

# **GEM<sup>®</sup> SPINNERS INDIA LIMITED**

TWENTY THIRD ANNUAL REPORT

**2012 - 2013**



**BOARD OF DIRECTORS**

Mr.R.VEERAMANI  
Chairman & Managing Director

**Directors**

Mr.P.P.DODDANAVAR  
Mr.K.M.LAL  
Mr.S.GOPAL

**Company Secretary**

Ms.A.VANI

**AUDITORS**

M/s.VIJAI SARATHY & CO.  
Chartered Accountants,  
18-A, Rajamannar Street,  
T.Nagar, Chennai – 600 017.

M/s. CNGSN & ASSOCIATES  
Chartered Accountants  
New No.20, Old No.13, Raja Street ,  
T.Nagar, Chennai – 600 017.

**BANKERS**

INDIAN OVERSEAS BANK  
STATE BANK OF INDIA  
LAKSHMI VILAS BANK

**REGISTERED OFFICE & MILLS**

14, Mangalam Village, Madhuranthagam Taluk  
Kancheepuram District, Tamil Nadu

**CORPORATE OFFICE**

78, CATHEDRAL ROAD, CHENNAI – 600 086.

**REGISTRAR & SHARE TRANSFER AGENT**

CAMEO CORPORATE SERVICES LTD.  
“Subramanian Building”, 1, Club House Road,  
Chennai – 600 002.

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**IMPORTANT COMMUNICATION**

The Ministry of Corporate Affairs has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by companies and has issued a circular clarifying that the companies would be in compliance of Section 219(1) of Companies Act 1956 in case copy of notice calling Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report etc. is sent by electronic mail to its members. Hence, members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with the depository through their Depository Participants to enable the company to send the notice calling Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report etc. through e-mail address with the Registrar and Share Transfer Agent viz. CAMEO CORPORATE SERVICES LTD, CHENNAI.



## NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Twenty Third Annual General Meeting of the shareholders of GEM SPINNERS INDIA LIMITED, Chennai will be held on Tuesday, the 24<sup>th</sup> September 2013 at 10.30 a.m. at No.14 Mangalam Village, Madhuranthagam Taluk, Kancheepuram District, Tamil Nadu to transact the following business.

### ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at 31<sup>st</sup> March 2013, Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. K.M.Lal 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:

“RESOLVED that M/s. Vijai Sarathy & Co. Chartered Accountants, Chennai and M/s. CNGSN & Associates, Chartered Accountants, Chennai be and are hereby appointed as Joint Auditors for the Company who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors.”

By Order of the Board  
For **Gem Spinners India Ltd**

Place : Chennai - 86  
Date : 27.05.2013

**A. Vani**  
Company Secretary

### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF and such proxy need not be a member of the Company. A proxy in order to be effective must be deposited at the Registered Office of the company not less than 48 hours before the commencement of the meeting.
2. The Register of Members of the Company shall remain closed from 16.09.2013 to 24.09.2013 (Both days inclusive).
3. The shares of the Company have been admitted for dematerialization with Central Depository Services (India) Limited with effect from 12<sup>th</sup> February 2003. Members of the Company desirous of getting their shares dematerialized can approach a depository participant registered with Central Depository Services (India) Limited. The ISIN Number is INE165F01020.
4. Members are requested to notify any change in their address to the Registrar and Share Transfer agents of the Company M/s. Cameo Corporate Services Limited, Subramanian Building, No.1, Club House Road, Chennai 600 002.
5. Members are requested to bring their copies of the Annual Report to the meeting.

6. The Members / Proxy holders are requested to bring the attendance slip sent herewith duly filled for attending the meeting. Members / Proxy holders in respect of dematerialized shares are requested to bring their DP id and Client id for recording their attendance.
7. The Securities and Exchange Board of India (SEBI) has made it mandatory for shareholders to furnish copy of their PAN card to the Company / RTA for registration of transfer of shares. This is applicable to every transfer of shares transacted in the securities market irrespective of the amount of such transactions.

By Order of the Board  
For **Gem Spinners India Ltd**

Place : Chennai - 86  
Date : 27.05.2013

**A. Vani**  
Company Secretary

**Details of re-appointment / appointment of Directors as per Clause 49 of the Listing Agreement.**

Mr.K.M.Lal is retiring by rotation and being eligible offers himself for reappointment.

The information / details to be provided in respect of the above said Director under Corporate Governance code are as under:

<b>Name</b>	<b>Qualification</b>	<b>Brief Resume and Area of Expertise</b>	<b>Other Directorship</b>	<b>Company Name</b>
Mr.K.M.Lal	IAS (Retd.)	He has got wide Experience in Economic, Administrative, Planning and Public Finance. He has also widely travelled abroad as a Delegate and on Deputation.	8	<ul style="list-style-type: none"><li>• Polylink Polymers (India) Limited</li><li>• SREI Capital Markets Limited</li><li>• Pancea Biotec Limited</li><li>• Hindustan Wires Limited</li><li>• Gem Sugars Limited</li><li>• KMC Energy Private Limited</li><li>• Sankalp Oil &amp; Natural Resources Limited</li><li>• Lexicon Public Relations and Corporate Consultants Private Limited</li></ul>

## DIRECTORS' REPORT FOR THE YEAR 2012 – 2013

Your Directors have pleasure in presenting the 23rd Annual Report on the performance of our Company along with the Audited Balance Sheet and Profit and Loss Account for the year ended 31.03.2013.

### Financial Results

Particulars	2012-13 Rs. in Lakhs	2011-12 Rs. in Lakhs
SALES		
Export	1046.58	3266.46
Domestic	--	335.70
Waste	--	19.49
Total	1046.58	3621.65
Operating Profit	125.20	(71.18)
Less: Financial Charges	157.52	295.42
Gross Profit	(32.33)	(366.60)
Less : Depreciation	29.60	29.05
Loss before Tax	(61.93)	(395.65)
Less : Deferred Tax Liability / Asset	---	----
Net (Loss) / Profit	(61.93)	(395.65)
Accumulated Loss	3242.10	3180.16

### Review of Operations

Your Company has achieved a Trading Turnover of Rs.1046.58 Lakhs during the year under review as against Turnover of Rs. 3621.65 Lakhs (Trading Rs. 2551.16 Lakhs) in the previous year. The Operating Profit was of the order of Rs.125.20 Lakhs as compared to the previous year loss of Rs.71.18 Lakhs.

Your Directors have to report a Net Loss of Rs. 61.93 Lakhs for the year under report as against a Net Loss of Rs.395.65 Lakhs during the previous year.

The Company has suspended temporarily its manufacturing operation due to severe shortage of power in Tamilnadu, instability in cotton prices, mismatch of cotton & yarn prices and increase in fuel price. We shall explore the possibility of recommencing the production subject to the availability of power and viability. However your Company shall continue its trading activities.

### Dividend

In view of the insufficiency of the profits earned by the Company during the year, your Directors are not in a position to recommend any dividend.

### Statutory Statements:

As per the requirements of Sec. 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 the information regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in Annexure I to this report.

### Particulars of employees pursuant to the provisions of Section 217(2A) of the Companies Act 1956

The particulars required pursuant to Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company as none of the employees was in receipt of remuneration in excess of Rs.5,00,000 p.m.

As required under Section 217(2AA) of the Companies Act 1956, the Directors' Responsibility Statement is enclosed in Annexure II to this Report.

### Directors

Under Article 110 of the Articles of Association of the Company, Mr. K.M.Lal to retire at this Annual General Meeting and being eligible offers himself for reappointment.

### Deposits

Your Company has not accepted any deposit from the Public during the year under review.

### Auditors

M/s. Vijai Sarathy & Co., and M/s. CNGSN & Associates, Auditors of the Company retire at this Annual General Meeting and have confirmed their eligibility and willingness to accept office, if reappointed.

### Acknowledgement:

The Directors wish to place on record their appreciation for the assistance received from IOB, SBI, State and Central Government Authorities. The Directors also wish to acknowledge the active co-operation extended by workers and staff at all levels.

On behalf of the Board

Place : Chennai - 86

Date : 27.05.2013

**R. Veeramani**

Chairman & Managing Director

**ANNEXURE I TO THE DIRECTORS' REPORT**

Additional Information as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

**I. Conservation of Energy**

**FORM A**

**Form for Disclosure of Particulars with respect to conservation of Energy**

<b>A. Power &amp; Fuel Consumption</b>	<b>2012-2013</b>	<b>2011-2012</b>
<b>1. Electricity</b>		
a. Purchased Units	--	976980
Total amount (Rs.)	--	11142349
Rate / Unit Rs.	--	11.40
b. Own Generation	--	--
<b>2. Coal</b>	--	--
<b>3. Furnace Oil / L.S.H.S</b>	--	--
<b>4. Others</b>	--	--
<b>B. Consumption per unit of Production</b>	--	--

**FORM B**

**Form for Disclosure of Particulars with respect to Technology Absorption**

**Research & Development (R& D)**

- 1. Specific areas in which R&D carried out by the Company**  
Fibre and Yarn
- 2. Benefits derived as a result of the above R&D**  
Optimum utilization of fibre and its parameters

**3. Future Plan of Action**

Extension of R&D activities till knitted fabrics to ensure saving of raw materials, machinery usage and energy

**4. Expenditure on R & D**

Separate account has not been maintained

**Technology Absorption, Adoption and Innovation**

**1. Efforts made towards Technology Absorption and Innovation**

Technology which was obtained from world leaders on machinery design has been fully absorbed.

**2. Benefits derived as a result of the above**

1. Optimum use of raw material
2. Ability to spin yarn of international standard
3. Safety for the workers and better environment with references to noise and pollution

**3. Details about import of technology during the last five years**

Not Applicable

**II. Foreign Exchange Earnings and Outgo :**

- i) Activity relating to exports:  
Cotton Yarn and Knitted Fabric exports
- ii) Initiative taken to increase exports:
  - \* Being in constant touch with the foreign buyers and their agents.
  - \* Arranging for the visits of the buyers to the mills to convince them about the most modern machines installed.



**III. Development of new export markets for products and services:**

- i) The company is corresponding with Indian Embassies and Trade Bodies abroad to get the addressees of prospective buyers.
- ii) Visits by Directors and executives abroad to build up new contacts

**IV. Total foreign exchange used and earned:**

	2012-13	2011-12
	(Rs. In Lakhs)	
i) CIF value of imports (Raw material, Spares & Capital goods)	Nil	Nil
ii) Expenditure in foreign currency (Travel and Commission)	28.98	102.64
iii) Foreign exchange earned	1016.68	3195.69

On behalf of the Board

Place : Chennai - 86  
Date : 27.05.2013**R. Veeramani**  
Chairman & Managing Director**Annexure II****Directors' Responsibility Statement  
(Pursuant to Section 217(2AA) of the Companies Act  
1956)**

Your Directors report that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed and that there were no material departures.
- The accounting policies have been selected and applied consistently, judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs and loss of the Company for the year ended 31<sup>st</sup> March 2013.
- Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities has been taken.
- The Annual accounts have been prepared on a going concern basis.

On behalf of the Board

Place : Chennai - 86  
Date : 27.05.2013**R. Veeramani**  
Chairman & Managing Director

### 1. A BRIEF STATEMENT ON THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE.

Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and voluntary practices that enable companies to perform efficiently and thereby maximize long term value for shareholders, while respecting the aspect of multiple stakeholders. Our Company has been practicing the principle of good corporate governance since inception, not on account of regulatory requirements but on account of sound management practices for enhancing customer satisfaction and value for shareholders.

The Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its dealings with the shareholders, employees, the Government and other parties.

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, the Corporate Governance Report forms part of the Annual Report. Your Company is in full compliance with the requirements and disclosures as stated therein. A certificate from the Statutory Auditors of the Company confirming compliance of the Corporate Governance is appended to the Report on Corporate Governance.

### 2. BOARD OF DIRECTORS

The Company has a well-defined process that ensure placement of all material and vital information before the Board pertaining to business to be considered at each Board Meeting enabling effective participation by Board Members in the discussion and in discharging their responsibilities.

Board of Directors of the Company consist of One Executive and Three Non-Executive independent Directors as on 31.03.2013.

Name of the Director	Category	No. of Other Directorships and Committee Memberships excluding Pvt. Ltd. Cos.			
		Other Directorship		Committee Membership	
		As Chairman	As Member	As Chairman	As Member
Mr. R. Veeramani	Chairman & Managing Director	1	7	Nil	Nil
Mr. S.R. Asaithambi*	Non – Executive Director	Nil	7	Nil	Nil
Mr. P.P. Doddanavar	Independent Director	Nil	2	2	Nil
Mr. K.M.Lal	Independent Director	Nil	6	Nil	2
Mr.S.Gopal	Independent Director	Nil	Nil	1	1

\*Mr.S.R.Asaithambi was resigned on 14.11.2012.

Attendance Record of the Directors			
Director	No. of Meetings		Attended last AGM on 18.09.2012
	Held	Attended	
Mr. R. Veeramani	5	4	Yes
Mr. S.R. Asaithambi	5	2	Yes
Mr. P.P. Doddanavar	5	5	Yes
Mr. K.M. Lal	5	1	No
Mr.S.Gopal	5	3	No

Number of Board Meetings held, dates on which held:		
Date of Board Meeting	Place / City	No. of Directors present
30.05.2012	Chennai	2
06.08.2012	Chennai	5
18.09.2012	Chennai	4
14.11.2012	Chennai	3
04.02.2013	Chennai	3

#### Board Committees:

The Board of Directors of the Company have set up Committees to carry out various functions, as entrusted, and give the suitable recommendations to the Board on the significant matters, from time to time.

#### Mandatory Committees :

- Audit Committee
- Shareholders'/Investors' Grievance Committee

#### Optional Committees:

- a. Remuneration Committee
- b. Finance Committee

The composition, scope and details of the aforesaid Committees are given as under :

The Audit Committee consists of Mr. P.P. Doddanavar as Chairman and Mr.K.M.Lal, and Mr.S.Gopal as members and Ms.A.Vani as the Member Secretary

**Date of Meetings:**

30.05.2012, 06.08.2012, 14.11.2012 and 04.02.2013

Name	Designation	No. of Meetings attended
Mr. P.P. Doddanavar	Chairman	4
Mr.K.M.Lal	Member	1
Mr.S.Gopal	Member	2

Ms.A.Vani, Company Secretary, is the Secretary of the Audit Committee.

**Terms of reference of Audit Committee**

The Audit Committee shall oversee financial reporting process and disclosures, review annual financial statements, management discussion and analysis of financial condition and results of operation, review adequacy of internal audit function, management letters / letters of internal control weakness issued by the statutory auditors, internal audit report relating to internal control weakness, related party transactions, review financial and risk management policies, to look into the reasons for substantial defaults in the payment to depositors, debenture / shareholders and creditors, oversee compliance with Stock Exchange and legal requirements concerning financial statements, review auditor’s qualifications(draft), compliance with Accounting Standards, recommending the appointment and renewal of external Auditors / Chief internal auditors / fixation of audit fee and also approval for payment for any other services etc.

The Audit Committee of the Company provides assurance to the Board on the adequacy of the internal control systems and financial disclosures. This is done at meetings of the committee wherein the statutory auditor, internal auditor and the senior management are present. All the Directors forming part of the committee are independent directors.

**Prevention of Insider Trading:**

The Audit Committee also monitors implementation and compliance of the Company’s Code of Conduct

for prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992. The Board has designated Ms.A.Vani as Compliance Officer.

**Risk Management**

The Company has laid down procedures to inform the Board Members about the risk assessment and minimization procedures. The Designated Officials submit quarterly reports, which are reviewed periodically by the Management Committee to ensure effective risk management.

The Board has delegated the power of Share Transfer to Registrar & Share Transfer Agent, who processes the transfers. The Committee also looks after redressal of investors’ grievances and performances of the Registrar & Share Transfer Agent of the Company.

Name	Designation	No. of Meetings held	No. of Meetings Attended
Mr.S.Gopal	Chairman	10	05
Mr. S.R. Asaithambi*	Chairman	10	05
Mr. R. Veeramani	Member	10	10

\*Mr.S.R.Asaithambi was resigned on 14.11.2012.

Ms.A.Vani, Company Secretary, is the Compliance Officer

**Remuneration Committee**

Name	Designation
Mr. P.P.Doddanavar	Chairman
Mr.K.M.Lal	Member

There were no meetings of the remuneration committee during the year.

**3. REMUNERATION OF DIRECTORS**

Remuneration of Executive Director is recommended by the Remuneration committee and approved by the Board of Directors and the Shareholders of the Company.

Non-Executive Directors were paid a sitting fee of Rs.3000/- for each Board Meeting attended by them

There is no pecuniary relationship or transactions by Non-executive Directors with the Company.

The details of the Remuneration paid to the Directors for the financial year 2012 – 2013 are given below

**The details of the Remuneration paid to the Directors for the financial year 2012 – 2013 are given below**

Director	Relation with other Director	Business Relationship With the Co. If any	Remuneration paid During April 2012 to March 2013 (Rs.)			
			Sitting Fees	Salary & Perks Commn	Commn Paid	Total
Mr. R. Veeramani	} Brothers	Promoter	Nil	1500000	Nil	1500000
Mr. S.R. Asaithambi*		Promoter	3000	Nil	Nil	3000
Mr. P.P. Doddanavar	Nil	Independent Director	12000	Nil	Nil	12000
Mr. K.M.Lal	Nil	Independent Director	3000	Nil	Nil	3000
Mr.S.Gopal	Nil	Independent Director	6000	Nil	Nil	6000

\*Mr.S.R.Asaithambi was resigned on 14.11.2012

### Number of Shares held by Directors

Name of the Director	No. of Shares held
Mr.R.Veeramani, Chairman & Managing Director	12692166

### 4. GENERAL BODY MEETINGS

General Body Meeting	Date	Venue	Time	Special Resolution Passed At AGM
AGM for the year 31.3.2012	18.09.2012	14 Mangalam Village Kancheepuram Dist.	10.30 a.m	No
AGM for the year 31.3.2011	09.08.2011	14 Mangalam Village Kancheepuram Dist.	11.00 a.m	Yes
AGM for the year 31.3.2010	24.09.2010	14 Mangalam Village Kancheepuram Dist.	11.00 a.m	Yes

### 5. DISCLOSURES

#### a) Related party transaction:

- During the year, the Promoters have brought in as unsecured loan of Rs. 488.59 Lakhs towards working capital purpose.

#### b) Compliances by the company:

The Company has complied with the requirements of the Stock Exchanges, SEBI etc., on all matters related to Capital market. No penalties or strictures have been imposed on the company by the Stock Exchanges/SEBI during the last three years.

#### c) Disclosure on accounting treatment:

No differential treatment from the Accounting Standard was followed in the preparation of the financial statements.

#### d) Whistle Blower Policy:

Presently the Company does not have a Whistle Blower Policy. No employee has been denied access to approach the Audit Committee to report any serious concerns.

e) The Company has complied with all the mandatory requirements of Clause 49 of the listing agreement and the extent of compliance of the non-mandatory requirements is given in the end of this report.

### 6. Means of communication

Half yearly and quarterly results:

- Financial reporting for the quarter ending June 30<sup>th</sup>, 2012: 08.08.2012
- Financial reporting for the quarter ending Sep 30<sup>th</sup>, 2012: 15.11.2012
- Financial reporting for the quarter ending Dec 31<sup>st</sup>, 2012: 06.02.2013
- Financial reporting for the quarter ending Mar 31<sup>st</sup>, 2013: 28.05.2013
- Annual General Meeting for the year ending Mar 31<sup>st</sup>, 2013: 24<sup>th</sup> September 2013

The quarterly results are published in News Today and Makkal Kural.

No presentation has been made to International Investors or to the Analysts

### 7. General Shareholder Information

AGM Date, time and venue : 24<sup>th</sup> September 2013  
10.30 AM

At Registered office:  
at 14, Mangalam Village  
Maduranthagam Taluk  
Kancheepuram Dist.  
Tamilnadu - 603 107

Financial Year : 1<sup>st</sup> April to 31<sup>st</sup> March

Date of Book Closure : 16.09.2013 to 24.09.2013  
(Both Days Inclusive)

Dividend payment date : Nil

Listing on Stock

Exchange at : 1. Madras Stock Exchange Ltd  
Exchange Building,  
Post Box No.183, 11,  
Second Line Beach  
Chennai - 600 001

2. Bombay Stock Exchange,  
P.J. Tower,  
Dalal Street  
Mumbai - 400 001

Stock Code (Bombay Stock Exchange) : GEMSPN 521133

Market price Data : High/Low during each month in last financial year

Month & Year	Bombay Stock Exchange	
	High	Low
April 2012	1.98	1.80
May 2012	2.17	1.89
June 2012	2.15	2.07
July 2012	-	-
August 2012	2.25	2.25
September 2012	2.40	2.15
October 2012	2.25	2.14
November 2012	-	-
December 2012	3.28	2.34
January 2013	2.71	2.34
February 2013	2.69	2.50
March 2013	2.96	2.82

Registrar and

Share Transfer Agent. : Cameo Corporate Services Ltd  
"Subramanian Building"  
1, Club House Road  
Chennai - 600 002

Share transfer system : Physical and Electronic

### Dematerialisation of Shares

The shares are available for trading in the Central Depository Services Limited (CDSL). So far 90.72% shares are in the dematerialized form. The International Standard Identification (ISIN) No is INE165F01020.

### Persons holding more than 5% of aggregate shares

Name of Shareholder	As at 31 <sup>st</sup> March 2013		As at 31 <sup>st</sup> March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr.R.VEERAMANI	1,26,92,166	20.68	66,99,200	16.19
Mr.S.R.ASAITHAMBI	1,01,74,638	16.58	53,69,900	12.98
Mr.R.SEKAR	97,43,348	15.87	51,42,200	12.43
Mr.S.R.KUMAR	97,43,348	15.87	51,42,200	12.43
ICICI BANK LIMITED	49,21,790	8.02	49,21,790	11.89
IDBI BANK LIMITED	75,67,500	12.33	75,72,000	18.30

### Distribution of Shareholding as on 31.03.2013

No. of Shares held		No. of Share Holders	% of Total	Share Amount (In Rs.)	% of Total
(1)	(2)	(3)	(4)	(5)	(6)
Upto	5000	29285	98.31	21320505	6.95
5001	10000	249	0.83	1833500	0.60
10001	20000	90	0.30	1273500	0.41
20001	30000	84	0.28	2073495	0.67
30001	40000	11	0.04	393000	0.13
40001	50000	23	0.08	1130000	0.37
50001	100000	23	0.08	1777500	0.58
100001 and above		23	0.08	277058450	90.29
<b>TOTAL</b>	<b>29788</b>	<b>100.00</b>	<b>306859950</b>	<b>100.00</b>	

### Share holding Pattern as on 31.03.2013

Category	No. of Shares held	%
Indian Promoters	42443500	69.16
Financial Institutions	12489490	20.35
Bodies Corporate	249790	0.41
Non Resident Indians	NIL	NIL
Indian Public	6187810	10.08
Others	1400	0.00
Total	61371990	100.00

Dematerialization of shares and liquidity

: Central Depository Services Limited  
Phiroze Jeejee  
Bhoy Towers  
28th Floor, Dalal Street  
Mumbai - 400 023  
ISIN No: INE165F01020

Plant Location : No.14 Mangalam Village  
Maduranthagam Taluk  
Kancheepuram District  
Tamilnadu 603 107

Compliance Officer : Ms.A.Vani  
Company Secretary

Address for  
Correspondence : Gem Spinners India Ltd  
78, Cathedral Road,  
Chennai 600 086  
Tel : 28115190  
Fax : 28114304

Email Id for  
Investor Grievances : accounts@gemspin.com

**Non-Mandatory Requirements :****1. Chairman of the Board**

The Company maintains the office of the Chairman at its Corporate Office and also reimburses the expenses incurred in performance of duties.

**2. Remuneration Committee**

The Board has duly constituted a Remuneration Committee which determines the remuneration package for the directors

**3. Shareholder's Rights :**

The quarterly financial results are published in the newspapers as mentioned at 6 above. The results are not separately circulated to the shareholders.

**4. Training of Board Members**

Periodical meetings are held with outside skilled consulting agencies for Board Members to appraise them in recent developments and existing laws and practices.

**5. Mechanism for evaluating non-executive Board Members**

Same as above.

**6. Whistle Blower Policy:**

As mentioned above, the Company does not have Whistle Blower Policy.

**7. Code of Business Conduct and Ethics for Board Members and Senior Management Personnel.**

The Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct is available on www.gemspin.com. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

A declaration signed by the Managing Director is given below:

**DECLARATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT**

I, R.Veeramani, Chairman & Managing Director of the Company, hereby declare that the Board of Directors has laid down a Code of Conduct for its Board Members and Senior Management Personnel of the Company and the Board Members and Senior Manager Personnel have affirmed compliance with the said code of conduct.

For **GEM SPINNERS INDIA LIMITED**

Place: Chennai  
Date:27.05.2013

**R.Veeramani**  
Chairman & Managing Director

**MANAGEMENT DISCUSSION & ANALYSIS****1. INDUSTRY STRUCTURE & DEVELOPMENTS**

The Indian Textile Industry plays an important role in the growth of the Indian economy. Apart from providing one of the basic necessities of life, the textiles industry also plays a pivotal role through its contribution to industrial output, employment generation, and the export earnings of the country.

The Indian Textile Industry makes significant contribution to industrial output, employment generation and export earnings of the country. The textiles industry accounts for 14% of the industrial production, which is 4% of GDP, employs 45 million people and accounts for approximately 11 % of the country's total exports. Indian Textile Industry is one of the leading textile industries in the world, being the third largest exporter of textile products in the world trailing European Union (EU)-27 and China as per latest World Trade Organisation (WTO) data.

The Industry has faced unprecedented problems in many ways. Though the demand in domestic and export markets were steady, the spinning mills performance was affected due to severe shortage of power in Tamil Nadu and instability in cotton prices.

**2. MARKETING**

India is a large supply of cotton yarn in the world market. Due to recession in global markets, volume and value of exports have come down significantly. Your Company being predominantly into the overseas market, maintained excellent relations with all its overseas customers, which have been dealing with the Company over the years by adhering to quality standards, delivery schedules and competitive prices.

**3. OPPORTUNITIES AND THREATS**

The textile industry as such is more dependent on its raw material that is raw cotton availability. There is much scope for India to have more crops year by year due to its

technology improvement and introduction of new varieties of cotton but of course subject to monsoon changes.

Increased consumer demand in the domestic market is the opportunity while erratic power supplies from the Grid and unplanned power cuts and unstable market for cotton and yarn due to Global factors are the threats.

**4. SEGMENT-WISE OR PRODUCT WISE PERFORMANCE**

The Company is engaged in the business of manufacture and export of cotton yarn and grey fabrics and also trade in the same commodity and accordingly trading is considered as a segment.

**5. OUTLOOK**

The cotton price has almost stabilized and the industry expects to improve its margin during the year. It is hoped the Government of India will intervene with some relief packages to improve the exports. Baring the above situation, the Company's performance will be good in the coming years.

**6. RISKS AND CONCERNS**

Cotton being an agricultural commodity depends on monsoon. Any failure on monsoon and availability of cotton will affect the cotton yarn manufacturing industry and frequent escalating cotton prices also contribute uncertainty in the profit margin.

However, fluctuation in cotton price, exchange rates, availability of labour, increasing fuel rates to contain the inflation and power are threats to the industry.

**7. 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.

#### **8. DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

This has already been reported as Review of Operation in the Directors Report.

#### **9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

Your Company recognizes the value of Human Resources for its growth and development and it maintains cordial and satisfactory relationship with their employees and workers and always concerned about the welfare of the workforce. Training and development is a continuous process.

#### **10. CAUTIONARY STATEMENT**

The projections and perceptions are subjected to various external factors from Government, market, supply and demand and other factors.

#### **COMPLIANCE CERTIFICATE**

We have examined the compliance of conditions of corporate governance by Gem Spinners India Limited for the year ended 31.03.2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For **Vijai Sarathy & Co.**,  
Chartered Accountants

For **CNGSN & Associates**  
Chartered Accountants

Place : Chennai - 17  
Date : 27.05.2013

**R. Parthasarathy**  
Partner

**C.N.Gangadaran**  
Partner



**INDEPENDENT AUDITORS' REPORT**

To the Members of M/s. GEM SPINNERS INDIA LIMITED,  
CHENNAI

**Report on the Financial Statements**

We have audited the accompanying financial statements of Gem Spinners India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the 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 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 control relevant to the Company's preparation and fair

presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

**Opinion**

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the Balance Sheet & Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and
- e. on the basis of written representations received from the Directors as on March 31, 2013, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2013, from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For **Vijai Sarathy & Co.,**  
Chartered Accountants

For **CNGSN & Associates**  
Chartered Accountants

Place : Chennai - 17  
Date : 27.05.2013

**R. Parthasarathy**  
Partner

**C.N.Gangadaran**  
Partner

#### **Annexure to the Independent Auditors' Report**

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. (i) the company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

(ii) the fixed assets are being physically verified under a phased programme of verification, which, in our opinion, is reasonable having regard to the nature and value of its fixed assets. However, no material discrepancies have been noticed during the year on such verification.

(iii) the Company has not disposed off substantial part of its fixed assets during the year.

2. (i) inventories have been physically verified during the year by the management at reasonable intervals.

(ii) in our opinion, 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.

(iii) in our opinion, the company is generally maintaining proper records of its inventories and no material discrepancies were noticed on physical verification.

3. On the basis of our examination of the books of account, the Company has neither granted nor taken any loans, secured or unsecured, to / from companies, firms or other parties covered in the register maintained under section 301 of the Act.

4. In our opinion, there is generally an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventories and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

5. (i) based on the audit procedures applied by us, the particulars of contracts or arrangements referred to in Section 301 of the Act that needed to be entered into the register, maintained under the said section have been so entered.

(ii) where each of such transactions is in excess of Rs.5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.

6. The company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 1975 with regard to deposits accepted from public.

7. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government of India under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. (i) the Company is generally regular in depositing undisputed statutory dues including provident fund, investor education and provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities during the year.  
  
(ii) no undisputed amounts payable in respect of statutory dues were outstanding as at March 31, 2013 for a period of more than six months from the date they became payable.  
  
(iii) there are no dues of Income tax, wealth tax, excise duty, service tax, customs duty which have not been deposited on account of any dispute. Details of dues towards sales tax that have not been deposited on account of any dispute, for which stay has been obtained, are (Nature of dues, dues, period to which the amount relates, forum where dispute is pending) Service Tax, Rs. 40.11 Lakhs, Financial year 2004 - 2007 & 2008 - 2009, CESTAT.
10. The Company have an accumulated losses of Rs.3242.10 lakhs as at March 31, 2013 and Rs. 3180.16 lakhs as at March 31, 2012 has incurred cash loss of Rs. 32.33 Lakhs during the financial year ended March 31, 2013 and has incurred a cash loss of Rs. 366.60 Lakhs in the immediately preceding financial year.
11. In our opinion, the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holders during the year.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities during the year.
13. The Company is not a chit fund or Nidhi / mutual benefit fund/society. Accordingly the provisions of Clause 4(xiii) of the CARO are not applicable to the company.
14. The Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4(xiv) of the CARO are not applicable to the company.
15. The Company has not given any guarantees for loans taken by others from banks or financial institutions.
16. The term loans availed by the company were, prima facie, applied for the purpose for which they were obtained.
17. On an overall examination of the financial statements of the company, funds raised on short term basis have prima facie, not been used for long term investment.
18. The Company has made a preferential allotment of Rs. 2 Crores equity shares during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by public issues during the year.
21. Based on the audit procedures performed and considering the size and nature of the company's operations, no fraud of material significance on or by the company has been noticed or reported during the year.

For **Vijai Sarathy & Co.**,  
Chartered Accountants

For **CNGSN & Associates**  
Chartered Accountants

Place : Chennai - 17  
Date : 27.05.2013

**R. Parthasarathy**  
Partner

**C.N.Gangadaran**  
Partner

PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31.03.2013	FOR THE YEAR ENDED 31.03.2012
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE HOLDERS' FUNDS</b>			
Share Capital	1	306,859,950.00	206,859,950.00
Reserves and Surplus	2	(304,490,099.06)	(298,296,486.25)
Share application money pending allotment		-	100,000,000.00
<b>NON CURRENT LIABILITIES</b>			
Long Term borrowings		Nil	Nil
Deferred Tax liabilities		Nil	Nil
Other Long term liabilities	3	133,734,697.46	116,540,365.26
		<b>133,734,697.46</b>	<b>116,540,365.26</b>
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	4	-	175,507,182.58
Trade Payables	5	136,583,151.34	224,989,712.94
Other Current liabilities	6	8,787,568.99	10,015,009.03
Short-term provisions		949,033.90	1,215,609.28
		<b>146,319,754.23</b>	<b>411,727,513.83</b>
		<b>282,424,302.63</b>	<b>536,831,342.84</b>
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Fixed Assets	7		
Gross Block		805,586,239.94	802,491,873.20
Less: Depreciation		591,632,707.86	588,394,829.86
Net Block		<b>213,953,532.08</b>	<b>214,097,043.34</b>
<b>INTANGIBLE ASSETS</b>			
Capital work-in-progress		Nil	Nil
Non-current Investments		Nil	Nil
Deffered Tax Assets(net)		11,629,534.00	11,629,534.00
Long -term Loans and Advances	8	1,922,408.88	3,707,358.14
Other non-current Assets	9	4,507,291.30	14,321,056.00
<b>CURRENT ASSETS</b>			
Current Investments		Nil	Nil
Inventories	10	10,039,689.92	179,663,471.00
Trade Receivables	11	24,552,621.27	54,378,540.07
Cash & Bank Balances	12	1,424,917.72	13,394,288.09
Other Current Assets	13	14,394,307.46	45,640,052.20
		<b>50,411,536.37</b>	<b>293,076,351.36</b>
		<b>282,424,302.63</b>	<b>536,831,342.84</b>

For and on behalf of the Board

As per our report of even date

**R.Veeramani**  
Chairman & Managing Director

**P.P. Doddanavar**  
Director

For **VIJAI SARATHY & CO**  
Chartered Accountants

For **CNGSN & ASSOCIATES**  
Chartered Accountants

Place : Chennai  
Date : 27.05.2013

**A.Vani**  
Company Secretary

**R.Parthasarathy**  
Partner

**C.N.Gangadaran**  
Partner

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH-2013**

in Rupees

PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31.03.2013	FOR THE YEAR ENDED 31.03.2012
<b>REVENUE</b>			
Revenue from operations	14	104,658,061.10	362,164,980.42
Other Income	15	230,441,396.36	5,297,459.51
<b>Total Revenue</b>		<b>335,099,457.46</b>	<b>367,462,439.93</b>
<b>EXPENSES</b>			
Cost of materials consumed	16	-	80,837,000.00
Purchases of Stock-in-Trade	17	99,322,125.01	234,528,421.13
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	18	-	15,952,014.00
Employees benefits expenses	19	16,115,278.38	20,252,736.16
Finance Costs	20	15,752,225.20	29,541,845.29
Depreciation and amortization expense		2,960,000.00	2,905,000.00
Other expenses	21	207,142,737.22	23,010,890.93
<b>Total Expenses</b>		<b>341,292,365.81</b>	<b>407,027,907.51</b>
PROFIT / (LOSS) BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS AND TAX		<b>(6,192,908.35)</b>	<b>(39,565,467.58)</b>
Exceptional items		-	-
PROFIT/ (LOSS) BEFORE EXTRAORDINARY ITEMS AND TAX		<b>(6,192,908.35)</b>	<b>(39,565,467.58)</b>
Extraordinary Item		-	-
PROFIT/ (LOSS) BEFORE TAX		<b>(6,192,908.35)</b>	<b>(39,565,467.58)</b>
TAX EXPENSES			
Deferred Tax			
PROFIT/(LOSS)FOR THE PERIOD FROM CONTINUING OPERATIONS		<b>(6,192,908.35)</b>	<b>(39,565,467.58)</b>
PROFIT/(LOSS)FROM DISCONTINUING OPERATIONS		-	-
TAX EXPENSES OF DISCONTINUING OPERATIONS		-	-
PROFIT/(LOSS)FROM DISCONTINUING OPERATIONS AFTER TAX		-	-
PROFIT/(LOSS) FOR THE PERIOD		<b>(6,192,908.35)</b>	<b>(39,565,467.58)</b>
<b>EARNINGS PER EQUITY SHARE</b>			
(1) BASIC		(0.10)	(0.96)
(2) DILUTED		-	-

NOTES FORMING PART OF ACCOUNTS

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For and on behalf of the Board

As per our report of even date

**R.Veeramani**  
 Chairman & Managing Director

**P.P. Doddanavar**  
 Director

 For **VIJAI SARATHY & CO**  
 Chartered Accountants

 For **CNGSN & ASSOCIATES**  
 Chartered Accountants

 Place : Chennai  
 Date : 27.05.2013

**A.Vani**  
 Company Secretary

**R.Parthasarathy**  
 Partner

**C.N.Gangadaran**  
 Partner

**NOTE 1.**

**SHARE CAPITAL**

**Authorised:**

9,00,00,000 Equity Shares of Rs.5/- each

**Issued,Subscribed & Paidup:**

6,13,71,990 Equity Shares of Rs.5/- each fully paid up

31.03.2013	31.03.2012
Rs.	Rs.
450,000,000.00	450,000,000.00
306,859,950.00	206,859,950.00

**(A) Reconciliation of Share Capital**

Particulars	As at 31st March 2013		As at 31st March 2012	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	41,371,990	206,859,950.00	41,371,990	206,859,950.00
Shares issued during the year (Preferential)	20,000,000	100,000,000.00	---	---
Shares bought back during the year	---	---	---	---
Shares outstanding at the end of the year	61,371,990	306,859,950.00	41,371,990	206,859,950.00

**(B) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

S.No.	Name of Shareholder	As at 31st March 2013		As at 31st March 2012	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Mr. R. VEERAMANI	12692166	20.68	6699200	16.19
2	Mr. S.R. ASAITHAMBI	10174638	16.58	5369900	12.98
3	Mr. R. SEKAR	9743348	15.87	5142200	12.43
4	Mr. S.R. KUMAR	9743348	15.87	5142200	12.43
5	ICICI BANK LIMITED	4921790	8.02	4921790	11.89
6	IDBI BANK LIMITED	7567500	12.33	7572000	18.30

**NOTE 2.**

**RESERVES & SURPLUS**

Share Capital- Reserve

Profit & Loss Account

Share application money pending allotment

**NOTE 3.**

**OTHER LONG TERM LIABILITIES**

Unsecured Loans

**NOTE 4.**

**SHORT TERM BORROWINGS\***

IOB

SBI

\* (Secured by way of Hypothecation of stock)

**NOTE 5.**

**TRADE PAYABLES**

Current Liabilities & Provisions

Sundry Creditors

**NOTE 6.**

**OTHER CURRENT LIABILITIES**

Other current liabilities

31.03.2013	31.03.2012
Rs.	Rs.
19,719,617.83	19,719,617.83
(324,209,716.89)	(318,016,104.08)
<b>(304,490,099.06)</b>	<b>(298,296,486.25)</b>
-	-
<b>133,734,697.46</b>	<b>116,540,365.26</b>
-	130,191,475.11
-	45,315,707.47
-	<b>175,507,182.58</b>
<b>136,583,151.34</b>	<b>224,989,712.94</b>
<b>8,787,568.99</b>	<b>10,015,009.03</b>

Note 7  
**FIXED ASSETS**

as on 31st March 2013

PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK					
	TOTAL AS ON 01.04.2012		TOTAL AS ON 31.03.2013		UP TO 31.03.2012		DEPRECIATION FOR THE YEAR		TOTAL AS ON 31.03.2013		S.L.M. VALUE AS ON 31.03.2013		S.L.M. VALUE AS ON 31.03.2012	
	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.
LAND	13354177.12		3490.00	4781510.00	8576157.12	0.00	0.00	0.00	0.00	0.00	8576157.12		13354177.12	
BUILDING	68440482.93		0.00	0.00	68440482.93	36210235.22	255879.00	0.00	36466114.22	0.00	31974368.71		32230247.71	
PLANT & MACHINERY	694026781.00		7872386.74	0.00	701899167.74	533858110.61	2624197.00	0.00	536482307.61	0.00	165416860.13		160446548.39	
OFFICE EQUIPMENTS, FURNITURE AND FITTINGS	5292917.52		0.00	0.00	5292917.52	5292917.52	0.00	0.00	5292917.52	0.00	0.00		0.00	
VEHICLES	2996050.05		0.00	0.00	2996050.05	1226289.92	11201.00	0.00	1237490.92	0.00	1758559.13		1769760.13	
MISCELLANEOUS ASSETS	18381464.58		0.00	0.00	18381464.58	12085153.89	68723.00	0.00	12153876.89	0.00	6227587.68		6296309.99	
<b>TOTAL</b>	<b>802,491,873.20</b>		<b>7,875,876.74</b>	<b>478,1510.00</b>	<b>805,586,239.94</b>	<b>568,394,829.86</b>	<b>2,960,000.00</b>	<b>0.00</b>	<b>591,632,707.86</b>	<b>0.00</b>	<b>213,953,532.08</b>		<b>214,097,043.34</b>	

NOTE 8.

**LOANS AND ADVANCES**

(Unsecured-considered good)

(Advances recoverable in cash or in kind or for value to be received)

NOTE 9.

**OTHER NON-CURRENT ASSETS**

Deposits

NOTE 10.

**INVENTORIES**

Cotton

Bought Yarn

Stock-Stores

**Finished Goods**

YARN

FABRIC

Stock-in-Process

Waste

NOTE 11.

**TRADE RECEIVABLES**

(Unsecured-considered good)

Exceeding six months

NOTE 12.

**CASH & BANK BALANCES**

Cash on Hand

Balances with Scheduled Banks in:

Current Account

Margin Money Account

Term Deposit

Others

NOTE 13.

**OTHER CURRENT ASSETS**

Claims Receivable

Prepaid expenses

Income Receivable

	31.03.2013	31.03.2012
	Rs.	Rs.
	<b>1,922,408.88</b>	<b>3,707,358.14</b>
	<b>4,507,291.30</b>	<b>14,321,056.00</b>
	-	166,403,000.00
	-	3,221,000.00
	10,015,218.92	10,015,000.00
	-	-
	-	-
	-	-
	24,471.00	24,471.00
	<b>10,039,689.92</b>	<b>179,663,471.00</b>
	<b>24,552,621.27</b>	<b>54,378,540.07</b>
	151,922.00	668,000.00
	766,523.72	857,538.06
	257,768.00	6,869,357.03
	248,704.00	4,569,393.00
	-	430,000.00
	<b>1,424,917.72</b>	<b>13,394,288.09</b>
	2,697,341.19	2,697,341.19
	220,287.00	319,047.00
	11,476,679.27	42,623,664.01
	<b>14,394,307.46</b>	<b>45,640,052.20</b>



NOTE 14.

**REVENUE FROM OPERATION**

**Sales - Yarn**

Direct Export  
Trading Export  
DTA Sales

**Sales - Others**

Waste

31.03.2013 Rs.	31.03.2012 Rs.
-	71,529,206.94
104,658,061.10	255,116,998.48
-	33,569,537.00
-	1,949,238.00
<b>104,658,061.10</b>	<b>362,164,980.42</b>
702,658.00	776,596.00
-	169,886.00
6,216,564.36	4,350,977.51
223,522,174.00	-
<b>230,441,396.36</b>	<b>5,297,459.51</b>
<b>335,099,457.46</b>	<b>367,462,439.93</b>
169,624,000.00	153,484,620.36
-	80,938,321.64
169,624,000.00	234,422,942.00
-	166,403,000.00
169,624,000.00	68,019,942.00
-	-
-	12,817,058.00
-	12,817,058.00
-	-
-	12,817,058.00
-	<b>80,837,000.00</b>
<b>99,322,125.01</b>	<b>234,528,421.13</b>

NOTE 15.

**OTHER INCOME**

Interest Received  
Draw Back  
Miscellaneous income  
Profit on Sale of Land

**TOTAL REVENUE**

NOTE 16.

**COST OF MATERIALS CONSUMED**

**Cotton**

Stock at Commencement  
Add: Purchases

Less: Stock at Close

Consumption/Written Off

Yarn for Knitting-mill  
Stock at Commencement  
Add: Purchases

Less: Stock at close  
Consumption

**Total Consumption**

NOTE 17.

**TRADING EXPENSES**

NOTE 18.

**CHANGES IN INVENTORIES OF FINISHED GOODS**

**WORK IN PROGRESS AND STOCK IN TRADE**

a. Finished Goods - Yarn

b. Knitted Fabrics

c. Stock in Process

d. Waste

Less: Stocks at Commencement

a. Finished Goods

b. Knitted Fabrics

c. Stock in process

d. Waste

31.03.2013	31.03.2012
Rs.	Rs.

-	-
-	-
-	-
-	24,471.00

(A)

-	<b>24,471.00</b>
---	------------------

-	7,590,293.00
-	5,929,048.00
-	2,043,864.00
-	413,280.00

(B)

-	<b>15,976,485.00</b>
---	----------------------

(A-B)

-	<b>15,952,014.00</b>
---	----------------------

NOTE 19.

**EMPLOYEES BENEFITS EXPENSES**

Salaries and Wages

Staff Welfare

Gratuity

Contribution to Funds

7,177,873.88	18,843,525.16
456,923.50	195,794.00
8,200,847.00	-
279,634.00	1,213,417.00

<b>16,115,278.38</b>	<b>20,252,736.16</b>
----------------------	----------------------

NOTE 20.

**FINANCE COSTS**

Interest on hire purchase

Packing Credit

Bank Charges

657,480.20	1,574,100.00
8,465,886.53	18,006,212.00
6,628,858.47	9,961,533.29

<b>15,752,225.20</b>	<b>29,541,845.29</b>
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NOTE 21.

**Other Expenses**

**Other Manufacturing Expenses**

Packing Expenses

Factory Maintenance Charges

Freight Inward

Job work conversion charges

**Stores Consumption**

Consumption of Spares

**Power and Fuel**

Electricity charges

Fuel

**Administrative, Selling & Other Expenses**

Insurance

Communication Charges

Rates and Taxes

Donation

Travelling & Conveyance

Audit Fees

Miscellaneous Expenses

Freight Outward

Sales Commission

**Repairs and Maintenance**

Building

Machinery

Others

**Total Other Expenses**

	31.03.2013 Rs.	31.03.2012 Rs.
	-	520,713.71
	511,707.24	709,234.00
	1,969.00	20,805.00
	-	23,000.00
	<b>513,676.24</b>	<b>1,273,752.71</b>
	-	<b>326,700.43</b>
	<b>6,198,139.00</b>	<b>11,142,349.00</b>
	-	-
	318,999.40	595,551.00
	168,140.00	200,217.00
	205,315.00	691,141.00
	2,002.00	10,853.00
	167,484.00	447,834.00
	224,421.00	220,600.00
	199,344,560.58	6,437,625.20
	-	417,744.00
	-	445,077.00
	<b>200,430,921.98</b>	<b>9,466,642.20</b>
	-	21,647.15
	-	651,349.14
	-	128,450.30
	-	<b>801,446.59</b>
	<b>207,142,737.22</b>	<b>23,010,890.93</b>

For and on behalf of the Board

As per our report of even date

**R.Veeramani**  
Chairman & Managing Director

**P.P. Doddanavar**  
Director

For **VIJAI SARATHY & CO**  
Chartered Accountants

For **CNGSN & ASSOCIATES**  
Chartered Accountants

Place : Chennai  
Date : 27.05.2013

**A.Vani**  
Company Secretary

**R.Parthasarathy**  
Partner

**C.N.Gangadaran**  
Partner

**NOTES FORMING PART OF ACCOUNTS****1. SIGNIFICANT ACCOUNTING POLICIES****A) GENERAL**

The financial statements are prepared in accordance with Indian General Accepted Accounting Principles ("GAAP") under the historical cost convention (except for certain revalued fixed assets) on the accounting principles of a going concern and the Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of financial statements. The recognition, measurement, classification or disclosures of an item or information in the financial statements are made relying on these estimates. Any revision to accounting estimates is recognized prospectively.

**B) FIXED ASSETS**

All fixed assets are stated at cost (net of CENVAT / Value Added Tax) and adjusted by revaluation in case of certain Land, Building, Plant & Machinery and Electrical Installations, less accumulated depreciation and impairment loss, if any. Expenditure during construction period in respect of new project / expansion is allocated to the respective fixed assets on their being ready for intended use.

In accordance with AS 28 on 'Impairment of Assets' where there is an indication of impairment of the Company's assets related to cash generating units, the carrying amounts of such assets are reviewed at each Balance Sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized in the Profit and Loss Account whenever the carrying amount of such assets exceeds its recoverable amount.

**C) INVESTMENTS**

Long term Investments are stated at cost and provision is made to recognize any decline, other than temporary, in the value of such investments.

**D) INVENTORIES**

Raw Materials, Stores and Spares are valued at cost.

Finished Goods are valued at lower of cost or net realizable value.

Stock-in- process is valued at estimated cost.

Waste is valued at net realizable value.

**E) SALES**

Revenue is recognized when the property and all the significant risks and rewards of ownership are transferred to the buyer and no significant uncertainty exists regarding the amount of consideration. Export Sales are inclusive of deemed exports. Local sales are net of sales tax.

**F) BORROWING COST**

Borrowing Costs directly attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such asset upto the date when such asset is ready for its intended use. Other borrowing costs are charged to Profit & Loss Account.

**G) DEPRECIATION**

Depreciation is provided on straight line method at the rates prescribed under Schedule XIV of the Companies Act, 1956, for all assets except plant and machinery and electrical installations which have been considered as continuous process of plant as defined in Schedule XIV to the Companies Act, 1956, on technical assessment and accordingly depreciation is provided.

Depreciation is provided after adjusting for the exchange fluctuation arising due to repayment / reinstatement as at the balance sheet date.

**H) EMPLOYEE BENEFITS****PROVIDENT FUND**

Provident Fund is a defined contribution scheme and the contributions are charged to the Profit & Loss Account as incurred.

**STATE DEFINED CONTRIBUTION PLANS****EMPLOYEES' Pension Scheme 1995**

The Provident Fund and the State Defined Contribution Plans are operated by the Regional Provident Fund Commissioner.

**GRATUITY**

Gratuity is a defined benefit retirement plan. The Company contributes to the Scheme with Life Insurance Corporation of India based on actuarial valuation done by them as at the close of the financial year.

**LEAVE ENCASHMENT**

The Company normally allows its employees to utilize the leave and no encashment leave has been demanded.

**I) FOREIGN CURRENCY TRANSACTION**

Assets and Liabilities related to foreign currency transaction remaining unsettled at the end of the year are translated that the relevant rates of exchange prevailing at the year-end. In case of the long term borrowing for the acquisition of fixed assets, the gains or losses on transaction are adjusted to the cost of such assets.

**J) DEFERRED TAX**

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax on assets are recognized and carried forward only if there is a virtual / reasonable certainty of realization of such assets in near future and are reviewed for their appropriateness of their respective carrying value at each Balance Sheet date.

## K) PROVISIONS, CONTINGENT LIABILITES AND CONTINGENT ASSETS

1. A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent liabilities are disclosed in the notes to accounts and are determined based on the management perception

2. Contingent Liabilities: Rs. 40.11 Lakhs (Nil)

### 2. EMPLOYEE BENEFIT PLANS

The following table set out the status of the gratuity plan as required under AS 15

The Company has recognized the following amounts in the Profit & Loss Account for the year:

Rs.

S.No	Particulars	2012-13	2011-12
a)	Contribution to Provident Fund	73340	322997
b)	Contribution to employees' pension scheme 1995	166073	730130

S.No	Particulars	Gratuity
		2012-13
i)	Discount Rate (Per annum)	8%
ii)	Rate of increase in compensation Levels	5%
iii)	Rate of return on Plan Assets	8%
iv)	Expected Average remaining working Lives of employees in no of years	12%

3. The debit and credit balances of parties are subject to confirmation.

4. In the absence of taxable income as per the provisions of the Income Tax Act, 1961, no provision has been made for taxation in the accounts.

5. The inventories are valued as per the Accounting Standard – 2 (Valuation of inventories) issued by the Institute of Chartered Accountants of India (ICAI)

6. Account of certain creditors, debtors and advances given are subject to confirmation and reconciliation / adjustment, if any. However, in the opinion of management, there would not be any material impact on the financial statements.

7. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium enterprises Act, 2006 and hence disclosures, if any, relating to amounts unpaid as the year end together with interest paid / payable as required under the said Act have not been given.

8. i) Foreign Exchange difference (Net) credited to Profit and Loss Account Rs. 7.70 Lakhs.

(Previous Year : Credit Rs.13.97 Lakhs).

ii) The Company uses Forward Exchange Contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transaction. The Company does not enter into any such instruments for trading or speculative purpose.

iii) The year end foreign currency exposures that have not been hedged are given below:

Amounts payable in foreign currency on account of the following:

(Rs. in Lakhs)

Particulars	2012 – 13			2011 – 12		
	Currency	FC Amount	Rupee Equivalent	Currency	FC Amount	Rupee Equivalent
Purchase of Goods	USD	Nil	Nil	USD	Nil	Nil
/ Services	EURO	Nil	Nil	EURO	Nil	Nil
Loans payable (PCFC)	USD	Nil	Nil	USD	Nil	Nil
Term Loans payable	USD	Nil	Nil	USD	Nil	Nil
Interest payable	USD	Nil	Nil	USD	Nil	Nil

**9. Disclosures in respect of provisions pursuant to Accounting standard - 29**

Particulars	Opening Balance 01.04.12	Provided during the Year	Utilized During the Year	Reversed During the Year	Closing Balance 31.03.13
Sundry Debtors	Nil	Nil	Nil	Nil	Nil

10. Interest on others in Schedule – 12 is net of interest income of Rs.7.03 Lakhs (Rs.7.77 Lakhs) Tax deducted at source thereon Rs. 0.76 Lakhs (Rs.0.92 Lakhs)

**11. Disclosure under Accounting Standard 17 – SEGMENT REPORTING**

Segment Reporting for the year ended 31.03.2013 (Rs. in Lakhs)			
S. No	Particulars	Year Ended on 31.03.2013	Year Ended on 31.03.2012
<b>1</b>	<b>Segment Revenue / Income</b>		
	a. Mill	0	1070.49
	b. Trading	1046.59	2551.16
	Total	<b>1046.59</b>	<b>3621.65</b>
<b>2</b>	<b>Segment Results</b>		
	a. Mill	0	(359.08)
	b. Trading	738.41	205.88
	Total	<b>738.41</b>	<b>(153.20)</b>
	Add: Unallocable Income	350.40	52.97
	Less: Interest – Unallocable Expenditure	157.53	295.42
	Tax [(including - FBT) / (+) Deferred Tax]	0	0
	Prior year Excess provision of interest written back	<b>0</b>	<b>0</b>
		<b>(61.93)</b>	<b>(395.65)</b>
<b>3</b>	<b>Capital Employed</b> (Segment Assets - Segment Liabilities)		
	a. Mill	<b>(958.29)</b>	<b>965.49</b>
	b. Trading	Nil	Nil

12. Loans and Advances for the year under report from the Group Company is Nil.

13. Earnings Per Share:

Particulars		2012 - 13 (Rs. in Lacs)	2011 -12 (Rs. in Lacs)
Numerator			
Net Loss as disclosed in Profit & Loss Account		(61.93)	(395.65)
Net Loss attributable to the Equity shareholders		(61.93)	(395.65)
Denominator			
Weighted average Equity Shares			
Basic and diluted Earnings Per Share (face value of Rs.5 each)	Nos	61371990	41371990
Before Exceptional Items		(0.64)	(0.96)
After Exceptional Items		(0.10)	(0.96)
Before Exceptional Items		(0.64)	(0.96)
After Exceptional Items		(0.10)	(0.96)

14. Disclosure in respect of related Parties pursuant to Accounting Standard 18 is disclosed in Corporate Governance in Item No.5.

15. Additional Information pursuant to Part II of Schedule VI to the Companies Act, 1956.

A) Installed Capacity: (As certified by the Management and relied upon by the Auditors being a technical matter)

Description of the Item	2012-13	2011-12
Spindles	25960	25960

B) Sales, Production and Stocks

(Kg./Rs.in Lakhs)

Finished Goods	Unit	Opening Stock		Production		Sales		Closing Stock	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Cotton Yarn	Kgs	0.00	0.36	0.00	1.77	0.00	2.13	0.00	0.00
	Rs.	0.00	72.13	0.00		0.00		0.00	0.00
Knitted Fabric	Kgs	0.00	0.24	0.00		0.00	0.24	0.00	0.00
	Rs.	0.00	59.29	0.00		0.00		0.00	0.00

C) Traded Goods (Cotton Yarn)

Finished Goods	2012-13		2011-12	
	Kgs. In Lakhs	Rs. in Lakhs	Kgs in Lakhs	Rs. in Lakhs
Purchase	4.22	930.40	12.65	2666.69
Sales	4.22	1016.68	12.65	2947.62

D) Raw Material Consumed

Description	2012-13		2011-12	
	Kgs in Lakhs	Rs in Lakhs	Kgs in Lakhs	Rs in Lakhs
Cotton Imported	Nil	Nil	Nil	Nil
Cotton Indigenous	Nil	Nil	6.91	680.20



E) Value of Imports calculated on CIF basis

Particulars	2012-13		2011-12	
	%	Rs. in Lakhs	%	Rs in Lakhs
Components and Spare Parts	Nil	Nil	Nil	Nil
Capital goods	Nil	Nil	Nil	Nil
Imported Raw Materials	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

F) Value of Consumption - Stores, Spares and Packing Materials

Particulars	2012 - 13		2011-12	
	Rs. In lakhs	%	Rs in Lakhs	%
Imported	0.00	0.00	0.00	0.00
Indigenous	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00

G) Expenditure in Foreign Currency (on remittance basis) (Rs. in Lakhs)

Particulars	2012 - 13	2011 - 12
Commission	28.98	102.64
Travel	Nil	Nil

H) Earnings in Foreign Exchange

FOB value of goods exported - Rs. 1016.68Lakhs (Rs.3195.69 Lakhs)

16. Sitting Fees to Directors – Rs.30000 (Rs.36000)

17. AUDITORS' REMUNERATION (Rs. in Lakhs)

Particulars	2012 - 13	2011 - 12
Statutory Audit Fees	2.24	2.21
Certification	Nil	Nil
Cost Audit Fees	Nil	Nil

18. Previous years figures have been regrouped and rearranged wherever necessary so as to confirm the current years' presentation. Figures in brackets represent previous years' figures.

For and on behalf of the Board

As per our report of even date

**R.Veeramani**  
Chairman & Managing Director

**P.P.Doddanavar**  
Director

For **VIJAISARATHY & CO**  
Chartered Accountants

For **CNGSN & ASSOCIATES**  
Chartered Accountants

Place : Chennai  
Date : 27.05.2013

**A.Vani**  
Company Secretary

**R.Parthasarathy**  
Partner

**C.N.Gangadaran**  
Partner

**CASH FLOW STATEMENT**

Particulars		2012-2013 Rs.	2011-2012 Rs.
<b>A. Cash Flow from operating activities</b>			
Profit/(Loss) for the year		(6,192,908)	(39,565,468)
Adjustments for :			
Depreciation		2,960,000	1,908,082
Interest and Finance		15,752,225	29,541,845
Deferred expenses written off		-	-
Less : Interest/Dividend Income		702,658	776,596
Operating Profit before Working Capital Changes	<b>A</b>	11,816,659	(8,892,137)
Adjustments for :			
Inventories		169,623,077	13,494,192
Loans and Advances		1,863,768	26,385
Other Current Assets		41,059,509	(17,521,573)
Miscellaneous Expenditure		-	-
Debtors		29,747,100	103,470,355
Current Liabilities		(89900577)	(81370863)
Cash generated from Operating Activities	<b>B</b>	152,392,878	18,098,496
Cash generated from Operations (A+B)	<b>C</b>	164,209,536	9,206,359
Interest and Finance Charges	<b>D</b>	(15,752,225)	(29,541,845)
Net Cash from Operating Profit (C-D)		<b>148,457,311</b>	<b>(20,335,486)</b>
<b>B. Cash flow from investing activities</b>			
Purchase of fixed assets		(2,816,489)	596,427
Interest received		702,658	776,596
Bank Deposits		11,362,278	(958,845)
Net Cash used in investing activities		<b>9,248,447</b>	<b>414,178</b>
<b>C. Cash Flow from financing activities</b>			
Preferential Issue of Shares to Financial Institutions		100,000,000	-
Proceeds from long term borrowings		(82,805,668)	14,871,427
Proceeds from short term borrowings		(175,507,183)	(7,309,689)
Net Cash used in Financing Activities		<b>(158,312,850)</b>	<b>7,561,738</b>
Net increase in cash and cash equivalents		(607,092)	(12,359,570)
Cash and Cash equivalents as at 31.3.2012 (Opening Balance)		1,525,538	13,885,108
Cash and Cash equivalents as at 31.3.2013 (Closing Balance)		918,446	1,525,538

For and on behalf of the Board

Place : Chennai  
Date : 27.05.2013

**R.VEERAMANI**  
Chairman & Managing Director

**AUDITORS' REPORT**

We have verified the attached Cash Flow Statement of Gem Spinners India Limited, derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March 2013 and found the same in agreement therewith.

For **Vijai Sarathy & Co.**,  
Chartered Accountants

For **CNGSN & Associates**  
Chartered Accountants

Place : Chennai  
Date : 27.05.2013

**R. Parthasarathy**  
Partner

**C.N.Gangadaran**  
Partner



**GEM SPINNERS INDIA LIMITED**

No.14, Mangalam Village, Maduranthagam Taluk, Kancheepuram District, Tamil Nadu – 603 107

**PROXY FORM**

I/We ..... of ..... being a member(s) of GEM SPINNERS INDIA LIMITED, hereby appoint ..... of ..... or failing him / her ..... of ..... as my / our proxy to vote for me / us on my / our behalf, at the Twenty Third Annual General Meeting of the Company to be held on Tuesday, the 24<sup>th</sup> September 2013 at No.14, Mangalam Village, Maduranthagam Taluk, Kancheepuram District, Tamil Nadu – 603 107 at 10.30 a.m.

Signed this ..... day of ..... 2013

Affix  
Revenue  
Stamp

Address:

Signature .....

Folio / DPID / CLIENT ID No.

No.of Shares held:

- Note:
1. This proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.
  2. A proxy need not be a member.



**GEM SPINNERS INDIA LIMITED**

No.14, Mangalam Village, Maduranthagam Taluk, Kancheepuram District, Tamil Nadu – 603 107

**ATTENDANCE SLIP**

I hereby record my presence at the TWENTY THIRD ANNUAL GENERAL MEETING of the Company being held at No.14, Mangalam Village, Maduranthagam Taluk, Kancheepuram District, Tamil Nadu – 603 107. on Tuesday the 24<sup>th</sup> September 2013 at 10.30 a.m.

Full name of the member attending

Signature

Folio / DPID / CLIENT ID No.

No.of Shares held:

Note: Members attending the meeting in person are requested to complete the Attendance Slip and hand it over at the entrance of the meeting hall.



**BOOK POST**

**To**

If undelivered, please return to:

**GEM SPINNERS INDIA LIMITED**

No.14, Mangalam Village,

Maduranthagam Taluk,

Kancheepuram District,

Tamil Nadu – 603 107