

# **GEM SPINNERS INDIA LIMITED**

## **THIRTY-SECOND ANNUAL REPORT**

**2021 - 2022**

### BOARD OF DIRECTORS

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

### AUDIT COMMITTEE

Mr.P.P.Doddanavar – Chairman  
Mr.S.Gopal – Member  
Mrs.Poorana Juliet – Member

### STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr.S.Gopal – Chairman  
Mr.R.Veeramani– Member  
Mr.P.P. Doddanavar – Member

### 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  
Practising 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

### REGISTERED OFFICE & MILLS

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

### DATE AND TIME OF THE MEETING

23rd SEPTEMBER 2022 - 10.30 a.m.

### VENUE OF THE MEETING

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

### CORPORATE OFFICE

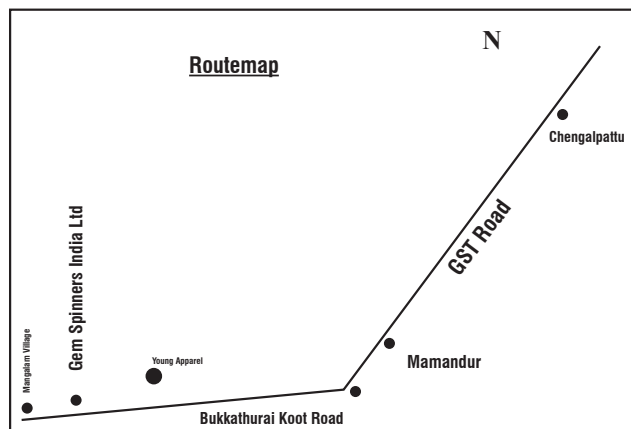
78, Cathedral Road, Chennai - 600 086.

### WEBSITE :

[www.gemspin.com](http://www.gemspin.com)

E-mail Id - [accounts@gemspin.com](mailto:accounts@gemspin.com)

CIN : L17111TN1990PLC019791



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## NOTICE TO SHAREHOLDERS

Notice is hereby given that the Thirty Second Annual General Meeting of the shareholders of the Company will be held on Friday, the 23rd September 2022 at the Registered Office of the Company at No.14 Mangalam Village, Madhuranthagam 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, 2022 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.S.Gopal (DIN: 06448007) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

To Re-appoint M/s. K.Arunkumar & Associates, Chartered Accountants as the Statutory Auditors of the Company and to authorise Board of Directors of the Company to fix their remuneration:

“RESOLVED THAT pursuant to the provisions of Section 139(2) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time (“Act”), Mr. K. ArunKumar & Associates, Chartered Accountants (Firm Registration No. 016215S) be and is hereby re-appointed as Auditors of the Company for a second term of 5 (five) years to hold office from the conclusion of this 32nd Annual General meeting until the conclusion of the 37th Annual General Meeting at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as may be decided by the Board of Directors of the Company.”

### SPECIAL BUSINESS

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

To re-appoint Mr.R.Veeramani (DIN: 00032895) as a Managing Director

“RESOLVED THAT in accordance with the provisions of Sections 196 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), on the basis of recommendation of Nomination and Remuneration Committee and approval of the board read with Regulation 17 (1)(A) of Securities and Exchange Board of India (LODR) Regulations 2015

as amended from time to time, the consent of the Company be and is hereby accorded to the re-appointment Mr.R.Veeramani (DIN: 00032895) as Managing Director of the Company for a period of 3 years from 01-10-2022 to 30-09-2025 with no remuneration.

By Order of the Board

A. Vani

Company Secretary

Place : Chennai - 86

Date : 10.08.2022

Registered Office

14, Mangalam Village, Madhuranthagam Taluk,  
Kancheepuram District, Tamil Nadu – 603 107.  
CIN – L17111TN1990PLC019791

Website - [www.gemspin.com](http://www.gemspin.com)

E-mail Id – [accounts@gemspin.com](mailto:accounts@gemspin.com)

Phone: +91-44-28115190

### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED/ CORPORATE OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 17th September 2022 (Saturday) to 23rd September, 2022(Friday) (both days inclusive) for the purpose of AGM.
3. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of 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.
4. We urge the members to support our commitments to monumental protection by choosing to receive their shareholding communication through mail. You can do this by updating your email address with your Depository Participant.
5. Members may also note that the Notice of the 32nd Annual General Meeting and the Annual Report 2021-2022 will be available on the Company's Website, [www.gemspin.com](http://www.gemspin.com)
6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
7. Pursuant to the provisions of Sections 107 and 108, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the option of E-Voting facility to all the members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting. The Members who wish to attend Annual General Meeting can vote at the Meeting. The Company has appointed Mrs. Lakshmmi Subramanian of M/s Lakshmmi Subramanian & Associates, Practicing Company Secretaries, Chennai as Scrutinizer.

The procedure and instructions for e-voting are as under:

- i) Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii) Now click on "Shareholders" to cast your votes.
- iii) Now, select the "Company Name" from the drop down menu and click on "SUBMIT".
- (iv) Now, fill up the following details in the appropriate boxes:

User ID	For Members holding shares in Demat Form:- a) For NSDL:- 8 Character DP ID followed by 8 digits Client ID
	b) For CDSL:- 16 digits beneficiary ID
	For Members holding shares in Physical Form:-
	• Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department
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.

\*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 sequence number (Sequence number has been provided as Serial number in the address label and / or in the e-mail sent to Members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name.

Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

# Please enter any one of the details in order to login. In case both the details are not recorded with the depository and company please enter the Member id / folio number in the Dividend Bank details field.

- v) After entering these details appropriately, click on "SUBMIT" tab.
- vi) Members holding shares in Physical form will then reach directly to the voting screen.
- vii) Members holding shares in Demat form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password is also to be used by the Demat holders for voting for resolution 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.
- 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 communication(s) regarding CDSL e-voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.

- ix) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.
- x) For Members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions contained in this Notice.
- xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Enter the number of shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding.
- xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv) Institutional members (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 at [secretarial@gemspin.com](mailto:secretarial@gemspin.com) with a copy marked to helpdesk. [evoting@cdslindia.com](mailto:evoting@cdslindia.com).
- xv) In case you have any queries or issues regarding e-voting, please contact [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- xvi) The e-voting period commences on 20.09.2022 from 9.00 AM onwards and ends on 22-09-2022 at 5.00 PM
- xvii) During this period members holding shares in physical or dematerialized form as on the Cut-off date (record date) i.e. 16-09-2022 may cast their vote electronically. The e-voting module shall be displayed by CDSL for voting thereafter.
- xviii) The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company.
8. Members holding shares in electronic mode may please note that the dividend payable to them would be paid through Electronic Clearing Services (ECS) at the available RBI locations. The dividend would be credited to their bank account as per the mandate given by the members to their Depository Participants (DPs). In absence of availability of ECS facility, the dividend will be paid through warrants and the bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations.
9. In respect of shares held in physical form, members desirous of receiving dividends by way of direct credit to their bank account through ECS may authorize the Company with their ECS mandate. The Shareholders desirous of obtaining the ECS mandate may download the form from the website of the Company at [www.gemspin.com](http://www.gemspin.com) or may write to the Company Secretary at the Registered Office of the Company.
10. Members holding shares in physical form are requested to notify change of address immediately to the Share Transfer Agent of the Company, M/s.Cameo Corporate Services Ltd, Subramanian Building, No.1 Club House Road, Chennai 600 002 for the purpose of mailing Dividend Warrants etc. As per SEBI Circular, members holding shares in physical form and in case of transfer of shares means, the Transfer Deed should contain PAN of both Transferor and Transferee.

11. The Shares of the Company have been activated for dematerialisation with Central Depository Services (India) Ltd (CDSL) vide ISIN INE165F01020. Members wishing to dematerialise their shares may approach any Depository Participant. (DP).
12. Kindly mention your Folio Number/PAN No./Client ID/DPID Number (in case of shares held in electronic form) in all your correspondence to Share Transfer Agents and in the case of electronic form to the Depository Participant in order to reply to your queries promptly.
13. Members seeking any information or clarification with regard to the accounts are requested to write to the Company atleast ten days in advance of the meeting so as to enable the Company to keep the information ready.
14. Members who hold shares in demat form are requested to notify any change in their particulars like change in address, bank particulars etc. to their respective Depository Participants.
15. The Ministry of Corporate Affairs vide its circular dated 21st April 2011 allowed the companies to send notices, annual reports and other documents by means of e-mail to the members of the Company. Hence members, who have not registered their e-mail addresses, are requested to register their e-mail addresses with the Company/ Registrar.
14. Pursuant to provisions of Section 72 of the Companies Act, 2013, Members can avail of the facility of nomination in respect of shares held by them in physical form. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 duly filled in to the Company's Registrar and Share Transfer Agent: Cameo Corporate Services Limited, 'Subramanian Building', No.1, Club House Road, Chennai - 600 002. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.
15. **Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.**
16. Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting.

**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.2&4.**

Name of the Director	SRI.R.VEERAMANI	SRI.S.GOPAL
DIN	00032895	06448007
Age	80	62
Qualification	B.Sc., B.L	M.Sc., MBA
Experience	51	35
Expertise in specific functional area	Lawyer turned Technocrat entered into the stone industries in 1971. He is in business of Mining, Textiles, Sugar, Hotel and IT Industry	Indirect Taxation
Date of first Appointment in the Board	06/12/1993	18/09/2012

Shareholding in the Company	14961666	NIL
Relationship with other Directors and KMP	NIL	NIL
No. of Meetings attended during the year	5	5
Other directorship / Membership / Chairman of committee of other board.	1. Gem Sugars Ltd 2. Ferro Magnets & Allied Products Ltd 3. Gem Granites Pvt Ltd 4. Imperial Granites Pvt Ltd 5. Gem Holiday Resorts Ltd 6. Gem Stone Beach Resorts Pvt Ltd 7. Veeramani Minerals Private Ltd 8. Veeramani Natural Stones Private Ltd 9. Stone Wonders (India) Ltd 10. Celia Leather Private Ltd 11. Get Minerals & Coal Private Ltd 12. CAPEXIL	1. Gem Graphites Pvt Ltd 2. Gem Holiday Resorts Ltd 3. Shanmugha Granite Industries Pvt Ltd 4. Gem Software Solutions Ltd 5. Gem Energy Industry Ltd 6. Ferro Magnets & Allied Products Ltd 7. Sri Raghuramachandra Minerals Pvt Ltd
Chairman / Member of the Committee of the Board of Directors of the Company	1. Stakeholders' Relationship Committee	1. Audit Committee 2. Stakeholders' Relationship Committee 3. Nomination and Remuneration Committee
Chairman / Member of the Committee of Directors of other Public Limited Companies in which he / she is a Director	Nil	Nil

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013**

**ITEM NO.4**

As Mr.R.Veeramani, Managing Director since appointed during 2019, his period of service as recommended by Nomination and Remuneration Committee, to be extended for further period of 3 years from 2022 to 2025. Considering the position of the Company, no remuneration was made and hence the Board of Directors are proposing the appointment of Mr.R.Veeramani for a period of 3 years without any remuneration. Pursuant to Section 196 of Companies Act 2013 read with Regulation 17(1)(A) of Securities and Exchange Board of India (LODR) 2015 as amended from time to time, Mr.R.Veeramani aged above 70 years, a special resolution required to be passed.

Accordingly, Item No.4 is placed before the Members for approval.

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 32nd 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, 2022.

### 1) FINANCIAL RESULTS

Rs. in Lakhs

Particulars	2021-22	2020-21
<b>SALES</b>		
Export	0.00	0.00
Operating Profit	(47.30)	(37.78)
Less: Financial Charges	-	-
Gross Profit	(47.30)	(37.78)
Less : Depreciation	17.60	23.61
Profit/(Loss) before Tax	(64.90)	(61.39)
Net (Loss) / Profit	(64.90)	(61.39)
Accumulated Loss	(3296.18)	(3231.28)

### 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.(47.30) Lakhs as compared to the previous year of Rs.(37.78) 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) SHARE CAPITAL

The paid up Equity Share Capital of the Company as on March 31, 2022 was Rs. 30.68 Crores. No additions and alterations to the capital were made during the financial year 2021-22.

### 4) DIVIDEND

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

### 5) TRANSFER TO GENERAL RESERVE

Since there is no operation, the Company does not transferred any funds to the General Reserve.

### 6) 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.

### 7) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

### 8) SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

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

### 9) 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.

### 10) DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### 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.

Mr.R.Veeramani, Managing Director, who is retiring on 30-09-2022 is re-appointed as Managing Director for a further period of 3 years commencing from 01-10-2022 to 30-09-2025.

#### Retirement by rotation

Pursuant to Section 152 of the Companies Act, 2013, Mr.S.Gopal 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](http://www.gemspin.com).

### 11) MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the Company had met during the year on 11th February 2022 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.

### 12) DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- in the preparation of the annual accounts for the year ended March 31, 2022, 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;
- 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, 2022 and of the profit of the Company for the year ended on that date;
- 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;
- 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.

### 13) BOARD MEETINGS:

During the year, five board meetings were held. Dates of the Board meetings and details of Directors' attendance at the meetings are furnished in the Corporate Governance report.

### 14) 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.

### 15) 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](http://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.

### 16) 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.

### 17) 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.

### 18) EXTRACT OF ANNUAL RETURN

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

### 19) 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.

### 20) CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your company is not having Net profits of more than 5 Crore rupees, in the Year 2021-22 and therefore constituting of a CSR committee in accordance with the provisions of section 135 of the Act does not arise.

### 21) 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.

### 22) 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.

### 23) STATUTORY AUDITORS

As the tenure ends on conclusion of the 32nd Annual General Meeting, M/s.K. Arunkumar & Associates, Chennai, Chartered Accountants, (Registration Number 016215S) has been re-appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of 37th Annual General Meeting.

### 24) 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.

### 25) SECRETARIAL AUDITOR

As required under Section 204 of the Companies Act, 2013 and Rules there under the Board has appointed M/s.Lakshmmi Subramanian & Associates, Practising Company Secretaries as Secretarial Auditor of the company to conduct Secretarial Audit for the financial year 2022-23. The Secretarial Audit Report for the financial year ended March 31, 2022 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.

### 26) 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.

### 27) 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.

### 28) ACKNOWLEDGEMENT

Your Directors thank the Central and State Governments and the Banks for their continued help and support. 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: 10.08.2022

**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	
	2021-22	2020-21
(1) Expenditure on Foreign Currency		
a) Commission	Nil	Nil
b) Travel	Nil	Nil
(2) Earnings in Foreign Exchange	Nil	Nil

**ANNEXURE - II**

**FORM NO. MGT – 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2022**

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management &amp; 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**

Sl. 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	
<b>(A) Promoters</b>									
(1) Indian									
a) Individual/ HUF	44623000	90000	44713000	72.86	44623000	90000	44713000	72.86	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):-	44623000	90000	44713000	72.86	44623000	90000	44713000	72.86	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
<b>Total shareholding of Promoter (A) = (A) (1)+ (A)(2)</b>	44623000	90000	44713000	72.86	44623000	90000	44713000	72.86	0
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	4921790	200	4921990	8.02	4921790	200	4921990	8.02	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) FIIs	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)	4921790	200	4921990	8.02	4921790	200	4921990	8.02	0
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	46600	163900	210500	0.34	41600	163900	205500	0.33	-0.0081
ii) Overseas									
b) Individuals									
i) individual shareholders holding nominal share capital upto Rs.1 lakh	751200	5095900	5847100	9.53	736600	5090500	5827100	9.50	-0.00325
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	5388100	267500	5655600	9.22	5411500	267500	5679000	9.25	0.0381
(iii) Qualified Foreign investor	0	0	0	0	0	0	0	0	0
(c) Any Other									
i) Clearing Members	3200	0	3200	0.0052	4700	0	4700	0.0076	0.0024
ii) Hindu Undivided families	20000	0	20000	0.0325	20100	0	20100	0.0327	0.0001

iii) Non Residents Indians – NRI	300	0	300	0.0004	300	0	300	0.0004	0
iii) Trusts	300	0	300	0.0004	300	0	300	0.0004	0
Total	23800	0	23800	0.0387	25400	0	25400	0.0413	0.0026
<b>Sub-total (B)(2)</b>	6209700	5527300	11737000	19.1243	6215100	5521900	11737000	19.1243	0.00
Total Public Shareholding (B) = (B)(1) + (B)(2)	11131490	5527500	16658990	27.1442	11136890	5522100	16658990	27.1442	0.00
<b>(C) Shares held by Custodian for GDRs and ADRs</b>	0	0	0	0	0	0	0	0	0
<b>GRAND TOTAL (A) + (B) + (C)</b>	55754490	5617500	61371990	100	55759890	5612100	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	14961666	24.38	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	15.88	0	9743348	15.88	0	0
4.	SRI.S.R.KUMAR	9743348	15.88	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		Cumulative 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	44713000	72.86%	44713000	72.86%
	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	72.86%	44713000	72.86%