



GINI SILK MILLS LIMITED

**36th
Annual Report 2015 - 2016**



Fine Fabrics Since 1963

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BOARD OF DIRECTORS :

Vishwanath Harlalka
Executive Chairman

Deepak Harlalka
Managing Director

Ramprasad Poddar (Resigned w.e.f. June 01, 2016)

Suresh Gaggar
Pankajkumar Agarwal
Anjali Harlalka
Ruchir Jalan (Appointed w.e.f. May 30, 2016)
Directors

REGISTERED OFFICE:

GINI SILK MILLS LIMITED
CIN: L17300MH1981PLC024184
413, Tantia Jogani Industrial Estate Premises,
Opp. Kasturba Hospital, J. R. Boricha Marg,
Lower Parel (East), Mumbai-400011
E-Mail: ginitex@rediffmail.com
Website: www.ginitex.com

BANKERS:

State Bank of India
Kotak Mahindra Bank Limited

AUDITORS:

M/s. Vatsaraj & Co.
Chartered Accountants

SECRETARIAL AUDITORS:

Sandeep Dar & Co. Company Secretaries

36TH ANNUAL REPORT 2016:

Date : September 19, 2016
Time : 12.30 P.M.
Venue : Maheshwari Pragati Mandal,
Maheashwari Bhawan,
603, Girgaon Road,
Mumbai-400002.

REGISTRAR & TRANSFER AGENT:

BIGSHARE SERVICES PVT. LTD
E/2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka, Andheri (E), Mumbai – 400 072.
Tel. No: 022-40430200; Fax. No.: 022-28475207
E-mail: investor@bigshareonline.com
Website: www.bigshareonline.com

THIRTY SIX ANNUAL GENERAL MEETING

held on Monday, 19th September, 2016 at 12.30 P.M
at Maheshwari Pragati Mandal, Maheshwari Bhawan,
603, Girgaon Road, Mumbai - 400 002.

NOTICE

NOTICE is hereby given that the 36th Annual General Meeting of the Company will be held on Monday, 19th September, 2016 at 12.30 P.M. 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 31st March, 2016 and the Profit and Loss Account for the year ended on that date together with the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mrs. Anjali Harlalka (DIN-07141513), who retires by rotation and being eligible, offers herself for reappointment.
3. 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.

"RESOLVED THAT in accordance with section 139 of the Companies Act, 2013, and the Rules under chapter X (including any statutory modification(s) or re-enactment thereof), the retiring auditors M/s. Vatsaraj & Co., Chartered Accountants, (FRN 111327W) Mumbai, be and is hereby re-appointed as the auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and the Board of Directors/ Audit Committee of the Company be and is hereby authorized to fix their remuneration."

SPECIAL BUSINESS

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

4. **RESOLVED THAT** pursuant to the provisions of section 161(1), 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, read with Schedule IV of the said Act, Mr. Ruchir Omprakash Jalan, who was appointed as an additional Director of the Company on May 30, 2016 and who holds office up to the date of this Annual General Meeting be and is hereby appointed as an Independent Director of the Company for the period of five years up to May 29, 2021."
5. To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to Section 196, 197 and 203 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Deepak Harlalka (DIN: 00170335) be and is hereby appointed as Managing Director of the Company for the period of five years w. e. f. July 01, 2016, on such terms and conditions as set out in the explanatory statement annexed herewith and contained in an 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 Mr. Deepak Harlalka subject to the provisions of Section 152 of the Companies Act, 2013 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 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."

Registered Office:

413, Tantia Jogani Industrial Estate Premises,
Opp. Kasturba Hospital,
J. R. Boricha Marg,
Lower Parel (East),
Mumbai-400011

Date: May 30, 2016
Place: Mumbai

By Order of the Board
GINI SILK MILLS LIMITED

Vishwanath Harlalka
Chairman

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

- 2. THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, IN RESPECT OF THE BUSINESS UNDER ITEM NOS. 4 AND 5 AS SET OUT ABOVE, ARE ANNEXED HERETO.**
3. The register of members and share transfer books will remain closed from Friday, 16th September, 2016 to Monday, 19th September, 2016. (Both days inclusive).
4. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so that the information is made available by the management at the day of the meeting.
5. Shareholders holding shares in physical form are requested to intimate any change in their residential address to Bigshare Services Pvt. Ltd, E/2, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai – 400 072, Registrar and transfer agent of the Company immediately.
6. Shareholders who are holding shares in Demat mode are requested to notify any change in their residential address, bank account details and/ or email address immediately to their respective depository participants.
7. The Government took a 'Green Initiative in Corporate Governance' in 2011 by allowing the companies to service the documents to its members through electronic mode. Accordingly, the Company sends all communication including the notice along with Annual Report in electronic form to all members whose email Ids are registered with the Company/ depository participant(s) unless a specific request for hard copy has been requested.
8. Members who are not registered their email Id's so far are requested to register their e-mail address for receiving all communication including Annual Report, Notice, Circulars, etc. from the Company electronically.
9. The Company has appointed M/s. Sandeep Dar & Co., Practicing Company Secretaries, Navi Mumbai, to act as the scrutinizer, to scrutinize the remote e-voting and physical votes received through ballot in accordance with the law in a fair and transparent manner.

10. VOTING OPTIONS:**I. Voting through electronic means**

The Company is pleased to offer remote e-voting facility, for all its members to enable them to cast their vote electronically in term of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Facility for voting through ballot/ polling paper will be made available at the venue of the AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights through ballot papers at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The instructions for members for voting electronically are as under:-

- (i) The voting period begins on Friday, September 16, 2016 at 09:00 A.M and ends on Sunday, September 18, 2016 at 05:00 P.M. Members holding Shares in physical or in Demat form as on cut off date i.e. Monday, September 12, 2016 shall only be eligible for e-voting.
- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on "Shareholders" tab.

- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/ Ballot Form/mail) in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the GINI SILK MILLS LIMITED on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholder can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non-individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

In case of Members receiving the Physical Copy:

Please follow all steps from Sl. No. (i) to sl. No. (xix) above to cast vote.

II. Voting Through Ballot:

The Company is also providing the facility for voting through Ballot process at the AGM and the members attending the Meeting who have not cast their vote by remote e-voting will be able to exercise their right to vote at the AGM. The Ballot Forms will be available at the AGM.

III. Other Instructions

A Member can opt for only one mode of voting i.e. either through e-voting or ballot. If a Member casts his / her vote by both modes, then voting done through e-voting shall prevail and the vote by ballot shall be treated as invalid.

11. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts.

Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents, M/s. Bigshare Services Private Limited, quoting their folio numbers.

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

ITEM NO 4:

Mr. Ruchir Jalan, an Independent Director who was appointed as an Additional Director w.e.f. May 30, 2016 holds office as Director till the date of the forthcoming Annual General meeting.

In terms of Section 160 of the Companies Act 2013, Company has received a notice from a shareholder proposing candidature of Mr. Ruchir Jalan for the appointment as Director by the Shareholder of the Company. A brief profile of Mr. Ruchir Jalan has been annexed in the Corporate Governance report.

The Board considers it desirable that the Company should continue to avail of the services of Mr. Ruchir Jalan as Independent Director and accordingly recommends the Resolution at Item No. 4 for approval by the Members.

None of the Directors and Key Managerial Personnel and their relatives other than Mr. Ruchir Jalan are considered to be concerned or interested in the aforesaid Ordinary resolution.

ITEM NO 5:

Mr. Deepak Harlalka whose previous appointment as Managing Director ended on 30th June, 2016 and was re-appointed by the Board of Directors at their meeting held on May 30, 2016 as Managing Director for the period of five years w.e.f. July 01, 2016. The re-appointment of Mr. Deepak Harlalka will be made by passing an Ordinary resolution.

The following information of appointment is as follows:

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) Foreign investments or collaborations: Not Applicable

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

Mr. Deepak Harlalka, 52 years old is a Bachelor in Commerce by qualification. He was appointed as Director of the Company on 28th December, 1992. Mr. Deepak Harlalka whose previous appointment as Managing Director ended on June 30, 2016 is reappointed as Managing Director for a period of five years effective from July 01, 2016.

b) Past remuneration:

Last drawn salary by the Managing Director was ₹ 2,00,000 per month.

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 Managing Director has immense capacity for hard work, interpersonal skills, extraordinary ability for analytical thinking and positive attitude.

d) The draft agreement between the Company and Mr. Deepak Harlalka for his reappointment contains inter alia the following terms and conditions.

- (i) Salary: ₹ 2,00,000/- (Rupees Two Lakh 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 Schedule V.
 - (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 ₹ 3,50,000/- per month.

(iii) Minimum Remuneration:

Notwithstanding anything to the contrary herein contained,

Where in any financial year during the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration in accordance with Part II of Schedule V.

(iv) General Terms & Conditions:

- a) 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 minimum amount payable to Managing Director in accordance with Schedule V to the Companies Act 2013 or any amendments made hereafter in this regard.
- b) 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.
- c) If at any time the Managing Director ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Managing Director of the Company.

III. OTHER INFORMATION:

In case the profits are inadequate to pay desired remuneration to the Managing Director, necessary approval of the members is required to pay the above as minimum remuneration.

In accordance with the provisions of Section 197 of the Companies Act, 2013, the terms of remuneration specified above are now being placed before the Members in Annual General Meeting for their approval.

The draft Agreement between the Company and Managing Director is available for inspection by the members of the Company at the Registered Office of the Company between 11.00 am. and 1.00 p.m. on any working day till the Annual General Meeting of the Company.

Your directors recommend passing of this Ordinary resolution

None of the directors except Mr. Vishwanath Harlalka and Mrs. Anjali Harlalka are interested parties in the passing of the said resolution.

Registered Office:

413, Tantia Jogani Industrial Estate Premises,
Opp. Kasturba Hospital,
J. R. Boricha Marg,
Lower Parel (East),
Mumbai-400011

Date: May 30, 2016
Place: Mumbai

By Order of the Board
GINI SILK MILLS LIMITED

Vishwanath Harlalka
Chairman

DIRECTOR'S REPORT

To,

The Members of **GINI SILK MILLS LIMITED**

Your Directors have pleasure in presenting their 36th Annual Report on the business and operations of the Company and Audited Statement of Accounts for the year ended 31st March, 2016.

1. FINANCIAL HIGHLIGHTS:

The Board's Report is prepared based on the stand alone financial statements of the Company.

(₹ in lacs)

Sr No.	Particulars	2015-2016	2014-2015
1	REVENUE		
	Net Sales/ Income from operation	4075.40	4012.11
	Other Income	149.82	242.38
	Total	4225.22	4254.49
2	LESS: EXPENDITURE		
	Employee Benefit Expenses	391.45	346.40
	Financial Cost	147.46	44.93
	Depreciation	92.00	40.06
	Other Expenses	3265.06	3429.12
	Total	3895.96	3860.51
3	Profit Before Tax	329.26	393.98
4	Provision for Taxation		
	i) Current Tax	65.00	81.00
	ii) Deferred Tax	81.05	70.03
	iii) Earlier years Tax	2.77	(0.08)
5	Profit After Tax	180.44	243.03
6	Balance carried from previous year	2256.33	2026.68
7	Amount Available for Appropriation	2436.77	2269.71
8	Appropriations:		
	Interim Dividend	27.96	-
	Proposed Dividend	-	27.96
	Dividend Distribution Tax	5.72	5.72
	Prior Period Items	-	(31.65)
	Depreciation as per schedule II of Companies Act, 2013	-	11.35
9	Balance carried to Balance Sheet	2403.09	2256.33
	Total	2436.77	2269.71
	Basic/ Diluted Earnings per Equity Shares	3.23	4.35

2. DIVIDEND:

The Board, in its meeting held on March 07, 2016, declared an interim dividend of ₹ 0.50 per equity share of ₹ 10/- each (i.e. 5 % of face value) aggregating ₹ 27,96,300 (excluding dividend distribution tax as applicable).

The Board does not recommend final dividend for the financial year ended on 31.03.2016.

3. RESERVES:

No amount out of current year's profits was transferred to the Reserves and Surplus.

4. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Report in form MGT-9, as required under Section 92(3) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, are included in this Report as **Annexure-1** and forms an integral part of this report.

5. OPERATIONS:

Our Revenue from operations during the period under review has increased to ₹ 4075.40 Lacs from ₹ 4012.11 Lacs in the previous year. i.e an increase of 1.58% in the financial year 2015-16.

During the period under review the profit after tax (PAT) stood at 180.44 Lacs (Previous Year ₹ 243.03 Lacs). There is a decrease of 25.75 % in net profit after tax as compared to previous year. The performance for the coming years is expected to improve upon from the last year if right macroeconomic indicators are achieved in future.

6. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors' confirm that—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors had 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;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

7. DIRECTORS OR KEY MANAGERIAL PERSONNEL APPOINTMENTS / RESIGNATIONS DURING THE YEAR:

During the year under review, there were no changes in the constitution of the Board.

8. (1) PARTICULARS OF EMPLOYEES:

Sr. No	Particulars	Remarks
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.	a) Mr. Vishwanath Harlalka, Chairman -10.68:1 b) Mr. Deepak Harlalka, Managing Director -10.68:1
2.	The percentage increase in the remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	a) Mr. Vishwanath Harlalka - Nil b) Mr. Deepak Harlalka - Nil
3.	The percentage increase in the median remuneration of employees in the financial year	10.50%
4.	The number of permanent employees on the rolls of Company	134

Sr. No	Particulars	Remarks			
5.	The explanation on the relationship between average increase in remuneration and the Company performance	The average increase is based on the objectives of Remuneration policy of the Company that is designed to attract, motive and retain the employees who are the drivers of organisation success and helps the Company to retain its industry competitiveness. Pay mix is designed to reflect the performance as is aligned to the long term interest of the shareholders.			
6.	Comparison of the remuneration of the Key Managerial Personnel Against the performance of the Company	Remuneration of KMP for FY 2015-16: 50.61 PAT of the Company : 180.44 Remuneration to PAT%: 28.05			
7.	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	Name of the KMP	Remuneration of KMP for the FY 2015-16 (₹ In lacs)	PAT of the Company (₹ In lacs)	Remuneration to PAT%
		Mr. Vishwanath Harlalka	24.00	180.44	13.30
		Mr. Deepak Harlalka	26.61	180.44	14.75
8.	Variations in the market capitalization of the Company, price earnings ratio as the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.		FY 2015-2016	FY 2014 2015	Variation
		Market Capitalisation (in. lacs)	17051.84 (₹ In lacs)	2849.43 (₹ in Lacs)	14202.41 (₹ in Lacs)
		Price Earning Ratio	94.39	11.71	82.68
9.	Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average % managerial increase has been Nil while for others it is about 10.50%. This is based on Remuneration policy of the Company that rewards people differentially based on their contribution to the success of the Company and also ensures that external market competitiveness and internal relativities are taken care of.			
10.	The key parameters for any variable component of remuneration availed by the directors.	The key parameters are (a) Net Sales (b) PAT (c) EBIDTA (d) Net operating cash flow from business			
11.	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid Director during the year.	None			
12.	Affirmation that the remuneration is as per the remuneration policy of the Company.	It is hereby affirmed that the remuneration is as per the Remuneration policy of the Company			

- (2) Particulars of employees drawing remuneration in excess of limits prescribed under Section 134(3)(q) read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :

There are no employees drawing remuneration exceeding Rupees 60 Lacs per annum if employed throughout the financial year or Rupees 5 Lacs per month if employed for part of the financial year or draws remuneration in excess of Managing Director or Whole time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

9. NUMBER OF MEETINGS OF BOARD DURING THE YEAR:

Sr. no	Particulars	No. of meetings held
1.	Board meetings	Six
2.	Audit Committee meetings	Six
3.	Nomination and Remuneration Committee meeting	Two
4.	Stakeholders relationships Committee	One
5.	Independent Directors Meeting	One

10. FORMAL ANNUAL EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Stakeholders Relationship Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

11. DECLARATION BY AN INDEPENDENT DIRECTOR:

Declarations by the Independent Directors, that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 has been received by the Company.

12. REMUNERATION POLICY:

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The remuneration policy is also uploaded on the website www.ginitex.com

13. AUDITORS:

The Auditors M/s. Vatsaraj & Co. Chartered Accountants, (FRN No.11327W) Mumbai, will retire at the ensuing Annual General Meeting and, being eligible; offer themselves for reappointment for a period of One year from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting.

The report given by the auditors on the financial statement of the Company is a part of the annual report. There has been no qualification, reservation, adverse remark or disclaimer given by the auditors in their report.

14. SECRETARIAL AUDIT REPORT:

In terms of Section 204 of the Companies Act, 2013 and Rules made there under, M/s. Sandeep Dar and Co., Practicing Company Secretaries have been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditor is enclosed as **Annexure 3** to this report. The report is self-explanatory however the Company has initiated necessary steps to comply with various non-compliances as mentioned under the Secretarial Audit Report.

15. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company at www.ginitex.com

16. COMPOSITION OF AUDIT COMMITTEE:

Composition of Audit Committee as on March 31, 2016 as required under section 177(8) of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. Mr. Ramprasad Poddar- Chairman
2. Mr. Pankajkumar Agarwal - Member
3. Mr. Suresh Gaggar- Member

17. There were no material changes and commitments, which adversely affects the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

18. The Company is reviewing its Risk perception from time to time taking into accounts overall business environment affecting/ threatening the existence of the Company. Presently management is of the opinion that such existence of risk is minimal.

19. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

The Company has in place adequate internal financial controls. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

20. DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 of Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the period under review, Company has given loans to the following parties:

Sr. No.	Name	Amount (₹)
1.	D. S. Kulkarni Developers Limited	₹ 56 Lakhs
2.	Mukand Limited	₹ 100 Lakhs

Company has also made the investment in Tarapur Environment Protection Society by paying application money of ₹ 17,04,534 for allotment of Shares.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of every contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto is disclosed in Form No. AOC-2 which is enclosed as **Annexure 2**.

23. CORPORATE GOVERNANCE:

Your Company believes that Corporate Governance is a code of self discipline. In the line with this policy, the Board of Directors strongly believes that it is very important that the Company follows healthy Corporate Governance practices and reports to the shareholders the progress made on the various measures undertaken.

24. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Internal Complaints Committee under the Act, for implementation of said policy.

The following is a summary of sexual harassment complaint received or disposed of during the year 2015-16.

- No. of Complaint received: NIL
- No. of Complaint disposed off: NIL.

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

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 optimize the use energy through improved operational methods and other means will continue.

(FORM-A) (See Rule 2)

	Particulars	2015-2016	2014-2015
A)	POWER AND FUEL CONSUMPTION		
	PURCHASED		
	Unit (KWH)	3192830	2535900
	Total Amount (₹ In lacs)	242.16	176.94
	Rate per unit (₹)	7.58	6.98
	OWN GENERATION		
	Through Diesel Generator		
	Units (KWH)	165282	131795
	Units per ltr. Of Diesel oil	24.60	17.16
	Cost per unit (₹)	2.33	3.70
	COAL		
	Quantity (Kgs)	7402049	6557990
	Total cost (₹ In Lacs)	375.62	364.13
	Average rate per Kg (₹)	5.07	5.55
	GAS		
	Quantity (Kgs)	44669	29754
	Total cost (₹ In Lacs)	29.47	25.69
	Average rate per Kg (₹)	65.96	86.35
	DIESEL OIL		
	Quantity (Ltrs)	7182	7678
	Total cost (₹ In lacs)	3.86	4.88
	Average rate per Ltr (₹)	53.71	63.55
B)	CONSUMPTION PER UNIT OF PRODUCTION ENERGY		
	Electricity (KWH)	0.13	0.13
	Coal (Kgs)	0.30	0.33

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 as 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.

There were no foreign exchange earnings or outgo during the year under review.

26. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

No significant or material orders were passed by the regulators or courts or Tribunals which impact the going concern status and Company's operations in future.

27. LISTING AGREEMENT WITH THE STOCK EXCHANGES:

The Company has entered into the Uniform Listing Agreement as per SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and confirms that it has paid the Annual Listing Fees for the year 2015-2016 to BSE where the Company's Shares are listed.

28. ACKNOWLEDGEMENT:

We record our gratitude to the Banks and others for their assistance and co-operation during the year. We also wish to place on record our appreciation for the dedicated services of the employees of the Company. We are equally thankful to our esteemed investors for their co-operation extended to and confidence reposed in the management.

Registered Office:

By Order of the Board
413, Tantia Jogani Industrial Estate Premises,
Opp. Kasturba Hospital, J. R. Boricha Marg,
Lower Parel (East), Mumbai-400011

GINI SILK MILLS LIMITED

Date: May 30, 2016

Place: Mumbai

Vishwanath Harlalka

Chairman

ANNEXURE I
Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and

Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L17300MH1981PLC024184
Registration Date	03/04/1981
Name of the Company	Gini Silk Mills Limited
Category / Sub-Category of the Company	Company Limited by shares
Address of the Registered office and contact details	413, Jogani Industrial Estate, Opp. Kasturba -Hospital, J. R. Boricha Marg, Lower Parel (East), Mumbai- 400011.
Whether listed Company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai – 400 072. Tel:+91 22 28470652/4040300 Fax: +91 22 28475207 Email : info@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
1	Fabrics – Shirting and Suiting	13131/13136	41.80%
2	Processing fabrics – Job work	13134	58.19%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

There are no Holding, Subsidiary and Associate Companies as defined under Companies Act, 2013.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	4173410	-	4173410	74.6238	4173410	-	4173410	74.6238	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	20050	-	20050	0.3585	20050	-	20050	0.3585	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1) :-	4193460		4193460	74.9823	4193460		4193460	74.9823	
(2) Foreign									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	4193460	-	-	74.9823	4193460	-	193460	74.9823	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs									
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corporates.									
i) Indian	904966	3800	908766	16.2494	1128559	-	1128559	20.1795	3.9301
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	286339	51607	337946	6.0427	142628	54307	196935	3.5213	-2.5214
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	149955	-	149955	2.6813	71463	-	71463	1.2778	-1.4035
c) Others (specify)									
i) Clearing members	373	-	373	0.0067	2068	-	2068	0.037	0.0303
ii) Non resident Indians (NRI)	2100	-	2100	0.0375	115	-	115	0.002	-0.0355
Sub-total (B)(2):-	1343733	55407	1399140	25.0177	1344833	54307	1399140	25.0177	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1343733	55407	1399140	25.0177	1344833	54307	1399140	25.0177	-
C. Shares held by Custodian									
i) Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
ii) Public	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	5537193	55407	5592600	100	5538293	54307	5592600	100	-

(ii) Shareholding of Promoters:

SI No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	Deepak Harlalka-HUF	863350	15.4374	-	863350	15.4374	-	-
2.	Vishwanath Harlalka	822900	14.7141	-	822900	14.7141	-	-
3.	Vishwanath Harlalka	767760	13.7281	-	767760	13.7281	-	-
4.	Vimla Harlalka	508500	9.024	-	508500	9.024	-	-
5.	Deepak Harlalka	309600	5.5359	-	309600	5.5359	-	-
6.	Vishwanath Harlalka	300000	5.3642	-	300000	5.3642	-	-
7.	Anjali Harlalka	250900	4.4863	-	290400	5.1926	-	0.7063
8.	Mr Pranav Harlalka	202400	3.6191	-	202400	3.6191	-	-
9.	Anjali Harlalka	60000	1.0728	-	60000	1.0728	-	-
10.	Rajendra Rajgarhia	39500	0.7063	-	-	-	-	(0.7063)
11.	Vishwanath Harlalka-HUF	38500	0.6884	-	38500	0.6884	-	-
12.	Sewaram Harlalka Investments Private Ltd	20050	0.3585	-	20050	0.3585	-	-
13.	Manju Sonthalia	10000	0.1788	-	10000	0.1788	-	-
	Total	4193460	74.9823	-	4193460	74.9823	-	-

iii) Change in Promoters' Shareholding: (please specify, if there is no change)

SI. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding During the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	4193460	74.9823	4193460	74.9823
1.	Rajendra Kumar Rajgarhia (Transfer by way of Gift)	(39500)	(0.7063)	4153960	74.2760
2.	Anjali Harlalka (Acquisition by way of Gift)	39500	0.7063	4193460	74.9823
	At the end of the year	4193460	74.9823	4193460	74.9823

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

SI. No.	NAME	No. of shares at the beginning/ End of the year	Date	Increase/ Decrease in shareholding	Reason	Number of Shares	Percentage of total shares of the Company
1	GARNET INTERNATIONAL LIMITED	438555	3-Jul-2015	-176023	Transfer	262532	4.69
			17-Jul-15	-13000	Transfer	249532	4.46
			14-Sep-15	20000	Transfer	269532	4.82
			25-Sep-15	384138	Transfer	653670	11.69
			30-Sep-15	2240	Transfer	655910	11.73
			9-Oct-15	-25000	Transfer	630910	11.28
			6-Nov-15	20246	Transfer	651,156	11.64
			13-Nov-15	64488	Transfer	715644	12.80

Sl. No.	NAME	No. of shares at the beginning/ End of the year	Date	Increase/ Decrease in shareholding	Reason	Number of Shares	Percentage of total shares of the Company
			20-Nov-15	5955	Transfer	721599	12.90
			4-Dec-15	7756	Transfer	729355	13.04
			8-Jan-16	615	Transfer	729970	13.05
			15-Jan-16	100	Transfer	730070	13.05
			05-Feb-16	178	Transfer	730248	13.06
			12-Feb-16	2620	Transfer	732868	13.10
		732868	31-Mar-16	-	Transfer	732868	13.10
2	RELIGARE FINVEST LTD	0	01-Apr-15	-	Transfer	-	-
			31-Jul-15	150000	Transfer	150000	2.68
		234700	31-Mar-16	84700	Transfer	234700	4.20
3	ALAUKIK MINES AND POWER P LTD	274173	1- Apr-15	-	Transfer	274173	4.90
			24- Apr-15	3987	Transfer	284589	5.09
			01-May-15	1000	Transfer	285589	5.11
			08-May-15	23186	Transfer	308775	5.52
			22-May-15	745	Transfer	309520	5.53
			19-Jun-15	200	Transfer	309720	5.54
			26-Jun-15	-217600	Transfer	92120	1.65
			30-Jun-15	-92000	Transfer	120	0.00
			10-Jul-15	10100	Transfer	10220	0.18
			17-Jul-15	30363	Transfer	40583	0.73
			24-Jul-15	54053	Transfer	94636	1.69
			31-Jul-15	31698	Transfer	126334	2.26
			7-Aug-15	-117292	Transfer	9042	0.16
			4-Sep-15	-8441	Transfer	601	0.01
			11-Sep-15	-601	Transfer	0	0.00
			23-Oct-15	34807	Transfer	34807	0.62
			30-Oct-15	27514	Transfer	62321	1.11
			6-Nov-15	26100	Transfer	88421	1.58
			13-Nov-15	10000	Transfer	98421	1.76
			20-Nov-15	1959	Transfer	100380	1.79
			27- Nov-15	776	Transfer	101156	1.81
			4-Dec-15	2817	Transfer	103973	1.86
			11-Dec-15	262	Transfer	104235	1.86
			18- Dec-15	3274	Transfer	107509	1.92
			25- Dec-15	2897	Transfer	110406	1.97
			31-Dec-15	827	Transfer	111233	1.99
			8-Jan-16	3527	Transfer	114760	2.05
			15- Jan-16	1507	Transfer	116267	2.08
			22-Jan-16	100	Transfer	116367	2.08
			29-Jan-16	180	Transfer	116547	2.08
			5-Feb-16	7348	Transfer	123895	2.22
			12-Feb-16	833	Transfer	124728	2.23
			11-Mar-16	2430	Transfer	127158	2.27
			18-Mar-16	2257	Transfer	129415	2.31
			25-Mar-16	8621	Transfer	138036	2.47

Sl. No.	NAME	No. of shares at the beginning/ End of the year	Date	Increase/ Decrease in shareholding	Reason	Number of Shares	Percentage of total shares of the Company
			31-Mar-16	3754	Transfer	141790	2.54
		141790	31-Mar-16	-	Transfer	141790	2.54
4.	ANIL RAJKUMAR CHOKHANI	43,800	01-Apr-15	-	Transfer	43,800	0.78
		43800	31-Mar-16	-	Transfer	43800	0.78
5	RAMA KANT GAGGAR	63,320	1-APR-15	-	Transfer	63,320	1.13
			10-Apr-15	12311	Transfer	75,631	1.35
			17-Apr-15	6606	Transfer	82,237	1.47
			24-Apr-15	9658	Transfer	91,895	1.64
			1-May-15	13246	Transfer	105,141	1.88
			8-May-15	6001	Transfer	111,142	1.99
			15-May-15	520	Transfer	111,662	2.00
			22-May-15	1100	Transfer	112,762	2.02
			29-May-15	115	Transfer	112,877	2.02
			30-Jun-15	-111598	Transfer	1,279	0.02
			10-Jul-15	-1279	Transfer	-	0.00
			24-Jul-15	1948	Transfer	1,948	0.03
			31-Jul-15	905	Transfer	2,853	0.05
			7-Aug-15	-2853	Transfer	-	0.00
			14-Aug-15	2700	Transfer	2,700	0.05
			21-Aug-15	-2700	Transfer	-	-
			28-Aug-15	225	Transfer	225	-
			4-Sep-15	-225	Transfer	-	-
			7-Sep-15	225	Transfer	225	-
			25-Sep-15	-225	Transfer	-	-
			6-Nov-15	66	Transfer	66	-
			13-Nov-15	412	Transfer	478	0.01
			20-Nov-15	21603	Transfer	22,081	0.39
			27-Nov-15	-	Transfer	22,118	0.40
			4-Dec-15	-	Transfer	23,146	0.41
			11-Dec-15	-	Transfer	23,747	0.42
			18-Dec-15	-	Transfer	27,569	0.49
			25-Dec-15	-2000	Transfer	25,569	0.46
			5-Feb-16	-2795	Transfer	22,774	0.41
			12-Feb-16	2500	Transfer	25,274	0.45
			26-Feb-16	153	Transfer	25,427	0.45
			4-Mar-16	427	Transfer	25,854	0.46
			11-Mar-16	765	Transfer	26,619	0.48
			18-Mar-16	521	Transfer	27,140	0.49
			25-Mar-16	523	Transfer	27,663	0.49
		27,663	31-Mar-16	-	Transfer	27,663	0.49
6.	UMA S. PARIKH	-	01-Apr-15	-	Transfer	-	-
			07-Aug-15	10000	Transfer	10000	0.18
		10000	31-Mar-16	-	Transfer	10000	0.18

Sl. No.	NAME	No. of shares at the beginning/ End of the year	Date	Increase/ Decrease in shareholding	Reason	Number of Shares	Percentage of total shares of the Company			
7.	ARVINDKUMAR J SANCHETI	16,933	01-Apr-15	-	Transfer	16,933	0.30			
			12-Feb-16	-6563	Transfer	10,370	0.19			
			31-Mar-16	-1370	Transfer	9000	0.16			
8.	VRINDA SONTHALIA	8000	01-Apr-15	-	Transfer	8000	0.14			
			31-Mar-16	-	Transfer	8000	0.14			
9.	RAMCHANDRA SARDA	9524	01-Apr-15	-	Transfer	9524	0.17			
			08-May-15	-1000	Transfer	8524	0.15			
			17-Jul-15	-500	Transfer	8024	0.14			
			23-Oct-15	-300	Transfer	7724	0.14			
			27-Nov-15	-500	Transfer	7224	0.13			
			5-Feb-16	-50	Transfer	7174	0.13			
			4-Mar-16	-100	Transfer	7074	0.13			
			31-Mar-16	-	Transfer	7074	0.13			
			10	PREMALATHA SARDA	31,074	01-Apr-15	-	Transfer	31074	0.56
						10-Apr-15	-1806	Transfer	29268	0.52
17-Apr-15	-1350	Transfer				27,918	0.50			
24-Apr-15	-1500	Transfer				26,418	0.47			
1-May-15	-4000	Transfer				22,418	0.40			
8-May-15	-5301	Transfer				17,117	0.31			
26-Jun-15	-80	Transfer				17,037	0.30			
10-Jul-15	-2500	Transfer				14,537	0.26			
17-Jul-15	-923	Transfer				13,614	0.24			
24-Jul-15	-1081	Transfer				12,533	0.22			
31-Jul-15	-600	Transfer				11,933	0.21			
21-Aug-15	-100	Transfer				11,833	0.21			
4-Sep-15	-200	Transfer				11,633	0.21			
25-Sep-15	-100	Transfer				11,533	0.21			
16-Oct-15	-677	Transfer				10,856	0.19			
23-Oct-15	-3500	Transfer				7,356	0.13			
30-Oct-15	-25	Transfer				7,331	0.13			
6-Nov-15	-100	Transfer				7,231	0.13			
20-Nov-15	-900	Transfer				6,331	0.11			
27-Nov-15	-420	Transfer				5,911	0.11			
4-Dec-15	-100	Transfer	5,811	0.10						
11-Dec-15	-125	Transfer	5,686	0.10						
18-Dec-15	-100	Transfer	5,586	0.10						
8-Jan-16	-100	Transfer	5,486	0.10						
5-Feb-16	-20	Transfer	5,466	0.10						
19-Feb-16	-50	Transfer	5,416	0.10						
26-Feb-16	-120	Transfer	5,296	0.09						
4-Mar-16	-500	Transfer	4,796	0.09						
		4,796	31-Mar-16	-	Transfer	4,796	0.09			

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Vishwanath Harlalka				
	At the beginning of the year	1929160	34.49	1929160	34.49
	- Brought during the year	-	-	-	-
	- Sold during the year	-	-	-	-
	At the end of the year	1929160	34.49	1929160	34.49
2.	Deepak Harlalka				
	At the beginning of the year	1172950	20.97	1172950	20.97
	- Brought during the year	-	-	-	-
	- Sold during the year	-	-	-	-
	At the end of the year	1172950	20.97	1172950	20.97
3.	Anjali Harlalka				
	At the beginning of the year	310900	5.56	350400	6.27
	- Brought during the year	39500	-	-	-
	- Sold during the year	-	-	-	-
	At the end of the year	350400	6.27	350400	6.27

V. INDEBTEDNESS:

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

(₹ In lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount due	555.11	191.00	-	746.11
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	6.29	9.26	-	15.55
Total (i+ii+iii)	561.40	200.26	-	761.66
Change in Indebtedness during the financial year				
Addition	-	1261.05	-	1261.05
Reduction	(110.00)	(920.25)	-	(1030.25)
Net Change	(110.00)	340.80	-	230.80
Indebtedness at the end of the financial year				
i) Principal Amount	444.98	482.51	-	927.49
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	6.42	58.55	-	64.97
Total (i+ii+iii)	451.4	541.06	-	992.46

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:
A. Remuneration to Managing Director, Whole-time Director and/ or Manager:

(₹ In Lacs)

Sl. No	Particulars of remuneration	Name of directors		
		Vishwanath Harlalka	Deepak Harlalka	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24.00	24.00	48.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	2.61	2.61
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	24.00	26.61	50.61
	Ceiling as per the Schedule XIII of the Companies Act, 1956.	30.00	30.00	60.00

B. REMUNERATION TO OTHER DIRECTORS:

The Company does not pay remuneration to its other directors.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

The Company does not pay remuneration to any of its Key Managerial Personnel

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There was no penalties / punishment/ compounding of offences for breach of any provisions under the Companies Act, against the Company or its Directors or other officers, if any, during the year.

Annexure – 2
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

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

- Details of contracts or arrangements or transactions not at Arm's length basis. Nil
- Details of material contracts or arrangements or transactions at arm's length basis

Sr. no	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/trans- action	Duration of the con- tracts/ arrangements / transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1.	Shreem Realty Private Limited-Rela- tives of KMP and their enterprises	Purchase of Land	One time	Purchase of Land ₹ 18,00,00,000	Approved by Board on April 16, 2015	₹12,65,07,272
2.	Gini Tex Private Limited- Directors are interested	1.Job work services provided 2. Finish fabric purchases 3.Rent paid 4.Telephone Charges	Yearly	1.Contract of processing fabrics ₹ 662.37 Lacs 2. Finish fabric purchases ₹111.11 lacs 3. Rent paid ₹ 4.50 Lacs 4. Tel. charges ₹ 1.87 Lacs	Approved by the Board on May 28, 2015	Nil
3.	Shree Enterprises- Directors are partners	Job work services provided	Yearly	Contract of processing fabrics ₹ 91.51 Lacs	Approved by the Board on May 28, 2015	Nil
4.	Vishwanath Harlalka HUF	Rent Paid	Yearly	Rent Paid ₹ 7.56 Lacs	Approved by the Board on May 28, 2015	Nil

Annexure-3
Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

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

To,
The Members,
Gini Silk Mills Limited
CIN: L17300MH1981PLC024184
413, Jogani Industrial Estate, Opp. Kasturba Hospital,
J. R. Boricha Marg, Lower Parel (East), Mumbai- 400011.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gini Silk Mills Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 (hereinafter referred to as "Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) As identified by the management, other laws specifically applicable to the industry to which the Company belongs and compliances of which is relied upon the representation by the management.
 - (a) Water (Prevention and Control of Pollution) Act, 1974;
 - (b) Air (Prevention and Control of Pollution) Act, 1981;
 - (c) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules 2008;
 - (d) Micro, Small And Medium Enterprises Development Act, 2006;

- (e) The Payment of Wages Act, 1936;
- (f) The Employees' Provident Funds and Misc. Provisions Act, 1952;
- (g) The Payment of Bonus Act, 1965;
- (h) The Payment of Gratuity Act, 1972;
- (i) The Maharashtra Industrial Development Act, 1961;
- (j) Trade Marks Act, 1999;
- (k) The Textiles Committee Act, 1963.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. Company has appointed Managing Directors as key Managerial Personnel (KMP) under section 203(1) of the Companies Act, 2013. However, compliance under clause (ii) and (iii) of sub-section (1) of section 203 is not complied with regard to the appointment of Company Secretary and Chief Financial officer.
2. As per Regulation 6(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company has not appointed a qualified Company Secretary as the compliance officer.
3. Company has not published notice of the Board Meeting held on January 29, 2016 as per Regulation 47 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 in which Financial Results were discussed.
4. As required under Section 117 read with 179(3)(f) of the Companies Act, 2013 Company has not filed Board Resolutions with the Registrar of Companies to grant loans or give guarantee or provide security in respect of Loans.

We further report that

The Board of directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company which commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no specific events/actions occurred having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Sandeep Dar & Co.

Proprietor
FCS: 3159
C. P. No.: 1571

Place: Navi Mumbai
Date: May 30, 2016

MANAGEMENT DISCUSSION AND ANALYSIS

I. Industry Structure and Developments

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 textile industry also plays a pivotal role through its contribution to industrial output, employment generation and export earnings of the country.

India has a very powerful and impressive cotton yarn and fabric business sector that will now be looking at what it can achieve in the non-cotton and cotton/man-made blends and 100-percent man-made textiles. The sector appears to have the confidence and capability to shift its focus towards India's growing man-made textile industry

II. Opportunities and Challenges

Being the largest employer in India coupled with strong industry linkages with the rural economy augurs Indian textile industry as one of the most significant sectors with an incremental growth potential. Rural economy has seen a spurt in income levels the last few years and this is the right time to juxtapose their synergies to promote the industry growth. Being one of the key focus sectors under the Government's "Make in India" campaign is a testimony to the huge growth potential the industry holds, both in terms of infrastructure development and skill improvement. Globally, favourable trade policy reforms would also allow the industry to expand its trade partners, improve its export competitiveness and contribute substantially to the nation's income.

However, the growth prospects are constrained by many challenges including rising input costs (wages, power and interest cost), restrictive labour laws. Such issues need to be addressed to result in unlocking maximum industry growth potential.

III. Segment-Wise or Product-Wise Performance

In textiles, our product is well very accepted by our customers & we are in the process of increasing our customer portfolio.

IV 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.

V Risk and Concerns:

Risk is an integral part of business process. Company is exposed to various business risks, with a view to efficiently manage all such risks the Company has designed the Risk Management Policy of the Board of Directors which monitors all these factors on regular basis. Company's risk management strategy is based on clear understanding of various risk assessment and measurement procedures and continuous monitoring.

VI Internal Control Systems and their Adequacy:

The Company has adequate Internal Control Systems commensurate with its size and the industry. The Company has adequate systems of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported correctly.

VII. Discussion on financial performance with respect to Operational Performance

During the year under review, your Company has registered a turnover of ₹ 4075.40 Lacs as compared to ₹ 4012.11 Lacs in the previous year.

The sales revenue from Processing of Fabric increased from ₹ 1772.39 Lacs to ₹ 2371.40 Lacs during the year under review.

VIII. Material developments in human resources/ industrial relations front, including number of people employed

Your Company has cordial relations with its employees. The Company commends the commitment, dedication and competence shown by its employees in all aspects of business. With the growing requirements of the Company, Company has taken necessary initiatives to ensure not only the retention of the employees but also their growth and 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'.

REPORT ON CORPORATE GOVERNANCE

Your Company has complied with all material aspects of the Corporate Governance Code as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Report on the Corporate Governance compliance is furnished below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Transparency and accountability are the two basic tenants of corporate governance. Good Corporate Governance helps enhancement of long term shareholders value and interest of other stakeholders. This is achieved through increased awareness for responsibility, transparency and professionalism and focus on effective control and management of the organization. The Board of Directors of the Company is committed to the consistent adherence to the corporate governance code and constant review of the Board processes, practices and the Management Systems to maintain a greater degree of responsibility and accountability.

2. BOARD OF DIRECTORS:

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, directions and performance of the Company has been vested with requisite powers, authorities and duties. The strength of Board of Directors is 6 (Six). Whose composition and category is given below:

A) Composition and category of directors as on March 31, 2016:

The Board comprises such numbers of non-executive, executive and Independent Directors as required under applicable legislation. The composition of board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board of the Company comprises of 6 (Six) Directors. The Composition of the Board of Directors and also the number of other Directorship or Committees of which they are member/ Chairperson are as given below:

Directors	Category	No. of other Directorship		No. of other Committee positions	
		Public	Private	Member	Chairman
Vishwanath Harlalka	Promoter Executive	-	4	-	-
Deepak Harlalka	Promoter Executive	-	6	-	-
Anjali Harlalka	Promoter Non-Executive	-	1	-	-
Ramprasad Poddar	Independent	3	6	-	1
Suresh Gaggar	Independent	1	5	-	1
Pankajkumar Agarwal	Independent	-	4	-	-

B) ATTENDANCE OF EACH DIRECTOR AT THE MEETING OF THE BOARD OF DIRECTORS AND THE LAST ANNUAL GENERAL MEETING:

During the year ended March 31, 2016 Six Board Meetings were held on April 16, 2015, May 28, 2015; July 27, 2015; November 06, 2015; January 29, 2016; March 07, 2016. Annual General Meeting during the year was held on September 14, 2015.

Name of the Directors	No. of Board Meeting Attended	Attendance At Last AGM Held on September 14, 2015
Ramprasad Poddar	6	NO
Deepak Harlalka	6	YES
Vishwanath Harlalka	6	YES
Suresh Gaggar	6	YES
Pankajkumar Agarwal	6	NO
Anjali Deepak Harlalka	6	YES

C) NUMBER OF OTHER BOARD OF DIRECTORS OR COMMITTEES IN WHICH A DIRECTORS IS A MEMBER OR CHAIRPERSON:

Directors	Category	No. of other Directorship		No. of other Committee positions	
		Public	Private	Member	Chairman
Vishwanath Harlalka	Promoter Executive	-	4	-	-
Deepak Harlalka	Promoter Executive	-	6	-	-
Anjali Harlalka	Promoter Non-Executive	-	1	-	-
Ramprasad Poddar	Independent	3	6	-	1
Suresh Gaggar	Independent	1	5	-	1
Pankajkumar Agarwal	Independent	-	4	-	-

D) NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS HELD AND DATES ON WHICH HELD:

During the year ended on March 31, 2016 Six Board Meetings were held:

SR. No.	DATES OF BOARD MEETINGS
1	April 16, 2015
2	May 28, 2015
3	July 27, 2015
4	November 06, 2015
5	January 29, 2016
6	March 07, 2016

E) DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Name of Director	Relationship
Mr. Vishwanath Harlalka	Father of Mr. Deepak Harlalka
Mr. Deepak Harlalka	Son of Mr. Vishwanath Harlalka
Mrs. Anjali Harlalka	Wife of Mr. Deepak Harlalka

3. AUDIT COMMITTEE:

a) TERMS OF REFERENCE:

The Audit Committee's powers, role and functions are stipulated in Regulation 18 and in Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under Section 177 of the Companies Act, 2013, accordingly the Audit Committee performs the functions of approving Annual Internal Audit Plan, reviewing of financial reporting system, discussing on financial results, significant related party transactions, interaction with Statutory and Internal Auditors, Reviewing of Business Risk Management Plan, and Internal Audit Reports,.

b) COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON

The Audit Committee consists of 3 (Three) Independent Directors. Mr. Ramprasad Poddar is the Chairman of the Committee. The members of the committee have requisite experience in corporate management, finance, Accounts and corporate laws. The Audit committee held Six meetings during the year.

The Audit Committee consists of:

1. Mr. Ramprasad Poddar - Chairman
2. Mr. Suresh Gaggar- Member
3. Mr. Pankajkumar Agarwal – Member

c) MEETINGS AND ATTENDANCE DURING THE YEAR:

NAME OF THE DIRECTORS	NO. OF BOARD MEETING ATTENDED
Ramprasad Poddar	6
Suresh Gaggar	6
Pankajkumar Agarwal	6

4. NOMINATION AND REMUNERATION COMMITTEE:
a. TERMS OF REFERENCE:

The terms and functions of Nomination and Remuneration Committee are stipulated under Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, accordingly Committee discharged following functions

- i) Succession planning of the Board of Directors and senior management employees;
- ii) Identifying and selection of candidates for appointment as directors / independent directors based on certain laid down criteria;
- iii) Identifying potential individuals for appointment as key managerial personnel and to other senior management positions;
- iv) Formulate and review from time to time the policy for selection and appointment of directors, key managerial personnel and senior management employees and their remuneration;
- v) Review the performance of the board of directors and senior management employees based on certain criteria as approved by the board.

b. COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON:

The Nomination and Remuneration Committee consists of 2 (Two) Independent Directors and 1 (One) Non Executive Director. Mr. Ramprasad Poddar is appointed Chairman of the Committee.

The constitution of the Nomination and Remuneration Committee is as on March 31, 2016 is as follows:

1. Mr. Ramprasad Poddar - Chairman
2. Mr. Suresh Gaggar - Member
3. Mrs. Anjali Harlalka- Member

c. MEETINGS AND ATTENDANCE DURING THE YEAR:

Nomination and Remuneration Committee held Two Meetings during the Year.

NAME OF THE DIRECTORS	NO. OF BOARD MEETING ATTENDED
Mr. Ramprasad Poddar	2
Mr. Suresh Gaggar	2
Mrs. Anjali Harlalka	2

d. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

A structured questionnaire was prepared and circulated amongst all the Independent Directors of the Company there-upon based on their response and views Board evaluated the performance of the Independent Directors.

5. REMUNERATION OF DIRECTORS:

During the year under review remuneration of ₹ 2,00,000 per month was paid to Mr. Vishwanath Harlalka and Mr. Deepak Harlalka, Managing Directors of the Company.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE AS ON MARCH 31, 2016:

- a) Name of non executive Director heading the Committee: Ramprasad Poddar
- b) Name of Compliance Officer: Mr. Chetan Patel
- c) Shareholder Complaint received so far: NIL
- d) Number of Complaint not Solved to the Satisfaction of Shareholder: NIL
- e) Number of Pending Complaints: NIL

7. GENERAL BODY MEETINGS:

- a) Location and time, where last three Annual General Meetings were held is given below

Financial Year	Date	Location of the Meeting	Time
31.03.2015	14.09.2015	Maheshwari Pragati Mandal, Maheashwari Bhawan,603, Girgaon Road, Mumbai-400002.	12.30 P.M
31.03.2014	16.09.2014	Maheshwari Pragati Mandal, Maheashwari Bhawan,603, Girgaon Road, Mumbai-400002.	12.30 P.M
31.03.2013	26.07.2013	Maheshwari Pragati Mandal, Maheashwari Bhawan,603, Girgaon Road, Mumbai-400002.	12.0 .M

- b) Special Resolutions passed in the previous three Annual General Meetings:

AGM DATE	DETAILS OF SPECIAL RESOLUTION PASSED
14.09.2015	i) Appointment of the Mr. Vishwanath Harlalka as Managing Director of the Company. ii) Adoption of new set of Articles of Association.
16..09.2014	No Special Resolution was passed.
26.07.2013	i) Mr. Vishwanath Harlalka was appointed as Executive Chairman of the Company ii) Mr. Deepak Harlalka was appointed as Managing Director of the Company

- c) No Special resolution was required to be passed through postal ballot at the last Annual General Meeting nor is it proposed this year.

8. MEANS OF COMMUNICATION:

The quarterly, half yearly and annual results are communicated to the Bombay Stock Exchange 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. The quarterly & half-yearly results are not sent individually to the shareholders but are uploaded on the Company's website www.ginitex.com

9. GENERAL SHAREHOLDERS INFORMATION:

- (a) Annual General Meeting

Date, Time : 19th September, 2016 at 12.30 P.M

Venue : Maheshwari Pragati Mandal, Maheshwari Bhawan, 603, Girgaon Road, Mumbai-400002.

- (b) Financial Year : April 01, 2015 to March 31, 2016.

- (c) The name and address of Stock exchange at which securities are listed: BSE Limited, Mumbai.

- (d) Stock Code : BSE Code: 531744

NSDL/CDSL-ISIN: INE 548B01018

(e) Market price data- high, low during each month in last financial year:

Months	Mumbai Stock Exchange	
	High	Low
April, 2015	89.20	50.15
May, 2015	96.20	70.00
June, 2015	79.00	65.00
July, 2015	128.50	67.25
August, 2015	117.70	76.50
September, 2015	92.00	72.20
October, 2015	157.10	80.00
November, 2015	227.20	121.10
December, 2015	235.00	184.30
January, 2016	228.90	161.00
February, 2016	270.10	170.30
March, 2016	325.00	253.00

(f) Registrar and share transfer agents : Bigshare Services Private Limited
E-2, Ansa Industrial Estate,
Sakivihar Road, Saki Naka, Andheri (East),
Mumbai - 400 072.

(g) Share transfer system:

The transfer of shares in physical form is processed and completed by Registrar & Transfer agent within prescribed time from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulation, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

(h) Distribution of Shareholding as on 31.03.2016:

Shareholding of nominal value of Rupees	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 5000	470	83.038	58036	1.04
5001 TO 10000	46	8.1272	40205	0.72
10001 TO 20000	14	2.4735	20511	0.37
20001 TO 30000	4	0.7067	11400	0.20
30001 TO 40000	2	0.3534	6817	0.12
40001 TO 50000	3	0.5300	14512	0.26
50001 TO 100000	10	1.7668	76838	1.37
100001 & above	17	3.0035	5364281	95.92
Total	758	100.00	5592600	100.00

- (i) dematerialization of shares and liquidity:

Shareholding pattern as on 31.03.2016

Category	No. of Shares	%
Promoters	4193460	74.98
Mutual Funds, Banks, etc	-	-
Corporate Bodies	1128559	20.18
NRI / OCB's	115	0.00
Indian Public	270466	4.84
TOTAL	5592600	100.00

* Out of these, 5538290 (99.03%) shares are Dematerialized and the balance 54304 (0.97%) are lying in physical form as on 31.03.2016.

- (j) Plant Location : Fabric Process Unit: E-15, MIDC- TARAPUR, Bhoisar- 421506, Thane, (Maharashtra)
- (k) Address for Correspondence :

Mr. Chetan Patel
 413, Jogani Industrial Estate,
 Opp. Kasturba Hospital,
 J. R. Boricha Marg,
 Lower Parel (East),
 Mumbai-400011

10. OTHER DISCLOSURES:

- a) There were related party transactions during the financial year ended on March 31, 2016 but there were no materially significant transactions with Related Parties during the financial year that have potential conflict with the interest of listed entity at large.

The Policy for related party transactions is available on the website of the Company viz. www.ginitex.com

- b) There were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years
- c) The Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The Whistle Blower Policy is displayed on the Company's website viz. www.ginitex.com

11. Company has adopted discretionary requirements to the extent of submission of financial statements with unmodified audit opinion as specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Adoption of the non mandatory requirements of listing Regulation is being reviewed by the Board from time to time.

DECLARATION

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2016.

For Gini Silk Mills Limited
Deepak Harlalka
(Managing Director)

Date: May 30, 2016

Place: Mumbai

CERTIFICATION BY CEO/CFO UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Board of Directors,
GINI SILK MILLS LIMITED

We have reviewed the financial statements and the cash flow statement of **GINI SILK MILLS LIMITED** for the year ended March 31, 2016 and to the best of our knowledge and belief:

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

Managing Director
Deepak Harlalka

Date: May 30, 2016

Place: Mumbai

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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 March 31, 2016 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring Compliance with 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, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We 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
FRN:111327W
CA Nitesh K Dedhia
Partner
M. No. : 114893

Place: Mumbai

Date: May 30, 2016

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GINI SILK MILLS LIMITED

REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying financial statements of Gini Silk Mills Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. the Company has disclosed the impact of pending litigations as at March 31, 2016 on its financial position in its financial statements to the extent determinable/ascertainable. - Refer Note 28 to the financial statements;
 - ii. the Company does not have any long term contract including derivative contracts for which there are any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

For Vatsaraj & Co.

Chartered Accountants

Firm Registration Number: 111327W

CA Nitesh K Dedhia

Partner

Membership Number: 114893

Mumbai, May 30, 2016

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT
Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Gini Silk Mills Limited on the financial statements for the year ended March 31, 2016.

- i (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, as disclosed in Note 11 on fixed assets to the financial statements, are held in the name of the Company.
- ii The inventory excluding stocks with third parties has been physically verified by the management at regular intervals, which we consider to be reasonable. No material discrepancies were noticed on physical verification of inventories as compared to book records.
- iii According to information and explanation given to us, the Company's has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnership firm or other parties, covered in the register maintained under section 189 of the Companies Act 2013 and hence sub clause (a), (b) and (c) are not applicable.
- iv In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made.
- v The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi According to the information and explanation given to us the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under sub section (1) of section 148 of the Companies Act 2013 in respect of its products. Accordingly, provision of Clause 3(vi) of the Order is not applicable.
- vii (a) According to the information and explanations given to us the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues applicable to it as per the available records as far as ascertained by us on our verification.

According to the information and explanations given to us, there were no undisputed amounts payable in respect of outstanding statutory dues as aforesaid as at 31st March 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, dues in respect of Income tax, Excise duty and Cess that have not been deposited with the appropriate authorities on account of dispute are as under:

Name of the Statute	Nature of Dues / Period to which the amount relates	Amount (INR)	Forum where dispute is pending
Excise Service Tax	Demand for Deemed Credit (February 2001 to October 2002)	3,38,418/-	Customs Excise and service Tax Appellate Tribunal
Textile Committee Act & Cess Rules 1975	Cess (Various years from 1998 to 2008)	7,09,232/-	Textile Committee Cess Appellate Tribunal
Central Excise Act	Demand on differential amount of excise duty. (16/12/1998 to 28/02/2001)	1,85,09,688/-	Supreme Court of India
Central Excise Act	Demand against availment of cenvat credit. (Various years)	56,78,046/-	Custom, Excise and Service Tax Appellate Tribunal
Income Tax Act	Demand for A.Y. 2012-2013	14,51,720/-	Departmental Authorities
Total		2,66,87,104/-	

- viii According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues of loans taken from banks. The Company did not have any outstanding dues in respect of financial institution, government or debenture holders during the year.
- ix The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- x During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to information and explanation given to us, we have neither come across any instance of fraud on or by the Company, its officers or employees, noticed or reported during the period, nor have we been informed of such case by the management.
- xi According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, provision of Clause 3(xii) of the Order is not applicable.
- xiii According to the information and explanation given to us and based on our verification of the records of the Company and on the basis of review and approval by the Board and Audit Committee, the transactions with related parties are in compliance with Section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly, the provision of Clause 3(xiv) of the Order is not applicable.
- xv According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, the provision of Clause 3(xv) of the Order is not applicable.
- xvi The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Vatsaraj & Co.

Chartered Accountants

Firm Registration Number: 111327W

CA Nitesh K Dedhia

Partner

Membership Number: 114893

Mumbai, May 30, 2016

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Gini Silk Mills Limited on the financial statements for the year ended March 31, 2016.

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

1. We have audited the internal financial controls over financial reporting of Gini Silk Mills Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that
 - i. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
 - ii. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
 - iii. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Vatsaraj & Co.

Chartered Accountants

Firm Registration Number: 111327W

CA Nitesh K Dedhia

Partner

Membership Number: 114893

Mumbai, May 30, 2016

BALANCE SHEET AS AT 31ST MARCH 2016
(₹ in Lacs)

PARTICULARS	Note No.	As at 31St March 2016	As at 31St March 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	559.26	559.26
Reserves and Surplus	3	<u>2,421.46</u>	<u>2,274.70</u>
		<u>2,980.72</u>	<u>2,833.96</u>
Non-Current Liabilities			
Long-term Borrowings	4	451.40	561.40
Deferred Tax Liabilities (Net)	5	191.57	110.51
Other Long Term Liabilities	6	<u>36.27</u>	<u>36.22</u>
		<u>679.24</u>	<u>708.13</u>
Current Liabilities			
Short-term Borrowings	7	541.06	204.02
Trade Payables	8	285.83	642.44
Other Current Liabilities	9	151.09	126.83
Short-term Provisions	10	<u>77.67</u>	<u>94.55</u>
		<u>1,055.65</u>	<u>1,067.84</u>
TOTAL		<u><u>4,715.61</u></u>	<u><u>4,609.93</u></u>
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	11	1,306.45	1,187.30
Intangible Assets	11	0.03	0.22
Capital work-in-Progress		-	145.62
Non-current Investments	12	79.33	79.33
Long-term Loans and Advances	13	1,470.13	194.26
Other Non Current Assets	14	<u>27.85</u>	<u>10.85</u>
		<u>2,883.79</u>	<u>1,617.58</u>
Current Assets			
Current Investments	15	27.35	128.78
Inventories	16	672.97	604.20
Trade Receivables	17	651.40	475.49
Cash and cash Equivalents	18	34.06	14.77
Short-term Loans and Advances	19	438.93	1,762.74
Other Current Assets	20	<u>7.11</u>	<u>6.37</u>
		<u>1,831.82</u>	<u>2,992.35</u>
TOTAL		<u><u>4,715.61</u></u>	<u><u>4,609.93</u></u>

Significant Accounting Policies and Notes on Financial Statements

1 to 39

As per our Report of even date

For and on behalf of the Board of Directors

For Vatsaraj & Co

Chartered Accountants

FRN : 111327W

Vishwanath Harlalak

Chairman

Deepak Harlalka

Managing Director

Anjali Harlalka

Director

CA NITESH K DEDHIA
Partner

Membership No, 114893

Mumbai, 30th May 2016

Mumbai, 30th May 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016 (₹ in Lacs)

PARTICULARS	Note No.	As at 31st March 2016	As at 31st March 2015
INCOME			
Revenue from Operations	21	4,075.40	4,012.11
Other Income	22	149.82	242.38
Total Revenue		<u>4,225.22</u>	<u>4,254.49</u>
EXPENSES			
Cost of Materials Consumed	23a	1,084.90	1,646.88
Purchases of Traded Goods	23b	603.11	458.50
(Increase)/ decrease in inventories of finished goods and Stock in Process	23c	(81.74)	(169.35)
Employee Benefits Expense	24	391.45	346.40
Finance Costs	25	147.46	44.93
Depreciation and Amortization Expense		92.00	40.06
Other Expenses	26	1,658.78	1,493.09
TOTAL EXPENSES		<u>3,895.96</u>	<u>3,860.51</u>
Profit before Taxations		329.26	393.98
TAX EXPENSES			
Current Tax		65.00	81.00
(Excess)/ Short provisions written back of earlier years		2.77	(0.08)
Deferred Tax		81.05	70.04
Profit for the period		<u>180.44</u>	<u>243.02</u>
Basic/ Diluted Earning per equity share(₹)		3.23	4.35
		3.23	4.35

As per our Report of even date

For Vatsaraj & Co

Chartered Accountants

FRN : 111327W

CA NITESH K DEDHIA
Partner

Membership No, 114893

Mumbai, 30th May 2016

For and on behalf of the Board of Directors

Vishwanath Harlalak

Chairman

Deepak Harlalka

Managing Director

Anjali Harlalka

Director

Mumbai, 30th May 2016

CASH FLOW STATEMENT FOR THE YEAR 2015-2016
(₹ in Lacs)

	31st March' 2016	31st March' 2015	
A: CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/(Loss) before tax and extraordinary items	329.26		393.98
<u>Adjusted For :</u>			
Depreciation and Amortisation Expense	92.00		40.06
Dividend Received	(11.08)		1.23
Property Tax	3.48		(10.49)
Demat Charges & Securities Transaction Tax	0.01		4.22
Interest Income	(63.27)		0.01
Finance costs	145.15		(153.91)
Profit on Partnership Firm	0.28		32.47
Rent Received	(49.20)		(1.59)
Loss on sale/Discard of assets(net)	(5.75)		(49.20)
Net Prior Year Adjustments	(2.77)		(18.79)
Net gain on sale of Investments	-0.00	108.85	(2.71)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	438.10		235.28
<u>Adjusted For :</u>			
Decrease in other assets	(36.79)		(0.76)
Increase in Trade Payable	(356.61)		437.44
Increase in other liabilities	41.11		96.32
Inventories	(68.77)		(190.30)
Trade Receivable	(175.91)	(596.97)	(51.16)
Cash generated from Operations	(158.87)		291.54
Taxes Paid	(72.51)		526.82
NET CASH FROM OPERATING ACTIVITY	(231.38)		(100.29)
B. CASH FLOW FROM INVESTING ACTIVITY			
Dividend Income	2.52		1.69
Purchase of Investments	(500.00)		(560.00)
Sale/Redemption of Investments	610.00		445.91
Interest Income	12.07		127.31
Movement in Loans and Advances	(9.85)		(184.55)
Movement in Investment in Partnership Firm Capital	135.29		(115.00)
Rent Income	49.20		49.20
Purchase of Fixed Assets	(211.20)		(850.23)
Sale of Fixed Assets	6.00		19.69
Capital WIP	145.62		(139.59)
Bank Balances not considered as Cash and cash equivalents	(0.49)		(0.04)
Property tax	(3.48)		(4.22)
Demat Charges & Securities Transaction Tax	(0.01)	235.66	(0.01)
NET CASH FLOW FROM INVESTING ACTIVITY	4.28		(1,209.84)
			(783.31)

	31st March' 2016	31st March' 2015
C. CASH FLOW FROM FINANCING ACTIVITY		
Interest Paid	(86.59)	(23.22)
Long Term Borrowing - Bank	(110.00)	561.40
Short Term Borrowing - Bank	(3.76)	- 3.76
Short Term Borrowing - Director (Net)	282.25	- 188.13
Dividend Paid (Including DDT)	(67.37)	(32.71)
NET CASH FLOW FROM FINANCING ACTIVITY	14.53	697.36
Cash and Cash Equivalents as at commencement of the year	12.94	(85.95)
Cash and Cash Equivalents at the end of the year	31.75	98.88
NET INCREASE/(DECREASE) OF CASH & CASH EQUIVALENTS	18.81	12.93
		(85.95)

Note:

Cash flow statement prepared using Indirect Method as per Accounting Standard 3

As per our Report of even date

For Vatsaraj & Co

Chartered Accountants

FRN : 111327W

CA NITESH K DEDHIA

Partner

Membership No, 114893

Mumbai, 30th May 2016

For and on behalf of the Board of Directors

Vishwanath Harlalka

Chairman

Deepak Harlalka

Managing Director

Anjali Harlalka

Director

Mumbai, 30th May 2016

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**" and processing fabric on jobwork basis.

Note 1: SIGNIFICANT ACCOUNTING POLICIES

1 ACCOUNTING CONVENTION

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

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 including contingent 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 in hand, bank and short-term investments with an original maturity of three months or less.

4 FIXED ASSETS

Tangible Assets

Tangible Assets are stated at acquisition cost, net of accumulated depreciation & accumulated impairment losses.

Subsequent expenditure related to an item of fixed assets are added to its book value only if they increase the future benefit from the existing asset beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value & net realisable value & are shown separately in the financial statement. Any expected loss is recognised immediately in the statement of Profit & Loss.

Losses arising from the retirement of & Gain or Losses arising from disposal of fixed assets which are carried at cost are recognised in Statement of Profit & Loss.

Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated depreciation & accumulated impairment losses, if any.

Intangible assets are amortised on a straight line basis over their estimated useful life.

Gain or Losses arising from the retirement or disposal proceeds recognised as Income or Expense in Statement of Profit & Loss.

5 METHOD OF DEPRECIATION AND AMORTIZATION

Depreciation for the year in respect of assets relating to undertaking at Tarapur has been provided on straight line method.

In respect of assets relating to undertakings at Kandivali depreciation has been provided on written down value method, over the estimated useful life of assets.

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 or sale / discardment of assets, has been provided on pro –rata basis with reference to the month of addition or upto the month of such sale / discardment, as the case maybe.

6 IMPAIRMENT OF ASSETS

The carrying amount of assets are reviewed at cash balance date if there is any indication of impairment based on internal / external factor. An asset treated impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss 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.

7 LEASED ASSETS

As a Lessee:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the period of the lease or other systematic basis more representative of the time pattern of the user's benefits.

As a Lessor:

The Company has leased certain tangible assets and such lease where the Company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term or other systematic basis over the lease term which is more representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

8 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 rules. 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 Statement of Profit and Loss 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.

9 INVESTMENTS

Investments that are readily realisable and are intended to be held for not more than one year from the date , on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value , whichever is lower. Long - term investments are carried at cost. However, provision for dimunition is made to recognise a decline, other than temporary , in value of the investments , such reduction in the value of long term investment being determined and made for each investment individually.

10 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 First-in-First-Out (FIFO) basis.

11 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.

12 EMPLOYEES BENEFITS

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of Profit and Loss 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 statement of Profit and Loss 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 statement of Profit and Loss.

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.

13 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 Statement of Profit and Loss in the year in which they are incurred.

14 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.

15 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.

16 SEGMENT REPORTING

Segments have been identified in line with the accounting standard on Segment reporting (AS-17) taking into account the organisation structure as well as the differential risk in returns of segments.

17 GOVERNMENT GRANTS

Grants and subsidies from the Government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. Grants received against specific Fixed Assets are adjusted to the cost of the assets & those in the nature of promoter's contribution are credited to Capital Reserve. Revenue Grants are recognised in the Statement of Profit and Loss in accordance with related scheme.

Notes on Financial Statements for the Year ended 31st March,2016
(₹ in Lacs)

Particulars	As at 31St March 2016	As at 31St March 2015
Note 2 SHARE CAPITAL		
Authorised Share Capital		
60,00,000 (31 March 2015 : 60,00,000)Equity shares of ₹10/- each	600.00	600.00
1,00,000 (31 March 2015 : 100,000) 10% Cumulative Convertible Preference shares of 100 each	100.00	100.00
	700.00	700.00
Issued, Subscribed and Paid up		
55,92,600 (31 March 2015 : 55,92,600).Equity shares of ₹ 10/- each fully paid up	559.26	559.26
TOTAL	559.26	559.26

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

	As at 31St March 2016		As at 31St March 2015	
	No	₹	No	₹
At the beginning of the period	55.93	559.26	55.93	559.26
At the end of the period	55.93	559.26	55.93	559.26

b) Rights, Preference and restrictions 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 except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

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

Name of shareholder		As at 31St March 2016		As at 31St March 2015	
		Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Vishwanath Harlalka	Promoter	18.91	33.80	18.91	33.80
Deepak Harlalka	Promoter	3.10	5.54	3.10	5.54
Deepak Harlalka HUF	Promoter	8.63	15.44	8.63	15.44
Anjali D Harlalka	Person Acting Concert	3.50	6.26	3.11	5.56
Vimla V Harlalka	Person Acting Concert	5.09	9.09	5.09	9.09
Garnet International Ltd	Public	7.33	13.10	4.39	7.84

Particulars	(₹ in Lacs)	
	As at 31St March 2016	As at 31St March 2015
Note 3 RESERVES AND SURPLUS		
Capital Reserve		
As per Last Balance Sheet	8.14	8.14
Closing Balance	<u>8.14</u>	<u>8.14</u>
General Reserve		
As per Last Balance Sheet	10.23	10.23
Closing Balance	<u>10.23</u>	<u>10.23</u>
Surplus in Statement of Profit and Loss		
As per Last Balance Sheet	2,256.33	2,026.68
Add/(Less) : Depreciation pursuant to enactment of Schedule II of the Companies Act 2013	-	(11.35)
Add: Profit for the year	180.44	243.03
Less: Interim Dividend on Equity Shares (amount per share ₹0.50)	(27.96)	-
Less: Proposed Final Dividend on Equity Shares (Amount per share ₹ 0.50)	-	(27.96)
Less: Dividend Distribution tax on Proposed Dividend	(5.72)	(5.72)
Add: Prior Peroid Adjustment	-	31.65
Closing Balance	<u>2,403.09</u>	<u>2,256.33</u>
Total Reserves and Surplus	<u>2,421.46</u>	<u>2,274.70</u>
Note 4 LONG TERM BORROWING		
Secured		
Term Loan From Bank	451.40	561.40
Total	<u>451.40</u>	<u>561.40</u>

Nature of Security

The Term loan from State Bank of India are primary secured by entire palnt and machinery at Tarapur plant acquired out of this loan and entire stock of trading goods. The Company has provided collateral security of equitable mortgage of leasehold factory land & building at Tarapur. The Director Mr. Vishwanath S. Haralalka and Mr. Deepak V. Harlalka has provided personal guarantee for the said loan.

Terms of Repayment and Interest rate

Repayable in 70 monthly installment staring from June, 2015 having moratorium period of 10 months from June, 2015 to March, 2016. Rate of interest 3.20% margin above base rate which is presently 10.00%. Effective rate is 13.20% p.a. as at year end.(P.Y. 13.90%). Rate of margin vary based on the credit risk assessment of the Company.

The Company has taken term loan of ₹6.67 Corers in the previous year under the Technology Upgradation Fund Scheme (TUFS). Under this Scheme Company will receive the 10% capital subsidy in some items and reimbursement of 5% of interest cost. Scheme's Benefits would available on the approval of the Department of Textile, Central Government. The Capital Subsidy benefit and interest benefits under the scheme would be accounted on the receipt of the approval.

Particulars	(₹ in Lacs)	
	As at 31St March 2016	As at 31St March 2015
Note 5 DEFERRED TAX LIABILITIES (NET)		
Deferred tax liability		
On Accumulated Depreciation	191.57	110.51
Deferred tax assets	-	-
Total	191.57	110.51
Note 6 OTHER LONG-TERM LIABILITIES		
Unsecured Trade Deposits (including interest)	1.32	1.32
Security Deposits (including interest)	35.45	35.45
Sub total (a)	36.77	36.77
Interest Accrued and Due (Current Maturities) (b)	(0.50)	(0.55)
Total (a)-(b)	36.27	36.22
Note 7 SHORT-TERM BORROWINGS		
From Cash Credit from Banks	-	3.76
From Directors (unsecured, repayable on demand)	541.06	200.26
Total	541.06	204.02

Nature of Security

The Cash Credit from State Bank of India are primary secured by entire Plant and Machinery at Tarapur plant acquired out of this loan and entire stock of trading goods. The Company has provided collateral security of equitable mortgage of leasehold factory land & building at Tarapur. The Director Mr. Vishwanath S. Haralalka and Mr. Deepak V. Harlalka has provided personal guarantee for the said loan.

Terms of Repayment and Interest rate

Repayable on demand. Rate of interest 2.75% margin above base rate which is presently 10.00%. Effective rate is 12.75% p.a. as at year end. (P.Y. 12.75%). Rate of margin vary based on the credit risk assessment of the Company.

Note 8 TRADE PAYABLES

Micro, Small and Medium Enterprises	-	-
Others	285.83	642.44
Total	285.83	642.44

(There are no dues to Micro & Small Enterprises as on 31st March' 2016. 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.)

Note 9 OTHER CURRENT LIABILITIES

Current maturities of Long term Debt (Refer Note 4)	120.00	100.00
Interest payable on Term loan	6.42	6.29
Unpaid dividends #	2.26	1.77
Statutory remittances(Contribution to PF ,ESIC, VAT, TDS and Service Tax)	10.88	9.63
Advances from customers	10.61	8.59
Interest Accrued and due on long term Deposits (Refer note 6)	0.50	0.55
Others	0.42	-
Total	151.09	126.83

There are no amounts due for payments to the Investor Education and Protection Fund as at the year end.

(₹ in Lacs)

Particulars	As at	As at
	31St March 2016	31St March 2015
Note 10 SHORT TERM PROVISIONS		
Provision for other Employees Benefits		
Bonus	3.70	3.81
Gratuity	10.13	1.87
Leave Encashment	19.41	18.00
Other Provisions		
Provision for Proposed Equity Dividend	-	27.96
Provision for Tax on Proposed Dividends	-	5.72
Provision for Expenses	44.43	37.19
Total	77.67	94.55

Note 11 - FIXED ASSETS

PARTICULARS	GROSS BLOCK					DEPRECIATION				NET BLOCK	
	As at 31/03/2015	Additions	Adjustments/ Deduction	Disposals/ Adjustment	As at 31/03/2016	Up to 31/03/2015	Provided For the Year	Adjust- Ments/ Deduction	Up to 31/03/2016	As at 31/03/2016	As at 31/03/2015
TANGIBLE ASSETS											
Leasehold Land	49.87	-	-	-	49.87	10.65	0.56	-	11.21	38.66	39.22
Factory Building											
Own Use	332.22	7.53	-	-	339.75	162.32	10.90	-	173.22	166.53	169.90
Given on Lease	11.42	-	-	-	11.42	10.85	0.00	-	10.85	0.57	0.57
Building	8.49	-	-	-	8.49	2.71	0.42	-	3.13	5.36	5.78
Plant & Machinery	1,217.17	152.80	60.17	-	1,309.80	351.15	65.03	60.17	356.01	953.79	866.02
Furniture & Fixture	14.39	-	-	-	14.39	12.75	0.31	-	13.06	1.33	1.64
Electric Installation	61.96	12.02	-	-	73.98	40.65	4.77	-	45.42	28.56	21.31
Office Equipment	10.81	0.00	-	-	10.81	8.93	0.53	-	9.46	1.35	1.88
Vehicles	14.64	7.29	4.98	-	16.95	7.44	1.94	4.73	4.65	12.30	7.20
Computers	28.44	1.21	-	-	29.65	27.47	0.54	-	28.01	1.64	0.97
Fire Fighting Equipment	2.73	-	-	-	2.73	1.68	0.16	-	1.84	0.89	1.05
E.T.Plant	15.17	-	-	-	15.17	15.17	0.00	-	15.17	-	-
Reverse Osmosis Plant	66.42	-	-	-	66.42	0.03	4.21	-	4.24	62.18	66.39
Lab Equipments	10.67	0.46	-	-	11.13	5.30	1.02	-	6.32	4.81	5.37
Secondary Treatment Plant	-	29.90	-	-	29.90	0.00	1.42	-	1.42	28.48	-
Sub-Total A	1,844.40	211.21	65.15	-	1,990.46	657.10	91.81	64.90	684.01	1,306.45	1,187.30
INTANGIBLE ASSETS											
Computer Software	2.87	-	-	-	2.87	2.65	0.19	-	2.84	0.03	0.22
Sub-Total B	2.87	-	-	-	2.87	2.65	0.19	-	2.84	0.03	0.22
Total A + B	1,847.27	211.21	65.15	-	1,993.33	659.75	92.00	64.90	686.85	1,306.48	1,187.52
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	145.62
PREVIOUS YEAR	1,150.80	850.23	142.41	11.35	1,847.27	761.21	40.06	141.51	659.76	1,187.52	389.59

In accordance with the provisions of Schedule II of the Act, in case of fixed assets which have completed their useful life as at 1st April 2015, the carrying value (net of residual value) amounting to ₹ 11.35 lacs as a transitional provision has been recognised in Retained Earning.

Further, in case of assets acquired prior to 1st April 2014, the carrying value of assets (net of residual value) is depreciated over the remaining useful life as determined effective 1st April 2014

Particulars	(₹ in Lacs)	
	As at 31St March 2016	As at 31St March 2015
Note 12 NON-CURRENT INVESTMENTS		
TRADE		
In Equity Share (Fully Paid Up)		
Unquoted		
1,95,000 Equity Shares (31 March 2015 : 1,95,000) of ₹.10/- each, of Gini Tex Private Limited	8.88	8.88
31,717 Shares (31 March 2015 :31,717 Shares) @ 100/- each of Tarapur Environment Protection Society	31.72	31.72
NON - TRADE		
In Equity Share (Fully Paid Up)		
Unquoted		
1800 Equity Shares (31 March 2015 : 1800)of ₹.10/- each, of Gini Construction Private Limited	0.18	0.18
Quoted		
2,019 Equity Shares (31 March 2015 : 2,019) of ₹ 10/- each of National Thermal Power Corporation Ltd	1.25	1.25
2019 Bonus Debentures allotted by National Thermal Power corporation Ltd (31 March, 2015 - 2019)	-	-
6,000 Equity Shares (31 March 2015 : 6,000) of ₹ 10/- each of TATA Steel Limited	37.26	37.26
INVESTMENTS IN PARTNERSHIP FIRM		
Gini Construction Co - Capital Account #	-	-
Gini Citicorp Reality LLP Capital Account	0.05	0.05
TOTAL	<u>79.33</u>	<u>79.33</u>
Quoted Investments		
Book Value	38.51	38.51
Market Value	22.04	21.97
Unquoted Investments		
Book Value	40.82	40.82
# 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		
Note 13 LONG-TERM LOANS AND ADVANCES		
Capital Advances	1,265.07	15.77
Security Deposit (Unsecured, considered good)	30.83	30.77
Advance Income Tax (Net of Provisions)	51.29	46.67
Prepaid Expenses	1.19	0.17
Balances with government authorities (Unsecured considered good)		
Mvat Receivable	116.90	99.88
Balance with Central Excise #	4.85	1.00
Total	<u>1,470.13</u>	<u>194.26</u>

Commissioner of Central Excise has demanded ₹ 41.84 lacs (P.Y. ₹ 3.38 lacs) for various years and the Company has deposited ₹ 4.85 lacs (P.Y. ₹ 1.00 lac) under the Central Excise Act to the Asst. Registrar the Customs Excise Service Tax Appellate Tribunal.

Particulars	(₹ in Lacs)	
	As at 31St March 2016	As at 31St March 2015
Note 14 OTHER NON CURRENT ASSETS		
Fixed Deposit with bank with maturity period more than 12 months#	2.23	2.27
Application Money paid to Tarapur Environment Protection Society (Pending allotment)	25.62	8.58
Total	27.85	10.85
<p># Held as lien by bank against bank gurantee amounting to ₹ 1.75 lacs (P.Y. ₹ 1.75 lacs) to the commissioner of custom on account of bond for availing duty exemption under EPCG scheme and ₹ 2.00 lacs (P.Y. ₹ 2.00 lacs) to the Maharashtra Pollution Control Board.)</p>		
Note 15 CURRENT INVESTMENTS		
Investment in Mutual Funds		
Quoted		
2,72,564.820 Units (31 March 2015 : 12,83,705.907) of ₹ 10/- each in HDFC Cash Mgmt Fund - Treasury Advantage Plan- Retail- Daily Dividend	27.35	128.78
	27.35	128.78
Quoted Investments		
Book Value	27.35	128.78
Market Value	27.35	128.78
Note 16 INVENTORIES		
(At lower of cost or Net Realisable Value)		
Raw Materials	102.95	133.78
Work-in-Progress	69.35	18.55
Finished Goods	437.10	406.16
Stores and Spares	63.57	45.71
Total	672.97	604.20
Note 17 TRADE RECEIVABLES		
(Unsecured, considered good)		
Over Six Months	39.45	23.92
Others	611.95	451.57
Total	651.40	475.49
Note 18 CASH AND BANK BALANCE		
Cash and Cash Equivalent		
Cash on hand	7.92	10.78
[Includes foreign currency in hand of `Nil/- (P.Y. ₹ 54232/-)]		
Balances with banks in current accounts	23.82	2.16
Others		
Unpaid Dividend accounts	2.32	1.83
Total	34.06	14.77

(₹ in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Note 19 SHORT TERM LOANS AND ADVANCES		
Life Insurance Corporation of India - Gratuity	2.75	8.92
Prepaid Expenses	7.77	4.99
Loans and Advances to Employees (Unsecured, considered good)	6.78	13.78
Other Loans and Advances (Unsecured, considered good)	408.26	1,670.01
Advance to Suppliers	13.37	65.04
Total	438.93	1,762.74

Note 20 OTHER CURRENT ASSETS

Rent Receivable	-	4.20
Interest Receivable	3.26	2.17
MIDC Receivable	3.85	-
Total	7.11	6.37

(₹ in Lacs)

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Note 21 REVENUE FROM OPERATIONS		
Sale of products		
Fabric Sales	1,703.53	2,239.12
Sale of Service		
Processing Income	2,371.40	1,772.39
Other operating revenues		
Sale of Scrap	0.47	0.60
Total	4,075.40	4,012.11

	(₹ in Lacs)	
Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Note 22 OTHER INCOME		
Dividend Income:		
From Current Investments - Mutual Fund	8.56	8.80
From Long Term Investments - Equity Shares	2.52	1.69
Net gain on sale of:		
From Current Investments - Mutual Fund	-	(0.01)
From Long Term Investments - Equity Shares	-	2.73
	11.08	13.21
Interest Income Comprises:		
Interest on Loans and Advances	63.27	153.88
Interest on Overdue Trade Receivables	1.84	2.60
Interest received on Fixed Deposit	0.27	0.21
Interest on Mvat Refund	-	1.01
Interest on Income Tax Refund	-	-
Interest on Security Deposit	1.73	1.88
Total - Interest Income	67.11	159.58
Share of Profit/Loss from Partnership Firms/ LLP	(0.28)	1.60
(Profit/(loss) was accounted as per the Unaudited Accounts of Partnership Firm/ LLP)	(0.28)	1.60
Other Non-Operating Income Comprises:		
Rental income from Investment properties	49.20	49.20
Profit on Sale of Fixed Assets	5.75	18.79
Mvat Refund Received	-	-
Miscellaneous Income	16.96	-
	71.91	67.99
Total - Other Non-Operating Income	71.91	67.99
Total	149.82	242.38
Note 23 a COST OF MATERIAL CONSUMED		
Raw Material		
Opening Stock	133.78	106.96
Add: Purchases	1,054.07	1,673.70
	1,187.85	1,780.66
Less: Closing Stock	102.95	133.78
Cost of Material Consumed	1,084.90	1,646.88
Material Consumed Comprises:		
Dyes & Chemicals	483.26	381.68
Grey Fabrics	601.64	1,265.20
Total	1,084.90	1,646.88

Particulars	(₹ in Lacs)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Note 23 b Purchase of Stock in Traded		
Finished Fabrics	603.11	458.50
Total	603.11	458.50
Note 23 c Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Inventories at the end of the year:		
Finished Goods	437.10	406.15
Work-in-Progress (Job)	69.35	18.56
	<u>506.45</u>	<u>424.71</u>
Inventories at the beginning of the year:		
Finished Goods	406.15	224.39
Work-in-Progress (Job)	18.56	30.97
	<u>424.71</u>	<u>255.36</u>
Net Increase / (decrease)	<u>(81.74)</u>	<u>(169.35)</u>

VALUE OF RAW-MATERIAL/GREY FABRICS CONSUMED

	2016 ₹	% of Consumption	2,015 ₹	% of Consumption
Imported	-	-		
Indigenous	1,084.90	100%	1,646.88	100%
	<u>1,084.90</u>	<u>100%</u>	<u>1,646.88</u>	<u>100%</u>

Note 24 EMPLOYEE BENEFITS EXPENSE

Salaries and Wages	363.06	319.63
Contributions to Provident and Other Funds	17.44	16.54
Staff Welfare Expenses	10.95	10.23
Total	391.45	346.40

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

	2015-2016	2014-2015
Employer's Contribution to Provident Fund	17.12	16.23

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

	(₹ in Lacs)	
Particulars	2015-2016	2014-2015
Opening PV of Obligation	57.10	45.43
Interest Cost	4.57	3.63
Current Service Cost	5.95	4.19
Benefits Paid	(1.14)	(3.13)
Actuarial Gain / Loss	2.60	4.44
PV of Closing Obligation	69.08	54.56
Calculation of Changes in Fair Value of Plan Asset		
FV of Plan Asset at beginning	65.62	47.46
Expected Return on Plan Asset	5.60	4.72
Employer Contribution	1.75	14.43
Benefits Paid	(1.14)	(3.13)
Actuarial Gain / (Loss)	NIL	NIL
FV of Asset at end	71.83	63.49
Liability in Balance Sheet		
Closing PV of Obligation	69.08	54.56
FV of Plan Asset	71.83	63.49
Asset/ (Liability) recognised in Balance Sheet	2.75	8.92
Expense in Profit & Loss A/c Statement		
Current Service Cost	5.95	4.19
Interest Cost	4.57	3.63
Expected Return on Plan Asset	(5.60)	(4.72)
Actuarial Loss	2.60	4.44
Actuarial Gain	-	-
Total Expenses Recognised in P & L A/c	7.52	7.54
Actuarial Assumptions		
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.

	(₹ in Lacs)	
Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Note 25 FINANCE COST		
INTEREST EXPENSES ON		
Borrowings from Directors	65.06	10.29
Cash Credit from Bank	0.01	0.01
Term Loan from Bank	79.57	21.62
Trade Deposits	0.51	0.55
Bank Commission Charges	2.31	12.46
Total	147.46	44.93

Particulars	(₹ in Lacs)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Note 26 OTHER EXPENSES		
STORES & SPARES CONSUMED		
Opening Stock	18.60	14.71
Add : Purchases	85.80	45.03
	<u>104.40</u>	<u>59.74</u>
Less : Closing Stock	33.72	18.60
	<u>70.68</u>	<u>41.14</u>
PACKING MATERIAL CONSUMED		
Opening Stock	23.27	23.33
Add : Purchases	90.91	90.18
	<u>114.18</u>	<u>113.51</u>
Less : Closing Stock	26.68	23.27
	<u>87.50</u>	<u>90.24</u>
COAL CONSUMED		
Opening Stock	3.00	12.96
Add : Purchases	370.84	354.17
	<u>373.84</u>	<u>367.13</u>
Less : Closing Stock	2.53	3.00
	<u>371.31</u>	<u>364.13</u>
POWER & FUEL CONSUMED		
Opening Stock	0.84	0.58
Add : Purchases	264.73	198.07
	<u>265.57</u>	<u>198.65</u>
Less : Closing Stock	0.64	0.84
	<u>264.93</u>	<u>197.81</u>
OTHER MANUFACTURING EXPENSES		
Processing Charges	49.42	60.42
Embroidery Charges	1.26	-
Design Charges	0.01	0.02
Labour Charges	356.61	273.67
Carriage & Freight	56.59	37.22
Testing Fees & Laboratory Charges	1.49	0.87
Packing Charges	31.47	36.84
Water Charges	77.72	75.26
Effluent Treatment Expenses	47.54	37.22
	<u>622.11</u>	<u>521.52</u>
SELLING DISTRIBUTION AND OTHER EXPENSES		
Commission on Sales	54.54	84.77
Advertisement Expenses	0.56	1.29
Sales Conference Expenses	2.49	-
Sales Promotion Expenses	6.70	41.09
	<u>64.29</u>	<u>127.15</u>

(₹ in Lacs)

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
ESTABLISHMENT EXPENSES		
Insurance Charges	7.05	8.76
Rent	13.73	13.65
Rating Fees	0.46	0.56
Rates & Taxes	7.13	7.84
Traveling & Conveyance	25.56	27.35
Printing & Stationery	6.06	5.76
Legal & Professional Charges	8.12	8.51
Postage Expenses	5.95	5.52
Miscellaneous Expenses	10.40	8.66
Motor Car Expenses	3.28	4.50
Telephone Charges	5.18	5.39
Electricity Charges	12.75	13.68
Donation	5.00	2.77
Entertainment Expenses	0.18	0.32
Sundry Balances W/off	-	1.23
Security Transaction Tax	-	0.01
Internet Expenses	1.24	1.22
Society Expenses	1.86	1.77
	113.95	117.50
REPAIRS & MAINTENANCE		
To Plant & Machinery	33.47	25.69
To Building	19.63	2.89
To Others	9.96	4.06
	63.06	32.64
PAYMENT TO AUDITORS		
As Audit Fees	0.74	0.73
As Tax Audit Fees	0.21	0.20
For Expenses	-	-
	0.95	0.93
TOTAL	1,658.78	1,493.09

27 VALUE OF STORES/SPARES CONSUMED

	2016 ₹	% of Consumption	2015 ₹	% of Consumption
Imported	-		-	0%
Indigenous	529.49	100%	495.52	100%
	529.49	100%	495.52	100

28 CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)
28 a. Contingent Liabilities

Particulars	(₹ in Lacs)	
	As at 31St March 2016	As at 31St March 2015
Commissioner of Central Excise, Thane II has demanded duty on Deemed Credit for the period February 2001 to October 2002. The Company has deposited ₹1,00,000/- (P.Y. ₹ 1,00,000/-) to Asst. Registrar the Customs Excise Service Tax Appellate Tribunal W.Z.B.	3.38	3.38
Textile Committee, Govt of India, Ministry of textiles demanded cess for various period under The Textile Committee Act & Cess Rules 1975	7.09	7.09
Central Excise duty demand for excise duty and interest on differential amount on excise duty. (The Central Excise Department has made Special Leave Petition in Supreme Court)	185.10	185.10
Central Excise Demand under the Central Excise Act against availment of Cenvat Credit. (The Company has gone in appeal to the customs, excise and service tax appellate tribunal) and Deposited ₹3,84,546/- (P.Y. Nil)	56.78	0.00
Bank Gurantees given to the commissioner of custom on account of bond for availing duty exemption under EPCG scheme	1.75	1.75
Bank Guarantee given to the Maharashtra Pollution Control Board for compliance of directions issued by Board.	2.00	2.00
Disputed demand in respect of Income -Tax for FY 2011-12	14.52	14.52
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 Pvt Ltd of which amount cannot be ascertained.		

28 b COMMITMENTS

Commitment for Capital Expenditure of ₹ 1800.00 lacs (Previous year 'Nil') towards purchase of land, advance paid ₹1265,07 lacs.

29 VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF	2015-2016	2014-2015
Raw Materials		-
Stores and spare parts	6.81	-
Capital goods	-	-
	<u>6.81</u>	<u>-</u>
30 Expenditure/Earning in foreign currency on account of		
Expenditure in foreign currency		
Travelling expenses	0.54	0.37
Earning in foreign currency	-	-
	<u>0.54</u>	<u>0.37</u>

		(₹ in Lacs)	
		2015-2016	2014-2015
31	EARNING PER SHARE (EPS)		
	Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	180.44	243.03
	Weighted Average number of equity shares used as denominator for calculating EPS	55.93	55.93
	Basic and Diluted Earning per share	3.23	4.35
	Face Value per equity share	10.00	10.00
32	DEFERRED TAX (LIABILITY)/ ASSETS		
	LIABILITY		
	Accumulated Depreciation	191.56	110.51
	Deferred Tax Liability	191.56	110.51
	ASSETS	-	-
	Net Deferred Tax Liability	191.56	110.51
33	LEASES		
	a Premises taken on operating lease:		
	The Company has significant operating lease for premises. These lease arrangements range for a period of 5 years. The leases are renewable for a further period on mutually agreeable terms		
	For a period not later than one year	0.71	0.53
	For a period more than one year and not later than five years	12.06	12.06
	b Premises given on operating lease:		
	The Company has given premises on operating leases. These lease arrangements range for a period of 5 years. The leases are renewable for a further period on mutually agreeable terms.		
	<u>Buildings:</u>		
	Gross carrying amount	11.42	11.42
	Depreciation for the year	-	-
	Accumulated Depreciation	10.85	10.85
34	RELATED PARTY TRANSACTION		
(A)	RELATIONSHIP		
	Name of the Related Party	Relationship	
	1. Vishwanath Harlalka	Key Managerial Personal (KMP)	
	2. Deepak Harlalka	Key Managerial Personal (KMP)	
	3. Anjali Harlalka	Key Managerial Personal (KMP)	
	4. Shreem Reality Private Limited	Relative of KMP and their enterprises	
	5. Gini Tex Private Limited	Associates	
	6. Shree Enterprises	Partner	
	7. Gini Construction Co.	Partner	
	8. Gini Constructions Pvt Ltd	Associates	
	9. Gini Citicorp Reality LLP	Partner	

(B) Transaction carried out with related parties referred in (A) above

(₹ in Lacs)

	Nature of Transactions	Partner	Associates	KMP/and their EnterpriseS	Total
1.	Sales				
	Processing Job Work		753.87		753.87
			<i>746.32</i>		<i>746.32</i>
	Sale of Dyed Fabrics		-		-
			-		-
2.	Purchase		-		-
	Purchase of Grey Fabrics		-		-
			<i>119.97</i>		<i>119.97</i>
	Purchase Dyed fabrics		111.11		111.11
			-		-
3.	Income				
	Share of Profit #	(0.28)			(0.28)
		<i>1.60</i>			<i>1.60</i>
4.	Expenses				
	Rent Paid		12.06		12.06
			<i>12.06</i>		<i>12.06</i>
	Telephone Charges Paid		1.87		1.87
			<i>1.66</i>		<i>1.66</i>
	Managerial Remuneration			48.00	48.00
				<i>48.00</i>	<i>48.00</i>
	Interest on Unsecured Loan Payment			65.06	65.00
				<i>9.26</i>	<i>9.00</i>
5.	Investments				-
	Return of Investments	134.00			134.00
		-			-
	Additon in Investments	-			-
		<i>115.00</i>			<i>115.00</i>
6.	Others				
	Acceptance of Unsecured Loans			1,202.50	1,202.50
				<i>228.50</i>	<i>228.50</i>
	Repayment of Unsecured Loans			920.25	920.25
				<i>37.50</i>	<i>37.50</i>
	Advance for Purchase of Land			1265.07	1265.07
				-	-
7.	Outstanding				
	Balance as at 31st March, 2016				
	Trade Receivables			-	-
	Trade Payables			-	-
	Loans and Advances			1806.14	1806.14
				<i>200.26</i>	<i>200.26</i>
	Investments	256.53			256.53
		<i>353.01</i>			<i>353.01</i>

Figures in italic represents Previous Year's amount

The Figure of Share of profit is after giving effect to the difference between the provisional profits(Unaudited) and the actual profits (Audited) of FY 2014-15.

- 35** 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.
- 36** Income Tax assessment is completed up to the Assessment Year 2013- 2014
- 37** The Company is in process of appointing the Company Secretary and Chief Financial Officer, however during the year under audit the Company unable to appoint the same.
- 38** The Company's operation fall under single segment namely "Textile" therefore, separate business segment is not disclosed
- 39** Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our Report of even date

For Vatsaraj & Co

Chartered Accountants

FRN : 111327W

CA NITESH K DEDHIA

Partner

Membership No, 114893

Mumbai, 30th May 2016

For and on behalf of the Board of Directors

Vishwanath Harlalka Chairman

Deepak Harlalka Managing Director

Anjali Harlalka Director

Mumbai, 30th May 2016



ATTENDANCE SLIP

GINI SILK MILLS LIMITED

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

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional Slip at the venue of the meeting

DP ID*	
--------	--

Folio No.	
-----------	--

Client Id*	
------------	--

No. Of Shares	
---------------	--

NAME AND ADDRESS OF THE SHAREHOLDERS

I hereby record my presence at the 36th Annual General Meeting of the **GINI SILK MILLS LIMITED** at Maheshwari Pragati Mandal, Maheashwari Bhawan, 603, Girgaon Road, Mumbai-400002 on Monday, 19th September, 2016.

*Applicable for Investor holding shares in electronic form

Signature of Shareholder/ proxy

.....Tear Here

PROXY FORM



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

GINI SILK MILLS LIMITED

CIN NO: L17300MH1981PLC024184

Registered Office: 413, Tantia Jogani Industrial. Estate, J.R.Boricha Marg, Lower Parel, Mumbai – 400 011.

Name of the member (s) :	
Registered address :	
E-mail Id :	
Folio No./Client Id :	
DP ID :	

I/We being the member(s) of _____ shares of Gini Silk Mills Limited hereby appoint:

(1) Name: _____

Address: _____

E-mail ID: _____

Signature: _____, or failing him;

(2) Name: _____

Address: _____

E-mail ID: _____

Signature: _____, or failing him;

(3) Name: _____

Address: _____

E-mail ID: _____

Signature: _____

.....Tear Here

as my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company, to be held on the 19th day of September at 12.30 p.m. at Maheshwari Pragati Mandal, Maheshwari Bhawan, 603, Girgaon Road, Mumbai-400002 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolutions	Vote	
		(For)	(Against)
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2016	Ordinary	
2.	Appointment of Mrs. Anjali Harlalka as a Director, who retires by rotation.	Ordinary	
3.	Appointment of Auditors and fix their remuneration	Ordinary	
4.	Appointment of Mr. Ruchir Omprakash Jalan as an Independent Director	Ordinary	
5.	Re-appointment of Mr. Deepak Harlaka as a Managing Director.	Ordinary	

Signed this _____ day of _____ 2016

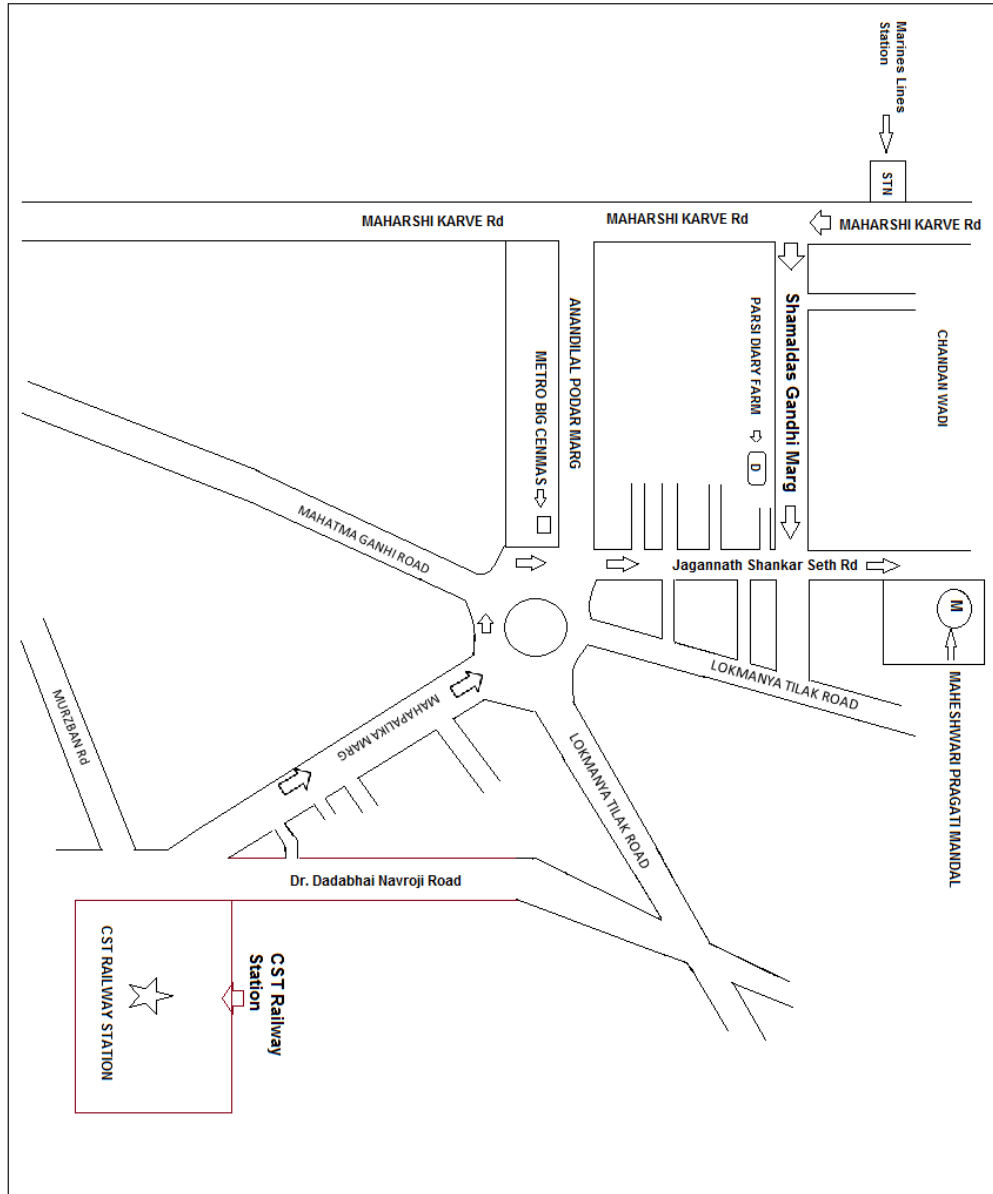
Signature of shareholder _____

Signature of Proxy holder _____

Affix
Revenue
Stamp

- Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. The proxy need not be a member of the Company.

ROUTE MAP TO 36TH AGM OF GINI SILK MILLS LIMITED



BY - COURIER

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.