



*Fine Fabrics Since 1963*

# **GINI SILK MILLS LIMITED**

**39<sup>th</sup> Annual Report 2018 - 2019**

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**BOARD OF DIRECTORS:**

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

**REGISTERED OFFICE:**

**Gini Silk Mills Limited**  
CIN: L17300mh1981plc024184  
413, Tanta 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

**39<sup>TH</sup> 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**  
1<sup>st</sup> 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 NINTH ANNUAL GENERAL MEETING**

held on **Saturday, 07<sup>th</sup> 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 39<sup>th</sup> Annual General Meeting of the Company will be held on **SATURDAY, 07<sup>th</sup> 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 31<sup>st</sup> 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, 1<sup>st</sup> 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](http://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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
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"> <li>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.</li> <li>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.</li> </ul>
Dividend Bank Details <b>OR</b> 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](http://www.evotingindia.com) and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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](mailto: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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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	<b>ANJALI DEEPAK HARLALKA</b>
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	<b>PANKAJKUMAR AGARWAL</b>
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 <sup>st</sup> 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, Tania 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. Boricha Marg, Lower Parel (East), Mumbai - 400011.

We, **Sandeep Dar & 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](http://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 31<sup>st</sup> 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.	Pankaj Kumar Agarwal	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 39<sup>th</sup> 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.	<b>REVENUE</b>		
	Net Sales/ Income from operation	<b>36,61.99</b>	39,42.55
	Other Income	<b>1,91.39</b>	1,67.65
	<b>Total</b>	<b>38,53.39</b>	41,10.20
2.	<b>LESS: EXPENDITURE</b>		
	Cost of Materials Consumed	<b>8,91.16</b>	13,06.15
	Purchases of Traded Goods	<b>2,99.26</b>	1,97.17
	(Increase)/ decrease in inventories of finished goods and Stock in Process	<b>25.84</b>	1,16.05
	Employee Benefit Expenses	<b>4,42.46</b>	4,08.96
	Financial Cost	<b>51.05</b>	89.92
	Depreciation and Amortization Expense	<b>1,02.03</b>	97.60
	Other Expenses	<b>19,15.17</b>	16,10.31
	<b>Total</b>	<b>37,26.97</b>	38,26.16
3.	<b>Profit Before Tax</b>	<b>1,26.42</b>	2,86.94
4.	Provision for Taxation		
	i) Current Tax	<b>58.26</b>	75.88
	ii) Deferred Tax	<b>5.25</b>	(3.61)
	iii) (Excess)/ Short provisions written back of earlier years	<b>(43.94)</b>	-
5.	<b>Profit After Tax</b>	<b>1,06.84</b>	2,14.67
6.	Balance carried from Previous Year	<b>28,31.13</b>	26,51.90
7.	<b>Other Comprehensive Income for the year</b>	<b>4.51</b>	(1.78)
8.	Amount Available for Appropriation	<b>29,42.48</b>	28,64.79
9.	<b>Balance carried to Balance Sheet</b>	<b>29,08.67</b>	28,31.13
10.	Basic/ Diluted Earnings per Equity Shares	<b>1.91</b>	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.