

GEM SPINNERS INDIA LIMITED

THIRTIETH ANNUAL REPORT

2019 - 2020

Board Of Directors

Mr. R. Veeramani - Managing Director
 Mr. S. Gopal - Non Executive Director
 Mr. P.P. Doddanavar - Independent Director
 Mrs. Poorana Juliet - Independent Director
 Mrs. A. Vani - Company Secretary
 Mr. G. Senthilvel - Chief Financial Officer

Audit Committee

Mr. P.P. Doddanavar - Chairman of the Committee
 Mr. S. Gopal
 Mrs. Poorana Juliet

Stakeholders' Relationship Committee

Mrs. Poorana Juliet - Chairman of the Committee
 Mr. P.P. Doddanavar
 Mr. S. Gopal

Statutory Auditors

M/s. K. Arunkumar & Associates
 Chartered Accountants
 "Kumar House" Plot No. 6,
 Door No. 1/803, Deivanai Nagar,
 Madipakkam, Chennai - 600 091.

SECRETARIAL AUDITORS

M/S. Lakshmmi Subramanian & Associates,
 Company Secretaries
 M.N.O. Complex, 81, Greams Road,
 Chennai – 600 006.

BANKERS

Lakshmi Vilas Bank

Registrar & Share Transfer Agent

Cameo Corporate Services Ltd.
 "Subramanian Building", 1, Club House Road,
 Chennai – 600 002.

Stock Exchange

BSE Limited

Regostered Office & Mills

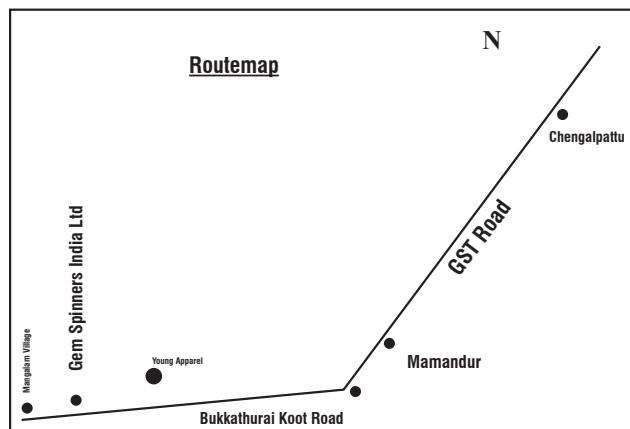
14, Mangalam Village, Madhuranthagam Taluk,
 Kancheepuram District, Tamil Nadu - 603 107

Corporate Office

78, Cathedral Road, Chennai - 600 086.

Website :

www.gemspin.com
 E-mail Id - accounts@gemspin.com
 CIN : L17111TN1990PLC019791



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NOTICE TO SHAREHOLDERS

Notice is hereby given that the Thirtieth Annual General Meeting of the shareholders of the Company will be held on Thursday, the 31st December 2020 at No.14 Mangalam Village, Madhurantagam Taluk, Kancheepuram District, Tamilnadu – 603 107 at 10.30 a.m to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2020 and the Profit and Loss Account for the year ended on that date together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Mr.R.Veeramani(DIN: 00032895) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. To re-appoint Ms.Poorana Juliet as an Independent Director and in this regard, pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms.Poorana Juliet(DIN: 07143637), who was appointed as an Independent Director up to 30th September, 2020 and being eligible be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, that is from 1st October 2020 to 31st October 2025 on the Board of the Company.

By Order of the Board

Place : Chennai - 86

Date : 11.11.2020

A. Vani

Company Secretary

NOTES

1. A member entitled to attend and vote at AGM is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself and the proxy need not be a member of the company. A person can act as a proxy on behalf of a maximum of 50 members and holding in aggregate not more than 10% of the total share capital of the Company. A Member holding more than 10% percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided that the person does not act as proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a duly certified copy of the Board resolution on the letter head of the company, signed by one of the Directors or Company Secretary or any other authorized signatory and / or duly notarized power of Attorney, authorizing their representatives to attend and vote on their behalf at the meeting.
3. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
4. During the period beginning 24 hours before the time fixed for the commencement of the AGM and until the conclusion of the meeting, a member would be entitled to inspect the proxies

lodged during the business hours of the company, provided that not less than three days of notice in writing is given to the company.

5. Members / proxies / authorized representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.
6. The register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 (the Act), and the Register of contracts or arrangements in which the directors are interested, maintained under section 189 of the Act, will be available for inspection by the members at the AGM.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 16th December 2020 to Wednesday, 23rd December 2020 (both days inclusive) for the purpose of AGM.
8. Members are requested to notify immediately any change in their address to the Registrar and Share transfer Agent – M/s. Cameo Corporate Services Ltd., “Subramanian Buildings”, 1, Club House Road, Chennai-600 002.
9. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a Green Initiative in Corporate Governance and allowed Companies to share documents with its shareholders through an electronic mode. SEBI (LODR) Regulations 2015 permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email addresses for the said purpose. Hence Members are requested to register their e-mail addresses with the Company by sending their details relating to name, folio no./DP Id/Client Id to the company's email id : gemspinnersindialimited@gmail.com
10. Members holding shares in physical form and in electronic mode are requested to immediately notify change in their address and updates of savings bank account details, if any, to their respective Depository Participant(s) and to Registrar and Share Transfer Agents, M/s. Cameo Corporate Services Ltd., “Subramanian Buildings”, 1, Club House Road, Chennai-600 002 quoting their folio number.
11. Pursuant to section 72 of the Companies Act 2013, Shareholders holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant
12. Members desirous of obtaining any information concerning the accounts of the Company are requested to address their queries to the Company Secretary at least seven days in advance of the Meeting so that the information required can be readily made available at the meeting.
13. All documents referred to in the accompanying notice and the explanatory statement requiring the approval of the members at the AGM and other statutory registers shall be available for inspection at the Registered office of the Company during business hours on all days, except Saturdays, Sundays and National Holidays form the date hereof up to the date of AGM
14. With effect from 1st April 2014, inter alia, provisions of Section 149 of Companies Act 2013 has been brought into force. In terms of the said section read with section 152(6) of the Act, the provisions of retirement by rotation are not applicable to Independent Directors.
15. The route map showing directions to reach the venue of the 30th AGM is annexed

16. Electronic copy of the AGM Notice of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy form is being sent in the permitted mode.

17. Voting through Electronic Means

In compliance with provisions of Section 108 of the Companies Act 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer E-Voting facility as an alternate, for its shareholders to enable them to cast their votes electronically at the 30th Annual General Meeting (AGM) through e-voting service provided by Central Depository Services (India) Limited. E-Voting is optional. The procedure and instructions for the same are as follows:

The Company will provide the e-voting facility through CDSL. The e-voting procedures are set out below:

The instructions for members for voting electronically are as under:-

- The voting period begins on 28th December 2020 at 9.00 A.M. and ends on 30th December 2020 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 23.12.2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- The Shareholders should log on the e-voting website www.evotingindia.com
- Click on "Shareholders" tab
- Now, select the "GEM SPINNERS INDIA LIMITED" from the drop down menu and click on "SUBMIT"
- Now enter your user ID
 - For CDSL: 16 digits beneficiary ID
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID
- Members holding shares in Physical Form should enter Folio Number registered with the Company
- Next enter the image verification as displayed and click on Login

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form
PAN*

Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.
- In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.

DOB*

Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details

Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v)

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

Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Click on the EVSN for Gem Spinners India Limited

On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution

Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details

After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page

If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Note for Non-Individual Shareholders and Custodians

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Question ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

18. Please note that by virtue of providing the e-voting facility by the company as per Rule 20 of Companies (Management and Administration) Rules, 2014 the following will be applicable:

- (i) The manner of voting for the members being present in the General Meeting will be on "proportion principle" ie one share – one vote unlike one person one vote principle, further, as per the provision of the Companies Act, 2013, demand for poll will not be relevant.
- (ii) The option of voting by show of hands will not be available for members presenting the General Meeting in view of clear provision of section 107 of the Companies Act, 2013, ie voting by show of hands would not be allowable in cases where Rule 20 of Companies (Management and Administration) Rules, 2014 is applicable.
- (iii) Any member who has voted through e-voting facility provided by the company may also participate in the General Meeting in person, but such a member will not be able to exercise his vote again in the meeting, and the earlier vote casted through electronic means will be treated as final.
- (iv) The facility for voting through ballot form shall be made available to all the shareholders who could not exercise their vote through e-voting. The ballot paper in Form MGT-12 is being sent to all the members, along with this report. The voting rights of Members shall be in proportion their shares of the paid up equity share capital of the Company as on 30.12.2020.

A Member desiring to exercise vote by ballot paper should complete the Ballot Form attached with this report and sent it to :Gem Spinners India Limited, No 14 Mangalam Village, MadurathagamTaluk, Kancheepuram-603107

Please return the form duly completed through post or courier, so as to reach the company on or before the close of working hours of between 10.00 a.m and 5.00 p.m on 30.12.2020.

The facility of voting through ballot form shall also be made available at the meeting and the members attending the meeting who have not cast their vote by remote evoting shall be able to vote at the meeting through ballot form.

Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares on the cut-off date i.e. 23.12.2020 may obtain the login ID and password by sending an email to investor@cameoindia.com or helpdesk.evoting@cdslindia.com by mentioning their Folio No./DP ID and Client ID. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote

- (vi) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days after the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a

person authorised by him in writing , who shall countersign the same and declare the result of the voting forthwith.

- (vii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website and website of CDSL <http://www.evotingindia.com> and also forward the same to the Bombay Stock Exchange of India Limited simultaneously, where the Company's shares are listed.

AS PER REGULATION 36(3) OF SEBI (LODR) 2015 AND AS PER CLAUSES OF SS 2 ADDITIONAL INFORMATION ABOUT THE DIRECTOR FOR THE ITEM NO. 3

Name of the Director	MS.POORANA JULIET
DIN	07143637
Age	54
Qualification	B.A
Experience	20
Expertise in specific functional area	Secretarial
Date of first Appointment in the Board	30-03-2015
Shareholding in the Company	Nil
Relationship with other Directors and KMP	Nil
No. of Meetings attended during the year	4
Other directorship / Membership / Chairman of committee of other board.	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

ITEM NO.3

Ms.Poorana Juliet is a Non-Executive Independent Director of the Company. Ms.Poorana Juliet was appointed as an Independent Director and her office completes on 30th September 2020. Ms.Poorana Juliet is a Member in Audit Committee and Nomination and Remuneration Committee of the Company.

As per Section 149(10) of the Companies Act, 2013 ("the Act"), an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company. Therefore, the Board of Directors of the Company, considered and further recommended for the approval of the shareholders, the proposal for re-appointment of Ms.Poorana Juliet (DIN: 07143637) as an independent director on the Company's Board, not liable to retire by rotation, for a period of five years commencing from 01st October 2020 to 30th September 2025.

Ms.Poorana Juliet has given consent to act as Director of the Company. He also confirmed his eligibility to be appointed as director on the Company's Board and also that he does not attract any of the disqualifications prescribed under the Companies Act, 2013. The Board of Directors further confirm that in the opinion of the Board, the independent director possesses the relevant experience, have rich experience and fulfils the conditions specified in the Act for such appointment and is independent of the management of the Company.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the proposed resolution except to the extent of their shareholding in the Company

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 30th Annual Report of our Company along with the Audited Balance Sheet and the Statement of Profit and Loss Account for the year ended March 31, 2020.

1) FINANCIAL RESULTS

Particulars	2019-20 Rs. in Lakhs	2018-19 Rs. in Lakhs
SALES		
Export	0.00	0.00
Operating Profit	(97.11)	961.44
Less: Financial Charges	-	0.01
Gross Profit	(97.11)	961.43
Less : Depreciation	23.61	23.60
Profit/(Loss) before Tax	(120.72)	937.83
Net (Loss) / Profit	(119.14)	765.26
Accumulated Loss	(3166.21)	(3047.07)

2) PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

During the year there was no turnover. The Operating Profit/Loss was of the order of Rs.(97.11) Lakhs as compared to the previous year of Rs.961.44 Lakhs. The Company has suspended the operation due to market volatility. Your directors are exploring all the possibilities of recommencing the production subject to viability.

3) IMPACT OF COVID-19 PANDEMIC

In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers globally. The COVID-19 pandemic is a major blackswan event, which has dragged the economy and the advertising environment as a result. The Company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial statements

4) SHARE CAPITAL

The paid up Equity Share Capital of the Company as on March 31, 2020 was Rs. 30.68 Crores. No additions and alterations to the capital were made during the financial year 2019-20.

5) DIVIDEND

Your Directors regret for the non-declaration of dividend owing to non-operation of the unit.

6) TRANSFER TO GENERAL RESERVE

Your Company does not propose any transfer of funds to the General Reserve.

7) MATERIAL CHANGES AND COMMITMENTS OF THE COMPANY

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of report; and there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the company's operation in future.

8) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There have been no loan, guarantees or investments given or made by the company under section 186 of the Companies Act, 2013 during the financial year.

9) SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The company doesn't have any subsidiaries, associates and joint venture companies.

10) DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on date of the balance sheet.

11) DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL (KMPs)

Board Composition

The Board consists of the one Executive Director, one Non-Executive Director and Two Non-Executive Independent Directors.

Independent Directors are appointed for a term of five years and are not liable to retire by rotation.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and regulation 16(b) of the SEBI listing regulations.

Retirement by rotation

Pursuant to Section 152 of the Companies Act, 2013, Mr. R.Veeramani who retires by rotation at the forthcoming AGM and is eligible for re-appointment.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Companies Act, 2013 the Key Managerial Personnel of the Company are Mr.R.Veeramani, Managing Director, Mrs. A.Vani, Company Secretary and Mr.G.Senthilvel, Chief Financial Officer.

Declaration of Independent Directors

As per the Companies Act, 2013, your company had appointed two independent directors and they have declared that they meet the criteria of independence in terms of Section 149(6) of the Companies Act, 2013 and that there is no change in their status of independence.

Policy of Director's Appointment and Remuneration

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance report, which forms part of the Board's Report.

Information U/S 197(12) Of The Companies Act 2013

The information required u/s 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is NIL

Training Of Independent Directors

To familiarize the strategy, operations and functions of our Company, the executive directors make presentations/orientation programme to non – executive independent directors about the company's strategy, operations, product and service offerings, markets, organization structure, finance, human resources, production facilities and quality and risk management. The appointment letters of Independent Directors has been placed on the Company's website at www.gemspin.com.

12) MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the Company had met during the year on 14th February 2020 to review the performance of non- Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had accessed the quality, quantity and timeliness of flow of information between the company management and the Board.

13) DIRECTORS' RESPONSIBILITY STATEMENT**Your Directors state that:**

- a) in the preparation of the annual accounts for the year ended March 31, 2020, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

14) BOARD MEETINGS:

During the year, four board meetings were held. The intervening gap between two board meetings exceeded 120 days for the year ended 31st March 2019. Dates of the Board meetings and details of Directors' attendance at the meetings are furnished in the Corporate Governance report.

15) RISK MANAGEMENT POLICY

The risk management is overseen by the audit committee of the company on a continuous basis, therefore constituting a Risk Management Committee does not arise. Major risks, if any, identified by the business and functions are systematically addressed through mitigating action on a continuous basis. The Risk Management Policy is available in the Company website www.gemspin.com.

16) RELATED PARTY TRANSACTIONS

As per the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations 2015, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at www.gemspin.com.

The Policy intends to ensure that proper reporting approval and disclosure processes are in place for all transactions between the Company and Related Parties. This Policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

There were no contract / arrangement / transactions entered in to during the year ended March 31, 2020.

17) CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Directors and Members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company. A declaration to this effect has been signed by Mr.G.Senthilvel, Chief Financial Officer.

18) ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE, ETC

The information as required to be disclosed on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure - I" to this Report.

19) EXTRACT OF ANNUAL RETURN

The extract of Annual Return of the Company is annexed herewith as Annexure - "II" to this report.

20) CORPORATE GOVERNANCE REPORT, MANAGEMENT DISCUSSION & ANALYSIS REPORT AND OTHER INFORMATION REQUIRED UNDER THE COMPANIES ACT, 2013 AND SEBI (LODR) REGULATIONS 2015.

As per the provisions of the SEBI(LODR) Regulations, 2015, Management Discussion & Analysis Report (Annexure III) and Corporate Governance Report with Auditors' Certificate thereon (Annexure - IV) are attached and form part of this report.

21) CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your company is not having Net profits of more than 5 Crore rupees, in the Year 2019-20 and therefore Constituting of a CSR committee in accordance with the provisions of section 135 of the Act does not arise.

22) PARTICULARS OF EMPLOYEES:

According to Section 197(12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, none of the directors are drawing remuneration and thereby the said section is not applicable and hence not furnished.

23) REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

24) STATUTORY AUDITORS

M/s. K.Arunkumar & Associates, Chennai, Chartered Accountants, (Registration Number 0162155) has been appointed as statutory auditors of the Company at the Annual General Meeting held on 30th November 2017 form the conclusion of 27th Annual General Meeting till the conclusion of 32nd Annual General Meeting of the company.

25) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly.

The internal control is supplemented by an extensive programme of internal audit, review by management and documented policies, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial statements and other data for maintaining accountability of assets.

26) SECRETARIAL AUDITOR

As required under Section 204 of the Companies Act, 2013 and Rules there under the Board has appointed Lakshmmi Subramanian & Associates, Practising Company Secretaries as Secretarial Auditor of the company to conduct Secretarial Audit for the financial year 2019-20. The Secretarial Audit Report for the financial year ended March 31, 2020 is annexed herewith marked as Annexure - "V" to this Report.

COMMENT ON SECRETARIAL AUDITOR'S REPORT - The Board of Directors has taken adequate measures to regularize the qualification stated in their report.

27) DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company.

28) DISCLOSURE UNDER THE SEXUAL HARASMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDESSAL) ACT, 2013

The company has in place an anti-sexual Harassment Policy as required under prevention of Sexual Harassment of Woman at workplace (Prohibition, Prevention and Redressal) Act 2013 and constituted an Internal Complaints Committee (ICC). Your Directors further states that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

29) ACKNOWLEDGEMENT

Your Directors thank the Central and State Governments and the Banks for their continued help and support.

Your Directors also thank the Authorised Wholesale Dealers, Stockiest and Retailers for their excellent support under difficult conditions and the Consumers for their continued patronage of your Company's products. Your Directors are especially thankful to the esteemed Shareholders for their continued encouragement and support.

For and on behalf of the Board of Directors

For Gem Spinners India Limited

Place: Chennai
Date: 11.11.2020

R.Veeramani
DIN: 00032895

P.P.Doddanavar
DIN: 00960514

ANNEXURE - I

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

Details on Conservation of energy, Technology absorption and Foreign exchange earnings and outgo

Details	Disclosure	
(A) Conservation of energy –	The Company has suspended the manufacturing operation, hence the conservation of energy reporting is not applicable.	
(i) the steps taken or impact on conservation of energy;		
(ii) the steps taken by the company for utilizing alternate sources of energy;		
(iii) the capital investment on energy conservation equipments;	Nil	
(B) Technology Absorption	Since there is no manufacturing activity, the disclosure under this clause is not applicable.	
(C) Foreign exchange earnings and Outgo	Rs. In lakhs	
	2019-20	2018-19
(1) Expenditure on Foreign Currency		
a) Commission	Nil	Nil
b) Travel	Nil	Nil
(2) Earnings in Foreign Exchange	Nil	Nil

ANNEXURE - II

FFORM NO. MGT – 9 EXTRACT OF ANNUAL RETURN As on financial year ended on 31.03.2020

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

i)	CIN	L17111TN1990PLC019791
ii)	Registration Date	18-10-1990
iii)	Name of the Company	GEM SPINNERS INDIA LIMITED
iv)	Category / Sub – category of the Company	
v)	Address of the Registered office and Contact Details	NO 14 MANGALAM VILLAGEMADURATHAGAM TALUK, KANCHEEPURAM DISTRICT
vi)	Whether listed company	YES
vii)	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	CAMEO CORPORATE SERVICES LTD. 'SUBRAMANIAN BUILDING', 1, CLUB HOUSE ROAD, CHENNAI – 600 002.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl No.	Name & Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	COTTON YARN	5205 00	100%
2	COTTON KNITTED FABRICS	6002 00	NIL

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI. No	Name and Address of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of Shares held	Applicable Section
NIL					

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
a) Individual/ HUF	42353500	90000	42443500	69.16	44623000	90000	44713000	69.16	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	0	0	0	0	0	0	0	0	0
e) Banks/ FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A)(1):-	42353500	90000	42443500	69.16	42353500	90000	42443500	69.16	0
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other -Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	42353500	90000	42443500	69.16	42353500	90000	42443500	69.16	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	12486790	200	12486990	20.35	12486790	200	12486990	20.35	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	12486790	200	12486990	20.35	12486790	200	12486990	20.35	0
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	50100	163900	214000	0.35	47500	163900	211400	0.34	-0.0042
ii) Overseas									
b) Individuals									
i) individual shareholders holding nominal share capital upto Rs.1 lakh	744800	5100900	5845700	9.52	749300	5095900	5845200	9.52	-0.0008
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	92600	297500	390100	0.63	538800	267500	5655600	9.22	8.58

(iii) Qualified Foreign investor	0	0	0	0	0	0	0	0	0
(c) Any Other									
i) Clearing Members	1400	0	1400	0.0022	3000	0	3000	0.005	0.003
ii) Hindu Undivided families	19700	0	19700	0.03	21200	0	21200	0.03	0.0024
iii) Non Residents Indians – NRI	300	0	300	0.0004	300	0	300	0.0004	0
iii) Trusts	300	0	300	0.0004 - I					
Sub-total (B)(2)	909200	5562300	6471500	10.54	6209700	5527300	11737000	19.12	8.58
Total Public Shareholding (B) = (B)(1) + (B)(2)	13395990	5562500	18958490	30.89	11131490	5527500	16658990	27.14	-3.75
(C) Shares held by Custodian for GDRs and ADRs	0	0	0	0	0	0	0	0	0
GRAND TOTAL (A) + (B) + (C)	55749490	5622500	61371990	100	55754490	5617500	61371990	100	0

(ii) Shareholding of Promoters

S.No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in the shareholding during the year
		No. of Shares	% of total Shares of the Company	% of shares pledged / encumbered total shares	No. of Shares	% of total shares of the company	% of Shares pledged / encumbered to total shares	
1.	SRI. R.VEERAMANI	12692166	20.68	0	14961666	24.38	0	0
2.	SRI.S.R.ASAITHAMBI	10174638	16.58	0	10174638	16.58	0	0
3.	SRI.R.SEKAR	9743348	15.87	0	9743348	15.88	0	0
4.	SRI.S.R.KUMAR	9743348	15.87	0	9743348	15.88	0	0
5.	SMT. RAJI VEERAMANI	30000	0.05	0	30000	0.05	0	0
6.	SMT. A. SEETHALAKSHMI	30000	0.05	0	30000	0.05	0	0
7.	SMT. VEDAVALLI KUMAR	30000	0.05	0	30000	0.05	0	0

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

S.No	For Each of the top 10 Shareholders	Shareholding at the beginning of the year		Change in Share Holding during the Year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	At the beginning of the year	42443500	69.16%	42443500	69.16%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus / sweat equity etc):	Nil		Nil	
	At the end of the year	44713000	72.85	42443500	69.16%