

GEM SPINNERS INDIA LTD

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CIN No.L17111TN1990PLC019791

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Dt. 18-05-2017

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

Dear Sir/ Madam,

Sub: Outcome of the Board Meeting of GEM SPINNERS INDIA LIMITED held on 18-05-2017

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

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 (18-05-2017), Which commenced at 11.00 am and concluded at 04.45 pm, have considered and approved the followings:

1. The Board has approved and taken on record the Audited Financial Results for the fourth quarter and year ended 31.03.2017 along with Auditor Report issued by the Chartered Accountant of the Company.
2. The Balance Sheet and Profit & Loss for the year ended 31.03.2017 has been considered and approved by the Board
3. The Board approved the Notice, Directors Report to the Shareholders along with Corporate Governance Report and the Secretarial Audit Report for the year ended 31.03.2017.
4. The Board fixed the Thursday, 25th July 2017 for Annual General Meeting to be held at the registered office of the company at Kancheepuram District.
5. The Board fixed 17-07-2017 to 25-07-2017 as book closure for closing the register of members and share transfer books.
6. M/s Lakshmmi Subramanian & Associates has been appointed as Secretarial Auditor of the Company.



7. The Board considered and approved the sale of Surplus Non-productive land situated at Perumalthangal Village, Chengalpattu Taluk, Kancheepuram District aggregating to 5 acres to meet the working capital for Trading activities subject to the approval of Shareholders through Postal Ballot.

A copy of Audited Financial Results for the quarter ended 31.03.2017 along with the Auditor Report are 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 Audited Financial result for the Fourth Quarter and Year ended 31/03/2017

Rs.in.lakhs

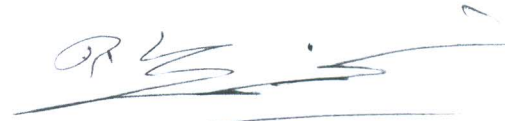
SL. No	Particulars	3 Months ended on 31/03/2017	Preceding 3 months ended 31/12/2016	Corresponding 3 months ended in the previous year 31.03.2016	Year to Date figures for the current year ended 31/03/2017	Year to Date figures for the previous year ended 31/03/2016
1	Income from operations					
	Net Sales / Income from operation	0.00	0.00	0.00	0.00	87.54
	Other operating income	0.00	0.00	0.00	0.00	0.00
	Total income from operations (net)	0.00	0.00	0.00	0.00	87.54
2	Expenditure					
	(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	82.06
	(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 expense	2.52	2.22	4.53	9.46	21.09
	(e) Depreciation and amortisation expense	409.65	0.44	0.00	410.97	167.96
	(f) Other expenses (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	55.31	3.53	12.06	68.47	102.11
	Total expenses	467.48	6.19	16.59	488.90	373.22
3	Profit/ (Loss) from operations before other income, finance costs and exceptional items (1-2)	(467.48)	(6.19)	(16.59)	(488.90)	(285.68)
4	Other income	1.47	3.60	9.99	7.02	49.78
5	Profit / (Loss) from ordinary activities before finance costs and exceptional	(466.01)	(2.59)	(6.60)	(481.88)	(235.90)
6	Finance costs	0.05	0.05	0.09	0.33	0.48
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(466.06)	(2.64)	(6.69)	(482.21)	(236.38)
8	Exceptional items	0.00	0.00	258.29	0.00	258.29
9	Profit (+)/ Loss(-) from ordinary activities before tax(7+ 8)	(466.06)	(2.64)	251.60	(482.21)	21.91
10	Tax Expenses	0.00	0.00	0.00	0.00	0.00
11	Net Profit / Loss from ordinary activities after tax (9-10)	(466.06)	(2.64)	251.60	(482.21)	21.91
12	Extraordinary Items (net of tax expense Rs. _____ Lakhs)	0.00	0.00	0.00	0.00	0.00
13	Net Profit (+)/ Loss (-) for the period / year (11-12)	(466.06)	(2.64)	251.60	(482.21)	21.91
14	Share of Profit / (loss) of associates*	0.00	0.00	0.00	0.00	0.00
15	Minority interest*	0.00	0.00	0.00	0.00	0.00
16	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+14+15)*	(466.06)	(2.64)	251.60	(482.21)	21.91
17	Paid-up equity share capital (Face Value of the Share shall be included)	3068.60	3068.60	3068.60	3068.60	3068.60
18	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	0.00	0.00	0.00	0.00	0.00
19 i	Earnings Per Share (before extraordinary items) (of Rs. /- each) (not annualised):					
	(a) Basic	(0.76)	(0.00)	0.41	(0.79)	(0.39)
	(b) Diluted					
19 ii	Earnings Per Share (after extraordinary items) (of Rs. /- each) (not annualised):					
	(a) Basic	(0.76)	(0.00)	0.41	(0.79)	0.04
	(b) Diluted					

SEGMENT REPORTING FOR THE FOURTH QUARTER ENDED 31/03/2017 AND YEAR ENDED 31/03/2017

		3 Months ended on 31/03/2017	Preceding 3 months ended 31/12/2016	Corresponding 3 months ended in the previous year 31/03/2016	Year to Date figures for the current year ended 31/03/2017	Year to Date figures for the previous year ended 31/03/2016
1	Segment Revenue / Income					
	a. Mill	0.00	0.00	0.00	0.00	0.00
	b. Trading	0.00	0.00	0.00	0.00	87.54
	Total	0.00	0.00	0.00	0.00	87.54
2	Segment Results					
	a. Mill	(467.48)	(6.19)	(16.59)	(488.90)	(291.16)
	b. Trading	0.00	0.00	0.00	0.00	5.48
	Total	(467.48)	(6.19)	(16.59)	(488.90)	(285.68)
	Add : Unallocable Income	1.47	3.60	9.99	7.02	49.78
	Less: Interest - Unallocable Expenditure	0.05	0.05	0.09	0.33	0.48
	Total	(466.06)	(2.64)	(6.69)	(482.21)	(236.38)
	Tax (including - FBT)/(+)Deferred Tax)	0.00	0.00	0.00	0.00	0.00
	Prior year Excess provision of interest written back	0.00	0.00	258.29	0.00	258.29
	Total Profit / (Loss) After Tax	(466.06)	(2.64)	251.60	(482.21)	21.91
3	Capital Employed (Segment Assets - Segment Liabilities)					
	a. Mill	-26.53	16.05	-35.30	-26.53	-35.30
	b. Trading	Nil	Nil	Nil	Nil	Nil

Notes :

- During the quarter no complaints received from the investors.
- During the year the Company has provided depreciation on Plant & Machinery considering the life of the asset.
- 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 18th May, 2017
- Previous quarter's figures have been regrouped / reclassified wherever necessary.


R. VEERAMANI
 MANAGING DIRECTOR

Place : CHENNAI
Date : 18.05.2017

STATEMENT OF ASSETS AND LIABILITIES

(RS.IN LAKHS)

Particulars	AS AT	
	31/03/2017 (AUDITED)	31/03/2016 (AUDITED)
A.EQUITY AND LIABILITIES		
1.Shareholder's Funds		
a) Share Capital	3068.60	3068.60
b) Reserves and Surplus	-3524.75	-3043.04
Sub-total : Shareholder's Funds	-456.15	25.56
2.Non-current liabilities		
a) Other Long term liabilities	1300.42	1296.42
3.Current liabilities		
a) Short-term borrowings	-	-
b) Trade payables	117.13	82.62
c) Other current liabilities	3.82	5.40
d) Short-term provisions	10.87	5.93
Sub-total : Current liabilities	131.82	93.95
TOTAL - EQUITY AND LIABILITIES	976.09	1415.93
B.ASSETS		
Non-current assets		
a) Fixed Assets	669.43	1076.34
b) Deferred Tax assets (net)	116.29	116.29
c) Long-term Loans and advances	65.84	59.41
d) Other non-current assets	19.24	19.36
Sub-total : Non-current assets	870.80	1271.40
Current assets		
a) Current investments	-	-
b) Inventories	95.49	95.49
c) Trade receivables	-	-
d) Cash and Bank balances	3.49	3.27
e) Short term loans and advances	-	-
f) Other current assets	6.31	45.77
Sub-total : Current assets	105.29	144.53
TOTAL - ASSETS	976.09	1415.93

AUDITOR'S REPORT ON QUARTERLY FINANCIAL RESULTS AND YEAR TO DATE RESULTS OF THE COMPANY PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To Board of Directors of GEM SPINNERS INDIA LIMITED

We have audited the quarterly financial results of Gem Spinners Inida Limited for the quarter ended 31.03.2017 and the year to date results for the period 01.04.2016 to 31.03.2017, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net loss and other financial information for the quarter ended 31.03.2017 as well as the year to date results for the period from 01.04.2016 to 31.03.2017.

Date : 18.05.2017
Place : Chennai

For VIJAY SARATHY & CO
CHARTERED ACCOUNTANTS



V. BALAJI
CHARTERED ACCOUNTANT
MEMBERSHIP NO. 232069



INDEPENDENT AUDITOR'S REPORT

To the members of **M/S.GEM SPINNERS INDIA LIMITED**

Report on the Financial Statements

We have audited the accompanying Financial Statements of GEM SPINNERS INDIA LIMITED ("the Company"), which comprises the Balance sheet as at **31ST March, 2017**, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act as applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its LOSS and its Cash flows for the year ended on that date.

Emphasis of Matters:-

We draw attention to the following matters in the Notes to the financial statements:

Note No.2 in the financial statement which indicates that the company has accumulated losses and its net worth has been fully eroded, the company has incurred a cash loss during the year and the company's current liability exceeded its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about 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 the said note.

Report on other Legal Requirement

As required by the Company (Auditor's Report) order, 2016 (the order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.

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, and the Cash Flow Statement dealt with by this Report is in agreement with the books of account
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act as applicable
- e. On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 and the operating effectiveness of such controls, refer to our separate report in **Annexure B**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting standard.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
 - iv. The company has provided requisite disclosures in the financial statements [Refer point no 6 in Note No: 20] as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 31st December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the management..

For VIJAY SARATHY & CO.,
CHARTERED ACCOUNTANTS,



PLACE: CHENNAI

DATE : 16.05.2017

P.SRIKANTH
PARTNER.

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, 2017, we report that:

1. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed 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. 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 2017 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
Service tax	Service tax	22.89	2005-06 to 2009-10	Commercial tax

8. According to information and explanation given to us, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.

9. The company did not raise money by way of initial public offer or further public offer.

10. According to the information and explanations given to us, no fraud by the company and no fraud on the company by its officers has been noticed or reported during the year.

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.

For VIJAY SARATHY & CO.,
CHARTERED ACCOUNTANTS,



P. SRIKANTH
PARTNER.

PLACE: CHENNAI

DATE : 16.05.2012

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 **M/S.GEM SPINNERS INDIA LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the 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 authorisations 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, 2017, 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 VIJAY SARATHY & CO.,
CHARTERED ACCOUNTANTS,



P.SRIKANTH
PARTNER.

PLACE: CHENNAI

DATE : 16.05.2017