

Dated: 30th May, 2018

To The Manager, Corporate Relations Department BSE Limited 1st Floor, PJ Towers, Dalal Street, Fort MUMBAI - 400001,	To The Manager, Corporate Relations Department National Stock Exchange of India Ltd, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra East, Mumbai - 400 051.
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Dear Sir/Madam,

Sub: Outcome of Meeting of Board of Directors.

Ref: NSE Symbol: GEMINI
BSE Scrip ID: Geminico (532318)

With reference to the above caption subject matter and pursuant to the Regulation 30 of the SEBI (Listing obligation and disclosure Requirements) Regulation, 2015, we would like to inform you that the Board of Directors has in their meeting held on 30th May, 2018 transacted the following business item. In this regards, we are enclosing herewith the following

1. Approved the Audited Financial Result for the quarter and year ended 31st March, 2018.

Kindly take the above said information on record and oblige.



Thanking you
For Gemini Communication Limited
R Vijaykumar
Managing Director

GEMINI COMMUNICATION LIMITED

Reg. Off: No: 1, Dr. Ranga Road, Alwarpet, Chennai - 600 018, Tamil Nadu, India

Corporate Identification Number (CIN) - L32301TN1995PLC000087

Statement of audited Financial Results for the Quarter and Year Ended 31-03-2018

Sr No	Particulars	Quarter ended			Standalone		Consolidated	
		Quarter ended 31.03.2018	Quarter ended 31.03.2017	Quarter ended 31.12.2017	Financial year ended on 31.03.2018	Financial year ended on 31.03.2017	Financial year ended on 31.03.2018	Financial year ended on 31.03.2017
		(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
1	Income from Operation							
	(a) Net Sales/Income from Operation	107.67	328.08	151.91	564.35	667.93	563.74	667.93
	(b) Other Income	0.09	6.09	0.18	0.48	12.93	0.79	12.93
	Total Income from Operations net	107.76	334.17	152.09	564.83	680.86	564.53	680.86
2	Expenses							
	(a) Cost of Raw Materials consumed	0.00	202.45	0.00	0.00	0.00	0.00	0.00
	(b) Purchase of Stock in Trade	52.07	0.00	100.72	346.38	321.27	346.58	321.27
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(0.79)	5.31	5.76	2.55	4.80	2.65	4.80
	(r) Employee benefits expense	5.46	75.31	7.69	27.06	235.33	27.98	235.33
	(e) Depreciation and amortisation expense	91.70	17.84	16.21	139.70	51.61	169.97	66.55
	(f) Finance costs	0.00	0.99	3.14	0.00	0.00	0.00	0.00
	(g) Other expenses	6,405.81	22.79	22.97	6,550.38	294.63	6,550.99	294.63
	Total Expenses	6,556.24	324.63	155.89	7,057.06	910.64	7,097.27	922.58
3	Profit before Tax (1-2)	(6,447.48)	9.54	(3.80)	(6,502.53)	(229.78)	(6,532.74)	(241.72)
4	Tax expenses							
	Current Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Deferred Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Tax expenses (Net)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Profit after Tax (3-4)	(6,447.48)	9.54	(3.80)	(6,502.53)	(229.78)	(6,532.74)	(241.72)
6	Other Comprehensive Income							
	A) (i) Items that will not be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(ii) Income Tax relating to items that will not be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	B) (i) Items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(ii) Income Tax relating to items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Other Comprehensive Income for the period / Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(Comprising Profit and other Comprehensive Income for the period)							
	Total Comprehensive Income for the period / Year	(6,447.48)	9.54	(3.80)	(6,502.53)	(229.78)	(6,532.74)	(241.72)
	(Comprising Profit and other Comprehensive Income for the period)							
7								
8	Paid-up equity share capital (F.V Rs. 1/-)	1,238.95	1,238.95	1,238.95	1,238.95	1,238.95	1,238.95	1,238.95
9	Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Earnings Per Share (of Rs.1/- each) (Not Annualised)							
	(a) Basic	(5.20)	0.01	(0.00)	(5.25)	(0.19)	(5.27)	(0.20)
	(b) Diluted	(5.20)	0.01	(0.00)	(5.25)	(0.19)	(5.27)	(0.20)
	See accompanying note to the financial results							

Gemini Communication Limited



R. Vijaykumar
Chairman & Managing Director

Reconciliation between Previous GAAP and Ind AS

i) Effect of Ind AS adoption on equity as at 31st March 2017 and 1st April 2016

Particulars	As at March 31, 2017	As at April 1, 2016
Equity Under Previous GAAP	-7,891	-7,670
Adjustments	-	-
Equity as per Ind AS	-7,891	-7,670

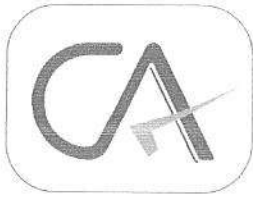
ii) Effect of Ind AS adoption on Total Comprehensive Income for the Quarter and year ended Mar 31, 2017

Particulars	Quarter ended March 31, 2017	Year ended March 31, 2017
Net Income Under Previous GAAP	9.54	(229.78)
Employee Benefits	-	-
Tax effect on the above	-	-
Profit/(Loss) for the period / year as per Ind AS	9.54	-229.78
Ind AS adjustments in other comprehensive Income, Net of Tax	-	-
Items that will not be reclassified subsequently to the statement of Profit or Loss:		
Deemed benefit plan actuarial gains / (losses)	-	-
Income tax relating to items that will not be reclassified to the statement of profit and loss	-	-
Items that will not be reclassified subsequently to the statement of Profit or Loss:		
Income tax relating to items that will not be reclassified to the statement of profit and loss	-	-
Total other comprehensive Income for the period/year, net of Taxes	-	-
Total comprehensive Income for the period/year, net of Taxes	-	-

For and on behalf of the Board of Directors
Gemini Communication Limited



R. Vijaykumar
Chairman & Managing Director
DIN: 00158328
Place: Chennai
Date: 30th May, 2018



Independent Auditor's Report

To the Members of Gemini Communications Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Gemini Communications Limited, ("the Company"), which comprise the Balance sheet as at 31st March 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of 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 Standalone 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 the financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.

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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

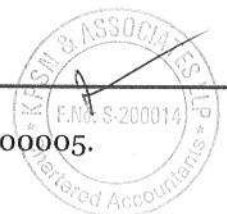
Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting 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 thereunder and the Order issued under Section 143 (11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 and fair presentation of the standalone 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 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 standalone financial statements.





Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate evidence to provide a basis for an audit opinion on the standalone financial statements.

Basis for Disclaimer of Opinion

- 1. We were unable to satisfy ourselves by alternative means concerning the application of appropriate accounting policies in relation to the amount at which the balances of assets and liabilities are carried forward and their effect in the current and subsequent years' Financial position, Statement of Profit and Loss and the Statement of Cash flows.*
- 2. The impact of Legal cases pending for and against the company and of the Disputed dues to the revenue authorities in the standalone financial statements could not be quantified by the Company.*
- 3. We were unable to satisfy by the alternative means concerning the number of shares issued and paid up as we are not able to assess the effect of memorandum of compromise between the Company and Merrill Lynch International and the same has not been disclosed in the standalone financial statements of the company.*
- 4. The standalone financial statements have been prepared on Going concern basis despite accumulated losses, substantial erosion of Net worth and initiation of insolvency petition against the company by two creditors, M/s. JDSU Deutschland and M/s. Baobab Broad brand Limited, who have filed their respective petitions with The National Company Law Tribunal (NCLT).*

Disclaimer of Opinion

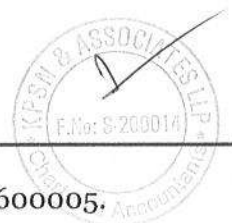
We do not express an opinion on the accompanying standalone financial statements of the Company. Because of the significance of matters described in *Basis of Disclaimer of Opinion* section in our report, we have not been able to obtain sufficient appropriate evidence to provide a basis for an audit opinion on the standalone financial statements.

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2016, issued by the Central government of India in terms of sub-section (11) of section 143 of the Act is not applicable to the company in terms of Para 1 (2)(v) of the said order.

As required by Section 143 (3) of the Act, 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 except for the points stated in the Basis of Disclaimer part of the report and in clause vii (b) of the report specified in 2 below.*
- (b) In our opinion, proper books of account as required by law have not been kept by the Company so far as appears from our examination of those books;*





K P S N & Associates LLP
Chartered Accountants

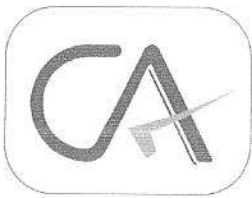
- (c) The Balance sheet and the Statement of Profit and Loss dealt with by this Report agree with the books of account maintained for preparation of these financial statements;
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act except for the following:
- i) *The financials have been prepared under the going concern assumption despite the reasons specified in the Basis of disclaimer of opinion paragraphs -2 & 4.*
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'. Our report expresses modified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.
- (g) With respect to the other matters to be included in the Independent Auditors' 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 explanations given to us:
- i) *The Company has not disclosed the impact of all pending litigations on its financial position in its standalone financial statements;*
- ii) The Company did not have any long-term contracts, including derivative contracts for which there were no material foreseeable losses;
- iii) There has been no amount required to be transferred to the Investor Education and Protection Fund by the Company; and
2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central government of India in terms of Section 143(11) of the Act, we give 'Annexure B' a statement on the matters specified in paragraph 3 and 4 of that order.

Chennai
May 30, 2018

For K P S N & Associates LLP,
Chartered Accountants
FRN: S-200014


Prabhu G
Partner
M No. 223722





Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Gemini Communications Limited of even date)

Report on the Internal Financial Control over Financial Reporting 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 Gemini Communications Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors 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. 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, 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.

Auditors' 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate evidence to provide a basis for an audit opinion on the internal financial controls system over financial reporting of the Company.'





Meaning of Internal Financial Control over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

Disclaimer of Opinion

The system of internal financial controls over financial reporting with regard to the company were not made available to us to enable us to determine whether the company has established adequate financial controls over financial reporting and whether such internal financial controls were operating effectively as on March 31, 2018.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company and the disclaimer has affected our opinion on the standalone financial statements of the company and we have issued a disclaimer of opinion on the standalone financial statements.

Chennai
May 30, 2018

For K P S N & Associates LLP,
Chartered Accountants
FRN: S-200014


Prabhu G
Partner
M No. 223722





Annexure B to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Gemini Communications Limited of even date)

- i. In Respect of the Company's fixed assets:
 - a. The company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The company has not carried out physical verification of fixed assets and hence it is not possible to state whether there are any material discrepancies were noticed.
 - c. The Company has disclosed in its standalone financial statements an amount of Rs. **3,52,36,075/-** as Land and **Rs.2,59,22,040/-** as buildings. As informed to us, the title deeds of these immovable properties were deposited with the lending banks and were not provided to us for verification. Hence, we are not able to state whether the title deeds are held in the name of the company.
- ii. The company has not carried out physical verification of fixed inventory and hence it is not possible to state whether there are any material discrepancies that were noticed.
- iii. According to the information and explanations given to us, the Company has granted unsecured loans to two Bodies corporate, covered in the register maintained under Section 189 of the Companies Act, 2013, in respect of which:
 - a. The terms and conditions of the grant of such loans were not made available for verification, hence we are not in a position to express our opinion whether, prima facie, they are not prejudicial to the Company's interest.
 - b. The schedule of repayment of principal and payment of interest has not been stipulated. There are no repayments during the year ended March 31, 2018.
 - c. As stated in above, the schedule of repayment has not been specified and hence we are unable to state whether there is any overdue amount remaining outstanding as the year-end. We are unable to comment whether reasonable steps have been taken for recovery of principal and interest in the absence of terms and conditions and the schedule of repayment for verification.
- iv. The Company has granted loans to its two subsidiary companies. The amount outstanding as on March 31, 2018 is **Rs. 61,04,29,195 /-**. 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 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.





- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under Clause 3(vi) of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- a. The Company has not been regular in depositing undisputed statutory dues, including Provident Funds, Employees' State Insurance, Income Tax, Sales Tax, Goods and Service Tax, Value added Tax and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable (excluding interests and penalties, if any) for a period of more than six months from the date they become payable, except for the following:

Sl.No.	Statutory dues	Amount(Rs.)
1.	Goods and Service Tax	27,17,002
2.	Provident Fund	7,18,132
3	Employee State Insurance	3,32,742
4.	Service Tax	3,30,501
5.	Tax Deducted at Source	88,294
	Total	41,86,671

- b. *There are disputed dues of Income tax or Service tax or Value added tax which have not been deposited, the amount of dues and the forum where the disputes are pending as we were not able to verify / validate the corresponding documents.*
- viii. *The Company has taken loans from financial institutions and banks and has defaulted in repayment of such loans. We are not able to quantify the amount and period of default.*
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under Clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.





K P S N & Associates LLP
Chartered Accountants

- xi. The Company has not paid/provided managerial remuneration during the year and hence, reporting under Clause 3 (xi) is not applicable to the Company.
- xii. The Company is not a Nidhi company and hence, reporting under Clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our Opinion and according to the information and explanations given to us, the Company is in compliance with section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence, reporting under Clause 3(xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Chennai
May 30, 2018

For K P S N & Associates LLP,
Chartered Accountants
FRN: S-200014



Prabhu G
Partner
M No. 223722





Independent Auditor's Report

To the Members of Gemini Communications Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Gemini Communications Limited, ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of 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 Consolidated Financial Statements:

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.

The respective Board of directors of the company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the preparation of the consolidated financial statements by the Directors of the Company as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

In conducting 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 thereunder.

We conducted our audit of the consolidated financial statements in accordance with the 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 Consolidated 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 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 consolidated financial statements.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate evidence to provide a basis for an audit opinion on the consolidated financial statements.

Basis for Disclaimer of Opinion

- 1. We were unable to satisfy ourselves by alternative means concerning the application of appropriate accounting policies in relation to the amount at which the balances of assets and liabilities are carried and their effect in the current and subsequent years' Consolidated Financial position, Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash flows.*
- 2. The impact of Legal cases pending for and against the Group and of the Disputed dues to the revenue authorities in the Consolidated financial statements could not be quantified by the Group.*
- 3. We were unable to satisfy by the alternative means concerning the number of shares issued and paid up as we are not able to assess the effect of memorandum of compromise between the Company and Merrill Lynch International and the same has not been disclosed in the standalone financial statements of the company.*
- 4. The consolidated financial statements have been prepared on Going concern basis despite accumulated losses, substantial erosion of Net worth and initiation of insolvency petition against the company by two creditors, M/s. JDSU Deutschland and M/s. Baobab Broad brand Limited who have filed their respective petitions with The National Company Law Tribunal (NCLT) and the petition filed and admitted by the High court for winding up against its subsidiary Pointed Telecom.*
- 5. We were not able to verify the books of accounts of any of the subsidiaries for the purpose of expressing an opinion on the consolidated financial statements.*

Disclaimer of Opinion

We do not express an opinion on the accompanying consolidated financial statements of the Group. Because of the significance of matters described in *Basis of Disclaimer of Opinion* section in our report, we have not been able to obtain sufficient appropriate evidence to provide a basis for an audit opinion on the consolidated financial statements.





Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2016, issued by the Central government of India in terms of sub-section (11) of section 143 of the Act is not applicable to the company in terms of Para 1 (2)(v) of the said order.

As required by Section 143 (3) of the Act, 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 of consolidated financial statements, except for the points stated in the Basis of Disclaimer part of the report.*
- (b) *In our opinion, proper books of account as required by law relating to preparation of consolidated financial statements have not been kept so far as appears from our examination of those books;*
- (c) *We are unable to comment whether the Consolidated Balance sheet and the Consolidated Statement of Profit and Loss dealt with by this Report agree with the books of account maintained for preparation of these consolidated financial statements as we did not have access to the books of accounts of the subsidiaries;*
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act except for the following:
 - i) *The financials have been prepared under the going concern assumption despite the reasons specified in the Basis of disclaimer of opinion paragraphs -2 & 4.*
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in '**Annexure A**'. Our report expresses modified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting of the companies for the reasons stated therein.
- (g) With respect to the other matters to be included in the Independent Auditors' 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 explanations given to us:
 - i) *The Consolidated financial statements do not disclose the impact of all pending litigations on its financial position in its standalone financial statements;*





K P S N & Associates LLP
Chartered Accountants

- ii) The Company did not have any long-term contracts, including derivative contracts for which there were no material foreseeable losses. *We were unable to comment on the contracts entered into by the subsidiaries;*
- iii) There has been no amount required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiaries incorporated in India.

Chennai
May 30, 2018

For K P S N & Associates LLP,
Chartered Accountants
FRN: S-200014


Prabhu G.
Partner
M No. 223722





Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Gemini Communications Limited of even date)

Report on the Internal Financial Control over Financial Reporting under clause (i) of sub-section 3 of section 143 of the companies act 2013 ("the act")

In conjunction with our audit of the consolidated financial statements of the company as of the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Gemini Communications Limited ("the Company") and its subsidiaries which are incorporate in India as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the company and its subsidiaries which are incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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. 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, 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the company and its subsidiaries which are incorporated in India, 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate evidence to provide a basis for an audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiaries incorporated in India.





Meaning of Internal Financial Control over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

Disclaimer of Opinion

The system of internal financial controls over financial reporting with regard to the company and its subsidiaries which are incorporated in India were not made available to us to enable us to determine whether the company and its subsidiaries incorporated in India have established adequate financial controls over financial reporting and whether such internal financial controls were operating effectively as on March 31, 2018.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group and the disclaimer has affected our opinion on the standalone financial statements of the company and we have issued a disclaimer of opinion on the consolidated financial statements.

Chennai
May 30, 2018

For K P S N & Associates LLP,
Chartered Accountants
FRN: S-200014

Prabhu G
Partner

M No. 223722

