

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

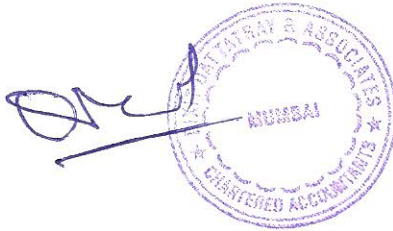
Website: www.giesl.com; E-mail ID: investors@giesl.com

FORM A

COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH THE STOCK EXCHANGES-FOR STANDALONE ACCOUNTS

| | | |
|----|--|---|
| 1. | Name of the Company | GI ENGINEERING SOLUTIONS LIMITED |
| 2. | Annual financial statements for the year ended | 31 st March, 2015 |
| 3. | Type of Audit Observation | Emphasis of Matter |
| 4. | Frequency of Observation | Same observation appeared for the previous years in the audit report on the financial statements. |


For Dixit Dattatray & Associates
Chartered Accountants
Firm Registration No. : 102665W



D. B. Dixit
Proprietor
Membership No.: 40032

Place : Mumbai
Date : May 30, 2015


Sajid Malik
Managing Director


Ganapathy Vishwanathan
Director (Chairman- Audit
Committee)

Place : Mumbai
Date : May 30, 2015

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

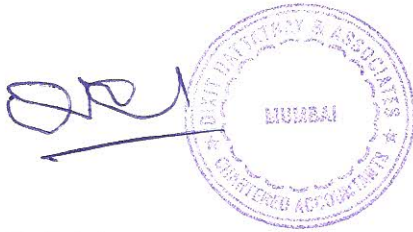
Website: www.giesl.com; E-mail ID: investors@giesl.com

FORM A

COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH THE STOCK EXCHANGES-FOR CONSOLIDATED ACCOUNTS

| | | |
|----|--|---|
| 1. | Name of the Company | GI ENGINEERING SOLUTIONS LIMITED |
| 2. | Annual financial statements for the year ended | 31 st March, 2015 |
| 3. | Type of Audit Observation | Emphasis of Matter |
| 4. | Frequency of Observation | Same observation appeared for the previous years in the audit report on the financial statements. |

For Dixit Dattatray & Associates
Chartered Accountants
Firm Registration No. : 102665W



D. B. Dixit
Proprietor
Membership No.: 40032

Place : Mumbai
Date : May 30, 2015


Sajid Malik
Managing Director



Ganapathy Vishwanathan
Director (Chairman- Audit
Committee)

Place : Mumbai
Date : May 30, 2015

GI Engineering Solutions Limited

ANNUAL REPORT 2014-15



CORPORATE INFORMATION

BOARD OF DIRECTORS

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

AUDITORS

M/s. Dixit Dattatray & Associates,
Chartered Accountants

REGISTERED OFFICE

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

SUBSIDIARY

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

BANKERS

State Bank of India
HDFC Bank Ltd.

REGISTRAR AND SHARE TRANSFER AGENT

Bigshare Services Private Limited
E/2, Ansa Industrial Estate,
Saki-Vihar Road,
Saki-Naka, Andheri (East),
Mumbai 400 072.
Telephone: 91-22-4043 0200
Fascimile: 91-22-2847 5207,
Email: info@bigshareonline.com

| Contents | Page |
|---|------|
| Managing Director's Message | 2 |
| Notice | 3 |
| Directors' Report..... | 9 |
| Annexure to the Directors' Report | 14 |
| Corporate Governance Report | 26 |
| Management Discussion & Analysis..... | 43 |
| Auditors' Report..... | 46 |
| Balance Sheet | 50 |
| Statement of Profit and Loss | 51 |
| Cash Flow Statement | 52 |
| Notes to Financial Statements..... | 53 |
| Consolidated Accounts | 68 |

MESSAGE FROM THE MANAGING DIRECTOR

Dear Shareholders,

I am connecting with you this year to present our business review of last financial year with a note of renewed optimism for the future.

Our Company continues to focus in the HVAC and real estate markets, more on the domestic front. Given the difficulties faced by infrastructure sector, and the realty in particular, over the last few years, our company's performance continued to remain less than expected.

However, with Government's thrust for infrastructure investment and introduction of smartcity program, we believe that the real estate market will show a much needed upward trend. We expect this would generate good demand for our services. The Company intends to focus on engineering solutions projects of various sizes.

We are also in the process of evaluating other lines of engineering services, which can be conveniently undertaken along with the current business in the future.

SAJID MALIK
MANAGING DIRECTOR

NOTICE

Notice is hereby given that the Ninth Annual General Meeting of the members of GI Engineering Solutions Limited will be held on Tuesday, September 29, 2015 at 3.00p.m. at The Mirador Hotel, New Link Road, Opp. Solitaire Corporate Park, Chakala, Andheri (East), Mumbai – 400099, Maharashtra to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Accounts and Auditors and Directors Report thereon:

To receive, consider and adopt the audited Balance Sheet of the Company as at March 31, 2015 and the Statement of Profit and Loss Account for the year ended on that date, both on Standalone and Consolidated basis together with the Reports of the Auditors and Directors thereon.

2. Re-appointment of Directors retiring by rotation:

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

3. Appointment of Statutory Auditors:

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

“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Board of Directors, the appointment of M/s. Dixit Dattatray & Associates, Chartered Accountants (ICAI Registration No.102665W), as the Statutory Auditors of the Company to hold office till the conclusion of the Eleventh Annual General Meeting (AGM) of the Company be and is hereby ratified on such remuneration as may be agreed between the auditors and the Board of Directors.”

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

SAJID MALIK
MANAGING DIRECTOR
(DIN: 00400366)

Registered Office:

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

Place: Mumbai

Dated: August 14, 2015

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than 10% of the total share capital of the company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The instrument appointing a proxy, duly completed, must be deposited with the Company at its Registered Office not less than 48 hours before the time of commencement of the Meeting. A proxy form is enclosed herewith.
4. During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members / Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting along with their copy of Annual Report.
6. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote on their behalf at the meeting.
7. The Register of Directors and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.

The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from September 22, 2015 to September 29, 2015 (both days inclusive) for the purpose of Annual General Meeting.
9. The members are requested to:
 - a) Intimate changes in their registered address, if any, to the Registrars, in respect of their holdings in physical form.
 - b) Notify immediately, any change in their registered address or Bank mandate, to their Depository Participants and not to the Company or Registrars, in respect of their holdings in electronic form.
10. Non-Resident Indian Shareholders are requested to inform the Company immediately:
 - a) Any change in residential status on return to India for permanent settlement
 - b) The particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not furnished earlier.
11. Pursuant to Section 72 of the Companies Act, 2013, members are entitled to make a nomination in respect of shares held by them in physical form. Members desirous of making nominations may procure the prescribed Form SH-13 from the Registrar and Transfer Agent of the Company. Members holding shares in electronic form may contact their respective depository participants for availing the said facility.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account

Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.

13. Disclosure pursuant to Clause 49 of the Listing Agreement with respect to the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting is provided in the Report on Corporate Governance forming part of Annual Report.
14. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your E-mail Address with your Depository Participant to enable us to communicate with you via E-mail.
15. Copies of the Annual Report 2014-15 are being sent by electronic mode only to all the members whose E-mail Addresses are registered with the Company / Depository Participant(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their E-mail Addresses, physical copies of the Annual Report 2014-15 are being sent by the permitted mode.
16. Members may also note that the Notice of the Ninth Annual General Meeting and the Annual Report 2014-15 will be available on the Company's website www.giesl.com. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at investors@giesl.com.
17. Members desiring any information relating to Annual Accounts of the Company for the year ended March 31,

2015 are requested to write to the Company atleast 5 days before the date of Annual General Meeting, so as to enable the management to keep information ready.

18. VOTING THROUGH ELECTRONIC MEANS

Pursuant to provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and clause 35B of the Listing Agreement, the Company is pleased to provide to its members, the facility to exercise their right to vote at the Annual General Meeting (AGM) by Remote e-voting i.e. the facility of casting votes by a member using an electronic voting system from a place other than venue of the annual general meeting. Remote e-voting facility will be provided by Central Depository Services Limited (CDSL).

The instructions for e-voting are as under:

- A. The shareholders of the Company holding shares either in physical form or in dematerialised form, as on the cut-off date viz. Tuesday, September 22, 2015 may cast their vote electronically.
- B. A shareholder can opt for only one mode of voting i.e. remote e-voting or voting through ballot or voting at venue of AGM. In case a shareholder votes through remote e-voting as well as sends his/ her vote through ballot form, the vote cast through remote e-voting shall be considered and the voting through physical ballot shall not be considered by the scrutinizer.
- C. The shareholders who have cast their votes either through remote e-voting or ballot shall be entitled to attend the meeting, however, shall not be allowed to cast their vote again at the venue of the annual general meeting.
- D. The shareholders shall have one vote per equity share

held by them. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.

- E. The Company has appointed Mr. Dattatray B. Dixit, Practicing Chartered Accountant, as the scrutinizer for conducting the e-voting process in a fair and transparent manner.
- F. The scrutinizer will submit his final and consolidated report to the Chairman within three days after the conclusion of annual general meeting.
- G. The results of annual general meeting shall be declared by the Chairman or his authorized representative or anyone Director of the Company on/ or after annual general meeting within the prescribed time limits.
- H. The result of voting will also be placed at the website of the Company viz. www.giesl.com and also on www.cdslindia.com.
- I. The scrutinizer's decision on the validity of e-voting will be final.

Instructions for Remote E-Voting

- A. In case of members receiving e-mail:
 - i. If you are holding shares in demat form and have earlier logged on to www.evotingindia.com and casted your vote for Electronic Voting Sequence Number (EVSN) of any Company, then your existing login id and password are to be used.
 - ii. If you have forgotten the password then enter the User ID and Captcha Code. Then, click on forgot password & enter the details as prompted by the system.

Procedure for shareholders casting their vote electronically for the first time:

- a. To initiate the voting process, log on to the e-voting website www.evotingindia.com.

- b. Click on "Shareholders" tab to cast your votes.
- c. Thereafter, select the relevant Electronic Voting Sequence Number (EVSN) alongwith "Company Name" from the drop down menu and click on "SUBMIT" for voting.
- d. Now, fill up the following details in the appropriate boxes:

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

* Members who have not updated their PAN with the Company/ Depository Participant are requested to use first two characters of the first name and remaining eight digits from the sequence number. If the sequence number is less than eight digit the remaining digits

should be padded with the relevant number of zero (0) from the left. Eg. If your name is Suresh Kumar with sequence number 1 then enter SU00000001 in the PAN field.

CDSL users can enter any one of the details viz. dividend bank details or date of birth, in order to login; however, NSDL users mandatorily have to mention their bank account number in order to login. In case bank details are not recorded with the depository, please enter the number of shares held by you as on the cut-off date viz. Tuesday, September 22, 2015 in the Dividend Bank details field.

- i. After entering these details appropriately, click on "SUBMIT" tab.
- ii. Members holding shares in physical form will then reach directly to the EVSN selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- iii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- iv. Now select the relevant Electronic Voting Sequence Number (EVSN) alongwith "Company Name" on which you choose to vote.
- v. On the voting page, you will see "Resolution Description" and against the same the option "YES/NO" for voting. Select the option "YES" or "NO" as

desired. The option "YES" implies that you assent to the resolution and option "NO" implies that you dissent to the resolution.

- vi. Click on the "Resolutions File Link" if you wish to view the entire resolutions.
- vii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- ix. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
- x. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

B. ADDITIONAL INSTRUCTIONS FOR NON-INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

- a. Non-individual shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.co.in and register themselves as Corporates.
- b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
- c. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- d. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- C. The voting period begins at 9.00 a.m., on Friday, September 25, 2015 and ends on 5.00 p.m., Monday, September 28, 2015. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 22, 2015, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- D. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under "Help" section or write an email to helpdesk.evoting@cdslindia.com

E. INSTRUCTIONS FOR VOTING THROUGH BALLOT

The Company is providing the facility of ballot form in terms of Clause 35B of the Listing Agreement to those shareholders, who do not have access to remote voting in respect of the resolutions as set out in this notice. The ballot form with instructions is enclosed along with the Annual Report. The last date for receiving the ballot form will be September 28, 2015 on or before 5.00 p.m. Ballot forms received after this date shall not be considered.

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

Detailed instructions for voting are provided in the ballot form.

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

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

- F. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under "Help" section or write an email to helpdesk.evoting@cdslindia.com

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

SAJID MALIK
MANAGING DIRECTOR

(DIN: 00400366)

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

Place: Mumbai
Dated: August 14, 2015

DIRECTORS' REPORT

Dear Shareholders,

The Directors of your Company take pleasure in presenting the Ninth Annual Report of the Company together with the Audited Accounts for the Financial Year ended March 31, 2015.

1. FINANCIAL RESULT

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

(Rs. in Lakhs)

| Particulars | March 31, 2015 | March 31, 2014 |
|--|----------------|----------------|
| Income | 3.66 | 9.70 |
| Operating Profit/ (Loss) before Depreciation, Interest and Taxes | (9.33) | (7.12) |
| Less: Depreciation/ amortization | - | (0.87) |
| Profit/(Loss) before tax | (9.33) | (7.99) |
| Less: Current Tax | - | - |
| Profit (Loss) After Tax | (9.33) | (7.99) |

2. DIVIDEND

Your Directors do not recommend the payment of dividend for the year ended March 31, 2015 in view of the losses.

3. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2015 was Rs. 8,61,18,780/- and 4.5% Redeemable Cumulative Preference Share Capital was Rs. 7,00,00,000/- During the year under review, the Company has not issued any Shares.

4. OPERATIONS

During the year under review, the Company earned the total income of Rs. 3.66 lakhs as compared to Rs. 9.70 lakhs in the previous financial year. The Company has incurred a loss of Rs. 9.33 lakhs as compared to the loss of Rs. 7.99 lakhs in the previous financial year. The Board of Directors is taking steps to improve the business operations of the Company, though the prevailing market conditions in the existing line of business are not encouraging. The Board is hopeful of improvement in the current financial year.

a) DEPOSITS

The Company did not invite/accept any fixed deposit within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014

b) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

5. MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and analysis on matters related to the business performance, as stipulated in Clause 49 of the Listing Agreement with stock exchanges, is given as a separate section in the Annual Report.

6. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure A".

7. CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance requirements as stipulated under the Listing Agreement with the stock exchanges. A separate section on Corporate Governance, along with a certificate from the Auditors confirming the compliance, is annexed and forms part of the Annual Report.

8. SUBSIDIARY COMPANY

Your Company has a subsidiary, viz. M/s Genesys Enterprises Inc., USA. In accordance with the General Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary company are not being attached with the Balance Sheet of the Company. The Company will make available the Annual Accounts of the subsidiary company and the related detailed information to any Member of the Company who may be interested in obtaining the same. Further, the Annual Accounts of the subsidiary would also be available for inspection by any Member at the Registered Office of the Company during working hours up to the date of the Annual General Meeting.

9. CONSOLIDATED RESULTS

As stipulated by Clause 32 of the Listing Agreement with the Stock Exchanges, the consolidated financial statements have been prepared by the Company in accordance with the applicable Accounting Standards (AS-21) issued by The Institute of Chartered Accountants of India. The audited consolidated financial statements together with Auditors Report form part of the Annual Report.

10. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism. The Policy is posted on website of the Company.

11. DIRECTORS

Mrs. Saroja Malik, Director of the Company, retires by rotation and being eligible offers herself for re-appointment at the ensuing Annual General Meeting.

Brief resume of Mrs. Saroja Malik, nature of her expertise in specific functional area and names of Companies in which she is a Director and Member/Chairman of Committees of Board, as stipulated by Clause 49 of the Listing Agreement are provided in the Corporate Governance Report forming part of the Annual Report.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

12. AUDITORS

a) STATUTORY AUDITOR

The Members of the Company had, at the 8th Annual General Meeting (AGM) held on September 29, 2014 approved the appointment of M/s Dixit Dattatray & Associates, Chartered Accountants, Mumbai (ICAI Registration No. 102665W) as the Statutory Auditors of the Company to hold office from the conclusion of that AGM until the conclusion of 11th AGM held thereafter, subject to ratification of the appointment by the Members at every AGM held after the aforesaid AGM.

Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 states that appointment of Auditor shall be subject to ratification by the Members at every AGM till the expiry of the term of the Auditor.

In view of the above, the existing appointment of M/s Dixit Dattatray & Associates, Chartered Accountants covering the period from the conclusion of this ensuing AGM until the conclusion of next AGM to be held in the FY 2016-17, is being placed for Members' ratification.

As required under section 139 of the Companies Act, 2013, the Company has obtained a written consent from the Auditors to such continued appointment and also a certificate from them to the effect that their appointment, if ratified, would be in accordance with the conditions prescribed under the Companies Act, 2013 and the rules made thereunder, as may be applicable.

AUDITORS' REPORT

The Auditors' Report to the members on the Accounts of the Company for the financial year ended March 31, 2015 does not contain any qualification.

INTERNAL CONTROLS SYSTEM AND THEIR ADEQUACY

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

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

b) SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company has appointed M/s Roy Jacob & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure B".

The Company is in process of shortlisting suitable candidate for the position of Chief Financial Officer and Company Secretary. The company will fill these vacancies as soon as possible.

13. PARTICULARS OF EMPLOYEES

Managing Director does not receive any remuneration from the Company and the Company does not have employee drawing remuneration in excess of limits

prescribed under section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, the information under this Proviso and Rule is not being provided.

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

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

15. MEETINGS

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

16. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The Board Evaluation has been explained in the Corporate Governance Report.

17. NOMINATION AND REMUNERATION POLICY

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

18. SEXUAL HARRASMENT

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

19. RISK MANAGEMENT

Pursuant to the requirement of Section 134 of the Companies Act, 2013, the Company has in place a Risk Management Plan.

The Company has a Business Risk management framework to identify and evaluate business risks.

In accordance with the provision of Clause 49 of the Listing Agreement, your Company has also constituted a Risk Management Committee.

20. 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.

21. MATERIAL CHANGES & COMMITMENTS

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

22. INDEPENDENT DIRECTORS MEETING

During the year under review, the independent Directors of the Company met on February 15, 2015, interalia, to discuss:

- i. Evaluation of performance of Non-Independent Directors and the Board of Directors of the Company as a whole
- ii. Evaluation of performance of the Chairman of the Board, taking into views of all Directors
- iii. Evaluation of the quality, content and timeliness of flow of information to the Board that is necessary

for the Board to effectively and reasonably perform its duties

23. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company.

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

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

24. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) In the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to their material departures, wherever applicable;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts for

the financial year ended March 31, 2015 on a going concern basis.

- e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) The directors have devised proper systems to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

25. ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the Investors, Clients, Banks, Regulatory authorities

including Stock Exchanges and Government authorities for their invaluable support, trust and co-operation extended to the Company. Your directors look forward for their continued support in future.

For and on behalf of the Board of Directors

SAJID MALIK

GANAPATHY VISHWANATHAN

Managing Director

Director

Place: Mumbai

Date: May 30, 2015

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

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

I. REGISTRATION AND OTHER DETAILS

| | | |
|------|---|--|
| i. | CIN | L40109MH2006PLC163731 |
| ii. | Registration Date | 10.08.2006 |
| iii. | Name of the Company | GI Engineering Solutions Limited |
| iv. | Category /Sub category of the company | Company having Share Capital |
| v | Address of the Registered office and contact details | 73-A, SDF-III, SEEPZ, Andheri (East), Mumbai-400096 |
| vi | Whether listed company | Yes |
| vii | Name, Address and Contact details of Registrar and Transfer Agent, if any | Bigshare Services Private Limited E/2, Ansa Industrial Estate, Saki-Vihar Road, Saki-Naka, Andheri (East), Mumbai-400 072 Telephone : 91-22-4043 0200 Fax : 91-22-2847 5207 E-mail : info@bigshareonline.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

i. Category wise shareholding

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

GI ENGINEERING SOLUTIONS LIMITED

| | Category of Shareholders | No. Of Shares held at the beginning of the year | | | | No. Of Shares held at the end of the year | | | | % Change during the year |
|-------------------------|---|---|-------------|-------------|-------------------|---|-------------|-------------|-------------------|--------------------------|
| | | Demat | Physical | Total | % of Total shares | Demat | Physical | Total | % of Total Shares | |
| d) | State Govt(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) | Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) | Insurance Companies | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| g) | FII's | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| h) | Foreign Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| i) | Others (specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-Total (B)(1) | | 0 | 4050 | 4050 | 0.05 | 0 | 4050 | 4050 | 0.05 | 0.00 |
| 2. | Non-Institutions | | | | | | | | | |
| a) | Bodies Corp. | | | | | | | | | |
| i. | Indian | 481737 | 3385 | 485122 | 5.63 | 443859 | 3385 | 447244 | 5.19 | -0.44 |
| ii. | Overseas | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) | Individuals | | | | | | | | | |
| i. | Individual shareholders holding nominal share capital upto Rs. 1 lakh | 2323832 | 18568 | 2342400 | 27.20 | 2262638 | 18318 | 2280956 | 26.49 | -0.71 |
| ii. | Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 1096689 | 0 | 1096689 | 12.73 | 1196954 | 0 | 1196954 | 13.90 | 1.16 |
| c) | Others (specify) | | | | | | | | | |
| | Foreign National | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| | Clearing Members | 541 | 0 | 541 | 0.01 | 100 | 0 | 100 | 0.00 | -0.01 |
| | Non-Resident Indians | 77787 | 0 | 77787 | 0.90 | 77285 | 0 | 77285 | 0.90 | -0.01 |
| | Independent Directors and their Relatives | 12777 | 201 | 12978 | 0.15 | 12777 | 201 | 12978 | 0.15 | 0.00 |
| | OCB | 0 | 25 | 25 | 0.00 | 0 | 25 | 25 | 0.00 | 0.00 |

ANNUAL REPORT 2014-15

| Category of Shareholders | No. Of Shares held at the beginning of the year | | | | No. Of Shares held at the end of the year | | | | % Change during the year |
|--|---|--------------|----------------|-------------------|---|--------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total shares | Demat | Physical | Total | % of Total Shares | |
| Genesys Technologies Employees Welfare Trust | 96962 | 0 | 96962 | 1.13 | 96962 | 0 | 96962 | 1.13 | 0.00 |
| GI Engineering Employees Welfare Trust | 0 | 147 | 147 | 0.00 | 0 | 147 | 147 | 0.00 | 0.00 |
| Foreign Company | 1100000 | 0 | 1100000 | 12.77 | 1100000 | 0 | 1100000 | 12.77 | 0.00 |
| Sub-Total (B)(2) | 5190325 | 22326 | 5212651 | 60.53 | 5190575 | 22076 | 5212651 | 60.53 | 0.00 |
| Total Public Shareholding (B) = (B)(1) + (B)(2) | 5190325 | 26376 | 5216701 | 60.58 | 5190575 | 26126 | 5216701 | 60.58 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Grand Total (A+B+C) | 8585502 | 26376 | 8611878 | 100.00 | 8585752 | 26126 | 8611878 | 100.00 | 0.00 |

ii. Shareholding of promoters

| Sr. No. | Shareholder's name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|---------|--|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
| | | No. Of Shares | % of total shares of the Company | % of Shares pledged / encumbered to total shares | No. Of Shares | % of total shares of the Company | % of Shares pledged / encumbered to total shares | |
| 1 | Mr. Sohel Malik | 1765000 | 20.49 | 0.00 | 1765000 | 20.49 | 0.00 | 0.00 |
| 2 | Kilam Holdings Ltd | 1378405 | 16.01 | 0.00 | 1378405 | 16.01 | 0.00 | 0.00 |
| 3 | Mr. Sajid Malik | 125772 | 1.46 | 0.00 | 125772 | 1.46 | 0.00 | 0.00 |
| 4 | Mrs. Saroja Malik | 120239 | 1.40 | 0.00 | 120239 | 1.40 | 0.00 | 0.00 |
| 5 | Kadam Holding Ltd | 5061 | 0.06 | 0.00 | 5061 | 0.06 | 0.00 | 0.00 |
| 6 | Mrs. Saroja Malik jointly with Mr. Sajid Malik | 700 | 0.01 | 0.00 | 700 | 0.01 | 0.00 | 0.00 |
| | Total | 3395177 | 39.42 | 0.00 | 3395177 | 39.42 | 0.00 | 0.00 |

GI ENGINEERING SOLUTIONS LIMITED

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

There are no changes in promoters' shareholding

| Sr. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. Of shares | % of total shares of the Company | No. Of shares | % of total shares of the Company |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date wise increase / decrease in promoters share holding during the year specifying the reasons for increase / decrease (e.g. Allotment / transfer / bonus / sweat equity etc) | Nil | Nil | Nil | Nil |
| | At the End of the year | Nil | Nil | Nil | Nil |

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

| Sr. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year Shareholding at the end of the year | |
|---------|--|---|----------------------------------|--|----------------------------------|
| | | No. Of shares | % of total shares of the Company | No. Of shares | % of total shares of the Company |
| 1 | Fortune Private Equity LLC | 1100000 | 12.77 | 1100000 | 12.77 |
| 2 | Genesys Technologies Employee Welfare Trust through its trustee Ganapathy Vishwanathan | 96962 | 1.13 | 96962 | 1.13 |
| 3 | Uma Agarwal | 90000 | 1.04 | 90000 | 1.04 |
| 4 | Shri Parasram Holdings Pvt. Ltd. | 64149 | 0.74 | 60231 | 0.73 |
| 5 | Sasi Star Finance Pvt. Ltd. | 63000 | 0.73 | 63000 | 0.69 |
| 6 | Renu Agarwal | 60000 | 0.70 | 60000 | 0.70 |
| 7 | Anil Kumar Joshi | 55707 | 0.65 | 55707 | 0.65 |
| 8 | Kruti Capital Services Pvt. Limited | 50000 | 0.58 | 50000 | 0.58 |
| 9 | Vaziuddin M Alvi | 50000 | 0.58 | 50000 | 0.58 |
| 10 | Tushar K Mehta | 46937 | 0.54 | - | - |
| 11 | Rupan T Mehta | - | - | 55000 | 0.64 |

v. Shareholding of Directors and Key Managerial Personnel

| Sr. No. | For Each of the Directors and Key Management Personnel | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. Of shares | % of total shares of the Company | No. Of shares | % of total shares of the Company |
| 1. | Mr. Sajid Malik - Managing Director | | | | |
| | At the beginning of the year | 125772 | 1.46 | 125772 | 1.46 |
| | Date wise increase / decrease in promoters share holding during the year specifying the reasons for increase / decrease (e.g. Allotment / transfer / bonus / sweat equity etc) | - | - | 0 | 0.00 |
| | At the End of the year | - | - | 125772 | 1.46 |
| 2. | Mrs. Saroja Malik - Director | | | | |
| | At the beginning of the year | 120939 | 1.40 | 120939 | 1.40 |
| | Date wise increase / decrease in promoters share holding during the year specifying the reasons for increase / decrease (e.g. Allotment / transfer / bonus / sweat equity etc) | - | - | 0 | 0.00 |
| | At the End of the year | - | - | 120939 | 1.40 |
| 3. | Mr. Ganapathy Vishwanathan - Independent Director | | | | |
| | At the beginning of the year | 293 | 0.00 | 293 | 0.00 |
| | Date wise increase / decrease in promoters share holding during the year specifying the reasons for increase / decrease (e.g. Allotment / transfer / bonus / sweat equity etc) | - | - | 0 | 0.00 |
| | At the End of the year | - | - | 293 | 0.00 |
| 4. | Mr. Ganesh Acharya - Independent Director | | | | |
| | At the beginning of the year | 12493 | 0.15 | 12493 | 0.15 |
| | Date wise increase / decrease in promoters share holding during the year specifying the reasons for increase / decrease (e.g. Allotment / transfer / bonus / sweat equity etc) | - | - | 0 | 0.00 |
| | At the End of the year | - | - | 12493 | 0.15 |

GI ENGINEERING SOLUTIONS LIMITED

V. INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

GI ENGINEERING SOLUTIONS LIMITED

B. Remuneration to other Directors

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

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

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

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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

ANNEXURE 'B' TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2015

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

To,
The Members,
GI Engineering Solutions Limited

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GI Engineering Solutions Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our 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/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 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/we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

a) *Company has not appointed Company Secretary and Chief Financial Officer in compliance with the provisions of section 203 (4)*

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings as applicable to the Company:

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and which are applicable to the company:-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009: *Not Applicable to the Company during the Audit Period*

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999: *Not Applicable to the Company during the Audit Period.*

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

: Not Applicable to the Company during the Audit Period

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: *: Not Applicable to the Company during the Audit Period*

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: *: Not Applicable to the Company during the Audit Period*

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(Not notified hence not applicable to the Company during the audit period).

(ii) The Listing Agreements entered into by the Company with Stock Exchanges.

Not complied with clause 47 in respect of Appointment of Company Secretary

Based on our such examination and further based on the Representation of the Management of the Company, the Company has during the period under review complied with

the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except the non compliances given in respective paragraphs.

I/we 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. 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, if any are captured and recorded as part of the minutes.

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

For Roy Jacob & Co
Company Secretary

(Roy Jacob)
Proprietor
ACS No.18815
C P No.: 8220

Place: Mumbai
Date: 29/05/2015

CORPORATE GOVERNANCE REPORT

The Board of Directors of the Company promotes the broad principles of Corporate Governance. Your Company has adopted principles of Corporate Governance over the years. As required under Clause 49 of the Listing Agreement, a Report on Corporate Governance is given here under.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The essence of Corporate Governance lies in elevating and preserving integrity, transparency and accountability. Your Company believes that Corporate Governance is a process developed and implemented by the Company to meet its business objectives without compromising ethical and legal responsibilities. Your Company makes disclosures of its operations and performance to the stakeholders through annual report and quarterly financial results and confirms compliance of Corporate Governance as contained in Clause 49 of the Listing Agreement.

1. BOARD OF DIRECTORS

I. Composition

The Board of Directors has a mix of Executive and Non-Executive Directors to ensure the highest levels of Corporate Governance. Accordingly, your Company has adequate competent Independent Directors. The Board has 4 Directors comprising one executive Director, and three Non-Executive Directors including two Independent Directors.

Details pertaining to the composition of Board of Directors with position held, number of other directorships and Committee Memberships, numbers of Equity Shares held as on March 31, 2015, relationship with other Directors etc. are given below:

| Name of the Directors | Category | No. Of Equity Shares of Face Value of Rs. 10/- each held as on March 31, 2015 | Number of Directorship(s) held in other Public Limited Companies as on March 31, 2015* | Number of Committee(s) position held in other Companies as on March 31, 2015** | |
|---|---|---|--|--|----------|
| | | | | Member | Chairman |
| Mr. Sajid Malik DIN: 00400366 | Managing Director - Promoter Group | 1,25,772 | 5 | NIL | NIL |
| Mrs. Saroja Malik DIN: 00400421 | Non-Executive Director - Promoter Group | 1,20,939 | 2 | NIL | NIL |
| Mr. Ganapathy Vishwanathan DIN: 00400518 | Non-Executive Independent Director | 293 | 3 | NIL | 2 |
| Mr. Ganesh Acharya DIN: 00702346 | Non-Executive Independent Director | 12,493 | 2 | 3 | 2 |

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

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

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

II. BOARD FUNCTIONING & PROCEDURE

During the financial year ended on March 2015, Six Board Meetings were held and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:

1. May 29, 2014
2. August 13, 2014
3. September 29, 2014
4. November 14, 2014
5. January 27, 2015
6. February 13, 2015

The number of Board Meetings and the attendance of Directors as well as their attendance at the last AGM held on September 29, 2014 are as mentioned below:-

| Name of Directors | Designation | No. of Board Meetings attended out of 6 Meetings held | Attendance at last AGM |
|----------------------------|------------------------------------|---|------------------------|
| Mr. Sajid Malik | Managing Director | 6 | Yes |
| Mrs. Saroja Malik | Non-Executive Director | 6 | No |
| Mr. Ganapathy Vishwanathan | Non-Executive Independent Director | 6 | Yes |
| Mr. Ganesh Acharya | Non-Executive Independent Director | 6 | No |

2. BOARD COMMITTEES

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

I. AUDIT COMMITTEE

Your Company has a well constituted Audit Committee comprising of three Non-Executive Directors, two of them being Independent Directors. All the members of the Committee are financially literate with the requisite expertise and experience. The Committee is headed by Mr. Ganapathy Vishwanathan, who is highly qualified professional with more than 20 years of experience in finance.

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

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

The terms of reference of the Audit Committee cover the matters as contained in Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013.

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

- a. Overseeing financial reporting process and disclosure of financial information;
- b. Reviewing quarterly, half yearly and annual financial statements and related party transactions before submission to the Board;
- c. Reviewing the Company's financial and risk management policies;
- d. Reviewing the adequacy of internal control systems;
- e. Reviewing the financial statements of subsidiary company;
- f. Recommending about appointment, re-appointment and removal of the statutory

auditors, fixation of their remuneration;

- g. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h. reviewing the adequacy of the internal audit function;
- i. Discussing with auditors about nature and scope of audit as well as post audit discussion to ascertain any area of concern and internal control weaknesses, if any, observed by the Statutory Auditors;
- j. Reviewing Management discussion and analysis of financial condition and results of operations;
- k. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the Audit Committee and any other responsibility as may be entrusted by the Board.

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

1. May 29, 2014
2. August 13, 2014
3. September 29, 2014
4. November 14, 2014
5. February 13, 2015

The composition of the Audit Committee and details of meetings attended by the members thereof in 2014-15 were as follows:

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

The Chairman of the Audit Committee Mr. Ganapathy Vishwanathan, was present at the Eighth Annual General Meeting of the Company held on September 29, 2014.

II. STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

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

The role of Stakeholders' Relationship Committee is as follows:

- To oversee and review all matters related with transfer, transmission, transposition, dematerialization and mutation of securities;
- To approve issue of share certificates including duplicate, splitted/ sub-divided or consolidated certificates;

- To oversee and review removal of shareholders' grievance with respect to non-receipt of annual reports, transfer and dematerialization/re-materialization of shares etc. ;
- ensuring expeditious share transfer process;
- evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company;

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

Details of the investors' complaints received and redressed during the year 2014-15 are as follows:

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

During the financial year 2014-15, 4 meetings of the said committee were held on May 29, 2014, August 13, 2014, November 14, 2014, and February 13, 2015.

Attendance records of the members of the Stakeholders' Relationship Committee for FY 2014-15 were as follows:

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

The constitution, duties and responsibilities of the Stakeholders' Relationship Committee are in line with

Clause 49 of the Listing Agreement with the stock exchanges and the Companies Act, 2013.

III. NOMINATION & REMUNERATION COMMITTEE

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

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

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

During the year under review, no meeting was held.

REMUNERATION POLICY

The Company has not paid any remuneration to any of the Directors of the Company. However, the Company has formulated Policy for Remuneration of

Directors and KMP. Brief details of policy is produced herein below.

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

IV. RISK MANAGEMENT COMMITTEE.

Pursuant to revised Clause 49 of the Listing Agreement, the Company has constituted Risk Management Committee. The Risk Management Committee consists of 3 members namely Mr. Sajid Malik, as the Chairman and Ganapathy Vishwanathan, and Mrs. Saroja Malik as members of the Committee. The Committee has been entrusted with the following duties:

- To Review the risk identification and management process developed and adopted by Company and to confirm that it is consistent with the Company's strategy and business plan;
- Review management's assessment of risk and provide an update to the Board in this regard;
- Review of management and the auditors about significant business, financial and control risks or exposure to such risk;

- Oversee and monitor management's documentation of the material risks that the Corporation faces;

During the year, the meeting of the Risk Management Committee was held once on February 13, 2015.

The composition of the Risk Management Committee and the details of the attendance at the meeting of the Committee during the year 2014-15 are as under:

| Name of Directors | Status | No. Of Meetings Attended |
|----------------------------|----------|--------------------------|
| Mr. Ganapathy Vishwanathan | Chairman | 1 |
| Mrs. Saroja Malik | Member | 1 |
| Mr. Ganesh Acharya | Member | 1 |

3. SUBSIDIARY COMPANY

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

4. CODE OF CONDUCT

The Board has adopted a Code of Conduct which is applicable to all Board members and Designated Employees in the Senior Management grade. The Said Code has been communicated to all Directors and they have affirmed compliance with said Code. The code has been posted on the Company's website i.e., www.giesl.com. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

5. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

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

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

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

6. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER ATTRIBUTES

The Company has appropriate combination of executive, non-executive and independent directors. The Nomination & Remuneration Committee of the Company will lead the process for Board appointments in accordance with the requirements of Companies Act, 2013, listing agreement and other applicable regulations or guidelines.

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

7. EVALUATION OF BOARD'S PERFORMANCE AND MEETING OF INDEPENDENT DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board

has carried out the annual performance evaluation of the Board as a whole, the Directors individually as well as the working of the Board and its Committees.

Evaluation process was carried out based on parameters such as level of engagement, contribution, independence of judgement, interest in affairs of the Company, safeguarding interest of the Company etc. The performance of the Independent Directors was carried out by the executive and non-executive Directors and vice versa. Annual performance of other committees like Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee was also carried out by the Board. The Directors expressed their satisfaction with the evaluation process.

A meeting of the Independent Directors of the Company was held on February 13, 2015, in conformity with the provisions of the Schedule IV of the Companies Act, 2013 and Listing Agreement.

8. FAMILIARISATION PROGRAMME

In compliance with Clause 49 of the Listing Agreement familiarization activity was undertaken for the Independent Directors covering their roles, responsibilities, rights, liabilities and other duties as expected from Independent Directors under the Companies Act, 2013 and Listing Agreement. Details of such familiarization programme for Independent Directors is available on the website of the Company at www.giesl.com

9. RELATED PARTY TRANSACTION POLICY

Related party transactions are entered on Arm's Length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Agreement.

All Related Party transactions are regularly presented before Audit Committee and the Board in compliance with applicable provisions.

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

10. POLICY FOR DETERMINING MATERIAL SUBSIDIARY

The requirements of Clause 49 of the Listing Agreement w.r.t. Subsidiary company have been complied with. However there is no material non-listed Indian Subsidiary Company requiring appointment of Independent Director of the Company on the Board of Directors of the Subsidiary Company.

The Board has approved a policy for determining material subsidiaries which has been uploaded on the Company's website.

11. WHISTLE BLOWER POLICY / VIGIL MECHANISM

Pursuant to Section 177(9) & (10) of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Company has formulated Whistle Blower Policy for Vigil Mechanism for Director and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors, who use such mechanism and make provision for direct access to the Chairman of the Audit Committee. The policy is displayed on the website of the Company.

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

12. DISCLOSURES

i. Non-compliance / Strictures / Penalties imposed

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

The Company is yet to appoint the Company Secretary in terms of the Listing Agreement and the Companies Act, 2013.

ii. Risk Management

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

iii. Disclosure of accounting treatment

In preparing the Annual Accounts in respect of the Financial Year 2014-15, the Company has followed the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013.

iv. Compliance with mandatory requirements and adoption of non-mandatory requirements

The Company is in compliance with the applicable mandatory requirements of Clause 49 of the Listing Agreement relating to Corporate Governance.

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

13. GENERAL BODY MEETINGS:

A. Details of General Meetings and Special Resolutions passed

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

| YEAR | LOCATION | DATE & TIME | SPECIAL RESOLUTION(S) PASSED |
|-----------|--|-------------------------------------|------------------------------|
| 2011-2012 | The Mirador Hotel, 131 / B, New Link Road, Opp. Solitare Corporate Park, Chakala, Andheri (East), Mumbai- 400099 | September 28, 2012 3.00 p.m. | NIL |
| 2012-2013 | Kohinoor Continental, Andheri - Kurla Road, Andheri (East), Mumbai- 400059 | September 20, 2013 3.00 p.m. | NIL |
| 2013-2014 | Kohinoor Continental, Andheri - Kurla Road, Andheri (East), Mumbai- 400059 | September 29, 2014 at 3.15 p.m | NIL |

B. Extraordinary General Meetings held during the past 3 years

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

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

15. Profile of Directors seeking appointment / re-appointment

Details of the Director seeking re-appointment form part of the Notice convening the Ninth Annual General Meeting of the Company as required by Clause 49 VIII (E) of the Listing Agreement

14. CEO / CFO CERTIFICATION

Mr. Sajid Malik, Managing Director and Mr. Ganapathy Vishwanathan, Director of the Company have certified to the Board regarding compliance made by them in terms of Clause 49 (IX) of the Listing Agreement and the Certificate forms part of Annual Report.

16. Means of Communication:

a) Quarterly / Annual Results

The Company's quarterly financial results, investor updates and other information are posted on the Company's website (www.giesl.com). The quarterly financial results of the Company

are generally published in the Free Press Journal (English) and Navshakti (Marathi). Financial results and all material information are also regularly provided to the Stock Exchanges as per the requirements of the Listing Agreement.

b) Posting of information on the website of the Company

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

17. GENERAL SHAREHOLDER INFORMATION

A. Annual General Meeting

Day & Date : Tuesday, September 29, 2015

Time : 3.00 p.m.

Venue : The Mirador Hotel,
New Link Road, Opp. Solitare
Corporate Park, Chakala, Andheri
(East), Mumbai- 400 099

B. Financial Year

Financial Year of the company is From April 1, 2014 to March 31, 2015.

C. Book Closure

The Register of Members and the Share Transfer Books of the Company shall remain closed from Tuesday, September 22, 2015 to Tuesday, September 29, 2015 (both days inclusive) for the purpose of Annual General Meeting.

D. Listing on Stock Exchanges:

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

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

E. Corporate Identification Number

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

F. Registered Office

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

G. Registrar & Share Transfer Agent

Bigshare Services Private Limited
Unit: GI Engineering Solutions Limited
E/2, Ansa Industrial Estate, Saki-Vihar Road,
Saki-Naka, Andheri (East), Mumbai-400072
Tel No.: 91-22-40430200
Fax No.: 91-22-28475207
E-Mail: info@bigshareonline.com

H. Investors Correspondence

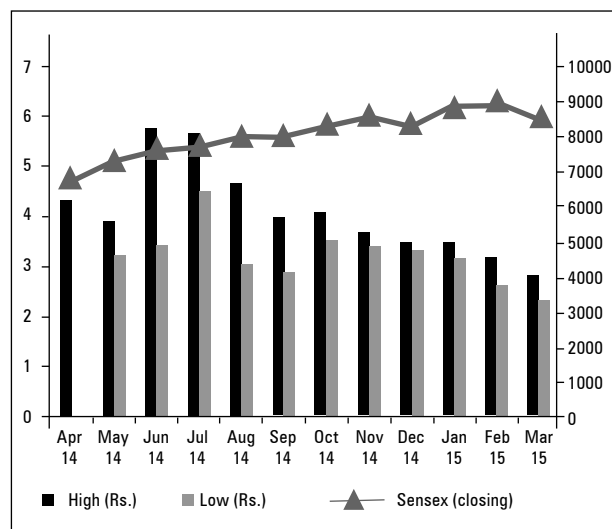
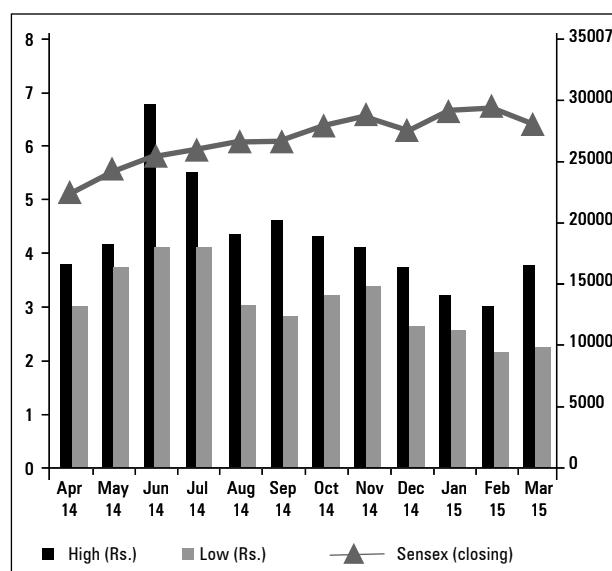
Stakeholders' Relationship Committee
GI Engineering Solutions Limited
73-A, SDF-III, SEEPZ, Andheri (East),
Mumbai-400096.
Tel No: 91-22-44884488
Fax No.: 91-22-28290603
E-mail: investors@giesl.com

I. Market Price Data:

| BSE Limited | | | NSE Limited | | |
|-------------|------------|-----------|-------------|------|------|
| Month | High (Rs.) | Low (Rs.) | Month | High | Low |
| Apr-14 | 3.81 | 3 | Apr-14 | 4.3 | 3.45 |
| May-14 | 4.16 | 3.71 | May-14 | 3.9 | 3.2 |
| Jun-14 | 6.78 | 4.09 | Jun-14 | 5.75 | 3.4 |
| Jul-14 | 5.50 | 4.12 | Jul-14 | 5.65 | 4.5 |
| Aug-14 | 4.34 | 3.02 | Aug-14 | 4.65 | 3.0 |
| Sep-14 | 4.60 | 2.81 | Sep-14 | 3.95 | 2.85 |
| Oct-14 | 4.30 | 3.20 | Oct-14 | 4.05 | 3.5 |
| Nov-14 | 4.12 | 3.36 | Nov-14 | 3.65 | 3.4 |
| Dec-14 | 3.72 | 2.62 | Dec-14 | 3.45 | 3.3 |
| Jan-15 | 3.20 | 2.55 | Jan-15 | 3.45 | 3.15 |
| Feb-15 | 3.00 | 2.13 | Feb-15 | 3.15 | 2.6 |
| Mar-15 | 3.75 | 2.23 | Mar-15 | 2.8 | 2.3 |

J. Performance of Equity Shares:

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



*based on closing Price on Last Trading day of the Month

K. Distribution of Shareholding:

Distribution Schedule of the Equity Shares as on March 31, 2015 is given below:-

GI ENGINEERING SOLUTIONS LIMITED

Distribution Schedule of the Equity Shares as on March 31, 2014 is given below:-

| No. of Equity Shares held | Shareholders | | Share Capital | |
|---------------------------|--------------|---------------|-----------------|---------------|
| | Number | % to Total | Amount in ₹ | % to Total |
| 0001 - 5000 | 3607 | 95.96 | 18561640 | 21.55 |
| 5001 - 10000 | 82 | 2.18 | 6054730 | 7.03 |
| 10001 - 20000 | 41 | 1.09 | 5759830 | 6.69 |
| 20001 - 30000 | 8 | 0.21 | 2143550 | 2.49 |
| 30001 - 40000 | 3 | 0.08 | 986920 | 1.15 |
| 40001 - 50000 | 5 | 0.13 | 2339580 | 2.72 |
| 50001 – 100000 | 8 | 0.21 | 5378370 | 6.25 |
| 100001 & above | 5 | 0.13 | 44894160 | 52.13 |
| Total | 3759 | 100.00 | 86118780 | 100.00 |

The shareholding of different categories of the shareholders as on March 31, 2015 is given below:

| Description | Number of Shares | % to Total |
|---|------------------|-------------|
| Promoters | 33,95,177 | 39.42% |
| Mutual Funds | 4,050 | 0.05% |
| Bodies Corporate | 4,47,244 | 5.19% |
| Individuals | 34,77,910 | 40.39% |
| Independent Directors & their relatives | 12,978 | 0.15% |
| Clearing Members | 100 | 0.00% |
| Foreign Company | 11,00,000 | 12.77% |
| Trusts | 97,109 | 1.13% |
| NRI/Overseas Corporate Bodies | 77,310 | 0.90% |
| Total | 86,11,878 | 100% |

L. Dematerialization of shares:

About 99.69% of the total Equity Share Capital was held in dematerialized form as on March 31, 2015.

M. Share Transfer System:

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

N. Plant Location:

The Company is into the business of Engineering & IT solutions and hence does not require any manufacturing plants but it has development center. The address of the development center of the Company is given elsewhere in the Annual Report.

O. Financial Calendar 2015-2016 (tentative)

| | |
|--|----------------|
| First quarterly results | August 2015 |
| Second quarterly / Half yearly results | November 2015 |
| Third quarterly results | February 2016 |
| Fourth quarterly and Annual results | May 2016 |
| Annual General Meeting for the year ending on March 31, 2016 | September 2016 |

DETAILS PURSUANT TO CLAUSE 49 VIII(E) OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT

Brief Resume of Director seeking re-appointment:

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

| | |
|--|--|
| Name of Director | Mrs. Saroja Malik |
| Nature of Resolution | Re-appointment as Director |
| Date of Birth | September 28, 1937 |
| Date of Appointment | 10.08.2006 |
| Director Identification Number | 00400421 |
| Qualifications | B.Com, LLB |
| Experience in specific functional areas | Mrs. Saroja Malik has in-depth experience in Legal Compliance, Income Tax & Allied Matters and Custom Regulations. She has a flair for Office Administration. |
| Directorship held in other Companies (including Foreign Companies and Private Companies) | <ol style="list-style-type: none"> 1. Genesys International Corporation Limited 2. Genesys Enterprises Inc. (USA) 3. Ventura Guaranty Limited 4. Valeo Nutra Private Limited |
| Chairman / Member of Committees of other Companies | NIL |
| Number of Equity Shares held in the Company | 1,20,939 |

CEO/ CFO CERTIFICATION

To

The Board of Directors

GI Engineering Solutions Limited

We have reviewed the financial statements, read with the cash flow statement of GI Engineering Solutions Limited for the year ended March 31, 2015 and that to the best of our knowledge and belief, we state that;

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

However, during the financial year ended on March 31, 2015 there were no such changes or instances.

Yours sincerely,

SAJID MALIK
MANAGING DIRECTOR

GANAPATHY VISHWANATHAN
DIRECTOR

Place: Mumbai

Dated: May 30, 2015

DECLARATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To

The Members of

GI Engineering Solutions Limited

Sub: Declaration under clause 49 of the Listing Agreement

I hereby declare that all Directors of the Company have confirmed compliance with the Code of Conduct for the financial year ended March 31, 2015.

For **GI ENGINEERING SOLUTIONS LIMITED**

SAJID MALIK

MANAGING DIRECTOR

Place: Mumbai

Dated: May 30, 2015

REPORT OF THE AUDITORS ON CORPORATE GOVERNANCE

To,

The Members of

GI Engineering Solutions Limited

We have examined the compliance of the conditions of the Corporate Governance by GI Engineering Solutions Limited ("the Company") for the year ended on 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For DIXIT DATTATRAY & ASSOCIATES,

Chartered Accountants

Firm Registration No. : 102665W

D. B. DIXIT

Proprietor

Membership No 40032

Mumbai

Dated : May 30, 2015

Form AOC-1

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

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

Part "A": Subsidiaries

(₹ in lakhs)

| Sl. No. | Particulars | Details |
|---------|---|--|
| 1. | Name of the subsidiary | Genesys Enterprises Inc., USA |
| 2. | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Same as Holding Company (April to March) |
| 3. | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | As on 31.3.2015 USD 1\$ = Rs. 63.06 |
| 4. | Share capital | 2,682.34 |
| 5. | Reserves & surplus | 314.52 |
| 6. | Total assets | 3,298.87 |
| 7. | Total Liabilities | 302.00 |
| 8. | Investments | - |
| 9. | Turnover | - |
| 10. | Profit before taxation | (0.39) |
| 11. | Provision for taxation | 4.70 |
| 12. | Profit after taxation | (5.09) |
| 13. | Proposed Dividend | - |
| 14. | % of shareholding | 100% |

Notes:

Names of subsidiaries' which are yet to commence operations- NIL

Names of subsidiaries' which have been liquidated or sold during the year- NIL

Part "B": Associates and Joint Ventures

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

There were no Associates and Joint Ventures as on 31st March, 2015

For and on behalf of the Board of Directors

Sajid Malik
Managing Director

Date : May 30, 2015

Place : Mumbai

Ganapathy Vishwanathan
Director

GI ENGINEERING SOLUTIONS LIMITED

Form AOC-2

Particulars of contracts/arrangements made with related parties
(Pursuant to Clause (h) of Sub-section (3) Section 134 of the Companies Act, 2013
and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of Companies Act, 2013 including certain arm's length transactions under third party

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

There was no contract or arrangement or transaction entered into by the company during the year ended March 31, 2015 which was not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis :

There was no such material contract or arrangement or transaction entered into by the company during the year ended March 31, 2015.

For and on behalf of the Board of Directors

Sajid Malik
Managing Director

Date : May 30, 2015

Place : Mumbai

Ganapathy Vishwanathan
Director

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Overview and Our Company

For years, a large number of software vendors and original equipment manufacturers, have leveraged Engineering Service Providers (ESPs) for engineering support by using staff augmentation models for cost and labor arbitrage. Given various technologies, it was easier for customers to get quality manpower by using ESPs to provide scale whenever and wherever they needed such services. Execution of projects was limited to basic activities like scanning and digitization of engineering drawings to engineering change order management. Product engineering was considered to be a core activity and therefore outside the scope for outsourcing.

At the beginning of current century, capacity development came to the fore and customers required ESPs to compliment their effort to reduce time to market and scale only when there were requirements. After 2010, access to emerging markets also acquired importance for customers as consumer spending rose in these markets.

Today's businesses is driven by cost reduction and product lifecycle pressures, are increasingly focused on developing effective outsourcing strategies that drive significant improvement in global engineering and R&D operations. Of late, the engineering services outsourcing market has witnessed substantial growth, and has evolved to encompass a broad range of new product development, value engineering and product support functions.

Our company's effort has during the year was primarily focused on realty sector. And operationally, it has not been a good year for the Company. While the Company is yet to establish itself as a major player in this segment, it is determined to make all out efforts in that direction.

Opportunities and Threats

For India, engineering service outsourcing presents a tremendous opportunity. It is not only a significant revenue generator, but also places India on the global innovation map.

Indian companies have developed necessary capabilities and skills by investing in technology platforms to leverage the

opportunities. Attaining, training and retaining talent will be a critical next step for India to maintain its current advantage.

Engineering services market is highly segmented by industries with automotive, aerospace, utilities, telecom, etc. Traditional engineering powerhouses like USA, Japan and Germany have a lead in engineering spend.

While the nature of service offers huge opportunities, competition poses enormous challenge. The presence of consulting firms, national and multinational technology giants make it very intense. The industry is expecting rapid changes that are affecting the competitive landscape, including divestitures and acquisitions that have resulted in consolidation within the industry.

Risks and Concerns

Risk and concerns being faced by the Company are same as what others in the industry are facing and those are:

1. Technology obsolescence
2. High cost of resources
3. Attracting and retention of talents
4. Competition and customer acquisition
5. International issues concerning movement against outsourcing
6. Foreign exchange fluctuations
7. Government policies
8. Recession in the world market

Internal Control System and its adequacy

The company has in place system and procedures to effectively control and monitor its business operations on an ongoing basis. The system encompasses all areas of the operations with procedures and processes laid down to control for day-to-day activities. These are reviewed on an ongoing basis by the top management and changes, whenever needed, are incorporated.

GI ENGINEERING SOLUTIONS LIMITED

Having regard to the size and nature of business, the existing internal control systems are considered adequate and reliable.

Discussion on Financial Performance

LIABILITIES AND ASSETS

Share Capital

The Company has an Authorized Equity Capital of Rs.849,000 lacs comprising of 8,490,000,000 shares of Rs.10 each and Authorized Preference Capital of Rs.1,000 lacs, comprising of 10,000,000 4.5% Redeemable Preference Shares of Rs.10 each.

Issued, Subscribed and Paid-up Equity Share Capital of the Company, comprising of 8,611,878 shares of Rs.10 each, stood at Rs.861.19 lacs, as on March 31, 2015. Similarly, Issued, Subscribed and Paid-up 4.5% Redeemable Preference Share Capital of the Company, comprising of 7,000,000 shares of Rs.10 each, stood at Rs.700 lacs, as on March 31, 2015.

There was no change in the Authorized, Issued, Subscribed and Paid-up Capital of the Company during the year ended March 31, 2015.

Reserves and Surplus

Reserves and Surplus, besides balance of General Reserve and Security Premium Account includes debit balance in the Profit and Loss Account.

Balance in General Reserve Account as on March 31, 2015 stood at Rs.2,998.48 lacs. The balance was same at the end of the previous year. Similarly, balance in Share Premium Account was at Rs.88 lacs at the end of 2014-15, same as in the earlier year.

Debit balance of Profit & Loss Account as on March 31, 2015, stood at Rs.914.44 lacs as against Rs.891.33 lacs as on March 31, 2014. Rise in the debit balance of the Profit and Loss Account is on account of loss reported by the Company in the year ended March 31, 2015.

Liabilities and Provisions

Liabilities and Provisions include Trade Payables, Other

Current Liabilities and Short Term Provisions. There has been an increase in the Liabilities to Rs.408.61 lacs at the end of 2014-15 as against Rs.401.86 lacs at the end of 2013-14.

There was no borrowing by the Company during the year under review.

Fixed Assets

There was no change in the Gross Block, at the end of 2014-15 which is reported at Rs.440.94 lacs as in the previous year. Net Block at the end of the same period is reported at Rs.96.59 lacs as against Rs.105.32 lacs in the previous year.

The Company follows straight-line method of depreciation as per provision of Schedule II to the Companies Act, 2013. However, with regard to data processing equipments, the Company provides depreciation at an accelerated rate assuming useful life of 3 years.

Sundry Debtors

Sundry Debtors, net of provisions, if any, as on March 31, 2015, was at Rs.2,696.19 lacs as against Rs.2,512.00 lacs at the end of earlier year.

Cash and Bank Balance

Total cash and bank balance as on March 31, 2015, was at Rs.7.72 lacs as against Rs.124.56 lacs in the earlier year.

Loans and Advances

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

- Deposits
- Advance income tax paid and tax deducted at source
- Prepaid expenses
- Loan to other body corporate

On March 31, 2015, Loans and Advances stood at Rs.2,031 lacs as against Rs.1,970.41 lacs at the end of 2013-14.

INCOME & EXPENDITURE

Income

During 2014-15, the Company recorded total revenue of Rs. 3.99 lacs as against Rs.5.94 lacs in the year 2013-14, a fall of around 33% over previous year. The fall was largely attributable to the recession in the realty market in the domestic market. As against Loss after tax of Rs.13.99 lacs in 2013-14, the Company has recorded a loss of Rs.14.37 lacs in 2014-15.

Expenditure

The Company incurred total operating cost of Rs.13.33 lacs, including depreciation, during 2014-15, as against Rs.18.66 lacs in the corresponding pervious year.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF GI ENGINEERING SOLUTIONS LIMITED

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

We have audited the accompanying financial statements of GI Engineering Solutions Ltd ("the Company"), which comprise the Balance Sheet as at 31 March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2015, and its Loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure

a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31 March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) 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, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has no pending litigations, which has impact on its financial position in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

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

(D.B. Dixit)
(Partner)

Mumbai, 30 May, 2015

(Membership No. 40032)

ANNEXURE

TO INDEPENDENT AUDITORS' REPORT

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

- i.(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management as per a phased programme of verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on verification were not material and have been properly dealt with in the books of account.
- ii. The company has no inventory and hence Clause (ii) (a), (ii)(b) and (ii)(c) of paragraph 3 of the Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, Clause (iii) (a) and (b) of Paragraph 3 of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business for the purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
- v. In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits, as per the directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Rules framed there under. Accordingly, Clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1)

of the Act, for any of the services rendered by the Company. Therefore, the provisions of Clause vi of Paragraph 3 of the Order are not applicable to the company.

vii. In respect of statutory dues:

- (a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, 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, 2015 for a period of more than six months from the date of becoming payable.
- (b) According to the records of the Company, the dues outstanding of income tax, sales tax, Service Tax, custom duty, wealth tax, excise duty and cess which have not been deposited as at March 31, 2015 on account of any dispute are given below:

| Name of the Statute | Nature of Dues | Period | Forum where dispute is pending | Amount (₹) |
|----------------------|----------------|-------------------------|--------------------------------|------------|
| Income Tax Act, 1961 | Income Tax | Assessment year 2009-10 | Assessing Officer | 378,188 |
| Income Tax Act, 1961 | Income Tax | Assessment year 2011-12 | Assessing Officer | 1,437,829 |

- (c) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the Rules made there under.
- viii. The accumulated losses of the Company did not exceed fifty percent of its net worth as at 31.03.2015. The

Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

- ix. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. The Company has not raised any term loans. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. During the course of our examination of the books and

records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of any such case by the management.

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

**(D.B. Dixit)
(Partner)**

Mumbai, 30 May, 2015

(Membership No. 40032)

GI ENGINEERING SOLUTIONS LIMITED

BALANCE SHEET

AS AT MARCH 31, 2015

| PARTICULARS | Note No. | March 31, 2015 ₹ | March 31, 2014 ₹ |
|-----------------------------------|----------|---------------------|---------------------|
| EQUITY AND LIABILITIES | | | |
| 1) SHAREHOLDERS FUNDS | | | |
| a) Share Capital | 3 | 156,118,780 | 156,118,780 |
| b) Reserves & Surplus | 4 | 254,711,263 | 256,518,434 |
| | | <u>410,830,043</u> | <u>412,637,214</u> |
| 2) NON-CURRENT LIABILITIES | | | |
| a) Long-Term Provisions | 5 | - | 27,816 |
| | | - | <u>27,816</u> |
| 3) CURRENT LIABILITIES | | | |
| a) Trade Payables | 6 | 650,003 | 304,314 |
| b) Other Current Liabilities | 7 | 9,634,809 | 8,977,131 |
| c) Short-Term Provisions | 8 | 381,744 | 387,185 |
| | | <u>10,666,556</u> | <u>9,668,630</u> |
| Total | | <u>421,496,599</u> | <u>422,333,660</u> |
| ASSETS | | | |
| 1) NON-CURRENT ASSETS | | | |
| a) Fixed Assets | 9 | | |
| Tangible Assets | | - | 873,205 |
| Intangible Assets | | - | - |
| | | - | <u>873,205</u> |
| b) Non-Current Investments | 10 | 268,234,232 | 268,234,232 |
| c) Long-Term Loans & Advances | 11 | 152,118,771 | 152,210,442 |
| | | <u>420,353,003</u> | <u>421,317,879</u> |
| 2) CURRENT ASSETS | | | |
| a) Trade Receivables | 12 | 932,300 | 593,800 |
| b) Cash & Cash Equivalents | 13 | 162,482 | 402,909 |
| c) Short-Term Loans & Advances | 14 | 48,814 | 19,072 |
| | | <u>1,143,596</u> | <u>1,015,781</u> |
| Total | | <u>421,496,599</u> | <u>422,333,660</u> |

Notes forming integral part of financial statements 1 to 28

As per our Report of even date attached

For DIXIT DATTATRAY & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No. : 102665W

D. B. DIXIT

PROPRIETOR

Membership No. 40032

Date: May 30, 2015

MUMBAI

For and on behalf of the Board of Directors

SAJID MALIK

MANAGING DIRECTOR

GANAPATHY VISHWANATHAN

DIRECTOR

Date: May 30, 2015

MUMBAI

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2015

| PARTICULARS | Note No. | March 31, 2015 | March 31, 2014 |
|---|-----------------|-----------------------|-----------------------|
| | | ₹ | ₹ |
| INCOME | | | |
| Revenue from Operations | | 399,124 | 593,800 |
| Other Income | 15 | (33,354) | 376,001 |
| Total Revenue | | 365,770 | 969,801 |
| EXPENSES | | | |
| Employee Benefit Expenses | 16 | 588,000 | 757,663 |
| Finance Costs | 16 | 9,490 | 102 |
| Depreciation / Amortization | 9 | - | 87,306 |
| Other Costs | 16 | 702,247 | 924,384 |
| Total Expenses | | 1,299,737 | 1,769,455 |
| PROFIT/(LOSS) BEFORE TAX | | (933,967) | (799,654) |
| Tax Expense: | | | |
| Current Tax | | - | - |
| PROFIT/(LOSS) AFTER TAX | | (933,967) | (799,654) |
| EARNINGS PER EQUITY SHARE | | | |
| Equity Shares of par value of ₹ 10 each | | | |
| Basic & Diluted | 22 | (0.11) | (0.09) |

Notes forming integral part of financial statements 1 to 28**As per our Report of even date attached****For DIXIT DATTATRAY & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Registration No. : 102665W

D. B. DIXIT

PROPRIETOR

Membership No. 40032

Date: May 30, 2015

MUMBAI

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

MANAGING DIRECTOR

GANAPATHY VISHWANATHAN

DIRECTOR

Date: May 30, 2015

MUMBAI

GI ENGINEERING SOLUTIONS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2015

| PARTICULARS | NOTE NO. | YEAR ENDED MARCH 31, 2015 | | YEAR ENDED MARCH 31, 2014 | |
|--|-------------|------------------------------|-------------|------------------------------|-------------|
| | | ₹ | ₹ | ₹ | ₹ |
| A CASH FLOW FROM OPERATING ACTIVITIES | | | | | |
| Net Profit/(Loss) before tax as per statement of profit and Loss | | | (933,967) | | (799,654) |
| Adjustments for: | | | | | |
| Depreciation and amortisation | | - | | 87,306 | |
| Provision for Doubtful Debts | | - | | 366,420 | |
| Unrealised (Gain)/Loss | | 38,294 | | (738,834) | |
| | | | 38,294 | | (285,108) |
| Operating Profit/(Loss) before working capital changes | | | (895,673) | | (1,084,762) |
| Adjustments for: | | | | | |
| (Increase)/ Decrease in Trade Receivables | | (338,500) | | (253,136) | |
| (Increase)/ Decrease in Loans & Advances | | 3,703,636 | | 383,491 | |
| Increase/ (Decrease) in Current Liabilities and Provisions | | 971,323 | | 204,303 | |
| | | | 4,336,459 | | 334,658 |
| CASH GENERATED FROM OPERATIONS | | | 3,440,786 | | (750,104) |
| Taxes (Paid) / Refund received | | | (1,213) | | (283,107) |
| NET CASH FLOW FROM OPERATING ACTIVITIES | | | 3,439,573 | | (1,033,211) |
| B CASH FLOW FROM INVESTING ACTIVITIES | | | | | |
| Receipt from Other Body Corporates | | | (3,680,000) | | 1,245,916 |
| NET CASH USED IN INVESTING ACTIVITIES | | | (3,680,000) | | 1,245,916 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | | | | |
| NET CASH FLOW FROM FINANCING ACTIVITIES | | | - | | - |
| NET INCREASE IN CASH & CASH EQUIVALENTS | | | (240,427) | | 212,705 |
| CASH & CASH EQUIVALENTS (OPENING BALANCE) | | | 402,909 | | 190,204 |
| CASH & CASH EQUIVALENTS (CLOSING BALANCE) | | | 162,482 | | 402,909 |
| Cash & Bank Balance Comprise | | | | | |
| Balance with Banks | 13 | | 162,482 | | 402,909 |
| Cash & Bank Balance as at the end of the year | | | 162,482 | | 402,909 |

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

As per our Report of even date attached

For DIXIT DATTATRAY & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No. : 102665W

D. B. DIXIT

PROPRIETOR

Membership No. 40032

Date: May 30, 2015

MUMBAI

For and on behalf of the Board of Directors

SAJID MALIK

MANAGING DIRECTOR

GANAPATHY VISHWANATHAN

DIRECTOR

Date: May 30, 2015

MUMBAI

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

1. Company's Background

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

2. Significant Accounting Policies

A. Basis of preparation of financial statements

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

B. Use of estimates

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

C. Revenue recognition and expenses

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

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

D. Fixed Assets

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

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

E. Depreciation / Amortization

Depreciation is charged on fixed assets, other than the assets mentioned below, on straight line basis using useful lives of tangible assets contained in Part "C" Schedule II to the Companies Act, 2013. Following fixed assets are subjected to accelerated rate of depreciation on straight line basis to take care of technology obsolescence, data relevance, etc.,

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

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

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.

F. Impairment of assets

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

G. Borrowing Costs

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

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

H. Investments

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

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

Long Term Investments are stated at cost. Provision

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

I. Leases

(i) Finance Lease

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

(ii) Operating Lease

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

J. Foreign Currency Transactions

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

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

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

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

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

K. Earning per Share

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

L. Taxation

i. Current Tax

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

ii. Deferred Tax

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

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

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

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

M. Employee Benefits :

- (i) Short-term employee benefits – Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.
- (ii) Post employment benefits (defined benefit plans) – The employees' gratuity scheme is a defined benefit plan. The obligation under such defined benefit plan is determined at each Balance Sheet date based on management estimates unless they are significant for actuarial valuation.
- (iii) Post employment benefits (defined contribution plans) – Contributions to the provident fund is defined contribution scheme and is recognized as an expense in the Statement of profit and loss in the period in which the contribution is due.
- (iv) Long-term employee benefits – Long-term employee benefits comprise of compensated absences and other employee incentives. These are measured based on management estimates unless they are significant for actuarial valuation.

N. Provisions and Contingent Liabilities

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

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

GI ENGINEERING SOLUTIONS LIMITED

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

3. SHARE CAPITAL

(in ₹)

| PARTICULARS | As at | |
|--|-----------------------|----------------|
| | MARCH 31, 2015 | MARCH 31, 2014 |
| AUTHORIZED | | |
| <u>Equity Shares of ₹ 10/- each fully paid up</u> | | |
| 8,49,00,00,000 Equity Shares of ₹ 10/- each (Previous Year : 8,49,00,00,000) | 84,900,000,000 | 84,900,000,000 |
| <u>Preference Shares of ₹ 10/- each fully paid up</u> | | |
| 1,00,00,00,000 Preference Shares of ₹ 10 each (Previous Year : 1,00,00,00,000) | 100,000,000 | 100,000,000 |
| Total | 85,000,000,000 | 85,000,000,000 |
| ISSUED, SUBSCRIBED & FULLY PAID-UP | | |
| <u>Equity Shares of ₹ 10/- each fully paid up</u> | | |
| 86,11,878 Equity Shares of ₹ 10/- each fully paid up (Previous Year : 86,11,878) | 86,118,780 | 86,118,780 |
| <u>4.5% Redeemable Cumulative Preference Shares of ₹ 10/- each fully paid up</u> | 70,000,000 | 70,000,000 |
| 70,00,000 (4.5%) Redeemable Cumulative Preference Shares of ₹ 10/- each fully paid up (Previous Year : 70,00,000) | | |
| Total | 156,118,780 | 156,118,780 |

The reconciliation of the number of Equity Shares outstanding as at March 31, 2015 and March 31, 2014 is given below:

| PARTICULARS | As at | |
|--|------------------|----------------|
| | MARCH 31, 2015 | MARCH 31, 2014 |
| Number of equity shares at the beginning | 8,611,878 | 8,611,878 |
| Add/Less: No. of shares issued/reduced during the year | - | - |
| Number of equity shares at the end | 8,611,878 | 8,611,878 |

Rights, Preferences and restrictions attached to shares

Equity Shares:

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

Redeemable Cumulative Preference Shares:-

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

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

The details of shareholders holding more than 5% shares as at March 31, 2015 is given below:

| Name of the Shareholder | No. of shares | % held as at MARCH 31, 2015 | No. of shares | % held as at MARCH 31, 2014 |
|--|---------------|--------------------------------|---------------|--------------------------------|
| Equity Shares | | | | |
| Mr. Sohel Malik | 1,765,000 | 20.49% | 1,765,000 | 20.49% |
| M/s. Kilam Holdings Limited | 1,378,405 | 16.01% | 1,378,405 | 16.01% |
| M/s. Fortune Private Equity, LLC | 1,100,000 | 12.77% | 1,100,000 | 12.77% |
| Preference Shares | | | | |
| M/s. Genesys International Corporation Limited | 7,000,000 | 100% | 7,000,000 | 100% |

4. RESERVES & SURPLUS

(in ₹)

| PARTICULARS | As at | |
|---|---------------------|----------------|
| | MARCH 31, 2015 | MARCH 31, 2014 |
| SECURITIES PREMIUM - Opening Balance | 8,800,000 | 8,800,000 |
| Add: Receipt during the year | - | - |
| | 8,800,000 | 8,800,000 |
| GENERAL RESERVE - Opening Balance | 306,079,105 | 306,079,105 |
| Add: Transfer from Surplus | - | - |
| | 306,079,105 | 306,079,105 |
| SURPLUS/(DEFICIT) - Opening Balance | (58,360,671) | (57,561,017) |
| Less: Opening depreciation adjustment as per schedule II of Companies Act, 2013 | 873,205 | - |
| Add: Net loss after tax transferred from Statement of Profit and Loss | (933,967) | (799,654) |
| Amount available for appropriation | (60,167,843) | (58,360,671) |
| Appropriations | - | - |
| SURPLUS/(DEFICIT) - Closing Balance | (60,167,843) | (58,360,671) |
| Total | 254,711,262 | 256,518,434 |

GI ENGINEERING SOLUTIONS LIMITED

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

5. LONG-TERM PROVISIONS

(in ₹)

| PARTICULARS | As at | |
|---------------------------------|----------------|----------------|
| | MARCH 31, 2015 | MARCH 31, 2014 |
| Provision for Employee Benefits | - | 27,816 |
| Total | - | 27,816 |

6. TRADE PAYABLES

(in ₹)

| PARTICULARS | As at | |
|----------------|----------------|----------------|
| | MARCH 31, 2015 | MARCH 31, 2014 |
| Trade Payables | 650,003 | 304,314 |
| Total | 650,003 | 304,314 |

Amount due to Micro, Small and Medium Enterprises :

- (a) Trade payables includes (i) ₹ Nil (Previous year: Nil) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME); and (ii) ₹ 650,003 (Previous year: ₹ 304,314) due to other parties.
- (b) No interest is paid/payable during the year to any enterprise registered under the MSME.
- (c) The above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under the MSME.

7. OTHER CURRENT LIABILITIES

(in ₹)

| PARTICULARS | As at | |
|----------------------------|------------------|------------------|
| | MARCH 31, 2015 | MARCH 31, 2014 |
| Other payables | 9,634,809 | 8,977,131 |
| Total | 9,634,809 | 8,977,131 |
| *Other payables includes : | | |
| Statutory Liabilities | 518 | 8,910 |
| Others | 9,634,291 | 8,968,221 |
| Total | 9,634,809 | 8,977,131 |

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

8. OTHER SHORT-TERM PROVISIONS

(in ₹)

| PARTICULARS | As at | |
|---|----------------|----------------|
| | MARCH 31, 2015 | MARCH 31, 2014 |
| Provision for Employee Benefits | - | 4,228 |
| Provision for Income Taxes (net of advance taxes) | 381,744 | 382,957 |
| Total | 381,744 | 387,185 |

9. FIXED ASSETS

(in ₹)

| Particulars | Original Cost | | | | Depreciation / Amortization | | | | | Net Book Value | |
|----------------------|-------------------------------|--------------------------|----------------------|----------------------------------|-----------------------------|---|--------------|---------------|---------------------|----------------|----------------|
| | Opening Balance as at 1.04.14 | Addition during the year | Sale during the year | Closing Balance as at 31.03.2015 | Up to 1.04.14 | Transferred to Retained earnings (refer note below) | For the year | On De-duction | Up to 31 March 2015 | As at 31.03.15 | As at 31.03.14 |
| Tangible Assets | | | | | | | | | | | |
| Computer Hardware | 831,351 | - | - | 831,351 | 831,351 | - | - | - | 831,351 | - | - |
| Furniture & Fixtures | 128,374 | - | - | 128,374 | 87,269 | 41,105 | - | - | 128,374 | - | 41,105 |
| Office Equipments | 1,666,905 | - | - | 1,666,905 | 834,805 | 832,100 | - | - | 1,666,905 | - | 832,100 |
| Vehicles | - | - | - | - | - | - | - | - | - | - | - |
| Sub Total | 2,626,630 | - | - | 2,626,630 | 1,753,425 | 873,205 | - | - | 2,626,630 | - | 873,205 |
| | | | | | | | | | | | |
| Intangible Assets | | | | | | | | | | | |
| Computer Software | 273,558 | - | - | 273,558 | 273,558 | - | - | - | 273,558 | - | - |
| Sub Total | 273,558 | - | - | 273,558 | 273,558 | - | - | - | 273,558 | - | - |
| | | | | | | | | | | | |
| Total | 2,900,188 | - | - | 2,900,188 | 2,026,983 | 873,205 | - | - | 2,900,188 | - | 873,205 |
| Previous Year | 2,900,188 | - | - | 2,900,188 | 1,939,677 | - | 87,306 | - | 2,026,983 | 873,205 | 960,511 |

Note : In accordance with the provisions of Schedule II of the Companies Act 2013, in case of fixed assets which have completed useful life as at 1st April, 2014, the carrying value amounting to Rs.873,205 as transitional provision, has been recognised in the retained earnings.

GI ENGINEERING SOLUTIONS LIMITED

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

10. INVESTMENTS

(in ₹)

| PARTICULARS | As at | |
|---|--------------------|--------------------|
| | MARCH 31, 2015 | MARCH 31, 2014 |
| Non-Current Investments | | |
| Investment in Equity Instruments | | |
| Wholly owned subsidiary - | | |
| 5,50,650 Common Stock USD 10 par value in Genesys Enterprises Inc., USA | | |
| (Previous year: 5,50,650 common stock USD 10 par value) | 268,234,232 | 268,234,232 |
| | 268,234,232 | 268,234,232 |

11. LONG TERM LOANS & ADVANCES

(in ₹)

| PARTICULARS | As at | |
|--|--------------------|--------------------|
| | March 31, 2015 | March 31, 2014 |
| Unsecured, considered good | | |
| Other Loans & Advances | | |
| Advance to subsidiary | - | 3,771,671 |
| Other Advances | 1,347,618 | 1,347,618 |
| Loan to Other Body Corporate (Note no. 21) | 100,771,153 | 97,091,153 |
| Other Deposits | 50,000,000 | 50,000,000 |
| Total | 152,118,771 | 152,210,442 |

12. TRADE RECEIVABLES

(in ₹)

| PARTICULARS | As at | |
|--|-------------------|----------------|
| | March 31, 2015 | March 31, 2014 |
| Debts outstanding for a period exceeding six months | | |
| Unsecured | | |
| Considered Good | 770,900 | 295,500 |
| Considered Doubtful | 29,083,658 | 29,083,658 |
| | 29,854,558 | 29,379,158 |
| Less: Provision for Doubtful Debts | 29,083,658 | 29,083,658 |
| | 770,900 | 295,500 |
| Other Debts | | |
| Unsecured | | |
| Considered Good | 161,400 | 298,300 |
| Considered Doubtful | - | - |
| | 161,400 | 298,300 |
| Less: Provision for Doubtful Debts | - | - |
| | 161,400 | 298,300 |
| Total | 932,300 | 593,800 |

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

13. CASH & CASH EQUIVALENTS

(in ₹)

| PARTICULARS | As at | |
|---------------------|----------------|----------------|
| | March 31, 2015 | March 31, 2014 |
| Cash in Hand | - | - |
| Balances with Banks | | |
| In Current Accounts | 162,482 | 402,909 |
| Total | 162,482 | 402,909 |

14. SHORT TERM LOANS & ADVANCES

(in ₹)

| PARTICULARS | As at | |
|-----------------------------------|----------------|----------------|
| | March 31, 2015 | March 31, 2014 |
| Unsecured, considered good | | |
| Other Advances | 48,814 | 19,072 |
| Total | 48,814 | 19,072 |

15. OTHER INCOME

(in ₹)

| PARTICULARS | 2014-2015 | 2013-2014 |
|---|-----------------|----------------|
| Gain/ (Losses) on foreign currency, net | (33,354) | 376,001 |
| Total | (33,354) | 376,001 |

16. EXPENSES

(in ₹)

| PARTICULARS | 2014-2015 | 2013-2014 |
|--|----------------|----------------|
| Employee Benefit Expenses | | |
| Salaries, Allowances and Bonus | 584,492 | 727,960 |
| Staff Welfare | 3,000 | 1,500 |
| Contribution to Provident Fund & other funds | 508 | 28,203 |
| Total | 588,000 | 757,663 |
| Finance Costs | | |
| Bank Charges | 9,490 | 102 |
| Total | 9,490 | 102 |

GI ENGINEERING SOLUTIONS LIMITED

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

| PARTICULARS | 2014-2015 | 2013-2014 |
|------------------------------|------------------|------------------|
| Other Costs | | |
| Legal & Professional Fees | 33,847 | 86,000 |
| Printing & Stationery | 181,110 | 132,405 |
| Communication Expenses | 37,574 | 30,186 |
| Project Expenses | - | 8,000 |
| Miscellaneous expenses | 424,716 | 272,308 |
| Remuneration to Auditors | | |
| - Statutory Audit | 25,000 | 21,565 |
| - Tax Audit | - | 7,500 |
| Provision for Doubtful Debts | - | 366,420 |
| | 702,247 | 924,384 |
| Total | 1,299,737 | 1,682,149 |

17. CONTINGENT LIABILITIES:

| PARTICULARS | As at | |
|--|----------------|----------------|
| | March 31, 2015 | March 31, 2014 |
| | ₹ | ₹ |
| Contingent Liabilities | | |
| Estimated amount of claims against the company not acknowledged as debts in respect of : | | |
| Disputed Income Tax Matters | 3,019,029 | 1,816,017 |

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

List of Related Parties:-

A. Wholly owned Subsidiary Company

M/s Genesys Enterprises Inc., USA

B. Key Management Personnel

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

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

C. Principal Shareholder

M/s Kilam Holdings Ltd, Mauritius

D. Associate Enterprises

M/s Genesys International Corporation Ltd.

M/s. Ventura Securities Limited

Details of Transactions with related parties are as follows:

| PARTICULARS | Year ended | Year ended |
|---|-----------------|-----------------|
| | 31st March 2015 | 31st March 2014 |
| | ₹ | ₹ |
| Transactions during the year - | | |
| Services Provided to – | | |
| Genesys International Corporation Limited | 60,624 | - |
| Advance Repaid/ Reimbursement of Expenses to Genesys International Corporation Ltd. | - | 18,000 |
| Advance to Genesys Enterprises Inc., USA | - | 5,935 |
| Closing Balance - | | |
| Amount Receivable from Genesys Enterprises Inc., USA | - | 37,71,671 |

19. Employee Benefits :

Post-employment benefits plans

(a) Defined Contribution Plans –

In respect of the defined contribution plans, an amount of ₹ Nil (Previous Year: ₹ 25,830) 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 ₹ 22,500 (previous year ₹ 16,138 as per actuarial valuation) carried out as at Balance Sheet date. Amount recognized in profit and loss account ₹ 6,362 (previous year ₹ 20,174)

GI ENGINEERING SOLUTIONS LIMITED

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

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

| PARTICULARS | As at | |
|--|----------------|----------------|
| | MARCH 31, 2015 | MARCH 31, 2014 |
| | ₹ | ₹ |
| Deferred Tax Assets | | |
| Fixed Assets (Depreciation/Amortization) | 6,26,365 | 4,32,798 |
| Provision for Employee Benefits | 6,953 | 9,902 |
| Provision for Doubtful Debts | 89,86,850 | 89,86,850 |
| Total | 96,20,168 | 94,29,550 |
| Deferred Tax Liability | - | - |
| Net Deferred Tax (Liability)/Assets | 96,20,168 | 94,29,550 |

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.

21 Loans to other body corporate include :

| Sr.No | PARTICULARS | MARCH 31, 2015 | | MARCH 31, 2014 | |
|-------|---------------------------|---------------------|--|-------------------|--|
| | | ₹ | | ₹ | |
| 1 | Ekveera Marketing Pvt Ltd | 32,238,950 | | 32,238,950 | |
| 2 | Gopesh Impex Pvt Ltd | 7,490,298 | | 7,490,298 | |
| 3 | Saourav Impex Pvt Ltd | 61,041,905 | | 57,361,905 | |
| | Total | 1,00,771,153 | | 97,091,153 | |

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

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

22. EARNINGS PER SHARE:

| PARTICULARS | March 31, 2015 | March 31, 2014 |
|---|-------------------|----------------|
| 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 (₹.) | (9,33,967) | (7,99,654) |
| Basic EPS (₹.) | (0.11) | (0.09) |
| Diluted EPS (₹.) | (0.11) | (0.09) |
| Nominal value of Shares (₹.) | 10 | 10 |

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

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

SECONDARY SEGMENT (Geographical Segment based on Sales Continent viz)

(amount in ₹)

| Segment Revenue | For the Year ended 31st March 2015 (₹) | For the Year ended 31st March 2014 (₹) |
|--------------------------------------|--|--|
| Asia | 3,99,124 | 5,93,800 |
| Total Revenue from Operations | 3,99,124 | 5,93,800 |

24. Earnings in Foreign Exchange: (At actual)

(amount in ₹)

| Segment Revenue | For the Year ended 31st March 2015 | For the Year ended 31st March 2014 |
|-------------------------|---------------------------------------|---------------------------------------|
| Revenue from Operations | Nil | Nil |

GI ENGINEERING SOLUTIONS LIMITED

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

25. Value of Imports (CIF basis): (At actuals)

| Particulars | (amount in ₹) | |
|---------------|---------------------------------------|---------------------------------------|
| | For the year ended 31st March 2015 | For the year ended 31st March 2014 |
| Capital Goods | Nil | Nil |

26. The Balance Sheet of the Subsidiary Company reflects diminution in the net worth after considering the losses incurred. The said subsidiary company will incur significant loss if any part of the accounts receivable and notes receivable become uncollectible. However the Company continues to value the investments at cost. In the opinion of the management, provision for diminution is not required in view of the strategic nature of investments, future business plans and belief of the management of the subsidiary company on the recoverability of accounts receivable and notes receivable.

27. Exchange Differences

During the period realized and unrealized exchange loss amounting to ₹ 33,354 (Previous Year: exchange gain of ₹ 3,76,001) is included in the profit and loss account.

28. Figures for the previous year have been re-grouped/re-classified wherever necessary to conform to current year's presentation.

As per our Report of even date attached

For DIXIT DATTATRAY & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No. : 102665W

D. B. DIXIT

PROPRIETOR

Membership No. 40032

Date: May 30, 2015

MUMBAI

For and on behalf of the Board of Directors

SAJID MALIK

MANAGING DIRECTOR

GANAPATHY VISHWANATHAN

DIRECTOR

Date: May30, 2015

MUMBAI

REPORT OF THE AUDITORS

ON CONSOLIDATED FINANCIAL STATEMENTS OF GI ENGINEERING SOLUTIONS LIMITED

TO THE BOARD OF DIRECTORS OF GI ENGINEERING SOLUTIONS LTD

We have audited the accompanying consolidated financial statements of GI Engineering Solutions Ltd ("the Company") and its subsidiary (the Company and its subsidiary constitute the "Group"), which comprise the Consolidated Balance Sheet as at 31 March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Management is responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the

consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

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

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2015;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

We draw attention to note no. 22 regarding non provision for old account receivables and advance receivables of subsidiary company for the reason mentioned therein. Our opinion is not modified in respect of this matter.

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

(D.B. Dixit)
(Partner)

Mumbai, 30 May, 2015

(Membership No. 40032)

GI ENGINEERING SOLUTIONS LIMITED

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2015

| PARTICULARS | Note No. | March 31, 2015 ₹ | March 31, 2014 ₹ |
|--|----------|---------------------|---------------------|
| EQUITY AND LIABILITIES | | | |
| 1) SHAREHOLDERS FUNDS | | | |
| a) Share Capital | 2 | 156,118,780 | 156,118,780 |
| b) Reserves & Surplus | 3 | 286,169,727 | 274,896,072 |
| | | <u>442,288,507</u> | <u>431,014,852</u> |
| 2) NON-CURRENT LIABILITIES | | | |
| a) Long-Term Provisions | 4 | - | 27,816 |
| | | - | <u>27,816</u> |
| 3) CURRENT LIABILITIES | | | |
| a) Trade Payables | 5 | 10,506,574 | 9,324,433 |
| b) Other Current Liabilities | 6 | 29,972,282 | 30,474,690 |
| c) Short-Term Provisions | 7 | 381,744 | 387,185 |
| | | <u>40,860,600</u> | <u>40,186,308</u> |
| Total | | <u>483,149,107</u> | <u>471,228,976</u> |
| ASSETS | | | |
| 1) NON-CURRENT ASSETS | | | |
| a) Fixed Assets | 8 | | |
| Tangible Assets | | - | 873,205 |
| Intangible Assets | | 9,658,625 | 9,658,625 |
| | | <u>9,658,625</u> | <u>10,531,830</u> |
| b) Long-Term Loans & Advances | 9 | 202,641,411 | 196,630,971 |
| | | <u>212,300,036</u> | <u>207,162,801</u> |
| 2) CURRENT ASSETS | | | |
| a) Trade Receivables | 10 | 269,618,693 | 251,199,847 |
| b) Cash & Cash Equivalents | 11 | 771,534 | 12,456,139 |
| c) Short-Term Loans & Advances | 12 | 458,844 | 410,189 |
| | | <u>270,849,071</u> | <u>264,066,175</u> |
| Total | | <u>483,149,107</u> | <u>471,228,976</u> |

Notes forming integral part of consolidated financial statements

1 to 24

As per our Report of even date attached

For DIXIT DATTATRAY & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No. : 102665W

D. B. DIXIT

PROPRIETOR

Membership No. 40032

Date: May 30, 2015

MUMBAI

For and on behalf of the Board of Directors

SAJID MALIK

MANAGING DIRECTOR

GANAPATHY VISHWANATHAN

DIRECTOR

Date: May 30, 2015

MUMBAI

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2015

| PARTICULARS | Note No. | March 31, 2015 ₹ | March 31, 2014 ₹ |
|---|----------|---------------------|---------------------|
| INCOME | | | |
| Revenue from Operations | | 399,124 | 593,800 |
| Other Income | 13 | (33,354) | 376,001 |
| Total Revenue | | 365,770 | 969,801 |
| EXPENSES | | | |
| Employee Benefit Expenses | 14 | 588,000 | 757,663 |
| Finance Costs | 14 | 39,012 | 44,175 |
| Depreciation / Amortization | 8 | - | 87,306 |
| Other Costs | 14 | 706,075 | 977,024 |
| Total Expenses | | 1,333,087 | 1,866,168 |
| PROFIT/(LOSS) BEFORE TAX | | (967,317) | (896,367) |
| Tax Expense | | | |
| Current Tax | 15 | 470,107 | 502,159 |
| PROFIT/(LOSS) AFTER TAX | | (1,437,424) | (1,398,526) |
| EARNINGS PER EQUITY SHARE | | | |
| Equity Shares of par value of ₹ 10 each | | | |
| Basic & Diluted | 19 | (0.17) | (0.16) |

Notes forming integral part of consolidated financial statements 1 to 24

As per our Report of even date attached

For DIXIT DATTATRAY & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No. : 102665W

D. B. DIXIT

PROPRIETOR

Membership No. 40032

Date: May 30, 2015

MUMBAI

For and on behalf of the Board of Directors

SAJID MALIK

MANAGING DIRECTOR

GANAPATHY VISHWANATHAN

DIRECTOR

Date: May 30, 2015

MUMBAI

GI ENGINEERING SOLUTIONS LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2015

| PARTICULARS | Note No. | YEAR ENDED March 31, 2015 ₹ | YEAR ENDED March 31, 2014 ₹ |
|--|--------------|-----------------------------------|-----------------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Net Profit/(Loss) before tax as per statement of profit and loss | | (967,317) | (896,367) |
| Adjustments for: | | | |
| Depreciation & Amortisation | - | - | 87,306 |
| Provision for Doubtful Debts | - | - | 366,420 |
| Unrealised (Gain)/Loss | | 38,294 | (738,834) |
| | | <u>38,294</u> | <u>(285,108)</u> |
| | | <u>(929,023)</u> | <u>(1,181,475)</u> |
| Operating Profit/(Loss) before working capital changes | | | |
| Adjustments for: | | | |
| (Increase)/ Decrease in Trade Receivables | (18,418,846) | | (22,590,221) |
| (Increase)/ Decrease in Loans & Advances | (2,417,389) | | 7,206,732 |
| Increase/ (Decrease) in Current Liabilities and Provisions | 647,689 | | 3,727,150 |
| | | <u>(20,188,546)</u> | <u>(11,656,339)</u> |
| CASH GENERATED FROM OPERATIONS | | <u>21,117,569</u> | <u>(12,837,814)</u> |
| Taxes (Paid) / Refund | | <u>(471,320)</u> | <u>(785,266)</u> |
| NET CASH FLOW FROM OPERATING ACTIVITIES | | <u>(21,588,889)</u> | <u>(13,623,080)</u> |
| B CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Receipt from Other Body Corporates | (3,680,000) | | 1,245,916 |
| Investment in Subsidiary | - | | - |
| NET CASH USED IN INVESTING ACTIVITIES | | <u>(3,680,000)</u> | <u>1,245,916</u> |
| C CASH FLOW FROM FINANCING ACTIVITIES | | | |
| NET CASH FLOW FROM FINANCING ACTIVITIES | | - | - |
| NET INCREASE IN CASH & CASH EQUIVALENTS | | <u>(25,268,889)</u> | <u>(12,377,164)</u> |
| Exchange difference on translation of foreign currency accounts / deposits | | 13,584,283 | 24,629,734 |
| CASH & CASH EQUIVALENTS (OPENING BALANCE) | | <u>12,456,139</u> | <u>203,569</u> |
| CASH & CASH EQUIVALENTS (CLOSING BALANCE) | | <u>771,534</u> | <u>12,456,139</u> |
| Cash & Bank Balance Comprise | | | |
| Balance with Banks | 11 | <u>771,534</u> | <u>12,456,139</u> |
| Cash & Bank Balance as at the end of the year | | <u>771,534</u> | <u>12,456,139</u> |

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

As per our Report of even date attached

For DIXIT DATTATRAY & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No. : 102665W

D. B. DIXIT

PROPRIETOR

Membership No. 40032

Date: May 30, 2015

MUMBAI

For and on behalf of the Board of Directors

SAJID MALIK

MANAGING DIRECTOR

GANAPATHY VISHWANATHAN

DIRECTOR

Date: May 30, 2015

MUMBAI

NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

1. Significant Accounting Policies

a. Basis & Principles of Consolidation

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

List of subsidiary considered in the consolidated financial statements:

| Name of the Entity | Nature of Relationship | Country of Incorporation | Extent of holding as on March 31, 2015 |
|--------------------------|------------------------|--------------------------|--|
| Genesys Enterprises Inc. | Subsidiary | USA | 100% |

- ii Use of estimates – The Preparation of Consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Any revisions to accounting estimates are recognized prospectively in current and future periods.
- iii. The consolidated financial statements of the group have been prepared based on a line-by-line consolidation of Statement of Profit and Loss for the period ended 31st March, 2015 and Balance Sheet as on that date by adding together the book values of like items of income, expenses, assets and liabilities. All inter-company balances and transactions are eliminated on consolidation. The consolidated financial statements have been prepared in Indian Rupees.

b. Foreign Currency Translation

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

c. Other Significant Accounting Policies

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

GI ENGINEERING SOLUTIONS LIMITED

NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

2. SHARE CAPITAL

(in ₹)

| PARTICULARS | As at | |
|---|-----------------------|-----------------------|
| | March 31, 2015 | March 31, 2014 |
| AUTHORIZED | | |
| Equity Shares of ₹ 10/- each fully paid up | 84,900,000,000 | 84,900,000,000 |
| 8,49,00,00,000 Equity Shares of ₹ 10/- each (Previous Year : 8,49,00,00,000) | | |
| Preference Shares of ₹ 10/- each fully paid up | 100,000,000 | 100,000,000 |
| 1,00,00,000 Preference Shares of ₹ 10 each (Previous Year : 1,00,00,000) | | |
| Total | 85,000,000,000 | 85,000,000,000 |
| ISSUED, SUBSCRIBED & FULLY PAID-UP | | |
| Equity Shares of ₹ 10/- each fully paid up | 86,118,780 | 86,118,780 |
| 86,11,878 Equity Shares of ₹ 10/- each fully paid up (Previous Year : 86,11,878) | | |
| 4.5% Redeemable Cumulative Preference Shares of ₹ 10/- each fully paid up | 70,000,000 | 70,000,000 |
| 70,00,000 (4.5%) Redeemable Cumulative Preference Shares of ₹ 10 each fully paid up (Previous Year : 70,00,000) | | |
| Total | 156,118,780 | 156,118,780 |

The reconciliation of the number of Equity Shares outstanding as at March 31, 2015 and March 31, 2014 is given below:

| PARTICULARS | As at | |
|--|------------------|------------------|
| | March 31, 2015 | March 31, 2014 |
| Number of equity shares at the beginning | 8,611,878 | 8,611,878 |
| Add/Less: No. of shares issued/reduced during the year | - | - |
| Number of equity shares at the end | 8,611,878 | 8,611,878 |

Rights, Preferences and restrictions attached to shares

Equity Shares:

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

Redeemable Cumulative Preference Shares:-

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

NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

The details of shareholders holding more than 5% shares as at March 31, 2015 is given below:

| Name of the Shareholder | No. of shares | % held as at MARCH 31, 2015 | No. of shares | % held as at MARCH 31, 2014 |
|--|---------------|--------------------------------|---------------|--------------------------------|
| Equity Shares | | | | |
| Mr. Sohel Malik | 1,765,000 | 20.49% | 1,765,000 | 20.49% |
| M/s. Kilam Holdings Limited | 1,378,405 | 16.01% | 1,378,405 | 16.01% |
| M/s. Fortune Private Equity, LLC | 1,100,000 | 12.77% | 1,100,000 | 12.77% |
| Preference Shares | | | | |
| M/s. Genesys International Corporation Limited | 7,000,000 | 100% | 7,000,000 | 100% |

3. RESERVES & SURPLUS

(in ₹)

| PARTICULARS | As at | |
|---|---------------------|----------------|
| | MARCH 31, 2015 | MARCH 31, 2014 |
| SECURITIES PREMIUM - Opening Balance | 8,800,000 | 8,800,000 |
| Add: Receipt during the year | - | - |
| | 8,800,000 | 8,800,000 |
| GENERAL RESERVE - Opening Balance | 299,848,078 | 299,848,078 |
| Add: Transfer from Surplus | - | - |
| | 299,848,078 | 299,848,078 |
| EXCHANGE FLUCTUATION RESERVE - Opening Balance | 55,381,125 | 30,751,391 |
| Add: Amount for the current year | 13,584,283 | 24,629,734 |
| | 68,965,408 | 55,381,125 |
| SURPLUS/ (DEFICIT) - Opening Balance | (89,133,131) | (87,734,605) |
| Add: Net loss after tax transferred from Statement of Profit and Loss | (1,437,424) | (1,398,526) |
| Less: Opening depreciation adjustment as per schedule II of Companies Act, 2013 | 873,205 | - |
| SURPLUS/(DEFICIT) - Closing Balance | (91,443,760) | (89,133,131) |
| Total | 286,169,726 | 274,896,072 |

4. LONG-TERM PROVISIONS

(in ₹)

| PARTICULARS | As at | |
|---------------------------------|----------------|----------------|
| | MARCH 31, 2015 | MARCH 31, 2014 |
| Provision for Employee Benefits | - | 27,816 |
| Total | - | 27,816 |

GI ENGINEERING SOLUTIONS LIMITED

NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

5. TRADE PAYABLES

(in ₹)

| PARTICULARS | As at | |
|----------------|-------------------|------------------|
| | March 31, 2015 | March 31, 2014 |
| Trade Payables | 10,506,574 | 9,324,433 |
| Total | 10,506,574 | 9,324,433 |

Amount due to Micro, Small and Medium Enterprises :

- (a). Trade payables includes (i) ₹ Nil (Previous year: Nil) due to micro and small enterprises registered under the Micro Small and Medium Enterprises Development Act, 2006 (MSME); and (ii) ₹ 10,506,574 (Previous year: ₹ 9,324,433) due to other parties.
- (b). No interest is paid/payable during the year to any enterprise registered under the MSME.
- (c). The above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under the MSME.

6. OTHER CURRENT LIABILITIES

(in ₹)

| PARTICULARS | As at | |
|-------------------------|-------------------|-------------------|
| | March 31, 2015 | March 31, 2014 |
| Other payables | 29,972,282 | 30,474,690 |
| Total | 29,972,282 | 30,474,690 |
| Other payables include: | | |
| Statutory Liabilities | 518 | 8,910 |
| Others | 29,971,764 | 30,465,780 |
| Total | 29,972,282 | 30,474,690 |

7. OTHER SHORT-TERM PROVISIONS

(in ₹)

| PARTICULARS | As at | |
|---|----------------|----------------|
| | March 31, 2015 | March 31, 2014 |
| Provision for Employee Benefits | - | 4,228 |
| Provision for Income Taxes (net of advance taxes) | 381,744 | 382,957 |
| Total | 381,744 | 387,185 |

NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

8. FIXED ASSETS

(in ₹)

| Particulars | Original Cost | | | | Depreciation / Amortization | | | | | Net Book Value | |
|---|-------------------------------|--------------------------|----------------------|----------------------------------|-----------------------------|---|--------------|---------------|---------------------|----------------|----------------|
| | Opening Balance as at 1.04.14 | Addition during the year | Sale during the year | Closing Balance as at 31.03.2015 | Up to 1.04.14 | Transferred to Retained earnings (refer note below) | For the year | On De-duction | Up to 31 March 2015 | As at 31.03.15 | As at 31.03.14 |
| Tangible Assets | | | | | | | | | | | |
| Computer Hardware | 11,180,888 | - | - | 11,180,888 | 11,180,888 | - | - | - | 11,180,888 | - | - |
| Furniture & Fixtures | 8,206,800 | - | - | 8,206,800 | 8,165,695 | 41,105 | - | - | 8,206,800 | - | 41,105 |
| Office Equipments | 2,719,896 | - | - | 2,719,896 | 1,887,796 | 832,100 | - | - | 2,719,896 | - | 832,100 |
| Vehicles | 1,929,806 | - | - | 1,929,806 | 1,929,806 | - | - | - | 1,929,806 | - | - |
| Leasehold improvement | 3,473,111 | - | - | 3,473,111 | 3,473,111 | - | - | - | 3,473,111 | - | - |
| Sub Total | 27,510,501 | - | - | 27,510,501 | 26,637,296 | 873,205 | - | - | 27,510,501 | - | 873,205 |
| Intangible Assets | | | | | | | | | | | |
| Computer Software | 273,558 | - | - | 273,558 | 273,558 | - | - | - | 273,558 | - | - |
| GIS Database | - | - | - | - | - | - | - | - | - | - | - |
| Goodwill on consolidation and other intangible assets | 16,310,186 | - | - | 16,310,186 | 6,651,561 | - | - | - | 6,651,561 | 9,658,625 | 9,658,625 |
| Sub Total | 16,583,744 | - | - | 16,583,744 | 6,925,119 | - | - | - | 6,925,119 | 9,658,625 | 9,658,625 |
| | | | | | | | | | | | |
| Total | 44,094,245 | - | - | 44,094,245 | 33,562,415 | 873,205 | - | - | 34,435,620 | 9,658,625 | 10,531,830 |
| Previous Year | 44,094,245 | - | - | 44,094,245 | 33,475,109 | - | 87,306 | - | 33,562,415 | 10,531,830 | 10,619,136 |

Note : In accordance with the provisions of Schedule II of the Companies Act 2013, in case of fixed assets which have completed useful life as at 1st April, 2014, the carrying value amounting to ₹ 873,205 as transitional provision, has been recognised in the retained earnings.

GI ENGINEERING SOLUTIONS LIMITED

NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

9. LONG TERM LOANS & ADVANCES

(in ₹)

| PARTICULARS | As at | |
|--|--------------------|--------------------|
| | March 31, 2015 | March 31, 2014 |
| Unsecured, considered good | | |
| Other Loans & Advances | | |
| Other Advances | 51,870,258 | 49,539,818 |
| Loan to Other Body Corporate (Note 20) | 100,771,153 | 97,091,153 |
| Other Deposits | 50,000,000 | 50,000,000 |
| Total | 202,641,411 | 196,630,971 |

10. TRADE RECEIVABLES

(in ₹)

| PARTICULARS | As at | |
|--|--------------------|--------------------|
| | March 31, 2015 | March 31, 2014 |
| Debts outstanding for a period exceeding six months | | |
| Unsecured | | |
| Considered Good | 269,457,293 | 250,901,547 |
| Considered Doubtful | 46,733,909 | 45,919,762 |
| | 316,191,202 | 296,821,309 |
| Less: Provision for Doubtful Debts | 46,733,909 | 45,919,762 |
| | 269,457,293 | 250,901,547 |
| Other Debts | | |
| Unsecured | | |
| Considered Good | 161,400 | 298,300 |
| Considered Doubtful | - | - |
| | 161,400 | 298,300 |
| Less: Provision for Doubtful Debts | - | - |
| | 161,400 | 298,300 |
| Total | 269,618,693 | 251,199,847 |

11. CASH & CASH EQUIVALENTS

(in ₹)

| PARTICULARS | As at | |
|---------------------|----------------|-------------------|
| | March 31, 2015 | March 31, 2014 |
| Cash in Hand | - | - |
| Balances with Banks | | |
| In Current Accounts | 771,534 | 12,456,139 |
| Total | 771,534 | 12,456,139 |

NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

12. SHORT TERM LOANS & ADVANCES

(in ₹)

| PARTICULARS | As at | |
|-----------------------------------|----------------|----------------|
| | March 31, 2015 | March 31, 2014 |
| Unsecured, considered good | | |
| Others | | |
| Other Loans & Advances | 48,814 | 19,072 |
| Prepaid Expenses | 195,371 | 186,359 |
| Other Deposits | 214,659 | 204,758 |
| Total | 458,844 | 410,189 |

13. OTHER INCOME

(in ₹)

| PARTICULARS | 2014-2015 | 2013-2014 |
|---|-----------------|----------------|
| Gain/ (Losses) on foreign currency, net | (33,354) | 376,001 |
| Total | (33,354) | 376,001 |

14. EXPENSES

(in ₹)

| PARTICULARS | 2014-2015 | 2013-2014 |
|--|----------------|----------------|
| Employee Benefit Expenses | | |
| Salaries, Allowances and Bonus | 584,492 | 727,960 |
| Staff Welfare | 3,000 | 1,500 |
| Contribution to Provident Fund & other funds | 508 | 28,203 |
| Total | 588,000 | 757,663 |
| Finance Costs | | |
| Bank Charges | 39,012 | 44,175 |
| Total | 39,012 | 44,175 |

GI ENGINEERING SOLUTIONS LIMITED

NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

| | (in ₹) | |
|--|------------------|------------------|
| PARTICULARS | 2014-2015 | 2013-2014 |
| Other Costs | | |
| Legal & Professional Fees | 33,847 | 86,127 |
| Provision for Loss on Mutual Fund Investment | 181,110 | 132,405 |
| Communication Expenses | 37,574 | 30,186 |
| Project Expenses | - | 8,000 |
| Miscellaneous expenses | 428,544 | 318,886 |
| Remuneration to Auditors | | |
| - Statutory Audit | 31,000 | 27,500 |
| - Tax Audit | - | 7,500 |
| Provision for Doubtful Debts | - | 366,420 |
| Total | 712,075 | 977,024 |
| | 1,339,087 | 1,778,862 |

15. TAX EXPENSE

| | (in ₹) | |
|--------------------|----------------|----------------|
| PARTICULARS | 2014-2015 | 2013-2014 |
| Current Tax | | |
| Income Taxes | 470,107 | 502,159 |
| | 470,107 | 502,159 |

16. CONTINGENT LIABILITIES

| | (in ₹) | |
|--|----------------|----------------|
| | As at | |
| | March 31, 2015 | March 31, 2014 |
| Contingent Liabilities | | |
| Estimated amount of claims against the company not acknowledged as debts in respect of : | | |
| Disputed Income Tax Matters | 3,019,029 | 1,816,017 |

NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

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

List of Related Parties:-

A. Key Management Personnel

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

B. Principal Shareholder

- M/s Kilam Holdings Ltd., Mauritius

C. Associate Enterprises

- M/s Genesys International Corporation Ltd., India
- M/s Ventura Securities Limited, India

Details of Transactions with related parties are as follows:

| PARTICULARS | Year ended 31st March 2015 | Year ended 31st March 2014 |
|---|-------------------------------|-------------------------------|
| | (₹) | (₹) |
| Transactions during the year - | | |
| Services Rendered – | | |
| Genesys International Corporation Limited | 60,624 | - |
| Advance Repaid/ Reimbursement of Expenses to Genesys International Corporation Ltd. | - | 18,000 |

NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

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

SECONDARY SEGMENT (Geographical Segment based on Sales Continent viz)

(in ₹)

| Segment Revenue | For the Year ended 31st March 2015 | For the Year ended 31st March 2014 |
|--------------------------------------|---------------------------------------|---------------------------------------|
| Asia | 399,124 | 593,800 |
| Total Revenue from Operations | 399,124 | 593,800 |

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

| PARTICULARS | As at | |
|--|----------------|----------------|
| | March 31, 2015 | March 31, 2014 |
| Weighted average number of shares used as denominator for calculating Basic earning per share | 8,611,878 | 8,611,878 |
| Weighted average number of shares used as denominator for calculating Dilutive earning per share | 8,611,878 | 8,611,878 |
| Net Profit / (Loss) after taxation (₹) | (1,437,424) | (1,398,526) |
| Basic EPS (₹) | (0.17) | (0.16) |
| Diluted EPS (₹) | (0.17) | (0.16) |
| Nominal value of Shares (₹) | 10 | 10 |

20. Loans to other body corporate include :

| SR.NO | PARTICULARS | As at | |
|--------------|---------------------------|---------------------|-------------------|
| | | March 31, 2015 | March 31, 2014 |
| 1 | Ekveera Marketing Pvt Ltd | 32,238,950 | 32,238,950 |
| 2 | Gopesh Impex Pvt Ltd | 7,490,298 | 7,490,298 |
| 3 | Saourav Impex Pvt Ltd | 61,041,905 | 57,361,905 |
| Total | | 1,00,771,153 | 97,091,153 |

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

21. Current Tax and Deferred Tax

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

| PARTICULARS | As at | |
|--|------------------|------------------|
| | March 31, 2015 | March 31, 2014 |
| Deferred Tax Assets | | |
| Fixed Assets - Depreciation/Amortization | 626,365 | 432,798 |
| Provision for Employee Benefits | 6,953 | 9,902 |
| Provision for Doubtful Debts | 8,986,850 | 8,986,850 |
| Total | 9,620,168 | 9,429,550 |
| Deferred Tax Liability | - | - |
| Net Deferred Tax (Liability)/Assets | 9,620,168 | 9,429,550 |

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

22. The subsidiary company has not provided for the Accounts Receivable of USD 4,222,511 and Loans & Advances receivable of USD 812,000 since the management is of the view that these amounts will be collectible in the coming years.

23. Other Notes to Accounts

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

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

As per our Report of even date attached

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

D. B. DIXIT
 PROPRIETOR
 Membership No. 40032

Date: May 30, 2015
 MUMBAI

For and on behalf of the Board of Directors

SAJID MALIK
 MANAGING DIRECTOR

GANAPATHY VISHWANATHAN
 DIRECTOR

Date: 30th May, 2015
 MUMBAI

NOTES

[illegible]

**GI ENGINEERING SOLUTIONS LIMITED**

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

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

CIN: L40109MH2006PLC163731

BALLOT FORM

(in lieu of e-voting)

Name of the Member(s) : _____

Registered Address : _____

_____Folio No. / Client ID :

| | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

DP ID :

| | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

No. of Shares held : _____

I / We, being the member(s) of _____ shares of the above named company, exercise my/ our vote in respect of the Resolution(s) to be passed for the business stated in the Notice convening the Annual General Meeting of the Company to be held on September 29, 2015 by conveying my/ our assent or dissent to the said Resolution(s) by placing the tick (✓) mark in the appropriate box below:

| Resolution Number | Resolution | Vote | |
|-------------------|--|------|---------|
| | | FOR | AGAINST |
| Ordinary business | | | |
| 1 | Adoption of Accounts, Report of the Auditors and Directors thereon | | |
| 2 | Appointment of a director in place of Mrs. Saroja Malik, who retires by rotation and being eligible, seeks re-appointment. | | |
| 3 | Ratification of appointment of Statutory Auditors | | |

Signature of the member

Place:

Date:



INSTRUCTIONS

1. Members may fill up the Ballot Form and send it to Mr. Dattatray Dixit, Chartered Accountant in Practice, The Scrutinizer at 264, Maru Sadan, N.C. Kelkar Road, Dadar, Mumbai – 400 028 so as to reach by 5.00 pm on September 28, 2015. Ballot Form received thereafter will strictly be treated as if not received.
2. The Company will not be responsible if the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
4. In the event member casts his votes through both the processes, i.e. E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
5. The right of voting by Ballot Form shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
7. There will be only one Ballot Form for every Folio/DP ID/Client ID irrespective of the number of joint members.
8. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot Form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
9. Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/Society, etc. a certified copy of the relevant authorization/Board resolution to vote should accompany the Ballot Form.
10. Instructions for E-voting procedure are available in the Notice of the Annual General Meeting and are also placed on the website of the Company www.giesl.com.



(Map not to scale)



GI ENGINEERING SOLUTIONS LIMITED

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

Ph: 022-44884488; Fax: 022-28290603

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

CIN: L40109MH2006PLC163731

PROXY FORM

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

Name of the Member(s) : _____

Registered Address : _____

E-mail : _____

Folio No. / Client ID :

| | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

DP ID :

| | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

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

Name : _____

Address : _____

E-mail : _____

Signature : _____

or failing him / her

Name : _____

Address : _____

E-mail : _____

Signature : _____

or failing him / her

Name : _____

Address : _____

E-mail : _____

Signature : _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Ninth Annual General Meeting of the Company, to be held on the the 29th day of September 2015 at 3.00 p.m. at The Mirador Hotel, New Link Road, Opp. Solitaire Corporate Park, Chakala, Andheri (East), Mumbai - 400099 and at any adjournment thereof in respect of such resolutions as are indicated below:



| Resolution No. | Resolution | Vote | | |
|--------------------|---|------|---------|---------|
| | | FOR | AGAINST | ABSTAIN |
| Ordinary Business: | | | | |
| 1 | Adoption of Accounts, Report of the Auditors and Directors thereon | | | |
| 2 | Appointment of a director in place of Mrs. Saroja Malik, who retires by rotation and being eligible, seeks re-appointment | | | |
| 3 | Ratification of Appointment of statutory Auditors. | | | |

Signed this _____ day of _____ 2015

Signature of the shareholder

Signature of the Proxy Holder (s)

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- A proxy need not be a member of the Company
- This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/ she thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

Affix
Revenue
Stamp



GI ENGINEERING SOLUTIONS LIMITED

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

Ph: 022-44884488; Fax: 022-28290603

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

CIN: L40109MH2006PLC163731

ATTENDANCE SLIP

(For physical holding)

| | | | | | | | | | | | | | | | | |
|----------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| Registered Folio No. | | | | | | | | | | | | | | | | |
| No. of shares held | | | | | | | | | | | | | | | | |

(For demat holding)

| | | | | | | | | | | | | | | | | |
|-----------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| Client ID | | | | | | | | | | | | | | | | |
| D.P. ID | | | | | | | | | | | | | | | | |

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

I hereby record my presence at the Ninth Annual General Meeting of the Company on the 29th day of September 2015 at 3.00 p.m. at The Mirador Hotel, New Link Road, Opp. Solitaire Corporate Park, Chakala, Andheri (East), Mumbai - 400099

Members' / Proxy's Name in Block Letters:

Signature of Shareholder/ Proxy:

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





GI Engineering Solutions Limited

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

Telephone: 91-22-4488 4488

Fascimile: 91-22-2829 0603

Web site: www.giesl.com