

GEM SPINNERS INDIA LTD.

78, CATHEDRAL ROAD, CHENNAI - 600 086, INDIA
CIN No.L17111TN1990PLC019791

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27-05-2022

The Manager
Listing Department
Bombay Stock Exchange Limited
Phiroze Jee Jee Bhoy Towers
Dalal Street, Mumbai 400 001

Dear Sir,

Sub: Outcome of the Board Meeting of Gem Spinners India Limited held on 27-05-2022

Ref : Clause 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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Pursuant to Clause 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are pleased to inform you that the Board of Directors at its meeting held to-day (27-05-2022), which commenced at 11.00 a.m and concluded at 3:05 p.m have considered and approved the following.

The Board has approved and taken on record of the Audited Financial Results for the quarter and year ended 31st March 2022 along with the Independent Auditor Report issued by the Statutory Auditor of the Company.

A copy of the Audited Financial Results and the Independent Audit Report for the year ended 31st March 2022 is attached herewith.

This is for information & records.

Thanking you,

Yours faithfully,

For GEM SPINNERS INDIA LIMITED



Company Secretary



GEM SPINNERS INDIA LTD

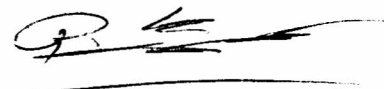
Regd. Office: 14, Mangalam Village, Madhuranthangam Taluk, Kancheepuram District - 603 107

Part I: Statement of Standalone Audited Financial Results for the Fourth Quarter and Year ended 31st March, 2022

SL. No	Particulars	Rs. In Lakhs				
		QUARTER ENDED			YEAR ENDED	
		31/03/2022 Audited	31/12/2021 Unaudited	31/03/2021 Audited	31/03/2022 Audited	31/03/2021 Audited
1	Income from operation	0.00	0.00	0.00	0.00	0.00
2	Other income	0.00	0.00	0.31	0.00	0.71
3	Total income (1+2)	0.00	0.00	0.31	0.00	0.71
4	Expenses					
	(a) Cost of materials consumed	0.00	0.00	0.00	0.00	0.00
	(b) Purchase of stock-in-trade	0.00	0.00	0.00	0.00	0.00
	(c) Change in Inventories of finished goods, work-in-progress and stock-in-trade	0.00	0.00	0.00	0.00	0.00
	(d) Employee benefits expenses	3.63	3.05	3.43	12.85	10.23
	(e) Finance costs	0.00	0.00	0.00	0.00	0.00
	(f) Depreciation and amortisation expense	3.90	3.90	5.91	17.60	23.61
	(f) Other expenses	9.70	8.71	6.75	34.45	28.26
	Total expenses (4)	17.23	15.66	16.09	64.90	62.10
5	Profit/ (Loss) before exceptional items and Tax (3-4)	(17.23)	(15.66)	(15.78)	(64.90)	(61.39)
6	Tax Expenses	0.00	0.00	0.00	0.00	0.00
	(1) Current Tax	0.00	0.00	0.00	0.00	0.00
	(2) Deferred Tax	0.00	0.00	0.00	0.00	0.00
7	Profit (+)/ Loss(-) from the continuing operations (5-6)	(17.23)	(15.66)	(15.78)	(64.90)	(61.39)
8	Other Comprehensive Income	0.00	0.00	0.00	0.00	0.00
9	Total Comprehensive Income for the period (7-8)	(17.23)	(15.66)	(15.78)	(64.90)	(61.39)
10	Paid-up equity share capital	3068.60	3068.60	3068.60	3068.60	3068.60
11	Earnings Per Equity Share (face value of Rs.5/- each)					
	Basic/Diluted	(0.03)	(0.03)	(0.03)	(0.11)	(0.10)

Notes :

- Pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended, the Company has published quarterly results. These financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
- During the quarter there was no complaint received from the investors.
- During the quarter the Company has provided depreciation on Plant & Machinery considering the life of the machinery.
- The above results have been reviewed by the Audit Committee and the same were approved and taken on record by the Board of Directors at the Meeting held on 27th May, 2022.
- The Company has considered the potential impact on COVID 19 in the preparation of the unaudited financial results. Based on its assessments there is no material impact on the carrying value of assets based on the information available till the date of approval of these financial results. The Company is continuously monitor any material changes in economic conditions.
- Previous quarter's figures have been regrouped / reclassified wherever necessary.



Place : CHENNAI
Date : 27.05.2022

R.VEERAMANI
MANAGING DIRECTOR

STATEMENT OF ASSETS AND LIABILITIES

(RS.IN LAKHS)

Particulars	AS AT	
	31/03/2022 (AUDITED)	31/03/2021 (AUDITED)
A.ASSETS		
Non-current assets		
a) Fixed Assets	553.85	571.45
b) Deferred Tax assets (net)	116.29	116.29
c) Long-term Loans and advances	41.44	43.50
d) Other non-current assets	13.76	13.86
Sub-total : Non-current assets	725.34	745.10
Current assets		
a) Current investments	-	-
b) Inventories	-	-
c) Trade receivables	-	-
d) Cash and Bank balances	11.88	3.05
e) Short term loans and advances	-	-
f) Other current assets	6.21	6.29
Sub-total : Current assets	18.09	9.34
TOTAL - ASSETS	743.43	754.44
B.EQUITY AND LIABILITIES		
1.Shareholder's Funds		
a) Share Capital	3068.60	3068.60
b) Reserves and Surplus	-3098.98	-3034.08
c) Share Application Money pending allotment	-	-
Sub-total : Shareholder's Funds	-30.38	34.52
2.Non-current liabilities		
a) Other Long term liabilities	657.40	657.30
3.Current liabilities		
a) Short-term borrowings	-	-
b) Trade payables	100.31	45.23
c) Other current liabilities	1.44	4.12
d) Short-term provisions	14.66	13.27
Sub-total : Current liabilities	116.41	62.62
TOTAL - EQUITY AND LIABILITIES	743.43	754.44



CASH FLOW STATEMENT

Particulars		For the year ended 31st March, 2022	For the year ended 31st March 2021
A. Cash Flow from operating activities			
Profit/(Loss) for the year		-6490160.62	-6138980.74
Adjustments for :			
Depreciation		1759874.76	2361488.00
Interest and Finance		274.00	121.96
Deferred expenses written off		0.00	0.00
Less : Interest/Dividend Income		0.00	0.00
Operating Profit before Working Capital Changes	A	-4730011.86	-3777370.78
Adjustments for :			
Inventories		0.00	0.00
Loans and Advances		205876.00	331760.38
Other Current Assets		17786.00	361632.00
Miscellaneous Expenditure		0.00	0.00
Debtors		0.00	0.00
Current Liabilities	B	5389175.35	2577993.77
		5612837.35	3271386.15
Cash generated from Operations (A+B = C)	(A+B = C)	882825.49	-505984.63
Interest and Finance Charges	D	274.00	121.96
Net Cash from Operating Profit	(C-D = E)	882551.49	-506106.59
B. Cash flow from investing activities			
Purchase of fixed assets		0.00	0.00
Interest received		0.00	0.00
Bank Deposits		0.00	0.00
Net Cash used in investing activities		0.00	0.00
C. Cash Flow from financing activities			
Preferential Issue of Shares to Financial Institutions		0.00	0.00
Proceeds from long term borrowings		0.00	0.00
Proceeds from short term borrowings		0.00	0.00
Net Cash used in Financing Activities		0.00	0.00
Net increase in cash and cash equivalents		882551.49	-506106.59
Cash and cash equivalents as at 31.03.2021 (Opening Balance)		47428.21	553534.80
Cash and Cash equivalents as at 31.03.2022 (Closing Balance)		929979.70	47428.21

For and on behalf of the Board



R. Veeramani
Managing Director
Din No.00032895

S. Gopal
Director
Din No. 06448007

As per our report of even date
For K. ARUNKUMAR & ASSOCIATES

Chartered Accountants
Firm Regn. No. 0162155




K. Arun Kumar
Partner
Membership No. 237426

Place : Chennai

Date : 21/04/22

UDIN: 22237426AJRYZW3411



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GEM SPINNERS LIMITED

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone Ind AS Financial Statements of GEM SPINNERS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Material uncertainty Related to Going Concern

The Company has incurred substantial operating losses during the current period and earlier. There is thus, in our opinion, existence of a material risk as to the Company's ability to continue as a going concern. However, the financial statements of the company have been prepared on a going concern basis for the reasons stated in Notes .

Our conclusion is not qualified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the mater described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section out of report,



including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our opinion on the accompanying standalone Ind AS financial statements.

A. REVENUE RECOGNITION

Key Audit Matter Description

During the year, on account of adoption of new revenue standard Ind AS 115 – Revenue from contracts with customer, there have been changes in revenue recognition policy with regards to timing of recognition and related disclosures. Revenue recognition is inherently an area of audit risk, which we have substantially focused on mainly covering the aspects of cut off considering the above impact of Ind AS 115 and cut-off are key audit matters

Principal Audit Procedures

Our audit procedures relating to revenue comprised of test of controls and substantive procedures including the following:

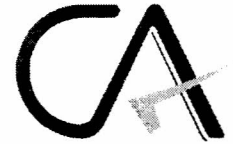
- a. We assessed whether the policy of recognizing revenue was in line with Ind AS – 115.
- b. We performed procedures to assess the design and internal controls established by the management and tested the operating effectiveness of relevant controls related to the recognition of revenue.

Conclusion

Based on the procedures performed above, we did not find any material exceptions with regards to adoption of Ind AS 115 and timing of revenue recognition.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. Responsibilities of Management for the standalone Ind AS Financial Statements The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design,



implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of the India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Companies Act, 2013, 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 purposes 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 including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS Financial Statements comply with the Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the Internal Financial Controls Over Financial Reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With 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, as amended in our opinion and to the best of our information and according to the explanation given to us:



- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS Financial Statements. (Refer note 38 to the standalone Ind AS financial statements;
- ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31,2022.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For K Arun Kumar &Associattes
Chartered Accountants
FRN: 016215S
UDIN: 22237426AJRYZW3411



K Arun Kumar
MRN: 237426

Place: Chennai
Date: 27-May-22



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to Independent Auditor report to the members of the company on the financial statements for the year ended 31 March, 2022, we report that:

1. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets (Property, Plant and Equipment and intangible assets). These fixed assets have been physically verified by the management at reasonable intervals and as explained to us, no material discrepancies were noticed on such verification during the year. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets.
2. Physical verification of inventory has been conducted at reasonable intervals by the management. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. The Company is maintaining proper records of inventory. As explained to us, the discrepancies noticed on physical verification were not material and the same have been properly dealt with in the books of account.
3. According to the Information and Explanation given to us 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, 2013.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the act, with respect to Loans and investments made.
5. The Company has not accepted any deposits from the public during the year.
6. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
7. According to the information and explanations given to us and based on our examination of the records of the company, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. There are no undisputed statutory dues payable in respect of above which were outstanding as at 31st March 2022 for a period of more than six months from the date they became payable.

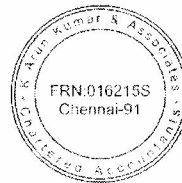
According to the information and explanation given to us, there are no statutory dues outstanding on account of any dispute except:

(Rs. In Lakhs)				
Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
Service tax	Service tax	58.60	2004-07, 2008-09, 2010-11, 2011-12	CESTAT
Sales tax	Sales tax	22.89	2005-06 to 2009-10	Commercial tax

8. According to information and explanation given to us, the company has not taken any loan either from financial institution, bank, Government or not issued any debentures.

9. The company did not raise money by way of initial public offer or further public offer.
10. We have neither come across any instances of material fraud by the company or on the company by its officers or employees during our examination of books and records of the company based on generally accepted auditing standards in India, nor have been informed of such case by the management.
11. According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. The Company is not a Nidhi company. Accordingly, paragraph 3(xii) is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the company, the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us, the company has not entered into non- cash transactions with the directors of the company or persons connected with him.
16. The company is not required to be registered u/s 45 IA of the Reserve Bank of India act 1934.

Place: Chennai
Date: 27-May-22



For K Arun Kumar & Associates
Chartered Accountants
FRN: 016215S
UDIN: 22237426AJRYZW3411

K Arun Kumar
MRN: 237426



Annexure - B to Auditor's Report

Report on Internal Financial Controls Under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Gem Spinners Limited. ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting

Meaning of Internal Financial Controls over Financial Reporting

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K Arun Kumar & Associates
Chartered Accountants
FRN: 016215S
UDIN: 22237426AJRYZW3411



K Arun Kumar
MRN: 237426

Place: Chennai
Date: 27-May-22