w.e.f. July 30, 2021.

### **17. 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.

### **18. AUDITORS**

#### **a) STATUTORY AUDITORS & AUDIT REPORT**

M/s. 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 11<sup>th</sup> Annual General Meeting held on 28th September, 2017 until the conclusion of 16<sup>th</sup> Annual General Meeting to be held in FY 2022.

Since the tenure of the M/s. Sachin Phadke & Associates, Chartered Accountants is up to conclusion of the ensuing 16<sup>th</sup> Annual General Meeting, the Board of Directors on the recommendation of Audit Committee, recommended to appoint M/s. A.K. Bhargav & Co. as Statutory Auditors of the Company to hold the office from five consecutive years i.e. from the conclusion of the ensuing AGM till the conclusion of 21<sup>st</sup> AGM to be held in the year 2017.

The Company has received written consent and certificate of eligibility from M/s A.K. Bhargav & Co. under Section 139(1) of the Act and rules framed thereunder. The appointment of M/s A K Bharghav, Chartered Accountants, as the Statutory Auditors is being recommended for the members approval by way of passing an Ordinary Resolution in the ensuing Annual General Meeting.

Further, the statutory auditors' report for the financial year 2021-22 do not contain any qualifications, reservations or adverse remarks. The auditors' report is attached to the financial statements of the Company. 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.



**b) SECRETARIAL AUDIT**

Pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has obtained the Secretarial Audit Report for the financial year ended on 31st March, 2022 from M/s. Roy Jacob & Co., Company Secretaries and the same forms part of the Annual Report. The Secretarial audit report do not contain any qualifications, reservations or adverse remarks.

**c) COST AUDIT**

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

**d) 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.

**19. 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 A**'.

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

**20. 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 B**'.

**21. MEETINGS**

**A. BOARD MEETINGS**

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, 2022, six (6) Board Meetings were held and the gap between the two consecutive meetings was within the statutory limit. The dates on which the Board Meetings were held are as follows:

- 17<sup>th</sup> May, 2021
- 29<sup>th</sup> June, 2021
- 30<sup>th</sup> July, 2021
- 1<sup>st</sup> September, 2021
- 26<sup>th</sup> October, 2021

- 10<sup>th</sup> January, 2022

The number of Board Meetings and the attendance of Directors as well as their attendance at the last AGM held on 30<sup>th</sup> September, 2021 are as mentioned below :-

Name of Directors	Designation	No. of Board Meetings attended out of five Meetings held	Attendance at last AGM
Mr. Sajid Malik	Managing Director	6	Yes
Mrs. Saroja Malik	Non-Executive Director	5	No
Mr. Ganesh Acharya	Non-Executive Independent Director	5	Yes
Mr. Manish Patel	Non-Executive Independent Director	6	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:
  - a) 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.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - d) Significant adjustments made, if any, in the financial statements arising out of audit findings.
  - e) Compliance with the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other legal requirements relating to financial statements.
  - f) Disclosure of related party transactions, if any.
  - g) 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, six (6) Audit Committee Meetings were held. The dates on which the Audit Committee Meetings were held are as follows:

- 17<sup>th</sup> May, 2021
- 29<sup>th</sup> June, 2021
- 30<sup>th</sup> July, 2021
- 1<sup>st</sup> September, 2021

- 25<sup>th</sup> October, 2021
- 10<sup>th</sup> January, 2022

The composition of Audit Committee and details of meetings attended by the Members during the period under review thereof are as follows:

Name of Directors	Status	No. of Meetings Attended
Mr. Ganesh Acharya	Chairman	6
Mrs. Saroja Malik	Member	5
Mr. Manish Patel	Member	6

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 Fifteenth Annual General Meeting held on 30<sup>th</sup> September, 2021 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](mailto: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 2021-22, one meeting of the said committee was held on 29<sup>th</sup> June, 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	1
Mr. Ganesh Acharya	Member	1
Mr. Manish Patel	Member	1

### 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: 30<sup>th</sup> July, 2021 and 1<sup>st</sup> September, 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 Fifteenth Annual General Meeting of the Company held on 30<sup>th</sup> September, 2021.

### 22. 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](http://www.giesl.in).

### **23. CORPORATE SOCIAL RESPONSIBILITY**

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

### **24. 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).

### **25. 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.

### **26. 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

### **27. 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.

### **28. 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.

### **29. 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](http://www.giesl.in). The disclosure on Related Party Transactions is made in the Notes to Financial Statement of the Company.

### 30. COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards during the year.

### 31. 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 have 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 31<sup>st</sup> March, 2022 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.

### 32. 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 places 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 2021-22.

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

**Sd/-**  
**Vishesh Gupta**  
**Director**  
**(DIN: 00255689)**

**Sd/-**  
**Suresh Kumar Dhingra**  
**Director**  
**(DIN: 03513272)**

Place : Mumbai  
Dated : 05/09/2022

**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 2021-22:**

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 2021-22, 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 2021-22 (Rs. in Lacs)	% increase in Remuneration in FY 2021-22
Mr. Sajid Malik, <i>Managing Director</i>	-	-
Mrs. Saroja Malik, <i>Director</i>	-	-
*Ms. Pranjali Joshi <i>Company Secretary &amp; Compliance Officer</i>	2.67	-

\*Percentage increase in remuneration not reported as position was held for part of the financial year 2021-22.

- iii. **The percentage increase in the median remuneration of the employees of the Company for the Financial Year 2021-22 – 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, 2022.

- 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.



**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:**

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

**(B) Technology absorption:**

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

**(C) Foreign exchange earnings and Outgo:**

	<b>FY 2021-22</b>	<b>FY 2020-21</b>
	<b>Amount in Rs.</b>	<b>Amount in Rs.</b>
<b>Actual Foreign Exchange earnings</b>	Nil	Nil
<b>Actual Foreign Exchange outgo</b>	Nil	Nil

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

*[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 31<sup>st</sup> March, 2022 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 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;  
*As on closure of the financial year company do not have Chief Financial officer in terms of Section 203 of the companies Act, 2013.*
- (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 Non-Convertible Securities ) Regulations, 2021.
  - (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 and Sweat Equity) Regulations, 2021.
- (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.
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

Place: Mumbai  
Date: 05/09/2022

Sd/-  
(Roy Jacob)  
Proprietor  
(C.P. No.8220), (FCS No.9017)  
UDIN: F009017D000916871  
P.R No.686/2020

## **NON-DISQUALIFICATION OF DIRECTORS CERTIFICATE**

***(Under Clause 34(3) and 53(7) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 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](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on March 31, 2022 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 of 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

**Roy Jacob**  
Proprietor  
(C.P No. 8220), (FCS No. 9017)  
UDIN: F009017D000917353  
P.R No. 686/2020

Place: Mumbai

Dated: 05/09/2022

## 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.

## Discussion on Financial Performance

<b>Ratios</b>	<b>FY 2021-22</b>	<b>FY 2020-21</b>
Debtors Turnover Ratio	9.23	1.71
Current Ratio	53.89	19.56
Operating Margin Ratio	(19.38%)	(194.33%)
Net Profit Margin	6.45%	(1247.27%)
Return on Net Worth (RONW)	0.16%	(57.95%)
	<b>(` in lakhs)</b>	
<b>Particulars</b>	<b>FY 2021-22</b>	<b>FY 2020-21</b>
Average Debtors*	1.21	5.98
Turnover	11.20	10.23
Total Revenue	11.22	20.22
Current Assets (A)	444.16	458.64
Current Liabilities (B)	8.24	23.45
Net Current Assets (A) – (B)	435.19	435.19
Operating Expenses	13.38	40.1
Operating Profit/(Loss)	(2.17)	(19.88)
Net Profit/(Loss)	0.72	(252.20)
Net worth	435.91	435.19

\*Average Debtors =  $\frac{(\text{Opening Debtors} + \text{Closing debtors})}{2}$

- i) Current ratio for the year is improved due to decrease in current liabilities for the while compare to previous year.
- ii) Trade receivables ratio improved due to increase in turnover and decrease in receivables while compare to previous year.
- iii) Net profit ratio improved due to increase in net profit and decrease in expenses while compared to previous year.

## ASSETS AND LIABILITIES

### Assets:

#### Property Plant & Equipment

There was no addition in the gross block during FY 2021-22 and FY 2020-21 and Gross block as on March 31, 2022 was `26 lakhs (Previous year `26.00 lakhs). Net Block was Nil (Previous year Nil).

### Current Assets

#### Trade receivables

Trade receivable (net of provisions) as on March 31, 2022, was at nil as against `2.43 lakhs at the end of previous year.

### **Cash and cash equivalents**

Cash and cash equivalents as on March 31, 2022, was at 3.11 lakhs as against `14.09 lakhs in the earlier year.

### **Loans**

As on March 31, 2021 Loans stood at 436.39 ` lakhs as against previous year amount of `437.64 lakhs.

### **Current Tax Assets**

Current Tax Assets comprises of Tax deducted at source, net of provisions as at March 31, 2022: `3.24 lakhs as against previous year amount of `4.11 lakhs.

### **Other Current Assets**

Other Current Assets consists of Other Advances as at March 31 2021 `1.40 lakhs as against previous year amount of `0.37 lakhs.

### **Liabilities:**

#### **Equity**

During the year ended March 31 2022 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 2022 of `425.27 lakhs as compared to debit balance of `426.00 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 31<sup>st</sup> March 2022 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 31<sup>st</sup> March 2022 debit balance of Profit & Loss Account stood at 3574.06 lakhs compared to previous year's balance of `3,574.79 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, 2022, was NIL as against `99.50 lakhs at the end of previous year.

#### **Trade payables**

Trade payables as on March 31, 2022 was at `1.14 lakhs as against `11.24 lakhs at the end of previous year.

#### **Other Current Financial Liabilities:**

Other Current Financial Liabilities represents Other payables as on March 31, 2022, was Nil. The same was also nil



for the previous year.

#### **Current Tax Liabilities**

Current tax liabilities as on March 31, 2022 was `7.08 lakhs, as against balance of ` 12.20 lakhs at the end of previous year.

#### **INCOME & EXPENDITURE**

##### **Income**

During the year 2021-22, the Company recorded a total income of `11.21 lakhs as against `20.22 lakhs in the previous year 2020-21. The Company for the year 2020-21 has recorded a profit of 0.72 Lakhs as compared to loss of `252.19 lakhs in the previous year.

##### **Expenditure**

The Company in the year 2021-22 incurred total operating cost of `13.38 Lakh (depreciation nil), compared to previous year of `40.1 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.

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

To,

The Board of Directors,

**GI Engineering Solutions Limited**

As stipulated under Regulation 17(8) of SEBI (LODR) Regulations, 2015, we hereby certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2022, and that to the best of our knowledge and belief:

a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company over financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls over financial reporting, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

4. We have indicated to the Auditors and the Audit Committee:

a) significant changes in internal controls over financial reporting during the year;

b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

c) instances of significant fraud of which we have become aware of and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **GI ENGINEERING SOLUTIONS LIMITED**

Sd/-

**SAJID MALIK**

MANAGING DIRECTOR

(DIN: 00400366)

Place: Mumbai

Dated: May 30, 2022

## 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 2022, 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, 2022, 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 23 to the financial statements wherein the Company in the earlier years, had given loans to other body corporates for business purposes repayable on demand, outstanding to the tune of Rs 4.36 crores as on the Balance Sheet date, for which no interest provision is made in the Company's books. Since no repayment schedule is stipulated for the same, we are not able to comment whether the granted loans are falling due in the previous year or not. However considerable amount is recovered from the parties after the Balance Sheet date as can be verified from their bank statements and 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.

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.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We have nothing to report in this regard.

### **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, 2020 ("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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2022 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 does not have any pending litigations which would impact its financial position.
- 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, 2022.
- iv. The Management has represented that, to the best of its knowledge and belief, other than disclosed in the notes, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- v. The Management has represented, that, to the best of its knowledge and belief, other than disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- vi. The Company has not declared any dividend during the year ended 31st March 2022.

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

Sd/-

**Sachin Phadke**  
**Proprietor**  
Membership No.117084  
UDIN: 22117084AJWWYD4701

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

## 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) As per the information provided to us and on the basis of our examination of the records of the Company, no Property Plant & Equipment 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) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties Accordingly, paragraph 3(iii)(a) (b) (c)(d) of the Order are not applicable to the Company
- (iv) During the year 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) 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) As informed to us, the maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is 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, 2022 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) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) 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(ix) of the Order are not applicable to the Company.
- (x) (a) 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 provisions of Clause 3(x)(a) of the Order are not applicable to the Company.

- (b) 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(x)(b) of the Order is not applicable.
- (xi) 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.
- (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) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (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.
- (xvii) The Company has incurred cash losses before tax in the financial year under review to the tune of Rs 216,775/-.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;



We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) As the company is incurring losses, accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

(xxi) Reporting under clause 3(xxi) of the Order is not applicable for the year.

**For SACHIN PHADKE & ASSOCIATES**

Chartered Accountants

(Firm Registration No.133898W)

Sd/-

**Sachin Phadke**

(Proprietor)

Membership No.117084

UDIN: 22117084AJWWYD4701

Place: Mumbai

Date: 30<sup>th</sup> May, 2022

## **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 2022 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.

#### **For SACHIN PHADKE & ASSOCIATES**

Chartered Accountants  
(Firm Registration No.133898W)

Sd/-

**Sachin Phadke**

(Proprietor)

Membership No.117084

UDIN: 22117084AJWWYD4701

Place: Mumbai

Date: 30<sup>th</sup> May, 2022

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>I. ASSETS</b>			
<b>1) Non-Current Assets</b>			
a) Property, Plant and Equipment	3 (a)	-	-
b) Intangible Assets	3 (b)	-	-
<b>Total Non-Current Assets</b>		-	-
<b>2) Current Assets</b>			
a) Financial Assets:			
Trade Receivables	4	-	2,42,500
Cash and cash equivalents	5	3,11,089	14,08,707
Loans	6	4,36,39,458	4,37,64,458
b) Current Tax Assets (Net)	7	3,24,981	4,11,355
c) Other Current Assets	8	1,40,014	36,850
<b>Total Current Assets</b>		<b>4,44,15,542</b>	<b>4,58,63,870</b>
<b>TOTAL ASSETS</b>		<b>4,44,15,542</b>	<b>4,58,63,870</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1) Equity</b>			
a) Share Capital	9	8,61,18,780	8,61,18,780
b) Other Equity	10	(4,25,27,377)	(4,25,99,709)
<b>Total Equity</b>		<b>4,35,91,403</b>	<b>4,35,19,071</b>
<b>Liabilities</b>			
<b>2) Current Liabilities</b>			
a) Financial Liabilities:			
Trade Payables			
i) Total outstanding dues of micro enterprises and small enterprises	11	17,200	5,901
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	11	97,434	11,18,425
b) Other Current Liabilities	12	717	-
c) Current Tax liabilities (Net)	13	7,08,788	12,20,473
<b>Total Current Liabilities</b>		<b>8,24,139</b>	<b>23,44,799</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,44,15,542</b>	<b>4,58,63,870</b>

III. Notes forming integral part of the Ind AS Financial Statements 1 to 30

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  
GI ENGINEERING SOLUTIONS LTD

SAJID MALIK  
MANAGING DIRECTOR  
DIN No.00400366

SAROJA MALIK  
DIRECTOR  
DIN No.00400421

SACHIN PHADKE  
(PROPRIETOR)  
MEMBERSHIP NO. 117084  
UDIN: 22117084AJWWYD4701  
DATE : MAY 30, 2022  
PLACE: MUMBAI

PRANJALI JOSHI  
COMPANY SECRETARY  
MEMBERSHIP NO.A65791

**GI Engineering Solutions Limited**  
**Statement of Profit and Loss for the year ended March 31, 2022**

(Amount in Rs.)

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
<b>I. Income</b>			
Income from Operations	14	11,19,550	10,22,850
Other Income	15	2,271	9,99,383
<b>Total Income</b>		<b>11,21,821</b>	<b>20,22,233</b>
<b>II. Expenses</b>			
Employee Benefit Expenses	16	3,75,089	4,67,986
Depreciation and Amortization Expense	3	-	-
Other Expenses	17	9,63,507	2,59,73,308
<b>Total Expenses</b>		<b>13,38,596</b>	<b>2,64,41,294</b>
<b>III Profit / (Loss) before exceptional Items</b>		<b>(2,16,775)</b>	<b>(2,44,19,061)</b>
Less : Exceptional Items		-	-
<b>IV. Profit/(Loss) Before Tax</b>		<b>(2,16,775)</b>	<b>(2,44,19,061)</b>
<b>V. Tax Expense:</b>			
Current Tax		-	-
Tax Adjustment for earlier years		(2,89,106)	8,00,326
<b>VI. Profit / (Loss) from continued operations after tax</b>		<b>72,331</b>	<b>(2,52,19,387)</b>
<b>VII. Profit / (Loss) from discontinued operations</b>		-	-
<b>VIII. Tax Expense of discontinued operations</b>		-	-
<b>IX. Profit/(Loss) from Discontinued Operations after Tax</b>		-	-
<b>Other Comprehensive Income for the year, net of tax</b>		-	-
<b>X Total Comprehensive income for the year, net of tax</b>		<b>72,331</b>	<b>(2,52,19,387)</b>
<b>XI. EARNINGS PER EQUITY SHARE</b>	24		
Equity Shares of face value of ` 10 each			
Basic & Diluted - Before exceptional Items		0.01	(2.93)
Basic & Diluted - After exceptional Items		0.01	(2.93)
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 30**

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  
**GI ENGINEERING SOLUTIONS LTD**

**SAJID MALIK**  
MANAGING DIRECTOR  
DIN No.00400366

**SAROJA MALIK**  
DIRECTOR  
DIN No.00400421

**SACHIN PHADKE**  
**(PROPRIETOR)**  
MEMBERSHIP NO. 117084  
UDIN: 22117084AJWWYD4701  
DATE : MAY 30, 2022  
PLACE: MUMBAI

**PRANJALI JOSHI**  
COMPANY SECRETARY  
MEMBERSHIP NO.A65791

GI Engineering Solutions Limited  
Statement of Cash Flows for the year ended March 31, 2022

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2022		As at March 31, 2021	
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>					
<b>Net loss before tax and extraordinary items</b>		-	(2,16,775)	-	(2,44,19,061)
Bank charges to consider separate below					
			-		-
<b>Operating Profit before working capital changes</b>			(2,16,775)		(2,44,19,061)
Adjusted for:					
Increase/(Decrease) in Borrowings		-		(99,50,000)	
(Increase)/Decrease in Trade Receivables		2,42,500		7,09,950	
(Increase) / Decrease in Loans		1,25,000		4,37,46,569	
(Increase) / Decrease in Other Assets		(16,790)		25,12,450	
Increase / (Decrease) in Financial liabilities		(10,09,691)		(1,00,60,331)	
Increase / (Decrease) in Other Current Liabilities		(5,10,968)		(5,24,394)	
			(11,69,949)		2,64,34,245
<b>Cash Generated from Operations</b>			(13,86,724)		20,15,184
Income Taxes (Paid) / Refund received			2,89,106		(8,00,326)
<b>Net Cash Flow from Operating Activities [A]</b>			(10,97,618)		12,14,858
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>					
<b>Net Cash used in Investing Activities [B]</b>			-		-
			-		-
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>					
Bank charges		-		-	
<b>Net Cash Flow from Financing Activities [C]</b>			-		-
<b>Net Increase in Cash &amp; Cash Equivalents [A+B+C]</b>			(10,97,618)		12,14,858
<b>Cash &amp; Bank Balance (Opening Balance)</b>	5		14,08,707		1,93,849
<b>Cash &amp; Bank Balance (Closing Balance)</b>	5		3,11,089		14,08,707
Cash & Bank balance comprise					
Cash in Hand			6,567		7,167
Balance with Banks			3,04,522		14,01,540
<b>Cash &amp; Bank Balance as at the end of the year</b>			3,11,089		14,08,707

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  
GI ENGINEERING SOLUTIONS LTD

SAJID MALIK  
MANAGING DIRECTOR  
DIN No.00400366

SAROJA MALIK  
DIRECTOR  
DIN No.00400421

SACHIN PHADKE  
(PROPRIETOR)  
MEMBERSHIP NO. 117084  
UDIN: 22117084AJWWYD4701  
DATE : MAY 30, 2022  
PLACE: MUMBAI

PRANJALI JOSHI  
COMPANY SECRETARY  
MEMBERSHIP NO.A65791

**GI Engineering Solutions Limited**  
**Statement of Changes in Equity for the year ended March 31, 2022**

**(A) Equity share capital**

Particulars	Notes	No. of shares	(Amount in Rs.)
			Total
Balance as at April 1, 2020		86,11,878	8,61,18,780
Changes in equity share capital during the yea		-	-
Balance as at March 31, 2021		86,11,878	8,61,18,780
Changes in equity share capital during the yea		-	-
<b>Balance as at March 31, 20</b>	<b>9</b>	<b>86,11,878</b>	<b>8,61,18,780</b>

**(B) Other Equity**

Particulars	Notes	General Reserve	Securities Premium	Capital Redemption Reserve	Retained Earnings	(Amount in Rs.)	
						Total Equity	Other
Balance as at April 1, 2020		23,60,79,105	88,00,000	7,00,00,000	(33,22,59,427)	(1,73,80,322)	
Loss for the year		-	-	-	(2,52,19,387)	(2,52,19,387)	
Add/(Less) Transfer to/from		-	-	-	-	-	
<b>As at March 31, 2021</b>		<b>23,60,79,105</b>	<b>88,00,000</b>	<b>7,00,00,000</b>	<b>(35,74,78,814)</b>	<b>(4,25,99,709)</b>	
Profit for the year		-	-	-	72,331	72,331	
<b>As at March 31, 2022</b>	<b>10</b>	<b>23,60,79,105</b>	<b>88,00,000</b>	<b>7,00,00,000</b>	<b>(35,74,06,481)</b>	<b>(4,25,27,376)</b>	

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  
**GI ENGINEERING SOLUTIONS LTD**

**SAJID MALIK**  
MANAGING DIRECTOR  
DIN No.00400366

**SAROJA MALIK**  
DIRECTOR  
DIN No.00400421

**SACHIN PHADKE**  
**(PROPRIETOR)**  
MEMBERSHIP NO. 117084  
UDIN: 22117084AJWWYD4701  
DATE : MAY 30, 2022  
PLACE: MUMBAI

**PRANJALI JOSHI**  
COMPANY SECRETARY  
MEMBERSHIP NO.A65791

## **GI Engineering Solutions Limited**

### **Notes forming part of Ind AS Financial Statements for the year ended March 31, 2022**

#### **1. Company's Background**

GI Engineering Solutions Limited (herein after referred as 'Company' or 'GIESL') is formed to provide Information Technology, 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 **May 30, 2022**.

#### **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.

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.

Annual Report 2021-22



## GI Engineering Solutions Limited

### Notes forming part of Ind AS Financial Statements for the year ended March 31, 2022

• 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 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

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.

#### Intangible Assets

## GI Engineering Solutions Limited

### Notes forming part of Ind AS Financial Statements for the year ended March 31, 2022

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 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.

###### 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.

## **GI Engineering Solutions Limited**

### **Notes forming part of Ind AS Financial Statements for the year ended March 31, 2022**

#### **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.

##### **(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.

## **GI Engineering Solutions Limited**

### **Notes forming part of Ind AS Financial Statements for the year ended March 31, 2022**

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.

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:

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

##### **Deferred 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:

- Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- 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 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.

**GI Engineering Solutions Limited****Notes forming part of Ind AS Financial Statements for the year ended March 31, 2022****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.

**3 (a). Property, Plant and equipment**

(Amount in Rs.)

<u>Particulars</u>	<u>Computers</u>	<u>Furniture &amp; Fixtures</u>	<u>Office Equipments</u>	<u>Total</u>
<b>Gross Block</b>				
<b>As at April 1, 2020</b>	8,31,351	1,28,374	16,66,905	26,26,630
Additions	-	-	-	-
Deductions	-	-	-	-
<b>As at March 31, 2021</b>	8,31,351	1,28,374	16,66,905	26,26,630
Additions	-	-	-	-
Deductions	-	-	-	-
<b>As at March 31, 2022</b>	<b>8,31,351</b>	<b>1,28,374</b>	<b>16,66,905</b>	<b>26,26,630</b>

**Depreciation**

<b>As at April 1, 2020</b>	8,31,351	1,28,374	16,66,905	26,26,630
Charge for the year	-	-	-	-
Deductions	-	-	-	-
<b>As at March 31, 2021</b>	8,31,351	1,28,374	16,66,905	26,26,630
Charge for the year	-	-	-	-
Deductions	-	-	-	-
<b>As at March 31, 2022</b>	<b>8,31,351</b>	<b>1,28,374</b>	<b>16,66,905</b>	<b>26,26,630</b>

**Net Block**

As at March 31, 2021	-	-	-	-
<b>As at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3 (b) Intangible Assets**

(Amount in Rs.)

<u>Particulars</u>	<u>Computer Software</u>
<b>Gross Block</b>	
<b>As at April 1, 2020</b>	2,73,558
Additions	-
Deductions	-
<b>As at March 31, 2021</b>	2,73,558
Additions	-
Deductions	-
<b>As at March 31, 2022</b>	<b>2,73,558</b>

**Depreciation**

<b>As at April 1, 2020</b>	2,73,558
Charge for the year	-
Deductions	-
<b>As at March 31, 2021</b>	2,73,558
Charge for the year	-
Deductions	-
<b>As at March 31, 2022</b>	<b>2,73,558</b>

**Net Block**

As at March 31, 2021	-
<b>As at March 31, 2022</b>	<b>-</b>

## 4. Trade receivables

(Amount in Rs.)

Particulars	As at	
	MARCH 31, 2022	MARCH 31, 2021
Unsecured, Considered doubtful	2,90,83,658	2,93,26,158
Less : Allowance for doubtful debts	2,90,83,658	2,90,83,658
<b>Total Trade Receivables</b>	-	<b>2,42,500</b>

Ageing for trade receivables as as March 31, 2022 is as follows

(Amount in Rs.)

Particulars	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	-	-	-	-	-	-	-
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables-credit impaired	-	-	-	-	-	2,90,83,658	2,90,83,658
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-

Less : Allowance for bad and doubtful debts

2,90,83,658 2,90,83,658

**Net trade receivables**

- -

Ageing for trade receivables as as March 31, 2021 is as follows

(Amount in Rs.)

Particulars	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	-	2,42,500	-	-	-	-	2,42,500
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables-credit impaired	-	-	-	-	-	2,90,83,658	2,90,83,658
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	2,42,500	-	-	-	-	2,93,26,158

Less : Allowance for bad and doubtful debts

2,90,83,658 2,90,83,658

**Net trade receivables**- **2,42,500**

## 5. Cash and cash equivalents

(Amount in Rs.)

Particulars	As at	
	MARCH 31, 2022	MARCH 31, 2021
i) Balance with banks In Current Accounts	3,04,522	14,01,540
ii) Cash on Hand	6,567	7,167
<b>Total Cash and Cash equivalents</b>	<b>3,11,089</b>	<b>14,08,707</b>

## 6. Loans

(Amount in Rs.)

Particulars	As at	
	MARCH 31, 2022	MARCH 31, 2021
Unsecured, considered good Loan to Other Body Corporates (Refer Note 23)	4,36,39,458	4,37,64,458
<b>Total Loans</b>	<b>4,36,39,458</b>	<b>4,37,64,458</b>

## 7. Current Tax Assets

(Amount in Rs.)

Particulars	As at	
	MARCH 31, 2022	MARCH 31, 2021
Advance Income Tax	3,24,981	4,11,355
<b>Total Current Tax Assets</b>	<b>3,24,981</b>	<b>4,11,355</b>

## 8. Other Current Assets

(Amount in Rs.)

Particulars	As at	
	MARCH 31, 2022	MARCH 31, 2021
Unsecured, considered good Other Advances	1,40,014	36,850
<b>Total Other Current Assets</b>	<b>1,40,014</b>	<b>36,850</b>

## 9. Share Capital

(Amount in Rs.)

Particulars	As at	
	MARCH 31, 2022	MARCH 31, 2021
<b>Authorised</b>		
<b>Equity Share Capital</b>		
8,49,00,00,000 Equity Shares of ` 10/- each	84,90,00,00,000	84,90,00,00,000
<b>Preference Share Capital</b>		
1,00,00,00,000 Preference Shares of ` 10 each	10,00,00,000	10,00,00,000
<b>Issued Subscribed and Fully Paid-up Capital</b>		
86,11,878 Equity Shares of ` 10/- each	8,61,18,780	8,61,18,780
<b>Total</b>	<b>8,61,18,780</b>	<b>8,61,18,780</b>



## Reconciliation of number of equity share outstanding as at the beginning and at the end of year

Particulars	March 31, 2022		MARCH 31, 2021	
	Number of shares		Number of shares	
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 preceeding the Balance Sheet date, the company has not:

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

The details of shareholders holding more than 5% shares as at March 31, 2022 and March 31, 2021 are set out below:

Class of Shares / Name of the Shareholder	As at		As at	
	MARCH 31, 2022		MARCH 31, 2021	
	No. of shares	% held	No. of shares	% held
<b>Equity Shares</b>				
Mrs.Saroja Malik	30,70,121	35.65%	16,91,716	19.64%
M/s. Kilam Holdings Limited	-	-	13,78,405	16.01%
M/s. Fortune Private Equity, LLC	11,00,000	12.77%	11,00,000	12.77%

Details of shares held by promoters :

Shares held by promoters Class of shares/ Name of Promoter	As at March 31, 2022		As at March 31, 2021		% change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
<b>A. Equity Shares Promoters'/Promoter Group holding:</b>					
<b>1. Indian:</b>					
<b>Individual</b>					
Sajid Malik	3,18,995	3.70%	3,18,995	3.70%	-
Saroja Malik	30,70,121	35.65%	16,91,716	19.64%	16.01%
<b>Sub Total of A1</b>	<b>33,89,116</b>	<b>39.35%</b>	<b>20,10,711</b>	<b>23.34%</b>	<b>16.01%</b>
<b>2. Foreign Promoters</b>					
<b>Individual /NRI( Sohel Malik)</b>	1,000	0.01%	1,000	0.01%	-
<b>Bodies Corporate</b>					
Kilam Holdings Ltd	-	-	13,78,405	16.01%	-16.01%
Kadam Holding Ltd	5,061	0.06%	5,061	0.06%	-
<b>Sub Total of A2</b>	<b>6,061</b>	<b>0.07%</b>	<b>13,84,466</b>	<b>16.08%</b>	<b>-16.01%</b>
<b>Sub Total of A= [(A1)+(A2)]Total</b>	<b>33,95,177</b>	<b>39.42%</b>	<b>33,95,177</b>	<b>39.42%</b>	<b>-</b>

**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**

(Amount in Rs.)

Particulars	As at	
	MARCH 31, 2022	MARCH 31, 2021
<b>SECURITIES PREMIUM RESERVE - Opening Balance</b>	<b>88,00,000</b>	<b>88,00,000</b>
Add: Receipt during the year		
	<b>88,00,000</b>	<b>88,00,000</b>
<b>GENERAL RESERVE - Opening Balance</b>	<b>23,60,79,105</b>	<b>23,60,79,105</b>
Add: Transfer from Surplus	-	-
	<b>23,60,79,105</b>	<b>23,60,79,105</b>
<b>Capital Redemption Reserve - Opening</b>	<b>7,00,00,000</b>	<b>7,00,00,000</b>
Add: Transfer from General Reserve	-	-
	<b>7,00,00,000</b>	<b>7,00,00,000</b>
<b>SURPLUS / (DEFICIT) - Opening Balance</b>	<b>(35,74,78,814)</b>	<b>(33,22,59,427)</b>
Add: Net loss after tax transferred from Statement of Profit and Loss	<b>72,331</b>	<b>(2,52,19,387)</b>
	<b>(35,74,06,482)</b>	<b>(35,74,78,814)</b>
Less: Appropriations	-	-
<b>SURPLUS / (DEFICIT) - Closing Balance</b>	<b>(35,74,06,482)</b>	<b>(35,74,78,814)</b>
<b>Total Other Equity</b>	<b>(4,25,27,377)</b>	<b>(4,25,99,709)</b>

Description of nature and purpose of reserve :

- Security Premium Reserve : The Securities Premium was created on issue of shares at a premium. The reserve is utilised in accordance with the provisions of the Act.
- General Reserve : The general reserve comprises of transfer of profits from retained earnings for appropriation purpose. The reserve can be distributed/utilised by the Group in accordance with the provisions of the Act.
- Capital Redemption Reserve : The Capital Redemption Reserve represents reserves created against redemption made in past of redeemable preference shares.
- Retained Earnings : This represent the amount of accumulated earnings of the Group.

**11. Trade Payables**

(Amount in Rs.)

Particulars	As at	
	MARCH 31, 2022	MARCH 31, 2021
MSME	17,200	5,901
Other Than MSME	97,434	11,18,425
<b>Total Trade payables</b>	<b>1,14,634</b>	<b>11,24,326</b>

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	17,200	-	-	-	-	17,200
(ii) Others	97,434	-	-	-	-	97,434
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	<b>1,14,634</b>	-	-	-	-	<b>1,14,634</b>

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	5,901	-	-	-	-	5,901
(ii) Others	11,18,425	-	-	-	-	11,18,425
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	<b>11,24,326</b>	-	-	-	-	<b>11,24,326</b>

Amount due to Micro, Small and Medium Enterprises :

(a) There were amounts outstanding to be paid to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) .

(b) No interest is paid/payable during the year to any enterprise registered under the MSMED.

(c) The above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under the MSMED.

**12. Other Current Liabilities**

(Amount in Rs.)

Particulars	As at	
	MARCH 31, 2022	MARCH 31, 2021
Statutory Liabilities	717	-
<b>Total Other Current Liabilities</b>	<b>717</b>	<b>-</b>

**13. Current Tax Liabilities**

(Amount in Rs.)

Particulars	As at	
	MARCH 31, 2022	MARCH 31, 2021
Provision for Income Tax (Net of Advance Tax `7,08,788) (As at 31st March, 2021: `12,20,473)	7,08,788	12,20,473
<b>Total Current Tax Liabilities</b>	<b>7,08,788</b>	<b>12,20,473</b>

## 14. Income From Operations

(Amount in Rs.)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income	11,19,550	10,22,850
<b>Total Income from Operations</b>	<b>11,19,550</b>	<b>10,22,850</b>

## 15. Other Income

(Amount in Rs.)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Exchange Gain (Net)	2,270	-
Miscellaneous Income	1	9,99,383
<b>Total Other Income</b>	<b>2,271</b>	<b>9,99,383</b>

## 16. Employee Benefit Expenses

(Amount in Rs.)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, Allowances and Bonus	3,73,997	4,62,511
Staff Welfare	-	4,500
Contribution to Provident Fund and Other Funds	1,092	975
<b>Total Employee Benefit Expenses</b>	<b>3,75,089</b>	<b>4,67,986</b>

## 17. Other Expenses

(Amount in Rs.)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Bank Charges	701	1,359
Conveyance and Traveling	1,169	3,247
Legal and Professional Fees	1,40,700	27,03,775
Communication Expenses	6,528	2,091
Electricity and Water Charges	4,000	6,500
Printing & Stationery	26,271	42,127
Custodial Fee	66,600	75,958
Listing Fee	5,40,001	5,40,000
Share Transfer Charges	54,200	1,04,629
Miscellaneous Expenses	73,337	37,831
Sundry Balances Written off	-	2,24,30,791
Remuneration to Auditors		
- Statutory Audit	50,000	25,000
<b>Total Other Expenses</b>	<b>9,63,507</b>	<b>2,59,73,308</b>

**18. Contingent Liabilities:**

Estimated amount of claims against the company not acknowledged as debts in respect of disputed Income tax matter is nil during the year and previous year.

**19. 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).

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

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

(Amount in Rs.)

SECONDARY SEGMENT (Geographical Segment based on Sales Continent viz)		
Segment Revenue	2021-22	2020-21
Asia	11,19,550	10,22,850
<b>Total Revenue from Operations</b>	<b>11,19,550</b>	<b>10,22,850</b>

**21 Related party transactions:**

List of Related Parties:-

A. With whom transaction made during the year :-

Ms. Astrid Lobo Company Secretary cum Chief Financial Officer (till 31st May, 2021)  
Ms. Pranjali Joshi Company Secretary from 30th July, 2021

Details of Transactions with related parties are as follows :

(Amount in Rs.)

Nature of Transactions	Designation	
Remuneration to Key Managerial Personnel (Refer note iii below) for the year		
For the year	Company Secretary	3,73,997 (3,67,757)
Closing balance		33,333 (40,500)
For the year	Chief Financial Officer	20,000 (94,754)
Closing balance		Nil (Nil)

**Note :**

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

B. With whom no transaction during the year :-

**a. Wholly owned Subsidiary Company**

Nil

**b. Key Management Personnel**

Name of Personnel	Designation
Mr. Sajid Malik	Managing Director
Mrs. Saroja Malik	Director
Mr. Ganesh Acharya	Independent Director
Mr. Manish Chhaganlal Patel	Additional Director- Non Executive Independent Director

**b. Principal Shareholder**

M/s Kilam Holdings Ltd, Mauritius

**c. Associate Enterprises**

M/s. Valeo Nutra Private Limited

22 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-

(Amount in Rs.)

Particulars	As at	
	MARCH 31, 2022	MARCH 31, 2021
<b>Deferred Tax Assets</b>		
Fixed Assets (Depreciation/Amortization)	2,38,562	2,66,865
Provision for Doubtful Debts	75,61,751	75,61,751
Total	78,00,313	78,28,616
<b>Deferred Tax Liability</b>		
<b>Net Deferred Tax (Liability)/Assets</b>	<b>78,00,313</b>	<b>78,28,616</b>

Notes forming part of the Ind AS Financial Statement as at and for the year ended March 31, 2022

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.

23 Loans to other body corporate include :

(Amount in Rs.)

Particulars	As at	
	MARCH 31, 2022	MARCH 31, 2021
Gopesh Impex Pvt Ltd	31,50,450	32,75,450
Saourav Impex Pvt Ltd	4,04,89,008	4,04,89,008
Total	4,36,39,458	4,37,64,458

Note : All the above loans are given for business purpose, no loans were provided to Promoters, Directors, Key Managerial Persons or related parties. The loans provided to other body corporates are repayable on demand.

24.Earnings per share:

Particulars	2021-22	2020-21
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 ( . )	72,331	(2,52,19,387)
Basic EPS ( . )	0.01	(2.93)
Diluted EPS ( . )	0.01	(2.93)
Nominal value of Shares ( . )	10	10

25. Exchange Differences

During the period realized and unrealized exchange gain/(loss) amounting to ` 2270/- (Previous Year: of ` .1575/ ) is included in the profit and loss account.

26 Financial Instruments (Notes attached)

27. 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.

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.

28. Additional Regulatory Information

During the year or previous year

- (i) Company doesn't have any immovable property
- (ii) Company doesn't have investment property to value the property as is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

Notes forming part of the Ind AS Financial Statement as at and for the year ended March 31, 2022

(iii) Company doesn't have Property Plant and Equipment to revalue the same (including Right-of Use Assets),based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(iv) Company doesn't have intangible asset to revalue the same , based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(v) Company not provided any loans to Promoters, Directors, Key Managerial Persons or related parties. The loans provided to other body corporates are repayable on demand.

(vi) Company doesn't have any Capital-Work-in Progress.

(vii) Company doesn't have any intangible assets under developments.

(viii) No benami property held by company, No proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ix) Company has no borrowings from banks or financial institutions on the basis of security of current assets.

(x) Company not declared as wilful defaulter by any bank or financial Institution or other lender.

(xi) Company has not done any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

(xii) Company has not any charges or satisfaction yet to be registered with ROC beyond the statutory period.

(xiii) Compliance with number of layers of companies is not applicable.

(xiv) Ratios

	As at		% change during the year	Remarks (Formula for easy reference)
	MARCH 31, 2022	MARCH 31, 2021		
(a) Current Ratio (Note i)	53.89	19.56	34.33	Current Assets/ Current liabilities
(b) Debt-Equity Ratio	Nil	Nil	-	Debt/Equity
(c) Debt Service Coverage Ratio	Nil	Nil	-	EBITDA /( Interest on loan + Principal repayment in a year)
(d) Return on Equity Ratio	0.00	(0.58)	0.58	Net income/Shareholders' equity
(e) Inventory turnover ratio	Nil	Nil	-	Cost of goods sold / Average Inventory
(f) Trade Receivables turnover ratio (Note ii)	9	2	7.52	Net Credit Sales / Average Accounts Receivable
(g) Trade payables turnover ratio	Nil	Nil	-	Net credit purchase / Average Accounts Payables
(h) Net capital turnover ratio	0.03	0.02	0.00	Total Sales / Shareholders Equity
(i) Net profit ratio (Note iii)	6	(1,247)	1,253.55	Net profit / Net sales * 100
(j) Return on Capital employed	(0.00)	(0.56)	0.56	Return (EBIT) / Capital employed
(k) Return on investment	N.A	N.A	-	Return (EBIT) / Investment

Particulars - Tools for above ratios	MARCH 31, 2022	MARCH 31, 2021
Average Debtors*	1,21,250	5,97,475
Turnover	11,19,550	10,22,850
Total Income	11,21,821	20,22,233
Current Assets (A)	4,44,15,542	4,58,63,870
Current Liabilities (B)	8,24,139	23,44,799
Net Current Assets (A) – (B)	4,35,91,403	4,35,19,072
Debt	-	-
Equity / Capital employed	4,35,91,403	4,35,19,071
Interest	-	-
Investment	-	-
Trade Receivables	-	2,42,500
Trade Payables	1,14,634	11,24,326
Inventory	-	-
Operating Profit/(Loss)	(2,16,775)	(2,44,19,061)
Net Profit/(Loss)	72,331	(2,52,19,387)
Net worth	4,35,91,403	4,35,19,071
*Average Debtors = Opening debtors + Closing debtors		
	'2	

**Notes for above ratios**

- i) Current ratio for the year is improved due to decrease in current liabilities for the year while compare to previous year.
- ii) Trade receivable ratio improved due to increase in turnover and decrease in receivable while compare to previous year
- iii) Net profit ratio improved due to increase in net profit and decrease in expenses while compare to previous year

(xv) Compliance with approved Scheme(s) of Arrangements if any : Nil

(xvi) During the year company has neither borrowed any loans nor issued/ allotted any shares.

**29. 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.

30. 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  
GI ENGINEERING SOLUTIONS LIMITED**

**SAJID MALIK**  
MANAGING DIRECTOR  
DIN NO.00400366

**SAROJA MALIK**  
DIRECTOR  
DIN No.00400421

**SACHIN PHADKE**  
PROPRIETOR  
MEMBERSHIP NO. 117084  
UDIN: 22117084AJWWYD4701  
DATE : MAY 30, 2022  
PLACE: MUMBAI

**PRANJALI JOSHI**  
COMPANY SECRETARY  
MEMBERSHIP NO. A65791



## 26. Financial Instruments

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

(Amount in Rs.)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
<b>At Amortised Cost</b>				
Trade Receivables (Refer Note 4)	-	-	2,42,500	-
Cash & Cash equivalents (Refer Note 5)	3,11,089	-	14,08,707	-
Loans (Refer Note 6)	4,36,39,458	-	4,37,64,458	-
<b>Total</b>	<b>4,39,50,547</b>	<b>-</b>	<b>4,54,15,665</b>	<b>-</b>
<b>Financial Liabilities</b>				
<b>At Amortised Cost</b>				
Trade Payables (Refer Note 11)	1,14,634	-	11,24,326	-
<b>Total</b>	<b>1,14,634</b>	<b>-</b>	<b>11,24,326</b>	<b>-</b>

### 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).

(Amount in Rs.)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>At Amortised Cost</b>						
Trade Receivables (Refer Note 4)			-			2,42,500
Cash & Cash equivalents (Refer Note 5)			3,11,089			14,08,707
Loans (Refer Note 6)			4,36,39,458			4,37,64,458
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>4,39,50,547</b>	<b>-</b>	<b>-</b>	<b>4,54,15,665</b>
<b>Financial Liabilities</b>						
<b>At Amortised Cost</b>						
Trade Payables (Refer Note 11)			1,14,634			11,24,326
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>1,14,634</b>	<b>-</b>	<b>-</b>	<b>11,24,326</b>

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.

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022-44884488



### Website

[www.giesl.in](http://www.giesl.in)