

33RD ANNUAL REPORT 2012 - 2013



Fine Fabrics Since 1963

GINI SILK MILLS LIMITED



As a Measure of economy, copies of the Annual Report not be distributed at the Annual General Meeting.

Shareholders are requested to kindly bring their copies to the meeting.

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CORPORATE INFORMATION
BOARD OF DIRECTORS

Vishwanath Harlalka - *Executive Chairman*

Deepak Harlalka - *Managing Director*

Ramprasad Poddar - *Director*

Rajendra Kumar Rajgarhia - *Director*

Dinesh Poddar - *Director*

REGISTERED OFFICE

413, Tantia Jogani Industrial Premises
J. R. Boricha Marg, Lower Parel (East)
Mumbai - 400 011

WORKS

E - 15, MIDC, Tarapur (Boisar)
Dist. Thane, Maharashtra

AUDITORS

M/s. Vatsaraj & Co.
Chartered Accountants

BANKERS

State Bank of India
Kotak Mahindra Bank Limited

REGISTRARS & TRANSFER AGENTS
BIGSHARES SERVICES PVT. LTD.

E-2/3, Ansa Industrial Estate
Sakivihar Road, Saki Naka
Andheri (East), Mumbai - 400 072

THIRTY THIRD ANNUAL GENERAL MEETING

on Friday July 26, 2013 at 12.00 P.M. at Maheshwari Pragati Mandal,
Maheshwari Bhawan,
603, Girgaon Road, Mumbai - 400 002



NOTICE

NOTICE is hereby given that the Thirty Third Annual General Meeting of **GINI SILK MILLS LIMITED** will be held on Friday July 26, 2013 at 12 .00 pm. at **Maheshwari Pragati Mandal, Maheshwari Bhawan, 603, Girgaon Road, Mumbai – 400002** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2013 and Profit and Loss Account for the year ended on that date along with the Reports of the Directors' and Auditors' thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a director in place of Mr. Dinesh Poddar who retires by rotation, and being eligible, offers him self for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution.
"RESOLVED THAT pursuant to Section 198, 269, 309, 310, and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the said Act as amended from time to time, Mr. Vishwanath Harlalka be and is hereby appointed as Executive Chairman of the Company for the period of three years w. e. f. September 1, 2012, upon and subject to the terms and conditions including the remuneration proposed to be paid and as contained in the agreement to be entered between the Company and Mr. Vishwanath Harlalka, a draft whereof is placed before the meeting and initialed for the purpose of identification hereof.
RESOLVED FURTHER THAT in the event of loss, absence or inadequacy of profits in any financial year of the Company, the remuneration payable to Mr. Vishwanath Harlalka shall be as specified in the Explanatory Statement enclosed herewith.
RESOLVED FURTHER THAT Mr. Vishwanath Harlalka subject to the provisions of Section 255 of the Companies Act, 1956 shall not be liable to retire by rotation during his tenure as Executive Chairman of the Company.
RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such act, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this Resolution."
6. To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution.
"RESOLVED THAT pursuant to Section 198, 269, 309, 310, and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the said Act as amended from time to time, Mr. Deepak Harlalka be and is hereby appointed as Managing Director of the Company for the period of three years w. e. f. July 01, 2013, upon and subject to the terms and conditions including the remuneration proposed to be paid and as contained in the agreement to be entered between the Company and Mr. Deepak Harlalka, a draft whereof is placed before the meeting and initialed for the purpose of identification hereof.
RESOLVED FURTHER THAT in the event of loss, absence or inadequacy of profits in any financial year of the Company, the remuneration payable to Mr. Deepak Harlalka shall be as specified in the Explanatory Statement enclosed herewith.
RESOLVED FURTHER THAT Mr. Deepak Harlalka subject to the provisions of Section 255 of the Companies Act, 1956 shall not be liable to retire by rotation during his tenure as Managing Director of the Company.
RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such act, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this Resolution."

Registered Office:
413, Tantia Jogani Industrial Premises
J. R. Boricha Marg,
Lower Parel (East)
Mumbai – 400 011

By Order of the Board

(Vishwanath Harlalka)
Executive Chairman

Place: Mumbai
Date: 25/05/2013

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. The Proxy as per the format given in the Annual Report should be duly filled, stamped, signed and received by the Company at its Registered Office not less than 48 hours before the time for holding the meeting.
3. Members/ proxies should bring duly-filled Attendance Slips sent herewith to attend the meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Register of Members and the Transfer Books of the Company will be closed from Friday, July 19, 2013 to Friday, July 26, 2013 (both days inclusive).
6. The Dividend will be paid through NECS in respect of shareholders having demat accounts, to the credit of related bank accounts as furnished by the depositories. Members who desire the warrants and would like to have their bank accounts details incorporated in their dividend warrants may furnish the following details :
 - i) Folio No. / DP ID/ Client ID
 - ii) Name and Address of sole/ first shareholder
 - iii) Bank Accounts No. (With prefix SB / CA etc.)
 - iv) Name of the bank and branch
 - v) Full address of the bank with Pin Code
7. As per the provisions of the Companies Act, 1956, facility for making nominations is available for Members in respect of shares held by them. Nomination Forms can be obtained from the Company's Registrar and Transfer Agents.
8. The dividend on Equity Shares as recommended by the Directors for the year ended March, 31, 2013 will be payable on or after July 26, 2013 in accordance with the Resolution to be passed by the Members of the Company.
9. Members may please note the contact details of the Company's Registrar and Transfer Agents, M/s BIGSHARE SERVICES PVT LIMITED, as follows :

Bigshare Services Pvt. Ltd.
 E-2/3 Ansa Industrial Estate,
 Sakivihar Road, Sakinaka,
 Andheri (East), Mumbai- 400072
 Tel: +91 22 28470652 Fax:+91 22 28475207
 Email: info@bigshareonline.com
 Website: www.bigshareonline.com
10. Members are requested to notify the change in their Address, Bank Details, Email etc. if any, to the Company's Registrar and Transfer Agents. Shareholders should quote their folio numbers/DP ID in all their correspondence with the Company and the Registrar and Transfer Agents.
11. As per Securities and Exchange Board of India (SEBI) notification, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or transmission/transposition of shares. Members holding shares in dematerialized mode are requested to submit the PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Company's Registrars and Transfer Agents.
12. The Company has dematerialized its Equity Shares to CDSL & NSDL and Company's ISIN number is INE548b01018. Members, who had shares in physical form, are requested to dematerialize their shares.
13. Ministry of Corporation Affairs by vide Circular no.17/95/2011 CL-V, has taken a green initiative in the Corporate Governance and clarified that service of document (Notices, Annual Reports etc.) to member through electronic mode is in compliance with the relevant provision of Companies Act,1956. The Company is concerned about the environment and utilizes natural resources in a sustainable way. Members are requested to register their email address, through written application, with Company's Registrar and Transfer Agents to enable the Company to send notice, annual reports and other communication via email.
14. The Company has paid the Annual Listing Fees for the financial year 2013-2014.
15. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect to the Special business under item No. 5 and 6 to be transacted at the meeting is annexed to this notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956:**Item No. 5:**

In accordance with the provisions of Schedule XIII, the appointment of Mr. Vishwanath Harlalka as Executive Chairman requires shareholders approval by passing special resolution at the ensuing Annual General Meeting. The following information is required to be disclosed in accordance with Schedule XIII.

I. GENERAL INFORMATION:

- a) Nature of Industry: Manufacturing of fabrics & job work of processing fabrics
- b) Date of commencement of commercial production: August 31, 1996
- c) Export performance: Company's total sale is in the domestic market
- d) Foreign investments or collaborations: Not Applicable

II. INFORMATION ABOUT THE APPOINTEE:**a) Background details:**

Mr. Vishwanath Harlalka, 73 years old is B.Com, LLB by qualification. He was appointed as Director of the Company on 30th December, 1988. Mr. Vishwanath Harlalka, whose previous appointment as Executive Chairman ended on 30th June, 2012 was appointed as the Executive Chairman by the Board of Directors for tenure of three years w.e.f. 1st September, 2012. The draft agreement between the Company and Mr. Vishwanath Harlalka for his reappointment contains interalia the following terms and conditions.

b) Past remuneration:

Last drawn salary by the Executive Chairman was ₹ 24, 00,000/-p.a. during the financial year 2012-13.

c) Job profile and his suitability:

The Executive Chairman would have the authority to oversee and implement the day-to-day operations of the Company. Executive Chairman will also be responsible for formulating the policies and strategies in consent with the Board of Directors of the Company. The appointee has clear vision and foresight to work for the prosperity and success of the company. The appointee has immense capacity for hard work, interpersonal skills, extraordinary ability for analytical thinking and positive attitude. Having associated with the company for more than 32 years his contribution to the development of the Company is without match.

d) Remuneration proposed:

i. Salary of ₹ 200,000/ (₹ Two Lacs Only) per month.

ii. Perquisites and Allowances:

- (a) In addition to the salary, the Executive Chairman shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water furnishing and repairs, medical reimbursement, Club fees and leave travel concession for himself and his family, medical insurance and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and the Executive Chairman. Such perquisites and allowances will be subject to the ceilings as specified in Part II of Schedule XIII.
- (b) For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income-tax Rules, wherever applicable; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost, Provision for use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
- (c) Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act, gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.
- (d) The total remuneration including salary, perquisites, allowances (other than exempted perquisites and allowance) and other monetary benefits shall not exceed the maximum ceiling of ₹ 250,000/- per month
- (e) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

The remuneration proposed is reasonable in comparison to the remuneration paid in the industry. The company is a part of the textile industry surrounded by medium and large groups and, which spends huge sums of money on the remuneration of its managerial persons. The product manufactured by the company requires high degree of expertise, knowledge and experience of technical nature. Further the

appointee is not only very experienced and key person in charge of the strategic decision making and overall growth and expansion of the company.

iii. **Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Executive Chairman the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary perquisites and allowances as specified above.

iv. **The terms and conditions of the said appointment and/or agreement may be altered and varied from time to time by the Board as it may in its discretion deem fit, within the maximum amount payable to Executive Chairman in accordance with Schedule XIII to the Companies Act 1956 or any amendments made hereafter in this regard.**

v. **The Agreement may be terminated by either party giving the other party six months' notice or the Company paying six months remuneration in lieu of such notice.**

III. OTHER INFORMATION:

a) **Reasons for inadequate profits:**

The company has made profits during the current financial year and is paying dividends for last eight consequent years. However the profits are inadequate to pay desired remuneration to the appointee.

In accordance with the provisions of Section 309 of the Act, the terms of remuneration specified above are now being placed before the Members in General Meeting for their approval.

The draft Agreement between the Company and Mr. Vishwanath Harlalka is available for inspection by the members of the Company at the Registered Office of the Company between 11 00 am. and 01.00 p.m. on any working day till the Annual General Meeting of the Company.

Mr. Vishwanath Harlalka and Mr. Deepak Harlalka are concerned or interested in the passing of this resolution. No other directors are concerned or interested in the passing of this resolution.

Item No. 6:

In accordance with the provisions of Schedule XIII, the appointment of Mr. Deepak Harlalka as Managing Director requires shareholders approval by passing special resolution at the ensuing Annual General Meeting. The following information is required to be disclosed in accordance with Schedule XIII.

I. GENERAL INFORMATION:

- a) Nature of Industry: Manufacturing of fabrics & job work of processing fabrics
- b) Date of commencement of commercial production: August 31, 1996
- c) Export performance: Company's total sale is in the domestic market
- d) Foreign investments or collaborations: Not Applicable

II. INFORMATION ABOUT THE APPOINTEE:

a) **Background details:**

Mr. Deepak Harlalka, 50 years old is B.Com, by qualification. He was appointed as Director of the Company on 28th December, 1992. Mr. Deepak Harlalka, whose appointment as Managing Director will end on 30th June, 2013 and Board has re-appointed him as Managing Director for tenure of three years w. e. f. July 1, 2013. The draft agreement between the Company and Mr. Deepak Harlalka for his reappointment contains interalia the following terms and conditions.

b) **Past remuneration:**

Last drawn salary by the Managing Director was ₹ 24,00,000/- p.a. during the financial year 2012-13.

c) **Job profile and his suitability:**

The Managing Director would have the authority to oversee and implement the day-to-day operations of the Company. Managing Director will also be responsible for formulating the policies and strategies in consent with the Board of Directors of the Company. The appointee has clear vision and foresight to work for the prosperity and success of the company. The appointee has immense capacity for hard work, interpersonal skills, extraordinary ability for analytical thinking and positive attitude. Having associated with the company for more than 28 years his contribution to the development of the Company is without match.

d) **Remuneration proposed:**

- i. Salary of ₹ 200,000/ (₹ Two Lacs Only) per month.
- ii. Perquisites and Allowances:



- (a) In addition to the salary, the Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water furnishing and repairs, medical reimbursement, Club fees and leave travel concession for himself and his family, medical insurance and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and the Managing Director. Such perquisites and allowances will be subject to the ceilings as specified in Part II of Schedule XIII.
- (b) For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income-tax Rules, wherever applicable; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost, Provision for use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
- (c) Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act, gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.
- (d) The total remuneration including salary, perquisites, allowances (other than exempted perquisites and allowance) and other monetary benefits shall not exceed the maximum ceiling of ₹ 250,000/- per month
- (e) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

The remuneration proposed is reasonable in comparison to the remuneration paid in the industry. The company is a part of the textile industry surrounded by medium and large groups and, which spends huge sums of money on the remuneration of its managerial persons. The product manufactured by the company requires high degree of expertise, knowledge and experience of technical nature. Further the appointee is not only very experienced and key person in charge of the strategic decision making and overall growth and expansion of the company but also founder of the Company with highly respected stature in the industry.

iii. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Managing Director. The Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary perquisites and allowances as specified above.

- iv. The terms and conditions of the said appointment and/or agreement may be altered and varied from time to time by the Board as it may in its discretion deem fit, within the maximum amount payable to Managing Director in accordance with Schedule XIII to the Companies Act 1956 or any amendments made hereafter in this regard.
- v. The Agreement may be terminated by either party giving the other party six months' notice or the Company paying six months remuneration in lieu of such notice.

III. **OTHER INFORMATION:**

a) Reasons for inadequate profits:

The company has made profits during the current financial year and is paying dividends for last eight consequent years. However the profits are inadequate to pay desired remuneration to the appointee.

In accordance with the provisions of Section 309 of the Act, the terms of remuneration specified above are now being placed before the Members in General Meeting for their approval.

The draft Agreement between the Company and Mr. Deepak Harlalka is available for inspection by the members of the Company at the Registered Office of the Company between 11 00 am. and 01.00 p.m. on any working day till the Annual General Meeting of the Company.

Mr. Vishwanath Harlalka, Mr. Deepak Harlalka and Mr. Rajendrakumar Rajgarhia are concerned or interested in the passing of this resolution. No other directors are concerned or interested in the passing of this resolution.

Date: 25 / 05 /2013

Place: Mumbai

By Order of the Board

Registered Office:

413, Tantia Jogani Industrial Premises

J. R. Boricha Marg, Lower Parel (East)

Mumbai – 400 011

VSIHWANTH HARLALKA
(Executive Chairman)

DIRECTORS' REPORT
TO THE MEMBERS OF GINI SILK MILLS LIMITED

The Directors are pleased to present their Thirty Third Annual Report on the Business and Operations of your Company together with the Audited Statement of Accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS

Particulars	(₹ In Lacs)	
	2012-2013 (₹)	2011-2012 (₹)
Revenue		
Net Sales/ Income from operations	3247.03	3283.81
Other Income	206.98	205.24
Total	<u>3454.00</u>	<u>3489.05</u>
Less : Expenses		
Employee Benefit Expenses	311.08	272.24
Financial Cost	18.47	16.52
Depreciation	47.23	45.46
Other Expenses	2841.42	2881.82
Total	<u>3218.20</u>	<u>3216.04</u>
Profit before Tax	235.80	273.01
Less : Tax Expenses		
Current Taxation	73.00	75.00
Deferred Tax	(3.34)	(0.59)
Excess/ Short provision for earlier Year	(0.02)	-
Net Profit after Tax	<u>166.16</u>	<u>198.60</u>
Add : Balance brought forward	1751.71	1585.61
Profit available for appropriation	<u>1917.87</u>	<u>1784.21</u>
APPROPRIATIONS		
Proposed Dividend	27.96	27.96
Distribution Tax	4.54	4.54
Profit Carried to Balance Sheet	1885.37	1751.71
Total	<u>1917.87</u>	<u>1784.21</u>
Basic and diluted EPS (₹)	<u>2.97</u>	<u>3.55</u>

DIVIDEND

For the year under review, the Directors have recommend a dividend of ₹ 0.50 per share (₹ 0.50 per shares for the previous year) on the 5592600 Equity shares amounting to ₹ 27,96,300/-

DIRECTORS:

Mr. Dinesh Poddar, Director of the company is liable to retire by rotation and being eligible, offers himself for re-appointment.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, the Management Discussion and Analysis, the Corporate Governance Report, together with the Auditor's Certificate on compliance with the conditions of Corporate Governance as laid down, forms part of the Annual Report.

AUDITORS

M/s. Vatsaraj & Co., Chartered Accountants, Mumbai hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The members are requested to re-appoint them as Auditors of the Company till the conclusion of the next Annual General Meeting.

FIXED DEPOSITS

The Company has not accepted or renewed any deposits from the public during the year under review within the meaning of Section 58A of the Companies Act, 1956 and rules made there under.



PARTICULARS OF EMPLOYEES:

There are no employee drawing remuneration exceeding the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (particulars of employees) Rules, 1975 (as amended) and hence no details are required to be annexed to this report.

ENVIRONMENT AND SAFETY MEASURES

i) **EFFLUENT CONTROL**

Effluent at Process House unit at Tarapur is carefully monitored and treated conforming to the requirements of the State Pollution Control Board.

ii) **SAFETY**

The Process equipments have built-in safety system and all the employees are well trained for safe working of plant operations. Adequate fire protection system is installed for the safety of men, material and machinery.

iii) **INSURANCE**

Your Company continued to cover all assets mainly; plant & machinery, building, materials, stocks, furniture & fixtures against possible risks like fire, flood, terrorism and earthquake.

iv) **INDUSTRIAL RELATIONS**

The industrial relations at the plants of the Company during the year under review continued to be cordial through out the year.

PARTICULARS REGARDING CONSERVATION OF ENERGY ETC.

Information in accordance with the provisions of section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Directors) Rules, 1988 regarding conservation of energy technology absorption and foreign exchange earnings and outgo is given in the statement annexed hereto forming part of the Report.

LISTING OF SHARES & SECURITIES

The Company's Shares are listed on the BOMBAY STOCK EXCHANGE LIMITED,

DIRECTORS RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956.

The Directors state that-

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting polices and applied them consistently and made judgment 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 covered under this report and of the profit of the Company for the year.
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) the directors have prepared the annual accounts on a going concern basis.

APPRECIATION:

Your Directors would like to place on record their appreciation for the co-operation and assistance received from the banks, for the utmost confidence reposed in the management by the shareholders and customers during the year under review. Your Directors wish to thank for the services of the executive, staff and workers of the Company at all levels for their dedication, devotion, determination and discipline. The Directors express their profound thanks to the shareholders for their continued support and goodwill and they look forward to the future with confidence.

FOR AND ON BEHALF OF THE BOARD

**Place: Mumbai
Date: 25 /05/2013**

**VISHWANATH HARLALKA
(Executive Chairman)**

ANNEXURE TO DIRECTORS' REPORT
(FORM - A) (See Rule 2)
FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY
PART 'A'
POWER & FUEL CONSUMPTION
2012-2013
2011-2012
Purchased

Unit (KWH)

2599362

2374993

Total Amount (₹ lacs)*

183.38

143.67

Rate per unit (₹)

7.05

6.05

OWN GENERATION

Though Diesel Generator :

Units (KWH)

27168

37000

Units Per Ltr.of Diesel oil

3.50

3.50

Cost per unit (₹)

13.43

12.40

COAL

Quantity (Kgs.)

6747140

6688875

Total Cost (₹. In lacs)**

367.49

351.41

Average rate per Kg. (₹)

5.45

5.25

GAS

Quantity (Kgs.)

20672

24396

Total Cost (₹ In lacs)

16.99

15.89

Average rate per Kg. (₹)

82.21

65.14

DIESEL OIL

Quantity (Ltrs)

7767

10890

Total cost (₹ lacs)

3.65

4.59

Average Rate Per Ltr. (₹)

47.00

42.14

NOTE : * including demand charges ** including Transport charges

PART 'B'
CONSUMPTION PER UNIT OF PRODUCTION ENERGY
ENERGY
FABRICS PROCESSING (PER METER)
Current Year
Previous Year

Electricity (Kwh.)

0.13

0.13

Coal (Kgs.)

0.34

0.39

A. CONSERVATION OF ENERGY

The Company's operation involves low energy Consumption Nevertheless energy Conservation measures have already been taken wherever possible. Efforts to conserve and optimise the use of energy through improved operational methods and other means will continue.

B. TECHNOLOGY AND TECHNICAL ABSORPTION AND ADOPTION
1. TECHNOLOGY ABSORPTION

The Company's present manufacturing activities are such that the same do not require any specialized Technology, since in India; technical know-how for Textile Industries has been standardized and is being used in the Industry. Besides, the Promoters of the Company are engaged in Textile business since last 3 decades and the business is inherited. In view of the above, the question of technical absorption and adaptation does not arise.

2. RESEARCH & DEVELOPMENT

At present the company does not have separate division for carrying out Research and Development work. No expenditure has therefore been earmarked for this activity.

FOR AND ON BEHALF OF THE BOARD
Place: Mumbai
Date: 25 /05/2013
VISHWANATH HARLALKA
(Executive Chairman)

MANAGEMENT DISCUSSION AND ANALYSIS

1. Current Scenario

The Indian Textiles Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textiles industry also plays a vital role through its contribution to industrial output, employment generation, and the export earnings of the country.

The sector contributes about 14 per cent to industrial production, 4 per cent to the gross domestic product (GDP), and 17 per cent to the country's export earnings. It provides direct employment to over 35 million people. The textiles sector is the second largest provider of employment after agriculture. Thus, the growth and all round development of this industry has a direct bearing on the improvement of the economy of the nation.

India has the potential to increase its textile and apparel share in the world trade from the current level of 4.5 per cent to 8 per cent and reach US\$ 80 billion by 2020.

Government Initiatives

The Government of India has promoted a number of export promotion policies for the Textile sector in the Union Budget 2011-12 and the Foreign Trade Policy 2009-14. This also includes the various incentives under Focus Market Scheme and Focus Product Scheme; broad basing the coverage of Market Linked Focus Product Scheme for textile products and extension of Market Linked Focus Product Scheme etc. to increase the Indian shares in the global trade of textiles and clothing.

Investments

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted foreign direct investments (FDI) worth US\$ 1.04 billion during April 2000 to November 2012.

Opportunities and Challenges

The present global economic scenario throws up opportunities for fundamentally strong companies such as your Company. The inherent strengths, in the form of strong domain expertise, powerful brand positioning, strength and resilience of the brands, fully integrated state of the art production facilities, cutting edge technology and unparalleled product innovation capabilities combined with the deep retail market penetration, provide a highly potent platform to seize the opportunities that are bound to arise during cyclical downturns in the form of newer markets, new segments of customers, new channels of distribution, etc.

2. Production & Sales Review:

During the year under review, your company has registered a turnover of 3247.03 Lacs as compared to 3283.81 Lacs in the previous year.

The production in the Company's Process House at Tarapur (Maharashtra) i.e. Dyeing & printing of textile fabrics was 19,719,478 Mtrs. as against 17,352,930 Mtrs. in previous year. The sales revenue from Processing of Fabric increased from ₹1477.89 Lacs to ₹ 1207.02 Lacs during the year under review. The sale revenue from sale of fabrics decreased from ₹ 2076.37 lacs to ₹ 1768.77 lacs.

3. Outlook:

Industrial scenario in the Textile Sector remained unchanged during the year under review with stagnant domestic market and fierce competition in the international market. The company is, however, confident of sustained growth through a series of initiatives in the areas of product development, technological up gradation and strengthening of distribution network.

4. Internal Control Systems and their Adequacy:

The Company has management, which is much concerned about the adequacy of Internal Control System. It is aware that for a multi-faceted growth of any organization, only the strict overall control & efficient supervision can check all the operations, whether minor or major, and such control are backbone of any commercial establishment or manufacturing units.

The management of your Company has taken appropriate steps by constituting Internal Audit team with well-experienced and hard working personnel under the supervision of Audit Committee of the Board; which frequently checks and reviews functions of various departments and effectiveness of Audit checks and revision of systems and procedures periodically.

In the year under review, the Company initiated a focused policy to evaluate the design effectiveness of existing management controls across all its locations. Under this initiative, the company also undertook steps to implement new control measures in line with global best-in-class practices.

5. The Financial and Operational Performance:

The financial statement given in the Report of the Directors for the financial year 2012-2013 is quite satisfactory. It reflects the genuine steps taken by the management for transparency and best judgment for the estimate made to correctly reflect the true & fair affairs of the Company.

6. Human Resource Development:

The people of any industry serve as propeller for upliftment of the industry and thus indirectly contribute the National Product and through this to the exchequer of India. The management has always remained conscious of these inter-related factors and maintained a favorable climate during the year to suit the growth and excellence in the Company. The management has always strived to maintain cordial relationship between the staff, workers and management. This attitude created an atmosphere where each and every staff and worker started feeling a sense of 'ONENESS'.

7. Cautionary statement:

The Statements in Management Discussion and Analysis Report may contain certain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statements as important factors could influence the company's operations such as Government policies, political and economic development etc.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE

The Company is fully compliant with the mandatory requirements of Clause 49 of the Listing Agreement formulated by Securities and Exchange Board of India and Stock Exchanges. The Company presents its report on compliance of governance conditions specified in Clause 49 of the Listing Agreement

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company believes that Corporate Governance is powerful medium to sub serve the long-term interest of all the shareholders, creditors, customers, employees and other stakeholders. Corporate Governance strengthens Investors and Creditors trust and ensures a long-term partnership that helps in fulfilling our quest for achieving significant growth and profits. Your Company is committed to benchmarking itself with good governance and operates with transparency, professionalism, good conduct and value based systems.

2. BOARD OF DIRECTORS

The Board of Directors along with its Committees provide leadership and guidance to the Company's management and direct,, supervises and controls the performance of the Company. The present strength of Board of Directors is 5 (Five), whose composition and category is given below:

- Two - Promoter, Executive Director
- Three - Independent Directors

(A) THE CONSTITUTION OF THE BOARD AS ON MARCH 31, 2013

The Composition of the Board of Directors and also the number of other Board of Directors or Board Committees of which they are member/ Chairman are given below:

Directors	Category	No. of other Directorship		No. of other Committee positions	
		Public	Private	Member	Chairman
Vishwanath S. Harlalka	Promoter, Executive	-	4	-	-
Deepak V. Harlalka	Promoter, Executive	-	7	-	-
Ramprasad Poddar	Independent	3	6	-	1
Dineshkumar Poddar	Independent	3	6	4	1
Rajendrakumar Rajgarhia	Independent	4	1	-	1

None of the Directors is a member in more than ten committees and acts as chairman in more than 5 committees across all the companies in which he is a Director.

(B) BOARD PROCEDURE

Agenda is sent to each Director in advance of Board and Committee meetings to enable the Board discharge to its responsibilities effectively; the Managing Director briefs the Board at every meeting on the overall performance of the Company, followed by discussion by the Directors. The Board also reviews:

- Strategy and business plans
- Operations and capital expenditures
- Finance and Banking operations
- Adoption of quarterly/half yearly/ annual results
- Compliance with statutory/ regulatory requirements and review of major legal issues
- Significant labour issues

(C) ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING:

During the year ended March 31, 2013, 11 (Eleven) Board Meetings were held on 4th May 2012, 9th May 2012, 5th July, 2012, 26th July, 2012, 11^h August,2012, 1st September, 2012, 22nd September, 2012, 29th October,2012, 23th November, 2012, 28th January, 2013 and 30th March, 2013. Annual General Meeting during the year was held on August 22, 2012.

Name of the Directors	Category of Directorship	No. of Board Meeting Attended	Attendance at the Last AGM held on 22.08.2012
Shri. Vishwanath S. Harlalka	Chairman	11	Present
Shri. Deepak V. Harlalka	Managing Director	11	Present
Shri. Ramprasad Poddar	Independent Director Non Executive	11	Absent
Shri. Dineshkumar Poddar	Independent Director Non Executive	11	Present
Shri. Rajendrakumar Rajgarhia	Independent Director Non Executive	5	Absent

(D) DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT:

The brief particulars of the Director of the company, being eligible for re-appointment as Directors, retiring by rotation at the ensuing Annual General Meeting is as follows:

Mr. Dinesh Poddar retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

His directorship and Committee Membership of the Board of other Limited Companies as on date is as follows:

Name of the Company	Position	Committee Membership
Swasti Vinayaka Art and Heritage Corporation Limited	Managing Director	1
Ashirwad Capital Limited	Managing Director	1
Swasti Vinayaka Synthetics Limited	Director	4

3. COMMITTEES OF THE BOARD:

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted a set of Committees with specific terms of reference/scope. The Committees operate as empowered agents of the Board as per their Charter/terms of reference. Targets set by them as agreed with the management are reviewed periodically and mid-course corrections are also carried out. The Board of Directors and the Committees also take decisions by the circular resolutions which are noted at the next meeting. The minutes of the meetings of all Committees of the Board are placed before the Board for discussions/noting.

The Board of Directors has constituted three committees of the Board – (i) The Audit Committee (ii) Remuneration Committee and (iii) Shareholders/Investors Grievance Committee.

i) AUDIT COMMITTEE:

The Audit Committee functions according to its Charter that defines its composition, authority, responsibility and reporting functions in accordance with the Companies Act, 1956 and listing requirements and is reviewed from time to time.

BRIEF DESCRIPTION OF TERMS OF REFERENCE

The Committee's powers, role and functions are as stipulated in Clause 49 of the Listing Agreement and under Section 292 A of the Companies Act, 1956.

COMPOSITION:

During the year ended 31st March, 2013, Five Audit Committee Meetings were held.

The Composition of the Audit Committee is as follows:

Sr.No	Members of Audit Committee	Position	No. of Meeting Attended
1	Shri. Ramprasad Poddar	Chairman	5
2	Shri. Dinesh Kumar Poddar	Member	5
3	Shri. Rajendra Kumar Rajgarhia	Member	5

II) REMUNERATION COMMITTEE:

The Remuneration Committee of the Company is empowered to review the remuneration of the Managing Director and the Executive Director, retirement benefits to be paid to them under the Retirement Benefit Guidelines approved by the Board, recommending on the amount and distribution of commission to the non-executive directors based on criteria fixed by the Board and to deal with matters pertaining to Employees' Stock Option Scheme, if any.

BRIEF DESCRIPTION OF TERMS OF REFERENCE

- Fixation of salary, perquisites etc. of all executive directors of the Company, as and when any new executive director is appointed / existing executive director is re-appointed; and
- Deciding commission payable to executive directors based on performance of the concerned executive director and for this purpose fixes targets for achievements.

COMPOSITION

The constitution of the Remuneration Committee is as follows:

1. Shri. Ramprasad Poddar - Chairman
2. Shri. Vishwanath Harlalka - Member
3. Shri. Dinesh Kumar Poddar - Member

The detail of remuneration for the year ended 31st March, 2013 paid to the Managing Director during the period is as under:

Director	Salary	Perquisites	Cont. to PF & Other Funds	Total
Shri. Deepak Harlalka	24,00,000	218,669	2,88,000	29,06,669
Shri Vishwanath Harlalka	24,00,000	-	2,88,000	26,88,000

III) SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE:

BRIEF DESCRIPTION OF TERMS OF REFERENCE

The "Investors Grievance Committee" of the Board, looks into various issues relating to investor grievances and to deal with matters relating to transfers/transmissions of shares, and monitors redressal of complaints from shareholders relating to transfers, non-receipt of balance-sheet, non-receipt of dividends declared, issue of duplicate share certificates, etc.

COMPOSITION

The constitution of the Committee is as follows:

- 1) Shri. Vishwanath Harlalka - Chairman
- 2) Shri. Deepak Harlalka - Member
- 3) Shri. Dinesh Kumar Poddar - Member

The Company's shares are compulsory traded in the dematerialized form at Bombay Stock Exchange Limited where Company's shares are listed. Mr. Chetan Patel, Manager Account, is appointed Compliance Officer as required by the Listing Agreement.

During the year no letters / complaints were received from the Investors. Routine inquiries were replied / resolved to the satisfaction of the investors.

There were no valid share transfer requests pending as on March 31, 2013.

4. GENERAL BODY MEETINGS

Location and time, where last three Annual General Meetings were held is given below:

Financial Year	Date	Time	Location of the Meeting
2011-2012	22.08.2012	12.00 pm	Maheshwari Pragati Mandal, Maheshwari Bhawan, 603, Girgaon Road, Mumbai 400 02.
2010-2011	30.08.2011	12.00 pm	Maheshwari Pragati Mandal, Maheshwari Bhawan, 603, Girgaon Road, Mumbai 400 02.
2009-2010	27.09.2010	11.30 am	Maheshwari Pragati Mandal, Maheshwari Bhawan, 603, Girgaon Road, Mumbai 400 02.

5. DISCLOSURES

The Company had not entered into any transaction of a material nature, which will have a conflict with its interest during the year.

The disclosure of related party transactions as required by the Accounting Standard (AS) 18 on 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India (ICAI) is given under Note No. 29 of Notes on the Annual Accounts. All the transaction covered under related party transaction were fair, transparent and at arms length.

The Company has complied with all the requirements of the listing agreements with the stock exchanges as well as regulations and guidelines of SEBI. No penalties have been imposed or stricture has been issued by SEBI, stock exchanges or any Statutory Authorities on matters relating to capital markets during the last three years.

The Company has followed all relevant accounting standards notified by the Companies Accounting Standards Rules 2006 and relevant provisions of the Companies Act, 1956 while preparing its financial statements.

6. MEANS OF COMMUNICATIONS

The quarterly, half yearly and annual results are communicated to all the Stock Exchanges where the Company's shares are listed as soon as the same are approved and taken on record by the Board of Directors of the Company. Further the results are published in widely circulating national and local dailies such as Free Press Journal & Navshakti (Marathi). The results are not sent individually to the shareholders.

These results are simultaneously posted on the website for the Company at www.ginitex.com.

7. CODE OF CONDUCT

The Board of Director has adopted the Code of Business Conduct and Ethics for Director and Senior Management. The said Code has been communicated to the Directors and members of the Senior Management.

8. GENERAL SHAREHOLDERS INFORMATION

- a) Annual General Meeting
 - i) Date & Time : 26th July, 2013 at 12.00 pm.
 - ii) Venue : Maheshwari Pragati Mandal, Maheshwari Bhawan, 603, Girgaon Road, Mumbai 400002
- b) Financial Calendar (tentative)

Results for the 1 st Quarter Ending 30 th June, 2013	: Last week of July, 2013
Results for the 2 nd Quarter/Half Year Ending 30 th September, 2013	: Last week of October, 2013
Results for the 3 rd Quarter Ending 31 st December, 2013	: Last week of January, 2014
Results for the 4 th Quarter/Year Ending 31 st March, 2014	: Last week of May, 2014
- c) Book Closure Date (Both days inclusive) : Friday July 19, 2013 to Friday, July 26, 2013
- d) Dividend Payment Date : Within 30 days of AGM; if approved by the Shareholders of the Company.
- e) Listing on Stock Exchanges : The Bombay Stock Exchange Limited, Mumbai
- f) Stock Code : Physical Segment – BSE: 531744
NSDL/CDSL-ISIN: INE: 548B01018

g) Stock Market Data

: The monthly high and low Prices during the year at BSE are as follows:

Month	Mumbai Stock Exchange	
	High ₹	Low ₹
April 2012	41.45	32.40
May 2012	40.70	32.35
June 2012	44.50	29.50
July 2012	35.90	29.10
August 2012	35.90	29.50
September 2012	36.75	29.50
October 2012	40.35	32.40
November 2012	38.15	31.90
December 2012	41.00	31.05
January 2013	38.65	29.50
February 2013	36.00	26.60
March 2013	37.00	25.00

h) Share holding pattern as on 31.03.2013

Sr.No.	Category	No. of Shares	% (Percentage)
1	Promoters (Including Promoters Body Corporate	4193460	74.98
2	Body Corporate	693485	12.40
3	Resident Individuals	660436	11.81
4	Non Resident Indian	100	0.00
6	Clearing Member	45119	0.81
	TOTAL	5592600	100.00

i) Distribution of Share holding as on 31.03.2013

No. of Shares held	No. of Shareholders	%	No. of Shares	%
1 to 5000	626	76.06	103571	1.85
5001 to 10000	88	10.69	74364	1.33
10001 to 20000	38	4.62	58118	1.04
20001 to 30000	18	2.20	46416	0.83
30001 to 40000	14	1.70	48812	0.87
40001 to 50000	3	0.36	13735	0.25
50001 to 100000	7	0.85	51852	0.93
100001 onwards	29	3.52	5195732	92.90
	823	100.00	5592600	100.00

j) Registrar and Share Transfer Agent : BIGSHARES SERVICES PRIVATE LIMITED
 E-2 Ansa Industrial Estate, Sakivihar Road
 Saki Naka, Andheri (East), Mumbai –400 072

k) Share Transfer System:

Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by the Securities & Exchange Board of India (SEBI). Big Shares Services Private Limited handles both Demat and Physical Shares Transfers.

The Share Transfers which are received in physical form are processed and the share certificates are returned within 21 days from the date of receipt, subject to Documents being valid and complete in all respects.

The Shareholders/Investors Grievance Committee meets periodically to consider the transfer and other proposals and attend to shareholders grievances.



l) DEMATERIALISATION OF SHARES

As on 31st March, 2013, 55,36,693 Equity shares were in dematerialized form representing 99.00% of total share capital of the Company.

m) PLANT LOCATION:

Fabric Process Unit: E-15, MIDC – Tarapur, Boisar – 421 506, Thane, (Maharashtra)

n) ADDRESS FOR CORRESPONDENCE:

Big shares Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate, Sakivihar
Road, Saki Naka, Andheri (E)
Mumbai – 400 072.
Tel.No. 228470652
Fax No. 228475207

DECLARATION

As provide under Clause 49 of the Listing Agreement with the Stock Exchange, all Board members and senior management perosnnel have affirmed compliance with Gini Silk Mills Limited Code of Business Conduct and Ethics for the year ended March 31, 2013.

For Gini Silk Mills Limited

Place : Mumbai
Date : 25 /05 /2013

Deepak Harlalka
(Managing Director)

Auditor's Certificate on Compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement

To,

The Members of **GINI SILK MILLS LIMITED**

We have examined the compliance of conditions of Corporate Governance by **GINI SILK MILLS LIMITED**, for the year ended on 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the company's management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clause 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per records maintained by the Share Transfer and Investors Grievance Committee.

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 VATSARAJ &CO
Chartered Accountants

Place: Mumbai
Date: 25 /05 /2013

CA NITESH K DEDHIA
(Partner)
M.NO.114893
FRN:111327W

INDEPENDENT AUDITORS REPORT

To the Members of
GINI SILK MILLS LIMITED.

We have audited the accompanying financial statements of Gini Silk Mills Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the **Profit** for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Vatsaraj & Co.
Chartered Accountants
FRN: 111327W

CA Nitesh K Dedhia
(Partner)
M.No: 114893
Place: Mumbai
Date: 25/5/2013

Annexure to Independent Auditors Report

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of GINI SILK MILLS LIMITED for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. In respect of its fixed assets:
 - a. The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - c. In our opinion and according to the information and explanations given to us, the company has not disposed off a substantial part of its fixed assets and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - a. As explained to us, inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c. The Company has maintained proper records of its inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to book records.
3. In respect of the loans, secured or unsecured, granted or taken by the company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - a. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly para 1(iii) (a), (b), (c), and (d) is not applicable.
 - e) The Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 except for unsecured loans, taken from two directors payable on demand. The amount outstanding as on 31.03.2013 Rs.57,80,027/- and the maximum amount outstanding during the year is Rs.2, 67, 27,415/-.
 - f) The rate of interest and other terms and conditions of loans taken by the company, are, in our opinion, prima facie not prejudicial to the interest of the company; and
 - g) Repayment of the principal amount and interest is on demand
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, we have not observed any major weaknesses in internal control system.
5.
 - a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding value of ` 5,00,000 of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public, hence the directives issued by the Reserve bank of India and the provisions of sections 58A and 58AA or any relevant provisions of the Act and the rules framed there under are not applicable.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. (a) According to the records of the company undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues have been generally regularly deposited with the appropriate authorities.

(b) The disputed statutory dues aggregating Rs.1,93,63,076/- that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Name of the Statute	Nature of Dues	Amounts (₹)	Forum where dispute is pending
Central Excise Act	Demand for interest and penalty on differential amount of excise duty	2,15,820/-	Commissioner of Central Excise (Appeal)
Excise Service Tax	Demand for Deemed Credit	3,38,418/-	Registrar the Customs Excise Service Tax Appellate Tribunal
Textile Committee	Collection of Cess under the Textile Committee Act and Cess Rules reg.	2,99,150/-	Textile Committee Cess Appellate Tribunal.
Central Excise Act	Demand on differential amount of excise duty for the period 16/12/98 to 28/02/2001	1,85,09,688/-	Supreme Court of India
Total		1,93,63,076	

10. The company does not have any accumulated losses at the end of the financial year and the company has not incurred cash losses in current financial year and in the immediately preceding financial year;
11. In our opinion and according to the information and explanations given to us, the company is regular in repaying dues to the bank. There are no dues to Financial Institution and there are no debenture holders in the current year.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. The Company has not obtained any term loans during the year. Accordingly the provisions of clause 4(xvi) of the Order are not applicable to the Company.
17. According to the information and explanations given to us and on overall examination of the Balance sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act. Accordingly the provisions of clause 4 (xviii) of the Order are not applicable to the Company.
19. The Company has not issued any debentures. Accordingly the provisions of clause 4 (xix) of the Order are not applicable to the Company.
20. The Company has not raised money by public issues during the year. Accordingly the provisions of clause 4 (xx) of the Order are not applicable to the Company.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For Vatsaraj & Co.

Chartered Accountants

FRN: 111327W

CA Nitesh K Dedhia

(Partner)

M.No: 114893

Place: Mumbai

Date:

**BALANCE SHEET AS AT 31ST MARCH' 2013**

PARTICULARS	Note No.	As at 31st March' 2013	As at 31st March' 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	55,926,000	55,926,000
Reserves and surplus	3	190,374,460	177,008,108
		<u>246,300,460</u>	<u>232,934,108</u>
Non-current liabilities			
Deferred tax liabilities (Net)	4	3,517,413	3,851,656
Other Long Term Liabilities	5	2,796,180	2,826,487
		<u>6,313,593</u>	<u>6,678,143</u>
Current liabilities			
Short-term borrowings	6	6,034,460	15,377,415
Trade payables	7	19,932,665	12,389,237
Other current liabilities	8	2,968,043	2,081,533
Short-term provisions	9	8,075,438	7,585,329
		<u>37,010,607</u>	<u>37,433,514</u>
TOTAL		<u>289,624,659</u>	<u>277,045,765</u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	43,356,185	41,455,099
Intangible assets	10	109,258	182,096
Capital work-in-progress		487,301	-
Non-current investments	11	5,689,111	11,613,679
Long-term loans and advances	12	12,737,973	13,438,820
		<u>62,379,827</u>	<u>66,689,694</u>
Current assets			
Current Investments	13	13,325,145	-
Inventories	14	48,725,586	61,561,718
Trade receivables	15	39,178,370	32,822,264
Cash and cash equivalents	16	994,402	37,094,467
Short-term loans and advances	17	118,475,828	77,987,683
Other current assets	18	6,545,501	889,939
		<u>227,244,832</u>	<u>210,356,071</u>
TOTAL		<u>289,624,659</u>	<u>277,045,765</u>

Significant Accounting Policies Notes on Financial Statement

1 to 36

As per our Report of even date

For Vatsaraj & Co

Chartered Accountants

FRN : 111327W

CA NITESH K DEDHIA**Partner**

Membership No, 114893

Place :Mumbai

Date : 25/05/2013

For and on behalf of the Board**Vishwanath Harlalka**

Chairman

Deepak Harlalka

Managing Director

Dinesh Poddar

Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH' 2013

PARTICULARS	Note No.	As at 31st March' 2013	As at 31st March' 2012
INCOME			
Revenue from operations	19	324,702,503	328,380,972
Other income	20	20,698,279	20,523,774
TOTAL REVENUE		<u>345,400,782</u>	<u>348,904,746</u>
EXPENSES			
Cost of materials consumed	21a	112,038,552	163,458,709
Purchases of traded goods	21b	20,905,160	7,313,451
(Increase)/ decrease in inventories of finished goods and Stock in Process	21c	13,654,785	(12,375,535)
Employee benefits expense	22	31,107,565	27,224,241
Finance costs	23	1,847,413	1,652,330
Depreciation and amortization expense		4,723,179	4,545,606
Other expenses	24	137,543,832	129,785,012
TOTAL EXPENSES		<u>321,820,486</u>	<u>321,603,814</u>
Profit before Taxations		23,580,295	27,300,932
TAX EXPENSES			
Current tax		7,300,000	7,500,000
Excess/ Short provisions written back of earlier years		(1,741)	-
Deferred tax		<u>(334,243)</u>	<u>(58,655)</u>
Profit for the period		16,616,280	19,859,587
Basic/ Diluted Earning per equity share(₹)		2.97	3.55

Significant Accounting Policies

Notes on Financial Statements

1-36

As per our Report of even date

For Vatsaraj & Co
Chartered Accountants
FRN : 111327W

CA NITESH K DEDHIA
Partner
Membership No, 114893
Place :Mumbai
Date : 25/05/2013

For and on behalf of the Board

Vishwanath Harlalka
Chairman
Deepak Harlalka
Managing Director
Dinesh Poddar
Director



CASH FLOW STATEMENT FOR THE YEAR 2012-2013

PARTICULARS	31st March' 2013	31st March' 2012
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax and extraordinary items	23,580,295	27,300,932
Adjusted For :		
Depreciation and Amortisation Expense	4,723,179	4,545,606
Dividend Received	(791,411)	(1,569,992)
Property Tax	412,435	628,023
Demat Charges & Securities Transaction Tax	4,213	1,180
Interest Income	(13,436,223)	(8,283,334)
Finance costs	1,660,765	1,432,053
Profit on Partnership Firm	(15,462)	(5,408,117)
Rent Received	(5,075,000)	(5,044,337)
Loss on sale/Discard of assets(net)	29,725	(99,521)
Net Prior Year Adjustments	1,741	-
Net gain on sale of Investments	(880,362)	257,208
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	10,213,896	13,759,701
Adjusted For :		
Increase in other assets	(6,014,433)	(16,840,883)
Increase in Trade Payable	7,543,428	(12,642,594)
Increase in other liabilities	982,336	(3,931,292)
Inventories	12,836,132	1,780,342
Trade Receivable	(6,356,106)	8,991,357
Cash generated from Operations	19,205,253	(23,957,235)
Taxes Paid	(6,964,011)	5,000,000
NET CASH FROM OPERATING ACTIVITY	12,241,242	(18,957,235)
B. CASH FLOW FROM INVESTING ACTIVITY		
Dividend Income	791,411	246,827
Purchase of Investments	(92,706,796)	(108,540,996)
Sale/Redemption of Investments	82,298,718	190,299,953
Interest Income	13,436,223	7,605,179
Movement in Loans and Advances	(39,400,440)	(66,200,219)
Movement in Investment in Partnership Firm Capital	3,900,000	32,100,000
Rent Income	5,075,000	4,502,805

Purchase of Fixed Assets	(7,197,359)	(2,506,860)	
Sale of Fixed Assets	616,210	907,700	
Capital Work in Progress	(487,301)	-	
Bank Balances not considered as Cash and cash equivalents	(182,849)	(24,798)	
Property tax	(412,435)	(628,023)	
Demat Charges & Securities Transaction Tax	(888)	(34,270,506)	57,760,388
NET CASH FLOW FROM INVESTING ACTIVITY		(22,029,264)	38,803,153
C. CASH FLOW FROM FINANCING ACTIVITY			
Interest Paid	(208,153)	(194,203)	
Short Term Borrowing - Bank	254,433	-	
Short Term Borrowing - Director (Net)	(11,050,000)	11,384,056	
Repayment from Other Short Term Borrowing	-	(8,930,111)	
Dividend Paid (Including DDT)	(3,249,930)	(14,253,650)	(2,631,364)
NET CASH FLOW FROM FINANCING ACTIVITY		(36,282,914)	36,171,789
Cash and Cash Equivalents as at commencement of the year		36,902,969	731,180
Cash and Cash Equivalents at the end of the year		620,055	36,902,969
NET INCREASE/(DECREASE) OF CASH & CASH EQUIVALENTS		(36,282,914)	36,171,789

As per our Report of even date

For Vatsaraj & Co
Chartered Accountants
FRN : 111327W

CA NITESH K DEDHIA
Partner
Membership No, 114893
Place :Mumbai
Date : 25/05/2013

For and on behalf of the Board

Vishwanath Harlalka
Chairman
Deepak Harlalka
Managing Director
Dinesh Poddar
Director

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS

CORPORATE INFORMATION

Gini Silk Mills Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange Limited, Mumbai. The company is engaged in the manufacturing and selling of shirting and suiting with reputed brand name "GINI".

1 SIGNIFICANT ACCOUNTING POLICIES

1 ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention, on an accrual basis of accounting. The statement complies with the Accounting Standard prescribed by the ICAI and also complies with the Section 211(3) (C) of the Companies Act, 1956. The accounts are prepared as a going concern.

2 USE OF ESTIMATES

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised

3 CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purpose of cash flow statement comprise cash and bank and in hand and short-term investments with an original maturity of three months or less

4 FIXED ASSETS

Own Fixed Assets

Fixed Assets are stated at cost net of recoverable taxes. All costs including financing cost till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised.

5 LEASED ASSETS

Operating Lease: Rentals are expensed with reference to lease terms and other considerations.

6 INTANGIBLE ASSETS

Intangible Assets are stated at cost of acquisition net of recoverable taxes. All costs including financing cost till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalised

7 DEPRECIATION / AMORTIZATION

Depreciation for the year in respect of assets relating to undertaking at Tarapur has been provided on straight line method at the rates specified as per Schedule XIV of the Companies Act, 1956

In respect of assets relating to undertakings at Kandivali depreciation has been provided on written down value method at the rates specified as per Schedule XIV of the Companies Act, 1956.

Lease hold land has been amortized over the period of the lease on straight line basis

Depreciation on the Fixed Assets added during the year has been provided on pro-rata basis with reference to the month of addition.

8 IMPAIRMENT OF ASSETS

An asset treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

9 FOREIGN CURRENCY TRANSACTIONS

Transactions denominated to foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

Non monetary foreign currency items are carried at cost

Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

10 INVESTMENTS

Current Investments are carried at lower of cost and quoted/fair value, computed category wise.

The long-term investments are stated at cost. Provision for permanent diminution in value is made only if such a decline is other than temporary in nature.

11 INVENTORIES

Inventories of Raw Materials, Stores and Spares, Finished goods and Work in progress are valued at lower of cost or net realizable value after providing for obsolescence, if any.

Cost comprises of all cost of purchases, cost of conversion and other cost incurred in bringing the inventory to their present location and conditions

Cost is determined under Weighted Average method for Raw Material, stores & spares & Work in Progress and for fabrics on FIFO basis.

12 REVENUE RECOGNITION

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

Revenue from operations include sale of goods, process income and job work receipts which are exclusive of sales tax but net off after adjusting claims, incentives, rebates and discounts.

Dividend income is recognised when right to receive is established.

Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

13 EMPLOYEES BENEFITS

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account for the year in which the related service is rendered

Post employment and other long term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

The Company has taken Group/Master insurance Policy with Life Insurance Corporation of India for the future payments of retiring employee's gratuities. The premium thereon has been so adjusted as to cover the liability under scheme in respect of eligible employees at the end of their future anticipated service with the company

14 BORROWING COST

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of the assets, up to the date the asset is ready for its intended use. All other borrowing costs are recognized as expense and charged to the Profit and Loss Account in the year in which they are incurred

15 TAXES ON INCOME

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax for the year is recognized, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized and carried forward only if there is a reasonable/virtual certainty of its realization.

16 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company recognizes provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statement.

17 SEGMENT REPORTING

The Company's operation fall under single segment namely "Textile" therefore, separate business segment is not disclosed



Notes on Financial Statements for the Year ended 31st March, 2013

Particulars	As at 31st March' 2013 ₹	As at 31st March' 2012 ₹
Note 2 SHARE CAPITAL		
Authorised Share Capital		
60,00,000 (31 March 2012 : 60,00,000)Equity shares of ₹ 10/- each	60,000,000	60,000,000
1,00,000 (31 March 2012 : 100,000) 10% Cumulative Convertible Preference shares of 100 each	10,000,000	10,000,000
	<u>70,000,000</u>	<u>70,000,000</u>
Issued, Subscribed and Paid up		
55,92,600 (31 March 2012 : 55,92,600).Equity shares of ₹ 10/- each fully paid up	55,926,000	55,926,000
TOTAL	<u>55,926,000</u>	<u>55,926,000</u>

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Equity Shares

	31st March, 2013		31st March, 2012	
	No	₹	No	₹
At the beginning of the period	5,592,600	55,926,000	5,592,600	55,926,000
Issued during the period - Bonus Issue	-	-	-	-
Issued during the period - ESOP	-	-	-	-
Outstanding at the end of the period	<u>5,592,600</u>	<u>55,926,000</u>	<u>5,592,600</u>	<u>55,926,000</u>

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per shares. Each holder of equity shares is entitled to one vote per shares. The Company declares and pay dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31 March 2013, the amount of per share dividend recognized as distribution of equity shareholders was ₹ 27,96,300/- (31 st March 2012 : ₹ 27,96,300/-).

c) Details of shareholders holding more than 5% shares in the Company

Name of shareholder		As at 31st March, 2013		As at 31 March, 2012	
		Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Vishwanath Harlalka	Promoter	1,890,660	33.80	1,890,660	33.80
Deepak Harlalka	Promoter	309,600	5.54	309,600	5.54
Deepak Harlalka HUF	Promoter	863,350	15.44	863,350	15.44
Anjali D Harlalka	Person Acting Concert	310,900	5.56	310,900	5.56
Vimla V Harlalka	Person Acting Concert	508,500	9.09	508,500	9.09
Garnet International Ltd	Public	332,118	5.93	538,318	9.63

Particulars	As at 31st March, 2013 ₹	As at 31 March, 2012 ₹
Note 3 RESERVES AND SURPLUS		
Capital Reserve		
As per Last Balance Sheet	814,063	-
Add: Transfer from Share Forfeiture A/c	-	814,063
Closing Balance	<u>814,063</u>	<u>814,063</u>
General Reserve		
As per Last Balance Sheet	1,023,091	1,023,091
Add/Less : Transfer from Profit & Loss Account	-	-
Closing Balance	<u>1,023,091</u>	<u>1,023,091</u>
Profit and Loss Account		
As per Last Balance Sheet	175,170,956	158,561,297
Add: Profit for the year	16,616,280	19,859,587
Less : Appropriations		
Proposed Dividend on Equity Shares(amount per share ₹ 0.50 (31 st March 2012 ₹ 0.50)	(2,796,300)	(2,796,300)
Tax on Dividend	(453,630)	(453,630)
Closing Balance	<u>188,537,306</u>	<u>175,170,954</u>
Total reserves and surplus	Total <u><u>190,374,460</u></u>	<u><u>177,008,108</u></u>
Note 4 DEFERRED TAX LIABILITIES (NET)		
Deferred tax liability		
On Accumulated Depreciation	3,517,413	3,851,656
Deferred tax assets		
	-	-
Total	<u><u>3,517,413</u></u>	<u><u>3,851,656</u></u>
Note 5 OTHER LONG-TERM LIABILITIES		
Trade deposits received (unsecured considered good)	215,780	264,487
Security deposits received (unsecured considered good)	2,580,400	2,562,000
Total	<u><u>2,796,180</u></u>	<u><u>2,826,487</u></u>
Note 6 SHORT-TERM BORROWINGS		
From Banks #	254,433	-
From Directors (unsecured, repayable on demand)	5,780,027	15,377,415
Total	<u><u>6,034,460</u></u>	<u><u>15,377,415</u></u>
# CASH CREDIT Loan is secured by hypothecation of Raw Materials, Semi -Finished and Finished goods, Stores and Spares, book debts and further secured by second charge over the immovable assets of the Company		
Note 7 TRADE PAYABLES		
Micro, Small and Medium Enterprises	-	-
Others	19,932,665	12,389,237
Total	<u><u>19,932,665</u></u>	<u><u>12,389,237</u></u>
Note 8 OTHER CURRENT LIABILITIES		
Unpaid dividends #	158,047	136,725
Statutory remittances(Contribution to PF ,ESIC, VAT, TDS and Service Tax)	709,470	576,931
Interest received in advance	394,283	-
Advances from customers	1,292,706	1,104,667
Others payable	413,537	263,210
Total	<u><u>2,968,043</u></u>	<u><u>2,081,533</u></u>

These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund



Note 9 SHORT TERM PROVISIONS

As at
31st March, 2013
₹

As at
31 March, 2012
₹

Provision for other employees benefits

Bonus	341,366	356,330
Leave Encashment	1,263,139	1,176,888
Provision for proposed equity dividend	2,796,300	2,796,300
Provision for tax on proposed dividends	453,630	453,630
Other	3,221,003	2,802,181
Total	8,075,438	7,585,329

Note 10 - FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01/04/2012	Additions	Adjustments/ Deduction	As at 31/03/2013	Up to 01/04/2012	Provided For the Year	AdjustMents/ Deduction	Up to 31/03/2013	As at 31/03/2013	As at 31/03/2012
TANGIBLE ASSETS										
Leasehold Land	4,987,194	-	-	4,987,194	896,573	56,036	-	952,609	4,034,585	4,090,621
Factory Building										
Own Use	28,810,140	-	-	28,810,140	13,350,062	962,258	-	14,312,320	14,497,820	15,460,078
Given on Lease	1,210,131			1,210,131	1,055,763	15,437		1,071,200	138,931	154,368
Building	849,453	-	-	849,453	198,945	15,199	-	214,144	635,309	650,508
Plant & Machinery	61,070,541	6,887,174	3,389,007	64,568,708	46,370,622	2,831,353	3,388,607	45,813,368	18,755,340	14,699,919
Furniture & Fixture	1,481,857	16,979	-	1,498,836	1,155,053	45,649	-	1,200,702	298,134	326,804
Electric Installation	6,064,315	181,552	500,000	5,745,867	3,495,006	266,375	372,778	3,388,603	2,357,264	2,569,309
Office Equipment	1,282,915	-	-	1,282,915	714,992	56,937	-	771,929	510,986	567,923
Vehicles	2,773,333	-	1,308,944	1,464,389	970,688	211,938	806,237	376,389	1,088,000	1,802,645
Computers	2,768,641	59,780	-	2,828,421	2,385,162	131,301	-	2,516,463	311,958	383,479
Fire Fighting Equipment	232,655	51,874	-	284,529	120,083	13,075	-	133,158	151,371	112,572
E.T.Plant	1,517,371	-	-	1,517,371	1,517,170	-	-	1,517,170	201	201
Lab Equipments	941,368	-	25,125	916,243	304,694	44,783	9,520	339,957	576,286	636,674
Sub-Total A	113,989,914	7,197,359	5,223,076	115,964,197	72,534,813	4,650,341	4,577,142	72,608,012	43,356,185	41,455,099
INTANGIBLE ASSETS										
Computer Software	286,780	-	-	286,780	104,684	72,838	-	177,522	109,258	182,096
Sub-Total B	286,780	-	-	286,780	104,684	72,838	-	177,522	109,258	182,096
Total A + B	114,276,694	7,197,359	5,223,076	116,250,977	72,639,497	4,723,179	4,577,142	72,785,534	43,465,443	41,637,196
Capital Work in Progress									487,301	
<i>PREVIOUS YEAR</i>	<i>113,747,519</i>	<i>2,506,860</i>	<i>1,977,685</i>	<i>114,276,694</i>	<i>69,263,397</i>	<i>4,545,606</i>	<i>1,169,506</i>	<i>72,639,499</i>	<i>41,637,195</i>	<i>44,535,512</i>

	As at 31st March, 2013 ₹	As at 31 March, 2012 ₹
Note 11 NON-CURRENT INVESTMENTS		
TRADE		
In Equity Share (Fully Paid Up)		
Unquoted		
195000 Equity Shares (31 March 2012 : 195000)of ₹.10/- each,of Gini Tex Private Limited	887,500	887,500
NON - TRADE		
In Equity Share (Fully Paid Up)		
Unquoted		
1800 Equity Shares (31 March 2012 : 1800)of ₹.10/- each,of Gini Construction Private Limited	18,000	18,000
Investment in Equity shares		
Quoted		
664 Equity Shares (31 March 2012 : 664) of ₹ 10/- each of Reliance Industries Ltd	318,720	318,720
2,019 Equity Shares (31 March 2012 : 2,019) of ₹ 10/- each of National Thermal Power Corporation	125,178	125,178
2,535 Equity Shares (31 March 2012 : 2,535) of ₹ 10/- each of N H P C Limited	-	91,260
662 Equity Shares (31 March 2012 : 265)of ₹ 10/- each of Oil India Public Limited	278,250	278,250
6,000 Equity Shares (31 March 2012 : 6,000) of ₹ 10/- each of TATA Steel Limited	3,725,684	3,725,684
300 Equity Shares (31 March 2012 : 300) of ₹ 5/- each of BF Utilities Ltd	-	234,270
19,050 Equity Shares (31 March 2012 : 19,050) of ₹ 10/- each of Power Grid Corporation of India	-	1,714,500
Investment in partnership firms (Refer Note below)		
Gini Construction Co - Capital Account #	322,319	4,208,117
Gini Citicorp Reality LLP Capital Account	6,260	5,000
Other investments		
72 Shares (31 March 2012 : 72)@ 100/- each of Tarapur Environment Protection Society	7,200	7,200
TOTAL	5,689,111	11,613,679
Quoted Investments		
Book Value	4,447,832	6,487,862
Market Value	3,015,019	6,005,479
Unquoted Investments		
Book Value	1,241,279	4,861,027

The Company had entered in to partnership with Gini Construction Co for development and construction of residential building. The share of profit / loss of each partner are Gini Silk Mills Limited is 9%, Gini Tex Private Limited is 9%, Shree Gini Texturising Private Limited 2%, Shri Vishwanath S. Harlalka 15%, Shri Deepak V. Harlalka 15%, Shri Gautam Vinod Harlalka 20%, Shri Manish Vinod Harlalka 20% and Shri Vinod S. Harlalka 10%. The fixed capital of the partnership firm is ₹ NIL



	As at 31st March, 2013	As at 31 March, 2012
	₹	₹

Note 12 LONG-TERM LOANS AND ADVANCES

Capital Advances (unsecured considered good)	-	942,648
Security Deposit (Unsecured considered good)	2,658,113	1,867,984
Advance Income tax (Net of Provisions)	3,734,751	4,070,740
Balances with government authorities (Unsecured considered good)		
Mvat Receivable	6,166,109	6,414,408
Central Excise #	100,000	100,000
Prepaid Expenses	79,000	43,040
Total	<u>12,737,973</u>	<u>13,438,820</u>

#Commissioner of Central Excise, Thane II has demanded of ₹. 3,38,418/- on Deemed Credit. The Company has deposited ₹. 1,00,000/- (Previous year ₹. 1,00,000/-) to Asst. Registrar the Customs Excise Service Tax Appellate Tribunal W.Z.B. (Previous year ₹. 3,38,418/-)

Note 13 CURRENT INVESTMENTS

Investment in Commodities	10,308,895	-
Investment in mutual funds		
300677.863 Units (31 March 2012 : Nil) face value ₹ 10/- HDFC Cash Mgmt Fund - Saving Plus	3,016,250	-
	<u>133,25,145</u>	<u>-</u>
Quoted Investments		
Book Value	13,325,145	-
Market Value	15,983,720	-

Note 14 INVENTORIES

(At lower of cost and net realisable value)

Raw materials	10,337,720	10,784,484
Work-in-progress	6,002,841	5,138,664
Finished goods	25,845,577	40,364,539
Stores and spares	6,539,448	5,274,031
Total	<u>48,725,586</u>	<u>61,561,718</u>

Note 15 TRADE RECEIVABLES

(Unsecured, considered good)

Over Six Months	2,218,440	1,127,871
Others	36,959,930	31,694,393
Total	<u>39,178,370</u>	<u>32,822,264</u>

Note 16 CASH AND CASH EQUIVALENTS

Cash on hand #	504,714	371,440
(# Includes foreign currency in hand of ₹ 50945/-)		
Balances with banks		
In current accounts	115,342	36,531,529
Unpaid dividend accounts	166,847	143,726

	As at 31st March, 2013	As at 31 March, 2012
	₹	₹
Others		
Fixed Deposit with bank (Maturity period more than 12 months) #	207,500	47,772
(# Fixed deposit with Bank includes deposit of ₹ 10,000/-(P.Y ₹ 10,000/-) given to Sales Tax department on account of margin money and deposit of ₹ 1,92,500/- (P.Y. Nil) given to the commissioner of custom on account of bond for availing duty exemption under EPCG scheme)		
Total	994,402	37,094,467
Note 17 SHORT TERM LOANS AND ADVANCES		
Life Insurance Corporation of India - Gratuity	942,915	526,703
Prepaid Expenses	450,093	468,182
Loans and Advances to Employees (Unsecured, considered good)	766,810	471,511
Other Loans and Advances (Unsecured, considered good)	116,316,010	76,521,287
Total	118,475,828	77,987,683
Note 18 OTHER CURRENT ASSETS		
Advance to Suppliers	6,433,868	413,015
Rent Receivable	-	407,627
Interest Receivable	111,633	69,297
Total	6,545,501	889,939
	Particulars	
	For the year ended 31st March, 2013	For the year ended 31st March, 2012
	₹	₹
Note 19 REVENUE FROM OPERATIONS		
Sale of products	324,666,103	328,339,172
Other operating revenues	36,400	41,800
Total	324,702,503	328,380,972
Sale of products comprises		
Manufactured goods		
Fabric Sales	176,876,874	207,636,878
Processing Income	147,789,228	120,702,294
Total - Sale of manufactured goods	324,666,103	328,339,172
Other operating revenue		
Sale of scrap	36,400	41,800
Total - Other operating revenues	36,400	41,800
Note 20 OTHER INCOME		
Dividend income:		
Fom Current Investments - Mutual Fund	588,538	1,323,165
Fom Long Term Investments - Equity Shares	202,873	246,827
Net gain on sale of:		
Current Investments	517,392	-
Long-term investments	362,970	(256,208)
Total	1,671,773	1,313,784

Particulars	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
Interest income comprises:		
Interest on loans and advances	13,436,223	7,460,359
Interest on overdue trade receivables	295,709	712,163
Interest received on Fixed Deposit	29,657	-
Interest on Security Deposit	110,812	110,812
Total - Interest income	13,872,401	82,833,34
Share of profit from partnership firms	15,462	5,408,117
(Profit was accounted as per the Unaudited Accounts of Partnership Firm)		
Other non-operating income comprises:		
Rental income from investment properties	5,075,000	5,044,337
Profit on sale of fixed assets	(29,725)	99,521
Foreign Exchange Fluctuation	-	395
Interest on Mvat Refund	93,368	-
Miscellaneous income	-	374,286
Total - Other non-operating income	5,138,643	5,518,539
Total	20,698,279	20,523,774

Note 21 a COST OF MATERIAL CONSUMED

Opening stock	10,784,484	25,070,421
Add: Purchases	111,591,788	149,172,772
	122,376,272	174,243,193
Less: Closing stock	10,337,720	10,784,484
Cost of material consumed	112,038,552	163,458,709

Material consumed comprises:

Dyes & Chemicals	31,691,526	25,971,318
Grey Fabrics	80,347,026	137,487,391
Total	112,038,552	163,458,709

Note 21 b Purchase of traded goods

Finished Fabrics	20,905,160	7,313,451
Total	20,905,160	7,313,451

Note 21 c Changes in inventories of finished goods, work-in-progress and stock-in-trade

Inventories at the end of the year:		
Finished goods	25,845,577	40,364,539
Work-in-progress (Job)	6,002,841	5,138,664
	31,848,418	45,503,203
Inventories at the beginning of the year:		
Finished goods	40,364,539	28,908,719
Work-in-progress (Job)	5,138,664	4,218,949
	45,503,203	33,127,668
Net Increase / (decrease)	(13,654,785)	12,375,535

VALUE OF RAW-MATERIAL/STORES/SPARES/GREY FABRICS CONSUMED

	2013 ₹	% of Consumption	2012 ₹	% of Consumption
Imported	-	-	-	-
Indigenous	112,038,552	100	163,458,709	100
	112,038,552	100	163,458,709	100

Note 22 EMPLOYEE BENEFITS EXPENSE

Salaries and wages	27,967,854	23,444,942
Contributions to provident and other funds	2,325,492	3,010,340
Staff welfare expenses	814,219	768,959
Total	31,107,565	27,224,241

As per Accounting Standard 15 “Employee Benefits”, the disclosures of Employee benefits as defined in the Accounting Standard are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expense for the year are as under

	2012-2013	2011-2012
Employer’s Contribution to Provident Fund	1,611,435	1739920

Defined Benefit Plan

The employees’ gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

Calculation of changes in PV of Obligation

Particulars	2012-2013	2011-2012
Opening PV of Obligation	3,976,572	3,257,284
Interest Cost	318,126	260,583
Current Service Cost	552,159	449,163
Benefits Paid	(846,878)	(771,284)
Actuarial Gain / Loss	122,979	780,826
PV of Closing Obligation	4,122,958	3,976,572

Calculation of Changes in Fair Value of Plan Asset

FV of Plan Asset at beginning	4,503,275	3,655,481
Expected Return on Plan Asset	373,699	320,403
Employer Contribution	1,035,777	1,298,675
Benefits Paid	(846,878)	(771,284)
Actuarial Gain / (Loss)	NIL	NIL
FV of Asset at end	5,065,873	4,503,275



Particulars	2012-2013	2011-2012
Liability in Balance Sheet		
Closing PV of Obligation	4,122,958	3,976,572
FV of Plan Asset	5,065,873	4,503,275
Asset/ (Liability) recognised in Balance Sheet	942,915	526,703
Expense in Profit & Loss A/c Statement		
Current Service Cost	552,159	449,163
Interest Cost	318,126	260,583
Expected Return on Plan Asset	(373,699)	(320,403)
Actuarial Loss	122,979	780,826
Actuarial Gain	-	-
Total Expenses Recognised in P & L A/c	619,565	1,170,169
Actuarial Assumptions		
	31/03/2013	31/03/2012
Discount Rate Per Annum	8%	8%
Rate of Escalation in salary (per annum)	4%	4%
Principal actuarial assumptions at the Balance Sheet date are as follows:		
Mortality Table (LIC)		1994 - 1996
Discount rate per annum		8%
Withdrawal rate		1% to 3% depending on age
Retirement age		58 year
The rate of escalation in salary considered in actuarial calculation is estimated taking into account inflation, seniority, promotion and other relevant factors.		

Particulars	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
Note 23 FINANCE COST		
Interest expense on:		
Borrowings from Directors	1,614,015	1,375,390
Cash Credit from Bank	23,470	19,813
Trade Deposits	23,280	36,850
Bank Commission Charges	186,648	220,277
Total	1,847,413	1,652,330
Note 24 OTHER EXPENSES		
STORES & SPARES CONSUMED		
Opening Stock	2,278,035	2,501,392
Add : Purchases	5,691,741	4,255,783
	7,969,776	6,757,175
Less : Closing Stock	2,739,307	2,278,035
	5,230,469	4,479,140
PACKING MATERIAL CONSUMED		
Opening Stock	2,521,417	2,261,083
Add : Purchases	10,157,166	10,018,508
	12,678,583	12,279,591
Less : Closing Stock	3,097,600	2,521,417
	9,580,983	9,758,174

Particulars	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
COAL CONSUMED		
Opening Stock	412,303	327,824
Add : Purchases	36,530,861	35,039,858
	<u>36,943,164</u>	<u>35,367,682</u>
Less : Closing Stock	633,615	412,303
	<u>36,309,549</u>	<u>34,955,379</u>
POWER & FUEL CONSUMED		
Opening Stock	62,276	53,672
Add : Purchases	19,069,188	15,460,438
	<u>19,131,464</u>	<u>15,514,110</u>
Less : Closing Stock	68,926	62,276
	<u>19,062,538</u>	<u>15,451,834</u>
OTHER MANUFACTURING EXPENSES		
Processing Charges	8,514,013	9,677,815
Embroidery Charges	179,766	480,222
Design Charges	236,660	560,383
Labour Charges	23,546,193	16,560,410
Carriage & Freight	3,365,484	2,423,722
Testing Fees & Laboratory Charges	65,729	50,410
Packing Charges	2,530,070	2,448,774
Printing Charges	-	18,170
Water Charges	6,042,840	5,797,830
Effluent Treatment Expenses	2,636,276	1,846,365
	<u>47,117,031</u>	<u>39,864,101</u>
SELLING DISTRIBUTION AND OTHER EXPENSES		
Commission on Sales	6,786,127	6,151,570
Advertisement Expenses	105,940	4,164,664
Sales Conference	-	167,146
Sales Promotion Expenses	853,658	1,726,148
	<u>7,745,725</u>	<u>12,209,528</u>
ESTABLISHMENT EXPENSES		
Insurance Charges	707,793	769,955
Rent	1,381,898	1,257,452
Rates & Taxes	654,681	753,050
Traveling & Conveyance	2,491,677	3,728,571
Printing & Stationery	466,356	366,291
Legal & Professional Charges	631,447	849,247
Postage Expenses	396,607	385,338
Miscellaneous Expenses	676,428	583,863
Motor Car Expenses	555,028	597,211
Telephone Charges	644,983	681,763
Electricity Charges	1,341,852	1,071,202
Donation	62,850	12,750
Entertainment Expenses	25,051	22,795



Particulars	For the year ended			
	31st March, 2013	31st March, 2012		
	₹	₹		
Registration Charges- Leave & Licences	-	35,840		
Sundry Balances W/off	77,100	14,997		
Security Transaction Tax	3,326	629		
Share Expenses	-	1,642		
Internet Expenses	152,153	109,884		
	10,269,229	11,242,480		
REPAIRS & MAINTENANCE				
To Plant & Machinery	1,467,061	1,165,808		
To Building	118,492	176,956		
To Others	549,496	386,612		
	2,135,049	1,729,376		
PAYMENT TO AUDITORS				
As Audit Fees	73,034	73,034		
As Tax Audit Fees	20,225	20,225		
For Expenses	-	1,741		
	93,259	95,000		
	137,543,832	129,785,012		
25. VALUE OF STORES/SPARES CONSUMED				
	2013	% of	2012	% of
		Consumption	₹	Consumption
Imported	-	-	-	-
Indigenous	51,121,001	100	49,192,693	100
	51,121,001	100	49,192,693	100
26. VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF			2012-2013	2011-2012
Expenditure in foreign currency			228,578	234,741
Earning in foreign currency			-	-
			228,578	234,741
27. EARNING PER SHARE (EPS)				
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders			16,616,280	19,859,587
Weighted Average number of equity shares used as denominator for calculating EPS			5,592,600	5,592,600
Basic and Diluted Earning per share			2.97	3.55
Face Value per equity share			10	10
28. DEFERRED TAX (LIABILITY)/ ASSETS LIABILITY				
Accumulated Depreciation			3,517,413	3,851,656
Deferred Tax Liability			3,517,413	3,851,656
ASSETS				
Accrued Expenses deductible on payment basis			-	-
Business Loss			-	-
Net Deferred Tax Liability			3,517,413	3,851,656

The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax

29 RELATED PARTY DISCLOSURES

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationships

Name of the Related Party	Relationship
Vishwanath Harlalka	Key Managerial Personal
Deepak Harlalka	Key Managerial Personal
Gini Tex Private Limited	Associates
Shree Enterprises	Partner
Gini Construction Co.	Partner
Gini Constructions Pvt Ltd	Associates
Gini Citicorp Reality LLP	Partner

Transactions during the year with related parties

Nature of Transactions	Partner	Associates	Key Managerial Personal	Total
Processing Job Work		63,338,168		63,338,168
		<i>71,816,997</i>		<i>71,816,997</i>
Purchase of Grey Fabrics		7,375,309		7,375,309
		<i>13,475,646</i>		<i>13,475,646</i>
Rent Paid		450,000		450,000
		<i>400,000</i>		<i>400,000</i>
Purchase Dyed fabrics		1,627,658		1,627,658
		<i>756,072</i>		<i>756,072</i>
Sale of Dyed Fabrics		1,100,000		
Acceptance of Unsecured Loans			25,700,000	25,700,000
			<i>25,125,000</i>	<i>25,125,000</i>
Telephone Charges Paid		135,232		135,232
		<i>172,511</i>		<i>172,511</i>
Managerial Remuneration			4,800,000	4,800,000
			<i>4,800,000</i>	<i>4,800,000</i>
Interest on Unsecured Loan Payment			1,614,015	1,614,015
			<i>1,375,390</i>	<i>1,375,390</i>
Return of Investments	39,00,000			3,900,000
	<i>32,100,000</i>			<i>32,100,000</i>
Share of Profit	15,462			15,462
	<i>4,201,789</i>			<i>4,201,789</i>
Balance as at 31st March, 2013				
Trade Receivables			-	-
Trade Payables			20,574	20,574
Loans and Advances			5,780,027	5,780,027
			15,377,415	15,377,415
Investments	1,234,079			1,234,079
	3,943,327			3,943,327

Figures in italic represents Previous Year's amount

30 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS
Contingent Liability Not Provided For In Respect Of

Central Excise duty Demand of ₹. 215,820 /-for Interest and Penalty on differential amount of Excise duty [The Company has gone in appeal to the Commissioner (Appeal)] (Previous year ₹. 215,820/-)

Liability if any, arising on account of an undertaking given by the Company to Excise authorities on account of purchase of land & building from GINI TEX PRIVATE LIMITED of which amount cannot be ascertained.

Commissioner of Central Excise, Thane II has demanded of ₹. 3, 38,418/- on Deemed Credit. The Company has deposited ₹. 1,00,000/- (Previous year ₹. 1,00,000/-) to Asst. Registrar the Customs Excise Service Tax Appellate Tribunal W.Z.B. (Previous year ₹. 3,38,418/-)

Textile Committee has demanded ₹. 2,99,150/- on collection of Cess under the Textile Committee Act & Cess Rules Reg. (Previous year ₹. 2,99,150/-)

Central Excise duty demand for ₹. 1,85,09,688/- for excise duty and interest on differential amount on excise duty (The Central Excise Department has made Special Leave Petition in Supreme Court).(Previous Year ₹ 1,85,09,688/-)

Bank Gurantees of ₹ 1,75,000/- given to the commissioner of custom on account of bond for availing duty exemption under EPCG scheme

Bank Guarantee of ₹ 200,000/- given to the Maharashtra Pollution Control Board

31 Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets

	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹

Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets	-	2,994,426
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32 Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.
33 Balances of Trade Receivables, Loans and advances and Trade Payables, Advances from Customers and to Suppliers have been taken as per books awaiting respective confirmation and Reconciliation.
34 There are no dues to Micro & Small Enterprises as on 31st March' 2013. This information as required to be disclosed under the Micro, Small & Medium Enterprise Development Act,2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
35 The company is in process of appointing the Company Secretary, however during the year under audit the company unable to appoint the same
36 Income Tax assessment is completed up to the Assessment year 2011 – 2012

As per our Report of even date

For Vatsaraj & Co
Chartered Accountants
FRN : 111327W

CA NITESH K DEDHIA
Partner
Membership No, 114893
Place :Mumbai
Date : 25/05/2013

For and on behalf of the Board

Vishwanath Harlalka
Chairman
Deepak Harlalka
Managing Director
Dinesh Poddar
Director



GINI SILK MILLS LIMITED

Registered Office: 413, Tantia Jogani Industrial Premises, N. M. Joshi Marg,
Near Lodha, Lower Parel (East), Mumbai – 400 011

33rd Annual General Meeting

DP ID *	
Client ID *	

PROXY FORM

Folio No.	
No. of Shares	

I/We.....
of.....
being Member/s of **GINI SILK MILLS LIMITED**, hereby appoint
of.....or failing him
of..... as my/ our proxy to vote for me/us on my/our behalf at the 33rd Annual
General Meeting of the Company to be held on **Friday July 26, 2013, at 12.00 p. m.** at Maheshwari Pragati Mandal, Maheshwari
Bhawan, 603, Girgaon Raod, Mumbai - 400002 or at any adjournment thereof.
Signed at..... this day of2013.

Affix Revenue Stamp of ₹1

Note : The form duly completed and signed must be deposited at the Registered Office of the Company not later than 48 hours before the Meeting.

* Applicable for investors holding shares in electronic form.

.....Tear Here



GINI SILK MILLS LIMITED

Registered Office: 413, Tantia Jogani Industrial Premises, N. M. Joshi Marg,
Near Lodha, Lower Parel (East), Mumbai – 400 011

33rd Annual General Meeting

ATTENDANCE SLIP

(To be handed at the entrance of the Meeting Hall)

DP ID *	
Client ID *	

Folio No.	
No. of Shares	

I, Certify that I am a registered Member/ Proxy for the registered Member of the Company and I hereby record my presence at the 33rd Annual General Meeting of the Company held on **Friday July 26, 2013, at 12.00 p. m.** at Maheshwari Pragati Mandal, Maheshwari Bhawan, 603, Girgaon Raod, Mumbai - 400002

Full Name of Member (in BLOCK LETTERS)

Name of the Proxy (in BLOCK LETTERS)
(To be filled in if the Proxy attends instead of Member)

Member's/Proxy's Signature

* Applicable for investors holding shares in electronic form.

BOOK-POST

To,

If Undelivered Please Return to :

GINI SILK MILLS LIMITED
413, Tantia Jogani Industrial Premises
J. R. Boricha Marg,
Lower Parel (E), Mumbai - 400 011.