

Shri Dinesh Mills Limited, Vadodara.



BOARD OF DIRECTORS

Shri Upendrabhai M. Patel	(Chairman Emeritus)
Shri Bharatbhai U. Patel	(Chairman & Managing Director)
Shri Nimishbhai U. Patel	(Managing Director)
Shri Jal R. Patel	
Shri H. N. Elavia	
Shri Ambubhai T. Patel	
Shri Tanujbhai M. Patel	
Shri Rakesh Agrawal	
Mrs. Gorsji A. Parekh	(w.e.f. 6th February, 2015)
Shri J. B. Sojitra	

COMPANY SECRETARY

Shri J. B. Sojitra

CHIEF FINANCIAL OFFICER

Shri B. B. Patel (w.e.f. 13th November, 2014)

BANKERS

Bank of Baroda
Central Bank of India
Indian Overseas Bank

AUDITORS

M/s. Dhirubhai Shah & Doshi
Chartered Accountants
Ahmedabad

REGISTERED OFFICE

P.O. Box No.2501,
Padra Road,
Vadodara - 390 020
Telephone : (0265) 2330060-65
Fax : (0265) 2336195
Email : complianceofficer@dineshmills.com
Website : www.dineshmills.com
CIN : L17110GJ1935PLC000494

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NOTICE

NOTICE is hereby given that 80th Annual General Meeting (AGM) of the Members of Shri Dinesh Mills Ltd. will be held at the Registered Office of the Company at Padra Road, Vadodara on Wednesday, 30th September, 2015 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2015, the Reports of the Board of Directors and Auditors' thereon.
2. To declare dividend for the financial year 2014-2015.
3. To appoint a Director in place of Shri Nimishbhai Patel (DIN-00039549), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Dhirubhai Shah & Doshi, Chartered Accountants, Ahmedabad as Auditors and fix their remuneration.

SPECIAL BUSINESS:

5. **TO CONSIDER RE-APPOINTMENT OF SHRI NIMISHBHAI PATEL AS MANAGING DIRECTOR OF THE COMPANY.**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as "**SPECIAL RESOLUTION**"

"RESOLVED THAT pursuant to provisions of Section 188, 196, 197, 203 read with Schedule V of the Companies Act, 2013 and the Rules made thereunder and other applicable provisions, if any of the Companies Act, 2013 (including its re-enactment / annulment / amendments / statutory modifications thereof), Shri Nimishbhai U. Patel who is also rendering honorary services as Chairman & Managing Director of the subsidiary company viz. Dinesh Remedies Ltd. and also fulfills the requirements of Schedule V to the Companies Act, 2013, be and is hereby re-appointed as Managing Director of the Company as recommended by the Nomination & Remuneration Committee and the Board of Directors of the Company for a further period of five years from 14th January, 2015 to 13th January, 2020 upon the following existing terms as to remuneration for the period not exceeding three years i.e. from 14th January, 2015 to 13th January, 2018 as set out hereunder in accordance with Schedule V to The Companies Act, 2013 or any amendment thereto subject to the re-consideration of the remuneration by the Nomination & Remuneration Committee, the Board of Directors and Shareholders of the Company.

Remuneration Period: 14th January, 2015 to 13th January, 2018

1. Basic Salary: Rs.3,50,000/- per month.
2. Allowances & Perquisites:
 - i) The Managing Director shall also be entitled to allowances & perquisites viz. House Rent Allowance @ 60% of the Salary, Furnishing Allowance @ 20% of the salary, Education Allowance @ 10% of the salary, reimbursement of Medical-cum-Leave travel expenses, club fees, insurance premium, electricity bills, gas bills etc. subject to the overall ceiling of his Annual salary.
 - ii) Use of Company's Car(s) with driver and telephone at his residence shall not be included in the computation of the above ceiling of allowances & perquisites, use of car for private purpose and personal long distance calls on telephone shall be billed by the Company to the Managing Director.
 - iii) Company's contribution to provident fund and superannuation fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of tenure of the Managing Director shall not be included in the computation of the aforesaid limits of the remuneration.

RESOLVED FURTHER THAT the draft Agreement to be entered into with Shri Nimishbhai U. Patel, containing various terms & conditions of his re-appointment and remuneration as placed before the meeting duly initialed by the Chairman for the purpose of identification be and is hereby approved and the same be executed under the Common Seal of the Company pursuant to the provisions of Articles of Association of the Company."

6. **APPOINTMENT OF MRS. GORSI PAREKH AS AN INDEPENDENT DIRECTOR**

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 149, 150, 152, 160, 161 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment &



SHRI DINESH MILLS LTD.

Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Gorsi Parekh (DIN - 00343194), who holds office upto the ensuing 80th AGM of the Company pursuant to Section 161 of the Companies Act, 2013 and the Company has received a notice in writing from a member proposing her candidature, be and is hereby appointed as an Independent Director of the Company for five consecutive years from 6th February, 2015 to 5th February, 2020."

7. TO CONSIDER REVISION IN THE TERMS OF APPOINTMENT OF MR. ADITYA PATEL

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an "ORDINARY RESOLUTION"

"RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013 read with Rules made thereunder and revised Clause 49 of the Listing Agreement, Mr. Aditya Patel, son of Shri Bharatbhai Patel, Chairman & Managing Director of the Company be and is hereby elevated as "Vice President" of the Company w.e.f. 1st October, 2014 on the following terms & conditions:

- Job Description:** As Vice President of the Company, he will perform the duties as may be assigned to him by the Chairman & Managing Director of the Company from time to time in the utmost interest of the Company.
- Remuneration:**
 - BASIC SALARY:** Rs. 75,000/- per month with yearly increment as per the Rules of the Company from time to time.
 - ALLOWANCE & PERQUISITES:** House Rent Allowance, Electricity Allowance, Magazine Allowance and reimbursement of Medical, furnishing and Leave Travel expenses, Contribution to Provident Fund & Superannuation Fund, Leave Encashment and Inflation (High Cost) as per the Rules of the Company from time to time."

Regd. Office :

P.O. Box No. 2501,
Padra Road,
Vadodara - 390 020
Dated : 30th May, 2015

By Order of the Board
For **SHRI DINESH MILLS LTD.**,

J. B. SOJITRA
ASTT. VICE PRESIDENT &
COMPANY SECRETARY

NOTES :

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- The information as per Clause-49 of the Listing Agreement with BSE Ltd. is annexed hereto in respect of item No. 3, 5, 6. (Annexure : A)
- The Explanatory statement as required under section 102 of the Companies Act, 2013 is annexed hereto in respect of item No.5 to 7.(Annexure: B)
- The Register of Members and Share Transfer Books will remain closed from Saturday, 29th August, 2015 to Saturday, 5th September, 2015. (Both days inclusive)
- The Company has already transferred unclaimed dividend to the Investor Education & Protection Fund for the Financial Year ended 31st March, 2007 pursuant to Section 205 A of the Companies Act, 1956.

Details of the unclaimed dividend which will be transferred to the Investor Education and Protection Fund are as follows:

Dividend No.	Date of Declaration	For the year	Due for transfer on
73	30-9-2008	2007-2008	05-11-2015
74	04-9-2009	2008-2009	10-10-2016
75	04-9-2010	2009-2010	10-10-2017
76	15-9-2011	2010-2011	21-10-2018
77	11-9-2012	2011-2012	17-10-2019
78	31-8-2013	2012-2013	06-10-2020
79	30-9-2014	2013-2014	26-10-2021

6. The Company will have to transfer Dividend No.73 for the Financial Year 2007-2008 which remain unclaimed for a period of 7 years to the Investor Education & Protection Fund of the Central Govt. pursuant to provisions of the Companies Act, 2013. Kindly note that, once the unclaimed dividend is transferred to the Investor Education and Protection Fund, no claim shall lie in respect thereof.
7. Dividend as recommended by the Board, if sanctioned by the Members, will be paid by 29th October, 2015 to those shareholders whose names appear on the Register of Members of the Company on 28th August, 2015 whereas the dividend relating to the shares in dematerialized form will be paid to the beneficial owners as per details to be furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd. by National Electronic Clearing System (NECS).
8. Voting through electronic means:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on Resolutions proposed to be considered at the 80th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through Polling Paper shall be made available at the AGM and the members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
 - III. The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on 26th September, 2015 (9:00 a.m.) and ends on 29th September, 2015 (5:00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a Resolution is casted by the member, the member shall not be allowed to change it subsequently.
 - V. The process and manner for remote e-voting are as under:

In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Shri Dinesh Mills Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the Resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizershridineshmills@gmail.com or sojitra@dineshmills.com with a copy marked to evoting@nsdl.co.in



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- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
 - VII. If you are already registered with NSDL for remote e-voting, you can use your existing user ID and password/PIN for casting your vote.
 - VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2015.
 - X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the AGM Notice and holding shares as of the cut-off date i.e. 23rd September, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company at sojitra@dineshmills.com
However, if you are already registered with NSDL for remote e-voting, you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
 - XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - XII. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.
 - XIII. Mr. Kashyap Shah, Practicing Company Secretary (Membership No. FCS 7662) and Proprietor of M/s. Kashyap Shah & Co., Practicing Company Secretaries is appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - XIV. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Poling Paper" for all those members who are present at the AGM but have not casted their votes by availing the remote e-voting facility.
 - XV. The Scrutinizer shall after the conclusion of voting at the 80th AGM, will first count the votes cast at the meeting and thereafter unblock the votes casted through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company and shall make, not later than three days of the conclusion of the 80th AGM, a consolidated Scrutinizer's Report of the total votes casted in favour or against, if any, to the Chairman, who shall countersign the same and declare the result of the voting forthwith.
 - XVI. The Results declared alongwith the Report of the Scrutinizer shall be placed on the website of the Company www.dineshmills.com and on the website of NSDL immediately after the declaration of result by the Chairman. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
 - XVII. The Notice of this AGM and Annual Financial Statement, Boards' Report, Auditors Report etc. will be placed on the website of the Company viz. www.dineshmills.com
 - XVIII. The members holding shares in the physical form can prefix 102503 with their folio no. as LOGIN ID and for Password, contact the Company to cast their votes electronically.
9. Green Initiative: The members are requested to intimate their Email address to the Company to enable the Company to send the Annual Report in electronic form to save the papers, trees & environment.

**ANNEXURE TO THE NOTICE
ANNEXURE : A**

THE INFORMATION AS PER CLAUSE 49 OF THE LISTING AGREEMENT WITH BSE LTD.

(ITEM No. 3, 5, & 6)

The details as required pursuant to Clause 49 of the Listing Agreement with BSE Ltd., are as under:-

- (1) **Name** : **Shri Nimishbhai U. Patel**
 Age : 49 years
 Qualifications : B.B.A., M.B.A. (USA)
 Expertise : Valuable contribution in the overall management of the Company.
 Tenure : Director of the Company since 14-01-1995
 Shareholding in the Company : 5,73,388 Equity shares of Rs. 10/- each
 Other Directorships :
- | <u>Sr. No.</u> | <u>Name of the Company</u> | <u>Position Held</u> | <u>Member/Chairman of Committee of the Company</u> |
|----------------|-----------------------------------|--------------------------------|--|
| 1. | Dinesh Remedies Ltd. | : Chairman & Managing Director | None |
| 2. | Ultramarine & Pigments Ltd. | : Director | Member-Audit Committee |
| 3. | Transpek Industry Ltd. | : Director | Member-Audit Committee
Member-Nomination & Remuneration Committee
Chairman - Stakeholders Relationship Committee |
| 4. | Pankakamlini Investment Pvt. Ltd. | : Director | None |
- Inter Relationship : He is related to Shri Upendrabhai Patel & Shri Bharatbhai Patel.
- (2) **Name** : **Mrs. Gorsii Parekh**
 Age : 49 years
 Qualifications : M.A., M.B.A.
 Expertise : Overall Management of Industrial and academic Institutions and CSR activities.
 Tenure : Director of the Company since 06-02-2015.
 Shareholding in the Company : NIL
 Other Directorships : None
- | <u>Sr. No.</u> | <u>Name of the Company</u> | <u>Position Held</u> | <u>Member/Chairman of Committee of the Company</u> |
|----------------|-----------------------------------|----------------------|--|
| 1. | Arraycom (India) Limited | Managing Director | None |
| 2. | Amulya Infrabuild Private Limited | Director | None |
| 3. | Swayam Learning Private Limited | Director | None |
- Inter relationship : She is not related to any Director or Key Managerial Personnel of the Company.



ANNEXURE: B
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE
COMPANIES ACT, 2013 (ITEM No. 5, 6, & 7)

ITEM No. 5 TO CONSIDER RE-APPOINTMENT OF SHRI NIMISHBHAI PATEL AS MANAGING DIRECTOR OF THE COMPANY.

Shri Nimishbhai Patel, after completing his B.B.A. and M.B.A. (USA), is rendering his valuable services to the Company since 1990. He has very rich experience of more than 21 years in the textile, chemical industry and more than Ten years in Pharma industry. He is also rendering honorary services as Chairman & Managing Director of the Subsidiary Company viz. Dinesh Remedies Ltd. He has made significant contribution to the progress of these Companies.

In consideration of the above, members of the Nomination and Remuneration Committee and Board of Directors of the Company at their meetings held on 13th November, 2014 decided to re-appoint Shri Nimishbhai Patel as Managing Director of the Company for a further period of five years from 14th January, 2015 to 13th January 2020 upon the existing terms as to remuneration for the period not exceeding three years i.e from 14th January, 2015 to 13th January, 2018 which will be paid as minimum remuneration in case of losses / inadequacy of the profits. The terms of appointment and the remuneration proposed is quit justified looking to the contribution, long term association and experience of Shri Nimishbhai Patel even pursuant to Section 188 of the Companies Act, 2013 read with Rules made thereunder. The proposed re-appointment of Shri Nimishbhai Patel as Managing Director of the Company may be considered as the related party transactions entered in the ordinary course of business on Arm's Length basis and not material transaction pursuant to Section 188 of the Companies Act, 2013 & Rules made thereunder and Clause 49 of the Listing Agreement with BSE Ltd.

The details pursuant to Section: II (A) of the Part: II of the Schedule V to the Companies Act, 2013 are as under:

General Information:

- (1) Nature of industry: Textile
- (2) Date of commencement of commercial production: 17-02-1936
- (3) Financial performance:

(Rs. in Lacs)

Sr. No	Particulars	2014-2015	2013-2014	2012-2013
1	Sales Turnover (Net)	8049	8610	8633
2	Operating profit (PBDIT)	1464	1921	1756
3	Depreciation	788	1030	975
4	Interest	271	326	371
5	Profit before Tax	405	565	410
6	Tax	(49)	132	101
7	Net Profit	454	433	309
8	Earning Per Share	8.90	8.51	5.86

- (4) Foreign investments or collaborators, if any : None

II Information about the appointee:

- (1) Background details: As given hereinabove and Annexure 'A' to this AGM Notice.
- (2) Past remuneration: Rs.3,50,000/- basic salary p.m. plus Perquisites & Allowances subject to ceiling of his Annual Basic Salary.
- (3) Recognition or awards: As given hereinabove.
- (4) Job profile and his suitability: General administration and management of the overall business and affairs of the Company subject to the direction, supervision and control of the Board of Directors of the Company. The justification for his suitability is given hereinabove.
- (5) Remuneration proposed: As per the details given hereinabove on the existing terms & conditions.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position

and person: Members are aware that our Company is a unique Composite Textile sector Company manufacturing suiting and Machine Clothing, managerial remuneration being paid by other Companies are not comparable and therefore, the remuneration proposed hereinabove is justifiable looking into his contribution, long term association & experience and the same be paid even as minimum remuneration in case the Company has no profits or has inadequate profits as per the relevant provisions of the Companies Act, 2013.

- (7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any: He is related to Shri Bharatbhai Patel, Chairman & Managing Director and Shri Upendrabhai Patel, Chairman - Emeritus of the Company.

III. Other Information:

1. Reason of loss or inadequate profits: As the Company is operating in the organized sector, the Company faces cut throat competition from un-organized sector also and as a result there of, the increase in the raw material price and the overheads are not fully passed on to the consumers in the depressed market environment.
2. Steps taken or proposed to be taken for improvement: The Company is making every effort to increase the sales turnover with innovative marketing strategies and also taken appropriate steps to control the cost.
3. Expected increase in productivity and profits in measurable terms: Due to the reasons for inadequate profit as stated under para 1 above and the steps being taken as per the para 2 above, productivity and profitability is expected to be improved.

The draft Agreement for re-appointment to be executed between the Company and Shri Nimishbhai Patel is available for inspection by members of the Company at the Registered Office between 11.00 a.m. to 1.00 p.m. on any working day before the date of the ensuing 80th Annual General Meeting.

In the opinion of the Board, Shri Nimishbhai Patel fulfills the requirements of Schedule V to the Companies Act, 2013, provisions of the Companies Act, 2013 and Rules made thereunder.

The Board considers that, his continued association would be beneficial to the Company and therefore, the Board recommends the Special Resolution set out at Item No. 5 of the Notice for the approval by the shareholders of the Company.

Except Shri Nimishbhai Patel, Shri Bharatbhai Patel and Shri Upendrabhai Patel, no other Directors, Key Managerial Personnel and their relatives are in any way concerned or interested, financial or otherwise, in the Resolution set out at Item No. 5 of the Notice.

ITEM No.6 APPOINTMENT OF Mrs. GORSI PAREKH AS AN INDEPENDENT DIRECTOR

The Nomination and Remuneration Committee and the Board of Directors of the Company at their meetings held on 6th February, 2015 have appointed Mrs. Gorski Parekh as an Additional Director of the Company pursuant to Section 149, 152 & 161 of the Companies Act, 2013 read with Rules made thereunder and Revised Clause 49 of the Listing Agreement with BSE Ltd. Brief Profile of Mrs. Gorski Parekh is given in the Annexure 'A' to this Notice pursuant to Clause 49 of the Listing Agreement. She is an Independent Non-Executive Director of the Company.

Mrs. Gorski Parekh holds office upto the ensuing 80th AGM of the Company pursuant to Section 161 of the Companies Act, 2013 and the Company has received a notice in writing from a member alongwith deposit of Rs. 1,00,000/-, proposing her candidature. The Company has also received a declaration that she meets the criteria of Independence pursuant to Section 149(6) of the Companies Act, 2013 read with Clause 49 of the Listing Agreement with BSE Ltd.

In the opinion of the Board, Mrs. Gorski Parekh fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder read with Clause 49 of the Listing Agreement for her appointment as an Independent Director of the Company and is Independent of the management. Copy of the draft letter of her appointment as an Independent Director setting out the terms & conditions is available for inspection by members at the Registered Office of the Company.

The Board considers that, her association would be beneficial to the Company and accordingly, the Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice.

Except Mrs. Gorski Parekh, none of the Directors, Key Managerial Personnel of the Company and their relatives



SHRI DINESH MILLS LTD.

are in any way concerned or interested, financial or otherwise, in the Resolution set out at Item No. 6 of the Notice.

ITEM NO.7 TO CONSIDER REVISION IN THE TERMS OF APPOINTMENT OF MR. ADITYA PATEL

Mr. Aditya Patel, son of Shri Bharatbhai Patel, Chairman & Managing Director of the Company is rendering his services to the Company as General Manager - Felt Sales w.e.f. 1st July, 2011 and he is actively involved in the following areas:

1. Initiation of product development process.
2. Strategic planning for new business development in Domestic as well as International market.
3. Streamlining the sales as well as production planning process to optimize revenues and ensure timely deliveries by framing of the Production & Marketing strategies.
4. Purchase of Raw Materials
5. Human Resource Development.
6. General Administration.
7. Planning & Execution of Capacity Expansion

In consideration of the above, the members of the Nomination & Remuneration Committee and the Board of Directors at their meetings held on 30th September, 2014 had considered the revision in the terms of appointment of Mr. Aditya Patel and the revision may be considered as the related party transactions entered in the ordinary course of business on Arm's Length basis and not material transaction pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Rules made thereunder and revised Clause 49 of the Listing Agreement with BSE Ltd.

The Board considers that, his continued association would be beneficial to the Company and therefore, the Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for the approval by the shareholders of the Company.

Except Shri Bharatbhai Patel, no other Directors, Key Managerial Personnel and their relatives are in any way concerned or interested, financial or otherwise, in the Resolution set out at Item No. 7 of the Notice.

Regd. Office :
P.O. Box No. 2501,
Padra Road,
Vadodara - 390 020
Dated : 30th May, 2015

By Order of the Board
For **SHRI DINESH MILLS LTD.**,

J. B. SOJITRA
ASTT. VICE PRESIDENT &
COMPANY SECRETARY

BOARDS' REPORT

To,
The Members,
Shri Dinesh Mills Limited.

Your Directors have pleasure in presenting their Report together with the Annual Financial Statement for the year ended 31st March, 2015.

1. PERFORMANCE OF THE COMPANY

(Rs.in Lacs)

PARTICULARS	2014 - 2015	2013 - 2014
SALES TURNOVER (NET)	8049.08	8609.86
GROSS PROFIT	1192.60	1594.77
Less: (A) Depreciation	787.62	1029.71
(B) Provision for Taxation		
(i) Current Tax	45.72	180.90
(ii) Deferred Tax	(94.78)	(48.58)
NET PROFIT	454.04	432.74
Add: Previous Year's Surplus	189.22	188.55
Profits available for Appropriation	643.26	621.29
Appropriating therefrom:		
(A) Proposed Dividend	91.52	91.52
(B) Dividend Tax on above	18.63	15.54
(C) General Reserve	350.00	325.00
(D) Surplus carried to B/S.	183.11	189.23

2. DIVIDEND

Your Directors have recommended for your consideration Dividend of Rs. 1.80 per Equity share (Previous year Rs.1.80 per Equity share) on 50,84,382 equity shares of Rs.10/- each amounting to Rs. 91,51,887.60 for the financial year ended 31st March, 2015.

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The Company has already transferred unclaimed dividend upto financial year 2006- 2007 to IEPF during the year under review. The Dividend for the financial year 2007-2008 will be transferred to IEPF in the current financial year i.e. 2015 - 2016 on due date as mentioned in the Note No. 5 of the ensuing 80th AGM Notice.

4. MANAGEMENT DISCUSSION AND ANALYSIS
A. OVERALL REVIEW OF OPERATIONS

We are a composite textile sector company manufacturing woolen / worsted suiting and machine clothing (felt). The Company manufactures and markets high quality products under the brand name 'dinesh'. There are few organized sector companies and many companies are in un-organized sector and the Company has to face cut throat competition in the domestic and international markets. The Textile Industry is labour & capital intensive and one of the largest employers in India and the industry has to face various internal & external challenges and our Company is not an exception to these challenges. Despite sluggish domestic & international markets and intense competition on prices, our Company could achieve sales turnover of Rs.8049/- Lacs and the net profit of Rs.454/- Lacs during the year under review as compared to Rs.8610/- Lacs and Rs.433/- Lacs respectively of the previous year. The profitability has been improved slightly due to proper monitoring of expenses.

During the year under review, we could achieve the higher export turnover amounting to Rs.687/- Lacs as compared to Rs. 537/- Lacs of the previous year.



SHRI DINESH MILLS LTD.

B. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Highlights		(Rs. in Lacs)	
Sr. No.	Particulars	2014 - 2015	2013 - 2014
1	Sales Turnover (Net)	8049	8610
2	Operating profit (PBDIT)	1464	1921
3	Depreciation	788	1030
4	Interest	271	326
5	Profit before Tax	405	565
6	Provision for Taxation	(49)	132
7	Net Profit	454	433

C. OVERALL OUTLOOK

Despite the efforts being made by the Government to revive the economy, sluggish global demand and declining export competitiveness, the situation at ground level are not showing the improvement as expected after the formation of the new Government. However, our Company is taking appropriate actions to increase the sales turnover and profitability by innovative techniques of marketing with proper product mix.

The Company assumes no responsibility in respect of forward looking statements made herein above which may substantially change based on subsequent developments, events, change in the Government policies, exchange rate etc. over the globe.

D. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Internal Audit department conducts audit of all departments of the Company and places Audit reports/plans before the Audit Committee which reviews adequacy of internal audit functions, audit procedures and its coverage periodically. The minutes of the Audit Committee meetings are placed at the meetings of the Board of Directors from time to time. The Company has adopted the concept of pre-audit and therefore, the mistakes, if any are rectified before the transactions are finally booked in the Accounts of the Company. The Board of Directors appointed Mr. Manoj Kumar Upadhyay as an Internal Auditor of the Company.

E. INDUSTRIAL RELATIONS

The industrial relations both at Baroda and Ankleshwar unit have remained cordial. As on 31st March, 2015, there were 986 employees in the Company.

5. MATERIAL CHANGES AND COMMITMENT, IF ANY

There are no other material changes and commitments affecting the financial position of the Company occurred from 1st April, 2015 to the date of this Report.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure - "A" attached to this Report.

7. RISK MANAGEMENT

The Company has been taking appropriate actions pursuant to Risk Management Policy from time to time to mitigate adverse impact of various Risks which may adversely affect the performance of the Company and may threaten the very existence of the Company. The provisions relating to Risk Management Committee is not applicable to the Company.

8. THE CORPORATE SOCIAL RESPONSIBILITY

As the provisions of relating to the Corporate Social Responsibility (CSR) as prescribed u/s. 135 of the Companies Act, 2013 along with Rules made thereunder are not applicable to our Company and therefore, neither the CSR Committee nor the CSR Policy are required to be framed by the Company.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company has not given any loans, guarantees or made investments pursuant

to Section 186 of the Companies Act, 2013 and therefore, the disclosure under the said provision is not applicable.

10. THE RELATED PARTY TRANSACTIONS

During the year under review, the transactions with Related Parties were not material, entered into in the ordinary course of business and on Arms' length basis. However, as Good Corporate Governance practice, the particulars of Related Parties transaction are given in Note No. 30 attached to the Annual Financial Statement.

11. AUDITORS REPORTS

The Auditors' Report issued by M/s. Dhirubhai Shah & Doshi on the Accounts is self-explanatory and therefore, does not call for any explanation. There were no qualifications, reservations or adverse remarks made by the above referred Statutory Auditors.

The Secretarial Audit Report issued by the Secretarial Auditor, M/s. Kashyap Shah & Co., Practicing Company Secretaries, Vadodara is self explanatory and therefore, does not call for any explanation. There were no qualifications, reservations or adverse remarks made by the above referred Secretarial Auditor. The copy of the Secretarial Audit Report is attached as Annexure - "B" to this Report.

12. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Board of Directors of the Company at their meeting held on 30th September, 2014 approved the Remuneration Policy as recommended by the Nomination & Remuneration Committee of Directors of the Company relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters pursuant to Section 178(3) of the Companies Act, 2013. The Remuneration Policy can be viewed at Company's website www.dineshmills.com in "Investors" Section

13. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure - "C" is attached to this Report.

14. THE MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, six meetings of Board of Directors of the Company were held on 30/05/2014, 14/08/2014, 30/09/2014, 13/11/2014, 06/02/2015 and 27/03/2015.

15. KEY MANAGERIAL PERSONNEL (KMP) AND REMUNERATION

Shri Bharatbhai Patel, Chairman & Managing Director, Shri J B Sojitra, Company Secretary and Shri B. B. Patel, Chief Financial Officer are the KMP of the Company pursuant to Section 203 of the Companies Act, 2013 and the Rules made thereunder. During the year under review, Shri B. B. Patel was appointed as Chief Financial Officer (CFO) of the Company.

REMUNERATION ETC. PURSUANT TO SECTION 197(12) AND THE RULES MADE THEREUNDER ARE AS UNDER:

- a) The ratio of the Remuneration of each Director to the median employee's remuneration for the financial year are given hereunder:
 - (1) Name : Shri Bharatbhai Patel (Chairman & Managing Director - CMD)
Ratio: 85 : 1
 - (2) Name: Shri Nimishbhai Patel (Managing Director)
Ratio: 79 : 1
- b) The percentage increase in Remuneration of each Director, Chief Financial Officer, Company Secretary during the financial year:
 - (1) Shri Bharatbhai Patel - Chairman & Managing Director : NIL %
 - (2) Shri Nimishbhai Patel - Managing Director : NIL %
 - (3) Shri B. B. Patel - Chief Financial Officer : 6 %
 - (4) Shri J. B. Sojitra - Company Secretary : 7 %
- c) The percentage increase in the median remuneration of employee in the financial year: 5 %



SHRI DINESH MILLS LTD.

- d) The number of permanent employees on the Roll of the Company: 986
- e) The explanation on the relationship between average increases in Remuneration and Company performance: The Net Profit of the Company has been increased from Rs.433/- Lacs to Rs.454/- Lacs, an increase of 5% against which the average increase in remuneration of employees is 8 % and this increase is normal considering the inflation so as to motivate the employees of the Company. However, during the year under review, there is no increase in the managerial remuneration of Shri Bharatbhai Patel and Shri Nimishbhai Patel, Managing Directors of the Company.
- f) Comparison of the Remuneration of the Key Managerial Personnel (KMP) against the performance of the company: The increase in the Net Profit of the Company by 5% whereas increase in the remuneration of KMP is 7 % (excluding the remuneration of CMD) which is normal yearly increment.

16. CORPORATE GOVERNANCE

The Report on Corporate Governance pursuant to Clause 49 of the Listing Agreement with BSE Ltd. alongwith the certificate of M/s. Dhirubhai Shah & Doshi, Chartered Accountants, Auditors of the Company are attached herewith as Annexure - D and Annexure - E respectively.

17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has only one Subsidiary Company viz. Dinesh Remedies Ltd., engaged in manufacturing of Empty hard Gelatin Capsules Shells at Village Mahuvad, Haranmal Road, Padra-Jambusar Highway, Taluka Padra, District Vadodara - 391 440. There are no other Joint Ventures and Associate companies.

18. DEPOSITS

During the year under review, the Company has paid all the deposits which were accepted / renewed under the Companies Act, 1956 & Rules made thereunder by 31st March, 2015 pursuant to Section 74 of the Companies Act, 2013 & Rules made thereunder. The Company has neither accepted nor renewed any deposits pursuant to Section 73 and 76 of the Companies Act, 2013 and Rules made thereunder during the financial year 2014 - 2015.

19. DIRECTORS

During the year under review, the Board of Directors appointed Mrs. Gorsji Parekh as an Additional (Independent) Director w.e.f. 6th February, 2015 and her appointment as an Independent Director of the Company for a term of five years from 6th February, 2015 to 5th February, 2020 is proposed for approval of shareholders at their ensuing 80th Annual General Meeting. The particulars of Mrs. Gorsji Parekh are given in the Notice of the ensuing 80th Annual General Meeting of the members of the Company.

Pursuant to Section 149 and 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors are not liable to retire by rotation whereas other Directors are liable to retire by rotation and accordingly, Shri Nimish Patel, Managing Director of the Company would retire by rotation and being eligible, offer himself for re-appointment. The particulars of the Director retiring by rotation and seeking re-appointment have been given in the Notice of the ensuing 80th Annual General Meeting of the members of the Company.

20. DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have given the declaration that, they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 read with Rules made thereunder.

21. PERFORMANCE EVALUATION OF DIRECTORS

The performance evaluation of all the Directors including Independent Directors and the Board as a whole which includes the Committees thereof was done on 27th March, 2015 as per the Performance Evaluation Policy approved by the Board in its meeting held on 6th February, 2015 based on the recommendation of the Nomination & Remuneration Committee.

As per provisions of the Companies Act, 2013 read with Rules made thereunder, a separate meeting of the Independent Directors was held on 27th March, 2015 to consider the following agenda:

- a) Review the performance of Non-Independent Directors and the Board as a whole.
- b) Review the performance of the Chairperson of the Company.
- c) Asses the efficacy and adequacy of flow of information.

The Independent Directors viz. Shri T. M. Patel, Shri Rakesh Agrawal, Shri A. T. Patel and Shri H. N. Elavia were present in the meeting held on 27th March, 2015 and they considered the above referred agenda.

22. STATUTORY AUDITORS

The tenure of M/s. Dhirubhai Shah & Doshi, Chartered Accountants, Ahmedabad would expire on the conclusion of the ensuing 80th Annual General Meeting. The Company has received a letter dated 5th May, 2015 from the above referred Auditors to the effect that, if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013. The continuance of appointment and payment of remuneration to M/s. Dhirubhai Shah & Doshi, Chartered Accountants are proposed to be approved in the ensuing 80th Annual General Meeting.

23. COMPOSITION OF AUDIT COMMITTEE AND VIGIL MECHANISM

The Audit Committee consists of three Independent Directors viz. Shri H. N. Elavia, Chairman of the Audit Committee, Shri A. T. Patel and Shri T. M. Patel are the members of the Audit Committee

The Board of Directors of the Company has also established the Vigil Mechanism pursuant to Section 177(9) of the Companies Act, 2013 and Rules made thereunder read with Clause 49 of the Listing Agreement with BSE Ltd. for Directors and Employees to report their genuine concerns and the Whistle Blower Policy can be viewed at Company's website www.dineshmills.com "Investors" Section. As per the Policy, any Director or Employee can directly access to the Chairman of the Audit Committee.

24. SHARES:

- (a) **BUY BACK OF SECURITIES:** The Company has not bought back any of its securities during the year under review.
- (b) **SWEAT EQUITY:** The Company has not issued any Sweat Equity Shares during the year under review.
- (c) **BONUS SHARES:** No Bonus Shares were issued during the year under review.
- (d) **EMPLOYEES STOCK OPTION PLAN:** The Company has not provided any Stock Option Scheme to the employees.

25. INSURANCE:

All the properties of the Company including buildings, plant & machinery and stocks have been insured.

26. DIRECTORS RESPONSIBILITY STATEMENT

Your Directors confirm that,:

- (a) in the preparation of the Annual Accounts for the financial year 2014-2015, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such Accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the Annual Accounts on a going concern basis;
- (e) the Directors had laid down internal financial controls to be followed by the Company and that, such internal financial controls are adequate and were operating effectively.
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

27. ACKNOWLEDGEMENTS

Your Board of Directors thanks all the stakeholders viz. shareholders, customers, suppliers, bankers, employees for their support during the year under review.

Place : Vadodara
Date : 30th May, 2015

For and on behalf of the Board of Directors
BHARAT PATEL
CHAIRMAN



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ANNEXURE : A

A. CONSERVATION OF ENERGY:

(a) The steps taken or impact on Conservation of Energy:

- (i) Replacement of 36W conventional tube lights by 18W LED tube lights in Sulzer department.
- (ii) Modification of Air line of Air Compressor in Felt - Weaving and Needling department.
- (iii) Conversion of main DC drive to AC inverters drive of Motors.

(b) The steps taken by the Company for utilizing alternate sources of Energy: None

(c) The Capital Investments on Energy Conservation Equipments: None

B. TECHNOLOGY ABSORPTION:

As no foreign technology is imported, the question of its absorption does not arise.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Rs. in Lacs)

Year	Earnings	Outgo
2014 - 2015	627	1432

FORM 'A'

RESEARCH & DEVELOPMENT:

The R & D department of the Company is actively involved in product & process improvement / development as well as monitoring of Effluent Treatment Plants of the Company.

Expenditure on R&D : Rs. 21/- Lacs.

Place : Vadodara
Date : 30th May, 2015

For and on behalf of the Board of Directors
BHARAT PATEL
CHAIRMAN

Annexure-B
Secretarial Audit Report

(For the Financial year ended on 31st March, 2015)

[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,
SHRI DINESH MILLS LIMITED
P.O. Box No. 2501, Padra Road
Vadodara - 390 020

Dear Sirs,

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

Based on our verification of the the Company's books, papers, minutes 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 31st March, 2015, 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 31st March, 2015, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings. - Not Applicable to the Company during the Audit period;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
 - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. - Not Applicable to the Company during the Audit Period;
 - D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. - Not Applicable to the Company during the Audit Period;
 - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. - Not Applicable to the Company during the Audit Period;
 - 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. - Not Applicable to the Company during the Audit Period; and



SHRI DINESH MILLS LTD.

- H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - Not Applicable to the Company during the Audit Period;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. - Not notified, hence not mandatory for the Company during the Audit Period.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd.

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

Further, as per representation of management letter, considering its nature of business, process and location, the following Acts are specifically applicable to the Company. There are adequate systems and processes in the company to monitor and ensure compliance.

1. The Water (prevention and control of pollution) Act, 1974 & Rules
2. Air (Prevention & Control of Pollution) Act, 1981 & Rules
3. Environment Protection Act, 1986 & Rules
4. Water Cess Act, 1997 & Rules

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 year 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 7 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. **It is mentioned that Secretarial Standards were not mandatory to comply with during the Audit period.**

During the Audit period, all the decisions were taken by the Board of Directors or Committee of the Board without any dissent by any of the Directors of the Company as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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 :

- (a) The Company has passed Special Resolution under section 180(1)(c) of the Act authorizing the Board for borrowing powers and
- (b) The Company has passed Special Resolution under section 14 for adoption of new Articles of Association based on Table "F" to the Companies Act, 2013.

For **Kashyap Shah & Co.**
Practising Company Secretaries
(Kashyap Shah)
Proprietor
FCS No. 7662; CP No. 6672

Place: Vadodara
Date: May 23, 2015

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

Annexure to Secretarial Audit Report

To
The members,
SHRI DINESH MILLS LIMITED
P.O. Box No. 2501,
Padra Road
Vadodara - 390 020

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.
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 **Kashyap Shah & Co.**
Practising Company Secretaries
(Kashyap Shah)
Proprietor
FCS No. 7662; CP No. 6672

Place: Vadodara
Date: May 23, 2015



SHRI DINESH MILLS LTD.

**ANNEXURE - "C"
FORM No. MGT-9
EXTRACT OF ANNUAL RETURN**

as at the Financial Year ended on 31st March, 2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	Corporate Identification Number (CIN)	L17110GJ1935PLC000494
(ii)	Registration Date	01/07/1935
(iii)	Name of the Company	SHRI DINESH MILLS LIMITED
(iv)	Category / Sub-Category of the Company	Indian Non-Govt. Company
(v)	Address of the Registered office and contact details	P. B. No.2501, Padra Road, Vadodara - 390020
(vi)	Whether Listed company	Listed Public Company
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS SHARE TRANSFER AGENT LTD. Administrative Office: 10, Aaram Apartments, 12, Sampatrao Colony, Behind Laxmi Hall, Alkapuri, Vadodara-390007

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1.	Woolen & Worsted Fabrics	131	40%
2	Paper Makers' Felt	13999	60%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary /Associate	% of shares held	Applicable Section
1	Dinesh Remedies Ltd. Shri Dinesh Mills premises, Akota Road, Vadodara	U24230GJ2005PLC045447	SUBSIDIARY	55.52%	Section 2(46)

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

(i) Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (1st April, 2014)				No. of Shares held at the end of the year (31st March, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A Promoters									
(1) Indian									
a) Individual/ HUF	2288372	0	2288372	45.01	2288372	0	2288372	45.01	NIL
b) Central Govt.	0	0	0	0	0	0	0	0	NIL
c) State Govt.(s)	0	0	0	0	0	0	0	0	NIL
d) Bodies Corporate	0	0	0	0	0	0	0	0	NIL
e) Banks / FI	0	0	0	0	0	0	0	0	NIL

Category of Shareholders	No. of Shares held at the beginning of the year (1st April, 2014)				No. of Shares held at the end of the year (31st March, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Any other	0	0	0	0	0	0	0	0	NIL
Sub Total (A) (1):-	2288372	0	2288372	45.01	2288372	0	2288372	45.01	NIL
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	NIL
b) Others - Individuals	0	0	0	0	0	0	0	0	NIL
c) Bodies Corporate	0	0	0	0	0	0	0	0	NIL
d) Banks/FI	0	0	0	0	0	0	0	0	NIL
e) Any Other.	0	0	0	0	0	0	0	0	NIL
Sub Total (B)(2):-	0	0	0	0	0	0	0	0	NIL
Total shareholding of Promoter (A)= (A)(1)+(B)(2)	2288372	0	2288372	45.01	2288372	0	2288372	45.01	NIL
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	10	10	0.00	0	10	10	0.00	NIL
b) Banks / FI	2770	990	3760	0.07	2770	990	3760	0.07	NIL
c) Central Govt.	0	0	0	0	0	0	0	0	NIL
d) State Govt.(s)	0	0	0	0	0	0	0	0	NIL
e) Venture Capital Funds	0	0	0	0	0	0	0	0	NIL
f) Insurance Companies	0	0	0	0	0	0	0	0	NIL
g) FIs	0	0	0	0	0	0	0	0	NIL
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	NIL
i) Others (specify)	0	0	0	0	0	0	0	0	NIL
Sub-total (B)(1):-	2770	1000	3770	0.07	2770	1000	3770	0.07	NIL
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	85210	6870	92080	1.81	111616	6870	118486	2.33	0.52
ii) Overseas	0	0	0	0	0	0	0	0	NIL
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1/- lakh.	1452911	382040	1834951	36.09	1459221	361140	1820361	35.80	(0.29)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1/- Lakh	848812	0	848812	16.69	838267	0	838267	16.49	0.20
c) Others, (specify)									
Non Resident Indians	16067	330	16397	0.32	14796	330	15126	0.30	0.02
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	NIL
Foreign Nationals	0	0	0	0	0	0	0	0	NIL



SHRI DINESH MILLS LTD.

Category of Shareholders	No. of Shares held at the beginning of the year (1st April, 2014)				No. of Shares held at the end of the year (31st March, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Clearing Members	0	0	0	0	0	0	0	0	NIL
Trusts	0	0	0	0	0	0	0	0	NIL
Foreign Bodies - D R	0	0	0	0	0	0	0	0	NIL
Sub-total (B)(2):-	2403000	389240	2792240	54.91	2423900	368340	2792240	54.92	0.01
Total Public Shareholding (B)= (B)(1)+ (B)(2)	2405770	390240	2796010	54.98	2426670	369340	2796010	54.99	0.01
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	NIL
Grand Total (A+B+C)	4694142	390240	5084382	100	4715042	369340	5084382	100	NIL

(ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (i.e. 1st April, 2014)			Share holding at the end of the year (i.e. 31st March, 2015)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Shri Upendrabhai Maganbhai Patel	531655	10.46	NIL	531655	10.46	NIL	NIL
2	Shri Bharatbhai Upendrabhai Patel	376300	7.40	NIL	376300	7.40	NIL	NIL
3	Shri Nimishbhai Upendrabhai Patel	316360	6.22	NIL	316360	6.22	NIL	NIL
4	Shri Nimishbhai Upendrabhai Patel	257028	5.06	NIL	257028	5.06	NIL	NIL
5	Shri Aditya B. Patel	209639	4.12	NIL	209639	4.12	NIL	NIL
6	Smt. Miraben Upendrabhai Patel	181856	3.58	NIL	181856	3.58	NIL	NIL
7	Shri Bharatbhai Upendrabhai Patel	115410	2.27	NIL	115410	2.27	NIL	NIL
8	Shri Nimishbhai Upendrabhai Patel	69590	1.36	NIL	NIL	NIL	NIL	(1.36)
9	Smt. Arushaben Nimishbhai Patel	58085	1.14	NIL	58085	1.14	NIL	NIL
10	Shri Nishank Nimishbhai Patel	47589	0.94	NIL	118199	2.32	NIL	1.38
11	Smt. Minal Shekhar Desai	34640	0.68	NIL	34640	0.68	NIL	NIL
12	Smt. Ranak Kamlesh Lashkari	34060	0.67	NIL	34060	0.67	NIL	NIL
13	Smt. Roopaben Bharatbhai Patel	29140	0.57	NIL	29140	0.57	NIL	NIL
14	Ms. Jemika Bharatbhai Patel	20560	0.40	NIL	20560	0.40	NIL	NIL
15	Shri Adityabhai Bharatbhai Patel	3960	0.08	NIL	3960	0.08	NIL	NIL
16	Shri N U Patel	1020	0.02	NIL	NIL	NIL	NIL	(0.02)
17	Shri Aditya Bharatbhai Patel	880	0.02	NIL	880	0.02	NIL	NIL
18	Ms. Jemika Bharatbhai Patel	600	0.01	NIL	600	0.01	NIL	NIL

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

Sr. No.		Shareholding at the beginning of the year (1st April, 2014)		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total
1	At the beginning of the year (1st April, 2014)	2288372	45.01%	2288372	45.01%
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	*	*	*	*
3	At the end of the year (31st March, 2015)	2288372	45.01%	2288372	45.01%

* 70,610 equity shares were transferred by Shri Nimish U. Patel to his son Shri Nishank N. Patel by way of gift on 1st May, 2014.

(iv) Shareholding Pattern of top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs))

Sr. No.	For each of Top 10 Shareholders	Shareholding at the beginning of the year (i.e. 01.04.2014)		Shareholding at the Ending of the year (i.e. 31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Vinodchandra Mansukhlal Parekh Sanjeev Vinodchandra Parekh	90721	1.78	90721	1.78
2	Pranav Kumarpal Parekh Sanjeev Vinodchandra Parekh	86220	1.70	86220	1.70
3	Chandrika Madanmohan Desai	76750	1.51	76750	1.51
4	Sharad Kanayalal shah Varsha Sharad Shah Dipak Kanayalal Shah	71000	1.40	79710	1.57
5	Varsha Sharad Shah Sudhaben Kanayalal Shah Mita Dipak Shah	60200	1.18	63866	1.25
6	Vinodchandra Mansukhlal Parekh	46328	0.91	46328	0.91
7	Minal B Patel Bharat J Patel	45545	0.89	0	0
8	Jigna Kanayalal Shah Sharad Kanayalal Shah Dipak Kanayalal Shah	43050	0.85	43050	0.85
9	Sangita Kumarpal Parekh Kumarpal Mansukhlal Parekh	41584	0.82	41584	0.82
10	Jitendra Mansukhlal Parekh Sanjeev Vinodchandra Parekh	37530	0.74	37530	0.74
11	Muktilal Ganulal Paldiwal Taradevi Muktilal Paldiwal	0	0	32867	0.65
	Total	598928	11.78	598626	11.77



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(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year (01/04/2014)				
(1)	Shri U M Patel = 531655 shares				
(2)	Shri B U Patel (CMD-KMP) = 491710 shares				
(3)	Shri N U Patel = 643998 shares				
(4)	Shri H. N. Elavia = 410 shares	16,68,843	32.82%	-	-
(5)	Shri Jal Patel = NIL				
(6)	Shri A. T. Patel = 50 shares				
(7)	Shri J. B. Sojitra = NIL				
(8)	Shri T. M. Patel = 1020 shares				
(9)	Shri Rakesh Agrawal = NIL				
(10)	Mrs. Gorsii Parekh = NIL				
(11)	Shri J B Sojitra = NIL (CS-KMP)				
(12)	Shri B. B. Patel = NIL (CFO-KMP)				
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	70,610	1.39%	-	-
(1)	Shri N U Patel = 70610 shares gifted by him to his son on 1st May, 2014				
	At the end of the year (31/03/2015)				
(1)	Shri U M Patel = 531655 shares				
(2)	Shri B U Patel (CMD-KMP) = 491710 shares				
(3)	Shri N U Patel = 573388 shares				
(4)	Shri H. N. Elavia = 410 shares				
(5)	Shri Jal Patel = NIL	15,98,233	31.43%	-	-
(6)	Shri A. T. Patel = 50 shares				
(7)	Shri J. B. Sojitra = NIL				
(8)	Shri T. M. Patel = 1020 shares				
(9)	Shri Rakesh Agrawal = NIL				
(10)	Mrs. Gorsii Parekh = NIL				
(11)	Shri J B Sojitra = NIL (CS-KMP)				
(12)	Shri B. B. Patel = NIL (CFO-KMP)				

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment. (Rs. in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (i.e. 01/04/2014)				
i) Principal Amount	219438027	0	32563000	252001027
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	164399	0	645350	809749
Total (i + ii + iii)	219602426	0	33208350	252810776
Change in Indebtedness during the financial year (2014 - 2015)				
* Addition	0	0	0	0
* Reduction	77562007	0	32324000	109886007
Net Change	(77562007)	0	(32324000)	(109886007)
Indebtedness at the end of the financial year (i.e. 31/03/2015)				
i) Principal Amount	141876020	0	239000	142115020
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	41440	0	0	41440
Total (i + ii + iii)	141917460	0	239000	142156460

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager/KMP		Total Amount (Rs.)
		Shri B U Patel (CMD)	Shri N U Patel (MD)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	99,99,230	79,80,000	1,79,79,230
	(b) Value of perquisites u/s 17(2) of Income-tax Act,1961	4,19,808	4,18,608	8,38,416
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	- as % of profit			
	- others, specify			
5	Others, please specify	NIL	NIL	NIL
	Total (A)	1,04,19,038	83,98,608	1,88,17,646
Ceiling as per the Act : As per Schedule V to the Companies Act, 2013.				



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B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors								Total Amount (Rs.)
		HNE	JRP	ATP	TMP	RA	GP	UMP	JBS	
1	Independent Directors									
	Fee for attending board committee meetings	74000	47000	145000	145000	47000	0	0	0	458000
	Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	74000	47000	145000	145000	47000	0	0	0	458000
2	Other Non-Executive Directors									
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL	NIL	NIL	48000	48000
	Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	48000	48000
	Total (B)=(1+2)	74000	47000	145000	145000	47000	NIL	NIL	48000	506000
Total Managerial Remuneration (A+B)										19323646
Overall Ceiling as per the Act		As per Schedule V to the Companies Act, 2013 & Rules.								

HNE: Shri H. N. Elavia, JRP: Shri Jal R. Patel, ATP: Shri A. T. Patel, TMP: Shri T. M. Patel, RA: Shri Rakesh Agrawal, GP: Mrs. Gorsi Parekh, UMP: Shri Upendra M. Patel and JBS: Shri J B Sojitra.

C. Remuneration to Key Managerial Personnel other than MD /Manager / WTD during the financial year 2014 - 2015

Sr. No.	Particulars of Remuneration Key Managerial Personnel	Key Managerial Personnel			Total
		CEO	CS	CFO	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	14,42,451	13,57,594	28,00,045
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	NIL	20,048	19,971	40,019
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission :-				
	- as % of profit	NIL	NIL	NIL	NIL
	others, specify	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	14,62,499	13,77,565	28,40,064

CEO: Chief Executive Officer,

CS: Company Secretary,

CFO: Chief Financial Officer

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Type Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A.	None	None	None	None
Punishment	N.A.	None	None	None	None
Compounding	N.A.	None	None	None	None
B. DIRECTORS					
Penalty	N.A.	None	None	None	None
Punishment	N.A.	None	None	None	None
Compounding	N.A.	None	None	None	None
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	None	None	None	None
Punishment	N.A.	None	None	None	None
Compounding	N.A.	None	None	None	None

Place : Vadodara
Date : 30th May, 2015

For and on behalf of the Board of Directors
BHARAT PATEL
CHAIRMAN



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ANNEXURE - "D" **REPORT ON CORPORATE GOVERNANCE**

The Directors present the Company's Report on Corporate Governance for the financial year 2014 - 2015.

COMPANY'S PHILOSOPHY

The code on Corporate Governance introduced by the Securities and Exchange Board of India (SEBI) has been implemented in terms of the Listing Agreement with the BSE Ltd. from the year 2001-2002.

Corporate Governance refers to a combination of voluntary practices adopted by a Company inter woven with laws, regulations, procedure and disclosures. It is aimed in the long run to maximize employees and shareholders value and fosters long-term partnership between the investors, employees and other stakeholders with the Company.

The Company believes in good Corporate Governance. Given below is the Report of Board of Directors of the Company on the Corporate Governance practices being followed by the Company.

BOARD OF DIRECTORS AND COMMITTEES OF DIRECTORS:

(A) BOARD OF DIRECTORS:

- (i) Composition: As on 31st March, 2015, the Board of Directors of the Company consisted of 10 members as per the details given hereunder. The members of the Board are from diverse field and having experience in business, finance, techno-commercial and management. The Company has Executive Chairman and the composition of the Board is in conformity with Clause 49 of the Listing Agreement with BSE Ltd. and the provisions of the Companies Act, 2013 and Rules made thereunder.
- (ii) Other Directorship: Other Directorships/Committee memberships held by the Directors as on 31st March, 2015 are as under:

Name of Director	Category of Director	Directorship held in other Companies		Committee membership held on other Companies	
		As a Director	As a Chairman	As a Member	As a Chairman
Shri B. U. Patel	C.M.D.	2	NIL	NIL	NIL
Shri N. U. Patel	M.D.	2	1	3	1
Shri U. M. Patel	Chairman-Emeritus	1	NIL	NIL	NIL
Shri H. N. Elavia	I.D.	1	NIL	1	NIL
Shri Jal Patel	I.D.	5	NIL	2	4
Shri A. T. Patel	I.D.	NIL	NIL	NIL	NIL
Shri T. M. Patel	I.D.	1	NIL	3	NIL
Shri Rakesh Agrawal	I.D.	3	1	4	1
Mrs. Gorsi Parekh*	I.D.	1	NIL	NIL	NIL
Shri J.B. Sojitra	Professional Director	NIL	NIL	NIL	NIL

* Appointed in the Board Meeting held on 6th February, 2015.

C.M.D. - Chairman & Managing Director, M.D. - Managing Director, I.D. - Independent Director

Notes: (1) Excludes Directorships held in Private Limited Companies, Foreign Companies, Companies u/s. 8 of the Companies Act, 2013 and Memberships of Managing Committees of various Chambers/Institutions/Boards.

(2) Only Memberships/Chairmanships of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee and Corporate Social Responsibility Committee have been considered.

- (iii) Board Meetings held during the year & attendance of Directors: During the financial year ended 31st March 2015, Six Board Meetings were held on 30/05/2014, 14/08/2014, 30/09/2014, 13/11/2014, 06/02/2015 and 27/03/2015 and the attendance of Directors are as under:

Name of Director	No. of Board Meetings attended	Attendance at the last AGM held on 30/09/2014.
Shri B. U. Patel	6	YES
Shri N. U. Patel	5	NO
Shri U. M. Patel	5	YES
Shri H. N. Elavia	5	YES
Shri Jal Patel	4	YES
Shri A. T. Patel	6	YES
Shri T. M. Patel	6	YES
Shri Rakesh Agrawal	2	NO
Mrs. Gorsi Parekh*	0	NO
Shri J. B. Sojitra	6	YES

* Appointed in the Board Meeting held on 6th February, 2015.

- (iv) Particulars of Director retiring by rotation and seeking re-appointment have been given in the Notice convening the 80th Annual General Meeting and Explanatory Statement, attached thereto.

(B) COMMITTEES OF DIRECTORS:

* AUDIT COMMITTEE:

(a) Composition, Name of Members and Chairperson:

The Audit Committee of the Company comprises of three Independent Directors. All the members of the Audit Committee are qualified and having insight to interpret & understand financial statements. The Audit Committee comprises of the following members:

Sr.	Name of member	Category
1	Shri H. N. Elavia	Chairman
2	Shri A. T. Patel	Member
3	Shri T. M. Patel	Member

The Company Secretary has been designated as the 'Secretary' to the Audit Committee.

(b) Terms of Reference:

The Audit Committee shall have powers, roles, review of information etc. pursuant to Section 177 of the Companies Act, 2013 read with Rules made thereunder and revised Clause 49 of the Listing Agreement with BSE Ltd. including the amendment(s), if any, as may be made from time to time.

(c) Meetings and Attendance during the year:

During the financial year ended 31st March, 2015, four meetings of the Audit Committee were held on 30/05/2014, 14/08/2014, 13/11/2014 and 06/02/2015 and the attendances of the Members are as follows:

Sr.	Name of member	No. of Meetings attended
1	Shri H. N. Elavia	3
2	Shri A. T. Patel	4
3	Shri T. M. Patel	4

M/s. Dhirubhai Shah & Doshi, Statutory Auditors and the Head-Internal Audit of the Company are invited to attend the Audit Committee meetings. The minutes of the meetings of the Audit Committee are also circulated to all the members of the Board.

The Chairman of the Audit Committee remains present at the Annual General Meetings to answer the shareholders queries, if any.



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* NOMINATION & REMUNERATION COMMITTEE:

(a) Composition, Name of Members and Chairperson:

The Nomination & Remuneration Committee of the Company comprises three Independent Directors. The names & category of the Committee members are as follows:

Sr.	Name of member	Category
1	Shri T. M. Patel	Chairman
2	Shri A. T. Patel	Member
3	Shri Rakesh Agrawal	Member

(b) Terms of Reference:

The Nomination & Remuneration Committee shall have powers, roles etc. pursuant to Section 178 of the Companies Act, 2013 read with Rules made thereunder and revised Clause 49 of the Listing Agreement with BSE Ltd. including the amendment(s), if any, as may be made from time to time.

(c) Meetings and Attendance during the year:

During the year ended 31st March, 2015, four meetings of the Nomination & Remuneration Committee were held on 30/09/2014, 13/11/2014, 06/02/2015 and 27/03/2015 and the attendances of the Members are as follows:

Sr.	Name of member	No. of Meetings attended
1	Shri T. M. Patel	4
2	Shri A. T. Patel	4
3	Shri Rakesh Agrawal	2

(d) The Remuneration Policy:

The Nomination & Remuneration Committee had recommended the Remuneration Policy of the Company to the Board of Directors which was adopted by the Board at their meeting held on 6th February, 2015 and the said Policy can be viewed on the Company's website www.dineshmills.com in the "Investors" Section.

Remuneration paid / provided to the Directors for the financial year ended 31st March, 2015:

(Amount in Rs.)

Name of Director	Salary	Allowance & Perks	Sitting Fees	Total
Shri B. U. Patel	42,00,000/-	65,11,500/-	NIL	1,07,11,500/-
Shri N. U. Patel	42,00,000/-	58,07,654/-	NIL	1,00,07,654/-
Shri U. M. Patel	NIL	NIL	NIL	NIL
Shri H. N. Elavia	NIL	NIL	74,000/-	74,000/-
Shri Jal Patel	NIL	NIL	47,000/-	47,000/-
Shri A. T. Patel	NIL	NIL	1,45,000/-	1,45,000/-
Shri T. M. Patel	NIL	NIL	1,45,000/-	1,45,000/-
Shri Rakesh Agrawal	NIL	NIL	47,000/-	47,000/-
Mrs. Gorsî Parekh*	NIL	NIL	NIL	NIL
Shri J.B. Sojitra	NIL	NIL	48,000/-	48,000/-

* Appointed in the Board Meeting held on 6th February, 2015

Except Independent Directors, all the members of the Board are liable to retire by rotation. The terms of appointment of the Managing Directors are approved by the Board, as per recommendations of the Nomination & Remuneration Committee, considering the provisions of the Companies Act, 2013 read with Rules made thereunder which is presently based on Schedule V to the Companies Act, 2013 and also considering the Remuneration Policy of the Company, subject to approval of shareholders. The Shareholding of Directors of the Company as on 31st March, 2015 is as follows:

Name of Director	Designation	No. of Equity Shares	% of shareholding
Shri B. U. Patel	Chairman & Managing Director	4,91,710	9.67
Shri N. U. Patel	Managing Director	5,73,388	11.28
Shri U. M. Patel	Chairman - Emeritus	5,31,655	10.46
Shri H. N. Elavia	Non Executive Independent Director	410	NIL
Shri Jal Patel	Non Executive Independent Director	NIL	NIL
Shri A. T. Patel	Non Executive Independent Director	50	NIL
Shri T. M. Patel	Non Executive Independent Director	1,020	0.02
Shri Rakesh Agrawal	Non Executive Independent Director	NIL	NIL
Mrs. Gorsi Parekh*	Non Executive Independent Director	NIL	NIL
Shri J.B. Sojitra	Professional Director	NIL	NIL

At present, sitting fees of Rs.10,000/- is paid to all the members of the Board except Shri B. U. Patel, Shri N. U. Patel & Shri U. M. Patel and Rs.9,000/- to all the members of the Committees.

* **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

(a) Composition:

As on 31st March, 2015, the Stakeholders Relationship Committee comprises the following three Independent Directors:

Sr.	Name of member	Category
1	Shri Jal R. Patel	Chairman
2	Shri A. T. Patel	Member
3	Shri T. M. Patel	Member

The Company Secretary has been designated as the "Secretary" to the Stakeholders Relationship Committee.

(b) Terms of Reference:

The Stakeholders Relationship Committee shall have powers, roles etc. pursuant to Section 178(5) of the Companies Act, 2013 read with Rules made thereunder and revised Clause 49 of the Listing Agreement with BSE Ltd. including the amendment(s), if any, as may be made from time to time.

(c) Meetings and Attendance during the year:

During the year ended 31st March, 2015, four meetings of the Stakeholders Relationship Committee were held on 30/05/2014, 14/08/2014, 13/11/2014 and 06/02/2015 and the attendances of the Members are as follows:

Sr.	Name of member	No. of Meetings attended
1	Shri Jal R. Patel	3
2	Shri A. T. Patel	4
3	Shri T. M. Patel	4

(d) Status of Transfers: During the year ended 31st March, 2015, 13,330 equity shares in physical form were transferred and as on 31st March, 2015, no share transfer was pending.

(e) Complaints: During the year ended 31st March, 2015, the Company had received 2 (two) complaints which were resolved and no complaint was pending for redressal either as at beginning or end of the year.

(C) MEETING OF THE INDEPENDENT DIRECTORS:

As per provisions of the Companies Act, 2013 read with Rules made thereunder and the revised Clause 49 of the Listing Agreement with BSE Ltd., a separate meeting of the Independent Directors was held on 27th March, 2015 to consider the following agenda:



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- Review the performance of Non-Independent Directors and the Board as a whole.
- Review the performance of the Chairperson of the Company.
- Asses the efficacy and adequacy of flow of information.

The Independent Directors viz. Shri T. M. Patel, Shri Rakesh Agrawal, Shri A. T. Patel and Shri H. N. Elavia were present in the meeting held on 27th March, 2015 and they considered the above referred agenda.

The performance evaluation of all the Directors including Independent Directors and the Board as a whole which includes the Committees thereof was done on 27th March, 2015 as per the Performance Evaluation Policy approved by the Board in its meeting held on 6th February, 2015 based on the recommendation of the Nomination & Remuneration Committee.

(D) SUBSIDIARY COMPANY:

The Company has one subsidiary company viz. Dinesh Remedies Ltd. (DRL). The Company holds 1,30,98,095 (i.e. 55.52%) equity shares in the share capital of DRL as on 31st March, 2015. DRL is engaged in manufacturing of Empty Hard Gelatin Capsules shells at its factory situated at Village Mahuvad, Taluka Padra, District Vadodara. The requirements relating to subsidiary company pursuant to Clause 49 of the Listing Agreement with BSE Ltd. are complied with during the financial year 2014 - 2015.

(E) GENERAL BODY MEETINGS: The details of the last three Annual General Meetings of the Company held and number of Special Resolution passed thereat are as follows:

AGM Number	Year Ended	Venue	Day, Date & Time	No. of Special Resolution Passed
77th	31/03/2012	Registered Office at Padra Road, Vadodara	Thursday, 11th September, 2012 At 11.00 A.M.	NIL
78th	31/03/2013	Registered Office at Padra Road, Vadodara	Saturday, 31st August, 2013 At 11.00 A.M.	01
79th	31/03/2014	Registered Office at Padra Road, Vadodara	Tuesday, 30th September,2014 At 11.00 A.M.	03

During the financial year 2014-2015, there was no need to hold an Extra-Ordinary General Meeting of shareholders of the Company and also no Resolution was required to be passed through postal ballot.

(F) DISCLOSURES:

- The Board in its meeting held 6th February, 2015 has adopted the Remuneration Policy, the Policy on Related Party Transactions and Risk Management Policy. These Policies have been placed on the Website of the Company and the same can be viewed at www.dineshmills.com in "Investors" Section.
- During the year, there were no transactions of material nature with related parties that had potential conflict with the interests of the Company and the transactions entered with Related Parties were in the ordinary course of business and on Arms' length basis. The Policy for determining "material subsidiaries" can be viewed at www.dineshmills.com in "Investors" Section.
- During preparation of financial statements during the year under review, no accounting treatment which was different from that prescribed in the Accounting Standards was followed.
- The Company has complied with the requirements of Regulatory Authorities on capital markets and no penalties/strictures have been imposed against it in the last three years.
- There were no material financial and commercial transactions where senior management of the Company who had personal interest that may have potential conflict with the interest of the Company at large.
- The Board in its meeting held on 14th August, 2014, has adopted Whistle Blower Policy for Directors and employees which have been placed on the website of the Company and the same can be viewed at www.dineshmills.com in "Investors" Section. No personnel have been denied access to the Audit Committee.

- g. The Company has formed the Committee to deal with the complaints, if any regarding sexual harassment of woman employees and no complaint was received by the Committee during the financial year 2014 - 2015.
- h. The declaration by the Chairman & Managing Director (CMD) for compliance of Code of Conduct by all Board members and Senior Management personnel of the Company during the year 2014 - 2015 pursuant to Clause 49 (II E) of the Listing Agreement with BSE Ltd. is attached as Annexure - "I".
- (G) MEANS OF COMMUNICATION:**
The quarterly, half-yearly and yearly financial results of the Company are sent to the BSE Ltd. immediately after the same are approved by the Board and the said results are published in financial and non-financial newspapers and the same are also placed on the website of the Company and same can be viewed at www.dineshmills.com in "Investors" Section.
- (H) CODE OF CONDUCT:**
The Company has formulated a revised Code of Conduct for Directors and Senior Management Employees of the Company and the same has been adopted by the Board in the meeting held on 6th February 2015. The Code is available on the Company's website and the same can be viewed on www.dineshmills.com in "Investors" Section.
- (I) CMD /CFO CERTIFICATION:**
The Certificate duly signed by the Chairman & Managing Director (CMD) and the Chief Financial Officer for the financial year ended 31st March, 2015 pursuant to Clause 49(IX) of the Listing Agreement with BSE Ltd. is attached as Annexure - "II".
- (J) FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:**
The Chairman and Secretary of the Company used to familiarize the Independent Directors of the Company, their roles, rights, responsibilities, nature of the industry in which the Company operates, etc. from time to time.
- (K) THE NON-MANDATORY REQUIREMENTS:**
- Office of the Chairman of the Board and re-imburement of expenses by the Company: The Company has Executive Chairman and therefore, the reimbursement of expenses to the Non Executive Chairman is not applicable.
 - Shareholders' Rights: The Company's financial results are published in the newspapers and also posted on its own website. (www.dineshmills.com). However, the Company furnishes the same, if the request is made by the shareholders.
 - Audit Qualification: The Company, at present, does not have any audit qualification pertaining to the financial statements.
 - Separate posts of Chairman and CEO: Shri Bharat Patel is a Chairman & Managing Director of the Company pursuant to Articles of Association of the Company and therefore, no separate posts for Chairman & CEO is required.
 - Reporting of the Internal Auditor: The Internal Auditor reports to the Chairman & Managing Director of the Company. However, Internal Audit Reports are considered by the Audit Committee of the Company on quarterly basis.
- (L) SHAREHOLDER INFORMATION:**
- Annual General Meetings:
The 80th Annual General Meeting will be held at 11.00 A.M. on 30th September, 2015, at Registered Office of the Company situated at Padra Road, Vadodara - 390 020.
 - Financial Calendar for the financial year 2015 - 2016:

First quarterly results	By 14th August, 2015
Half Yearly results	By 14th November, 2015
Dividend payment, if any	By 29th October, 2015
Third quarterly results	By 14th February, 2016
Fourth quarterly results alongwith Audited Annual Results for the year 2015-2016	By 30th May, 2016
Annual General Meeting for the year 2015-16	By 30th September, 2016



SHRI DINESH MILLS LTD.

3. Book Closure Dates:
The period for Book Closure is from 29th August, 2015 to 5th September, 2015 (both days inclusive).
4. Dividend Payment Date:
Dividend, if any will be paid on or before 29th October, 2015.
5. Listing on Stock Exchange & payment of Listing Fees:
The equity shares of the Company is listed on BSE Limited (BSE), P. J. Towers, Dalal Street, Mumbai - 400 001 having Stock Code 503804 and the Company has paid the Annual Listing Fees for the year 2015 - 2016 to BSE Ltd.
6. Annual Custody Fees to Depositories
The Annual Custody Fees for the year 2015 - 2016 to both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) will be paid upon receipt of their Invoices.
7. International Securities Identification Number (ISIN) of the Company
The International Securities Identification Number (ISIN) of the Company's shares in the dematerialized mode, as allotted by NSDL and CDSL is INE204C01024.
8. Market Price Data
As the equity shares of the Company are listed on BSE Ltd., monthly high & low price of Company's equity shares, traded quantity and monthly High & Low of BSE Sensex for the period from April, 2014 to March, 2015 are given hereunder.

Month & Year	Price (Rs.)		Traded Quantity	Sensex	
	High	Low		High	Low
April, 2014	84.35	75.30	8586	22939.31	22197.51
May, 2014	96.70	75.25	29329	25375.63	22277.04
June, 2014	137.70	87.00	640868	25725.12	24270.20
July, 2014	136.05	113.15	475565	26300.17	24892.00
August, 2014	125.90	96.10	185518	26674.38	25232.82
September, 2014	132.00	100.30	291924	27354.99	26220.49
October, 2014	112.55	101.00	25889	27894.32	25910.77
November, 2014	129.50	101.60	311535	28822.37	27739.56
December, 2014	140.00	108.00	43838	28809.64	26469.42
January, 2015	127.45	107.00	53686	29844.16	26776.12
February, 2015	115.50	102.10	40564	29560.32	28044.49
March, 2015	107.80	84.00	62598	30024.74	27248.45

9. Registrar & Share Transfer Agent:
The Company has appointed MCS Share Transfer Agent Limited w.e.f. 1st March, 2015, as its Registrar & Share Transfer Agent, in place of MCS Ltd. and the contact details are as under:
MCS SHARE TRANSFER AGENT LIMITED
Administrative Office: 10, Aaram Apartments, 12, Sampatrao Colony, Behind Laxmi Hall, Alkapuri, Vadodara - 390 007
Email: mcsstalbaroda@gmail.com | Phone No.: (0265) 2350490, 2314757.
Fax No. (0265) 2341639 | Website: www.mcsregistrars.com
10. Investor Grievances:
The Company has designated an exclusive E-mail ID viz. complianceofficer@dineshmills.com to enable the investors to send their grievances, if any.
11. Share Transfer System:
For expeditious transfer of shares, the Company Secretary approves share transfers on fortnight basis and the same is reported to the Board of Directors from time to time.

12. Shareholding Pattern:

Shareholding Pattern as on 31st March, 2015 is as under:

Category	No. of Equity Shares As at 31/03/2015	%
Directors & Relatives (Promoters Group)	2288372	45.01
Mutual Funds (UTI)	10	0.00
Banks	3760	0.07
Financial Institutions	NIL	NIL
Foreign Institutional Investors	NIL	NIL
Non-resident Indians	15126	0.30
Bodies Corporate	118486	2.33
Others (Public)	2658628	52.29
Total	5084382	100.00

13. Distribution of Shareholding:

Distribution of shareholding as on 31st March, 2015 is as under:

Sr. No.	Nominal value of equity shares (Rs.)	No. of Shareholders	% of Total	Nominal value of shares (Rs.)	% of Total
1	Upto 5000	11239	94.54	9362950	18.42
2	5001-10,000	314	2.64	2469090	4.86
3	10,001-20,000	179	1.51	2527810	4.97
4	20,001-30,000	42	0.35	1051640	2.07
5	30,001-40,000	28	0.24	977630	1.92
6	40,001-50,000	14	0.12	643490	1.27
7	50,001-1,00,000	34	0.29	2404920	4.73
8	1,00,001-500000	24	0.20	5788300	11.38
9	500001-1000000	6	0.05	4553520	8.96
10	1000001 & Above	8	0.07	21064470	41.43
	Total	11888	100	50843820	100

14. Reconciliation of Share Capital Audit:

As stipulated by SEBI, a qualified Practising Company Secretary carries out an Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the BSE Ltd. and to the Board of Directors from time to time.

15. Dematerialization of Shares and Liquidity:

As per notification issued by SEBI, with effect from 26th June 2000, it has become mandatory to trade in the Company's shares in the electronic form. The Company's shares are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). The shareholding of Promoters Group is 100% in Demat form.

The Physical and Dematerialization position of the Company's equity shares as on 31st March, 2014 and 31st March, 2015 are as under:

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	%	No. of Shares	%
No. of Demat Shares				
- NSDL	2121439	41.73	2486272	48.90
- CDSL	2593603	51.01	2207870	43.42
No. of Physical Shares	369340	7.26	390240	7.68
Total	5084382	100	5084382	100



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16. Address for correspondence with Depositories are as under:

National Securities Depository Ltd. Trade World, 4th & 5th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel Mumbai - 400013	Central Depository Services (India) Ltd. P. J. Towers, 17th Floor, Dalal Street, Mumbai - 400001
Telephone No.: 022-24994200 Facsimile No: 022-24972993/6351	Telephone No.: 022 - 22723333 Facsimile No: 022 - 22723199/2072
Email: info@nsdl.co.in Website: info@nsdl.co.in	Email: investors@cdslindia.com Website: www.cdslindia.com

17. Outstanding GDR/Warrants and Convertible Bonds, Conversion Dates and likely impact on Equity:

As the Company has not issued GDRS/ADRS/Warrants or any convertible instruments, the details relating to outstanding position etc. are not applicable to the Company.

18. Plant Locations are as under:

Location / Unit	Address
Vadodara Unit	P. B. No.2501, Padra Road, Vadodara - 390020
Ankleshwar Unit	Plot No. 43, 44, Village Bhadkodra, Kapodra Road, Near N.H. No.8 Ankleshwar, District - Bharuch

19. Address for correspondence with the Compliance Officer of the Company:

Mr. J. B. Sojitra
Asth. Vice President & Company Secretary
SHRI DINESH MILLS LIMITED
(CIN - L17110GJ1935PLC000494)
P. B. No. 2501, Padra Road, Vadodara - 390 020
Phone: (0265) 2330060/61/62/63/64/65 (6 lines), Fax No.: (0265) 2336195
Emails: complianceofficer@dineshmills.com, sojitra@dineshmills.com
Website: www.dineshmills.com

20. Auditors Certificate: The Certificate dated 30th May, 2015 issued by M/s. Dhirubhai Shah & Doshi, Statutory Auditors of the Company regarding compliance of the conditions of the Corporate Governance by the Company during the year 2014 - 2015 is attached as Annexure - "E".

Place : Vadodara
Date : 30th May, 2015

For and on behalf of the Board of Directors
BHARAT PATEL
CHAIRMAN & MANAGING DIRECTOR

ANNEXURE - "I"

To,
The Board of Directors,
Shri Dinesh Mills Limited
Padra Road,
Vadodara - 390 020

Dear Sirs,

Sub: DECLARATION BY CMD FOR THE COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY

This is to state that, the Company had duly adopted a revised Code of Conduct in the meeting of the Board of Directors held on 6th February, 2015. After adoption of the revised Code of Conduct, the same was circulated to all the Board of Members and Senior Management Personnel for compliance. The revised Code of Conduct has also been posted on the website of the Company. The Company has since received declaration from all the Board Members and Senior Management Personnel affirming compliance of the revised Code of Conduct of the Company in respect of the financial year 31st March, 2015.

This declaration is given pursuant to Clause 49(II E) of the Listing Agreement with BSE Ltd.

Place: Vadodara
Date: 27th May, 2015

**For Shri Dinesh Mills Limited,
Bharat Patel
Chairman & Managing Director**

ANNEXURE - "II"

To,
The Board of Directors,
Shri Dinesh Mills Limited
Padra Road,
Vadodara - 390 020

Dear Sirs,

We certify that:

- A. We have reviewed financial statements and the cash flow statement for the year 31st March, 2015 and that, to the best of our knowledge and belief :
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. 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.



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- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that, we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we 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 proposed to be taken to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee:
1. significant changes in internal control over financial reporting during the year;
 2. that no significant changes in accounting policies during the year has taken place; and
 3. that neither instances of significant fraud have come to our notice nor 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.

This certificate is given pursuant to Clause 49(IX) of the Listing Agreement with BSE Ltd.

For Shri Dinesh Mills Limited

Bharat U. Patel
Chairman & Managing Director (CMD)

For Shri Dinesh Mills Limited

B.B. Patel
Chief Financial Officer (CFO)

Place: Vadodara
Date: May 27, 2015

ANNEXURE - "E"
**AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF
CONDITIONS OF CORPORATE GOVERNANCE**

To the Members of,
Shri Dinesh Mills Limited,

We have examined the compliance of conditions of Corporate Governance by Shri Dinesh Mills Limited, for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreements of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that, such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and behalf of
Dhirubhai Shah & Doshi
Chartered Accountants
Firm Registration Number: 102511W

Kaushik D. Shah
Partner
Membership No.016502

Place : Vadodara
Date : 30.05.2015

Independent Auditor's Report
To the Members of Shri Dinesh Mills Limited
Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Shri Dinesh Mills Limited ('the Company') which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.



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We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on 31st March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 28 to the financial statements.
 - ii. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

For
Dhirubhai Shah & Doshi
Chartered Accountants
Firm's Registration Number: 102511W

Kaushik D Shah
Partner
Membership Number: 016502

Place : Vadodara
Date: May 30th, 2015

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading "Report on other legal & regulatory requirements" of our report on even date to the members of Shri Dinesh Mills Ltd.

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals. In our opinion, the programme of verification is reasonable having regard to the size of the company and the nature of its assets. We have been informed that no material discrepancies were noticed on such verification.
- (ii) (a) As explained to us, the inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) As explained to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the inventory records, we are of the opinion that, the company is maintaining proper records of inventory. No material discrepancy was noticed on verification between physical inventory and inventory as per book records.
- (iii) The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, and therefore, the provisions of clauses (iii)(a) & (iii)(b) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) According to the information and explanation given to us, the Company has not accepted deposits during the financial year under audit and hence said clause would not be applicable.
- (vi) The Central Government has prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the same.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty and excise duty were in arrears, as at 31st March, 2015 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us and the records of the company examined by us, the particulars of dues of excise duty and income tax as at March 31, 2015, which have not been deposited on account of any dispute, are as follows:

Financial period to which it relates	Act	Nature of Dues	Forum where dispute is pending	Amount (Rs. In Lacs)
A.Y 2002-2003	Income Tax Act, 1961	Disallowance under Business Income	High Court, Gujarat	8.92
A.Y 2007-2008	Income Tax Act, 1961	Disallowance under Business Income	Income Tax Appellate Tribunal, Ahmedabad	30.00
A.Y 2008-2009	Income Tax Act, 1961	Disallowance under Business Income	Income Tax Appellate Tribunal, Ahmedabad	199.85
A.Y 2009-2010	Income Tax Act, 1961	Disallowance under Business Income	Income Tax Appellate Tribunal, Ahmedabad	191.51
A.Y 2010-2011	Income Tax Act, 1961	Disallowance under Business Income	Income Tax Appellate Tribunal, Ahmedabad	28.37
A.Y 2011-2012	Income Tax Act, 1961	Disallowance under Business Income	Income Tax Appellate Tribunal, Ahmedabad	275.95
A.Y 2012-2013	Income Tax Act, 1961	Disallowance under Business Income	Commissioner of Income Tax (Appeals), Vadodara	107.43
1998-1999	The Central Excise Act, 1944	Disallowed MODVAT credit taken on capital goods	Joint Commissioner of Central Excise, Surat-II	4.94
1998-1999	The Central Excise Act, 1944	Excise duty on blended yarn	Dy. Commissioner of Central Excise and Custom, Ankleshwar	2.73
2004-2008	The Central Excise Act, 1944	Excise duty on Polyester Tops	Central Excise and Customs Appellant Tribunal, Ahmedabad	200.64
2008-2009	The Central Excise Act, 1944	Excise duty on Polyester Tops	Central Excise and Customs Appellant Tribunal, Ahmedabad	2.47
2009-2010	The Central Excise Act, 1944	Excise duty on Polyester Tops	Central Excise and Customs Appellant Tribunal, Ahmedabad	3.31



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- (c) In our opinion, the company has transferred requisite amount of unclaimed dividend amount to Investor Education and Protection Fund within specified timelines in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- (viii) The Company does not have accumulated losses as at 31st March, 2015 and it has not incurred cash losses in the current and immediately preceding financial year.
- (ix) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and explanation furnished to us, no term loan has been raised during the year. Hence the said clause is not applicable.
- (xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For

Dhirubhai Shah & Doshi

Chartered Accountants

Firm's Registration Number: 102511W

Kaushik D. Shah

Partner

Membership No. 016502

Place : Vadodara
Date : 30th May, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	(Rs. In lacs)	
		As at 31st March, 2015	As at 31st March, 2014
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
Share Capital	1	508.44	508.44
Reserves and Surplus	2	9,460.98	9,457.66
2 Non-Current Liabilities			
Long- term borrowings	3	711.44	1,419.66
Deferred tax Liabilities (Net)	4	482.90	741.23
Other Long Term Liabilities	5	482.53	493.45
Long Term Provisions	6	274.96	253.27
3 Current Liabilities			
Short term borrowings	7	(48.15)	261.71
Trade Payables	8	137.14	174.82
Other Current Liabilities	9	1,852.41	1,948.13
Short Term Provisions	10	257.99	140.73
TOTAL		14,120.64	15,399.10
II. ASSETS			
1 Non-Current Assets			
Fixed assets	11		
(i) Tangible assets		4,934.89	6,213.79
(ii) Capital work-in-progress		32.04	-
Non-current investments	12	1,403.25	2,022.84
Long term loans and advances	13	104.48	90.20
2 Current assets			
Inventories	14	3,015.79	3,216.68
Trade Receivables	15	1,215.46	1,264.65
Cash and Bank Balance	16	3,114.56	2,249.98
Short Term Loans and Advances	17	162.12	207.35
Other Current Assets	18	138.05	133.61
TOTAL		14,120.64	15,399.10
The Notes form an integral part of these financial statements	1 to 33		

As per our Report of even date
For **Dhirubhai Shah & Doshi**
Chartered Accountants
Firm's Registration Number: 102511W

Kaushik D. Shah
Partner
Membership No.: 016502
Vadodara, May 30th, 2015

For and on behalf of the Board of Directors
N. U. Patel
Managing Director

J. B. Sojitra
Company Secretary
Vadodara, May 30th, 2015

B. U. Patel
Chairman & Managing Director

B. B. Patel
Chief Financial Officer



SHRI DINESH MILLS LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. In lacs)

Particulars	Note No.	2014-15	2013-14
I. Revenue from Operations	19	8,049.08	8,609.86
II. Other Income	20	333.71	339.47
III. Total Revenue (I + II)		<u>8,382.79</u>	<u>8,949.33</u>
IV. Expenses:			
Cost of Materials Consumed	21	2,213.76	2,287.41
Purchases of Stock-in-Trade	21	32.50	14.94
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	22	123.99	460.93
Employee Benefits Expense	23	2,566.39	2,376.15
Finance Costs	24	271.07	325.56
Depreciation and Amortization Expense	11	787.62	1,029.71
Other Expenses	25	1,982.48	1,889.57
Total Expenses		<u>7,977.81</u>	<u>8,384.27</u>
V. Profit before exceptional items and tax (III-IV)		404.98	565.06
VI. Exceptional items		-	-
VII. Profit before tax (V + VI)		404.98	565.06
VIII. Tax expense:			
(1) Current tax		45.72	180.90
(2) Deferred tax		(94.78)	(48.58)
IX. Profit for the year (VII-VIII)		<u>454.04</u>	<u>432.74</u>
X. Earnings per equity share of Rs. 10 each	27		
(1) Basic		8.93	8.42
(2) Diluted		8.93	8.42
The Notes form an integral part of these financial statements	1 to 33		

As per our Report of even date
For **Dhirubhai Shah & Doshi**
Chartered Accountants
Firm's Registration Number: 102511W

Kaushik D. Shah
Partner
Membership No.: 016502
Vadodara, May 30th, 2015

For and on behalf of the Board of Directors
N. U. Patel
Managing Director
B. U. Patel
Chairman & Managing Director

J. B. Sojitra
Company Secretary
Vadodara, May 30th, 2015

B. B. Patel
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	(Rs. In lacs)	
	2014-15	2013-14
A. Cash flow from operating Activity		
Net Profit Before Tax	404.98	565.06
Adjustments For:		
Depreciation	787.62	1029.71
Depreciation written back	(1.33)	0.00
Exchange fluctuation adjustment with asset	22.10	0.00
Interest & Financial Expenses	271.07	325.56
Loss on sales of assets	(0.09)	0.20
Dividend Income	(180.36)	(171.16)
Interest received on deposits	(52.21)	(52.21)
Gain on redemption of Investment	(22.63)	1.16
	1229.15	1133.26
Operation profit before working capital changes	1634.13	1698.32
Adjustment For:		
Inventories	200.89	818.81
Trade Receivables	49.19	(141.97)
Loans & Advances and Other Assets	26.52	(113.42)
Trade Payables & Other liabilities and Provisions	(122.24)	(364.08)
Taxes paid	(39.00)	(91.43)
	115.36	107.91
Cash Generated from Operations	1749.49	1806.23
B. Cash Flow from Investment Activities		
Purchase of Fixed Assets (Net of disposals)	(65.57)	(767.76)
(Purchase)/ Redemption of Investment	619.59	121.23
Gain on redemption of Investment	22.63	(1.16)
Dividend Income	180.36	171.16
Interest received	52.21	52.21
Net Cash Flow from Investment Activity	809.22	(424.32)
C. Cash Flow from Financial Activities:		
Buy Back of Shares	0.00	(161.61)
Proceeds/(Repayment) from Borrowings	(1018.08)	(91.21)
Interest & Financial Expenses	(271.07)	(325.56)
Net Cash Flow from Financial Activities	(1289.15)	(578.38)
Total of Cash Flow (A+B+C)	864.58	803.53
Opening Cash & Cash equivalent	2249.98	1446.45
Closing Cash & Cash equivalent	3114.56	2249.98

Note:

- The cashflow statement has been prepared in accordance with the requirement of AS -3 " Cash flow statement" issued by the Institute of Chartered Accountants of India.
- Previous year's figures have been regrouped wherever necessary to confirm this year's classification.

As per our Report of even date	For and on behalf of the Board of Directors	
For Dhirubhai Shah & Doshi	N. U. Patel	B. U. Patel
Chartered Accountants	Managing Director	Chairman & Managing Director
Firm's Registration Number: 102511W		
Kaushik D. Shah	J. B. Sojitra	B. B. Patel
Partner	Company Secretary	Chief Financial Officer
Membership No.: 016502		
Vadodara, May 30th, 2015	Vadodara, May 30th, 2015	



SHRI DINESH MILLS LTD.

NOTES TO THE FINANCIAL STATEMENTS

Particulars	(Rs. In lacs)	
	As at 31st March, 2015	As at 31st March, 2014
NOTE:1 SHARE CAPITAL		
Authorised		
9,500,000 Equity Shares of Rs 10/- each	950.00	950.00
50,000 Unclassified Shares of Rs. 100/-	50.00	50.00
	<u>1,000.00</u>	<u>1,000.00</u>
Issued, Subscribed & Paid up		
5,084,382 (P.Y. 5,084,382) Equity Shares of Rs 10/- each fully paid	508.44	508.44
Total	<u>508.44</u>	<u>508.44</u>

1.1 The reconciliation of the number of shares outstanding at the beginning and at the end of the year:-

	(Rs. In Lacs)			
	No. of Shares	As at 31st March, 2015	No. of Shares	As at 31st March, 2014
Shares outstanding at beginning of the year	5,084,382	508.44	5,277,500	527.75
Less: * Buy Back of Equity shares	-	-	193,118	19.31
Shares outstanding at end of the year	5,084,382	508.44	5,084,382	508.44

* During the F.Y. 2013-14, Company had bought back 193118 equity shares at a premium out of General Reserves and amount equal to nominal value of bought back shares i.e Rs.19.31 lacs has been transferred from General Reserve to Capital Redemption Reserve

1.2 The details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shri U.M.Patel	531,655	10.46	531,655	10.46
Shri B.U.Patel	491,710	9.67	491,710	9.67
Shri N.U.Patel	573,388	11.28	643,998	12.67

1.3 330,780 Equity shares allotted to Shareholders of Platewel Processes and Chemicals Limited as fully paid without payment being received in cash in terms of amalgamation scheme sanctioned by Gujarat High Court, as per order Dated 20th March, 1981.

1.4 The Company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

NOTES TO THE FINANCIAL STATEMENTS

Particulars	(Rs. In lacs)	
	As at 31st March, 2015	As at 31st March, 2014
NOTE: 2 RESERVES & SURPLUS		
a. Capital Redemption Reserve		
Opening Balance	19.31	-
(+) Current Year Transfer from General Reserve	-	19.31
Closing Balance	<u>19.31</u>	<u>19.31</u>
b. General Reserve		
Opening Balance	9,249.13	9,085.73
(+) Current Year Transfer	350.00	325.00
(-) Utilization for Buy Back of Share	-	142.29
(-) Amount transferred owing to change in useful lives of assets as per the Companies Act, 2013 (Net of deferred tax)	340.57	-
(-) Transfer to Capital Redemption Reserve	-	19.31
Closing Balance	<u>9,258.56</u>	<u>9,249.13</u>
c. Surplus		
Opening balance	189.22	188.55
(+) Net Profit For the current year	454.04	432.74
(-) Proposed Dividends	110.15	107.07
(-) Transfer to Reserves	350.00	325.00
Closing Balance	<u>183.11</u>	<u>189.22</u>
Total	<u>9,460.98</u>	<u>9,457.66</u>

NOTE: 3 LONG TERM BORROWINGS

Term loans from Banks	711.44	1,419.66
(Term loan under Technology Upgradation Fund Scheme is secured by way of hypothecation of machineries purchased therefrom.)		
Total	<u>711.44</u>	<u>1,419.66</u>

3.1 TERMS OF REPAYMENT OF TERM LOANS

Name of Institutions	Instruments	Repayment schedule				
		Frequency	Number of Installments	Rate of Interest	First installment due	Amount of Installment
Indian Overseas Bank - III	Term Loan	Quarterly	24	12.25%	Aug-10	54.58
South Indian Bank - II	Term Loan	Quarterly	24	12.00%	Apr-13	27.50
South Indian Bank - III	Term Loan	Quarterly	24	12.00%	May-14	43.00



SHRI DINESH MILLS LTD.

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In lacs)

Particulars	As on 31.03.2014	Charge / (Credit) during the year	As on 31.03.2015
NOTE: 4 DEFERRED TAX LIABILITY			
Deferred Tax Liability on account of :			
(I) Depreciation	811.30	(251.99)	559.31
	<u>811.30</u>	<u>(251.99)</u>	<u>559.31</u>
Deferred Tax Assets on account of :			
(I) Expenses allowable for tax purpose when paid (Octroi)	15.31	0.00	15.31
(II) Unencashed leave (Employees & Director)	45.55	5.21	50.76
(III) Gratuity	9.21	1.13	10.34
	<u>70.07</u>	<u>6.34</u>	<u>76.41</u>
Net Deferred tax Liabilities / (Assets)	<u>741.23</u>	<u>(258.33)</u>	<u>482.90</u>
		(Rs. In lacs)	
		As at 31st March, 2015	As at 31st March, 2014

NOTE: 5 OTHER LONG TERM LIABILITIES

Others		
Unsecured Trade Deposits	231.39	236.16
Octroi Liability	63.49	63.49
Outstanding Expenses	187.65	193.80
Total	<u>482.53</u>	<u>493.45</u>

NOTE: 6 LONG TERM PROVISIONS

Provision for employee benefits:		
Gratuity	31.88	28.38
Leave Encashment	134.52	122.44
Provisions for Medical/LTA/allowances, etc.	55.46	52.45
Provision for Tax (net of advance tax, TDS, self asst. tax)	53.10	50.00
Total	<u>274.96</u>	<u>253.27</u>

NOTE: 7 SHORT TERM BORROWINGS

<u>Secured</u>		
Cash credit	(48.15)	(61.12)
Cash credits from Banks, against hypothecation of Raw materials, Stores, Spare parts, Finished goods and Work-in-progress		
<u>Unsecured</u>		
Deposits :		
From Directors & Shareholders	-	232.30
From Public	-	90.53
Total	<u>(48.15)</u>	<u>261.71</u>

NOTES TO THE FINANCIAL STATEMENTS

Particulars	(Rs. In lacs)	
	As at 31st March, 2015	As at 31st March, 2014
NOTE: 8 TRADE PAYABLES		
Micro, Small and Medium Entreprises	-	-
Others	137.14	174.82
Total	137.14	174.82

8.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the co. is as under:

Particulars

Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

NOTE: 9 OTHER CURRENT LIABILITIES

Current Maturities of Long Term Debts	707.32	774.72
Interest accrued and due on deposits	71.16	76.50
Unclaimed dividends	21.07	21.17
Unclaimed matured deposits and interest thereon	15.99	17.64
Other Payables :		
Advances from Customers	512.57	504.60
Statutory dues	101.80	126.62
Other provision for expenses	418.10	421.48
Other current liabilities	4.40	5.40
Total	1,852.41	1,948.13

9.1 There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31st March, 2015

NOTE: 10 SHORT TERM PROVISIONS

Dues to Directors	15.72	15.72
Provision for employee benefits:		
Gratuity	110.20	-
Leave Encashment	21.92	17.94
Provisions for Dividend and Dividend Tax	110.15	107.07
Total	257.99	140.73

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In lacs)

NOTE: 11 FIXED ASSETS

Fixed Asset	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK		
	Balance as at 1st April, 2014	Additions	Adjustment/ Deduction	Balance as at 31st March, 2015	Balance as at 1st April, 2014	Depreciation for the year	Adjustment/ Deduction	Amount adjusted with retained earnings on account of change in Assets life as per The Company Act. 2013	Balance as at 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014
(A) Tangible Assets											
Land	321.25	-	-	321.25	-	-	-	-	-	321.25	321.25
Assets under lease	5.91	-	(0.09)	5.82	-	-	-	-	-	5.82	5.91
Buildings	559.18	-	-	559.18	369.74	17.97	-	44.09	431.80	127.38	189.44
Plant and Equipment	17,806.42	14.80	(22.10)	17,799.12	12,292.28	703.29	(1.33)	438.97	13,433.21	4,365.91	5,514.13
Furniture and Dead stock	290.65	5.18	-	295.83	229.49	27.62	-	10.61	267.72	28.11	61.16
Vehicles	323.56	13.09	(9.81)	326.84	221.62	36.01	(8.70)	-	248.93	77.91	101.94
Electrical Installations	97.92	-	-	97.92	81.92	0.62	-	9.19	91.73	6.19	16.00
Tubewell and waterworks	10.07	1.65	-	11.72	6.11	2.02	-	1.27	9.40	2.32	3.96
Sub Total :	19,414.96	34.72	(32.00)	19,417.68	13,201.16	787.53	(10.03)	504.13	14,482.79	4,934.89	6,213.79
(B) Intangible Assets											
Computer Software	9.78	-	-	9.78	9.78	-	-	-	9.78	-	-
Total :	19,424.74	34.72	(32.00)	19,427.46	13,210.94	787.53	(10.03)	504.13	14,492.57	4,934.89	6,213.79
Previous Year's Total	18,480.70	990.47	(46.39)	19,424.74	12,210.60	1,029.62	29.28	-	13,210.94	6,213.79	
<p>Note: 11.1 Effective from 1st April, 2014, the company has started providing depreciation on tangible assets over the revised remaining useful lives of tangible assets in alignment with useful lives prescribed in Schedule II to the Companies Act, 2013. Consequently, depreciation charge for the year ended March 31, 2015 is lower by Rs. 80.75 Lacs. Further, an amount of Rs. 340.57 Lacs (net of deferred tax) has been recognised in the opening balance of Retained Earnings which relate to the carrying amount of tangible assets whose revised remaining useful life was NIL as at 1st April, 2014.</p> <p>Note: 11.2 Gross Block is carried at cost except Leasehold Land which is at cost less amounts written off.</p> <p>Note: 11.3 Amount written off Rs. 0.09 Lacs of Leasehold Land has been debited to Profit and Loss Account under the head Depreciation and Amortization Expenses.</p> <p>Note: 11.4 Buildings includes Rs. 750/- being the cost of shares in Co-operative Society (Previous year Rs. 750/-)</p> <p>Note: 11.5 Capital work-in-progress includes spares for Spinning machine amounting to Rs. 32.04 Lacs, which were not put to use as on 31.03.2015.</p>											



NOTES TO THE FINANCIAL STATEMENTS

Particulars	(Rs. In lacs)	
	As at 31st March, 2015	As at 31st March, 2014
NOTE: 12 NON CURRENT INVESTMENTS		
Investment in Equity instruments: (In fully paid shares)		
Unquoted:		
50 Equity Shares of Rs. 100/- each in Gujarat Sheep & Wool Development Corporation Limited	0.05	0.05
186265 (186265) Equity Shares of Rs. 10/- each in Narmada Cleantech Limited	18.63	18.63
Quoted:		
120020 Equity Shares of Rs. 100/- each in Kamron Laboratories Ltd. Less Provision for Diminution in Value (Market Value per Share - NIL)	-	-
Others:		
400 Equity Shares of Rs. 25/- each in Co-operative Bank of Baroda Limited	0.10	0.10
13098095 (13098095) Equity shares of Rs 10/- each in Dinesh Remedies Limited - Subsidiary	1,309.81	1,309.81
Investments in Government or Trust securities:		
50,000 11.50% GOI Securities - 2015	55.90	55.90
20,000 6.90% GOI Securities - 2019	18.76	18.76
Investments in Mutual Funds:		
NIL (P.Y 775325.887) Units of HDFC Prudence	-	252.01
NIL (P.Y 800645.406) Units of SBI balance Fund	-	242.58
NIL (P.Y 436220.847) Units of FT India Balance Fund	-	125.00
Total	1,403.25	2,022.84
NOTE: 13 LONG TERM LOANS & ADVANCES		
(Unsecured, considered good)		
Security Deposits	104.48	90.20
Total	104.48	90.20



SHRI DINESH MILLS LTD.

NOTES TO THE FINANCIAL STATEMENTS

Particulars	(Rs. In lacs)	
	As at 31st March, 2015	As at 31st March, 2014
NOTE: 14 INVENTORIES		
a. Raw Materials	549.93	733.66
Goods-in transit	54.74	-
	<u>604.67</u>	<u>733.66</u>
b. Work-in-progress	1,165.86	1040.96
c. Finished goods	838.07	1081.50
d. Stores and spares	407.19	360.56
	<u>3,015.79</u>	<u>3,216.68</u>

14.1 DETAILS OF RAW MATERIALS

Imported:		
Wool	-	99.97
Yarn	232.23	287.57
Fibre	153.89	139.86
Miscellaneous	0.10	1.91
Indigeneous:		
Wool	0.89	6.59
Yarn	126.74	141.00
Fibre	35.80	56.58
Miscellaneous	0.27	0.18
	<u>549.93</u>	<u>733.66</u>

14.2 DETAILS OF WORK-IN-PROGRESS

Woollen worsted	692.39	699.36
Felt	473.48	341.60
	<u>1,165.86</u>	<u>1,040.96</u>

14.3 DETAILS OF FINISHED GOODS

Woolen/ Worsted Fabrics	376.95	591.27
Felt	458.46	488.42
Readymade Garments	2.66	1.81
	<u>838.07</u>	<u>1,081.50</u>

Note 14.4 :

Valuation of Inventory is carried out as per the Standard Accounting policy followed by the company. See Annexure I referred to in Note 32

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at 31st March, 2015	(Rs. In lacs) As at 31st March, 2014
NOTE: 15 TRADE RECEIVABLES		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	145.30	164.88
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
Sub total	145.30	164.88
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	1,070.16	1,099.77
Total	1,215.46	1,264.65
NOTE: 16 CASH AND BANK BALANCES		
Bank Balances:		
In Current Account	47.82	245.55
In Fixed Deposit Account (having maturity period less than 3 months)	3,003.98	1,973.17
Other Bank Balances:-		
In Fixed Deposit Account (having maturity period more than 12 months)	33.25	5.40
Unclaimed dividend accounts	26.07	21.19
	3,111.12	2,245.31
Cash on hand	3.44	4.67
Total	3,114.56	2,249.98
NOTE: 17 SHORT-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Loans and advances to related parties	-	0.05
Other loans and advances	33.26	18.06
Statutory dues (net)	66.65	98.92
Advances to Suppliers	53.86	82.92
Prepaid Expenses	8.35	7.40
Total	162.12	207.35
NOTE: 18 OTHER CURRENT ASSETS		
Interest and dividend receivables on investments	2.35	16.37
Interest subsidy receivables	135.70	117.24
Total	138.05	133.61



SHRI DINESH MILLS LTD.

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In lacs)

Particulars	2014-15	2013-14		
NOTE: 19 REVENUE FROM OPERATIONS				
Sale of products	8,609.36	9,202.16		
Less:				
Excise duty	560.28	592.30		
Total	8,049.08	8,609.86		
NOTE: 20 OTHER INCOME				
Interest Income	52.21	52.21		
Dividend Income	180.36	171.16		
Miscellaneous Income	101.14	116.10		
Total	333.71	339.47		
NOTE: 21 COST OF MATERIALS CONSUMED				
Wool	410.26	511.29		
Synthetic Fibre	861.25	843.50		
Yarn	921.10	911.45		
Others	21.15	21.17		
Total	2,213.76	2,287.41		
GOODS - TRADED - IN :				
Ready Made Garments	32.50	14.94		
21.1 Imported & Indigenous				
Raw material consumed				
	VALUE	%	VALUE	%
	(Rs. In lacs)		(Rs. In lacs)	
Imported	1,389.99	62.79%	1,468.34	64.19%
Indigenous	823.77	37.21%	819.07	35.81%
Total	2,213.76	100.00	2,287.41	100.00
NOTE: 22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE				
Inventories (at close):				
Work -in- Process	1,165.86	1,040.96		
Finished Goods	838.07	1,081.50		
	2,003.93	2,122.46		
Inventories (at commencement):				
Work -in- Process	1,040.96	1,301.78		
Finished Goods	1,081.50	1,278.47		
	2,122.46	2,580.25		
	118.53	457.79		
Excise duty variations on opening/closing stocks	5.46	3.14		
Total	123.99	460.93		

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In lacs)

Particulars	2014-15	2013-14
NOTE: 23 EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	2,161.11	2,098.82
Contributions to -		
Provident fund, Superannuation scheme & Other funds	356.54	227.36
Employees' State Insurance Scheme	38.70	40.24
Staff welfare expenses	10.04	9.73
Total	2,566.39	2,376.15

23.1 As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below:

Defined Benefit Gratuity Plan:
(I) Changes in present value of obligations

Present value of Obligations as at the beginning of the year	813.33	861.04
Current Service Cost	36.73	39.71
Interest Cost	76.04	68.88
Benefit Paid	(60.53)	(111.17)
Actuarial Losses / (Gains) on obligations	70.86	(45.14)
Present value of Obligations as at the end of the year	936.43	813.33

(II) Changes in Fair Value of plan assets

Fair value of plan assets as at the beginning of the year	822.22	736.77
Expected return on Plan Assets	71.53	64.10
Contributions		124.28
Benefits Paid	(60.53)	(111.17)
Actuarial Losses / (Gains) on Plan Assets	(6.92)	8.24
Fair value of plan assets as at the end of the year	826.30	822.22

(III) Amounts to be recognised in the Balance Sheet and Profit and Loss Account

Present value of obligation as at end of the year	936.43	813.33
Fair Value of Plan assets as at the end of the year	826.30	822.22
Funded Status	(110.13)	8.89
Net Asset / (Liability) recognised in the Balance Sheet	(110.13)	8.89

(IV) Expenses recognized in the Profit and Loss Account

Service Cost	36.73	39.71
Interest Cost	76.04	68.88
Expected return on Plan Assets	71.53	64.10
Net Actuarial Losses / (Gains) on Plan Assets for the period	77.78	(53.38)
Expenses recognised in Profit and Loss account	119.02	(8.88)

(V) Percentage of major category of plan assets to total plan assets as at the end of the year

Government of India Securities	13.64%	13.54%
BOB Special Deposit Scheme	16.23%	16.12%
Fixed Deposit with Scheduled Bank	13.02%	21.92%
Government owned corporation bonds	16.07%	15.96%

(VI) Assumptions:

	LIC (2006-08)	LIC (2006-08)
	Ult	Ult
Mortality		
Discount rate (per annum)	7.92%	9.35%
Rate of increase in compensation	5.00%	5.00%
Rate of return (expected) on plan assets	7.92%	8.70%
Present value of obligation	936.43	813.33
Fair value of plan assets	826.30	822.22
Surplus or (Deficit) in the plan	(110.13)	8.89



SHRI DINESH MILLS LTD.

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In lacs)

Particulars	2014-15	2013-14
NOTE: 24 FINANCE COST		
Interest expenses	250.13	311.67
Other borrowing costs	20.94	13.89
Total	271.07	325.56
NOTE: 25 OTHER EXPENSES		
Stores Consumed	298.61	319.97
Electricity, Power and Fuel	274.96	232.87
Rent	1.53	1.63
Commission	132.05	152.58
Cash Discount	173.54	202.42
Repairs to Building	27.60	14.41
Repairs to Machinery	342.00	314.28
Repairs to Others	18.16	16.10
Insurance	18.06	18.10
Rates and Taxes	29.58	28.85
Payments to Auditors	9.27	7.56
Advertisement and Publicity	19.00	32.71
Legal & Professional Fees	133.19	129.41
Travelling and Conveyance	208.51	171.46
Miscellaneous Expenses	296.42	247.22
Total	1,982.48	1,889.57
25.1 DETAILS OF STORES CONSUMED		
Imported	12.38	3.48
Indigenous	286.23	316.49
Total	298.61	319.97
25.2 PAYMENT TO AUDITORS AS:		
Statutory Auditors :		
i) Audit Fees	4.81	3.76
ii) For Taxation matters	4.46	3.00
iii) For expenses	-	0.43
Sub Total	9.27	7.19
Cost Auditors :		
i) As auditors	-	0.37
Total	9.27	7.57

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In lacs)

Particulars	2014-15	2013-14
NOTE: 26 C.I.F. VALUE OF IMPORTS, EXPENDITURE AND EARNINGS IN FOREIGN CURRENCY		
(A) C.I.F. Value of imports :		
Raw Materials	1,059.70	1,067.59
Capital Goods	-	875.05
Stores & Spares	231.37	79.46
(B) Expenditure in Foreign currencies:		
Commission	38.87	37.86
Travelling expenses	72.88	55.04
Other matters	29.42	37.38
(C) Earnings in Foreign currencies:		
F.O.B. value of Exports	627.21	534.22

NOTE: 27 EARNINGS PER SHARE (EPS)

Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. In Lacs)	454.04	432.74
Total number of equity shares (P.Y :Weighted Average number of equity shares used as denominator for calculating EPS)	5,084,382	5,141,285
Basic Earnings per share (Rs.)	8.93	8.42
Diluted Earnings per share (Rs.)	8.93	8.42
Face Value per equity share (Rs.)	10.00	10.00

NOTE: 28 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF

Workers' demand - matter under appeal	216.56	35.96
Claims against the company not acknowledged as debts	-	-
Income tax Demands - matter under appeal	842.03	714.78
Excise matter under appeal	214.09	214.59

NOTE: 29

"Estimated amount of contracts remaining to be executed on Capital Account (net of advance payment) Rs. 489.53 Lacs (previous year Rs. NIL)



SHRI DINESH MILLS LTD.

NOTES TO THE FINANCIAL STATEMENTS

NOTE:30 RELATED PARTY INFORMATION

(A) Name of related party and nature of relationship

Name of related party	Description of relationship
1. <u>Where significant influence exists:</u>	
Dinesh Remedies Limited	Subsidiary
Shri Dinesh Foundation	Key Management Personnel are Trustee
Shri Maganbhai B. Patel's Charity Trust	Key Management Personnel are Trustee
2. <u>Key Management Personnel :</u>	
Mr. U.M.Patel	Chairman Emeritus
Mr. B.U.Patel	Chairman & Managing Director
Mr. N.U.Patel	Managing Director
3. <u>Relatives Of Key Management Personnel</u>	
Mrs. R.B.Patel	Wife of Mr. B.U.Patel
Mrs. A.N.Patel	Wife of Mr. N.U.Patel
Ms J.B.Patel	Daughter of Mr. B.U.Patel
Mr. A.B.Patel	Son of Mr. B.U.Patel
Mr. N.N.Patel	Son of Mr. N.U.Patel
Mrs. M.U.Patel	Wife of Mr. U.M.Patel

(B) Transactions with related party

(Rs. in Lacs)

Name of Related Party	Relationship	Nature of Transaction	Amount		Outstanding Balance	
			2014-15	2013-14	2014-15	2013-14
1. Dinesh Remedies Limited	Subsidiary	Advance given during the year	-	0.55	-	0.05
		Sales of Spares	0.10	-	-	-
2. Chairman Emeritus Shri U.M.Patel	Key Management Personnel:	Fixed Deposits received	-	5.00	-	40.00
		Interest Paid	1.08	2.37	-	-
3. Chairman and Managing Director Shri B.U.Patel	-- do --	Remueration	107.12	100.08	7.72	7.72
		Fixed Deposits received	-	-	-	2.00
4. Managing Director Shri N.U.Patel	-- do --	Interest Paid	0.02	2.98	-	-
		Remueration	100.08	100.08	8.00	8.00
5. Relatives of Key Management Personnel	Relatives of Key Management Personnel	Fixed Deposits received	-	61.60	-	122.45
		Interest Paid	8.21	12.30	-	-
		Salary	11.39	11.13	-	-

(C) There are no provisions for doubtful debts or amounts written off or written back in respect of debts due to or due from related parties

(D) Related party relationship is as identified by the Company on the basis of information available with them and relied upon by the Auditors

NOTES TO THE FINANCIAL STATEMENTS

Note: 31 Segment Information

(a) Primary segment : Business segment

The Company has only one business segment Viz : "Textile".

(b) Secondary segment – Geographical segment :

Information of geographical segment:

(Rs. in Lacs)

Particulars	Year	In India	Outside India	Total
Segment Revenue	2014-15	7,362.30	686.78	8,049.08
	2013-14	8,073.15	536.71	8,609.86
Carrying cost of Assets by location of Assets	2014-15	14,120.64	-	14,120.64
	2013-14	15,399.10	-	15,399.10
Additions to Assets and Intangible	2014-15	34.72	-	34.72
	2013-14	990.47	-	990.47

Note: 32 Significant Accounting Policies followed by the Company are as stated in the statement annexed to this schedule as Annexure I.

Note: 33 Previous year's figures have been regrouped wherever necessary.

As per our Report of even date	For and on behalf of the Board of Directors	
For Dhirubhai Shah & Doshi	N. U. Patel	B. U. Patel
Chartered Accountants	Managing Director	Chairman & Managing Director
Firm's Registration Number: 102511W		
Kaushik D. Shah	J. B. Sojitra	B. B. Patel
Partner	Company Secretary	Chief Financial Officer
Membership No.: 016502		
Vadodara, May 30th, 2015	Vadodara, May 30th, 2015	



SHRI DINESH MILLS LTD.

Annexure I referred to in note 32 to the Account for the year ended 31st March, 2015

Statement on significant Accounting Policies

1. System of Accounting :

These financial statements have been prepared on an accrual basis and under historical cost convention and in compliance, in all material aspects, with generally accepted principles in India and are in compliance with the accounting standard issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013. The significant accounting policies adopted by the Company are detailed below:

2. Fixed Assets and Depreciation :

A. Fixed Assets

- I. Fixed Assets are carried at cost of acquisition including incidental cost relating to acquisition / installation. Fixed Assets are shown net of accumulated depreciation and amortized amount (except on free- hold land).
- II. Capital Work-in-progress is stated at amount expended up to the date of Balance Sheet.

B Depreciation and Amortisation

- a) Leasehold land
Premium on leasehold land is being amortized over the period of lease.
- b) Other Fixed Assets
 - i. Depreciation on all the assets is being provided on written down value method except for plant & machinery, wherein straight-line method is followed. Rate of depreciation is accordance with the provisions of section 123 of the Companies Act, 2013 considering the useful life provided in part "C" of the schedule II.
 - II. Depreciation on additions to the assets during the year is being provided on pro-rata basis with reference to the month of acquisition /installation.
 - III. Depreciation on assets sold, discarded, demolished or scrapped during the year is being provided up to the month in which such assets are sold, discarded, demolished or scrapped.

3. Investments :

Investments are classified into Current and Non-current investments. Current investments are stated at lower of cost and fair value. Non-current investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of Non-current investments.

4. Inventories :

- i) Stores, Machinery Spares, Coal, etc. are valued at cost or net realizable value whichever is lower. Cost is arrived at on 'Moving Weighted Average Cost basis'.
- ii) Raw Materials are valued at cost or net realizable value whichever is lower. Cost is arrived at on 'Specific Identification cost basis'.
- iii) Materials in Process and Finished Goods are valued at cost or net realizable value, whichever is lower. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
The excise duty in respect of closing inventory of finished goods is included as part of finished goods.
- iv) Materials in Customs Bonded Warehouse and in transit are stated at cost, up to the date of Balance Sheet.

- v) Due allowance is estimated and provided for defective and obsolete items, wherever necessary, based on the past experience of the Company.

5. Foreign Currency Transactions :

- i) Initial Recognition:

Transactions denominated in foreign currencies are recorded at the rate prevailing on the date of the transaction.

- ii) Conversion:

At the year-end, monetary items denominated in foreign currencies remaining unsettled are converted into rupee equivalents at the year-end exchange rates. Non monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

- iii) Exchange Differences:

All exchange differences arising on settlement and conversion of foreign currency transactions are included in the profit and loss account, except in cases where they relate to the acquisition of fixed assets, acquired out of India in which case they are adjusted in the cost of the corresponding asset.

6. Revenue Recognition :

- i) Domestic Sales are recognized as revenue on transfer of significant risk and rewards of ownership which is generally on dispatch of products to the customers.
- ii) Export Sales are recognized as revenue on transfer of significant risk and rewards of ownership which is generally on the basis of the dates of Bill of Lading and / or Air Way Bill.
- iii) Export incentives benefits under "Duty Entitlement Pass Book under the Duty Exemption Scheme" and "Duty Draw back scheme" are accounted in the year of exports.
- iv) Dividend income is accounted for in the year in which the right to receive the same is established.
- v) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

7. Employee Benefits :

- i) Defined Contribution Plan:

Company's contribution paid/payable during the period to Provident Fund, Employee Deposit Linked Insurance Plan, Super Annuation Fund, Employee State Insurance Plan and Labour Welfare Fund are recognized as an expense in the Profit and Loss Account.

- ii) Defined Benefit Plan:

Provision for payments to the Employees Gratuity Fund after taking into account the funds available with the Trustees of the Gratuity Fund is based on actuarial valuation done at the close of each financial year.

At the reporting date Company's liabilities towards gratuity is determined by independent actuarial valuation using the projected unit credit method. Actuarial gain and losses are recognized immediately in the statement of Profit and Loss account as income or expenses.

- iii) Other defined benefits

Provision for other defined benefits for long term leave encashment is made based on an independent actuarial valuation on projected unit credit method at the end of each financial



SHRI DINESH MILLS LTD.

year. Actuarial gain and losses are recognized immediately in the statement of Profit and Loss Account as income or expenses.

- iv) Company recognizes the undiscounted amount of short term employee benefits during the accounting period based on service rendered by employees.

8. Taxation :

Income tax expense comprises of Current tax and Deferred tax charge or credit. Provision for current tax is made on assessable income at the tax rate applicable to the relevant assessment year.

The Deferred tax Asset and Deferred tax liability are calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realisation, supported by convincing evidence.

Deferred Tax Assets on account of other timing difference are recognized only to the extent there is a reasonable certainty of its realization.

The carrying amount of Deferred tax assets are reviewed to reassure realization at each Balance Sheet date.

9. Government Subsidy :

- i) Government subsidies are recognized when there is reasonable assurance that the same will be received.
- ii) Revenue subsidies for expenses incurred are reduced from the respective expenses.
- iii) Capital subsidies relating to specific fixed assets are reduced from the gross value of the respective fixed assets.

10. Borrowing Costs :

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

11. Provisions, Contingent Liabilities and Contingent Assets :

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date and adjusted to reflect the current management estimates. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

12. Impairment of Assets :

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital.

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF SHRI DINESH MILLS LIMITED****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of "SHRI DINESH MILLS LIMITED" (hereinafter referred to as "the Company") and "DINESH REMEDIES LIMITED", the Subsidiary (the Company and the Subsidiary collectively referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the company/subsidiary included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid



SHRI DINESH MILLS LTD.

consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Company and the Subsidiary as on 31st March, 2015, none of the directors are disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) In respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group- Refer Note 28 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

For
Dhirubhai Shah & Doshi
Chartered Accountants
Firm's Registration Number: 102511W

Kaushik D. Shah
Partner
Membership No. 016502

Place : Vadodara
Date : 30th, May 2015

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading "Report on other legal & regulatory requirements" of our report on even date

- (i) (a) The company and its subsidiary have maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets of the company and its subsidiary have been physically verified by the management at reasonable intervals. In our opinion, the programme of verification is reasonable having regard to the size of the company and its subsidiary and the nature of its assets. We have been informed that no material discrepancies were noticed on such verification.
- (ii) (a) As explained to us, the inventories of the company and its subsidiary have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) As explained to us, the procedures of physical verification of inventories followed by respective management are reasonable and adequate in relation to the size of the company and its subsidiary and the nature of their business.
- (c) On the basis of our examination of the inventory records, we are of the opinion that, the company and its subsidiary is maintaining proper records of inventory. No material discrepancy was noticed on verification between physical inventory and inventory as per book records.
- (iii) The Company and its subsidiary have not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, and therefore, the provisions of clauses (iii)(a) & (iii)(b) of the Order are not applicable to the Company and its subsidiary.
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and its subsidiary and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) According to the information and explanation given to us, the Company and its subsidiary have not accepted deposits during the financial year under audit and hence said clause would not be applicable.
- (vi) In case of the Company, the Central Government has prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the same. Whereas the subsidiary is not required to maintain cost records as per the Companies (Cost Records and Audit) Rules, 2014 prescribed by Central Government under subsection (1) of section 148 of the Companies Act; hence this clause is not applicable in case of subsidiary.
- (vii) (a) The Company and its subsidiary is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty and excise duty were in arrears, as at 31st March, 2015 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us and the records of the company examined by us, the particulars of dues of excise duty and income tax as at March 31, 2015, which have not been deposited on account of any dispute, are as follows:

Financial period to which it relates	Act	Nature of Dues	Forum where dispute is pending	Amount (Rs. In Lacs)
A.Y 2002-2003	Income Tax Act, 1961	Disallowance under Business Income	High Court, Gujarat	8.92
A.Y 2007-2008	Income Tax Act, 1961	Disallowance under Business Income	Income Tax Appellate Tribunal, Ahmedabad	30.00
A.Y 2008-2009	Income Tax Act, 1961	Disallowance under Business Income	Income Tax Appellate Tribunal, Ahmedabad	199.85
A.Y 2009-2010	Income Tax Act, 1961	Disallowance under Business Income	Income Tax Appellate Tribunal, Ahmedabad	191.51
A.Y 2010-2011	Income Tax Act, 1961	Disallowance under Business Income	Income Tax Appellate Tribunal, Ahmedabad	28.37
A.Y 2011-2012	Income Tax Act, 1961	Disallowance under Business Income	Income Tax Appellate Tribunal, Ahmedabad	275.95
A.Y 2012-2013	Income Tax Act, 1961	Disallowance under Business Income	Commissioner of Income Tax (Appeals), Vadodara	107.43
1998-1999	The Central Excise Act, 1944	Disallowed MODVAT credit taken on capital goods	Joint Commissioner of Central Excise, Surat-II	4.94
1998-1999	The Central Excise Act, 1944	Excise duty on blended yarn	Dy. Commissioner of Central Excise and Custom, Ankleshwar	2.73
2004-2008	The Central Excise Act, 1944	Excise duty on Polyester Tops	Central Excise and Customs Appellant Tribunal, Ahmedabad	200.64
2008-2009	The Central Excise Act, 1944	Excise duty on Polyester Tops	Central Excise and Customs Appellant Tribunal, Ahmedabad	2.47
2009-2010	The Central Excise Act, 1944	Excise duty on Polyester Tops	Central Excise and Customs Appellant Tribunal, Ahmedabad	3.31



SHRI DINESH MILLS LTD.

On the basis of our examination of documents and records of the Subsidiary, there are no disputed statutory dues outstanding of income tax, service tax, duty of customs, duty of excise, value added tax or cess etc. with the appropriate authorities.

- (c) In our opinion, the company and its subsidiary have transferred requisite amount of unclaimed dividend amount to Investor Education and Protection Fund within specified timelines in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- (viii) The Company does not have accumulated losses as at 31st March, 2015 whereas the subsidiary has accumulated losses at the end of the financial year which is not more than 50% of its net worth. The company and its subsidiary have not incurred cash losses in the current and immediately preceding financial year.
- (ix) In our opinion and according to the information and explanation given to us, the Company and its subsidiary have not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (x) According to the information and explanations given to us, the company and its subsidiary have not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and explanation furnished to us, the company has not obtained any term loan during the year whereas the subsidiary has obtained term loan for expansion of production capacity and proceeds of such term loan has been utilized for purpose for which the loan was obtained.
- (xii) According to the information and explanations given to us, no fraud on or by the Company and its subsidiary have been noticed or reported during the year.

For
Dhirubhai Shah & Doshi
Chartered Accountants
Firm's Registration Number: 102511W

Kaushik D Shah
Partner
Membership Number: 016502
30th May, 2015
Vadodara

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	(Rs. In lacs)	
		As at 31st March, 2015	As at 31st March, 2014
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
Share Capital	1	508.44	508.44
Reserves and Surplus	2	9,265.26	9,256.03
Minority Interest		897.40	892.65
2 Non-Current Liabilities			
Long- term borrowings	3	1,366.97	1,948.35
Deferred tax Liabilities (Net)	4	482.90	741.23
Other Long Term Liabilities	5	482.53	493.45
Long Term Provisions	6	286.91	263.58
3 Current Liabilities			
Short term borrowings	7	111.63	346.62
Trade Payables	8	496.47	363.80
Other Current Liabilities	9	2,050.08	2,145.65
Short Term Provisions	10	262.00	142.26
TOTAL		16,210.59	17,102.06
II. ASSETS			
1 Non-Current Assets			
Fixed assets	11		
(i) Tangible assets		6,973.03	8,393.91
(ii) Capital work-in-progress		420.76	-
Non-current investments	12	93.44	713.03
Long term loans and advances	13	151.43	135.55
2 Current assets			
Inventories	14	3,155.00	3,317.96
Trade Receivables	15	1,856.55	1,894.69
Cash and Bank balances	16	3,124.91	2,252.64
Short Term Loans and Advances	17	297.42	260.67
Other Current Assets	18	138.05	133.61
TOTAL		16,210.59	17,102.06

The Notes form an integral part of these financial statements

1 to 33

As per our Report of even date	For and on behalf of the Board of Directors	
For Dhirubhai Shah & Doshi	N. U. Patel	B. U. Patel
Chartered Accountants	Managing Director	Chairman & Managing Director
Firm's Registration Number: 102511W		
Kaushik D. Shah	J. B. Sojitra	B. B. Patel
Partner	Company Secretary	Chief Financial Officer
Membership No.: 016502		
Vadodara, May 30th, 2015	Vadodara, May 30th, 2015	



SHRI DINESH MILLS LTD.

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. In lacs)

Particulars	Note No.	2014-15	2013-14
I. Revenue from Operations	19	10,009.48	10,637.09
II. Other Income	20	344.58	351.21
III. Total Revenue (I + II)		10,354.06	10,988.30
IV. Expenses:			
Cost of Materials Consumed	21	3,148.34	3,156.58
Purchases of Stock-in-Trade	21	32.50	14.94
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	22	99.32	451.67
Employee Benefits Expense	23	2,821.31	2,595.04
Finance Costs	24	359.59	433.60
Depreciation and Amortization Expense	11	917.84	1,176.30
Other Expenses	25	2,526.36	2,472.44
Total Expenses		9,905.26	10,300.57
VII. Profit before tax (V + VI)		448.80	687.73
VIII. Tax expense:			
(1) Current tax		54.32	205.73
(2) Deferred tax		(94.78)	(48.58)
IX. Profit (Loss) for the year (VII-VIII)		489.26	530.58
Less: Profit transferred to Minority Interest		15.67	43.52
		473.59	487.06
X. Earnings per equity share of Rs. 10 each	27		
(1) Basic		9.31	9.47
(2) Diluted		9.31	9.47

The notes form an integral part of these financial statements

1 to 33

As per our Report of even date
For **Dhirubhai Shah & Doshi**
Chartered Accountants
Firm's Registration Number: 102511W

Kaushik D. Shah
Partner
Membership No.: 016502
Vadodara, May 30th, 2015

N. U. Patel
Managing Director

J. B. Sojitra
Company Secretary

Vadodara, May 30th, 2015

For and on behalf of the Board of Directors

B. U. Patel
Chairman & Managing Director

B. B. Patel
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	(Rs. In lacs)	
	2014-15	2013-14
A. Cash flow from operating Activity		
Net Profit/ (Loss) Before Tax	448.80	687.73
Adjustments For:		
Depreciation	917.84	1,176.30
Interest & Financial Expenses	359.59	434.49
Loss on sales of assets	(0.09)	0.20
Dividend Income	(180.36)	(171.16)
Interest received on deposits	(54.70)	(53.91)
Capital Gain on redemption of Investment	(22.63)	(1.16)
	1,019.65	1,384.76
Operation profit before working capital changes	1,468.45	2,072.49
Adjustment For:		
Inventories	162.96	825.55
Trade Receivables	38.14	(181.48)
Loans & Advances and Other Assets	(57.05)	(64.13)
Trade Payables	132.67	18.53
Other Liabilities & Provisions	(26.24)	(303.36)
Minority Interest	4.75	43.48
Taxes Paid	(47.33)	(205.73)
Profit charged to Minority Interest	(15.67)	(43.52)
	192.23	89.34
Cash Generated from Operations	1,660.68	2,161.83
B Cash Flow from Investment Activities		
Purchase of Fixed Assets (Net of sales)	(467.10)	(772.66)
(Purchase)/ Redemption of Investment	619.59	122.41
Dividend Income	180.36	171.16
Interest received	54.70	53.91
Net Cash Flow from Investment Activity	387.55	(425.18)
C Cash Flow from Financial Activities:		
Buy Back of Shares	-	(161.61)
Proceeds/(Repayment) from Borrowings	(816.37)	(341.90)
Interest & Financial Expenses	(359.59)	(434.49)
Net Cash Flow from Financial Activities	(1,175.96)	(938.00)
Total of Cash Flow	872.27	798.65
Opening Cash & Cash equivalent	2,252.64	1,453.99
Closing Cash & Cash equivalent	3,124.91	2,252.64

Note:

- The cashflow statement has been prepared in accordance with the requirement of AS -3 " Cash flow statement" issued by the Institute of Chartered Accountants of India.
- Previous year's figures have been regrouped wherever necessary to confirm this year's classification.

As per our Report of even date	For and on behalf of the Board of Directors	
For Dhirubhai Shah & Doshi Chartered Accountants Firm's Registration Number: 102511W	N. U. Patel Managing Director	B. U. Patel Chairman & Managing Director
Kaushik D. Shah Partner Membership No.: 016502 Vadodara, May 30th, 2015	J. B. Sojitra Company Secretary Vadodara, May 30th, 2015	B. B. Patel Chief Financial Officer



SHRI DINESH MILLS LTD.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (F.Y. 2014-15)

Particulars	(Rs. In lacs)	
	As at 31st March, 2015	As at 31st March, 2014
NOTE:1 SHARE CAPITAL		
Authorised		
9,500,000 Equity Shares of Rs 10/- each	950.00	950.00
50,000 Unclassified Shares of Rs. 100/-	50.00	50.00
	1,000.00	1,000.00
Issued, Subscribed & Paid up		
5084382 (P.Y. 5084382) Equity Shares of Rs 10/- each fully paid	508.44	508.44
Total	508.44	508.44

1.1 The reconciliation of the number of shares outstanding at the beginning and at the end of the year:-

	(Rs. In Lacs)			
	No. of Shares	As at 31st March, 2015	No. of Shares	As at 31st March, 2014
Shares outstanding at beginning of the year	5,084,382	508.44	5,277,500	527.75
Less: * Buy Back of Equity shares	-	-	193,118	19.31
Shares outstanding at end of the year	5,084,382	508.44	5,084,382	508.44

* During the F.Y. 2013-14, Company had bought back 193118 equity shares at a premium out of General Reserves and amount equal to nominal value of bought back shares i.e Rs.19.31 lacs has been transferred from General Reserve to Capital Redemption Reserve.

1.2 The details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shri U.M.Patel	531,655	10.46	531,655	10.46
Shri B.U.Patel	491,710	9.67	491,710	9.67
Shri N.U.Patel	573,388	11.28	643,998	12.67

1.3 30,780 Equity shares allotted to Shareholders of Platewel Processes and Chemicals Limited as fully paid without payment being received in cash in terms of amalgamation scheme sanctioned by Gujarat High Court, as per order Dated 20th March, 1981.

1.4 The Company has only one class of equity shares having a par value of Rs.10 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (F.Y. 2014-15)

Particulars	(Rs. In lacs)	
	As at 31st March, 2015	As at 31st March, 2014
NOTE: 2 RESERVES & SURPLUS		
a. Capital Redemption Reserve		
Opening Balance	19.31	-
(+) Current Year Transfer from General Reserve	-	19.31
Closing Balance	<u>19.31</u>	<u>19.31</u>
b. General Reserve		
Opening Balance	9,249.13	9,085.73
(+) Current Year Transfer	350.00	325.00
(-) Utilization for Buy Back of Share	-	142.29
(-) Amount transferred owing to change in useful lives of assets as per the Companies Act, 2013 (Net of deferred tax)	354.21	-
(-) Transfer to Capital Redemption Reserve	-	19.31
Closing Balance	<u>9,244.92</u>	<u>9,249.13</u>
c. Surplus		
Opening balance	(12.41)	(67.40)
(+) Net Profit/(Net Loss) for the current year	473.59	487.06
(-) Proposed Dividends	110.15	107.07
(-) Transfer to Reserves	350.00	325.00
Surplus as per annexed accounts	<u>1.03</u>	<u>(12.41)</u>
Total	<u>9,265.26</u>	<u>9,256.03</u>

NOTE: 3 LONG TERM BORROWINGS

Term loans (Term loan under Technology Upgradation Fund Scheme is secured by way of hypothecation of machineries purchased therefrom.)	1,366.97	1,948.35
Total	<u>1,366.97</u>	<u>1,948.35</u>

3.1 TERMS OF REPAYMENT OF TERM LOANS

Name of Institutions	Instruments	Repayment schedule				
		Frequency	Number of Installments	Rate of Interest	First installment due	Amount of Installment
Shri Dinesh Mills Limited						
Indian Overseas Bank - III	Term Loan	Quarterly	24	12.25%	Aug-10	54.58
South Indian Bank - II	Term Loan	Quarterly	24	12.00%	Apr-13	27.50
South Indian Bank - III	Term Loan	Quarterly	24	12.00%	May-14	43.00
Dinesh Remedies Limited						
South Indian Bank Ltd	Term Loan	Quarterly	24	11.50%	Mar-14	39.78



SHRI DINESH MILLS LTD.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (F.Y. 2014-15)

(Rs. In lacs)

Particulars	As on 31.03.2014	Charge / (Credit) during the year	As on 31.03.2015
NOTE: 4 DEFERRED TAX LIABILITY			
Deferred Tax Liability on account of :			
(I) Depreciation	811.30	(251.99)	559.31
Deferred Tax Assets on account of :			
(I) Expenses allowable for tax purpose when paid (Octroi)	15.31	0.00	15.31
(II) Unencashed leave (Leave + Director Leave)	45.55	5.21	50.76
(III) Gratuity	9.21	1.13	10.34
	70.07	6.34	76.41
Net Deferred tax Liabilities / (Assets)	741.23	(258.33)	482.90

Particulars	As at 31st March, 2015	As at 31st March, 2014
-------------	---------------------------	---------------------------

NOTE: 5 OTHER LONG TERM LIABILITIES

Trade Deposits	231.39	236.16
Octroi Liability	63.49	63.49
Oustanding expenses	187.65	193.80
Total	482.53	493.45

NOTE: 6 LONG TERM PROVISIONS

Provision for employee benefits:		
Gratuity	38.08	33.99
Leave Encashment	139.17	126.31
Provisions for Medical/LTA/allowances, etc.	55.46	52.45
Provision for Tax (net of advance tax, TDS, self asst. tax)	54.20	50.83
Total	286.91	263.58

NOTE: 7 SHORT TERM BORROWINGS

<u>Secured</u>		
Cash credit (Cash credits from Banks secured against hypothecation of Raw materials, Stores, Spare parts, Finished goods and Work-in-progress)	111.63	23.79
<u>Unsecured</u>		
Deposits :		
From Directors & Shareholders	-	232.30
From Public	-	90.53
Total	111.63	346.62

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (F.Y. 2014-15)

Particulars	(Rs. In lacs)	
	As at 31st March, 2015	As at 31st March, 2014
NOTE: 8 TRADE PAYABLES		
Micro, Small and Medium Enterprises	-	-
Others	496.47	363.80
Total	496.47	363.80

8.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:

Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

NOTE: 9 OTHER CURRENT LIABILITIES

Interest accrued but not due	71.16	76.50
Unclaimed dividends	21.07	21.17
Unclaimed matured deposits and interest accrued thereon	15.99	17.64
Current Maturities of Long Term Debt	866.45	928.46
Other Payables :		
Advance from Customers	513.17	504.92
Statutory dues	111.02	131.58
Other provision for expenses	446.82	459.98
Other current liabilities	4.40	5.40
Total	2,050.08	2,145.65

9.1 There is no amount due and outstanding to be credited to Investor Education and . Protection Fund as at 31st March, 2015

NOTE: 10 SHORT TERM PROVISIONS

Dues to Directors	15.72	15.72
Provision for employee benefits		
Gratuity	113.50	0.81
Leave Encashment	22.63	18.66
Provisions for Dividend and Dividend Tax	110.15	107.07
Total	262.00	142.26

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (F.Y. 2014-15)

(Rs. In lacs)

NOTE: 11 FIXED ASSETS

Fixed Asset	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK		
	Balance as at 1st April, 2014	Additions	Adjustment/ Deduction	Balance as at 31st March, 2015	Balance as at 1st April, 2014	Depreciation for the year	Adjustment/ Deduction	Amount adjusted with retained earnings on account of change in Assets life as per The Company Act. 2013	Balance as at 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014
(A) Tangible Assets											
Land	381.15	-	-	381.15	-	-	-	-	-	381.15	381.15
Assets under lease	5.91	-	(0.09)	5.82	-	-	-	-	-	5.82	5.91
Buildings	1,051.87	2.05	-	1,053.92	458.38	33.10	-	61.50	552.98	500.94	593.49
Plant and Equipment	20,123.50	25.21	(22.10)	20,126.61	12,984.07	806.42	(1.33)	439.11	14,228.27	5,898.34	7,139.43
Furniture and Dead stock	336.18	5.54	-	341.72	247.79	33.91	-	10.61	292.31	49.41	88.39
Vehicles	336.59	13.09	(9.81)	339.87	225.85	37.89	(8.70)	-	255.04	84.83	110.74
Electrical Installations	176.09	-	-	176.09	107.04	4.33	-	16.20	127.57	48.52	69.05
Tubewell and waterworks	12.15	1.65	-	13.80	6.41	2.10	-	1.27	9.78	4.02	5.75
Sub Total :	22,423.44	47.54	(32.00)	22,438.98	14,029.54	917.75	(10.03)	528.69	15,465.95	6,973.03	8,393.91
(B) Intangible Assets											
Computer Software	9.78	-	-	9.78	9.78	-	-	-	9.78	-	-
Total :	22,433.22	47.54	(32.00)	22,448.76	14,039.32	917.75	(10.03)	528.69	15,475.73	6,973.03	8,393.91
Previous Year's Total	21,484.26	995.40	(46.39)	22,433.27	12,892.39	1,176.21	(29.28)	-	14,039.32	8,393.91	

Note: 11.1 Effective from 1st April, 2014, the company has started providing depreciation on tangible assets over the revised remaining useful lives of tangible assets in alignment with useful lives prescribed in Schedule II to the Companies Act, 2013. Consequently, depreciation charge for the year ended March 31, 2015 is lower by Rs. 94.17 Lacs. Further, an amount of Rs. 365.13 Lacs (net of deferred tax) has been recognised in the opening balance of Retained Earnings which relate to the carrying amount of tangible assets whose revised remaining useful life was NIL as at 1st April, 2014.

Note: 11.2 Gross Block is carried at cost except Leasehold Land which is at cost less amounts written off.

Note: 11.3 Amount written off Rs. 0.09 Lacs of Leasehold Land has been debited to Profit and Loss Account under the head Depreciation and Amortization Expenses.

Note: 11.4 Buildings includes Rs. 750/- being the cost of shares in Co-operative Society (Previous year Rs. 750/-)

Note: 11.5 Capital work-in-progress includes spares for Spinning machine amounting to Rs. 32.04 Lacs and Capsule making plant with ancillary amounting Rs. 388.72 Lacs, which were not put to use as on 31.03.2015.



NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (F.Y. 2014-15)

Particulars	As at 31st March 2015	(Rs. In lacs) As at 31st March 2014
NOTE: 12 NON CURRENT INVESTMENTS		
Investment in Equity instruments:		
In fully paid shares		
Unquoted:		
50 Equity Shares of Rs. 100/- each in Gujarat Sheep & Wool Development Corporation Limited	0.05	0.05
186265 (186265) Equity Shares of Rs. 10/- each in Narmada Cleantech Limited	18.63	18.63
Quoted:		
120020 (P.Y 120020) Equity Shares of Rs. 10/- each in Kamron Laboratories Limited Less Provision for Diminuation in Value (Market Value per Share - NIL)	-	-
Others:		
400 Equity Shares of Rs. 25/- each in Co-operative Bank of Baroda Limited	0.10	0.10
Investments in Government or Trust securities:		
50,000 11.50% GOI Securities - 2015	55.90	55.90
20,000 6.90% GOI Securities - 2019	18.76	18.76
Investments in Mutual Funds:		
NIL (P.Y 775325.887) Units of HDFC Prudence	-	252.01
NIL (P.Y 800645.406) Units of SBI balance Fund	-	242.58
NIL (P.Y 436220.847) Units of FT India Balance Fund	-	125.00
Total	93.44	713.03
NOTE: 13 LONG TERM LOANS & ADVANCES		
(Unsecured, considered good)		
Security Deposits	136.11	121.83
Balance with Statutory authorities	15.32	13.72
Total	151.43	135.55



SHRI DINESH MILLS LTD.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (F.Y. 2014-15)

Particulars	(Rs. In lacs)	
	As at 31st March, 2015	As at 31st March, 2014
NOTE: 14 INVENTORIES		
a. Raw Materials	597.10	781.37
b. Goods-in transit	54.74	-
c. Work-in-progress	1,194.62	1,056.24
d. Finished goods	867.61	1,097.27
e. Stores and spares	440.93	383.08
Total	3,155.00	3,317.96
NOTE: 15 TRADE RECEIVABLES		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	172.04	184.41
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
Sub total	172.04	184.41
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	1,684.51	1,710.28
Total	1,856.55	1,894.69
NOTE: 16 CASH AND BANK BALANCES		
Bank Balances:		
In Current Account	57.61	247.71
In Fixed Deposit Account (having maturity period less than 3 months)	3,003.98	1,973.17
Other Bank Balances:-		
In Fixed Deposit Account (having maturity period more than 12 months)	33.25	5.40
Unclaimed dividend accounts	26.07	21.19
Total	3,120.91	2,247.47
Cash on hand	4.00	5.17
Total	3,124.91	2,252.64
NOTE: 17 SHORT-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Statutory dues (net of tax provisions)	112.90	147.92
Advance to Suppliers	139.03	84.22
Other loans and advances	33.73	18.26
Prepaid Expenses	11.76	10.27
Total	297.42	260.67

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (F.Y. 2014-15)

Particulars	(Rs. In lacs)	
	As at 31st March, 2015	As at 31st March, 2014
NOTE: 18 OTHER CURRENT ASSETS		
Interest and Dividend Receivables on investments	2.35	16.37
Interest Subsidy receivables	135.70	117.24
Total	138.05	133.61
	2014-15	2013-14
NOTE: 19 REVENUE FROM OPERATIONS		
Sale of products	10,712.44	11,400.77
Less:		
Excise duty	702.96	763.68
Total	10,009.48	10,637.09
NOTE: 20 OTHER INCOME		
Interest Income	54.70	54.10
Dividend Income	180.36	171.16
Miscellaneous Income	109.52	125.95
Total	344.58	351.21
NOTE: 21 COST OF MATERIALS CONSUMED		
Shri Dinesh Mills Limited		
Wool	410.26	511.29
Synthetic Fibre	861.25	843.50
Yarn	921.10	911.45
Others	21.15	21.17
Dinesh Remedies Limited		
Gelatin	911.11	846.23
Others	23.47	22.94
Total	3,148.34	3,156.58
GOODS - TRADED - IN :		
Ready Made Garments	32.50	14.94
21.1 Imported & Indigenous		
	2014-15	2013-14
	VALUE	VALUE
	(Rs. In lacs)	(Rs. In lacs)
	%	%
Shri Dinesh Mills Limited		
Raw material consumed:		
Imported	1389.99	1468.34
Indigenous	823.77	819.07
Dinesh Remedies Limited		
Indigenous	934.58	869.17
Total	3148.34	3156.58
	100.00	100.00



SHRI DINESH MILLS LTD.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (F.Y. 2014-15)

Particulars	(Rs. In lacs)	
	2014-15	2013-14
NOTE: 22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Inventories (at close):		
Work -in- Process	1,194.62	1,056.24
Finished Goods	867.61	1,097.27
	<u>2,062.23</u>	<u>2,153.51</u>
Inventories (at commencement):		
Work -in- Process	1,056.25	1,311.22
Finished Goods	1,097.28	1,288.87
	<u>2,153.53</u>	<u>2,600.09</u>
	<u>91.29</u>	<u>446.58</u>
Excise duty variations on opening/closing stocks	8.03	5.09
Total	<u>99.32</u>	<u>451.67</u>
NOTE: 23 EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	2,406.50	2,309.20
Contributions to -		
Provident fund, Superannuation scheme & Other funds	365.78	235.48
Employees' State Insurance Scheme	38.70	40.24
Staff welfare expenses	10.33	10.12
Total	<u>2,821.31</u>	<u>2,595.04</u>
NOTE: 24 FINANCE COST		
Interest expenses	334.31	417.10
Other borrowing costs	25.28	16.50
Total	<u>359.59</u>	<u>433.60</u>
NOTE: 25 OTHER EXPENSES		
Stores Consumed	355.67	386.94
Electricity, Power and Fuels	588.29	548.68
Rent	1.53	1.63
Commission	155.16	170.89
Cash Discount	173.54	202.42
Repairs to Building	28.90	24.99
Repairs to Machinery	369.25	346.94
Repairs to Others	18.16	16.10
Insurance	26.08	23.81
Rates and Taxes	30.52	29.79
Payment to Auditors	10.11	8.26
Advertisement and Publicity	19.00	32.71
Legal & professional fees	148.44	143.78
Travelling and Conveyance	208.51	171.46
Miscellaneous expenses	393.20	364.04
Total	<u>2,526.36</u>	<u>2,472.44</u>

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (F.Y. 2014-15)

Particulars	(Rs. In lacs)	
	2014-15	2013-14
25.1 PAYMENT TO AUDITORS AS:		
Statutory Auditors		
i) Audit Fees	5.51	4.26
ii) For Taxation matters	4.59	3.13
iii) For expenses	0.01	0.50
Sub Total	10.11	7.89
Cost Auditors :		
i) As auditors	-	0.37
Total	10.11	8.26

NOTE: 26 C.I.F. VALUE OF IMPORTS, EXPENDITURE AND EARNINGS IN FOREIGN CURRENCY

(A) C.I.F. Value of imports :		
Raw Materials	1,061.50	1,067.59
Capital Goods	324.15	875.05
Stores & Spares	239.92	82.09
(B) Expenditure in Foreign currencies:		
Commission	51.28	45.27
Travelling expenses	74.13	57.25
Other matters	29.42	39.08
(C) Earnings in Foreign currencies:		
F.O.B. value of Exports	998.36	741.38
Others	-	-

NOTE: 27 EARNINGS PER SHARE (EPS)

Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. In Lacs)	473.59	487.06
Weighted Average number of equity shares used as denominator for calculating EPS	5,084,382	5,141,285
Basic and Diluted Earnings per share (Rs.)	9.31	9.47
Face Value per equity share (Rs.)	10.00	10.00

NOTE: 28 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF

Workers' demand - matter under appeal	216.56	35.96
Claims against the company not acknowledged as debts	-	-
Income tax Demands (including interest) - matter under appeal	842.03	671.83
Excise matter under appeal	214.09	214.59

NOTE: 29

Estimated amount of contracts remaining to be executed on Capital Account (net of advance payment) Rs. 489.53 Lacs (previous year Rs. NIL)



SHRI DINESH MILLS LTD.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (F.Y. 2014-15)

NOTE: 30 RELATED PARTY INFORMATION

(A) Name of related party and nature of relationship

Name of related party	Description of relationship
1. <u>Where significant influence exists:</u>	
Shri Dinesh Foundation	Key Management Personnel are Trustee
Shri Maganbhai B. Patel's Charity Trust	Key Management Personnel are Trustee
2. <u>Key Management Personnel :</u>	
Mr. U.M.Patel	Chairman Emeritus
Mr. B.U.Patel	Chairman & Managing Director
Mr. N.U.Patel	Managing Director
3. <u>Relatives Of Key Management Personnel</u>	
Mrs. R.B.Patel	Wife of Mr. B.U.Patel
Mrs. A.N.Patel	Wife of Mr. N.U.Patel
Ms J.B.Patel	Daughter of Mr. B.U.Patel
Mr. A.B.Patel	Son of Mr. B.U.Patel
Mstr. N.N.Patel	Son of Mr. N.U.Patel
Mrs. M.U.Patel	Wife of Mr. U.M.Patel

(B) Transactions with related party

Name of Related Party	Relationship	Nature of Transaction	Amount		Outstanding Balance	
			2014-15 (Rs. in Lacs)	2013-14 (Rs. in Lacs)	2014-15 (Rs. in Lacs)	2013-14 (Rs. in Lacs)
1. Chairman Emeritus Shri U.M.Patel	Key Management Personnel	Fixed Deposits received Interest Paid	- 1.08	5.00 2.37	- -	40.00 -
2. Chairman and Managing Director Shri B.U.Patel	-- do --	Remueration Fixed Deposits received Interest Paid	107.12 - 0.02	100.08 - 2.98	7.72 - -	7.72 2.00 -
3. Managing Director Shri N.U.Patel	-- do --	Remueration Fixed Deposits received Interest Paid	100.08 - 0.19	100.08 2.00 0.19	8.00 - -	8.00 2.00 -
4. Relatives of Key Management Personnel	Relatives of Key Management Personnel	Fixed Deposits received Interest Paid Salary	- 8.21 11.39	61.60 12.30 11.13	- - -	122.45 - -

(C) There are no provisions for doubtful debts or amounts written off or written back in respect of debts due to or due from related parties

(D) Related party relationship is as identified by the Company on the basis of information available with them and relied "upon by the Auditors

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (F.Y. 2014-15)
Note: 31 Segment wise Revenue and Capital employed for the year ended March 31st, 2015
(a) Primary segment : Business segment

(Rs. in lacs)

	Textile		Pharmaceuticals		Consolidated	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Revenue						
External Sales	8,049.08	8,609.86	1,960.40	2,027.23	10,009.48	10,637.09
Total Revenue	8,049.08	8,609.86	1,960.40	2,027.23	10,009.48	10,637.09
Segment Results						
Profit before Interest and Tax	655.11	876.73	128.00	228.09	783.11	1,104.82
Interest Expense (Net)					334.31	417.10
Other un-allocable income, net of unallocable Expenditure					-	-
Profit before tax					448.80	687.72
(1) Current tax					54.32	205.73
(2) Deferred tax					(94.78)	(48.58)
Profit/(Loss) for the year					489.26	530.57
Less: Share of Minority Interest					15.67	43.52
Profit / (Loss) (after adjustment of Minority Interest)					473.59	487.06
Segment Assets	4,966.93	6,213.79	2,426.86	2,180.13	7,393.79	8,393.92
Total Assets					7,393.79	8,393.92
Segment Liabilities	1,388.27	5,325.93	4,041.07	1,011.94	5,429.34	6,337.87
Total Liabilities					5,429.34	6,337.87
Capital Expenditure	66.76	944.08	401.54	32.90	468.30	976.98
Depreciation & Amortisation	787.53	1,029.62	130.22	146.59	917.75	1,176.21
Non cash Expenses other than depreciation	-	-	-	-	-	-

(b) Secondary segment – Geographical Information of geographical segment :

(Rs. in lacs)

Particulars	In India		Out side India		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Segment Revenue	9,011.12	9,445.09	998.36	1,192.00	10,009.48	10,637.09
Carrying cost of Assets by location of Assets	16,210.59	17,102.06	-	-	16,210.59	17,102.06
Addition to Assets and Intangible	468.30	743.16	-	-	468.30	743.16

Other Disclosure :

- Segment has been identified in line with the Accounting Standard - 17 "Segment Reporting" taking into account the organisation Structure as well as the differing risks and returns.
- Company has disclosed Business Segment as the Primary Segment.
- Composition of Business Segment:
Name of Segment comprises of:
 - Textile - Woollen Textiles
 - Pharmaceuticals - Empty Hard Gelatin Capsules



SHRI DINESH MILLS LTD.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (F.Y. 2014-15)

Note: 32 Significant Accounting Policies followed by the Company are as stated in the statement annexed to this schedule as Annexure I.

Note: 33 Previous year's figures have been regrouped wherever necessary.

As per our Report of even date	For and on behalf of the Board of Directors	
For Dhirubhai Shah & Doshi	N. U. Patel	B. U. Patel
Chartered Accountants	Managing Director	Chairman & Managing Director
Firm's Registration Number: 102511W		
Kaushik D. Shah	J. B. Sojitra	B. B. Patel
Partner	Company Secretary	Chief Financial Officer
Membership No.: 016502		
Vadodara, May 30th, 2015	Vadodara, May 30th, 2015	

Annexure I referred to in note 32 to the Account for the year ended 31st March, 2015, Statement on significant Accounting Policies

1. System of Accounting :

These financial statements have been prepared on an accrual basis and under historical cost convention and in compliance, in all material aspects, with generally accepted principles in India and are in compliance with the accounting standard issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013. The significant accounting policies adopted by the Company are detailed below:

2. Fixed Assets and Depreciation :

A. Fixed Assets

- I. Fixed Assets are carried at cost of acquisition including incidental cost relating to acquisition / installation. Fixed Assets are shown net of accumulated depreciation and amortized amount (except on free- hold land).
- II. Capital Work-in-progress is stated at amount expended up to the date of Balance Sheet.

B Depreciation and Amortisation

- a) Leasehold land
Premium on leasehold land is being amortized over the period of lease.
- b) Other Fixed Assets
 - i. Depreciation on all the assets is being provided on written down value method except for plant & machinery of holding Company & all assets of subsidiary Company, wherein straight line method is followed. The useful life of continuous process plant & electrical installation of Subsidiary Company are considered based on the technical assessment by the Management. For residual assets rates of depreciation is in accordance with the provisions of section 123 of the Companies Act, 2013 considering the useful life provided in part "C" of the schedule II.
 - II. Depreciation on additions to the assets during the year is being provided on pro-rata basis with reference to the month of acquisition /installation.
 - III. Depreciation on assets sold, discarded, demolished or scrapped during the year is being provided up to the month in which such assets are sold, discarded, demolished or scrapped.

3. Investments :

Investments are classified into Current and Non-current investments. Current investments are stated at lower of cost and fair value. Non-current investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of Non-current investments.

4. Inventories :

- i) Stores, Machinery Spares, Coal, etc. are valued at cost or net realizable value whichever is lower. Cost is arrived at on 'Moving Weighted Average Cost basis'.
- ii) Raw Materials are valued at cost or net realizable value whichever is lower. Cost is arrived at on 'Specific Identification cost basis'.
- iii) Materials in Process and Finished Goods are valued at cost or net realizable value, whichever is lower. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.



SHRI DINESH MILLS LTD.

The excise duty in respect of closing inventory of finished goods is included as part of finished goods.

- iv) Materials in Customs Bonded Warehouse and in transit are stated at cost, up to the date of Balance Sheet.
- v) Due allowance is estimated and provided for defective and obsolete items, wherever necessary, based on the past experience of the Company.

5. Foreign Currency Transactions :

- i) Initial Recognition:

Transactions denominated in foreign currencies are recorded at the rate prevailing on the date of the transaction.

- ii) Conversion:

At the year-end, monetary items denominated in foreign currencies remaining unsettled are converted into rupee equivalents at the year-end exchange rates. Non monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

- iii) Exchange Differences:

All exchange differences arising on settlement and conversion of foreign currency transactions are included in the profit and loss account, except in cases where they relate to the acquisition of fixed assets, acquired out of India in which case they are adjusted in the cost of the corresponding asset.

6. Revenue Recognition :

- i) Domestic Sales are recognized as revenue on transfer of significant risk and rewards of ownership which is generally on dispatch of products to the customers.
- ii) Export Sales are recognized as revenue on transfer of significant risk and rewards of ownership which is generally on the basis of the dates of Bill of Lading and / or Air Way Bill.
- iii) Export incentives benefits under "Duty Entitlement Pass Book under the Duty Exemption Scheme" and "Duty Draw back scheme" are accounted in the year of exports.
- iv) Dividend income is accounted for in the year in which the right to receive the same is established.
- v) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

7. Employee Benefits :

- i) Defined Contribution Plan:

Company's contribution paid/payable during the period to Provident Fund, Employee Deposit Linked Insurance Plan, Super Annuation Fund, Employee State Insurance Plan and Labour Welfare Fund are recognized as an expense in the Profit and Loss Account.

- ii) Defined Benefit Plan:

Provision for payments to the Employees Gratuity Fund after taking into account the funds available with the Trustees of the Gratuity Fund is based on actuarial valuation done at the close of each financial year.

At the reporting date Company's liabilities towards gratuity is determined by independent actuarial valuation using the projected unit credit method. Actuarial gain and losses are recognized immediately in the statement of Profit and Loss account as income or expenses.

iii) Other defined benefits

Provision for other defined benefits for long term leave encashment is made based on an independent actuarial valuation on projected unit credit method at the end of each financial year. Actuarial gain and losses are recognized immediately in the statement of Profit and Loss Account as income or expenses.

iv) Company recognizes the undiscounted amount of short term employee benefits during the accounting period based on service rendered by employees.

8. Taxation :

Income tax expense comprises of Current tax and Deferred tax charge or credit. Provision for current tax is made on assessable income at the tax rate applicable to the relevant assessment year.

The Deferred tax Asset and Deferred tax liability are calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realisation, supported by convincing evidence.

Deferred Tax Assets on account of other timing difference are recognized only to the extent there is a reasonable certainty of its realization.

The carrying amount of Deferred tax assets are reviewed to reassure realization at each Balance Sheet date.

9. Government Subsidy :

i) Government subsidies are recognized when there is reasonable assurance that the same will be received.

ii) Revenue subsidies for expenses incurred are reduced from the respective expenses.

iii) Capital subsidies relating to specific fixed assets are reduced from the gross value of the respective fixed assets.

10. Borrowing Costs :

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

11. Provisions, Contingent Liabilities and Contingent Assets :

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date and adjusted to reflect the current management estimates. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

12. Impairment of Assets :

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital.



SHRI DINESH MILLS LTD.

Form: AOC - I

(Pursuant to first proviso to sub - section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries / Associate companies / Joint Ventures

Part - "A": Subsidiaries

Sr. No.	Particulars	Amount (Rs. in Lacs)
1	Name of the Subsidiary	Dinesh Remedies Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period is same i.e. 31st March of every year
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
4	Share Capital	2359.16
5	Reserves & Surplus	(347.67)
6	Total Assets	3399.76
7	Total Liabilities	3399.76
8	Investments	0.00
9	Turnover	1971.27
10	Profit Before Tax	43.82
11	Provision for Taxation	8.60
12	Profit after Tax	35.22
13	Proposed Dividend	NIL
14	% of shareholding	55.52%

Notes:

- (1) Names of subsidiaries which are yet to commence operations: None.
- (2) Names of subsidiaries which have been liquidated or sold during the year: None

Part - "B": Associates and Joint Ventures: - None

For and on behalf of the Board of Directors of Shri Dinesh Mills Limited,

BHARAT U. PATEL
Chairman & Managing Director

N. U. PATEL
Managing Director

Vadodara, 30th May, 2015

J. B. Sojitra
Company Secretary

B. B. Patel
Chief Financial Officer (CFO)

SHRI DINESH MILLS LIMITED

Regd. Office : P.O. Box No. 2501, Padra Road, Vadodara - 390 020 • www.dineshmills.com

(CIN: L17110GJ1935PLC000494)

80th ANNUAL GENERAL MEETING

ATTENDANCE SLIP

Folio No. : _____ / DP ID No. _____ / Client ID No. _____

No. of Shares : _____

Name of Proxy (if any) _____

I/We hereby record my/our presence at the 80th Annual General Meeting of the Company being held at Registered Office of the Company at Padra Road, Vadodara on Tuesday, the 30th September, 2015 at 11.00 A.M.

Member's/Proxy's Signature

Notes :

1. Please complete the Folio / DP-ID / Client ID No. and Name, sign this Attendance Slip and hand it over at the Attendance verification counter at the entrance of the Meeting Hall.
2. Members holding shares in physical form are requested to advise the change in their address, if any to the Registrar / Company quoting their Folio Number(s). Members holding shares in electronic form may update such details with their respective Depository Participant(s).
3. Member intending to appoint a proxy, should complete the proxy form and deposit it at the Company's Registered Office not later than 48 hours before the commencement of the Annual General meeting.





SHRI DINESH MILLS LIMITED
 Regd. Office : P.O. Box No. 2501, Padra Road, Vadodara - 390 020 • Website : www.dineshmills.com
 (CIN: L17110GJ1935PLC000494)

PROXY FORM

Name of Member(s): _____

Registered Address: _____

Email ID: _____

Folio No. / Client ID: _____ DP ID: _____

I/We, being a Member /Members of Shri Dinesh Mills Limited hereby appoint:

1. Name : _____

Address: _____

E-mail ID: _____ Signature _____ or failing him

2. Name : _____

Address: _____

E-mail ID: _____ Signature _____ or failing him

3. Name : _____

Address: _____

E-mail ID: _____ Signature _____

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 80th Annual General Meeting of the Company, to be held on Tuesday, the 30th September, 2015 at 11.00 A.M. at the Registered Office of the Company and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution No.	Resolutions	Optional *	
		For	Against
Ordinary Business:			
1	Adoption of Accounts		
2	Declaration of Dividend on Equity Shares		
3	Re-appointment of Shri Nimishbhai Patel who retires by rotation and being eligible, offers himself for re-appointment.		
4	Appointment of Statutory Auditors		
Special Business:			
5	To consider Re-appointment of Shri Nimishbhai Patel as Managing Director of the Company.		
6	Appointment of Mrs. Gorsji Parekh as an Independent Director.		
7	To consider revision in the terms of appointment of Mr. Aditya Patel.		

Signed this on _____ day of _____ 2015

Signature of Shareholder: _____

Signature of Proxy Holder(s): _____

Notes:

- The Proxy should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Annual General Meeting.
- For this Resolution and explanatory statement and notes, please refer to the notice of the 80th Annual General Meeting.
- It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'for' or 'against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of manner(s) in above box before submission.

Affix 1 Rupee Revenue Stamp

