



GINI SILK MILLS LIMITED

40th Annual Report 2019 - 2020

❄ SHRADHANJALI ❄



Shri Vishwanath Harlalka

CHAIRMAN & FOUNDER 'GINI GROUP'

(25th June 1940 To 15th April 2020)

*A True Visionary,
A Legendary Industrialist,
A Great Philanthropist,
A Legacy that will always be cherished!*

His life was an inspirational journey leading thousand
to follow the enlightened path.

We will always carry on his values, an epitome of indomitable courage,
endurance and integrity, his legacy will always remain with us.

As we take leaps towards the future, we are fully committed to honour
his vision and keep his legacy alive & carrying it forward to greater heights.

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BOARD OF DIRECTORS:

Deepak Harlalka - *Chairman and Managing Director*

Suresh Gaggar - *Director*

Pankajkumar Agarwal - *Director*

Anjali Harlalka - *Director*

Ruchir Jalan - *Director*

Pranav Harlalka - *Additional Director**

**Appointed w.e.f. July 27, 2020*

Prasad Nagvekar - *Chief Financial Officer*

Shweta Panchal - *Company Secretary*

REGISTERED OFFICE:

Gini Silk Mills Limited

CIN: L17300MH1981PLC024184

413, Tanta Jogani Industrial Estate Premises,

Opp. Kasturba Hospital, J. R. Boricha Marg,

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

40th ANNUAL REPORT 2020:

Date : September 29, 2020

Time : 12.00 P.M.

Venue : Video Conference / Other Audio Visual Means.

REGISTRAR & TRANSFER AGENT:

Bigshare Services Pvt Ltd

1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis Makwana Road,

Marol, Andheri East, Mumbai - 400059

Tel. No: 022-62638200

Fax. No.: 022-62638299

E-Mail: investor@bigshareonline.com

Website: www.bigshareonline.com

FORTIETH ANNUAL GENERAL MEETING

held on **Tuesday, 29th September, 2020 at 12.00 P.M.**

(Video Conference / Other Audio Visual Means)

NOTICE

NOTICE is hereby given that the 40th Annual General Meeting of the Company will be held on **TUESDAY, 29th SEPTEMBER, 2020 at 12.00 P.M.** through Video Conferencing ("VC") / Other Audio-Visual Means to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2020 and the Profit and Loss Account for the year ended on that date together with the Directors' and Auditors' Report thereon.
2. To confirm the payment of the interim dividend for the Financial Year 2019 - 2020 at Rs. 0.50 per share of Rs. 10/-.
3. To appoint a Director in place of Mr. Deepak Harlalka (DIN:00170335), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of section 161(1), 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, Mr. Pranav Deepak Harlalka, who was appointed as an additional Director of the Company on July 27, 2020 and who holds office up to the date of this Annual General Meeting be and is hereby appointed as Director of the Company liable to retire by rotation."

5. 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 2020-21, 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."

By Order of the Board of Directors
GINI SILK MILLS LIMITED

Deepak Harlalka
DIN: 00170335

Place: Mumbai

Date: August 31, 2020

Chairman and Managing Director

Registered Office:

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

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 issued by Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated 5th May, 2020, physical attendance of the members at the annual general meeting (AGM) venue is not required and AGM be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.ginitex.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. 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.
8. 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.
9. 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.
10. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.
11. 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 e-voting at AGM in accordance with the law in a fair and transparent manner.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The register of members and share transfer books will remain closed from 23rd September 2020 to 29th September 2020. (Both days inclusive)
The voting period begins on 26th September, 2020 at 9:00 a.m. and ends on 28th September, 2020 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders" module.
- (iv) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- (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 e-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 Shareholders 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"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |

| | |
|--|---|
| 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> <ul style="list-style-type: none"> 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 (v). |
|--|---|

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For shareholders 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 relevant <Company Name> 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- For Physical shareholders-please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@bigshareonline.com.
- For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to info@bigshareonline.com.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **10 days prior to meeting** mentioning their name, demat account number/

folio number, email id, mobile number at ginitex@rediffmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/ folio number, email id, mobile number at ginitex@rediffmail.com. These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xix) Note for Non – Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- 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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; ginitex@rediffmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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 or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

By Order of the Board of Directors
GINI SILK MILLS LIMITED

Deepak Harlalka
DIN: 00170335

Place: Mumbai
Date: August 31, 2020 Chairman and Managing Director

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

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 | DEEPAK VISHWANATH HARLALKA |
|----------------|---|---|
| 1. | Date of Birth | 03-10-1963 |
| 2. | Age | 56 |
| 3. | Date of Appointment | 01-07-2010 |
| 4. | PAN | AAAPH5628M |
| 5. | DIN | 00170335 |
| 6. | Expertise in Specific functional area | Expertise in textile industries |
| 7. | Qualification | B.Com |
| 8. | Names of other listed entities in which he holds the directorship as on March 31, 2020 | NIL |
| 9. | Names of other listed entities/unlisted Public Companies in which he holds Membership/Chairmanship of Committees as on March 31, 2020 (Only Audit Committee & Stakeholders Relationship Committee considered) | NIL |
| 10. | Relationships, if any, between Director inter-se | Husband of Anjali Harlalka Father of Pranav Harlalka |
| 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 | PRANAV DEEPAK HARLALKA |
|----------------|---|---|
| 1. | Date of Birth | 29/06/1989 |
| 2. | Age | 31 |
| 3. | Date of Appointment | 27/07/2020 |
| 4. | PAN | ACCPH7169M |
| 5. | DIN | 08290863 |
| 6. | Expertise in Specific functional area | Business Management |
| 7. | Qualification | B.Com, Animation- London College of Communication (London), B.Sc- Bournemouth University (U.K.) |
| 8. | Names of other listed entities in which he holds the directorship as on March 31, 2020 | NIL |
| 9. | Names of other listed entities/unlisted Public Companies in which he holds Membership/Chairmanship of Committees as on March 31, 2020 (Only Audit Committee & Stakeholders Relationship Committee considered) | NIL |
| 10. | Relationships, if any, between Director inter-se | Son of Deepak Harlalka and Anjali Harlalka |
| 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
Appointment of Mr. Pranav Harlalka as Director:

Board of directors of the Company through resolution passed in Board Meeting held on July 27, 2020 has appointed Mr. Pranav Harlalka as Additional Director of the Company and Mr. Pranav holds office of the Director till the conclusion of next Annual General Meeting.

Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for regularization of Mr. Pranav Harlalka as Director of the Company.

Brief profile of Mr. Pranav Harlalka is given below for reference of the members:

Mr. Pranav Harlalka, aged 31 years, has a Bachelor of Commerce Degree from H.R. College and he also has a degree of Bachelor of Science from Bournemouth University, (U.K.).

Disclosure of Interest with other Directors:

| Name of Director | Relation |
|------------------|----------|
| Deepak Harlalka | Father |
| Anjali Harlalka | Mother |

The Board recommends the resolution set forth in Item no.4 for the approval of the members.

Item 5

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 2020-21 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, 2021 (Rs.Lakhs) |
|---------------------------|--|---|------------------------------|---|
| Gini Tex Private Limited- | 1. Deepak Harlalka 2. Pranav Harlalka 3. Anjali Harlalka | Mr. Deepak Harlalka ,Mr. Pranav 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. Fabric Sales | 10.00 |
| | | | 3.Rent Payable | 05.00 |
| Vishwanath Harlalka HUF | | Directors of the company are members of HUF | Rent Payable | 08.00 |

Mr. Deepak Harlalka, Mr. Pranav Harlalka and Mrs. Anjali Harlalka directors of the Company, hold 3,22,200 (21.69%), 1,40,000 (9.43%) 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. Pranav 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.

By Order of the Board of Directors
GINI SILK MILLS LIMITED

Place: Mumbai
Date: August 31, 2020

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

Deepak Harlalka
DIN: 00170335
Chairman and Managing Director