



Fine Fabrics Since 1963

GINI SILK MILLS LIMITED

39th Annual Report 2018 - 2019

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BOARD OF DIRECTORS:

Vishwanath Harlalka - Executive Chairman
Deepak Harlalka - Managing Director
Suresh Gagar - Director
Pankajkumar Agarwal - Director
Anjali Harlalka - Director
Ruchir Jalan - Director

REGISTERED OFFICE:

Gini Silk Mills Limited
 CIN: L17300mh1981plc024184
 413, Tantia Jogani Industrial Estate Premises,
 Opp. Kasturba Hospital, J. R. Borichamarg,
 Lower Parel (East), Mumbai-400011
 Tel. No: 022- 40750601
 E-Mail: ginitex@rediffmail.com
 Website: www.ginitex.com

BANKERS:

Kotak Mahindra Bank Limited
 State Bank of India

AUDITORS:

M/S. Bilimoria Mehta & Co.
 Chartered Accountants

SECRETARIAL AUDITORS:

Sandeep Dar & Co.
 Company Secretaries

39TH ANNUAL REPORT 2019:

Date : September 07, 2019

Time : 12.30 P.M.

**Venue : Sangam Hall, Agarwal Bhavan, 100/C,
 Marine Drive, Next To Indian Oil Petrol
 Pump, Mumbai – 400002.**

REGISTRAR & TRANSFER AGENT:
Bigshare Services Pvt Ltd

1st Floor, Bharat Tin Works Building, Opp. Vasant
 Oasismakwana Road, Marol, Andheri East,
 Mumbai 400059
 Tel. No: 022-62638200
 Fax. No.: 022-62638299
 E-Mail: Investor@Bigshareonline.com

THIRTY NINETH ANNUAL GENERAL MEETING

held on **Saturday, 07th September, 2019 at 12.30 P.M**

at Sangam Hall, Agarwal Bhavan, 100/C, Marine Drive, Next To Indian Oil Petrol, Pump, Mumbai – 400002

NOTICE

NOTICE is hereby given that the 39th Annual General Meeting of the Company will be held on **SATURDAY, 07th SEPTEMBER, 2019 at 12.30 P.M. at Sangam Hall, Agarwal Bhavan, 100/C, Marine Drive, Next to Indian Oil Petrol Pump, Mumbai - 400002** to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2019 and the Profit and Loss Account for the year ended on that date together with the Directors' and Auditors' Report thereon.
2. To declare dividend on Equity Shares for the financial Year 2018-2019.
3. To appoint a Director in place of Anjali Deepak Harlalka (DIN 07141513), who retires by rotation and being eligible, offers herself for reappointment.

SPECIAL BUSINESS

4. **Re-appointment of Mr. Pankajkumar Agarwal, as an Independent Director of the Company:**

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

“RESOLVED THAT pursuant to the provision of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the said Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings, Mr. Pankajkumar Agarwal (DIN: 01115660), Non-Executive Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1) (b) and 25(8) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015,as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as a Non-Executive Independent Director of the Company to hold office for second term of 5 (five) consecutive years with effect from September 27, 2019 to September 26, 2024 and shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act,2013.

RESOLVED FURTHER THAT the board of directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

5. **Re-appointment of Mr. Suresh Gaggar, as an Independent Director of the Company:**

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

“RESOLVED THAT pursuant to the provision of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the said Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings, Mr. Suresh Gaggar (DIN: 00599561), Non-Executive Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1) (b) and 25(8) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015,as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as a Non-Executive Independent Director of the Company to hold office for second term of 5 (five) consecutive years with effect from September 27, 2019 to September 26, 2024 and shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act,2013.

RESOLVED FURTHER THAT the board of directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

6. **To Approve Related Party Transactions:**

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

“RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act,2013 (“Act”) read with Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in terms of Regulation 23 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded for entering into material related party transactions/arrangements with related parties during the financial year 2019-20, as set out in the explanatory statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors and/or a committee thereof, be and is hereby, authorized to do all such acts, matters, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Registered Office:

GINI SILK MILLS LIMITED

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

By Order of the Board

Date: May 30, 2019

Place: Mumbai

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. 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 register of members and share transfer books will remain closed from Saturday, August 31, 2019 to Saturday, September 07, 2019. (Both days inclusive).
3. Dividend, after declaration, shall be disbursed to the members:-
 - a. Whose name appears as beneficial owners as at the end of business hours on Friday, August 30, 2019 as per the list to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited, in respect of the shares held in electronic form.
 - b. Whose names appear as members in the register of members of the Company after giving effect to valid transfers in physical form lodged with the Company or registrar and share transfer agents on or before August 30, 2019.
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, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road Marol, Andheri East, Mumbai 400059, Maharashtra, 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. Shareholders who have 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.
8. 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.
9. **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 Wednesday, September 04, 2019 at 09:00 A.M and ends on Friday, September 06, 2019 at 05:00 P.M. Members holding Shares in physical or in Demat form as on cut off date i.e. Friday, August 30, 2019 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;
 - I. For CDSL: 16 digits beneficiary;
 - II. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
 - III. 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	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <p>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).</p>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in demat form will now reach to the '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 'CDSL 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. 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.

✦ 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

i. 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.

10. 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.

Annexure to Item 3

Detail of Directors seeking appointment and/or re-appointment at the ensuing Annual General Meeting (as per Regulation 36(3) of the SEBI (LODR) Regulations, 2015 entered with the Stock Exchanges and Secretarial Standard 2 – General Meetings issued by ICSI)

Sr. no.	Name of Director	ANJALI DEEPAK HARLALKA
1.	Date of Birth	25/03/1966
2.	Age	53
3.	Date of Appointment	28/03/2015
4.	PAN	AAAPH8406K
5.	DIN	07141513
6.	Expertise in Specific functional area	-
7.	Qualification	B.com
8.	Names of other listed entities in which she holds the directorship as on March 31, 2019	-
9.	Names of other listed entities/unlisted Public Companies in which she holds Membership/ Chairmanship of Committees as on March 31, 2019(Only Audit Committee & Stakeholders Relationship Committee considered)	-
10.	Relationships, if any, between Director inter-se	Wife
11.	Number of shares and convertible instruments held by non-executive directors	-

Annexure to Item 4

Detail of Directors seeking appointment and/or re-appointment at the ensuing Annual General Meeting (as per Regulation 36(3) of the SEBI (LODR) Regulations, 2015 entered with the Stock Exchanges and Secretarial Standard 2 – General Meetings issued by ICSI)

Sr. no.	Name of Director	PANKAJKUMAR AGARWAL
1.	Date of Birth	19/07/1980
2.	Age	39
3.	Date of Appointment	26/09/2014
4.	PAN	AFRPA3652A
5.	DIN	01115660

Sr. no.	Name of Director	PANKAJKUMAR AGARWAL
6.	Expertise in Specific functional area	-
7.	Qualification	B.Com
8.	Names of other listed entities in which he holds the directorship as on March 31, 2019	-
9.	Names of other listed entities/unlisted Public Companies in which he holds Membership/ Chairmanship of Committees as on March 31, 2019(Only Audit Committee & Stakeholders Relationship Committee considered)	-
10.	Relationships, if any, between Director inter-se	-
11.	Number of shares and convertible instruments held by non-executive directors	-

Annexure to Item 5
Detail of Directors seeking appointment and/or re-appointment at the ensuing Annual General Meeting (as per Regulation 36(3) of the SEBI (LODR) Regulations, 2015 entered with the Stock Exchanges and Secretarial Standard 2 – General Meetings issued by ICSI)

Sr. no.	Name of Director	SURESH GAGGAR
1.	Date of Birth	14/06/1963
2.	Age	56
3.	Date of Appointment	26/09/2014
4.	PAN	ABLPG3809K
5.	DIN	00599561
6.	Expertise in Specific functional area	
7.	Qualification	B.Com
8.	Names of other listed entities in which he holds the directorship as on March 31, 2019	Garnet International Ltd
9.	Names of other listed entities/unlisted Public Companies in which he holds Membership/ Chairmanship of Committees as on March 31, 2019(Only Audit Committee & Stakeholders Relationship Committee considered)	-
10.	Relationships, if any, between Director inter-se	-
11.	Number of shares and convertible instruments held by non-executive directors	-

Explanatory Statement in respect of the Special Business pursuant to Section 102 of the Companies Act, 2013
Item 4

The Company has received a declaration from Mr. Pankajkumar Agarwal, being eligible for re-appointment as Independent Director for the second term providing his consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time. The Company has also received a declaration from Mr. Pankajkumar Agarwal confirming the criteria of Independence as prescribed under the Companies Act, 2013 and the Listing Regulations, as amended from time to time. Mr. Pankajkumar Agarwal is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and is independent of the management. He is not debarred from holding the office of Director by virtue of any Securities and Exchange Board of India (SEBI) order or any other such authority.

The Nomination & Remuneration Committee ('NRC') and the Board of Directors of the Company ('Board') are of the view that given Mr. Pankajkumar Agarwal's, background & experience and contributions made by him, it would be appropriate that he be reappointed for the second term of 5 years with effect from September 27, 2019. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of Mr. Pankajkumar Agarwal's as an Independent Director of the Company.

Except Mr. Pankajkumar Agarwal's, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.4.

Item 5

The Company has received a declaration from Mr. Suresh Gaggar, being eligible for re-appointment as Independent Director for the second term providing his consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time. The Company has also received a declaration from Mr. Suresh Gaggar confirming the criteria of Independence as prescribed under the Companies Act, 2013 and the Listing Regulations, as amended from time to time. Mr. Suresh Gaggar is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and is independent of the management. He is not debarred from holding the office of Director by virtue of any Securities and Exchange Board of India (SEBI) order or any other such authority.

The Nomination & Remuneration Committee ('NRC') and the Board of Directors of the Company ('Board') are of the view that given Mr. Suresh Gaggar's, background & experience and contributions made by him, it would be appropriate that he be reappointed for the second term of 5 years with effect from September 27, 2019. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of Mr. Suresh Gaggar as an Independent Director of the Company.

Except Mr. Suresh Gaggar, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.5.

Item 6

Pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") read with Rules made thereunder and Regulation 23 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LORD"), shareholders' approval is required for material related party transactions.

The Company is expected to enter into the following material related party transactions with the related parties during the financial year 2019-20 and which are in the ordinary course of business and on an Arm's Length Basis.

Name of Related Party	Name of interested Director(s)/KMP(s)	Nature of relationship	Nature of Transaction	Estimated transaction value for the financial year ending 31 st March, 2020 (Rs. Lakhs)
Gini Tex Private Limited-	1. Deepak Harlalka	Mr. Deepak Harlalka , Mr. Vishwanath Harlalka and Mrs. Anjali Harlalka are directors of the company are also Director and/ or members of Gini Tex Private Limited	1. Job work services provided	700.00
	2. Vishwanath Harlalka		2. Rent Payable	5.00
3. Anjali Harlalka				
Vishwanath Harlalka HUF		Directors of the company are members of HUF	Rent Payable	8.00

Mr. Deepak Harlalka, Mr. Vishwanath Harlalka and Mrs. Anjali Harlalka Directors of the Company, hold 3,22,200(21.69%), 4,27,200(28.76%) and 3000(0.20) Equity Shares respectively, in Gini Tex Private Limited.

The Board of Directors recommends the above resolution for your approval. Except Mr. Deepak Harlalka, Mr. Vishwanath Harlalka and Mrs. Anjali Harlalka and their relatives, none of the other Directors or Key Managerial Personnel or their relatives, in anyway, concerned or interested in the said ordinary resolution.

As per the Act and Regulation 23 of LODR, related party(ies) of the Company shall abstain from voting on said resolution.

Registered Office:
GINI SILK MILLS LIMITED

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

By Order of the Board

Date: May 30, 2019
Place: Mumbai

Vishwanath Harlalka
Chairman

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and schedule V Para C clause (10) (i) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members

GINI SILK MILLS LIMITED

413, Jogani Industrial Estate, Opp. Kasturba -Hospital,
J. R. BorichaMarg, Lower Parel (East), Mumbai - 400011.

We, **Sandeep Da r& Co.** have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gini Silk Mills Limited having CIN:L17300MH1981PLC024184 and having registered office at 413, Jogani Industrial Estate, Opp. Kasturba -Hospital, J. R. Boricha Marg, Lower Parel (East), Mumbai - 400011 and (hereinafter referred to as 'the company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers,

We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Deepak Vishwanath Harlalka	00170335	01/07/2010
2.	Vishwanath Sewaram Harlalka	00170432	30/12/1988
3.	Suresh Gaggar	00599561	26/09/2014
4.	PankajkumarAgarwal	01115660	26/09/2014
5.	Ruchir Omprakash Jalan	03172070	30/05/2016
6.	Anjali Deepak Harlalka	07141513	28/03/2015

Ensuring the eligibility of for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Sandeep Dar & Co.
Company Secretaries**

**Date: May 30, 2019
Place: Navi Mumbai**

CS Sandeep Dar
Membership No:3159

DIRECTOR'S REPORT

To,

The Members of **GINI SILK MILLS LIMITED**

Your Directors have pleasure in presenting their 39th Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended March 31, 2019.

1. FINANCIAL HIGHLIGHTS:

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

(Rs. in Lakhs)

Sr No.	Particulars	2018-2019	2017-2018
1.	REVENUE		
	Net Sales/ Income from operation	36,61.99	39,42.55
	Other Income	1,91.39	1,67.65
	Total	38,53.39	41,10.20
2.	LESS: EXPENDITURE		
	Cost of Materials Consumed	8,91.16	13,06.15
	Purchases of Traded Goods	2,99.26	1,97.17
	(Increase)/ decrease in inventories of finished goods and Stock in Process	25.84	1,16.05
	Employee Benefit Expenses	4,42.46	4,08.96
	Financial Cost	51.05	89.92
	Depreciation and Amortization Expense	1,02.03	97.60
	Other Expenses	19,15.17	16,10.31
	Total	37,26.97	38,26.16
3.	Profit Before Tax	1,26.42	2,86.94
4.	Provision for Taxation		
	i) Current Tax	58.26	75.88
	ii) Deferred Tax	5.25	(3.61)
	iii) (Excess)/ Short provisions written back of earlier years	(43.94)	-
5.	Profit After Tax	1,06.84	2,14.67
6.	Balance carried from Previous Year	28,31.13	26,51.90
7.	Other Comprehensive Income for the year	4.51	(1.78)
8.	Amount Available for Appropriation	29,42.48	28,64.79
9.	Balance carried to Balance Sheet	29,08.67	28,31.13
10.	Basic/ Diluted Earnings per Equity Shares	1.91	3.84

2. DIVIDEND:

Your Directors recommended a dividend of 5% i.e. Rs. 0.50 per Equity Shares of face value of Rs. 10/- each aggregating to Rs. 27.96 Lakhs (previous Year Rs. 27.96 Lakhs) (excluding Dividend Distribution Tax as applicable) for the year ended on March 31, 2019.

3. RESERVES:

No amount out of current year's Profits is transferred to the Reserves and surplus.

4. OPERATIONS:

Our Revenue from operations during the period under review was Rs. 3661.99 Lakhs and Rs. 3942.55 Lakhs in the previous year.

During the period under review the profit after tax (PAT) stood at 106.84 Lakhs (Previous Year Rs. 214.67 Lakhs). There is a decrease of 50.23% in net profit after tax as compared to previous year. The decrease in the Net Profit is due to Provision made for Doubtful Debts of Rs. 126.04 Lakhs. The performance for the coming years is expected to improve upon from the last year if right macroeconomic indicators are achieved in future.

5. 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; and
- (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.

6. 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-I** and forms an integral part of this report.

7. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of every contract 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 as **Annexure II**.

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

During the year under review Mr. Prasad Anant Nagvekar was appointed as the Chief Financial Officer of the Company w.e.f January 07, 2019.

9. (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, Executive Chairman- 9.89:1 b) Mr. Deepak Harlalka, Managing Director-9.89:1
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	6.35%
4.	The number of permanent Employees on the rolls of Company	132
5.	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.	There has been no increase in the salaries of the employees other than managerial personnel in the last financial year.
6.	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 One crore and two Lakhs per annum if employed throughout the financial year or Rupees Eight Lakh and Fifty Thousand 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.

10. NUMBER OF MEETINGS OF BOARD DURING THE YEAR:

Sr. No	Particulars	No. of meetings held
1.	Board meetings	Six
2.	Audit Committee meetings	Four
3.	Nomination and Remuneration Committee meeting	One
4.	Independent Directors Meeting	One

11. FORMAL ANNUAL EVALUATION:

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance and working of its Committees. The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, its structure and composition, establishment and delegation of responsibilities to various Committees. Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management of the Company. Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors, who also reviewed the performance of the Board as a whole.

12. 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.

13. 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

14. STATUTORY AUDITORS:

At the Annual General Meeting held on August 29, 2017, M/s. Bilimoria Mehta & Co., Chartered Accountants, (FRN 101490W), Mumbai, were appointed as statutory auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the year 2022.

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 remarks or disclaimer given by the auditors in their report.

15. 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 III** 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.

16. 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

17. COMPOSITION OF AUDIT COMMITTEE:

Composition of Audit Committee as on March 31, 2019 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. Suresh Gaggar - Chairman
2. Mr. Pankajkumar Agarwal - Member
3. Mr. Ruchir Jalan - Member

18. SIGNIFICANT MATERIAL CHANGES

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.

19. RISK MANAGEMENT

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.

20. 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.

21. 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.

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

During the period under review, Company has not given any loans, guarantees or investments to the Company.

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.

A report on Corporate Governance, along with a certificate from the Statutory Auditors on compliance with Corporate Governance norms forms an integral part of this report.

24. MANAGEMENT DISCUSSION AND ANALYSIS
I Industry Structure and Developments

Indian Textile industry is one of the largest in the world with large raw material base and manufacturing strength across the value chain. The uniqueness of the industry lies in its strength both in the hand woven as well as in the capital intensive mill sector. Traditional sectors like handloom, handicrafts and small scale power-loom units are the biggest source of employment for millions of people in rural and urban area.

II Opportunities and Challenges

1. Shift towards the market of branded ready- made garments is being observed
2. Increase Disposable Income and Purchasing Power of Indian Customer opens New Market .
3. More number of emerging malls and retail industries are providing opportunities to industries segments like handicrafts and apparels

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

IV Outlook:

Your Company's future growth will be driven by multiple growth driver. In the textile space, large opportunities in global textile and clothing markets are driving growth for us. Your Company will focus on its core strengths product segments. Its focus on building marketing & distribution foot-prints shall continue with renewed vigor during the coming year. On the whole, we are seeing new growth opportunities in advanced material division and the segment continues to grow at rapid pace.

V Risk and Concerns:

The Company has risk management framework which enable it to take certain risks to remain competitive and achieve higher growth and at the same time mitigate other risks to maintain sustainable results.

A key factor in determining a Company's capacity to create sustainable value is the risk that the Company is willing to take and its ability to manage them effectively. The Company's Risk Management processes focuses on ensuring that risks are identified on a timely basis and addressed.

Foreseeing the concerns, the Company manages to identify, evaluate, and monitor non-business risks.

VI Internal Control Systems and their Adequacy:

The existing internal controls are adequate and commensurate with the nature, size, complexity of the Business and its Processes. During the year the Company has laid down the framework for ensuring adequate internal controls and to ensure its effectiveness, necessary steps were taken by the Company.

VII. Discussion on financial performance with respect to Operational Performance

During the year under review, your Company has registered a turnover of 3661.99 Lakhs as compared to 3942.55 Lakhs in the previous year.

The sales revenue from Processing of Fabric increased from Rs. 2378.69 Lakhs to Rs. 2638.74 Lakhs during the year under review.

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

Your Company believes that its employees are one of the most valuable assets of the Company. The employees are deeply committed to the growth of the Company. 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 Company also provides various opportunities to the employees to develop their skills to take up higher responsibilities in the organization. Company also uses various communication channels to seek employee's feedback about the overall working environment and the necessary tools and resources they need to perform at their best potential.

25. 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 dispose of during the year 2018-19:

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

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO PROVISIONS OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF COMPANIES (ACCOUNTS) RULES, 2014.**A) CONSERVATION OF ENERGY:**

- (i) The steps taken or impact on conservation of energy - Energy conservation continues to receive priority attention at all levels by regular monitoring of all equipments and devices which consume electricity.
- (ii) The steps taken by the Company for utilizing alternate sources of energy - Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.

- (ii) The capital investment on energy conservation equipments –Since Company is having adequate equipment; no capital investment on energy conservation equipments is made during the year.

B) TECHNOLOGY ABSORPTION:

- (i) The efforts made towards technology absorption - Not Applicable
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution - Not Applicable
- (iii) In the case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - Not Applicable.
 - (a) The details of technology imported - Not Applicable
 - (b) The year of import - Not Applicable
 - (c) Whether the technology been fully absorbed - Not Applicable
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof - Not Applicable
- (iv) The expenditure incurred on Research and 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.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

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

27. 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

There are no significant and material orders passed by the Regulatrs/ Court which would impact the going concern status of the Company and its future operations.

28. APPRECIATION:

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.

**BY ORDER OF THE BOARD
FOR GINI SILK MILLS LIMITED**

**VISHWANATH HARLALKA
CHAIRMAN**

Registered Office:

413, Tantia Jogani Industrial Estate Premises,
Opp. Kasturba Hospital, J. R. Boricha Marg,
Lower Parel (East), Mumbai-400011
Date: May 30, 2019
Place: Mumbai

ANNEXURE I
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2019

 [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. BorichaMarg, 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 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri East, Mumbai 400059 Maharashtra. Tel:+91 22 62638200 Fax:+91 22 62638299 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	27.95%
2	Processing fabrics – Job work	13134	72.05%

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 Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total No of Shares	% of Total Shares	Demat	Physical	Total No of Shares	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/ HUF	4173410	-	4173410	74.62	4173410	-	4173410	74.6238	0.00
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	20050	-	20050	0.36	20050	-	20050	0.36	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub total (A)(1) :	4193460	-	4193460	74.98	4193460	-	4193460	74.98	0.00
2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total No of Shares	% of Total Shares	Demat	Physical	Total No of Shares	% of Total Shares	
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub total (A)(2) :	-	-	-	-	-	-	-	-	-
Total holding for promoters (A)=(A)(1) + (A)(2)	4193460	-	4193460	74.98	4193460	-	4193460	74.98	0.00
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 Corp.									
i) Indian	726997	3800	730797	13.07	1149011	-	1149011	20.55	0.36
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	134293	30107	164400	2.94	142009	21207	163216	2.92	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	141284	-	141284	2.53	74592	-	74592	1.33	0.90
c) Others (specify)									
i) NRI/OBC	362166	-	362166	6.48	135	-	135	0.002	-
ii) IEPF	-	-	-	-	12086	-	12086	0.216	0.216
iii) Clearing members	493	-	493	0.001	100	-	100	0.001	-
iv) Qualified Foreign Investor	-	-	-	-	85	-	85	0.00	0.00
Sub total (B)(2) :	1365233	33907	1399140	25.02	1377933	21207	1399140	25.02	0.00
Total Public Shareholding (B)=(B)(1) + (B)(2)	1365233	33907	1399140	25.02	1377933	21207	1399140	25.02	0.00
Total (A) + (B) :	5558693	33907	5592600	100.00	5571393	21207	5592600	100.00	0.00
C. Share held by Custodians for (GDRs & ADRs)									
	-	-	-	-	-	-	-	-	-
Grand Total (A) + (B) + (C)	5558693	33907	5592600	100.00	5571393	21207	5592600	100.00	0.00

(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	8,63,350	15.437	-	8,63,350	15.437	-	-
2.	Vishwanath Harlalka	18,90,660	33.800	-	18,90,660	33.800	-	-
3.	Vimla Harlalka	5,08,500	9.024	-	5,08,500	9.024	-	-
4.	Deepak Harlalka	3,09,600	5.535	-	3,09,600	5.535	-	-
5.	Anjali Harlalka	3,50,400	6.265	-	3,50,400	6.265	-	-
6.	Mr Pranav Harlalka	2,02,400	3.619	-	2,02,400	3.619	-	-
7.	Vishwanath Harlalka HUF	38,500	0.688	-	38,500	0.688	-	-
8.	Sewaram Harlalka Investments Private Ltd	20,050	0.358	-	20,050	0.358	-	-
9.	Manju Sonthalia	10,000	0.178	-	10,000	0.178	-	-
	Total	41,93,460	74.982	-	41,93,460	74.982	-	-

(iii) Change in Promoters' Shareholding: There was no change in the Shareholding of the Promoters during the year.

(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.	Nishu Finlease Private Limited	1,00,000	01-04-2018	0	-	1,00,000	1.79
			20-04-2018	1,89,000	Transfer	2,89,000	5.17
		2,89,000	31-03-2019	-	-	2,89,000	5.17
2	Anita Chainrai Advani	2,74,000	01-04-2018	-	-	2,74,000	4.90
			20-04-2018	(2,74,000)	Transfer	-	-
			30-03-2019	-	-	-	-
3	Religare Finvest Ltd	2,32,000	01-04-2018	-	-	2,32,000	4.15
			06-04-2018	(313)	Transfer	2,31,687	4.14
			06-07-2018	(466)	Transfer	2,31,221	4.13
			13-07-2018	(238)	Transfer	2,30,983	4.13
			27-07-2018	(150)	Transfer	2,30,833	4.13
			03-08-2018	(1000)	Transfer	2,29,833	4.11
		2,29,833	30-03-2019	-	-	2,29,833	4.11
4	VSB INVESTMENTS PVT LTD	-	01-04-2018	-	-	-	-
			14-09-2018	2,02,000	Transfer	2,02,000	3.61
		2,02,000	31-03-2019	-	-	2,02,000	3.61

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
5	ALAUKIK MINES AND POWER LTD	49,950	01-04-2018	-	-	49,950	0.89
			20-04-2018	3,446	Transfer	53,396	0.95
			12-10-2018	1,39,484	Transfer	1,92,880	3.45
			15-03-2019	3,600	Transfer	1,96,480	3.51
			29-03-2019	(25000)	Transfer	1,71,480	3.07
		1,71,480	31-03-2019	-	-	1,71,480	3.07
6	DECENT FINANCIAL SERVICES PVT LTD	1,20,000	01-04-2018	-	-	1,20,000	2.25
			20-04-2018	1,67,000	Transfer	2,87,000	5.13
			07-09-2018	(2,02,000)	Transfer	85,000	1.52
		85,000	31-03-2019	-	-	85,000	1.52
7	MANGAL SAVITRI BIZCON PRIVATE LIMITED	2,15,384	01-04-2018	-	-	2,15,384	3.85
			06-04-2018	(53,868)	Transfer	1,61,516	2.89
			13-04-2018	(22,032)	Transfer	1,39,484	2.49
			12-10-2018	(1,39,484)	Transfer	-	-
		-	31-03-2019	-	-	-	-
8	BALRAM CHAINRAI	88,091	01-04-2018	-	-	88,091	1.58
			20-04-2018	(88,091)	Transfer	-	-
		-	31-03-2019	-	-	-	-
9	HEM SECURITIES LIMITED	50	01-04-2018	-	-	50	0.00
			27-04-2018	20	Transfer	70	0.00
			11-05-2018	(20)	Transfer	50	0.00
			22-06-2018	(50)	Transfer	-	0.00
			19-10-2018	76,416	Transfer	76,416	1.37
		76,416	31-03-2019	-	-	76,416	1.37
10	GARNET INTERNATIONAL LIMIED	-	01-04-2018	-	-	-	-
			18-05-2018	54,000	Transfer	54,000	0.97
			29-06-2018	22,022	Transfer	76,022	1.36
			19-10-2018	(11,000)	Transfer	65,022	1.16
		65,022	31-03-2019	-	-	65,022	1.16

Shareholding of Directors and Key Managerial Personnel:

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	For Each of the Directors and KMP				
1.	Vishwanath Harlalka At the beginning of the year - Brought during the year - Sold during the year At the end of the year	18,90,660 - - 18,90,660	33.81 - - 33.81	18,90,660 - - 18,90,660	33.81 - - 33.81
2.	Deepak Harlalka At the beginning of the year - Brought during the year - Sold during the year At the end of the year	3,09,600 - - 3,09,600	5.54 - - 5.54	3,09,600 - - 3,09,600	5.54 - - 5.54
3.	Anjali Harlalka At the beginning of the year - Brought during the year - Sold during the year At the end of the year	3,50,400 - - 3,50,400	6.27 - - 6.27	3,50,400 - - 3,50,400	6.27 - - 6.27

V. INDEBTEDNESS:
Indebtedness of the Company including interest outstanding/accrued but not due for payment
(₹ In Lakhs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount due	402.34	475.63	-	877.97
ii) Interest due but not paid	3.42	59.41	-	62.83
iii) Interest accrued but not due				
Total (i+ii+iii)	405.76	535.04	-	940.80
Change in Indebtedness during the financial year				
Addition	55.63	124.55		180.18
Reduction	(133.88)	(306.75)		(440.63)
Net Change	(78.25)	(182.20)	-	(260.45)
Indebtedness at the end of the financial year				
i) Principal Amount	327.51	320.79		648.30
ii) Interest due but not paid	2.86	32.05		34.91
iii) Interest accrued but not due				
Total (i+ii+iii)	330.37	352.84	-	683.21

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:
A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTOR AND/ OR MANAGER:

(Rs. In Lakhs)

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 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	24.00	24.00	48.00
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	24.00	24.00	48.00
	Ceiling as per the Act	84.00	84.00	168.00

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 were 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.

1. Details of contracts or arrangements or transactions not at Arm's length basis. Nil
2. 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/ transaction	Duration of the contracts/ 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.	Gini Tex Private Limited- Directors are interested	1. Job work services provided 3. Rent paid	Yearly	1. Contract of processing fabrics Rs. 673.27 Lakhs 2. Finish fabric Sales Rs.86.78 Lakhs 3. Rent paid Rs. 4.50 Lakhs	28 th May 2018	NIL
2.	Shree Enterprises- Directors are partners	Job work services provided	Yearly	Contract of processing fabrics Rs. 0.52 Lakhs	28 th May 2018	NIL
3.	Vishwanath Harlalka HUF	Rent Paid	Yearly	Rent Paid Rs. 7.56 Lakhs	28 th May 2018	Nil

Form No. MR-3

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

[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, 2019 (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, 2019 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, 1992;
 - 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.

VII 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.
- (l) The Factories Act, 1948

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 have appointed Managing Director and Chief Financial Officer (CFO) as Key Managerial Personnel (KMP) Under section 203(1) of the Companies Act 2013, However, Compliance under clause (ii) of sub section (1) of section 203 is not complied with regard to the appointment of Company secretary for the Financial Year 2018-19.
2. As per Regulation 6(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, Company has not appointed a Qualified Company Secretary As the Compliance officer for the Financial Year 2018-19.
3. Stock Exchange has issued show cause notice dated February 12, 2019 under regulation 6(1) for non compliance with regard to appointment of a Qualified Company Secretary as the Compliance Officer and company has paid fine of Rs. 1,08,560 against such notice.

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 the 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: 3159C.
P. No.: 1571

Place: Navi Mumbai
Date: May 30, 2019

Report on corporate governance

Corporate Governance is a set of standards which aims to improve the Company's image, efficiency and effectiveness. It is the road map, which guides and directs the Board of Directors of the Company to govern the affairs of the Company in a manner most beneficial to all the Shareholders, the Creditors, the Government and the Society at large. 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:

Corporate governance is a value-based framework to manage our Company affairs in a fair and transparent manner. As a responsible corporation, we use this framework to maintain accountability in all our affairs and employ democratic and open processes. We have evolved guidelines and best practices over the years to ensure timely and accurate disclosure of information regarding our financials, performance, and governance of the Company. The Board of Directors and the management 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. The members on the Board possess adequate experience, expertise and skills necessary to manage the affairs of the Company in the most efficient manner. 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, 2019:

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 is as follows:

Director	Category
Vishwanath Harlalka	Promoter Executive
Deepak Harlalka	Promoter Executive
Anjali Harlalka	Promoter Non-Executive
Suresh Gaggar	Independent
Pankajkumar Agarwal	Independent
RuchirJalan	Independent

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, 2019 06 Board Meetings were held on the following dates: May 28, 2018, August 13, 2018, November 13, 2018, January 07, 2019, February 11, 2019 and March 27, 2019 Annual General Meeting during the year was held on September 21, 2018.

Name of the Directors	No. of Board Meeting Attended	Attendance at last AGM held on September 21, 2018
Deepak Harlalka	6	YES
Vishwanath Harlalka	6	YES
Suresh Gaggar	6	YES
Pankajkumar Agarwal	6	NO
Anjali Deepak Harlalka	6	YES
RuchirJalan	6	YES

C) NUMBER OF OTHER BOARD OF DIRECTORS OR COMMITTEES IN WHICH A DIRECTOR 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	-	-
Suresh Gaggar	Independent	1	5	-	-
Pankaj Kumar Agarwal	Independent	1	4	-	-
Ruchir Jalan	Independent	-	2	-	-

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

During the year ended on March 31, 2019 Six Board Meetings were held:

SR. NO.	DATES OF BOARD MEETINGS
1.	May 28, 2018
2.	August 13, 2018
3.	November 13, 2018
4.	January 07, 2019
5.	February 11, 2019
6.	March 27, 2019

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

F) NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:

Mrs. Anjali Harlalka, Non executive director holds 350400 equity shares in the Company.

G) The details of Familiarization programme imparted to Independent Directors have been disclosed on the website of the Company i. e. www.gintex.com
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. Suresh Gaggar is the Chairman of the Committee. The members of the committee have requisite experience in corporate management, finance, Accounts and corporate laws. During the year, four meetings of the Audit committee were held.

The Audit Committee consists of

1. Mr. Suresh Gaggar - Chairman
2. Mr. Pankaj Kumar Agarwal - Member
3. Mr. Ruchir Jalan – Member

MEETINGS AND ATTENDANCE DURING THE YEAR:

NAME OF THE DIRECTORS	NO. OF BOARD MEETING ATTENDED
Suresh Gaggar	6
PankajkumarAgarwal	6
RuchirJalan	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. PankajkumarAgarwal is appointed as Chairman of the Committee.

The constitution of the Nomination and Remuneration Committee as on March 31, 2019 is as follows:

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

C) MEETINGS AND ATTENDANCE DURING THE YEAR:

Nomination and Remuneration Committee held One Meeting during the Year which was attended by the chairman and all the members of the Committee.

D) PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

5. REMUNERATION OF DIRECTORS:

Name of Director	Remuneration
Mr. Vishwanath Harlalka	Rs. 24,00,000/- p.a.
Mr. Deepak Harlalka	Rs. 24,00,000/- p.a.

6. Stakeholders relationship committee:

Mrs. Anjali Harlalka	Chairman
Mr. Vishwanath Harlalka	Member
Mr. Deepak Harlalka	Member
Shareholder Complaint received so far	NIL
Number of complaints not Solved to the Satisfaction of Shareholder	NIL
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 ended	Year	Date	Location of the Meeting	Time
March 31, 2018		September 21, 2018	Maheshwari Pragati Mandal, Maheashwari Bhawan,603, Girgaon Road, Mumbai-400002.	12.30 P.M
March 31, 2017		August 29, 2017	Maheshwari Pragati Mandal, Maheashwari Bhawan,603, Girgaon Road, Mumbai-400002.	12.30 P.M
March 31, 2016		September 19, 2016	Maheshwari Pragati Mandal, Maheashwari Bhawan,603, Girgaon Road, Mumbai-400002.	12.30 P.M

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

AGM DATE	DETAILS OF SPECIAL RESOLUTION PASSED
September 21, 2018	No Special Resolution was passed.
August 29, 2017	No Special Resolution was passed
September 19, 2016	No Special Resolution was passed

C) No Special resolution was required to be passed through postal ballot at the last Annual General Meeting nor it is 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 Free Press and Nav Shakti. The quarterly & half-yearly results are not sent individually to the shareholders but are uploaded on the Company's website www.ginitex.com

1. GENERAL SHAREHOLDERS INFORMATION:

- A) Annual General Meeting Date, Time : 7th September, 2019 at 12.30 P.M
 Venue : Sangam Hall, Agarwal Bhavan, 100/C, Marine Drive, Next to Indian Oil Petrol Pump, Mumbai - 400002
 Financial Year : April 01, 2018 to March 31, 2019.
- B) Dividend payment date : On or before October 07, 2019
- C) The name and address of Stock exchange at which securities are listed : BSE Limited, Mumbai
 Listing fee for 2018-2019 have been paid in respect of BSE Ltd.
- D) Stock Code : BSE Code: 531744
 NSDL/CDSL-ISIN : INE548B01018

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

Months	Bombay Stock Exchange	
	High	Low
April, 2018	166.85	133.80
May, 2018	159.00	127.00
June, 2018	147.85	84.75
July, 2018	92.40	77.00
August, 2018	111.95	79.70
September, 2018	112.55	85.10
October, 2018	99.85	85.00
November, 2018	95.55	82.25
December, 2018	94.45	73.90
January, 2019	82.95	66.25
February, 2019	82.50	61.95
March, 2019	71.95	56.55

F) **Registrar and share transfer agents:**

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

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 March 31, 2019:**

Shareholding of nominal value of Rupees	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 5000	638	88.00	55,327	0.99
5001 TO 10000	39	5.38	31,581	0.57
10001 TO 20000	12	1.66	19,109	0.34
20001 TO 30000	4	0.55	10,641	0.19
30001 TO 40000	-	-	-	-
40001 TO 50000	2	0.28	8,753	0.16
50001 TO 100000	7	0.96	53,300	0.95
100001 & above	23	3.17	54,13,889	96.80
Total	725	100.00	55,92,600	100.00

I) Dematerialization of shares and liquidity:

Shareholding pattern as on March 31, 2019

Category	No. of Shares	%
Promoters	41,93,460	74.98
Mutual Funds, Banks, etc	-	-
Corporate Bodies	11,49,011	20.55
NRI / OCB's	135	0
IEPF	12086	0.22
Indian Public	237808	4.25
TOTAL	5592600	100

Out of these, 5571393 (99.62%) shares are Dematerialized and the balance 21,207 (0.38%) are in physical form as on March 31, 2019.

J) Plant Location : Fabric Process Unit: E-15, MIDC- Tarapur, Bhoisar- 421506, Thane, (Maharashtra)

K) Address for Correspondence : Ms. Kirti Pathak, Compliance Officer 413, Jogani Industrial Estate, Opp. Kasturba Hospital, J. R. Boricha Marg, Lower Parel (East), Mumbai-40001

9. OTHER DISCLOSURES:

There were related party transactions during the financial year ended on March 31, 2019 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

Stock Exchange Has Imposed Penalty Of Rs. 1,08,560 Under Regulation 6(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 under for Non Appointment of Compliance Officer as a Qualified Company Secretary

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

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, 2019.

For **Gini Silk Mills Limited**

Deepak Harlalka
(Managing Director)

Date: May 30, 2019

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, 2019 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;
- (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.

**Chief Financial Officer
Prasad Nagvekar**

Date: May 30, 2019
Place: Mumbai

INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,

The Members

Gini Silk Mills Limited,
413, Jogani Industrial Estate, Opp. Kasturba Hospital,
J.R. Boricha Marg, Lower Parel (East),
Mumbai – 400011, India.

1. The Corporate Governance Report prepared by Gini Silk Mills Limited ("the Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2019. This certificate is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India

Auditor's Responsibility

4. Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulation.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures includes but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2019, referred to in paragraph 1 above.

Other Matters and Restriction on use

10. This Certificate 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.
11. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For Bilimoria Mehta & Co.

Chartered Accountants
Firm Registration Number: 101490W

CA Kiran Suvarna

Partner

Membership Number:113784
Mumbai, May 30, 2019

TO THE MEMBERS OF GINI SILK MILLS LIMITED

REPORT ON THE FINANCIAL STATEMENTS

Opinion

1. We have audited the accompanying Ind AS financial statements of Gini Silk Mills Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at March 31, 2019, and its profit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the audit of Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of financial statements under the provisions of the act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor’s Response
1.	<p>Revenue Recognition:</p> <p>For the year ended March 31, 2019 the Company has recognized revenue from contracts with customers amounting to ₹ 3661.99 Lakhs Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.</p> <p>The terms of sales arrangements, including the timing of transfer of control, delivery specifications create complexity and judgment in determining timing of sales revenues. The risk is, therefore, that revenue may not be recognised in the correct period in accordance with Ind AS 115.</p> <p>Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Assessed the Company’s revenue recognition policy prepared as per Ind AS 115 'Revenue from contracts with customers'. • Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition. • Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. • Selected sample of sales transactions made pre and post year end, agreed the period of revenue recognition to underlying documents • Assessed the relevant disclosures made within the standalone Ind AS financial statements.

Information other than the Financial Statements and Auditor’s Report thereon

5. The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Ind AS financial statements and our auditor’s report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

6. 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 Ind AS financial statements to give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. 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.
7. In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

14. 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.
15. 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standard specified under Section 133 of the Act;
 - e) on the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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, 2019 on its financial position in its Ind AS financial statements to the extent determinable/ascertainable. - Refer Note 35 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Bilimoria Mehta & Co.
Chartered Accountants
Firm Registration Number: 101490W
CA Kiran Suvarna
Partner
Membership Number: 113784

Mumbai, May 30, 2019

Annexure A to the Independent Auditor's Report
Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Gini Silk Mills Limited on the Ind AS financial statements for the year ended March 31, 2019.

- 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 2 on fixed assets to the Ind AS 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, Goods & Service Tax, Custom Duty, Cess and other material 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 2019 for a period of more than six months from the date they became payable.

- (b) The dues outstanding in respect of Cess and Excise Duty on account of any dispute, are as follows:

Name of the Statute	Nature of Dues / Period to which the amount relates	Amount (INR)	Forum where dispute is pending
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

- 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. There are no loans or borrowings payable to government and financial institution and the company has not issued any debentures.
- ix The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). In our opinion the term loans were applied for the purposes the loans were obtained.
- x During the course of our examination of the books and records of the Company 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 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 Bilimoria Mehta & Co.

Chartered Accountants

Firm Registration Number: 101490W

CA Kiran Suvarna

Partner

Membership Number: 113784

Mumbai, May 30, 2019

Annexure B to the Independent Auditor's Report

Referred to in paragraph 15(f) of the Independent Auditors' Report of even date to the members of Gini Silk Mills Limited on the Ind AS financial statements for the year ended March 31, 2019.

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, 2019 in conjunction with our audit of the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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, 2019, 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 Bilimoria Mehta & Co.

Chartered Accountants

Firm Registration Number: 101490W

CA Kiran Suvarna

Partner

Membership Number: 113784

Mumbai, May 30, 2019

BALANCE SHEET AS AT 31ST MARCH, 2019
(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	2	1,285.17	1,142.60
(b) Capital Work-in-Progress	3	-	140.56
(c) Investment Properties	4	0.57	0.57
(d) Intangible Assets	5	0.03	0.03
(e) Financial Assets			
(i) Investments	6	1,016.31	504.34
(ii) Others	7	125.05	63.39
(f) Current Tax Assets (Net)	8	106.31	78.23
(g) Other Non-Current Assets	9	247.48	287.43
TOTAL NON-CURRENT ASSETS		2,780.92	2,217.15
2 CURRENT ASSETS			
(a) Inventories	10	498.36	539.13
(b) Financial Assets			
(i) Investments	11	104.21	313.16
(ii) Trade Receivables	12	759.69	837.99
(iii) Cash and Cash Equivalents	13A	20.59	5.17
(iv) Bank Balances Other than (iii) above	13B	1.12	1.29
(v) Other Financial Assets	14	1,188.69	1,175.64
(c) Others Current Assets	15	68.18	60.03
TOTAL CURRENT ASSETS		2,640.84	2,932.41
TOTAL ASSETS		5,421.76	5,149.56
II EQUITY & LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	16	559.26	559.26
(b) Other Equity	17	3,437.90	2,834.68
TOTAL EQUITY		3,997.16	3,393.94
2 NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	18	184.94	273.88
(ii) Other Financial Liabilities	19	57.29	53.30
(b) Deferred Tax Liabilities (net)	8	206.28	201.03
TOTAL NON-CURRENT LIABILITIES		448.51	528.21
3 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	20	352.84	535.04
(ii) Trade Payables			
Total Outstanding dues of Micro Enterprises and Small Enterprise	21	13.64	0.00
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprise		336.07	333.33
(iii) Other Financial Liabilities	22	179.21	208.99
(b) Provisions	23	28.91	48.92
(c) Other Current Liabilities	24	65.42	101.13
TOTAL CURRENT LIABILITIES		976.09	1,227.41
TOTAL LIABILITIES		1,424.60	1,755.62
TOTAL EQUITY AND LIABILITIES		5,421.76	5,149.56

SIGNIFICANT ACCOUNTING POLICIES

The accompanying notes are an integral part of the financial statements

For and on behalf of the Board of Directors

Vishwanath Harlalka Chairman
DIN 00170432

Deepak Harlalka Managing Director
DIN. 00170335

Anjali Harlalka Director
DIN. 07141513

Prasad Nagvekar Chief Financial Officer
Kirti Pathak Company Secretary

 As per our report of even date attached
For Bilimoria Mehta & Co.
 Chartered Accountants
 Firm Registration No. : 101490W

CA KIRAN SUVARNA
Partner
 Membership No. : 113784
 Mumbai, 30th May 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019 (₹ in Lakhs)

Particulars	Note No.	Year ended 31st March 2019	Year ended 31st March 2018
INCOME :			
Revenue from Operations	25	3,661.99	3,942.55
Other Income	26	191.39	167.66
Total Income		3,853.38	4,110.21
EXPENSES :			
Cost of Materials Consumed	27	891.16	1,306.15
Purchases of Stock-in-Trade	28	299.26	197.17
Change in inventories of Finished goods, Work in progress, Stock-in-trade	29	25.84	116.05
Employee Benefit Expenses	30	442.46	408.96
Finance Cost	31	51.05	89.92
Depreciation and Amortization	32	102.03	97.60
Other Expenses	33	1,915.17	1,607.42
Total Expenses		3,726.97	3,823.27
Profit Before Tax		126.41	286.94
Tax Expenses:			
Current Year		58.26	75.88
Earlier Year Tax		(43.94)	-
Deferred Tax (Credit/Charge)		5.25	(3.61)
Profit/(Loss) for the year		106.84	214.67
Other Comprehensive Income			
(A) Items that will not be Reclassified to Profit or Loss			
(i) Remeasurements of Defined Benefit Plan		6.25	(2.67)
(ii) Equity instrument through Other Comprehensive Income		525.67	(8.88)
(ii) Income Tax relating to items no (i & ii) above		(1.74)	0.88
(B) Items that will be Reclassified to Profit or Loss			
		-	-
Total Other Comprehensive Income (A+B)		530.18	(10.67)
Total Comprehensive Income for the year		637.02	204.00
Earnings Per Equity Share for Profit/ (Loss)			
Basic	34	1.91	3.84
Diluted		1.91	3.84
SIGNIFICANT ACCOUNTING POLICIES			
The accompanying notes are an integral part of the financial statements			

As per our report of even date attached

For Bilimoria Mehta & Co.

Chartered Accountants

Firm Registration No. : 101490W

CA KIRAN SUVARNA
Partner

Membership No. : 113784

Mumbai, 30th May 2019

For and on behalf of the Board of Directors

Vishwanath Harlalka

DIN 00170432

Chairman

Deepak Harlalka

DIN. 00170335

Managing Director

Anjali Harlalka

DIN. 07141513

Director

Prasad Nagvekar
Kirti Pathak

 Chief Financial Officer
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

PARTICULARS	March 31, 2019	March 31, 2018
Cash Flow from Operating Activities		
Profit Before Tax	126.42	286.94
Adjustments for		
Depreciation and Amortisation Expense	102.03	97.60
Dividend Received	(2.76)	(18.25)
Property Tax	4.85	3.47
Demat Charges & Securities Transaction Tax	-	0.01
Interest Income	(106.73)	(81.07)
Finance Costs	48.35	76.33
Profit on Partnership Firm	0.69	(0.65)
Rent Received	(52.44)	(50.72)
Profit & Loss on sale/Discard of Assets(net)	5.20	(2.89)
Remeasurements of net Defined Benefit Plans	4.51	(2.67)
Net gain on sale/fair valuation of Investment through Profit and Loss	6.91	1.33
Net Prior Year Adjustments	43.94	-
Net Gain on Sale of Investments	(13.18)	(5.15)
	167.79	304.28
Change in Operating Assets and Liabilities		
(Increase)/Decrease in Trade Receivables	78.30	(240.90)
(Increase)/Decrease in Other Financial Assets	(61.66)	(34.99)
(Increase)/Decrease in Other Assets	(8.15)	31.44
(Increase)/Decrease in Inventories	40.77	187.68
(Increase)/Decrease in Loans	(59.24)	(112.41)
Increase/(Decrease) in Trade Payables	16.39	71.38
Increase/(Decrease) in Provisions	(20.01)	(1.85)
Increase/(Decrease) in other Liabilities	(31.73)	36.14
Increase/(Decrease) in Financial Liability	(114.92)	28.89
Cash Generated from Operations	(160.25)	(34.62)
Income Tax Paid	(77.89)	(81.01)
Net Cash Inflow / (Outflow) Operating Activities	(70.35)	188.65
Cash Flow from Investing Activities		
Dividend Income	2.75	17.01
Purchase of Investments	(956.58)	(2,039.89)
Sale/Redemption of Investments	1,181.72	2,085.67
Interest Income	106.73	81.08
Movement in Loans and Advances	-	1,066.13
Movement in Investment in Partnership Firm Capital	77.00	(929.30)
Rent Income	52.43	50.73
Purchase of Fixed Assets	(121.23)	(61.93)
Sale of Fixed Assets	12.00	16.52
Capital Work In Progress	-	(132.54)
Bank Balances not considered as Cash and Cash Equivalents	0.16	0.48
Property Tax	(4.85)	(3.49)
Demat Charges & Securities Transaction Tax	-	(0.01)
Net Cash Inflow / (Outflow) Investing Activities	350.13	150.46

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakhs)

PARTICULARS	March 31, 2019	March 31, 2018
Cash Flow from Financing Activities		
Proceeds from Borrowings	92.50	688.95
Repayment of Borrowings	(306.75)	(1,065.50)
Interest Paid	(16.31)	(16.92)
Dividend Paid	(33.81)	(33.66)
Net Cash Inflow (Outflow) from Financing Activities	<u>(264.37)</u>	<u>(427.13)</u>
Net increase / (Decrease) in Cash and Cash Equivalents	15.41	(88.01)
Cash and Cash Equivalents at the Beginning of the Year	5.17	93.18
Cash and Cash Equivalents at the End of the Year	<u>20.58</u>	<u>5.17</u>
Breakup of Cash and Cash Equivalent		
Cash in Hand	2.56	4.61
Balances with Banks in Current Account		
On Current Account	18.02	0.56
Total	<u>20.58</u>	<u>5.17</u>

Notes :

- 1) The Cash Flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flow
- 2) Additions to Property, plant, equipment and intangible assets include movement of capital work in progress during the year

As per our report of even date attached

For Bilimoria Mehta & Co.

Chartered Accountants

Firm Registration No. : 101490W

CA KIRAN SUVARNA
Partner

Membership No. : 113784

Mumbai, 30th May 2019

For and on behalf of the Board of Directors

Vishwanath Harlalka

DIN. 00170432

Chairman

Deepak Harlalka

DIN. 00170335

Managing Director

Anjali Harlalka

DIN. 07141513

Director

Prasad Nagvekar
Kirti Pathak

 Chief Financial Officer
 Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019
A. Equity Share Capital

(₹ in Lakhs)

	Notes	As at 31st March, 2019	As at 31st March, 2018
Balance as at the Beginning of the Reporting Period	16	559.26	559.26
Changes in Equity Share Capital during the year		-	-
Balance as at the End of the Reporting Period		559.26	559.26

B. Other equity

	Notes	Reserves & Surplus			Other Comprehensive Income	Total Equity
		Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	
i) Balance as at April 1, 2017	17	8.14	10.23	2,653.35	(5.94)	2,664.33
Profit/(Loss) for the year		-	-	214.67	-	214.67
Opening Adjustment on a/c of OCI		-	-	-	-	-
Other Comprehensive Income for the year		-	-	(1.79)	(8.88)	(10.66)
Total Comprehensive Income for the year		-	-	212.88	(8.88)	204.00
Transfer to General Reserve			-	-		
Transactions with owners in their capacity as owners:						
Dividends Paid (including Dividend Distribution Tax)		-	-	33.66	-	33.66
Depreciation Adjustment		-	-	-	-	-
ii) Balance as at March 31, 2018	17	8.14	10.23	2,831.13	(14.82)	2,834.68
Profit/(Loss) for the year		-	-	106.84		106.84
Opening Adjustment on a/c of OCI		-	-	-	-	-
Other Comprehensive Income for the year		-	-	4.51	525.68	530.18
Total Comprehensive Income for the year		-	-	111.35	525.68	637.03
Transactions with owners in their capacity as owners:						
Dividends Paid (including Dividend Distribution Tax)		-	-	33.81	-	33.81
Balance as at March 31, 2019	17	8.14	10.23	2,908.67	510.86	3,437.90

As per our report of even date attached

For Bilimoria Mehta & Co.

Chartered Accountants

Firm Registration No. : 101490W

CA KIRAN SUVARNA
Partner

Membership No. : 113784

Mumbai, 30th May 2019

For and on behalf of the Board of Directors

Vishwanath Harlalka

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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.

SIGNIFICANT ACCOUNTING POLICIES

A BASIS OF PREPARATION

i) Compliance with Ind AS

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (herein after referred as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act 2013, read with paragraph 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and under relevant provisions of the Act.

The Accounting Policies are consistently applied to all the period presented in the Financial Statements.

ii) Historical Cost Convention

The Financial Statements have been prepared on a historical cost basis, except for the following:

- 1) Certain financial Assets and Liabilities that are measured at fair value;
- 2) Assets held for Sale - measured at lower of carrying amount or fair value less cost to sell;
- 3) Defined benefit plans - plan assets measured at fair value.

iii) Current/Non Current Classification

All the Assets and Liabilities have been classified as current or non current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

B 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.

C 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.

D PROPERTY, PLANT & EQUIPMENT

Freehold land is carried at cost. All other items of Property, Plant and Equipment are stated at cost less Depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Intangible Assets:

Intangible Assets representing Computer Software is amortized using Straight Line method.

Depreciation:

- a) Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in case of Leasehold Land.
- b) Depreciation for the year in respect of Assets relating to undertaking at Tarapur has been provided on Straight Line Method.
- c) 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.
- d) Leasehold land has been amortized over the period of the lease on straight line basis.
- e) 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.

Impairment:

The carrying amount of assets are reviewed at each 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.

E 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.

F 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.

G INVESTMENTS & OTHER FINANCIAL ASSETS
i) Classification

The Company classifies its financial assets in the following measurement categories:

- 1) those to be measured subsequently at fair value either through other comprehensive income, or through the Statement of Profit & Loss are expensed in the Statement of Profit & Loss.
- 2) those measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction cost of financial assets carried at fair value through Profit & Loss are expensed in the Statement of Profit and Loss.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into the following categories:

- 1) Amortised Cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest Income from these financial assets is included in other income using the effective interest rate method.
- 2) Fair value through Profit and Loss: Assets that do not meet the criteria for amortised cost are measured at fair value through statement of Profit and Loss. Interest income from these financial is included in other income.

H 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.

I REVENUE RECOGNITION

The Company derives revenues primarily from sale of manufactured goods and related services.

Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance.
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied.

J 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.

K BORROWINGS

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds(net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of borrowings using the effective interest method.

L 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.

M TAX EXPENSE

The Tax Expense for the period comprises Current and Deferred Tax. Tax is recognised in Statement of Profit and Loss, except to the extent to it relates to items recognised in comprehensive Income or in Equity, in which case, the tax is also recognised in other comprehensive Income or Equity.

Current Tax

Current Tax Assets and Liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet.

Deferred Tax

Deferred Tax is recognised on temporary differences between the carrying amounts of Assets and Liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred Tax Liabilities and Assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of reporting period. The carrying amount of Deferred Tax Liabilities and Assets are reviewed at the end of each reporting period.

N 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. Provisions are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates. 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.

O SEGMENT REPORTING

Segments have been identified in line with the Indian Accounting Standard on Segment reporting (Ind AS 108) taking into account the organisation structure as well as the differential risk in returns of segments.

P 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.

Q EARNINGS PER SHARE

Basic earnings per share

Basic Earnings Per share is calculated by dividing:

- i) the profit attributable to owners of the Company;
- ii) by the weighted average number of Equity Shares outstanding during the financial year, adjusted for bonus elements in Equity Shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts figures used in the determination of basic earnings per share to take into account:

- i) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- ii) the weighted average number of additional Equity Shares that would have been outstanding assuming the conversion of all dilutive potential Equity Shares.

R RECENT ACCOUNTING PRONOUNCEMENT

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise Depreciation on rights of use Assets and Finance Costs on Lease Liabilities in the statement of Profit and Loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the Lease Liabilities.

The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have significant impact on key Profit & Loss and Balance Sheet Ratio i.e. Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA), Asset coverage, Debt equity, Interest coverage, etc.

NOTE 2 - NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
PROPERTY, PLANT AND EQUIPMENTS

Particulars	(₹ in Lakhs)													
	Leasehold Land	Factory Building	Plant & Machinery	Electronic Installation	Office Equipment	Vehicles	Computer	Furniture & fixtures	Fire fighting Equipment	E.T. Plant	Reverse Osmosis Plant	Lab Equipments	Secondary Treatment Plant	Total
Cost as on April 1, 2018	49.87	348.25	1,278.35	76.25	11.69	16.95	30.77	14.44	2.73	15.17	59.71	11.68	29.90	1,945.76
Additions	-	-	154.93	0.21	-	-	0.99	-	-	-	105.67	-	-	261.80
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(25.56)	-	-	-	-	-	-	-	-	-	-	(25.56)
Cost as on March 31, 2019	49.87	348.25	1,407.72	76.46	11.69	16.95	31.76	14.44	2.73	15.17	165.38	11.68	29.90	2,182.00
Accumulated Depreciation as at April 1, 2018	12.33	199.10	432.41	54.98	10.15	8.46	29.84	13.66	1.98	15.17	11.37	8.50	5.22	803.16
Depreciation for the year	0.56	11.38	76.16	3.19	0.25	1.90	0.76	0.20	0.06	-	5.09	0.58	1.89	102.03
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(8.36)	-	-	-	-	-	-	-	-	-	-	(8.36)
Accumulated Depreciation as at March 31, 2019	12.89	210.48	500.20	58.17	10.40	10.36	30.60	13.86	2.04	15.17	16.46	9.08	7.11	896.83
Net Carrying amount as at March 31, 2019	36.98	137.77	907.52	18.29	1.29	6.59	1.16	0.58	0.69	-	148.92	2.60	22.79	1,285.17

Particulars	(₹ in Lakhs)													
	Leasehold Land	Factory Building	Plant & Machinery	Electronic Installation	Office Equipment	Vehicles	Computer	Furniture & fixtures	Fire fighting Equipment	E.T. Plant	Reverse Osmosis Plant	Lab Equipments	Secondary Treatment Plant	Total
Cost as on April 1, 2017	49.87	348.25	1,280.37	73.98	11.69	16.95	30.64	14.39	2.73	15.17	59.71	11.68	29.90	1,945.35
Additions	-	-	59.49	2.27	-	-	0.13	0.05	-	-	-	-	-	61.93
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(61.51)	-	-	-	-	-	-	-	-	-	-	(61.51)
Cost as on March 31, 2018	49.87	348.25	1,278.35	76.25	11.69	16.95	30.77	14.44	2.73	15.17	59.71	11.68	29.90	1,945.77
Accumulated Depreciation as at April 1, 2017	11.77	187.72	409.43	50.35	9.82	6.55	29.03	13.37	1.91	15.17	7.59	7.42	3.32	753.44
Depreciation for the year	0.56	11.38	70.85	4.63	0.33	1.90	0.81	0.29	0.07	-	3.78	1.09	1.89	97.60
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(47.88)	-	-	-	-	-	-	-	-	-	-	(47.88)
Accumulated Depreciation as at March 31, 2018	12.33	199.10	432.41	54.98	10.15	8.45	29.84	13.66	1.98	15.17	11.37	8.51	5.21	803.16
Net Carrying amount as at March 31, 2018	37.54	149.15	845.94	21.27	1.54	8.50	0.93	0.78	0.75	-	48.34	3.17	24.69	1,142.60

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
NOTE 3 - CAPITAL WORK IN PROGRESS

₹ In Lakhs

Particulars	AS at 31st March, 2019	AS at 31st March, 2018
Capital WIP	-	140.56

NOTE 4 - INVESTMENT PROPERTIES

Gross Carrying Amount	11.42	11.42
Addition	-	-
Disposal	-	-
	11.42	11.42
Accumulated depreciation	10.85	10.85
Addition	-	-
Disposal	-	-
	10.85	10.85
Net carrying value	0.57	0.57
Fair value as at	605.75	605.75

Estimation of fair value :

The fair valuation is based on Capital value of Property. The fair value measurement is categorised in level 3 fair value hierarchy

Particulars	AS at 31st March, 2019	AS at 31st March, 2018
Rental Income derived from investment properties	52.44	50.73
Direct operating expenses (including repairs and maintenance) generating rental income.	3.41	3.67
Income arising from investment properties before depreciation	49.03	47.06
Depreciation	-	-
Income from Investment properties (net)	49.03	47.06

NOTE 5 - INTANGIBLE ASSETS

Particulars	Computer Software
Cost as on April 1, 2018	2.87
Additions/Adjustments	-
Disposals	-
Cost as on March 31,2018	2.87
Accumulated Depreciation as at April 1,2018	2.84
Depreciation for the year	-
Disposals	-
Accumulated Depreciation as at March 31,2019	2.84
Net Carrying amount as at March 31, 2019	0.03

Particulars	Computer Software
Cost as on April 1, 2017	2.87
Additions/Adjustments	-
Disposals	-
Cost as on March 31,2018	2.87
Accumulated Depreciation as at April 1,2017	2.84
Depreciation for the year	-
Disposals	-
Accumulated Depreciation as at March 31,2018	2.84
Net Carrying amount as at March 31, 2018	0.03

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
NOTE 6 - NON-CURRENT INVESTMENTS

₹ In Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Investments in Equity Instruments-Fully Paid-Up		
Trade Investment - Unquoted - At Fair value through other Comprehensive Income		
1,95,000 (1,95,000) Shares of Gini Tex Private Limited, Face Value Rs.10/- per share	650.21	8.88
Others - Unquoted - At Fair value through other Comprehensive Income		
1800 (1,800)Shares of Gini Construction Private Limited, Face Value Rs.10/- per share	0.36	0.18
Quoted - Others - At Fair value through other Comprehensive Income		
National Thermal Power Corporation Ltd - Bond	0.25	0.25
69,000 (69000) Shares Vadivarhe Specility Chemicals Ltd, Face Value Rs.10/- per share	25.53	58.41
7,100 (7,100) Shares of TATA Steel Limited,Face Value Rs.10/- per share	36.99	40.54
40,200 (40,200) Shares of Vakrangee Limited,Face Value Rs.10/- per share	20.22	88.98
13,000 (13,000) Shares of Lactose (India) Ltd,Face Value Rs.10/- per share	4.45	13.21
Equity Investment through Portfolio Management Service (PMS)		
At Fair value through other Comprehensive Income		
Trivantage Capital Management India Pvt Ltd.	34.64	41.24
ICICI Prudential AMC Ltd.	21.86	25.39
Investment in Mutual Funds - At Fair value through Profit and Loss	221.75	227.21
Investment in Partnership Firm - At Fair value through Profit and Loss		
Gini Citicorp Reality LLP Capital Account	0.05	0.05
Total	1,016.31	504.34
Aggregate amount of unquoted investments	650.61	9.11
Aggregate amount of quoted investments	365.70	495.23
Aggregate amount of Impairment in the value of investment	-	-

NOTE 7 - OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Fixed Deposit with bank with maturity period more than 12 months#	123.90	63.00
Interest accrued but not due	1.15	0.39
Total	125.05	63.39

Include FDR of Rs. 8.00 Lakhs (P.Y 8.00 Lakhs) held as lien by Bank against Bank Gurantee amounting to Rs. 35.00 Lakhs to the Maharashtra Pollution Control Board for compliance for consent conditions/ direction for providing adequate and satisfactory pollution control device.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
NOTE 8 - CURRENT TAX ASSETS AND DEFERRED TAX

₹ In Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current Tax		
Advance Tax (Net of Provision)	106.31	78.23
Deferred Tax	(206.28)	201.03
On Accumulated Depreciation	(206.28)	201.03
Tax Expenses Recognized in the Statement of Profit & Loss		
Current Tax		
Current tax on Taxable Income for the year	58.26	75.88
Adjustments for Current tax of Prior Periods	-	-
Total Current Tax Expenses	58.26	75.88
Deferred Tax		
Deferred Tax Charge/(Credit)	5.25	(3.61)
Total Deferred Tax Expenses	5.25	(3.61)
Total Income Tax Expenses	63.51	72.27

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is as below:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Profit before Income Tax Expense	126.41	286.94
Tax at the Indian Tax Rate	35.17	94.87
Effect of Expenses not Allowed for Tax Purpose	29.72	4.87
Effect of Income not Considered for Tax Purpose	0.19	(0.22)
Effect of Income that is Exempted from Tax	(0.77)	(6.03)
Others	(6.05)	(17.61)
Total	58.26	75.88

NOTE 9 - OTHER NON CURRENT ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Capital Advance	-	16.65
Security Deposit (Unsecured, considered good)	44.81	45.47
Prepaid Expenses	1.74	1.28
Contribution in Tarapur Environment Protection Society	57.34	57.34
Others	1.00	4.25
Balances with Government Authorities (Unsecured Considered Good)		
Mvat Receivable	58.86	126.55
Goods and Service Tax	83.59	31.04
Balance with Central Excise	0.14	4.85
Total	247.48	287.43

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
NOTE 10 - INVENTORIES

₹ In Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Inventories (as taken, valued and certified by management)		
Raw Materials	75.07	97.95
Work-in-Progress	73.07	46.60
Finished Goods	279.18	331.49
Stores and Spares	71.04	63.09
Total	498.36	539.13

NOTE 11- CURRENT INVESTMENTS

Investment in Mutual Funds - Quoted (At fair value through profit and loss)	104.21	313.16
Total	104.21	313.16

Note: Since the Investments are carried at fair value through profit and loss account, the market value of quoted investments is equal to the carrying value.

NOTE 12 - TRADE RECEIVABLES

Trade Receivables from Others	885.73	836.63
Receivables from Related Parties	-	1.36
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - Credit Impaired	-	-
Less: Allowance for doubtful Trade Receivables	126.04	-
Total Receivables	759.69	837.99
Breakup of Security Details:		
Secured , Considered Good	-	-
Unsecured , Considered Good	759.69	837.99
Doubtful	126.04	-
Total	885.73	837.99
Allowance for Doubtful Trade Receivables	126.04	-
Total Trade Receivables	759.69	837.99

NOTE 13A - CASH AND CASH EQUIVALENT

Cash & Cash Equivalents		
(i) Cash on Hand	2.57	4.61
(ii) Balances with Banks in Current Account	18.02	0.56
Sub Total	20.59	5.17

NOTE 13B - BANK BALANCES

Other Bank Balances		
Unpaid Dividend Accounts	1.12	1.29
Sub Total	1.12	1.29
Total	21.71	6.46

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
NOTE 14 - OTHER CURRENT FINANCIAL ASSETS

₹ In Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current Account with Partnership Firm and LLP	1,180.90	1,162.53
Loans and Advances to Employees (Unsecured, Considered Good)	7.79	13.11
Total	1,188.69	1,175.64

NOTE 15 - OTHER CURRENT ASSETS

Life Insurance Corporation of India - Gratuity	2.83	5.73
Interest Receivable	45.96	39.89
Prepaid Expenses	10.16	6.51
Advance to Suppliers	9.23	7.90
Total	68.18	60.03

NOTE 16- SHARE CAPITAL

i) Authorised :		
60,00,000 (Previous year 60,00,000) Equity Shares of ₹10/- each	600.00	600.00
1,00,000 (Previous year 1,00,000) 10% Cumulative Convertible Preference Shares of ₹ 100/- each	100.00	100.00
Total	700.00	700.00
ii) Issued, Subscribed and Paid up		
55,92,600 (Previous 55,92,600) Equity Shares of ₹ 10/- each fully Paid Up	559.26	559.26
Total	559.26	559.26

iii) Reconciliation of Number of Equity Shares Outstanding at the Beginning and the End of the Year :

Particulars	31st March, 2019		31st March, 2018	
	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

iv) Rights, Preference and Restrictions attached to Equity Shares

The Company has only one class of equity shares referred to as equity shares of ₹ 10/- each. Each holder of equity shares is entitled to the same rights in all respects.

v) Shareholders Holding more than 5% shares in the Company is set out below:

Name of Shareholder		31st March 2019		31st March 2018	
		No of shares	%	No 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	3.50	6.26
Vimla V Harlalka	Person Acting Concert	5.08	9.09	8.08	9.09
Nishu Finlease Private Limited	Public	2.89	5.17	-	-

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
NOTE 17 - OTHER EQUITY

₹ In Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Capital Reserve	8.14	8.14
General Reserve	10.23	10.23
Retained Earnings	2,908.67	2,831.13
Other Comprehensive Income	510.86	(14.82)
Total	3,437.90	2,834.68

NOTE 18- NON CURRENT BORROWINGS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured Loans		
Term Loan From Bank	184.94	273.88
Total	184.94	273.88

Above total is net of installments falling due within a year in respect of all the above Loans aggregating Rs.1,41,48,572/- (P.Y Rs.1,29,45,929/-) that have been grouped under "Current Maturities of Long-term Debt" (Refer Note 22)

Nature of Security, Terms of Repayment and Interest rate

The Term Loan from Bank 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. Harlalka and Mr. Deepak V. Harlalka has provided personal guarantee for the said loan. The rates of interest for these loans vary between 9.25% to 10.25%, with a repayment period of 4-5 years. Rate of interest vary based on the credit risk assessment of the Company.

NOTER 19- OTHER NON CURRENT FINANCIAL LIABILITIES

Security Deposits	27.50	27.09
Unsecured Trade Deposits (including interest)	31.90	27.95
Interest Accrued and Due (Current Maturities)	(2.11)	(1.74)
	29.79	26.21
Total	57.29	53.30

NOTE 20- CURRENT BORROWINGS

₹ In Lakhs

From Directors (unsecured, repayable on demand)	352.84	535.04
Total	352.84	535.04

NOTE 21 - TRADE PAYABLES

Trade Payables:		
Micro, Small & Medium Enterprises	13.64	-
Others	336.07	333.33
Total	349.71	333.33

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
Note:

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

	31-Mar-19	31-Mar-18
	Current	Current
a) The principal amount remaining unpaid to any supplier at the end of the year	13.64	-
b) Interest due remaining unpaid to any supplier at the end of the year	0.54	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.54	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

NOTE 22 - OTHER CURRENT FINANCIAL LIABILITIES

Current maturities of Long term Debt	141.49	129.46
Interest payable on Term loan	2.87	3.42
Unpaid dividends #	1.12	1.28
Interest Accrued and due on long term Deposits	2.11	1.74
Book Overdraft	31.62	73.09
Total	179.21	208.99

There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end

NOTE 23 - SHORT TERM PROVISIONS

Provision for other Employees Benefits		
Bonus	7.36	8.10
Gratuity	-	17.48
Leave Encashment	21.55	23.34
Total	28.91	48.92

NOTE 24 - OTHER CURRENT LIABILITIES

Statutory Remittances(Contribution to PF ,ESIC, and TDS)	9.99	16.11
Advances from Customers	6.91	53.78
Other Payables (including MSME interest)	48.52	31.24
Total	65.42	101.13

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

₹ In Lakhs

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
NOTE 25- REVENUE FROM OPERATIONS		
(a) Sale of Products		
Fabric Sales	1,061.88	1,692.67
Less: Trade Discount, Returns, Rebate etc	39.09	128.93
Total	1,022.79	1,563.74
(b) Sale of Service		
Processing Income	2,638.74	2,378.69
(c) Other operating Revenues		
Sale of Scrap	0.46	0.12
Total	3,661.99	3,942.55

NOTE 26 - OTHER INCOME

Interest Income		
Interest on Loans and Advances	106.73	81.08
Interest on Overdue Trade Receivables	1.51	3.48
Interest Received on Fixed Deposit	3.50	3.24
Interest on Subsidies from Government	-	2.21
Interest on Income Tax Refund	7.05	-
Interest on Security Deposit	3.34	2.75
Dividend Income:		
From Current Investments - Mutual Fund	0.24	16.72
From Long Term Investments - Equity Shares	2.51	1.53
Net Gain on Sale of:		
From Current Investments - Mutual Fund	13.18	5.15
Other Non Operating Income:		
Rental Income from Investment Properties	52.44	50.73
Interest on Mvat Refund Received	0.96	-
Miscellaneous Income	-	0.12
Excess / Short Provision Written Back	0.62	-
Share of Profit/Loss from Partnership Firms/ LLP:		
(Profit/(loss) was accounted as per the Unaudited Accounts of Partnership Firm/ LLP)	(0.69)	0.65
Total	191.39	167.66

NOTE 27 - COST OF MATERIAL CONSUMED

Raw Material		
Opening Stock	97.95	170.01
Add: Purchases	868.28	1,234.09
Less: Closing Stock	75.07	97.95
Total	891.16	1,306.15

NOTE 28 - PURCHASES OF SOCK IN TRADE

Finished Fabrics	299.26	197.17
Total	299.26	197.17

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

₹ In Lakhs

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
NOTE 29 - CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE		
Inventories at the end of the year:		
Finished Goods	279.18	331.49
Work-in-Progress (Job)	73.07	46.60
Sub Total	352.25	378.09
Inventories at the beginning of the year:		
Finished Goods	331.49	436.18
Work-in-Progress (Job)	46.60	57.96
Sub Total	378.09	494.14
Total	25.84	116.05

NOTE 30 - EMPLOYEE BENEFIT EXPENSES

Salaries,Wages,Gratuity & Other Benefits	396.35	366.53
Contributions to Provident and Other Funds	28.21	27.05
Staff Welfare Expenses	17.90	15.38
Total	442.46	408.96

NOTE 31 - FINANCE COST

Interest Expenses on		
Borrowings from Directors	35.61	66.01
Term Loan from Bank (Net of subsidy) - Under TUF Scheme	10.07	0.12
Others	2.67	8.47
Others Borrowing Cost	2.70	13.58
Total	51.05	88.18

NOTE 32 - DEPRECIATION AND AMORTIZATION EXPENSES

Depreciation on Property, Plant and Equipments	102.03	97.60
Depreciatin on Investment Properties	-	-
Amortization on Intangible Assets	-	-
Total	102.03	97.60

NOTE 33 - OTHER EXPENSES

Stores & Spares Consumed		
Opening Stock	30.25	33.80
Add: Purchases	59.00	54.16
Less: Closing Stock	30.16	30.25
Total	59.09	57.71
Packing Material Consumed		
Opening Stock	23.09	23.84
Add: Purchases	87.76	77.55
Less: Closing Stock	30.11	23.09
Total	80.74	78.30
Coal Consumed		
Opening Stock	9.06	4.32
Add: Purchases	424.84	382.69
Less: Closing Stock	10.00	9.06
Total	423.90	377.95

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	₹ In Lakhs	
	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Power & Fuel Consumed		
Opening Stock	0.68	0.70
Add: Purchases	295.44	256.67
Less: Closing Stock	0.76	0.68
Total	295.36	256.69
Other Manufacturing Expenses		
Processing Charges	78.17	48.79
Design Charges	0.12	-
Labour Charges	469.73	404.29
Carriage & Freight	64.75	61.71
Lab Expenses	1.19	1.61
Testing Fees	0.12	-
Packing Charges	20.75	26.62
Water Charges	33.21	36.75
Effluent Treatment Expenses	65.21	59.95
Total	733.25	639.72
Selling & Distribution Expenses		
Commission on Sales	33.88	48.35
Advertisement Expenses	0.92	1.42
Sales Conference Expenses	1.48	-
Sales Promotion Expenses	2.73	9.29
Total	39.01	59.06
Establishment Expenses		
Insurance Charges	7.21	7.89
Rent	14.05	13.96
Rates & Taxes	8.17	6.61
Traveling & Conveyance	15.11	23.77
Printing & Stationery	5.96	4.92
Legal & Professional Charges	14.98	14.81
(Profit)/Loss on Sale of Fixed Assets	5.20	(2.89)
Postage Expenses	4.97	5.17
Miscellaneous Expenses	11.85	11.95
Motor Car Expenses	3.06	3.40
Telephone Charges	2.71	2.56
Electricity Charges	5.57	7.12
Donation	2.35	2.10
Entertainment Expenses	0.16	0.21
Provision for Doubtful Debts	126.04	-
Sundry Balances W/off	3.81	0.59
Security Transaction Tax	0.06	0.22
Share Expenses	0.00	0.03
Internet Expenses	1.41	1.02
Society Maintenance	3.44	2.18
Total	236.11	105.62
Repairs & Maintenance		
To Plant & Machinery	26.83	17.19
To Building	1.88	5.07
To Others	10.59	7.91
Total	39.30	30.17
Payment to Auditors		
As Audit Fees	1.50	0.85
	1.50	0.85
Net loss on Investment carried at FVTPL	6.91	1.35
Grand Total	1,915.17	1,607.42

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

₹ In Lakhs

Particulars	For the year ended 2019	For the year ended 2018
NOTE 34 - EARNINGS PER SHARE		
Earnings Per Share has been computed as under:		
Profit/(loss) for the year	106.84	214.67
Weighted Average Number of Equity Shares Outstanding	55.93	55.93
Earnings Per Share - Basic/Diluted	1.91	3.84
Face Value per Equity Share	10.00	10.00

NOTE 35 - CONTINGENT LIABILITIES & COMMITMENTS :

₹ In Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
a) Contingent Liabilities		
i) 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
ii) 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
iii) Central Excise demand u/s 11(2) of Central Excise Act against availment of Cenvat credit. (The Company has gone in Appeal to the Customs, Excise and Service Tax Appellate Tribunal)	-	4.36
iv) Bank Gurantees given to the Commissioner of Custom on account of bond for availing duty exemption under EPCG scheme	-	1.75
v) Bank Guarantee given to the Maharashtra Pollution Control Board for compliance of directions issued by Board.	5.00	5.00
vi) Bank Guarantee given to the Maharashtra Pollution Control Board for compliance of restart condition issued by Board.	25.00	25.00
vii) Bank Guarantee given to the Maharashtra Pollution Control Board for compliance of consent conditions/direction for providing adequate and satisfactory Pollution Control devices as suggested by Board	5.00	5.00
b) Capital Commitments	-	140.56
c) 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.		
d) There are numerous interpretative issues relating to the Supreme Court judgement on Provident Fund dated 28th February, 2019. The Company has not made any provision on a prospective basis from the date of the Supreme Court order as the amount is not material. The Company will update its provision, on receiving further clarity on the subject		

₹ In Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
NOTE 36 - MANAGERIAL REMUNERATION		
Remuneration to Managing Directors, and Executive Directors under Section 198 of the Companies Act, 2013:		
i) Remuneration	48.00	48.00
ii) Contribution to Provident and Other Funds	5.76	5.76
iii) Perquisites	-	1.28

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
NOTE 37 - RELATED PARTY DISCLOSURES :

As per Ind AS 24, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below. List of related parties where control exists and related parties with whom transactions have taken place and relationships :

(a) Key Management Personnel (KMP)

Vishwanath Harlalka
Deepak Harlalka
Anjali Harlalka

(b) Partnership Firm

Shree Enterprises
Gini Construction Co.
Gini Citicorp Reality LLP

(c) Other Related Parties (Enterprises in which KMP having significant influence)

Gini Tex Private Limited
Gini Constructions Pvt Ltd
Shreem Reality Private Limited

B. Transactions during the year :							
Sr. No.	Nature of transaction	For the year ended 31.03.2019			For the year ended 31.03.2018		
		KMP	Partnership firm	Others	KMP	Partnership firm	Others
1	Sales						
	Processing Job Work	-	0.52	673.27	-	51.24	735.41
	Sales - Dyed	-	-	86.78			
2	Income						
	Share of Profit	-	(0.37)	-	-	0.23	-
	Interest on Loan	-	106.73	-	-	75.51	-
3	Expenses						
	Rent Paid	7.56	-	4.50	4.56	-	4.50
	Managerial Remuneration	48.00	-	-	48.00	-	-
	Interest on Unsecured Loan Payment	35.61	-	-	66.01	-	-
4	Investments						
	Additon in Investments		3.00	-	-	956.30	-
	Return of Investments	-	80.00	-	-	27.00	-
5	Loans & advance						
	Acceptance of Unsecured Loans	92.50	-	-	688.95	-	-
	Repayment of Unsecured Loans	306.75	-	-	1,065.50	-	-
	Repayment of Advance	-	-	-	-		965.07

Notes:

- i) Parties identified by the Management and relied upon by the Auditors.
- ii) No amount in respect of the related parties have been written off/back or are provided for during the year

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
C. Disclosure in Respect of Material Transactions with Related Parties during the Year

	Particulars	31st March 2019	31st March 2018
1	Processing Job Work		
	Shree Enterprises	0.52	51.24
	Gini Tex Private Limited	760.05	735.41
2	Share of Profit		
	Gini Citicorp Reality LLP	(0.32)	0.22
	Gini Construction Co.	(5.00)	0.01
3	Interest on Loan		
	Gini Citicorp Reality LLP	106.73	75.51
4	Rent Paid		
	Vishwanath Harlalka HUF	7.56	7.56
	Gini Tex Private Limited	4.50	4.50
5	Managerial Remuneration		
	Vishwanath Harlalka	24.00	24.00
	Deepak Harlalka	24.00	24.00
6	Interest on Unsecured Loan Payment		
	Vishwanath Harlalka	10.37	11.08
	Deepak Harlalka	8.45	10.31
	Anjali Harlalka	16.78	44.62
7	Additon in Investments		
	Gini Citicorp Reality LLP	3.00	956.30
8	Return of Investments		
	Gini Citicorp Reality LLP	80.00	27.00
9	Acceptance of Unsecured Loans		
	Vishwanath Harlalka	53.00	57.30
	Deepak Harlalka	29.50	232.55
	Anjali Harlalka	10.00	399.10
10	Repayment of Unsecured Loans		
	Vishwanath Harlalka	-	193.50
	Deepak Harlalka	45.00	443.00
	Anjali Harlalka	261.75	429.00
11	Repayment of advance		
	Shreem Reality Private Limited	-	965.07

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
D. Outstanding as at March 31, 2019 :

Sr. No.	Nature of transaction	As at 31st March 2019	As at 31st March 2018
1	Loans from Related Parties		
	Vishwanath Harlalka	124.30	61.96
	Deepak Harlalka	87.24	95.13
	Anjali Harlalka	141.30	377.94
2	Trade Receivables		
	Gini Tex Private Limited	0.01	(38.05)
	Shree Enterprises	-	(0.18)
3	Other Financials Assets - Current		
	Gini Citicorp Reality LLP	1,179.53	1,161.12
	Gini Construction Company	1.37	1.41

NOTE 38 - The Company is engaged only in Textile business and there are no separate reportable segments as per Ind AS 108.

NOTE 39 - Operating Lease
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

Particulars	31-Mar-19	31-Mar-18
For a period not later than one year	1.35	1.07
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.

Particulars	31-Mar-19	31-Mar-18
Buildings:		
Gross carrying amount	11.42	11.42
Depreciation for the year	-	-
Accumulated Depreciation	10.85	10.85

NOTE 40 - PROVISION FOR EMPLOYEE BENEFIT OBLIGATION

The Company contributes to the following post-employment plans in India.

Defined Contribution Plans:

The Company pays Provident Fund Contributions to publicly administered Provident Funds as per local regulations and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the appropriate authorities.

The Company recognised Rs. 23.08 Lakhs for the year ended March 31, 2019 (March 31, 2018 Rs. 23.48 lakhs) towards Provident Fund Contribution.

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.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	As at 31st March 2019	As at 31st March 2018
Defined benefit obligation	110.15	99.15
Fair value of plan assets	112.98	104.88
Net defined benefit (obligation)/assets	2.83	5.73

i. Movement in Net Defined Benefit (Asset) Liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components :

	Defined benefit obligation		Fair value of plan assets	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Opening Balance	99.15	76.76	104.88	83.38
Current Service Cost	9.59	8.86	-	-
Past Service Cost	-	7.37	-	-
Interest Cost (Income)	7.65	6.14	-	-
Included in OCI				
Remeasurement Loss (Gain):				
Actuarial Loss (Gain) arising from:				
Financial Assumptions	0.15	1.93	-	-
Experience Variance	(6.40)	0.74	-	-
Investment income	-	-	8.09	6.67
	110.15	101.80	112.98	90.05
Other				
Contributions paid by the employer	-	-	-	17.48
Benefits paid	-	(2.64)	-	(2.64)
Closing balance	110.15	99.16	112.98	104.89
Net defined benefit asset / (liability)	2.83	5.73		

ii. Significant Estimates : Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31-Mar-19	31-Mar-18
Discount Rate Per Annum	7.70%	7.72%
Salary Growth Rate Per Annum	4.00%	4.00%
Withdrawal Rate	1% to 3% depending on age	1% to 3% depending on age
Retirement Age	58 year	58 year

The rate of escalation in salary considered in actuarial calculation is estimated taking into account inflation, seniority, promotion and other relevant factors.

iii. Sensitivity Analysis

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared with the previous period

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(in lakhs)

Gratuity	As at 31st March 2019			As at 31st March 2018		
	Change in assumption	Increase in present value of plan liabilities	Decrease in present value of plan liabilities	Change in assumption	Increase in present value of plan liabilities	Decrease in present value of plan liabilities
Discount Rate	100bps	102.97	118.42	100bps	92.63	106.68
Salary growth rate	100bps	118.20	103.11	100bps	106.33	92.90
Attrition Rate	100bps	111.87	108.24	100bps	100.75	97.39
Mortality Rate	100bps	110.23	110.06	100bps	99.24	99.07

NOTE 41 - FAIR VALUE MEASUREMENT

The fair values of financial Assets and Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of Cash and Short Term Deposits, Trade and other Short Term Receivables, Trade Payables, Other Current Liabilities, Short Term Loans from Banks and other Financial Institutions approximate their carrying amounts largely due to short term maturities of these instruments.
- 2) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instrument by valuation technique:

Level 1: Quoted (unadjusted) price in active markets for identical Assets or Liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

CATEGORY - WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

Particulars	As on 31st March 2019			As on 31st March 2018		
	FVTPL	FVTOCI	Ammortised Cost	FVTPL	FVTOCI	Ammortised Cost
Financial Assets						
Investments	326.01	794.50	-	540.42	277.08	-
Trade Receivables	-	-	759.69	-	-	837.99
Cash and Cash Equivalents	-	-	20.59	-	-	5.17
Other Bank Balances	-	-	1.12	-	-	1.29
Other Financial Assets	-	-	1,313.74	-	-	1,239.03
Financial Liabilities						
Borrowings	-	-	537.78	-	-	808.92
Trade Payables	-	-	349.71	-	-	333.33
Others	-	-	95.01	-	-	132.83

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
FAIR VALUE HIERARCHY

Financial Assets and Liabilities	Fair value as at March 31,2019	As at March 31, 2019		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Assets				
Investments	1,120.52	469.95	-	650.56
Trade Receivables	759.69	-	-	759.69
Cash and Cash Equivalents	20.59	-	-	20.59
Other Bank Balances	1.12	-	-	1.12
Other Financial Assets	1,313.74	-	-	1,313.74
Financial Liabilities				
Borrowings	537.78	-	-	537.78
Trade Payables	349.71	-	-	349.71
Others	95.01	-	-	95.01
Financial Assets and Liabilities	Fair value as at March 31,2018	As at March 31, 2018		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Assets				
Investments	817.50	808.45	-	9.06
Trade Receivables	838.00	-	-	838.00
Cash and Cash Equivalents	5.17	-	-	5.17
Other Bank Balances	1.29	-	-	1.29
Other Financial Assets	1,239.03	-	-	1,239.03
Financial Liabilities				
Borrowings	808.92	-	-	808.92
Trade Payables	333.33	-	-	333.33
Others	132.83	-	-	132.83

NOTE 42 - FINANCIAL RISK MANAGEMENT
A Financial Risk Management objectives and policies

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

"The Risk Management policy of the Company provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Finance department activities are designed to:

- Protect the Company's financial results and position from financial risks;
- Maintain market risks within acceptable parameters, while optimising returns; and
- Protect the Company's financial investments, while maximising returns.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
B Market Risk

Market risk is the risk that the fair value of future Cash Flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and loans.

1) Interest Rate Risk

Interest rate risk is the risk that the fair value or future Cash Flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's total debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows :

Change in interest rate	Effect on profit before tax	
	As at 31.03.2019	As at 31.03.2018
+50 basis point	(0.51)	(0.46)
-50 basis point	0.51	0.46

2) Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. At the reporting date, Company does not have any foreign currency exposure.

3) Equity Price Risk

Equity price risk is related to the change in market reference price of the investments in quoted equity securities. The fair value of some of the Company's investments exposes the Company to equity price risks. At the reporting date, the companies equity shares are carried at fair value.

C Credit Risk

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on customer profiling, credit worthiness and market intelligence.

Financial Assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of Profit and Loss.

The Company measures the expected credit loss of Trade Receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

The average credit period is 30 days. The Company's Trade receivables consist of a large number of customers, across geographies hence the Company is not exposed to concentration risk.

Ageing of Account Receivables

	31st March, 2019	31st March, 2018
0-3 months	598.18	543.99
3-6 months	69.33	89.16
6-12 months	70.56	63.48
Beyond 12 months and less than 3 years	147.67	141.37

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
Movement in Provisions of Doubtful Debts

	31st March, 2019	31st March, 2018
Opening provision	-	-
Add:- Additional Provision made	126.04	-
Less:- Provision Write off	-	-
Less:- Provision Reversed	-	-
Closing provisions	126.04	-

D Liquidity Risk

The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained term loan from banks and working capital loans from directors.

Maturity patterns of borrowings

Particulars	Within 1 year	More than 1 year	Total
As on 31st March 2019			
Borrowings	494.32	184.94	679.26
Trade and Other Payables	349.71	-	349.71
Other Financial Liabilities	37.72	57.29	95.01
As on 31st March 2018			
Borrowings	664.50	273.88	938.38
Trade and Other Payables	333.33	-	333.33
Other Financial Liabilities	79.53	53.30	132.83

E Capital Management

The Company considers that capital includes net debt and equity attributable to the equity holders.

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy credit ratios in order to support its business and maximise shareholders value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

The Company monitors capital using a gearing ratio which is total capital divided by Net debt. The Company includes within Net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents excluding discontinued operations.

The gearing ratios were as follows:

Particulars	31st March, 2019	31st March, 2018
Net debt (net off cash and bank balances)	1,196.60	1,548.14
Total Equity	3,997.16	3,393.94
Net debt to equity ratio	0.30	0.46

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
NOTE 43 - EVENTS OCCURRING AFTER BALANCE SHEET

The Board of Directors has recommended Equity dividend of Rs. 0.50 per share (Previous year Rs.0.50) for the financial year 2018-19.

NOTE 44 - Section 135 of Companies Act,2013 on Corporate Social Responsibility is not applicable to the Company for F.Y 2018-19.

NOTE 45 - Confirmation letters have been sent in respect of sundry debtors / loans and advances / sundry creditors of which certain confirmations have been received which are accordingly accounted and reconciled. The remaining balances have been shown as per books of accounts and are subject to reconciliation adjustments, if any. In the opinion of the management, the realizable value of the current assets, loans and advances in the ordinary course of business will not be less than the value at which they are stated in the balance sheet .

NOTE 46 -Income Tax Assessment is completed up to the Assessment Year 2017-2018.

NOTE 47 - Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after 1st April, 2018, replaces existing revenue recognition requirements. The application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results.

NOTE 48 - The Financial Statements were authorised for issue by the directors on 30th May, 2019.

NOTE 49 - 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 attached

For Bilimoria Mehta & Co.

Chartered Accountants

Firm Registration No. : 101490W

CA KIRAN SUVARNA

Partner

Membership No. : 113784

Mumbai, 30th May 2019

For and on behalf of the Board of Directors

Vishwanath Harlalka

DIN 00170432

Chairman

Deepak Harlalka

DIN. 00170335

Managing Director

Anjali Harlalka

DIN. 07141513

Director

Prasad Nagvekar

Kirti Pathak

Chief Financial Officer
Company Secretary

NOTES



ATTENDANCE SLIP
(To be handed over at the entrance
of the meeting hall)

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

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

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

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

No. of shares held	
--------------------	--

Full name of the member attending

Name of Proxy

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 39th Annual General Meeting of the GINI SILK MILLS LIMITED at Sangam Hall, Agarwal Bhavan, 100/C, Marine Drive, Next to Indian Oil Petrol Pump, Mumbai - 400002 on Saturday, September 07, 2019.

*Applicable for Investor holding shares in electronic form

(Member's /Proxy's Signature)

- Note: 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
 - 3) A Proxy need not be a member of the Company.
 - 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
 - 5) The submission by a member of this form of proxy will not preclude such member from



(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 the above named Company. 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: _____

as my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 39th Annual General Meeting of the Company, to be held on September 07, 2019 at 12.30 p.m. at Sangam Hall, Agarwal Bhavan, 100/C, Marine Drive, Next to Indian Oil Petrol Pump, Mumbai - 400002 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution(s)		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, 2019	Ordinary		
2.	Declaration of Dividend for the financial year 2018-19.	Ordinary		
3.	Appointment of Mr. Anjali Harlalka as a Director, who retires by rotation.	Ordinary		
4.	Re-appointment of Mr. Pankajkumar Agarwal, as an Independent Director of the Company	Special		
5.	Re-appointment of Mr. Suresh Gaggar, as an Independent Director of the Company	Special		
6.	To Approve Related Party Transactions	Ordinary		

Signed this _____ day of _____ 2019

Signature of shareholder _____

Signature of Proxy holder _____

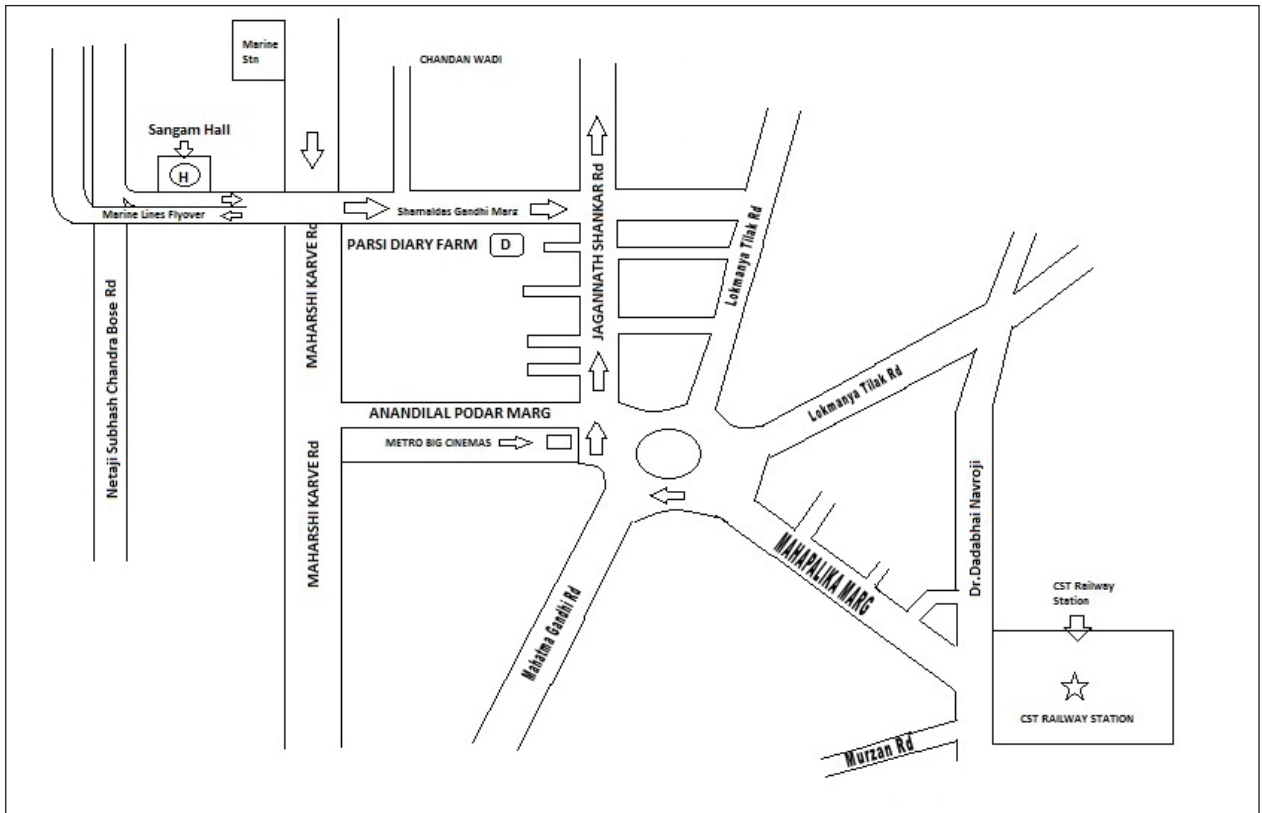


Signature of the shareholder across
Revenue Stamp

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 39TH 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.