

August 27, 2022

To,

BSE Limited,
Dept. of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai - 400 001.

Security Code: 531744

Subject: Submission of Annual Report of the Company for Financial Year ended on March 31, 2022.

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 we submit herewith Annual Report of the Company for the Financial Year ended on March 31, 2022.

Kindly take the same on your record.

Thanking You,

For **GINI SILK MILLS LIMITED**

Deepak Harlalka

DEEPAK HARLALKA
MANAGING DIRECTOR
DIN: 00170335



Fine Fabrics Since 1963

PLANTS :

PLANT : E-15, MIDC, TARAPUR, BOISAR - 401 506. THANE (MAHARASHTRA)
TEL.: (02525) 605576/77/78 • FAX : 273525



GINI SILK MILLS LIMITED

42nd Annual Report 2021 - 2022

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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 - *Director*

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY:

Prasad Nagvekar - *Chief Financial Officer*

Shweta Panchal - *Company Secretary and Compliance officer*

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: accounts@ginitex.com

Website: www.ginitex.com

BANKERS:

State Bank of India

Kotak Mahindra Bank Limited

AUDITORS:

M/S. Bilimoria Mehta & Co.

Chartered Accountants

SECRETARIAL AUDITORS:

Sandeep Dar & Co.

Company Secretaries

42nd ANNUAL REPORT 2022:

Date : September 21, 2022

Time : 12.00 P.M.

Venue : Video Conference / Other Audio Visual Means.

REGISTRAR & TRANSFER AGENT:

Bigshare Services Pvt Ltd

Office No S6-2, 6th Floor, Pinnacle Business Park,

Next to Ahura Centre, Mahakali Caves Road,

Andheri (East), Mumbai – 400093

Tel. No: 022-62638200 • Fax. No.: 022-62638299

E-Mail: investor@bigshareonline.com

Website: www.bigshareonline.com

FORTY SECOND ANNUAL GENERAL MEETING

held on **Wednesday, 21st September, 2022 at 12.00 P.M.**

(Video Conference / Other Audio Visual Means)

NOTICE

NOTICE is hereby given that the 42nd Annual General Meeting of the Company will be held on Wednesday, **21st September, 2022 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 and Cash Flow Statement as on March 31, 2022 and the Profit and Loss Account for the Financial Year ended on that date together with the Directors’ and Auditors’ Report thereon.
2. To appoint a Director in place of Mr. Pranav Harlalka (DIN: 08290863), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s. Vatsaraj and Co., Chartered Accountants, Mumbai (FRN: 111327W) as Statutory Auditors of the Company to hold office for the term of five consecutive years and to fix their remuneration and in this regard 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 Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under as amended from time to time, M/s. Vatsaraj and Co., Chartered Accountants, Mumbai (FRN: 111327W), be and are hereby appointed as the Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting (AGM) until the conclusion of the AGM of the Company to be held in the year 2027, on such remuneration as may be fixed by the Board of Directors of the Company, in consultation with the Statutory Auditors.”

SPECIAL BUSINESS:

4. 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 there under (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 2022-23, 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 ordinary resolution.”

5. Approval for making Investment(s), grant loans or provide guarantees and security in excess of limits specified under section 186 of Companies Act, 2013:

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

“RESOLVED THAT pursuant to Section 186(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), and in terms of Articles of Association of the Company and subject to such approvals, consents, sanctions and permissions as may be necessary, the consent of the members be and is hereby accorded to the Board of Directors for making investment(s) in excess of limits specified under section 186 of Companies Act, 2013 from time to time, acquisition of securities of any body corporate or for giving loans, guarantees or providing securities to any body corporate or other person / entity whether in India or outside India, as may be considered appropriate for an amount not exceeding aggregate of Rs. 50 Crores (Rupees Fifty Crores only), notwithstanding that such investment and acquisition together with the Company's existing investments, loans and guarantees given and securities provided shall be in excess of the limits prescribed under section 186(3), of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, any of the Directors of the Company be and is hereby authorized to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental thereto as they may in their absolute discretion deem fit to give effect to this special resolution.”

6. Ratification of Related Party Transaction entered during the year 2021-22 that subsequently became material 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 there under (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 Ratification of Material Related

Party Transaction entered with related parties during the financial year 2021-22, as set out in the explanatory statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT for the purpose of giving effect to this Ordinary resolution, the Board and/or a committee thereof, be and is hereby authorized to take from time to time all decisions and such steps as may be necessary and to execute such documents, deeds, writings, papers and/ or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate.”

By Order of the Board of Directors

GINI SILK MILLS LIMITED

Deepak Harlalka

DIN: 00170335

Date: August 19, 2022

Place: Mumbai

Chairman and Managing Director

Registered Office:

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

NOTES:

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and circular no. 02/2021 dated January 13, 2021 issued by Ministry of Corporate Affairs (MCA) followed by Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021 and Circular No. 02/2022 dated May 05, 2022 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, May 05, 2020 and January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022 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. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
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. 20/2020 dated May 05, 2020 read with 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 website 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. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with circular no. 14/2020 dated 8th April, 2020, circular no.17/2020 dated 13th April, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 issued by Ministry of Corporate Affairs (MCA) followed by circular no. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021 and Circular No. 02/2022 dated May 05, 2022.

8. Pursuant to Ministry's General Circular No. 2/2022, dated 05th May, 2022 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2022, or become due in the year 2022, to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 dated 05 May, 2020 and as per MCA circular no. 02/2021 dated January 13, 2021.
 9. Shareholders seeking any information with regard to accounts or any other matter to be placed at the AGM are requested to write to the Company at least 10 days before the meeting so that the information is made available by the management on the day of the meeting.
 10. Shareholders holding shares in physical form are requested to intimate any change in their residential address to Bigshare Services Private Limited at Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Maharashtra, Registrar and transfer agent of the Company immediately.
 11. 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.
 12. 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.
 13. A brief profile of the Director retiring by rotation and proposed to be re-appointed at this AGM, nature of his expertise in specific functional areas, names of companies in which he holds directorship and Membership/ Chairmanship of Board Committee(s), shareholding and relationship between Directors and Key Managerial Personnel as stipulated under Regulation 36 of SEBI Listing Regulations are provided in **Annexure - 1** to this Notice.
 14. In terms of sections 101 and 136 of the Companies Act, 2013 and rules made there under read with SEBI Circular dated 12 May 2020, 15 January 2021 and 13 May 2022 and MCA Circulars, the listed companies may send the notice of AGM and the annual report, including financial statements, boards' report, etc. by electronic mode. Pursuant to the said provisions of the Act read with the applicable MCA & SEBI circulars, Notice of Forty Second AGM along with the Annual Report for F.Y. 2021-22 is being sent only through electronic mode to those members whose mail addresses are registered with the Company/depositories.
 15. **IMPORTANT NOTICE TO SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE:**

SEBI has vide circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, mandated furnishing of PAN, KYC and Nomination by Members holding shares in physical form. In view of the same, it may be noted that any service request can be processed only after the folio is PAN, KYC and Nomination compliant. The concerned shareholders are requested to furnish the requisite documents/ information at the earliest. Non-availability of the same on or after April 1, 2023 will result in freezing of the folios of such shareholders pursuant to the aforesaid SEBI circular. These frozen folios will be referred by the RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025. The Company has sent communications to the concerned shareholders explaining the aforesaid requirements and the same is available at www.ginix.com.

Further, SEBI has vide its circulars dated January 24, 2022 and January 25, 2022 mandated listed companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate, claim from Unclaimed Suspense Account, Renewal/Exchange of securities certificate, Endorsement, Sub division/Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission and Transposition. Accordingly, Members are requested to make service requests in prescribed Form ISR-4, as available on the Company's website at the aforesaid link.
 16. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in dematerialised form are therefore requested to submit their PAN to the Depository Participant(s) with whom they are maintaining their dematerialised accounts.
- THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**
- (i) a) The register of members and share transfer books will remain closed from 15th September, 2022 to 21st September, 2022. (Both days inclusive)
 - b) The voting period begins on 18th September, 2022 at 9:00 a.m. and ends on 20th September, 2022 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 14th September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the Meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/ Depository Participants. Demat

account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible Companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com homepage or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meeting for **Physical shareholders and shareholders other than individual holding in Demat form:**

- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on "Shareholders" module.
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.

- Next enter the Image Verification as displayed and Click on Login.
- 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.
- If you are a first time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> 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)	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. <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.

- After entering these details appropriately, click on "SUBMIT" tab.
- 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.
- For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the Gini Silk Mills Limited on which you choose to vote.

- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) 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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - 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 "Corporate s" 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 will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, 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 mandatory 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; chetan@ginitex.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. 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.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. 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.

10. 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 may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. **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 **Company/RTA email id**.
2. **For Demat shareholders** -Please update your email id & mobile no. with your respective **Depository Participant (DP)**.
3. **For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

By Order of the Board of Directors
GINI SILK MILLS LIMITED

Date: August 19, 2022
Place: Mumbai

Deepak Harlalka
DIN: 00170335
Chairman and Managing Director

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

Annexure 1

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	33
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, 2022	-
9.	Names of other listed entities/unlisted Public Companies in which he holds Membership/Chairmanship of Committees as on March 31, 2022 (Only Audit Committee & Stakeholders Relationship Committee considered)	-
10.	Relationships, if any, between Director inter-se	Son of Mr. Deepak Harlalka and Mrs. 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 3:

The Members at the 37th Annual General Meeting (AGM) held on 29th August, 2017 had approved appointment of M/s. Bilimoria Mehta & Co., Chartered Accountants, Mumbai (FRN: 101490W) as Statutory Auditors of the Company to hold office from the conclusion of the 37th AGM till the conclusion of the 42nd AGM in the year 2022. The term of office of the Statutory Auditors, M/s. Bilimoria Mehta & Co., Chartered Accountants, expires at the conclusion of the 42nd AGM and hence would be retiring.

Based on the recommendation of the Audit Committee, the Board of Directors at its Meeting held on 10th August, 2022 had approved appointment of M/s. Vatsaraj and Co., Chartered Accountants, Mumbai (FRN: 111327W), as Statutory Auditors of the Company for a term of five consecutive years from the conclusion of the 42nd AGM till the conclusion of the 47th AGM in the year 2027 subject to the approval of the Members of the Company in the ensuing AGM.

After considering various factors such as independence, industry experience, technical skills, geographical presence, audit team, etc., M/s. Vatsaraj and Co., Chartered Accountants, have been recommended for appointment as Statutory Auditors of the Company.

Pursuant to Section 139 of the Act and the Rules framed there under, the Company has received written consent from M/s. Vatsaraj and Co., and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed there under. As required under the Listing Regulations, M/s. Vatsaraj and Co., have confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

The audit fee payable to M/s. Vatsaraj and Co., Chartered Accountants, shall be as mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested financially or otherwise in the Resolution at item no. 3 of the Notice.

The Board recommends the Ordinary Resolution as set out at Item no. 3 of the Notice for approval by the Members.

Item 4

Pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") read with Rules made there under and Regulation 23 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LODR"), 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 2022-23 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, 2023 (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	1000.00
			2. Rent Payable	05.00
			3. Grey purchase	400.00
			4. Dyed purchase	200.00
Gini Citicorp Realty LLP	1. Deepak Harlalka 2. Pranav Harlalka	Directors of the Company are Partners of the LLP.	Investment	200.00
Deepak Harlalka	1. Pranav Harlalka 2. Anjali Harlalka	Mrs. Anjali Harlalka is the wife of Mr. Deepak Harlalka. Mr. Pranav Harlalka is the son of Mr. Deepak Harlalka and Mrs. Anjali Harlalka.	Acceptance of Loan	400.00

Mr. Deepak Harlalka, Mr. Pranav Harlalka and Mrs. Anjali Harlalka Directors of the Company, hold 4,76,400 (32.08%), 2,40,000 (16.16%) and 1,42,000 (9.56%) 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 SEBI (LODR), related party (ies) to the transactions of the Company shall abstain from voting on said Ordinary Resolution.

Item 5

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) Hundred per cent of its free reserves and securities premium account, whichever is more, if special resolution is passed by the members of the Company.

As a measure of achieving greater financial flexibility and to enable optimal financing structure, this approval is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to empower Board of Directors or any duly constituted committee thereof, if any, for making further investment, providing loans or give guarantee or provide security in connection with loans for an amount not exceeding Rs. 50 Crores (Rupees Fifty Crores Only).

The investment(s), loan(s), guarantee(s) and security (ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made there under.

In view of better utilization of funds available with the Company it is proposed to pass enabling resolution authorizing board of Directors of the Company to give loan, guarantee or provide security as mentioned in proposed Resolution.

No Director and/or Key Managerial Personnel of the Company and their relatives are interested in respect of the said Special Resolution.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

Item 6

Pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") read with Rules made there under and Regulation 23 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LODR"), shareholders' approval is required for Ratification of material Related Party transactions entered into during the financial year 2021-22 subsequent to the AGM held on 20.09.2021. As Company had immediate funds requirements to meet its financial and operational expenses, Company's Chairman and Managing Director/ Promoter provided temporary loan to the Company to meet its financial obligations.

The Company has entered into the following material Related Party transaction with the related party during the financial year 2021-22.

Name of Related Party	Name of interested Director(s)/ KMP(s)	Nature of relationship	Nature of Transaction	Transaction value for the financial year ending 31st March, 2022 (Rs. Lakhs)
Deepak Harlalka	1. Pranav Harlalka 2. Anjali Harlalka	Mrs. Anjali Harlalka is the wife of Mr. Deepak Harlalka. Mr. Pranav Harlalka is the son of Mr. Deepak Harlalka and Mrs. Anjali Harlalka.	Acceptance of Loan	210.00

Mr. Deepak Harlalka, Mr. Pranav Harlalka and Mrs. Anjali Harlalka directors of the Company, hold 4,76,400 (32.08%), 2,40,000 (16.16%) and 1,42,000(9.56%) 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, are in anyway, concerned or interested in the said ordinary resolution.

As per the Companies Act, 2013 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

Date: August 19, 2022
Place: Mumbai

Deepak Harlalka
DIN: 00170335
Chairman and Managing Director

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

DIRECTOR'S REPORT

To,

The Members of **GINI SILK MILLS LIMITED**

Your Directors have pleasure in presenting their 42nd Annual Report on the business and operations of the Company and Audited Statement of Accounts for the year ended 31st March, 2022.

1. FINANCIAL HIGHLIGHTS:

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

(Rs. In Lakhs)

Sr No.	Particulars	2021-22	2020-21
1.	REVENUE		
	Net Sales/ Income from operation	3089.43	1680.66
	Other Income	218.91	215.73
	Total	3308.34	1896.39
2.	LESS: EXPENDITURE		
	Cost of Materials Consumed	865.90	379.52
	Purchases of Traded Goods	181.95	115.36
	(Increase)/ decrease in inventories of finished goods and Stock in Process	(103.67)	89.46
	Employee Benefit Expenses	362.14	299.94
	Financial Cost	16.57	36
	Depreciation and Amortization Expense	123.73	119.02
	Other Expenses	1815.71	936.38
	Total	3262.32	1975.68
3.	Profit Before Tax	46.01	(79.29)
4.	Provision for Taxation		
	i) Current Tax	10.00	-
	ii) Deferred Tax	(1.81)	(2.48)
	iii) (Excess)/ Short provisions written back of earlier years	0.06	(20.66)
5.	Profit After Tax	37.76	(56.15)
6.	Balance carried from previous year	2936.95	2993.10
7.	Total other Comprehensive Income for the year	79.31	82.84
8.	Amount Available for Appropriation	3054.02	3019.79
9.	Balance carried to Balance Sheet	2974.71	2936.95
10.	Basic/ Diluted Earnings per Equity Shares	0.68	(1.00)

2. DIVIDEND:

In order to conserve the resources by taking into account the prevailing economic situation and the need of resources for growth, the Board of Directors have decided not to recommend any dividend on the Equity Shares of the Company for the Financial Year ended March 31, 2022.

3. RESERVES:

The Company does not propose to transfer any amount to the General Reserves.

4. OPERATIONS:

The Revenue from operations during the period under review was Rs. 3089.43 Lakhs as compared to Rs. 1680.66 Lakhs in the previous year.

During the period under review the Profit after Tax (PAT) stood at Rs. 37.76 Lakhs as compared to Rs. (56.15) Lakhs in the previous year. The performance for the coming years is expected to improve upon if right macroeconomic indicators are achieved in future.

5. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors' confirm that—

- in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- 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;
- 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;
- the Directors had prepared the Annual Accounts on a going concern basis; and
- 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
- 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:

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of Annual Return as at March 31, 2022 on its website at www.ginitex.com. By virtue of amendment to Section 92(3) of the Companies Act, 2013 read with rule 12 of The Companies (Management and Administration) Rules, 2014, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's 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 I**.

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

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr. Pranav Harlalka, Director retires by rotation at the forthcoming Annual General Meeting ("AGM") and being eligible, offers himself for re-appointment. The Board recommends the proposal of his re-appointment for the consideration of the Members of the Company at the forthcoming AGM and the same has been mentioned in the Notice convening the AGM. A brief profile of Mr. Pranav Harlalka has also been provided therein.

There were two re-appointment of Directors of the Company during the period under review in accordance with the table given below:

Name of Director	DIN	Date of Appointment /Cessation/ Change in Designation	Nature of Change (Appointment/ Cessation/Change in Designation)
Mr. Deepak Harlalka	00170335	June 21, 2021	Re-appointment as Managing Director.
Mr. Ruchir Jalan	03172070	September 20, 2021	Re-appointment of Independent Director.

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. Deepak Harlalka, Managing Director-5.63:1 b) Mr. Pranav Harlalka, Executive Director-11.27:1
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. Deepak Harlalka- Nil b) Mr. Pranav Harlalka - Nil c) CFO/CS - There was no increase in the remuneration of CFS/CS
3.	The percentage Increase in the median Remuneration of Employees in the financial year.	4.42%
4.	The number of permanent Employees on the rolls of Company.	119
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
5.	Stakeholders Relationship Committee	One

11. FORMAL ANNUAL EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 and Part D of Schedule II, 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.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specified duties, obligations and governance.

The Independent Directors of the Company met on February 11, 2022 without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole; to review the performance of the Chairman and Managing Director of the Company and to assess the quality, quantity and timeliness of flow of information between the management and the Board of Directors. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

The details of the Committees of the Board along with their composition, number of meetings and attendance at the meetings are provided in the Report on Corporate Governance.

12. DECLARATION BY AN INDEPENDENT DIRECTOR:

All Independent Directors of the Company have given declarations that they meet the conditions of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfill the said conditions of independence. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics. In terms of requirements of the Listing Regulations, the Board has identified core skills, expertise and competencies of the Directors in the context of the Company's businesses for effective functioning.

13. NOMINATION AND REMUNERATION POLICY:

The Board of Directors at their meeting held on November 12, 2021 has approved the updated Nomination and Remuneration Policy which lays down a framework in relation to remuneration of directors, Key Managerial Personnel and Senior Management of the Company. The said policy is also uploaded on the website of the Company www.ginitex.com.

The policy provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment and removal of Directors, Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors.

The Policy sets out a framework that assures fair and optimum remuneration to the Directors, Key Managerial Personnel, Senior Management Personnel and other employees such that the Company's business strategies, values, key priorities and goals are in harmony with their aspirations. The policy lays emphasis on the importance of diversity within the Board, encourages diversity of thought, experience, background, knowledge, ethnicity, perspective, age and gender.

The Nomination and Remuneration Policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high calibre talent.

14. STATUTORY AUDITORS:

The Board of Directors of the Company has recommended the appointment of M/s. Vatsaraj and Co., Chartered Accountants, Mumbai (FRN: 111327W) as statutory auditors of the Company to hold office from the conclusion of AGM in 2022 till the conclusion of the Annual General Meeting to be held in the year 2027 at such remuneration as may be agreed by the Board of Directors and Auditors.

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 II** to this report. The report is self-explanatory however the Company has initiated necessary steps to comply with various non-compliance as mentioned under the Secretarial Audit Report.

The Annual Secretarial Compliance Report of the Company pursuant to Regulation 24A of Listing Regulations read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, is uploaded on the website of the Company i.e. www.ginitex.com.

16. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company has devised an effective vigil mechanism/ whistle blower policy enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices. The policy has been posted on the website of the Company i.e. www.ginitex.com.

17. COMMITTEES OF THE BOARD:

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee

The details with respect to the compositions, roles, terms of reference etc. of relevant committees are provided in the Corporate Governance Report of the Company, which forms part of this Annual Report.

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:

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of operations.

Business risks and mitigation plans are reviewed and the internal audit processes include evaluation of all critical and high risk areas. The main focus of internal audit is to review business risks, test and review controls, assess business processes besides bench marking controls with best practices in the industry. During the year under review, there were no elements of risk which in the opinion of the Board of Directors threaten the existence of the Company.

21. DEPOSITS:

The Company has not accepted deposits from the public and/or members falling within the ambit of Section 73 and Section 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Hence, the requirement of furnishing details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

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

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to financial statements forming part of the Annual Report.

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.

As per Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

24. MANAGEMENT DISCUSSION AND ANALYSIS:

I. Industry Structure and Developments:

The Indian textile market is gaining its global share of business as buyers from several countries are strategically replacing China as their primary suppliers by adding additional sourcing countries to their outsourcing portfolios. Indian players are ideally suited competitively to capture a good portion of this global shift.

The Indian Textile Industry is one of the most unique industries with its ancient techniques and cultural traditions. Traditional sectors like hand-loom, handicrafts and small scale power-loom units are the biggest source of employment for millions of people in rural and urban area.

By allowing 100% FDI in the Indian textile sector to launching various schemes from time to time, the Government of India intends an overall improvement within the Textile Industry. Schemes such as the Indian Technical Textile Mission were launched to hasten the growth of the textile industry for the period 2020-21 to 2023-24. The Production linked Incentive (PLI) Scheme for the textile industry aims to promote the production of higher-value man-made fabrics, garments, and technical textiles. Furthermore, the Government launched the Technology Upgrading Scheme to provide capital subsidies for the better development of the textile industry.

Apart from Central Government initiatives, the various State Governments are also encouraging the companies with multiple schemes, tax waivers, and benefits. The Maharashtra Government, for example, has launched subsidy schemes for the further development and expansion of the textile industry within the State

The Indian Textile industry is set for strong growth, buoyed by strong domestic consumption as well as export demand.

II. Opportunities and Challenges:

1. Shift towards the market of branded ready-made garments is being observed.
2. India has one of the fastest growing economies with the GDP. This creates a boost in the purchasing power of the people while it also spurs the demand for products of the textile industry. This boost results in a wide range of capacity to manufacture different products that can be transported within India as well as across the world.
3. India's textile industry plays technological and capital intensive role and is compared with industries like heavy machinery, automobile etc.
4. The frequently changing policies stated by the government at the central and state levels create an immense pressure on the textile industry.

Since the pattern of industrialization in trade has become common in consumer goods industries and labour-intensive industries hence there is immense opportunity in the textile industry.

III. Segment-Wise or Product-Wise Performance:

In textiles, our product is very well 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 drivers. 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.

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 Rs. 3089.43 Lakhs as compared to Rs. 1680.66Lakhs in the previous year.

The sales revenue from Processing of Fabric increased from Rs. 1142.18 Lakhs to Rs. 2388.36 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. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:

Sr. No.	Particulars	Financial Year 2021-22	Financial Year 2020-21
1.	Current Ratio	2.13	2.68
2.	Debt-Equity Ratio	0.20	0.12
3.	Inventory Turnover Ratio	15.07	8.76
4.	Debtors Turnover Ratio	1.26	0.99

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

The Company firmly believes in providing a safe, supportive and friendly workplace environment – a workplace where our values come to life through the supporting behaviors. Positive workplace environment and a great employee experience are integral part of our culture. Your Company believes in providing and ensuring a workplace free from discrimination and harassment based on gender.

In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All women employees whether permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on the internal portal of the Company for information of all employees. An Internal Complaints Committee (ICC) has been set up in compliance with the said Act. The Composition of the said Committee is as follows:

1. Sonal Tukrul - Presiding Officer
2. Sunita Pecheco - Member
3. Vaishali Raut - Member
4. Sheweta Panchal - Member
5. Sheela Parhad - Member
6. Uday Mehar - External Member

The following is a summary of sexual harassment complaint received or disposed off during the year 2021-22:

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

27. 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 equipment's 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 equipment's – Since Company is having adequate equipment; no capital investment on energy conservation equipment's 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.

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

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

29. SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards viz. the Secretarial Standard -1 on Board Meetings (SS-1) and Secretarial Standard -2 on General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government, and that such systems are adequate and operating effectively.

30. LISTING AGREEMENT WITH THE STOCK EXCHANGE:

The Company has entered into the Uniform Listing Agreement as per SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and confirms that it has paid the Annual Listing Fees for the year 2021-22 to BSE Ltd. where the Company's Shares are listed.

31. RELATED PARTY TRANSACTIONS AND ITS DISCLOSURE:

The amended Related Party Transaction Policy has been adopted by the Board of Directors in their meeting held on August 10, 2022 for determining the materiality of transactions with related parties and dealings with them. The said policy may be referred to, at the Company's website i.e. www.ginitex.com.

All related party transactions are mentioned in the notes to financial statements forming part of the Annual Report. All related party transactions are placed before the Audit Committee for approval. Omnibus approval was obtained on a yearly basis for transactions which were repetitive in nature.

The listed entity which has listed its non-convertible securities shall make disclosures in accordance with Para A of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in compliance with the Accounting Standard on Related Party Disclosures. Since the Company does not have any Holding Company and/or Subsidiary Company and/or Associate Company, the above disclosure is not applicable to the Company.

32. BUSINESS RESPONSIBILITY REPORT:

Pursuant to Regulation 34(2), the top one thousand listed entities based on market capitalization shall annex Business Responsibility Report to its annual report describing the initiatives taken by the listed entity from an environmental, social and governance perspective. Business Responsibility Report is not applicable to the Company as the Company does not come under the top one thousand listed entities.

33. COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:

There are no companies which have become or ceased to be its Subsidiaries, Joint Venture or Associate Companies during the financial year 2021 – 22.

34. INDUSTRIAL RELATION:

The industrial relations of the Company continued to be cordial throughout the year.

35. OTHER DISCLOSURES:

- a) During the year under review, there has been no change in the nature of business of the Company.
- b) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the Company.
- c) There were no incidences of reporting of frauds by Statutory Auditors of the Company under Section 143 (12) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 during the year under review.
- d) The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.
- e) The Company has not issued any sweat equity shares to its directors or employees.
- f) No application was made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year.

36. UNPAID DIVIDEND AND IEPF:

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF; established by the Government of India, after completion of seven years. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

During the F.Y. 2021-22, Company has transferred the amount of unpaid or unclaimed dividend and unclaimed shares as per the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") to the IEPF, details of which is available on the website of the Company i.e. www.ginitex.com.

32. 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**

**DEEPAK HARLALKA
CHAIRMAN**

Registered Office:

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

Date: August 19, 2022

Place: Mumbai

Annexure – I

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 2. Fabric sales 3. Rent paid 4. Purchase of Grey/ dyed: Rs. 69.93 Lakhs	Yearly	1. Contract of processing fabrics Rs. 582.94 Lakhs 2. Fabric Sale: Rs. 0.06 Lakhs 3. Rent paid Rs. 4.50 Lakhs 4. Purchase of Grey/ dyed: Rs. 69.93 Lakhs	June 21, 2021	NIL
2.	Vishwanath Harlalka HUF- Relative of Directors.	Rent Paid	Yearly	Rent Paid: Rs. 7.56 Lakhs	June 21, 2021	NIL

Annexure- II
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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** having CIN: L17300MH1981PLC024184 (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, 2022 (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, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (upto 12th August, 2021) & The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 (with effect from 13th August, 2021);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (upto 15th August, 2021) & The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (with effect from 16th August, 2021);
 - (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 (upto 09th June, 2021) & The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (with effect from 10th June, 2021);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) As identified by the management, other laws specifically applicable to the industry to which the Company belongs and compliances of which is relied upon the representation by the management.

- a. Factories Act, 1948;
- b. Trade Union Act, 1926;
- c. Industrial Dispute Act, 1947;
- d. The Payment of Wages Act, 1936;
- e. The Minimum of Wages Act, 1948;
- f. Employees State Insurance Act, 1948;
- g. The Employees Provident Fund and Misc. Provisions Act, 1952;
- h. The Payment of Bonus Act, 1965
- i. The Payment of Gratuity Act, 1972;
- j. Air (Prevention and Control of Pollution) Act, 1981;
- k. The Environment (Protection) Act, 1986;
- l. Trade Marks Act, 1999;

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 Uniform Listing Agreements 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. Pursuant to Regulation 46(2)(I)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Company has not uploaded the notice of Meeting of the Board of Directors where Financial Results were discussed on the website of the Company within 2 working days.
2. Pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Company has borrowed the funds from a director of the Company during the period under review, which has become material transaction as per regulation 23 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is subject to members approval and disclosure of the same, has not been filed with the Registrar of Companies in Form MGT-14 pursuant to Section 179(3) of the Companies Act, 2013.

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 period under review 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 clarifications 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 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 Company has no specific events/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Sandeep Dar & Co.**

Proprietor

FCS: 3159

C.P No.: 1571

UDIN: **F003159D000815135**

Peer Review Cert. No. 1642/2022

Date: August 19, 2022

Place: Navi Mumbai

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE A

ANNEXURE TO SECRETARIAL AUDIT REPORT

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.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. The Compliance of applicable financial laws like direct and indirect laws have not been reviewed in this Audit since the same have been subject to review by Statutory Financial Auditors and other designated professionals.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Sandeep Dar & Co.**

Proprietor

FCS: 3159

C.P No.: 1571

UDIN: **F003159D000815135**

Peer Review Cert. No. 1642/2022

Date: August 19, 2022

Place: Navi Mumbai

REPORT ON CORPORATE GOVERNANCE

The Board of Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") as amended for the financial year ended March 31, 2022.

1. COMPANY'S PHILOSOPHY ON CODE OF 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.

At Gini Silk Mills Limited, the governance framework is based on the following principles:

1. The Company is organized by an effective Board which is collectively responsible and works with Management for the long-term growth of the Company.
2. The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company and its stakeholders.
3. The Board undertakes a formal annual evaluation of its performance as a whole, and that of each of its board committees and individual directors.
4. The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company.
5. The Company communicates regularly with its shareholders and ensures the participation of shareholders during general meetings to allow shareholders to communicate their views on various matters affecting the Company.
6. The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

2. BOARD OF DIRECTORS:

A) Composition and Category of Directors, attendance of each Director at the Board Meetings and the last Annual General Meeting, number of other Board of Directors or Committees in which a Director is a member or chairperson.

The Board of the Company has the right mix of leaders and thinkers who have acknowledged the focus of the Company in creating value to its stakeholders. 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.

Presently, the Board of Directors of the Company comprises Six Directors, out of which Four Directors are Non-Executive Directors. The Company has 'Executive Chairman' (Promoter) and there are Three Independent Directors on the Board which represent half of the total strength of the Board of Directors of the Company. The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed both under Section 149 (7) of the Companies Act, 2013 and under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors as specified in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board does not have any Nominee Director representing any financial institution.

The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors, meets with the requirements of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The names and categories of Directors, the number of Directorships and Committee positions held by them in other Public Limited Companies and in the Company in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 31st March, 2022 are given below:

Name	Designation	Category	No. of Directorship in listed entities including this listed entity	No. of Independent Directorship in listed entities including this listed entity	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity	No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity	No. of Equity Shares held
Mr. Deepak Harlalka	Managing Director	Promoter, Executive Director	1	0	1	0	19,00,260
Mr. Suresh Gagar	Director	Non-Executive Independent Director	2	1	1	1	-
Mr. Pankaj Kumar Agarwal	Director	Non-Executive Independent Director	1	1	1	0	-
Mr. Ruchir Jalan	Director	Non-Executive Independent Director	1	1	2	0	-
Mrs. Anjali Harlalka	Director	Promoter, Non-Executive Director (Woman Director)	1	0	1	1	3,50,400
Mr. Pranav Harlalka	Director	Promoter, Executive Director	1	0	0	0	2,02,400

Board Procedure

The Board meets at least once a quarter and Board Meetings are held at the Registered Office of the Company. The Meetings of the Board are generally scheduled well in advance and the notice of each Board Meeting is sent via e-mails to each Director. The Company provides the information as set out in Regulation 17 read with Part A of schedule II of the Listing Regulations, to the Board and the Board Committees to the extent applicable. All the items drafted in the Agenda are accompanied by notes giving comprehensive information about the related subject and in certain matters such as financial/ business plans, financial results etc., detailed presentations for the same are made. The Agenda and the relevant notes are circulated well in advance separately to each Director. The members of the Board have complete access to all information of the Company. The Board, if deem necessary and depending upon the urgency and necessity of the matter, takes up any other item of business, which does not form part of the agenda. Urgent matters are also considered and approved by passing resolution through circulation, which are noted at the next Board Meeting. To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting on the overall performance of the Company.

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, 2022, 06 Board Meetings were held on the following dates: June 21, 2021, August 12, 2021, September 30, 2021, October 11, 2021, November 12, 2021 and February 11, 2022. Annual General Meeting during the year was held on September 20, 2021.

Name of the Directors	No. of Board Meeting Attended	Attendance at last AGM held on September 20, 2021.
Deepak Harlalka	6	Yes
Suresh Gagar	6	Yes
Pankajkumar Agarwal	3	Yes
Anjali Deepak Harlalka	6	Yes
Ruchir Jalan	6	Yes
Pranav Harlalka	6	Yes

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

Directors	Category	No. of other Directorship		No. of other Committee positions	
		Public	Private	Member	Chairman
Deepak Harlalka	Promoter Executive	-	5	-	-
Anjali Harlalka	Promoter Non-Executive	-	1	-	-
Suresh Gaggar	Independent	1	6	-	1
Pankaj Kumar Agarwal	Independent	-	5	-	-
Ruchi Jalan	Independent	-	-	-	-
Pranav Harlalka	Promoter Executive	-	1	-	-

NAMES OF THE OTHER LISTED ENTITIES WHERE THE PERSON IS A DIRECTOR AND THE CATEGORY OF DIRECTORSHIP:

NAME OF DIRECTOR	CATEGORY OF DIRECTORSHIP	NAME OF OTHER LISTED ENTITY WHERE HE IS DIRECTOR
Suresh Gaggar	Chairman - Executive Director	Garnet International Limited

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

During the year ended on March 31, 2022 Six Board Meetings were held:

SR. NO.	DATES OF BOARD MEETINGS
1.	June 21, 2021
2.	August 12, 2021
3.	September 30, 2021
4.	October 11, 2021
5.	November 12, 2021
6.	February 11, 2022

E) DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Name of Director	Relationship
Mr. Deepak Harlalka	Husband of Mrs. Anjali Harlalka and Father of Mr. Pranav Harlalka
Mrs. Anjali Harlalka	Wife of Mr. Deepak Harlalka and Mother of Mr. Pranav Harlalka
Mr. Pranav Harlalka	Son of Mr. Deepak Harlalka and Mrs. Anjali 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) SKILLS / EXPERTISE / COMPETENCE OF THE BOARD OF DIRECTORS:

As required under the provisions of Schedule V(C)(2)(h) of the Listing Regulations, the Board of Directors has identified the core skills / expertise / competencies as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board as follows:

1. Knowledge of Company's business policies, major risks/threats and potential opportunities, technical /professional skills and specialized knowledge of Company's business.
2. Business strategy & Analytics, Critical & Innovative thinking.
3. Corporate Management and Corporate Governance.
4. Financial including Accounting & Auditing, Management skills, administration.
5. Leadership and decision making.

6. Behavioral skills -Attributes and competencies to use knowledge and skills for effective contribution to Company's growth.
7. Risk identification- Legal and Regulatory compliance.
8. Stakeholder Engagement & Market awareness.
9. Business Ethics as well as Corporate Ethics

H) The details of Familiarization programme imparted to Independent Directors have been disclosed on the website of the Company i.e. www.ginitex.com.

I) INDEPENDENCE OF DIRECTORS:

Considering the requirement of skills on the Board, the Nomination and Remuneration Committee considers eminent persons having independent standing in industry expertise and those who can effectively contribute to the business and policy decisions of the Company. The Independent Directors, at the first meeting of the Board in which they participate, and thereafter at the first meeting of the Board in every financial year, give a declaration that they meet the criteria of independence stipulated in the Listing Regulations, and the Act and the rules framed thereunder. The Company has received necessary declaration from Independent Directors that they fulfil "independence" criteria, stipulated in the Listing Regulations and the Act and the rules framed thereunder. In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act and the Listing Regulations and are independent of the management.

J) As on the date of report, no independent director has resigned before the expiry of his tenure.

- The Board of Directors has constituted Committees of Directors with adequate delegation of powers, to discharge their functions with respect to specific matters of the Company on behalf of the Board of Directors. The brief particulars of Audit Committee, Nomination and Remuneration Committee and Share Transfer and Stakeholders Relationship Committee as required under Listing Regulations are given hereunder:

3. AUDIT COMMITTEE:

The Audit Committee was constituted with the primary objective of assisting the Board with oversight of accuracy, integrity and transparency of the Company's financial statements with adequate and timely disclosures. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 and Part C of Schedule II of the Listing Regulations. 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.

A) TERMS OF REFERENCE:

The terms of reference of the Committee inter alia, include the following:

- The recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Examination of the financial statement and the auditors' report thereon.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Evaluation of internal financial controls and risk management systems.
- Review of Information Technology General Controls.
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.

- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.

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. The constitution of the Audit Committee as on March 31, 2022 is as follows:

1. Mr. Suresh Gaggar - Chairman
2. Mr. Pankajkumar Agarwal - Member
3. Mr. Ruchir Jalan - Member

C) MEETINGS AND ATTENDANCE DURING THE YEAR:

The Audit Committee met 4 times during the year on June 21, 2021, August 12, 2021, November 12, 2021 and February 11, 2022. The requisite quorum was present at the said Meetings.

The Composition of the Audit Committee and the attendance of the Committee Members at the Meetings held during the Financial Year 2021-22 is as follows:

Name of the Director	Designation	Category	No. of Audit Committee Meetings attended
Mr. Suresh Gaggar	Chairman	Non-Executive Independent Director	4
Mr. Pankajkumar Agarwal	Member	Non-Executive Independent Director	2
Mr. Ruchir Jalan	Member	Non-Executive Independent Director	4

4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is entrusted with the responsibility of screening and selection process of new Directors and KMPs. The Committee develops strategies on people agenda, Talent Management Initiatives and criteria for appointment of Independent Directors, Non-Executive Directors and Executive Directors in compliance with the Act and SEBI (LODR) Regulations, 2015.

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:

- Succession planning of the Board of Directors and senior management employees;
- Identifying and selection of candidates for appointment as directors / independent directors based on certain laid down criteria;
- Identifying potential individuals for appointment as key managerial personnel and toother Senior management positions;
- 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;
- 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. Pankajkumar Agarwal is appointed as Chairman of the Committee.

The constitution of the Nomination and Remuneration Committee as on March 31, 2022 is as follows:

1. Mr. Pankajkumar Agarwal - 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 on June 21, 2021 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. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to provisions of Section 178(5) of the Act read with Regulation 20 of the Listing Regulations, Stakeholders Relationship Committee of the Board has been constituted. The Company has constituted a Stakeholders' Relationship Committee with an objective to monitor and resolve the grievances of the security holders of the Company. During the year, one meeting of the Committee was held on November 12, 2021 which was attended by all the members of the Committee. This Committee comprises of three Directors as follows:

1. Mrs. Anjali Halalka - Chairman, Non-Executive Director
2. Mr. Deepak Harlalka - Member, Executive Director
3. Mr. Ruchir Jalan - Member, Non Executive Independent Director
 - a) Name of the non-executive director heading the committee - Mrs. Anjali Harlalka
 - b) Name and designation of the compliance officer - Ms. Shweta Panchal, Company Secretary and Compliance Officer
 - c) Number of shareholders' complaints received during the financial year - Nil
 - d) Number of complaints not solved to the Satisfaction of Shareholder - Nil
 - e) Number of Pending Complaints - Nil

6. REMUNERATION OF DIRECTORS:

- a) There is no pecuniary relationship or transaction of the non-executive directors with the listed entity.
- b) The details of criteria of making payments to non-executive directors is disclosed on the website of the Company i.e. www.ginitex.com.
- c) Remuneration of Directors is as follows:

Name of Director	Remuneration
Mr. Pranav Harlalka	Rs. 24,00,000/- p.a.
Mr. Deepak Harlalka	Rs. 12,00,000/- p.a.

7. GENERAL BODY MEETINGS:

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

Financial Year ended	Date	Location of the Meeting	Time
March 31, 2021	September 20, 2021	through Video Conferencing ("VC")/ Other Audio-Visual Means	12.00 P.M
March 31, 2020	September 29, 2020	through Video Conferencing ("VC")/ Other Audio-Visual Means	12.00 P.M
March 31, 2019	September 07, 2019	Sangam Hall, Agarwal Bhavan, 100/C, Marine Drive, Next to Indian Oil Petrol Pump, 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 20, 2021	1. Re-appointment of Mr. Ruchir Jalan, as an Independent Director of the Company.
September 29, 2020	No Special Resolution was passed.
September 07, 2019	1. Re-appointment of Mr. Pankaj Kumar Agarwal, as an Independent Director of the Company. 2. Re-appointment of Mr. Suresh Gaggar, as an Independent Director of the Company.

C) No Special resolution was passed through postal ballot at the last Annual General Meeting nor is it proposed this year.

8. MEANS OF COMMUNICATION:

- **Quarterly Results:** The Un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter (or such other extended timeline as may be allowed by SEBI and MCA). The audited annual results are announced within sixty days from the closure of the financial year (or such other extended timeline as explained above) as per the requirement of the Listing Regulations. The Company submits the quarterly/annual financial results to the Stock Exchanges immediately after Board's Approval.

- **Newspapers wherein results normally published:** Normally the quarterly/Annual Results are published in the 'Free Press Journal', English Daily and 'Navshakti', Marathi Daily, newspapers.

Website: The Company's website www.ginitex.com. On this website the Company displays various information such as Annual Reports, Notices of General Meetings, Policies adopted by the Company, unpaid dividend details, Quarterly/ Annual results and various statutory information as required by SEBI Regulations etc.

- **BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, Notices issued to Shareholders, Quarterly/Annual Results, Outcome of Board Meetings etc. among others are filed on the Listing Centre.

9. General Shareholders information:

- A) Annual General Meeting- Date, Time and Venue: 21st September, 2022 at 12.00 P.M through Video Conferencing ("VC") / Other Audio-Visual Means.
- B) Financial Year: April 01, 2021 to March 31, 2022.
- C) Dividend payment date: No Dividend declared during the financial year 2021-2022.
- D) The name and address of Stock exchange at which securities are listed: BSE Limited, Mumbai.
Listing fee for 2021-2022 have been paid in respect of BSE Ltd.
- E) Stock Code: BSE Code: 531744
NSDL/CDSL-ISIN: INE548B01018
- F) Market price data-high, low during each month in last financial year:

Months	Bombay Stock Exchange	
	High	Low
April, 2021	69.00	54.15
May, 2021	68.25	56.05
June, 2021	69.05	56.00
July, 2021	61.45	52.05
August, 2021	63.00	47.45
September, 2021	71.90	53.10
October, 2021	59.90	46.80
November, 2021	53.00	44.65
December, 2021	50.30	41.55
January, 2022	66.85	46.00
February, 2022	62.00	50.60
March, 2022	57.25	39.85

G) Performance in comparison to broad based indices such as BSE Sensex, Crisil Index.:

Month	Company price		BSE Sensex	
	High	Low	High	Low
April-2021	69.00	54.15	50375.77	47204.50
May-2021	68.25	56.05	52013.22	48028.07
June-2021	69.05	56.00	53126.73	51450.58
July-2021	61.45	52.05	53290.81	51802.73
August-2021	63.00	47.45	57625.26	52804.08
September-2021	71.90	53.10	60412.32	57263.90
October-2021	59.90	46.80	62245.43	58551.14
November-2021	53.00	44.65	61036.56	56382.93
December-2021	50.30	41.55	59203.37	55132.68
January-2022	66.85	46.00	61475.15	56409.63
February-2022	62.00	50.60	59618.51	54383.20
March-2022	57.25	39.85	58890.92	52260.82

H) The Securities of the Company which are suspended from trading: Nil

I) Registrar and share transfer agents:
Bigshare Services Private Limited
Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai – 400093.

J) 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.

K) Distribution of Shareholding as on March 31, 2022:

Shareholding of nominal value of Rupees	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 500	894	87.48	81214	1.45
501 TO 1000	56	5.48	44728	0.80
1001 TO 2000	24	2.35	35184	0.63
2001 TO 3000	8	0.78	20067	0.36
3001 TO 4000	2	0.19	7022	0.13
4001 TO 5000	5	0.49	23428	0.42
5001 TO 10000	11	1.08	81167	1.45
10001 & above	22	2.15	5299790	94.76
Total	1022	100.00	5592600	100.00

L) Dematerialization of shares and liquidity:

Shareholding pattern as on March 31, 2022

Category	No. of Shares	%
Promoters	4193460	74.98
Mutual Funds, Banks, etc	-	-
Corporate Bodies	946801	16.93
Clearing Members	12076	0.22
NRI / OCB's	127415	2.28
IEPF	11886	0.21
Indian Public	300962	5.38
TOTAL	5592600	100

Out of these, 5571893 (99.62%) shares are Dematerialized and the balance 20,707 (0.37%) are in physical form as on March 31, 2022.

M) Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments:
Nil

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

O) Address for Correspondence : Mrs. Shweta Panchal, Compliance Officer

413, Jogani Industrial Estate,
Opp. Kasturba Hospital,
J. R. BorichaMarg,
Lower Parel (East),
Mumbai - 400001.

P) Credit Ratings: During the period under review, the Company has not obtained any Credit Ratings from any Credit Rating Agency for any debt instruments or any fixed deposit programme or any scheme of the Company involving mobilization of funds, whether in India or abroad.

Q) Commodity price risk or foreign exchange risk and hedging activities: There are no hedging activities undertaken by the Company as the Company is not majorly involved in foreign exchange transactions.

10. OTHER DISCLOSURES:

a) There were Related Party transactions during the financial year ended on March 31, 2022 but there were no materially significant transactions with Related Parties during the financial year that have potential conflict with the interest of listed entity at large. The Policy for Related Party transactions is available on the website of the Company viz. www.ginitex.com.

b) During the Last three financial years, following show cause notices were received:

1. On February 12, 2019, Letter received 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. 92,000/- against such notice.
2. On May 14, 2019, Letter received 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. 90,000/- against such notice.
3. On October 29, 2019, Letter received under regulation 44(3) for delay in submission of voting results after the Annual General Meeting and the Company has paid fine of Rs. 10,000/- against such notice.
4. On December 5, 2019, Letter received 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. 19,000/- against such notice.

- c) The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and it provides its employees a channel for the reporting of genuine concerns about unethical behavior, actual or suspected or misconduct. 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.

We affirm that no personnel have been denied access to the audit committee.

- d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all applicable mandatory requirements of the Listing Regulations during the financial year 2021-22. The Company complies with all mandatory legislations including but not restricted to Ind-AS, Secretarial Standards, Internal Financial Controls, Code of Conduct, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, etc.

- e) Web link where policy for determining 'material' subsidiaries is disclosed: Not Applicable.
- f) The Company has adopted the policy on Related Party Transactions. This policy is available on the website of the Company at www.ginitex.com.
- g) Disclosure of commodity price risks and commodity hedging activities: Not Applicable
- h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) – Not Applicable
- i) Certificate from a Practising Company Secretary with respect to Disqualification or otherwise of Directors:
The Company has obtained a certificate from M/s. Sandeep Dar and Company, Practising Company Secretary confirming that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. A copy of the said certificate is appended hereto as Annexure.
- j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof – Not Applicable
- k) Total fees for all services paid by the listed entity to the statutory auditors is Rs. 1,00,000/-.
- l) Details of Sexual Harassment complaints received and redressed:

Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as on end of the financial year
NIL	NIL	NIL

- m) Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: The Company has not given any loans to firms/ Companies in which the directors are interested.
- n) 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.
- o) Disclosure of extent to which the discretionary requirements as specified in Part E of Schedule II have to adopted:
The internal auditor submits his internal Audit Reports directly to the audit committee.
- p) The Company has complied with the Requirements of Corporate Governance specified in Regulation 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CERTIFICATION FOR FINANCIAL REPORTING AND INTERNAL CONTROLS:

Pursuant to Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Chairman and Managing Director of the Company has certified to the Board regarding the financial statements for the year ended March 31, 2022. A certificate to that effect signed by the Chairman and Managing Director is appended as Annexure to this Report.

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE:

A certificate from the Independent Auditor of the Company, regarding compliance of conditions of Corporate Governance as stipulated in Part E of Schedule V of the SEBI (LODR) is appended as Annexure to this Report.

ANNUAL SECRETARIAL COMPLIANCE REPORT:

The Company obtained Annual Secretarial Compliance Report from M/s Sandeep Dar and Company, Practising Company Secretaries for the financial year 2021-22 pursuant to circular No: CIR/CFD/CMD1/27/201 dated 8th February, 2019 issued by SEBI.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:

Pursuant to Part F of Schedule V of SEBI Listing Regulations there is no demat suspense account /unclaimed suspense account opened by the Company.

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, 2022.

For **Gini Silk Mills Limited**

Date: August 19, 2022
Place: Mumbai

Deepak Harlalka
(Managing Director)

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, 2022 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.

Date: August 19, 2022
Place: Mumbai

Chief Financial Officer
Prasad Nagvekar

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., Company Secretaries, Navi Mumbai** 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, Tania Jogani Industrial Premises, 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 March 31, 2022 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.	Suresh Gaggar	00599561	26/09/2014
3.	Pankaj kumar Agarwal	01115660	26/09/2014
4.	Ruchir Omprakash Jalan	03172070	30/05/2016
5.	Anjali Deepak Harlalka	07141513	28/03/2015
6.	Pranav Deepak Harlalka	08290863	27/07/2020

Ensuring the eligibility 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: August 19, 2022
Place: Navi Mumbai

CS Sandeep Dar
Membership No: 3159
COP No: 1571
UDIN: F003159D000815168
Peer Review Cert. No. 1642/2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GINI SILK MILLS LIMITED

REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Ind AS financial statements of Gini Silk Mills Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, 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 significant accounting policies and other explanatory information.

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 Companies Act, 2013, as amended ("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, 2022, and total comprehensive income (Comprising of Profit for the year and other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 the Ind AS financial statements under the provisions of the Act and the Rules thereunder, 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

Key audit matters are those matters that, in our professional judgement, 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 the key audit matters to be communicated in our report.

Sr.No.	Key Audit Matter	Auditor's Response
1.	<p><i>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contract with Customers"</i></p> <p>The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>	<p><u>Principal Audit Procedures</u></p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, performance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard • Selected a sample of continuing and new contracts and performed the following procedures: • Read, analyzed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of elimination • Samples in respect of revenue recorded for time and material contracts were tested using a combination customer acceptances, subsequent invoicing and historical trend of collections and disputes. Performed analytical procedures for reasonableness of revenues disclosed.

Information other than the Financial Statements and Auditors' Report thereon

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 auditors' report thereon. Our opinion on the Ind AS 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 such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of 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.

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

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 that give a true and fair view of the financial position, financial performance, changes in equity and cash flows 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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 SAs 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 standalone financial statements.

As part of an audit in accordance with SAs, 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 expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

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

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" of this report, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- 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 of the aforesaid Ind AS financial statement;
- 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;
- The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
- On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report; and
- With respect to the other matters to be included in the Auditor's Report in accordance with the requirement section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remunerations paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its Ind AS financial statements to the extent determinable/ascertainable. – Refer Note 35 to the Ind AS financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were 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.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries.
- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, Whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party ("ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv(a) and iv (b) contain any material mis-statement.
- v. The company has neither declared nor paid any dividend during the year.

For Bilimoria Mehta & Co.
Chartered Accountants
FRN: 101490W

CA Prakash R. Mehta
Partner
M. No. 030382

Mumbai, May 30th 2022

UDIN: 22030382AJWCWW9144

Annexure A to the Independent Auditors' Report on Ind AS financial statements of Gini Silk Mills Limited as on 31st March 2022, referred to in paragraph 1 under "Report on Other Legal and Regulatory requirement" section of our report of even date, we report the following:

- i. (a) (A) The Company has generally maintained proper records showing full particulars, including quantitative details and situations of Property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. 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 (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The inventories has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventories.

- (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)b of the Order is not applicable.
- iii According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- iv According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- v The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- vi According to the information and explanations 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 In respect of statutory dues
- (a) According to the information and explanation given to us the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Goods and Service tax, Duty of Custom, Duty of Excise, Value Added tax, Cess and other Statutory dues applicable to it.
- (b) According to the information and explanation given to us there were no undisputed amounts payable in respect of outstanding statutory dues as aforesaid as at March 31, 2022, for a period of more than six months from the date on which they become payable.
- (c) 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 information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture as defined under Companies Act, 2013.
- (f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(f) is not applicable.
- x
- (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of 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 year. Accordingly, clause 3(x)(b) of the Order is not applicable.

- xi (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented by the management, there have been no instances of whistle blower complaints during the year under review.
- xii According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) (a) of the Order is not applicable
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) (b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable
- xix According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx In our opinion and according to the information and explanations given to us, Section 135 of the Companies Act, 2013 is not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For Bilimoria Mehta & Co.
Chartered Accountants
FRN: 101490W

CA Prakash R. Mehta
Partner
M. No. 030382

Mumbai, May 30th 2022

UDIN: 22030382AJWCWW9144

ANNEXURE B to Independent Auditors' Report on the Ind AS Financial Statement of Gini Silk Mills Limited, Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act, referred to in paragraph 2(f) under "Report on Other Legal and Regulatory requirement" section of our report of even date.

We have audited the internal financial controls over financial reporting of Gini Silk Mills Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the Ind AS financial statements of the Company as at and for the year ended on that date.

Management's Responsibilities for Internal Financial Controls

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

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, issued by ICAI and 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 Institute of Chartered Accountants of India. 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.

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 control, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, 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
FRN: 101490W

CA Prakash R. Mehta
Partner
M. No. 030382

UDIN: 22030382AJWCWW9144

Mumbai, May 30th 2022

BALANCE SHEET AS AT 31ST MARCH, 2022

		(₹ in Lakhs)	
Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	2	1,305.03	1,107.76
(b) Capital Work-in-Progress	3	2.95	-
(c) Investment Properties	4	0.57	0.57
(d) Intangible Assets	5	0.03	0.03
Right to use of Assets	6	13.52	23.30
(e) Financial Assets			
(i) Investments	7	1,127.60	1,212.63
(ii) Other Financial Assets	8	57.41	113.81
(f) Current Tax Assets (Net)	9	147.66	137.54
(g) Other Non-Current Assets	10	414.02	291.00
TOTAL NON-CURRENT ASSETS		3,068.79	2,886.65
2 CURRENT ASSETS			
(a) Inventories	11	609.80	350.12
(b) Financial Assets			
(ii) Trade Receivables	12	696.15	472.96
(iii) Cash and Cash Equivalents	13A	3.45	39.33
(iv) Bank Balances Other than (iii) above	13B	0.80	0.96
(v) Other Financial Assets	14	1,568.55	1,437.28
(c) Other Current Assets	15	42.29	21.06
TOTAL CURRENT ASSETS		2,921.04	2,321.71
TOTAL ASSETS		5,989.83	5,208.36
II EQUITY & LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	16	559.26	559.26
(b) Other Equity	17	3,644.37	3,527.29
TOTAL EQUITY		4,203.63	4,086.55
2 LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	18	193.31	23.17
(ii) Lease Rent Liability		6.51	15.52
(iii) Other Financial Liabilities	19	54.71	45.66
(b) Deferred Tax Liabilities (net)	9	160.54	171.71
TOTAL NON-CURRENT LIABILITIES		415.07	256.06
3 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	20	644.70	453.69
(ii) Lease Rent Liability		9.00	10.01
(iii) Trade Payables			
Total Outstanding dues of Micro Enterprises and Small Enterprise	21	20.09	15.49
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprise		582.59	247.56
(iv) Other Financial Liabilities	22	47.45	43.78
(b) Provisions	23	57.54	67.46
(c) Other Current Liabilities	24	9.76	27.77
TOTAL CURRENT LIABILITIES		1,371.13	865.75
TOTAL LIABILITIES		1,786.20	1,121.81
TOTAL EQUITY AND LIABILITIES		5,989.83	5,208.36

SIGNIFICANT ACCOUNTING POLICIES

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For Bilimoria Mehta & Co.
Chartered Accountants
Firm Registration No. : 101490W
CA PRAKASH R. MEHTA
Partner
Membership No. : 030382
Mumbai, 30 th May, 2022

Deepak Harlalka Managing Director
DIN: 00170335
Anjali Harlalka Director
DIN: 07141513
Prasad Nagvekar Chief Financial Officer
Shweta Panchal Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022 (₹ in Lakhs)

Particulars	Note No.	Year Ended 31st March, 2022	Year Ended 31st March, 2021
INCOME :			
Revenue from Operations	25	3,089.43	1,680.66
Other Income	26	218.91	215.73
Total Income		3,308.34	1,896.39
EXPENSES :			
Cost of Materials Consumed	27	865.90	379.52
Purchases of Stock-in-Trade	28	181.95	115.36
Change in inventories of Finished goods, Work in progress, Stock-in-trade	29	(103.67)	89.46
Employee Benefit Expenses	30	362.14	299.94
Finance Cost	31	16.57	36.00
Depreciation and Amortization expenses	32	123.73	119.02
Other Expenses	33	1,815.70	936.38
Total Expenses		3,262.31	1,975.68
Profit Before Tax		46.03	(79.29)
Tax Expenses:			
Current Year		10.00	-
Earlier Year Tax		0.06	(20.66)
Deferred Tax (credit) / charge		(1.81)	(2.48)
Profit/(Loss) for the year		37.78	(56.15)
Other Comprehensive Income			
(A) Items that will not be Reclassified to Profit or Loss			
(i) Remeasurements of Defined Benefit Plans		33.65	(5.62)
(ii) Equity instrument through Other Comprehensive Income		36.30	87.68
(iii) Income Tax relating to items no (i & ii) above		9.36	0.77
(B) Items that will be Reclassified to Profit or Loss		-	-
Total Other Comprehensive Income (A+B)		79.31	82.84
Total Comprehensive Income for the year		117.09	26.69
Earnings Per Equity Share for Profit/ (Loss)	34		
Basic		0.68	(1.00)
Diluted		0.68	(1.00)

SIGNIFICANT ACCOUNTING POLICIES

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For Bilimoria Mehta & Co.
Chartered Accountants
Firm Registration No. : 101490W
CA PRAKASH R. MEHTA
Partner
Membership No. : 030382
Mumbai, 30 th May, 2022

Deepak Harlalka Managing Director
DIN: 00170335
Anjali Harlalka Director
DIN: 07141513
Prasad Nagvekar Chief Financial Officer
Shweta Panchal Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

PARTICULARS	March 31, 2022	March 31, 2021
Cash Flow from Operating Activities		
Profit Before Tax	46.03	(79.29)
Adjustments for		
Depreciation and Amortisation Expense	123.73	119.02
Dividend Received	(2.04)	(1.37)
Property Tax	13.32	3.48
Interest on Income tax Refund	(3.90)	-
Interest Income	(77.30)	(73.83)
Finance Costs	16.57	36.00
Profit on Partnership Firm	(0.06)	0.18
Rent Received	(62.83)	(59.06)
Profit & Loss on sale/Discard of Assets(net)	-	(3.58)
Unrealised Gain on fair valuation of Investment	(32.84)	(54.05)
Sundry Balance w/off	1.62	0.12
	22.30	(112.38)
Change in Operating Assets and Liabilities		
(Increase)/Decrease in Trade Receivables	(223.20)	195.33
(Increase)/Decrease in Other Financial Assets	(74.86)	(28.48)
(Increase)/Decrease in Other Assets	(144.25)	(33.71)
(Increase)/Decrease in Inventories	(259.68)	134.28
(Increase)/Decrease in Loans	(0.24)	(60.94)
Increase/(Decrease) in Trade Payables	339.63	(106.88)
Increase/(Decrease) in Provisions	(9.92)	(5.48)
Increase/(Decrease) in other Liabilities	(18.02)	(7.45)
Increase/(Decrease) in other Financial Liability	12.72	(24.70)
Cash Generated from Operations	(377.82)	61.98
Income Tax Paid	(21.92)	(29.67)
Net Cash Inflow / (Outflow) Operating Activities	(377.44)	(80.07)
Cash Flow from Investing Activities		
Dividend Income	2.04	1.37
Purchase of Investments	(10.00)	(206.50)
Sale/Redemption of Investments	192.32	278.17
Interest Income	77.30	73.83
Movement in Investment in Partnership Firm Capital	-	15.00
Rent Income	62.83	59.06
Purchase of Fixed Assets	(314.17)	(12.92)
Sale of Fixed Assets	-	3.58
Bank Balances not considered as Cash and Cash Equivalents	(0.16)	0.02
Property Tax	(13.32)	(3.48)
Net Cash Inflow / (Outflow) Investing Activities	(3.16)	208.13
Cash Flow from Financing Activities		
Proceeds from Borrowings	402.72	78.00
Repayment of Borrowings	(41.44)	(160.80)
Interest Paid	(16.57)	(15.24)
Net Cash Inflow (Outflow) from Financing Activities	344.71	(98.03)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

PARTICULARS	March 31, 2022	March 31, 2021
Net increase / (Decrease) in Cash and Cash Equivalents	(35.89)	30.03
Cash and Cash Equivalents at the Beginning of the Year	39.33	9.30
Cash and Cash Equivalents at the End of the Year	3.45	39.33
Breakup of Cash and Cash Equivalent		
Cash in Hand	2.78	3.07
Balances with Banks in Current Account		
On Current Account	0.67	36.26
Total	3.45	39.33

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

For Bilimoria Mehta & Co.
Chartered Accountants
Firm Registration No. : 101490W
CA PRAKASH R. MEHTA
Partner
Membership No. : 030382
Mumbai, 30 th May, 2022

Deepak Harlalka
DIN: 00170335

Managing Director

Anjali Harlalka
DIN: 07141513

Director

Prasad Nagvekar
Shweta Panchal

Chief Financial Officer
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. Equity share capital

(₹ in Lakhs)

	Notes	31-Mar-22	31-Mar-21
Balance as at the Beginning of the Reporting Period	16	559.26	559.26
Changes in Equity Shares Capital due to prior period errors		-	-
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				
		Capital Reserve	General reserve	Retained earnings	Other Comprehensive Income	Total Other Equity
i) Balance as at April 1, 2020	17	8.14	10.23	2,993.10	489.13	0.04
Changes in accounting policy or prior period errors		-	-	-	-	-
Profit/(Loss) for the year		-	-	(56.15)	-	(0.00)
		-	-	-	-	-
Other Comprehensive Income for the year		-	-	-	82.84	82.84
Total Comprehensive Income for the year		-	-	(56.15)	82.84	26.68
Transfer to General Reserve			-	-		
Dividends Paid		-	-	-	-	-
ii) Balance as at March 31, 2021	17	8.14	10.23	2,936.95	571.97	3,527.29
Changes in accounting policy or prior period errors						
Profit/(Loss) for the year		-	-	37.78	-	37.78
				-	-	-
Other Comprehensive Income for the year		-		-	79.31	79.31
Total Comprehensive Income for the year		-	-	37.78	79.31	117.08
Transfer to General Reserve						
Dividends Paid (including Dividend Distribution Tax)		-	-	-	-	-
Balance as at March 31, 2022	17	8.14	10.23	2,974.73	651.28	3,644.37

As per our report of even date attached

For and on behalf of the Board of Directors

For Bilimoria Mehta & Co.
Chartered Accountants
Firm Registration No. : 101490W
CA PRAKASH R. MEHTA
Partner
Membership No. : 030382
Mumbai, 30 th May, 2022

Deepak Harlalka DIN: 00170335	Managing Director
Anjali Harlalka DIN: 07141513	Director
Prasad Nagvekar	Chief Financial Officer
Shweta Panchal	Company Secretary

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 ammended 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.

iv) Functional and Presentation currency

The Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

B USE OF ESTIMATES

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of Assets and Liabilites 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.
- f) Gains and Losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

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.

The company collects service tax, value added taxes (VAT) and Goods and service tax GST as applicable on behalf of the government and therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Revenue is disclosed, net of cash discounts and incentives.

Dividend income from investments is recognized when the right to receive payment is established.

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 TAXES ON INCOME

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax act 1961 and based on the expected outcome of assessments.

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.

NOTE 2 - NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

2) PROPERTY, PLANT AND EQUIPMENTS

(₹ in Lakhs)

Particulars	Leasehold Land	Factory Building	Plant & Machinery	Electronic Installation	Office Equipment	Vehicles	Computer	Furniture & fixtures	Fire fighting Equipment	E.T.Plant	Lab Equipments	Total
Cost as on April 1, 2021	49.87	348.25	1,420.44	103.73	17.19	16.95	32.44	14.44	2.73	210.46	11.68	2,228.19
Additions	-	-	297.38	10.61	0.75	-	0.48	0.16	-	1.85	-	311.22
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Cost as on March 31,2022	49.87	348.25	1,717.82	114.34	17.94	16.95	32.92	14.59	2.73	212.31	11.68	2,539.41
Accumulated Depreciation as at April 1,2021	14.01	233.23	662.85	64.77	10.87	12.97	31.75	14.14	2.18	63.74	9.92	1,120.42
Depreciation for the year	0.56	11.38	81.19	5.45	1.23	0.71	0.34	0.04	0.07	12.61	0.38	113.95
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as at March 31,2022	14.57	244.61	744.04	70.21	12.10	13.69	32.09	14.18	2.25	76.34	10.30	1,234.37
Net Carrying amount as at March 31, 2022	35.30	103.63	973.78	44.13	5.84	3.26	0.83	0.42	0.48	135.97	1.38	1,305.03

Particulars	Leasehold Land	Factory Building	Plant & Machinery	Electronic Installation	Office Equipment	Vehicles	Computer	Furniture & fixtures	Fire fighting Equipment	E.T.Plant	Lab Equipments	Total
Cost as on April 1, 2020	49.87	348.25	1,412.74	105.73	12.05	16.95	32.37	14.44	2.73	210.46	11.68	2,217.27
Additions	-	-	7.70	-	5.14	-	0.07	-	-	-	-	12.92
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	(2.00)	-	-	-	-	-	-	-	(2.00)
Cost as on March 31,2021	49.87	348.25	1,420.44	103.73	17.19	16.95	32.44	14.44	2.73	210.46	11.68	2,228.19
Accumulated Depreciation as at April 1,2020	13.45	221.96	585.38	61.49	10.62	12.26	31.23	14.03	2.11	51.24	9.53	1,013.18
Depreciation for the year	0.56	11.38	77.46	5.28	0.25	0.71	0.53	0.11	0.07	12.50	0.39	109.24
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	(2.00)	-	-	-	-	-	-	-	(2.00)
Accumulated Depreciation as at March 31,2021	14.01	233.23	662.85	64.77	10.87	12.97	31.75	14.14	2.18	63.74	9.92	1,120.42
Net Carrying amount as at March 31, 2021	35.86	115.01	757.60	38.96	6.32	3.98	0.69	0.30	0.55	146.72	1.76	1,107.76

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 3- CAPITAL WORK IN PROGRESS

₹ In Lakhs

Particulars	AS at 31st March, 2022	AS at 31st March, 2021
Capital WIP	2.95	-

As on March 31 2022

Capitail Work-in Progress	< 1 Year	1-2 years	2-3 years	> 3 years	Total
Projctcs in progress	2.95	-	-	-	2.95
Projects temporarily Suspended	-	-	-	-	-

As on March 31 2021

Capitail Work-in Progress	< 1 Year	1-2 years	2-3 years	> 3 years	Total
Projctcs in progress	-	-	-	-	-
Projects temporarily Suspended	-	-	-	-	-

NOTE 4- INVESTMENT PROPERTIES

Particulars	AS at 31st March, 2022	AS at 31st March, 2021
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, 2022	AS at 31st March, 2021
Rental Income derived from Investment Properties	62.83	59.06
Direct operating expenses (including repairs and maintenance) generating rental income.	3.68	3.77
Income arising from investment properties before depreciation	59.15	55.29
Depreciation	-	-
Income from Investment properties (net)	59.15	55.29

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 5- INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	AS at 31st March, 2022
Computer Software	
Cost as on April 1, 2021	2.87
Additions/Adjustments	-
Disposals	-
Cost as on March 31,2022	2.87
Accumulated Depreciation as at April 1,2021	2.84
Depreciation for the year	-
Disposals	-
Accumulated Depreciation as at March 31,2022	2.84
Net Carrying amount as at March 31, 2022	0.03

Particulars	AS at 31st March, 2021
Computer Software	
Cost as on April 1, 2020	2.87
Additions/Adjustments	-
Disposals	-
Cost as on March 31,2021	2.87
Accumulated Depreciation as at April 1,2020	2.84
Depreciation for the year	-
Disposals	-
Accumulated Depreciation as at March 31,2021	2.84
Net Carrying amount as at March 31, 2021	0.03

NOTE 6- RIGHT TO USE ASSET

Particulars	AS at 31st March, 2022
Cost as on April 1, 2021	23.30
Additions/Adjustments	-
Disposals	-
Cost as on March 31,2022	23.30
Accumulated Depreciation as at April 1,2021	
Depreciation for the year	9.78
Disposals	-
Accumulated Depreciation as at March 31,2022	9.78
Net Carrying amount as at March 31, 2022	13.52

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	AS at 31st March, 2021
Cost as on April 1, 2020	33.08
Additions/Adjustments	-
Disposals	
Cost as on March 31,2021	33.08
Accumulated Depreciation as at April 1,2020	
Depreciation for the year	9.78
Disposals	
Accumulated Depreciation as at March 31,2021	
Net Carrying amount as at March 31, 2021	23.30

NOTE 7 - NON-CURRENT INVESTMENTS

Particulars	No of Share/ Units	AS at 31st March,2022	No of Share/ Units	AS at 31st March,2021
Investments in Equity Instruments-Fully Paid-Up				
Trade Investment - Unquoted - At Fair value through other Comprehensive Income				
Shares of Gini Tex Private Limited, Face Value Rs.10/- per share	1,95,000	700.38	1,95,000	689.27
Others - Unquoted - At Fair value through other Comprehensive Income		-		-
Shares of Gini Construction Private Limited, Face Value Rs.10/- per share	1,800	1.87	1,800	5.04
Quoted - Others - At Fair value through other Comprehensive Income		-		-
National Thermal Power Corporation Ltd - Bond	-	0.26	-	0.25
Vadivarhe Specility Chemicals Ltd, Face Value Rs.10/- per share	69,000	17.25	69,000	8.69
TATA Steel Limited,Face Value Rs.10/- per share	7,100	92.81	7,100	57.64
Vakrangee Limited,Face Value Rs.10/- per share	40,200	13.95	40,200	22.53
Lactose (India) Ltd,Face Value Rs.10/- per share	13,000	7.79	13,000	3.47
Equity Investment through Portfolio Management Service (PMS)				
At Fair value through other Comprehensive Income				
Investment In PMS Scheme (Equity)				
Trivantage Capital Management India Pvt Ltd		-		42.89

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	No of Share/ Units	AS at 31st March, 2022	No of Share/ Units	AS at 31st March, 2021
Investment in Mutual Funds Quoted - At Fair value through Profit and Loss				
DSP Equity Opportunities Fund- Direct Plan Growth	11,458.850	42.32	11,458.854	36.13
Axis Bluechip Fund - Regular Growth	32,784.670	14.68	32,784.670	12.69
IDFC Arbitrage Fund- Monthly Dividend - Regular Plan	-	-	4,02,877.700	102.63
Axis Focused 25 Fund - Direct Plan Growth	96,724.850	46.80	96,724.850	40.05
Kotak Equity Opportunities Fund- Direct Plan Growth	34,213.810	74.19	34,213.810	61.04
Kotak Equity Arbitrage Fund - Growth Regular Plan	3,40,428.050	57.79	3,40,428.047	98.91
Nippon India ETF Gold	81,450.000	36.43	81,450.000	31.34
Mirae Assets Healthcare Fund	47,753.104	10.69	-	-
Kotak Group Prudent Fund (Gratuity)	71,992.420	10.34	-	-
Investment in Mutual Funds Quoted - At Fair value through Profit and Loss		293.23		382.80
Investment in Partnership Firm - At Fair value through Profit and Loss				
Gini Citicorp Reality LLP Capital Account		0.05		0.05
Total		1,127.60		1,212.63
Aggregate Amount of Unquoted Investments		702.30		694.36
Aggregate Amount of Quoted Investments		718.54		914.84
Aggregate Amount of Impairment in the value of Investment		-		-

NOTE 8 - OTHER NON CURRENT FINANCIAL ASSETS

Particulars	AS at 31st March, 2022	AS at 31st March, 2021
Fixed Deposit with bank with maturity period more than 12 months#	12.10	8.20
Interest accrued but not due	0.19	60.49
Security Deposit (Unsecured, considered good)	45.12	45.12
Total	57.41	113.81

Include FDR of Rs. 0.90 Lakhs (P.Y 8.20 Lakhs) held as lien by Bank against Bank Gurantee amounting to Rs. 9.00 Lakh to the Maharashtra Pollution Control Board for compliance for consent conditions/ direction for providing adequate and satisfactory pollution control device. Include FDR of Rs. 11.20 Lakhs (P.Y NIL) held as lien by Bank against Bank Gurantee amounting to Rs. 11.20 Lakh to The Director General of Foreign Trade Under 0% duty EPCG Scheme notified by the Goverment under Foreign Trade Policy 2015-20.

NOTE 9 - CURRENT TAX ASSETS AND DEFERRED TAX

Particulars	AS at 31st March, 2022	AS at 31st March, 2021
Current Tax		
Advance Tax (Net of Provision)	147.66	137.54
Deferred Tax		
On Accumulated Depreciation	(160.54)	(171.71)
Tax Expenses Recognized in the Statement of Profit & Loss		
Current Tax		
Current tax on Taxable Income for the year	10.00	0.77
Adjustments for Current tax of Prior Periods	-	-
Total Current Tax Expenses	10.00	0.77
Deferred Tax		
Deferred Tax Charge/(Credit)	(1.81)	(3.25)
Total Deferred Tax Expenses	(1.81)	(3.25)
Total Income Tax Expenses	8.19	(2.48)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 10 - OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	AS at 31st March, 2022	AS at 31st March, 2021
Prepaid Expenses	2.23	1.83
Contribution in Tarapur Environment Protection Society	92.34	67.34
Others	41.92	65.85
Balances with Government Authorities (Unsecured Considered Good)		
Mvat Receivable	12.54	14.16
Goods and Service Tax	264.85	141.68
Balance with Central Excise	0.14	0.14
Total	414.02	291.00

NOTE 11- INVENTORIES

(As taken, valued and certified by the management)		
Raw Materials	199.15	73.52
Work-in-Progress	80.46	59.63
Finished Goods	246.40	163.56
Stores and Spares	83.79	53.42
Total	609.80	350.12

NOTE 12 - TRADE RECEIVABLES

Trade Receivables from Others	696.15	472.96
	-	-
Trade Receivables which have significant increase in credit risk	126.04	126.04
Trade Receivables - Credit impaired	-	-
Less: Allowance for doubtful Trade Receivables	126.04	126.04
Total Receivables	696.15	472.96
Breakup of Security Details:		
Secured , Considered Good	-	-
Unsecured , Considered Good	696.15	472.96
Doubtful	126.04	126.04
Total	822.19	598.99
Allowance for Doubtful Trade Receivables	126.04	126.04
Total Trade Receivables	696.15	472.96

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Trade Receivable ageing as at 31st March, 2022 (Outstanding for following periods from due date payment)

	Less than 6 Months	6 Months- 1 Year	1-2 Year	2-3 year	More than 3year	Total
i) Undisputed Trade Receivables - Considered Goods						
Related Parties	0.14	-	-	-	-	0.14
Others	670.70	9.94	2.30	10.05	3.02	696.02
Gross Undisputed	-	-	-	-	-	-
ii) Undisputed Trade Receivables- Which have significant increases in credit risk						
iii) Undisputed Trade Receivables- Credit Impaired						
iv) Disputed Trade Receivables - Considered Goods						
Related Parties	-	-	-	-	-	-
Others	-	-	-	-	-	-
Gross Undisputed	-	-	-	-	-	-
v) Disputed Trade Receivables- Which have significant increases in credit risk	-	-	-	-	126.04	126.04
vi) Disputed Trade Receivables- Credit Impaired	-	-	-	-	(126.04)	(126.04)
Total	670.84	9.94	2.30	10.05	3.02	696.15

Trade Receivable ageing as at 31st March, 2021 (Outstanding for following periods from due date payment)

	Less than 6 Months	6 Months- 1 Year	1-2 Year	2-3 year	More than 3year	Total
i) Undisputed Trade Receivables - Considered Goods						
Related Parties	0.05	-	-	-	-	0.05
Others	401.00	13.70	49.71	6.17	2.32	472.90
Gross Undisputed						
ii) Undisputed Trade Receivables- Which have significant increases in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered Goods	-	-	-	-	-	-
Related Parties	-	-	-	-	-	-
Others	-	-	-	-	-	-
Gross Undisputed	-	-	-	-	-	-
v) Disputed Trade Receivables- Which have significant increases in credit risk	-	-	-	-	126.04	126.04
vi) Disputed Trade Receivables- Credit Impaired	-	-	-	-	(126.04)	(126.04)
Total	401.06	13.70	49.71	6.17	2.32	472.96

NOTE 13A - CASH AND CASH EQUIVALENT

Particulars	AS at 31st March, 2022	AS at 31st March, 2021
Cash & Cash Equivalents		
(i) Cash on Hand	2.78	3.07
(ii) Balances with Banks in Current Account	0.67	36.26
Sub Total	3.45	39.33

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 13B- BANK BALANCES

(₹ in Lakhs)

Particulars	AS at 31st March, 2022	AS at 31st March, 2021
Other than Cash and Cash Equivalent		
Unpaid Dividend Accounts	0.80	0.96
Sub Total	0.80	0.96
Total	4.25	40.29

NOTE 14 - OTHER CURRENT FINANCIAL ASSETS

Current Account with Partnership Firm and LLP#	1,353.95	1,284.32
Loans and Advances to Employees (Unsecured, Considered Good)	12.80	21.06
Fixed Deposit with bank with maturity period more than 12 months##	137.60	127.30
Interest Receivable	61.37	1.71
Interest accrued but not due	2.83	2.89
Total	1,568.55	1,437.28

Due from Partnership & LLP in which Directors of the Company are Partner.

Include FDR of Rs. 7.50 Lakhs/- (P.Y Nil) held as lien by Bank against Bank Gurantee amounting to Rs. 30.00 Lakhs to the Maharashtra Pollution Control Board for compliance for consent conditions/ direction for providing adequate and satisfactory pollution control device.

NOTE 15 - OTHER CURRENT ASSETS

Prepaid Expenses	13.52	11.64
Advance to Suppliers	28.77	9.42
Total	42.29	21.06

NOTE 16 - SHARE CAPITAL

i Authorised :		
60,00,000 (P.Y 60,00,0000) Equity Shares of Rs.10/- each	600.00	600.00
1,00,000 (P.Y 1,00,000) 10% Cumulative Convertible Preference Shares of Rs. 100/- each	100.00	100.00
TOTAL	700.00	700.00
ii Issued, Subscribed and Paid up		
55,92,600 (P.Y 55,92,600) Equity Shares of Rs. 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	AS at 31st March, 2022		AS at 31st March, 2021	
	No	Rs.	No	Rs.
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

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

iv Rights, Preference and Restrictions attached to Equity Shares

The Company has only one class of Equity Shares referred to as Equity Shares of Rs. 10/- each. Each holder of Equity Shares is 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		AS at 31st March, 2022		AS at 31st March, 2021	
		No of shares	%	No of shares	%
Deepak Harlalka	Promoter	19.00	33.98	19.00	33.98
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	8.09	14.45	5.09	14.45
Nishu Finlease Private Limited	Public	2.89	5.17	2.89	5.17

vi Shares held by Promotor's Group at the end of the year As at 31st March, 2022.

Name of Promotor	No.of Shares at the beginning of the year	Change during the year	No.of shares at the end of the year	% of Total Shares	% changes during the year
Vishwanath Harlalka HUF	0.39		0.39	0.69	
Vimla Harlalka	8.09	(2.02)	6.06	10.84	(0.04)
Deepak Harlalka	19.00		19.00	33.98	
Deepak Harlalka HUF	8.63		8.63	15.44	
Anjali D Harlalka	3.50		3.50	6.26	
Pranav D Harlalka	2.02		2.02	3.62	
Karan D Harlalka	-	2.02	2.02	3.62	0.04
Manju N. Sonthalia	0.10		0.10	0.18	
Sewaram Harlalka Investment Pvt Ltd	0.20		0.20	0.36	
Total	41.93	-	41.93	74.99	-

NOTE 17: OTHER EQUITY

PARTICULARS	AS at 31st March, 2022	AS at 31st March, 2021
Capital Reserve	8.14	8.14
General Reserve	10.23	10.23
Retained Earnings	2,974.73	2,936.95
Other Comprehensive Income	651.28	571.97
TOTAL	3,644.38	3,527.29

NOTE 18 - NON CURRENT BORROWINGS

Secured Loans		
Term Loan From Bank	193.31	23.17
Total	193.31	23.17

Above total is net of installments falling due within a year in respect of all the above Loans aggregating Rs. 41.44 Lakhs (P.Y Rs.26.91 Lakhs) that have been grouped under "Current Maturities of Long-term Debt" (Refer Note 20)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Nature of Security,	Terms of Repayment and Interest Rate
The Term Loan from Bank , balance outstanding amounting to Rs. 23.19 Lakhs (31st March, 2021: Rs. 50.10) are primary secured by first charge by way of hypothecation of 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. Deepak V. Harlalka has provided personal guarantee for the said loan.	Repayable in 10 Quarterly instalment. Last instalment due in January, 2023. Rate of interest 8.40% p.a as at year end (31 st March, 2021: 8.40%)
The Term Loan from Bank , balance outstanding amounting to Rs. 238.18 Lakhs (31st March, 2021: Rs. Nil) are primary secured by first charge by way of hypothecation of 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. Deepak V. Harlalka has provided personal guarantee for the said loan.	Repayable in 5 year from the period 10 th February, 2022 . Last instalment due in November, 2028. Rate of interest 7.00% p.a as at year end (31 st March, 2021: Nil)

NOTE 19 - OTHER NON CURRENT FINANCIAL LIABILITIES

Security Deposits	25.73	23.80
Unsecured Trade Deposits (Including Interest)	30.02	23.54
Interest Accrued and Due (Current Maturities)	(1.04)	(3.31)
Deffered Income Ind As	-	1.63
Total	54.71	45.66

NOTE 20 - CURRENT BORROWINGS

From Directors (unsecured, repayable on demand)	576.78	426.78
Current Maturities of Long term Debt	67.92	26.91
Total	644.70	453.69

NOTE 21 - TRADE PAYABLES

Trade Payables:		
Total outstanding dues of Micro, Small & Medium Enterprises	20.09	15.49
Others	582.59	247.56
Total	602.68	263.05

Note:

DUES TO MICRO AND SMALL ENTERPRISES

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:

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

		AS at 31st March, 2022	AS at 31st March, 2021
		Current	Current
a)	The principal amount remaining unpaid to any supplier at the end of the year	20.09	15.49
b)	Interest due remaining unpaid to any supplier at the end of the year	1.02	1.13
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	1.02	0.27
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.

Trade Payable ageing as at 31st March 2022 (outstanding from due date of payment)

	Less than 1 Year	1-2 Year	2-3 Year	More Than 3 Years	Total
MSME	20.09	-	-	-	20.09
Others	540.05	19.17	4.36	19.00	582.59
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	560.14	19.17	4.36	19.00	602.68

Trade Payable ageing as at 31st March 2021 (outstanding from due date of payment)

	Less than 1 Year	1-2 Year	2-3 Year	More Than 3 Years	Total
MSME	15.49	-	-	-	15.49
Others	215.73	12.24	2.86	16.73	247.56
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	231.21	12.24	2.86	16.73	263.05

NOTE 22 - OTHER CURRENT FINANCIAL LIABILITIES

Other Payables (including MSME interest)	40.89	37.36
Interest payable on Term Loan	1.06	0.22
Unpaid Dividends #	0.80	0.96
Interest Accrued and due on Long Term Deposits	1.04	3.31
Book Overdraft	2.03	0.00
Deffered Income Ind As	1.63	1.92
Total	47.45	43.78

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.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 23 - SHORT TERM PROVISIONS

PARTICULARS	AS at 31st March, 2022	AS at 31st March, 2021
Provision for other Employees Benefits		
Bonus	7.13	6.52
Gratuity	27.87	40.57
Leave Encashment	22.54	20.36
Total	57.54	67.46

NOTE 24 - OTHER CURRENT LIABILITIES

Statutory Remittances (Contribution to PF ,ESIC, and TDS)	6.16	5.81
Advances from Customers	3.60	21.97
Total	9.76	27.77

NOTE 25 - REVENUE FROM OPERATIONS

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
(a) Sale of products		
Fabric Sales	748.67	570.32
Less: Trade Discount, Returns, Rebate etc	48.01	32.06
	700.66	538.26
(b) Sale of Service		
Processing Income	2,388.36	1,142.18
(c) Other operating revenues		
Sale of Scrap	0.41	0.22
Total	3,089.43	1,680.66

NOTE 26 - OTHER INCOME

Interest Income		
Interest on Loans and Advances	77.30	73.83
Interest on Overdue Trade Receivables	6.54	0.65
Interest Received on Fixed Deposit	3.36	4.20
Interest on Income Tax Refund	3.90	2.10
Interest on Security Deposit	1.74	1.86
Dividend Income:		
From Mutual Fund Investments	0.20	-
From Equity Investments	1.84	1.37
Net Gain on Sale of:		
Realised gain from Current Investments - Mutual Fund (net)	19.49	(8.54)
Unrealised gain from Mutual Fund Investments (net)	32.08	62.59
From Plant & machinery	-	3.58

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Other Non Operating Income:		
Rental Income from Investment Properties	62.83	59.06
Interest on Mvat Refund Received	-	1.95
Miscellaneous Income	9.57	1.95
Excess / Short Provision Written Back	-	10.00
Prior Period Income	-	1.31
Share of Profit/Loss from Partnership Firms/ LLP:		
(Profit/(loss) was accounted as per the Unaudited Accounts of Partnership Firm/ LLP)	0.06	(0.18)
Total	218.91	215.73

NOTE 27 - COST OF MATERIAL CONSUMED

Raw Material		
Opening Stock	73.52	98.18
Add: Purchases	991.53	354.86
Less: Closing Stock	199.15	73.52
Total	865.90	379.52

NOTE 28 - PURCHASES OF STOCK IN TRADE

Finished Fabrics	181.95	115.36
Total	181.95	115.36

NOTE 29 - CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

Inventories at the End of the year:		
Finished Goods	246.40	163.56
Work-in-Progress (Job)	80.46	59.63
	326.86	223.19
Inventories at the beginning of the year:		
Finished Goods	163.56	220.13
Work-in-Progress (Job)	59.63	92.52
	223.19	312.65
Total	(103.67)	89.46

NOTE 30 - EMPLOYEE BENEFIT EXPENSES

Salaries,Wages,Gratuity & Other Benefits	320.83	269.72
Contributions to Provident and Other Funds	19.80	14.53
Staff Welfare Expenses	21.51	15.68
Total	362.14	299.94

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 31 - FINANCE COST

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Interest Expenses on		
Borrowings from Directors	-	21.99
Term Loan from Bank (Net of subsidy) - Under TUF Scheme	8.82	4.91
Others	4.08	4.19
Other Borrowing Cost	1.62	1.93
Interest Rent Lease IND AS	2.05	2.98
Total	16.57	36.00

NOTE 32 - DEPRECIATION AND AMORTIZATION EXPENSES

Depreciation on Property, Plant and Equipments	113.95	109.24
Amortization on Lease Assets - IND AS	9.78	9.78
Total	123.73	119.02

NOTE 33 - OTHER EXPENSES

Stores & Spares Consumed		
Opening Stock	24.62	23.55
Add: Purchases	73.62	22.78
Less: Closing Stock	31.29	24.62
Total	66.95	21.72
Packing Material Consumed		
Opening Stock	25.11	31.03
Add: Purchases	79.71	45.54
Less: Closing Stock	23.39	25.11
Total	81.43	51.46
Coal Consumed		
Opening Stock	3.37	18.82
Add: Purchases	667.40	184.54
Less: Closing Stock	28.89	3.37
Total	641.88	200.00
Power & Fuel Consumed		
Opening Stock	0.33	0.16
Add: Purchases	197.94	123.63
Less: Closing Stock	0.21	0.33
Total	198.06	123.47
Other Manufacturing Expenses		
Processing Charges	75.48	51.04
Design Charges	0.08	-
Labour Charges	404.19	253.22

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Carriage & Freight	54.27	27.04
Lab Expenses	0.52	0.19
Testing Fees	0.12	0.05
Packing Charges	18.13	11.39
Water Charges	34.19	16.10
Effluent Treatment Expenses	71.86	37.95
Total	658.84	396.97
Selling & Distribution Expenses		
Commission on Sales	27.15	20.11
Advertisement Expenses	0.77	0.15
Sales Conference Expenses	6.68	-
Sales Promotion Expenses	-	9.56
Total	34.60	29.82
Establishment Expenses		
Insurance Charges	9.50	11.36
Rent	1.82	1.89
Rates & Taxes	17.58	5.63
Traveling & Conveyance	14.90	18.33
Printing & Stationery	5.79	2.86
Legal & Professional Charges	20.03	19.90
Postage Expenses	3.56	2.54
Miscellaneous Expenses	9.52	12.31
Motor Car Expenses	6.00	5.50
Telephone Charges	0.13	0.68
Electricity Charges	5.47	5.68
Donation	2.11	2.00
Sundry Balances W/off	1.62	0.12
Security Transaction Tax	-	0.01
Internet Expenses	1.09	2.45
Society Maintenance	2.98	5.24
Total	102.10	96.49
Repairs & Maintenance		
To Plant & Machinery	16.58	8.52
To Building	2.69	0.46
To Others	11.58	6.46
Total	30.85	15.45
Payment to Auditors		
As Audit Fees	1.00	1.00
Total	1.00	1.00
Grand Total	1,815.70	936.38

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 34 - EARNINGS PER SHARE

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Earnings Per Share has been computed as under:		
Profit/(loss) for the year	37.78	(56.15)
Weighted Average Number of Equity Shares Outstanding	55.93	55.93
Earnings Per Share - Basic/Diluted	0.68	(1.00)
Face Value per Equity Share	10.00	10.00

NOTE 35 - CONTINGENT LIABILITIES & COMMITMENTS :

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) Bank Guarantee given to the Maharashtra Pollution Control Board for compliance of directions issued by Board. State Bank Of India	2.00	2.00
iv) Bank Guarantee given to the Maharashtra Pollution Control Board for compliance of directions issued by Board.	2.00	5.00
v) Bank Guarantee given to the Maharashtra Pollution Control Board for compliance of restart condition issued by Board.	25.00	25.00
vi) 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
vii) Hon'ble National Green Tribunal vide order dt. 17/02/2022 directed an amount towards the assessment of damage caused to environment and recovery of environment compensation as per "Polluters Pays" Principle to the Maharashtra Pollution Control Board.	154.83	119.30

b) Capital Commitments

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NOTE 36 - MANAGERIAL REMUNERATION

PARTICULARS	AS at 31st March, 2022	AS at 31st March, 2021
Remuneration to Managing Directors, and Executive Directors under Section 198 of the Companies Act, 2013:		
i) Remuneration	36.00	22.00
ii) Contribution to Provident and Other Funds	4.32	-
iii) Perquisites	0.82	-

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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)**

Deepak Harlalka

Anjali Harlalka

Pranav Deepak Harlalka

(b) **Partnership Firm/ LLP**

Prakaran Enterprises LLP

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 31.03.2022			For the year ended 31.03.2021		
		KMP	Partnership firm	Others	KMP	Partnership firm	Others
1	Sales						
	Processing Job Work	-	-	582.94	-	-	247.88
	Sales - Dyed	-	-	0.06	-	-	-
2	Purchase						
	Grey / Dyed Purchase / Stores	-	-	69.93	-	-	-
3	Income						
	Share of Profit	-	0.12	-	-	(0.18)	-
	Interest on Loan	-	77.30	-	-	73.83	-
4	Expenses						
	Rent Paid	7.56	-	4.50	7.56	-	4.50
	Managerial Remuneration	36.00	-	-	22.00	-	-
	Interest on Unsecured Loan Payment	-	-	-	20.01	21.99	-
5	Investments						
	Addition in Investments	-	69.66	-	-	-	-
	Return of Investments	-	-	-	-	15.00	-
6	Loans & advance						
	Acceptance of Unsecured Loans	210.00	-	-	78.00	-	-
	Repayment of Unsecured Loans	60.00	-	-	25.00	-	-
	Repayment of Advance	-	-	-	-	-	-

Notes:

- Parties identified by the Management and relied upon by the Auditors.
- 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, 2022

C. Disclosure in respect of Material Transactions with Related Parties during the Year

	Particulars	31st March, 2022	31st March, 2021
1	Processing Job Work		
	Gini Tex Private Limited	582.94	247.88
	Fabric Sales		
	Gini Tex Private Limited	0.06	-
	Grey / Dyed Purchase		
	Gini Tex Private Limited	69.93	-
2	Share of Profit		
	Gini Citicorp Reality LLP	0.09	(0.15)
	Gini Construction Co.	0.03	(0.03)
3	Interest on Loan		
	Gini Citicorp Reality LLP	77.30	73.83
4	Rent Paid		
	Vishwanath Harlalka HUF	7.56	7.56
	Gini Tex Private Limited	4.50	4.50
5	Managerial Remuneration		
	Deepak Harlalka	12.00	-
	Pranav Harlalka	24.00	22.00
6	Interest on Unsecured Loan Payment		
	Vishwanath Harlalka	-	5.92
	Deepak Harlalka	-	5.17
	Anjali Harlalka	-	8.91
	Pranav Harlalka	-	1.99
7	Additon in Investments		
	Gini Citicorp Reality LLP	69.66	-
8	Return of Investments		
	Gini Citicorp Reality LLP	-	15.00
9	Acceptance of Unsecured Loans		
	Deepak Harlalka	210.00	30.00
	Anjali Harlalka	-	33.00
	Pranav Harlalka	-	15.00
10	Repayment of Unsecured Loans		
	Deepak Harlalka	-	-
	Anjali Harlalka	60.00	25.00
		-	-

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

D. Outstanding as at March 31, 2022 :

Sr. No.	Nature of transaction	31st March, 2022	31st March, 2021
1	Loans from Related Parties		
	Deepak Harlalka	321.38	111.38
	Anjali Harlalka	102.05	162.05
	Pranav Harlalka	153.35	153.35
2	Trade Receivables		
	Gini Tex Private Limited	0.07	(15.22)
	Prakaran Enterprise LLP	-	0.13
3	Trade Payables		
	Gini Tex Private Limited, Silvassa	63.63	-
	Gini Tex Private Limited, Mumbai	1.09	-
4	Other Financials Assets - Current		
	Gini Citicorp Reality LLP	1,357.92	1,288.26
	Gini Construction Company	(3.97)	(3.94)

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	31st March, 2022	31st March, 2021
For a period not later than one year	1.82	1.35
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	31st March, 2022	31st March, 2021
Buildings:		
Gross carrying amount	11.42	11.42
Depreciation for the year	-	-
Accumulated Depreciation	10.85	10.85

NOTE 40 - 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.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

- 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 2022			As on 31st March 2021		
	FVTPL	FVTOCI	Ammortised Cost	FVTPL	FVTOCI	Ammortised Cost
Financial Assets						
Investments	293.23	834.32	0.05	382.80	829.79	0.05
Trade Receivables	-	-	696.15	-	-	472.96
Cash and Cash Equivalents	-	-	3.45	-	-	39.33
Other Bank Balances	-	-	0.80	-	-	0.96
Other Financial Assets	-	-	1,625.96	-	-	1,551.11
Financial Liabilities	-	-	-	-	-	-
Borrowings	-	-	838.02	-	-	476.86
Trade Payables	-	-	602.68	-	-	263.05
Others	-	-	102.15	-	-	89.44

FAIR VALUE HIERARCHY

Financial Assets and Liabilities	Carrying Amount	As at March 31, 2022			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial Assets					
Investments	0.05	425.30	-	702.25	1,127.60
Trade Receivables	696.15	-	-	-	696.15
Cash and Cash Equivalents	3.45	-	-	-	3.45
Other Bank Balances	0.80	-	-	-	0.80
Other Financial Assets	1,625.96	-	-	-	1,625.96
Financial Liabilities					
Borrowings	838.02	-	-	-	838.02
Trade Payables	602.68	-	-	-	602.68
Others	102.15	-	-	-	102.15

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Financial Assets and Liabilities	Carrying Amount	As at March 31, 2021			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial Assets					
Investments	0.05	518.28	-	694.31	1,212.63
Trade Receivables	472.96	-	-	-	472.96
Cash and Cash Equivalents	39.33	-	-	-	39.33
Other Bank Balances	0.96	-	-	-	0.96
Other Financial Assets	1,551.11	-	-	-	1,551.11
Financial Liabilities					
Borrowings	476.86	-	-	-	476.86
Trade Payables	263.05	-	-	-	263.05
Others	89.44	-	-	-	89.44

NOTE 41 - 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.16.52 Lakhs for the year ended March 31, 2022 (March 31, 2021 Rs. 11.70 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.

	31-Mar-22	31-Mar-21
Defined Benefit Obligation	107.93	135.83
Fair value of Plan Assets	112.21	117.40
Net Defined Benefit (obligation)/Assets	4.28	(18.43)

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	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Opening Balance	135.83	129.02	117.40	117.24
Current Service Cost	9.72	10.24	-	-
Past Service Cost	-	-	-	-
Interest Cost (Income)	9.16	8.64	-	-

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

	Defined benefit obligation		Fair value of plan assets	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Included in OCI	-	-	-	-
Remeasurement Loss (Gain):	-	-	-	-
Actuarial Loss (Gain) arising from:	-	-	-	-
Financial Assumptions	(4.84)	(0.47)	-	-
Experience Variance	(8.12)	6.09	-	-
Demographic assumptions	(20.69)	-	-	-
Investment income	-	-	7.92	7.85
	121.05	153.51	125.32	125.09
Other				
Contributions paid by the Employer	-	-	0.01	10.00
Benefits Paid	(13.12)	(17.69)	(13.12)	(17.69)
Closing Balance	107.93	135.83	112.21	117.40
Net Defined Benefit Asset / (Liability)	4.28	(18.43)		

ii. Significant Estimates : Actuarial Assumptions

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

	31-Mar-22	31-Mar-21
Discount Rate Per Annum	7.30%	6.75%
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	65 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 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

Gratuity	As at 31st March 2022			As at 31st March 2021		
	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	97.15	120.69	100bps	127.09	145.91
Salary Growth Rate	100bps	120.20	97.49	100bps	145.91	126.98
Attrition Rate	100bps	110.47	105.16	100bps	137.26	134.25
Mortality Rate	100bps	108.16	107.70	100bps	135.90	135.75

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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.

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 31.03.2022	As at 31.03.2021
1% increase would decrease the profit before tax by	0.09	0.27
1% decrease would Increase the profit before tax by	(0.09)	(0.27)

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.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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.

Ageing of Account Receivables

	31-Mar-22	31-Mar-21
0-6 months	670.84	401.06
6-12 months	9.94	13.70
12-24 months	2.30	49.71
24 -36 months	10.05	6.17
More than 3 years	3.02	2.32

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

Movement in provisions of doubtful debts

	31-Mar-22	31-Mar-21
Opening provision	126.04	126.04
Add:- Additional Provision made	-	-
Less:- Provision Write off	-	-
Less:- Provision Reversed	-	-
Closing provisions	126.04	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 2022			
Borrowings	644.70	193.31	838.01
Trade and Other Payables	602.68	-	602.68
Other Financial Liabilities	47.45	54.71	102.16
As on 31st March 2021			
Borrowings	453.69	23.17	476.86
Trade and Other Payables	263.05	-	263.05
Other Financial Liabilities	43.78	45.66	89.44

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.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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, 2022 and March 31, 2021.

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	31-Mar-22	31-Mar-21
Gross Debt	838.02	476.86
Cash and Marketable Securities	3.45	39.33
Net debt (net off cash and bank balances)	834.56	437.53
Total Equity	4,203.63	4086.55
Net debt to equity ratio	0.20	0.11

NOTE 43 - EVENTS OCCURRING AFTER BALANCE SHEET

No dividend was recommended by the Board during the year under review.

NOTE 44 - Section 135 of Companies Act, 2013 on Corporate Social Responsibility is not applicable to the company for F.Y 2021-22.

Note

The Company has not given any loan or issued any guarantee which is required to be maintained under Section 186 of the Companies Act, 2013 and read with the Companies (Meetings of Board and its Powers) rules, 2014.

NOTE 45: RATIO ANALYSIS AND ITS ELEMENTS

a Ratio

Particulars	Basis	31st March, 2022	31st March, 2021	Variance %
Current Ratio	Total Current Assets/ Total Current Liabilities	2.13	2.68	(20.52)
Debt - Equity ratio	Total Debt (Long term borrowings + Short term borrowings (including Current maturities of long term borrowings)) / Equity	0.20	0.12	70.84
Debt Service Coverage ratio	Earning available for debt service (after tax and before depreciation and interest / Debt Service	2.58	1.14	126.32
Return on Equity	Profit/ (Loss) for the year/ Average Equity	6.75	(10.04)	(167.27)
Inventory Turnover ratio	Net Sales / Average Inventory	15.07	8.76	72.04
Trade Receivables turnover ratio	Net Credit Sales / Average Trade Receivables	1.26	0.99	27.43
Trade Payables Turnover	Net Credit Purchases / Average Trade payables	5.05	2.67	89.11
Net Capital Turnover	Net Sales / Average Working Capital	0.49	0.38	27.72
Net Profit/(Loss) Margin	Net Profit after taxes / Revenue From Operation	1.22	(3.34)	(136.59)
Return on Capital employed	Earnings before Interest & Taxes / Capital Employed	1.20	(0.91)	(231.60)
Return on Investment	Earning before taxes (EBT) / Net Worth	0.90	(1.37)	(165.39)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Remark for variance more than 25%:

Debt Service Coverage Ratio (times): Increase in the ratio by 70.84% is mainly on account of increase in borrowing in current year FY 21-22, as compared to previous year.

Return on Equity (%): Decrease in ratio due to increase in net profit during the current year FY 21-22 mainly due to exceptional items, resulting in an decrease in variance.

Inventory Turnover ratio (times): Inventory turnover ratio has improved by approximately is mainly due to normal production cycle and sale cycle in the current year which in the previous year was affected due to the COVID -19 pandemic

Trade Receivables turnover ratio (times): Improvement in debtors turnover ratio is mainly due to, increase in sales in current year as compared to previous year, where sales were affected due to COVID-19 restriction. Further, average debtors collection period has improved in current year, as compared to previous year.

Trade Payables Turnover (times): Improvement in creditors turnover ratio is mainly due to increase in purchases (on account of increased demand and sales) & reduction in average payment period in current year as compared to previous year

Net Capital Turnover (times): Increase is on account of the significant increase in sales during the current year as compared to last year, where sales were affected on account of Covid-19 pandemic.

Net Profit/(Loss) Margin (%): Decrease by 136.59% in the current year due to improvement in profitability which in the previous year was affected mainly due to Covid-19 pandemic.

Return on Capital employed (%): Decrease in the ratio is on account of the increase in the capital employed due to change in the other equity on account of merger.

Return on Investment (%): Decrease by 165.39% on account of increase in Net Profit in current year, as compared to previous year, whereas there is a decrease in gain on sale of investments in current year.

- b** The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- c** The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- d** The Company does not have any transactions with struck-off companies.
- e** The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
- f** The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- g** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- h** The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
- i** The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities(intermediaries), with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries), or Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- j** The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- k** The Company has neither declared nor paid any dividend during the year.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

I Information with regard to other matters specified in Schedule III to the Act is either Nil or not applicable to the Company for the year.

NOTE 46 - 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 47 - The financial statements are approved for issue by the Audit Committee and by the Board of Directors at its meeting held on 30th May, 2022

NOTE 48 - Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

Mumbai, 30 th May, 2022

CA PRAKASH R. MEHTA
Partner
Membership No. : 030382