



66th
ANNUAL REPORT
2012 - 2013

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED
SATHYAMANGALAM - 638 402

Board of Directors

Sri R.DORAISWAMI
(Chairman)
Sri D. LAKSHMINARAYANASWAMY
(Managing Director)
Sri N. JOTHIKUMAR
Sri R. NARAYANAMURTHY
Sri R. RADHAKRISHNAN

Chief Executive
Smt L NAGASWARNA

CFO- Vice-President
Sri N.NARASIMHALU

Company Secretary
Sri S.A. SUBRAMANIAN

Internal Auditor
Smt.SASIREKHA VENGATESH
COIMBATORE

Cost Auditor
M/s. S. MAHADEVAN & Co.
COIMBATORE.

Auditors
M/s.M.S.JAGANNATHAN & VISVANATHAN
COIMBATORE.

Bankers
THE SOUTH INDIAN BANK LTD
KOTAK MAHINDRA BANK LTD

Registered Office
NO.3, BHAVANI RIVER STREET
ARIAPPAMPALAYAM
SATHYAMANGALAM - 638 402

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Mills
1. NAGARI (A.P.)
2. SATHYAMANGALAM

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SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

NOTICE OF THE 66th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 66th ANNUAL GENERAL MEETING of the members of SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED will be held on Wednesday, the 24th day of July 2013 at 9.30 a.m. at the Registered Office of the Company at No.3, Bhavani River Street, Ariappampalayam, Sathyamangalam-638 402, Erode District, to transact the following business:

AGENDA

ORDINARY BUSINESS

- To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2013 and Statement of Profit and Loss of the Company and Cash Flow Statement for the year ended on that date and the reports of the Directors and Auditors thereon.
- To appoint Sri.R. Radhakrishnan, as a Director, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint auditors to hold office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any of the Companies Act, 1956 (including any Statutory modifications or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions of appropriate authorities as may be necessary the Articles of Association of the Company be and is hereby altered as under :-

i) "Article 2A be deleted entirely".

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things necessary or expedient to give effect to this resolution.

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

"RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions of appropriate authorities as may be necessary, the Articles of Association of the company be and is hereby altered by deleting the existing Article 3 and substituting it with the following new Article 3 :

"3. Every Director other than the Managing Director or any other Director who is in the whole time employment of the Company shall be entitled to receive from the Company as Sitting Fees for every meeting of the Board or of a Committee thereof attended by him an amount not exceeding the limit as prescribed by the Government of India, Ministry of Corporate Affairs from time to time which amount shall be determined by Board of Directors periodically, in addition to the travelling and out of pocket expenses incurred by him, in attending and returning from such meetings."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things necessary or expedient to give effect to this resolution".

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

"RESOLVED THAT pursuant to applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions of appropriate authorities as may be necessary, Sri.R.Doraiswami, a Director of the Company be and is hereby reappointed as a Non-Executive Chairman of the Company for a period of 5 years from 30th July 2013.

RESOLVED FURTHER that in his capacity as a Non-Executive Chairman, he may not draw any remuneration excepting Sitting Fees as applicable to other Non-Executive Directors for his services in attending the meeting of the Board or a meeting of any Committee thereof.

RESOLVED FURTHER THAT Sri.R.Doraiswami shall not be subject to retirement of a Director by rotation during his tenure as a Non-Executive Chairman.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things necessary or expedient to give effect to this resolution.

By Order of the Board
For Sri Ramakrishna Mills (Coimbatore) Ltd
(Sd.) D. LAKSHMINARAYANASWAMY
Managing Director

Coimbatore
30.05.2013

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY OR PROXIES MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- The Register of Members and Share Transfer Books of the Company will remain closed from 17th July 2013 to 24th July 2013 (both days inclusive).
- As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report for the meeting.
- The Shareholders are requested to (a) intimate, if shares are held in the same name or in the same order and names, but in more than one folio to enable the Company to consolidate the said folios into one folio and (b) notify immediately, any change in their recorded address along with pincode number, to the Registrar & Share Transfer Agent, M/s. SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1 Sathy Road, Ganapathy, Coimbatore 641006.
- Members desirous of making nomination in respect of their shareholding in the company as permitted under Section 109A of the Companies Act, 1956 are requested to submit the prescribed Form 2B for this purpose to the Company.
- The Company's ISIN No. Is INE306D01017

DISCLOSURE UNDER CLAUSE 49 OF THE LISTING AGREEMENT:

Item No.2 of the Agenda:

Details of a Director seeking reappointment at the Annual General Meeting

Name	: R. Radhakrishnan
Age	: 70
Qualification	: LTM
Experience	: More than 44 years experience in Textiles
Name(s) of the Companies in which he also holds Directorship	: NIL
Name of the companies in and committees of which he also holds Membership/ Chairmanship	: Member of Remuneration Committee and Share Transfer-cum-Investors' Grievance Committee of our company
Share holding in Sri Ramakrishna Mills (CBE) Ltd	: 500 Shares

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO.4 of the Agenda:

The existing Article 2A was on account of the conditions specified by the Financial Institutions such as IDBI, ICICI, IFCI, etc., at the time when the company was provided with certain loan facilities in 1991-92 by them. The various covenants arising out of this would not be necessary in future as the complexion of future development finance would be quite different from the earlier ones.

In view of this, it is proposed to delete the existing Article 2A of the Articles of Association of the company.

None of the Directors of the Company are concerned or interested.

The Board of Directors recommends the resolution proposed as Item No.4 to be passed as a Special Resolution by the Members.

ITEM NO.5 of the Agenda:

At present, Directors other than the Managing Director or any other Director who is in the whole time employment of the company are being paid Rs.2000/- only as Sitting Fees for attending every meeting of the Board or of a committee thereof as per the existing Article 3 of the Articles of Association of the company.

Government of India, Ministry of Corporate Affairs under Companies (Central Government's) General Rules and Forms 1956 as amended from time to time are periodically issuing Notifications specifying the limits upto which the Sitting Fees for the Directors for attending the meetings of the Board or a Committee thereof may be paid, without seeking its approval.

Your Company intends to adopt the same limit as specified by the Govt. of India, Ministry of Corporate Affairs in future, on the basis of recommendation by the Remuneration Committee, and hence it is proposed to substitute the existing Article 3 by the newly



proposed Article 3 of the Articles of Association of the Company. However, the amount to be paid and the date from which it will be applicable shall be at the discretion of the Board of Directors.

Excepting Sri.D.Lakshminarayanawamy, Managing Director, other Non-Executive Directors may be deemed to be concerned or interested in the proposed new Article 3 of the Articles of Association of the Company to the extent of remuneration proposed to be paid to them by way of Sitting Fees for each Board or Committee Meeting attended by them. Details of shares held by the above Directors are given under Serial No.2 of the "Corporate Governance" section of the Annual Report.

A copy of the Articles of Association of the Company together with the proposed amendments is available for inspection by the Members at the Administrative Office of the Company at 1493, Sathyamangalam Road, Ganapathy Post, Coimbatore-641006 and also at the Registered Office of the Company at No.3, Bhavani River Street, Ariappampalayam, Sathyamangalam-638 402, Erode District, during the business hours of the company.

The Board of Directors recommends the resolution proposed as Item No.5 to be passed as a Special Resolution by the Members of the Company.

ITEM NO.6 of the Agenda:

The terms of appointment of Sri.R.Doraiswami as Chairman of the Company who has been appointed at the Extraordinary General Meeting of the Members held on 27th December 2008 is valid upto 29th July 2013. At the meeting held on 30th May 2013, the Board of Directors on the recommendations of the Remuneration Committee has reappointed him as Non-Executive Chairman for a further term of 5 years with effect from 30th July 2013 on the terms and conditions mentioned in the resolution. The approval of the members for his reappointment with the stated terms and conditions is to be accorded by a special resolution. Accordingly the Board of Directors recommends the resolution for approval by the Members of the Company.

DISCLOSURE OF INTEREST UNDER SECTION 302 OF THE COMPANIES ACT, 1956.

Sri.R.Doraiswami as recipient and Sri.D.Lakshminarayanawamy as a relative are deemed to be interested in this resolution. This may be treated as an abstract of the variations of the terms of contract including the remuneration if any, with Sri.R.Doraiswami as Non-Executive Chairman and Memorandum of Concern or interest of directors circulated to the members pursuant to Section 302 of the Companies Act, 1956.

DISCLOSURE UNDER CLAUSE 49 OF THE LISTING AGREEMENT:

Details of Director who is proposed to be reappointed as Chairman.

Name	: R. Doraiswami
Age	: 94
Qualification	: LTM (Hons)
Experience	: He is a Promoter/Director of the Company and is presently the Chairman of the Company. He has rich professional experience in the fields of projects, operations, procurement, marketing and administration with a good track record
No. of Shares held in the Company	: 407363
Outside Directorship	: Nil

Coimbatore
30.05.2013

By Order of the Board
For Sri Ramakrishna Mills (Coimbatore) Ltd
(Sd.) D. LAKSHMINARAYANASWAMY
Managing Director

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

Dear Shareholders,

Your Directors submit the following report on the working of the company for the year ended 31.03.2013.

After meeting all working expenses, interest, repairs to machinery and buildings, the working results of the company are as follows:

FINANCIAL RESULTS:

	Year Ended	
	31.03.2013 Rs.	31.03.2012 Rs.
Profit/(Loss) before Interest, and Depreciation	1,04,86,478	(6,18,34,436)
LESS: Interest	(3,86,79,643)	(4,16,25,788)
Depreciation	(91,82,249)	(1,80,39,234)
Net Profit/(Loss) before Exceptional items and Tax	(3,73,75,414)	(12,14,99,458)
Less: Surplus on conversion of land into Stock-in-Trade	1,03,29,657	7,99,96,614
(Loss) after Exceptional Item and before Tax	(2,70,45,757)	(4,15,02,844)
Less : Tax Adjustments	-	-
(DEFICIT) carried over to Balance Sheet	(2,70,45,757)	(4,15,02,844)

The above deficit has been carried over to Balance Sheet.

PERFORMANCE:

The turnover of the Company has reduced to Rs.36.58 crores from Rs.38.34 crores in the previous year and the Company has incurred a loss of Rs.3.74 crores before taking into account the exceptional item during the year under review, due to severe power shortage both in Tamilnadu & Andhra Pradesh.

The Textile Industry in general suffered during the year under report also and our arrangement for the purchase of private power had not supported to improve our working due to prolonged daily shut downs by Tamilnadu Electricity Board.

As a result of prevailing uneconomical working conditions, we have stopped operations at our Sathyamangalam Units from May 2013.

Further, we are now buying outside power and running to full capacity at Andhra Pradesh and expect the power position to considerably improve in Andhra Pradesh in the coming year.

DIRECTORS:

Reappointment of Directors:

Sri. R. Doraiswami was appointed as the Executive Chairman of the company for a term of 5 years with effect from 30/07/2008 and it is due to expire on 29/07/2013. He has expressed that he wants to retire from 29/07/2013. However, it is proposed to appoint him as a Non-Executive Chairman of the Company with effect from 30/07/2013. In order to continue to avail his experience and wisdom, the directors propose to appoint him for another term of 5 years and necessary resolution for seeking the approval of members at the ensuing Annual General Meeting is included.

Sri.R.Radhakrishnan one of the Directors of the Company retires by rotation at the ensuing Annual General Meeting of the Company. The place so vacated by him has to be filled up at the same meeting. The retiring Director is eligible for re-appointment at the ensuing Annual General Meeting.

Accordingly, a resolution is included for consideration of members at the ensuing Annual General Meeting of the Company.

FIXED DEPOSITS:

As on 31.03.2013, 4 (Four) Deposits totaling Rs.45,000/- have not been claimed after the due dates of the respective deposits.

TECHNOLOGY ABSORPTION , ENERGY CONSERVATION ETC.:

Information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the Companies (Declaration of Particulars in the Report of Board of Directors) Rules, 1988 are annexed separately and they form part of this report.

EMPLOYEES:

No employee of the company has drawn salary in excess of Rs.5,00,000/- per month. Hence the particulars of employees as per Section 217(2A) of the Companies Act, 1956 has not been given.

STATEMENT OF RESPONSIBILITY OF DIRECTORS:

As required under section 217 (2AA) of the Companies Act, 1956, your Directors state:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departure from the same.
- that the accounting policies selected and applied are consistent and the judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended March 31,2013 and of the Loss of the company for the year ended on that date.
- that proper and sufficient care has been taken 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.
- that the annual accounts have been prepared on a "going concern" basis.

CORPORATE GOVERNANCE

A separate Report on Corporate Governance is attached to this report. A certificate from the Auditors of the company confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

CODE OF CONDUCT:

The Company has adopted a code of conduct for the Board of Directors and Senior Management of the company and all of them have affirmed compliance of the same.

CEO/CFO CERTIFICATION:

As contemplated under Clause 49 of the Listing Agreement, certificate from Mr N Narasimhalu, CFO-Vice President was placed before the Board of Directors at their meeting held on 30.05.2013 and the same is included in this report.

AUDITORS:

The Auditors of the Company M/s.M.S.Jagannathan & Visvanathan retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment at the same meeting.

COST AUDITORS:

Pursuant to the directions of the Central Government for audit of the Cost Accounting Records maintained by the Company as required under section 209(1)(d) of the Companies Act, 1956, the proposal for appointment of M/s.S.Mahadevan & Co, Cost Accountants, Coimbatore as Cost Auditors for the year ended 31st March 2013 was approved by the Central Government and they were accordingly appointed.

The Cost Audit Report for the year 2011-12 was filed on 15.02.2013.

In respect of the Financial Year ended 31st March 2013, the Company with the approval of the Central Government has appointed M/s.S.Mahadevan & Co, Cost Accountants for audit of Cost Accounting Records maintained by the Company. The due date for filing the Cost Audit Report is 30th September 2013.

GENERAL:

Under the existing circumstances, it is proposed to carry on the business of trading in various securities as the same may be conveniently or advantageously combined with the business of the Company. Accordingly it is necessary to amend the Memorandum of Association of the company which has to be effected through voting by Postal Ballot.

Further, due to administrative convenience the Registered Office of the Company is proposed to be shifted to Coimbatore from Sathyamangalam. Necessary resolution for this has to be passed through voting by Postal Ballot.

As reported last year, the company proposes to develop the land at its Ganapathy Unit in stages and suitable actions are being taken.

During the year under review, a part of land has been transferred to Stock-in-trade.

Our thanks are due to The South Indian Bank Ltd., and Kotak Mahindra Bank Ltd., for their support and assistance to meet our business needs.

The Directors appreciate the services rendered by the Officers, Staff and the employees of the Company.

We pray for the Grace of Almighty Sri Jaganatha Perumal for the prosperity of the Company.

Coimbatore
30.05.2013

For the Board of Directors
(Sd.) D. Lakshminarayanawamy
Chairman of the Meeting

ANNEXURE TO DIRECTORS' REPORT

Particulars pursuant to the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY

- a) Energy Conservation measures taken : None
- b) Additional investments and proposals being implemented for reduction of consumption and consequent impact on cost of production:
Propose to replace the existing motors with energy efficient motors in various machinery.
- c) Impact of measures (a) and (b) for reduction of energy consumption and consequent impact on cost of production:
The proposals implemented in the earlier years are closely monitored.
- d) Total energy consumption and energy consumption per unit of production as prescribed in Form-A.

FORM-A

	Year Ended 31.03.2013	Year Ended 31.03.2012
(A) Power and Fuel Consumption:		
1. Electricity:		
a) Purchased:		
Units (in lakhs)	94.00	119.66
Total amount (Rs.in lakhs)	564.95	542.37
Rate per Unit (Rs.)	6.01	4.53
b) Own Generation:		
i) Through Diesel Generator		
Units (in lakhs)	1.59	0.12
Units per litre of Diesel Oil	2.78	3.06
Cost/Unit (Rs.)	17.83	14.63
ii) Through Steam turbine/Generator	Nil	Nil
2. Coal	Not used	Not used
3. Furnace Oil	Not used	Not used
4. Other/internal generation	Nil	Nil
(B) Consumption per unit of production: Electricity – Units per kg. of yarn	5.20	5.21

B. TECHNOLOGY ABSORPTION

Efforts made in Technology absorption as per Form B:

The company used indigenous technology only. Being a member of South India Textile Research Association, the company is able to get the benefits of the latest technology available for textile industry as its member.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- i) Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans:
Steps are being taken to export yarn and to explore new markets.
- ii) Total foreign exchange earned and used:

Earned :	Export of yarn - in Foreign Exchange (FOB)	Rs. Nil
Used :	Expenditure in Foreign Currency on account of: Travelling	Rs: 65,670

Coimbatore
30-05-2013

For the Board of Directors
(Sd.) D. Lakshminarayanawamy
Chairman of the Meeting

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT

Indian Textile Industry is poised to play a leading role in industrial production in the country as well as in export segment.

India is endowed with adequate quantities of both Raw Cotton and man-made fibres. They are available not only for domestic consumption but also for export. Managerial personnel are also available to take the industry to great heights.

The industry needs to be nurtured properly. Policies framed by Government especially on raw materials and yarn exports needs to be industry friendly and not hostile.

OUTLOOK

Though price variation of raw material and fluctuation of selling price of yarn and power shortages have made operations difficult, we expect a better period than the previous year. However, the Government should help the industry to come out of the power crisis on a war footing.

RISK & CONCERNS

Industry is eagerly looking forward to Government for early solution to come out of the present crisis. Two areas which need to be tackled on a long term basis is that power situation should become normal and that industry should look forward for a long term raw material policy and unhindered exports of yarn..

INTERNAL CONTROLS

The Company has adequate financial control systems commensurate with its size and nature of business. The financial control systems are supplemented by Internal Audit and review of the same by Audit Committee at corporate level.

CERTIFICATION BY THE CHIEF FINANCIAL OFFICER FOR THE FINANCIAL STATEMENTS OF THE COMPANY

I, N Narasimhalu, Chief Financial Officer of M/s.Sri Ramakrishna Mills (Coimbatore) Ltd, certify that

- a. I have reviewed the financial statements and the cash flow statement for the year ended 31.03.2013 and that to the best of my knowledge and belief :
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. I am responsible for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken to rectify these deficiencies.
- d. I have indicated to the auditors and the audit committee:
 - i) Significant changes in internal control during the year
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Coimbatore
30.05.2013

(Sd.) N NARASIMHALU
Chief Financial Officer



CORPORATE GOVERNANCE

1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Sri Ramakrishna Mills believes that good corporate governance is essential to achieve long term corporate goals and enhance shareholder value on a sound basis.

2) BOARD OF DIRECTORS

The Board consists of Sri R.Doraiswami as the Chairman and Sri.D.Lakshminarayanawamy as the Managing Director and Sri.N.Jothikumar, Sri.R.Narayanamurthy and Sri.R.Radhakrishnan as the non-executive independent Directors.

The table below gives the particulars of attendance of each director at the Board Meetings held during the year ended 31.03.2013 and at the last AGM as also the number of directorships in other companies and memberships in other Board Committees.

Name of the Director (1)	Position (2)	No. of Board Meetings attended (3)	Attendance at last AGM (4)	No. of Directorships in other companies (5)	No. of Memberships in Board Committee of other companies (6)	No. of shares held (7)
Sri R Doraiswami	Executive-Chairman	2	Leave of absence granted	Nil	Nil	407363
Sri D.Lakshminarayanawamy	Managing Director	5	Present	7	Nil	513814
Sri N Jothikumar	Non-Executive Independent	5	Present	Nil	Nil	12600
Sri R Narayanamurthy	Non-Executive Independent	5	Present	1	Nil	500
Sri R Radhakrishnan	Non-Executive Independent	5	Present	1	Nil	500

DIRECTORS' REAPPOINTMENT:

Sri.R.Doraiswami's term as Chairman of the Company expires on 29.07.2013 and a resolution to consider his reappointment is included in the Agenda of the ensuing Annual General Meeting.

Sri.R. Radhakrishnan retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. A resolution to this effect is included in the Agenda of the ensuing Annual General Meeting.

BOARD MEETINGS

From 01.04.2012 to 31.03.2013, five (5) board meetings were held on the following dates:

15.05.2012, 13.08.2012, 23.10.2012, 09.11.2012 and 15.02.2013

3) COMMITTEES OF THE BOARD

a) REMUNERATION/SELECTION COMMITTEE

Remuneration/Selection Committee constituted on 30.10.2009 consists of the following members:

1. Sri N Jothikumar - Chairman
2. Sri R Narayanamurthy - Member
3. Sri R Radhakrishnan - Member

This Committee has been formed to recommend to the Board the appointment/reappointment of the executive and non-executive directors, the induction of Board members into various committees. For the appointment of Senior Executives including Chief Executive, the Selection Committee is formed which consists of the above three independent directors of the company and an expert in the respective field of specialization of the prospective appointee. The Chairman, the Managing Director and the Chief Executive are paid salary as recommended by the Remuneration Committee and approved by the Shareholders/Central Government wherever necessary. The committee has also been empowered to determine the periodic increments in salary and annual incentive of the executive director(s).

On the basis of recommendation by the Remuneration Committee, it is proposed to amend the Article 3 of the Articles of Association of the Company relating to the Sitting Fees payable to the non-executive directors for attending the meetings of the Board and its Committees. The proposed resolution is placed before the members for their approval at the ensuing Annual General Meeting.

This committee comprises entirely of independent directors.

Remuneration to Non-Executive Directors for the year ended 31.03.2013.

Sl. No.	Director	Sitting Fees (Rs.)
1	Sri N Jothikumar	18000
2	Sri R Narayanamurthy	12000
3	Sri R Radhakrishnan	14000

b) AUDIT COMMITTEE

Audit Committee consists of the following Directors after being reconstituted on 30.10.2009

1. Sri N Jothikumar - Chairman
2. Sri R Narayanamurthy - Member
3. Sri D Lakshminarayanawamy - Member

The Company Secretary is the convenor.

The Audit Committee would monitor and provide effective supervision and also assure the Board in compliance of adequate internal control systems and other financial disclosures in addition to the issues conforming to the requirements specified by the Company Law, Stock Exchanges, MCA.

The minutes of the Audit Committee meetings were circulated to the Board where they were discussed and taken note of.

The Audit Committee met four times on 14.05.2012, 10.08.2012, 08.11.2012 & 11.02.2013.

The attendance during the year is as under:-

Sl.No.	Members	Meetings attended
1	Sri N Jothikumar	4
2.	Sri R Narayanamurthy	4
3.	Sri D Lakshminarayanawamy	4

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

c) SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

Shareholders' / Investors' Grievance Committee consists of the following members after being reconstituted on 30.10.2009

1. Sri N Jothikumar - Chairman
2. Sri R Radhakrishnan - Member
3. Sri D Lakshminarayananaswamy - Member

The Committee has been formed to specifically look into Shareholders' / Investors' complaints, if any, on transfer of shares, non-receipt of Balance sheet, non-receipt of interest and redemption of debentures etc. It functioned till 31.08.2012.

Sri S A Subramanian, Company Secretary is the Compliance Officer.

During the year, the Committee met two times on 11.05.2012 and 09.08.2012 to deliberate on various matters referred to it and all of them were resolved.

The attendance during the year is as under:-

Sl.No.	Members	Meetings attended
1	Sri N Jothikumar	2
2.	Sri R Radhakrishnan	2
3.	Sri D Lakshminarayananaswamy	2

d) SHARE TRANSFER COMMITTEE

The Share Transfer Committee not being a statutory / mandatory one, has been formed by two members of the Board and two representatives from the Registrar and Share Transfer Agent. It functioned till 31.08.2012.

The Committee met at frequent intervals to review and approve transfers and transmissions of equity shares effected and issue of duplicate Share Certificates, etc.

e) SHARE TRANSFER -CUM-INVESTORS' GRIEVANCE COMMITTEE:

Effective 1.09.2012, it was decided that the role of the two Committees - i) Share Transfer Committee and (ii) Investors' Grievance Committee be merged into one and the reconstituted committee be under the nomenclature - Share Transfer-cum-Investors' Grievance Committee and the Members of the said Committee are :-

- i) Sri.N. Jothikumar
- ii) Sri.R. Radhakrishnan
- iii) Sri.D. Lakshminarayananaswamy

The above Committee shall be empowered to deal with all the matters connected with Transfer of securities of the company issue of duplicate / new Certificates, etc., and interalia oversee redressal of the Shareholders' and Investors' Grievance and other matters related to Shareholders.

M/s.SKDC Consultants Ltd, Coimbatore shall continue to act as Registrars & Transfer Agents providing Investors' servicing such as Share Registration and other related services under the supervision of this Committee.

There were three meetings of this Committee during the Financial Year ended 31.03.2013 - viz. on 08.09.2012, 08.11.2012 and 11.02.2013. All the above members attended the above three meetings.

As on 31.03.2013, no complaint from shareholder / investor is pending.

4) DETAILS OF GENERAL MEETINGS

a) Annual General Meetings :-

Information regarding last 3 years' Annual General Body meetings are given below

Sl.No.	Venue	Day	Date	Time
1.	No.3, Bhavani River Street, Ariappampalayam, Sathyamangalam 638 402	Wednesday	26.09.2012	9.30 AM
2.	No.3, Bhavani River Street, Ariappampalayam, Sathyamangalam 638 402	Friday	22.07.2011	10.00 AM
3.	No.3, Bhavani River Street, Ariappampalayam, Sathyamangalam 638 402	Wednesday	11.08.2010	9.30 AM

5) GENERAL SHAREHOLDER INFORMATION:

1 66th AGM to be held on :

Day : Wednesday
 Date : 24th July 2013
 Time : 9.30 a.m.
 Venue : Regd. Office: No. 3, Bhavani River Street, Ariappampalayam, Sathyamangalam 638 402

2 Date of Book Closure : From 17th July 2013 to 24th July 2013 (both days inclusive)

3 Financial Calendar :

Results announced : 30th May 2013
 Posting of Annual Reports : Third Week of June 2013
 Last date of Receipt of Proxy Forms : 22nd July 2013
 Announcement of Quarterly Results : Aug 2013, Oct 2013, Jan.2014 & May 2014

4 Listing on Stock Exchanges : BSE Ltd - Scrip Code No.521178 - ISIN No.INE306D01017
 Annual listing fee to the Stock Exchange paid upto date.

5 Registered Office : No.3, Bhavani River Street, Ariappampalayam, Sathyamangalam 638 402
 Phone & Fax No.: 04295-220681

6 Administrative Office : 1493, Sathyamangalam Road, Ganapathy Post, Coimbatore 641 006
 Phone : 0422-2531022/1122 Fax : 0422-2531579 E-mail: srmc@vsnl.com

The Company's Website www.ramakrishnamills.com containing financial information, share holding pattern and compliance with Corporate Governance, etc has been activated. The contents are periodically updated. The Company has created an ID as required by SEBI under its SCORES - the web based complaint redressal system - "secretary@ramakrishnamills.com"

7 Plant Location : Nagari (Andhra Pradesh), & Sathyamangalam (Tamil Nadu)



- 8 Share Transfer System : Shares are in physical and demat form. Share Transfer documents received at the office of Registrar and Share Transfer Agent are processed and returned within a period of 15 days from the date of receipt after the shares are transferred and registered, if the documents being valid and complete in all respects. In order to expedite the process of share transfers, the Board has delegated the power of share transfer to the Registrar & Share Transfer Agents.
- 9 Share Transfer Agents' Address : M/s.S.K.D.C. Consultants Ltd., Kanapathy Towers, 3rd Floor, 1391/A-1 Sathy Road, Ganapathy Post, Coimbatore 641 006.
Phone : 0422-6549995, 2539835-836 Fax : 0422-2539837 Email : info@skdc-consultants.com

6) DEMATERIALISATION OF SHARES:

6654995 shares representing 93.50% of total equity capital is held in dematerialised form with NSDL and CDSL whereby the shares are available for trading in the dematerialized form under both the Depositories. The annual custody fees for the Financial Year 2013-14 have been paid to NSDL and CDSL.

7) MARKET PRICE DATA

The High & Low prices during each month in last financial year in The BSE Ltd, Mumbai, are given below:

B S E in (Rs.)												
MONTH	April '12	May	June	July	August	September	October	November	December	January'13	February	March
HIGH	16.30	14.65	14.10	13.45	12.85	13.88	13.00	13.20	16.56	19.00	16.90	15.25
LOW	14.01	12.90	12.20	11.88	11.80	11.10	11.50	10.95	10.99	13.65	14.26	12.20

8) DISTRIBUTION OF SHARE HOLDING (AS ON 31-03-2013)

Range (No. of Shares)	No. of Shareholders	No. of Shares	% to total shares
Upto 5000	2049	826140	11.61
5001 - 10000	22	147212	2.07
10001 - 20000	16	205447	2.89
20001 - 30000	4	112158	1.58
30001 - 40000	6	203996	2.87
40001 - 50000	0	0	0
50001 - 100000	2	164450	2.31
100001 and above	12	5458927	76.67
Total	2111	7118330	100.00

10) CATEGORIES OF SHAREHOLDING AS ON 31-03-2013

Sl. No.	Category	No. of Share holders	No. of Shares	% Shareholding
1	Promoters' Holding	10	4264679	59.91
2	Directors & Relatives	9	98382	1.38
3	Private Corporate Bodies	62	121920	1.71
4	Banks	1	100	-
5	Financial Institutions	1	750000	10.54
6	N R I	5	47616	0.67
7	Other Public	2023	1835633	25.79
	Total	2111	7118330	100.00

Shares under Lock in : NIL
Legal proceeding/disputes on share transfer against the company : NIL

Contact address for Shareholders/Analyst : **Company Secretary**
Sri Ramakrishna Mills (Coimbatore) Ltd. 1493, Sathyamangalam Road, Ganapathy, Coimbatore-641 006. Phone : 0422-2531022, 2531122 Fax : 0422-2531579 E-mail: srmc@vsnl.com

The Company currently does not have any Stock Option Scheme.

9) INFORMATION PURSUANT TO AMENDMENT IN CLAUSE 5A INTRODUCED IN THE LISTING AGREEMENT ON 24.12.2010

Under Clause 5 A-I and 5 A-II there are NIL unclaimed shares as per the certificate issued by Registrars and Share Transfer Agents of the company and as such the question of adhering to the procedure specified and furnishing the details required, as per the amendment to the Listing Agreement does not arise.

11) NOMINATION FACILITY

As provided in the Companies Act, 1956, nomination facility is available for the shares held in the Company. The nomination form (Form 2B) will be provided to the members on request.

12) DISCLOSURES:

- Disclosure of material transaction
During the financial year ended 31st March 2013 there was no material, financial or commercial transaction which had potential interest of the senior management personnel or which might have had potential conflict with the interests of the Company.
- Related party transactions
During the financial year ended 31st March, 2013 there were no transactions of material nature, between the Promoters, Directors and Relatives and the Management that had potential conflict with the interest of the company. Details of related party transactions are given elsewhere in the Annual Report.
- Information supplied to the Board
All information, as required under Annexure 1A to Clause 49 of the Listing Agreement, is made available to the Board. The Board is also regularly updated on statutory compliances, as are applicable to the Company.
- Code of Conduct
The Company has adopted a Code of Conduct for Directors and Senior Management personnel for prevention of Insider Trading based on SEBI (Insider Trading) Regulations 1992. The Directors and Senior Management Personnel of the Company have affirmed their adherence to the Code.
- Compliance by the Company
During the last three years, there were no penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.

13) MEANS OF COMMUNICATION

The quarterly/annual results are published in the Newspapers in the proforma prescribed by Stock Exchange.

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

AUDITORS' CERTIFICATE

To the Members of

M/s.Sri Ramakrishna Mills (Coimbatore) Limited, Coimbatore.

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of Corporate Governance by M/s.SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED for the year ended on March 31, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Ltd., Mumbai.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was conducted in the manner prescribed in the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. Our examination was neither an audit nor was it conducted to express an 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, and on the basis of our examination described above, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

On the basis of Certificate issued by the share transfer agents we state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Share Transfer cum Investors' Grievance Committee.

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.

Place: Coimbatore

Date : 30-05-2013

For M.S. JAGANNATHAN & VISVANATHAN

Chartered Accountants

Firm Reg. No.001209S

(Sd.) M J Vijayaraghavan

Partner, M No.7534

AUDITORS' REPORT TO THE MEMBERS OF SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

Report on the Financial Statements:

We have audited the accompanying financial statements of SRI RAMAKRISHNA MILLS [COIMBATORE] LIMITED which comprise the Balance Sheet as at 31 March 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"). 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 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:

- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2013;
- (ii) In the case of the Statement of Profit and Loss, of the LOSS for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the cash flows 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"), as amended, 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 Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
 - e. On the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 M S Jagannathan & Visvanathan

Chartered Accountants

Firm Regd. No. 001209S

(Sd.) M J Vijayaraghavan

Partner

M No.7534

Coimbatore

30.05.2013

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the Members of SRI RAMAKRISHNA MILLS [COIMBATORE] LIMITED for the year ended 31 March 2013. We report that:

- i) a The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b The fixed assets have been physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year discrepancies noticed on such physical verification were not material and have been properly dealt with in books of accounts.
- c There were no sale of substantial part of fixed assets during the year and hence the going concern of the company is not affected.
- ii) a Physical verification of Inventory [excluding stocks with third parties] has been conducted at reasonable intervals by the Management. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- b 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.
- c The company has maintained proper records of inventory and discrepancies noticed on physical verification of inventories as compared to book records were not material and have been appropriately dealt with.
- iii) a During the year, the Company has not granted any loans, secured or unsecured to parties covered in the register maintained under section 301 of the Companies Act, 1956 and hence sub clauses b, c & d of clause (iii) are not applicable
- b During the year, the company has taken unsecured loans amounting to Rs.33,44,451/- from one party covered in the register maintained under section 301 of the Act .
- c The rate of interest and other terms and conditions of the unsecured loans taken are not prima facie prejudicial to the interest of the company.
- iv) a In our opinion and according to the explanation and information given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of the business for the purchase of inventory and fixed assets and for the sale of goods.
- b During the course of our Audit no major weakness has been noticed in the internal controls.
- v) a The transactions made in pursuance of contracts or arrangements, that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been recorded in the register maintained for the purpose
- b In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act, have been made at prices which are reasonable having regard to the Prevailing Market prices at the relevant time other than for conversion charges paid amounting to Rs.80,45,320/- (Net) for which no comparable market prices were available and are considered to be of special nature as explained by the management of the Company.
- vi) In our opinion and according to the information and explanations given to us the company has complied with the provisions of section 58A and 58AA of the Companies Act, 1956 and the Companies [Acceptance of Deposits] Rules 1975 with regard to the deposits accepted from the public. No order has been passed by the National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vii) In our opinion and according to the information and explanations given to us, the internal audit was carried out by an external Chartered Accountant and is commensurate with the size of the company and the nature of its business.
- viii) We have broadly reviewed the books of accounts maintained by the Company pursuant to the order made by the Central Government for the maintenance of cost records under section 209(1) (d) of the companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix) a According to the information and explanation given to us and records examined by us, the company subject to (b) stated below is regular in

depositing undisputed statutory dues including Investor Education and Protection Fund, Income Tax, Value Added Tax, Wealth Tax, Service Tax and any other statutory dues with the appropriate authorities.

- b According to the information and explanation given to us, the undisputed arrears of statutory dues which were outstanding as at 31st March 2013 for a period of more than six months from the date they became payable are as follows:

Name of the Statute	Amount (Rs.)	Period to which the amount relates
The Income tax Act, 1961	17,13,585	A.Y 2010-2011

- c According to the information and explanations given to us, the statutory dues which have not been deposited on account of dispute are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
TNGST	Addl. Sales tax	7.43	A.Y.2004-05 to 2006-07	Madras High Court
TNGST	Sales tax	54.59	A.Y.1995-96	Madras High Court
TNGST	Sales tax	89.37	A.Y.1999-00	Madras High Court
TNGST*	Sales Tax	61.66*	A.Y.1998-99	Madras High Court
TNGST	TNGST, AST	121.97	F.Y.2000-01	Madras High Court
Customs	Customs duty on Cotton	8.26	F.Y.2003-04	Madras High Court
APSEB	Fuel surcharge Adjustment	3.20	July 2012 & Nov. 2012	AP High Court

*(Rs.31 lakhs, since paid)

- x) The company has accumulated loss of Rs.625,24,472 /- for the year ended 31st March 2013 and it has incurred cash losses both during the current financial year and in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanation given to us the company has not defaulted in repayment of dues to any of the banks.
- xii) During the year, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion the company is not a chit fund or a nidhi/mutual benefit/society. Therefore, clause 4(xiii) of the Companies (Auditors Report) order 2003 is not applicable to the Company.
- xiv) In our opinion and according to the information and explanation given to us, the Company is not dealing or trading in Shares, Securities, debentures and other Investments.
- xv) In our opinion and according to the information and explanation given to us, the company, during the year has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi) In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
- xvii) According to the information and explanation given to us and on an overall examination of the Balance sheet of the company, we report that no funds raised on short term basis have been used for long-term investment.
- xviii) The Company has not made any preferential allotment of shares during the year to the parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- xix) The Company has not issued any debentures during the financial year and hence creation of security in respect thereof does not arise.
- xx) The Company has not raised any money through a public issue during the year.
- xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our Audit.

For M S Jagannathan & Visvanathan
Chartered Accountants
Firm Regd. No. 001209S
(Sd.) M J Vijayaraghavan
Partner
M No.7534

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

BALANCE SHEET AS AT 31st MARCH 2013

Particulars	Note No.	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
I. EQUITY AND LIABILITIES:			
Shareholders' funds :			
a) Share capital	2	7,11,83,300	7,11,83,300
b) Reserves and surplus	3	13,02,96,048	15,59,40,942
Non-current liabilities :			
a) Long Term Borrowings	4	14,86,24,796	11,87,62,226
b) Long Term Provisions	5	2,43,91,888	2,43,44,634
Current liabilities :			
a) Short Term Borrowings	6	14,61,74,373	19,39,80,315
b) Trade payables	7	6,83,63,976	4,60,75,131
c) Other current liabilities	8	7,17,09,407	9,08,58,643
d) Short-term provisions	9	17,58,165	40,67,818
TOTAL		66,25,01,953	70,52,13,009
II. ASSETS			
Non-current assets :			
a) Fixed assets			
i) Tangible assets	10	17,78,15,889	20,19,41,177
ii) Capital Work in progress		11,45,524	-
b) Non-Current Investments	11	99,100	36,74,100
c) Deferred Tax Assets		10,94,47,410	10,94,47,410
d) Long-term loans and advances	12	17,69,18,518	17,42,09,308
e) Other non-current assets	13	47,15,945	1,86,94,609
Current assets :			
a) Inventories	14	11,99,07,652	13,40,09,716
b) Trade receivables	15	4,60,07,135	3,18,89,158
c) Cash and cash equivalents	16	76,97,960	1,99,28,009
d) Short-term loans and advances	17	1,83,26,859	1,04,16,097
e) Other current assets	18	4,19,961	10,03,425
TOTAL		66,25,01,953	70,52,13,009
Significant Accounting Policies	1		
Additional Information to financial statements	26		
See accompanying notes to the financial statements			

(Sd.) **R.Doraiswami**
Chairman

(Sd.) **D.Lakshminarayananaswamy**
Managing Director

(Sd.) **N.Narasimhalu**
C F O - Vice President

(Sd.) **S.A. Subramanian**
Company Secretary

In terms of our report of even date
For **M.S.JAGANNATHAN & VISVANATHAN**
Chartered Accountants,
Firm Regd.No.001209S

(Sd.) **M.J.VIJAYARAGHAVAN**
Partner
M.No. 7534

(Sd.) **Sasirekha Vengatesh**
Chartered Accountant
Internal Auditor
M NO 200464

Place : **Coimbatore**
Date : **30-5-2013**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2013**

Particulars	Note No	Year ended 31.03.2013 Rs.	Year ended 31.03.2012 Rs.
REVENUE			
Revenue from operations	19	37,81,78,076	42,08,93,636
Other income	20	1,61,24,895	53,89,302
Total Revenue		39,43,02,971	42,62,82,938
EXPENSES			
Cost of materials consumed	21	20,40,38,839	25,23,98,673
Changes in inventories of finished goods, work in progress	22	1,64,42,446	5,36,18,848
Purchase of yarn		-	68,21,879
Power and fuel		6,07,66,311	5,67,29,722
Employee benefits expense	23	6,54,97,196	6,89,14,590
Finance costs	24	3,86,79,643	4,16,25,788
Depreciation		1,44,90,908	
Less: Depreciation transferred to Revaluation Reserve		53,08,659	1,80,39,234
Other expenses	25	3,70,71,701	4,96,33,662
Total Expenses		43,16,78,385	54,77,82,396
Loss before Exceptional Items and Tax		(3,73,75,414)	(12,14,99,458)
Exceptional Items - Surplus on conversion of Land into Stock-in-Trade		1,03,29,657	7,99,96,614
Loss after Exceptional Items Transferred to Surplus A/c		(2,70,45,757)	(4,15,02,844)
Basic and Diluted EPS (of Rs.10/- each) before exceptional items		-5.25	-17.07
Basic and Diluted EPS (of Rs.10/- each) after exceptional items		-3.80	-5.83
Significant Accounting Policies	1		
Additional Information to financial statements	26		
See accompanying notes to the financial statements			

(Sd.) **R.Doraiswami**
Chairman

(Sd.) **D.Lakshminarayananaswamy**
Managing Director

(Sd.) **N.Narasimhalu**
C F O - Vice President

(Sd.) **S.A. Subramanian**
Company Secretary

In terms of our report of even date
For **M.S.JAGANNATHAN & VISVANATHAN**
Chartered Accountants,
Firm Regd.No.001209S

(Sd.) **M.J.VIJAYARAGHAVAN**
Partner
M.No. 7534

(Sd.) **Sasirekha Vengatesh**
Chartered Accountant
Internal Auditor
M NO 200464

Place : **Coimbatore**
Date : **30-05-2013**

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

Particulars	Year ended 31.03.2013 Rs.	Year ended 31.03.2012 Rs.
1) CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) before tax and extraordinary items	(3,73,75,414)	(12,14,99,458)
Adjustments for :		
Depreciation	91,82,249	1,80,39,234
Interest Charged	3,55,33,024	3,53,23,176
Profit on sale of Assets	(1,26,23,147)	(4,77,529)
Lease rent	(11,81,053)	(12,03,283)
Interest Receipts	(14,13,719)	(23,30,741)
Operating profit before working capital changes	(78,78,060)	(7,21,48,601)
Adjustments for change in :		
Trade & Other Receivables	8,60,513	3,25,07,990
Inventories	1,41,02,064	(52,12,674)
Other current assets	1,620	1,13,550
Trade Payable	31,60,905	(18,20,557)
Cash Generated from Operations	1,02,47,042	(4,65,60,292)
Direct taxes paid	(43,94,354)	(90,48,165)
Cash Flow from operating activities before extraordinary items	58,52,688	(5,56,08,457)
Extraordinary items-Profit on conversion of land into stock-in-trade	1,03,29,657	7,99,96,614
Cash Flow after Extraordinary items	1,61,82,345	2,43,88,157
2) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed Assets	(62,81,764)	(22,05,188)
Interest Received	19,95,563	17,80,903
Sale of fixed Assets	2,44,58,237	10,21,438
Lease rent Receipt	11,81,053	12,03,283
Purchase of investment	-	(35,75,000)
Sale of investment	35,75,000	-
Net Cash flow from Investing Activities	2,49,28,089	(17,74,564)
3) CASH FLOW FROM FINANCING ACTIVITIES :		
Long term Borrowings Received	3,40,00,000	7,00,00,000
Long term Borrowings Repaid	(41,37,430)	(5,69,63,357)
Short term Borrowings Received	35,42,111	65,76,411
Short term Borrowings Repaid	(5,13,48,053)	-
Interest paid	(3,53,97,111)	(3,69,47,139)
Net Cash flow from financing Activities	(5,33,40,483)	(1,73,34,085)
Net changes in Cash and Cash Equivalents (1+2+3)	(1,22,30,049)	52,79,508
Cash and Cash equivalents as at - Opening	1,99,28,009	1,46,48,501
Cash and Cash equivalents as at - Closing	76,97,960	1,99,28,009
Closing Cash balance consists of the following:		
Cash on hand	5,07,259	11,59,864
Bank balances:		
- In Current Account	13,51,391	1,54,572
- In LC Margin Deposit *	58,39,310	1,86,13,573
	76,97,960	1,99,28,009

This is the Cash Flow Statement referred to in our report of even date

(Sd.) **R.Doraiswami**
Chairman

(Sd.) **D.Lakshminarayanawamy**
Managing Director

(Sd.) **N.Narasimhalu**
C F O - Vice President

(Sd.) **S.A. Subramanian**
Company Secretary

Place : Coimbatore
Date : 30.05.2013

For M.S.JAGANNATHAN & VISVANATHAN
Chartered Accountants,
Firm Regd.No.001209S

(Sd.) **M.J.VIJAYARAGHAVAN**
Partner
M.No. 7534

(Sd.) **Sasirekha Vengatesh**
Chartered Accountant
Internal Auditor
M NO 200464

1. SIGNIFICANT ACCOUNTING POLICIES:

AS-1 DISCLOSURE AND BASIS OF ACCOUNTING

- a) The Financial statements have been prepared under the Historical Cost Convention except for Land, Building, Plant and Machinery and is in accordance with the provisions of the Companies Act, 1956. The Company has complied with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.
- b) The company has been consistently following the accrual basis of accounting in respect of Income and Expenditure
- c) The accounts are prepared on the basis of Going Concern concept only.

AS-2 VALUATION OF INVENTORIES

Inventories are valued at lower of Cost and net realizable value, where,

- a) Cost of raw material is determined on Specific Identification method
- b) Stock of Stores and Spares is determined on Weighted Average Cost
- c) Finished Goods and Work in Progress is determined under FIFO where cost includes conversion and other costs incurred in bringing the inventories to their present location and condition.

AS-3 CASH FLOW STATEMENTS:

Cash flows are reported using Indirect Method whereby Loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. Cash and Cash equivalents include cash on hand and balances with banks in current and deposit accounts with necessary disclosure of cash and cash equivalent that are not available for use by the company.

AS-6 DEPRECIATION ACCOUNTING

Depreciation on Fixed Assets has been provided as per Schedule XIV of the Companies Act, 1956 adopting the methods as under:-

- a) Plant and Machinery - Straight Line Method as applicable to continuous process
- b) Building, Motor Vehicles, Furniture and Library - Written down Value Method
- c) Depreciation in respect of Revaluation Surplus is deducted from Revaluation Reserve.

AS-9 REVENUE RECOGNITION

- a) Income and Expenditure are recognized and accounted on accrual basis as and when they are earned and incurred. Revenue from sale transaction is recognized as and when significant risks and rewards attached to ownership in the goods is transferred to the buyer and is net of Sales Tax and Transportation charges.
- b) Revenue from service transactions are recognized on the completion of the contract at the contracted rates when no significant uncertainty as to its measurability or collectability exists.
- c) Other Incomes are accounted on accrual basis except interest on NSC and dividend income.

AS-10 ACCOUNTING FOR FIXED ASSETS

- 1) Land : Shown at revalued figure .
- 2) Building, Plant & Machinery is shown at revalued figure Net of Cenvat Credit/ Value Added tax less accumulated depreciation and impairment losses, if any.
- 3) Replacements of parts of capital equipments like Spindles, Bobbins, Rings, Rotors etc., are capitalised from 01.10.2003.
- 4) Other fixed assets are shown at cost less accumulated depreciation.

AS-11 FOREIGN CURRENCY TRANSACTIONS

Foreign Currency transactions are recorded at the prevailing exchange rates at the time of initial recognition . Exchange differences arising on final settlement are recognized as income or expense in the statement of profit and loss. Outstanding balances of monetary items denominated in Foreign Currency are restated at closing rates and the difference is adjusted as income or expense in the statement of profit and loss. The premium or discount arising at the inception of forward contract is accounted as income or expense over the life of the contract. Any profit or loss arising on cancellation or renewal of forward contract is recognized as income or expense in the period in which they arise.

AS-13 ACCOUNTING FOR INVESTMENTS

Long Term Investments are stated at cost. A provision for diminution, if any, is made to recognize a decline, other than temporary in the value of long term investments.

AS-15 EMPLOYEE BENEFITS

- a) Short term employee benefits (other than terminal benefits) which are payable within 12 months after the end of the period in which the employees render service are accounted on accrual basis.

Defined Contribution Plans

Company's contributions paid / payable during the year to Provident Fund and Employees' State Insurance Fund are recognized in the statement of Profit and Loss.

Defined Benefit Plans

Company's Liabilities towards Gratuity is determined using the Projected Unit Credit Method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognised on a straight line basis over the average period until the amended benefits becomes vested. Actuarial gains or losses are recognized immediately in the statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate.

AS-16 BORROWING COSTS

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

All other borrowing costs are charged to revenue.

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

SIGNIFICANT ACCOUNTING POLICIES: (Contd...)

AS-19 LEASES

The lease income under operational lease agreement is accounted on straight line basis over the lease term.

AS-20 EARNINGS PER SHARE

The earnings considered in ascertaining the Company's earnings per share comprises of Net Loss and extraordinary item.

AS-22 ACCOUNTING FOR TAXES ON INCOME

Deferred tax resulting from timing differences between book and tax profits is accounted under liability method as enacted or substantially enacted rate as on the date of balance sheet. Deferred tax asset, other than those arising on account of unabsorbed depreciation or carry forward of losses under tax laws are recognised and carried forward subject to consideration of prudence only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

Deferred tax asset, arising on account of unabsorbed depreciation or carry forward of loss under tax laws are recognised and carried forward subject to consideration of prudence only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

AS-26 INTANGIBLE ASSETS

Software is being amortized over a period of 4 years

AS-28 IMPAIRMENT OF ASSETS

An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting year is reversed if there has been a change in the estimate of the recoverable amount.

AS-29 CONTINGENT LIABILITY

- a) A provision is recognized when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reasonable estimate can be made. Provisions are not discounted to the present value and are determined based on Management estimate. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.
- b) Contingent liabilities are disclosed by way of notes to financial statements. Provision is made if it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability.
- c) Contingent liability under various fiscal laws includes those in respect of which the Company/Department is in appeal.

OTHERS

(i) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted Accounting Principles requires Management to make estimates and assumptions that affects the reported amounts of assets and liabilities and the disclosures of contingent liabilities as at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to the estimates is recognized prospectively.

(ii) CENVAT

- a) The Value of CENVAT benefit is being reduced from the value of purchase of materials. Consumption of materials is arrived at accordingly.
- b) The value of CENVAT benefit eligible in respect of capital item is reduced from the cost and depreciation is claimed accordingly.



NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31.03.2013 No. of Shares	As at 31.03.2012 No. of Shares	As at 31.03.2013 Amount Rs.	As at 31.03.2012 Amount Rs.
2. SHARE CAPITAL:				
(a) Authorised:				
i) Equity Shares of Rs.10 each	1,00,00,000	1,00,00,000	10,00,00,000	10,00,00,000
ii) Redeemable Preference Shares of Rs.100/- each	5,00,000	5,00,000	5,00,00,000	5,00,00,000
Total			15,00,00,000	15,00,00,000
(b) Issued:				
Equity Shares of Rs.10 each	71,19,421	71,19,421	7,11,94,210	7,11,94,210
Total	71,19,421	71,19,421	7,11,94,210	7,11,94,210
(c) Subscribed and Fully Paid Up:				
Equity Shares of Rs.10 each	71,18,330	71,18,330	7,11,83,300	7,11,83,300
Total	71,18,330	71,18,330	7,11,83,300	7,11,83,300

**Reconciliation of the Equity Shares
Particulars**

	As at 31.3.2013 No. of Shares	As at 31.3.2012 No. of Shares
Shares at the beginning of the year	71,18,330	71,18,330
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	71,18,330	71,18,330

Details of shares held by each shareholder holding more than 5% of the Share Capital:

Name of Shareholder	No. of Shares held as on 31.3.2013	% of holding	No. of Shares held as on 31.3.2012	% of holding
Sri. R. Doraiswami	407363	5.72	407363	5.72
Sri. D. Lakshminarayananaswamy	513814	7.22	513814	7.22
Sri. R. Doraiswami & Sri.D.Lakshminarayananaswamy	369916	5.20	369916	5.20
Smt. L. Nagaswama	803037	11.29	803037	11.29
Smt. L. Suhasini	612528	8.60	612528	8.60
Smt. L. Swathy	563406	7.92	563406	7.92
Stressed Assets Stabilisation Fund	750000	10.54	750000	10.54

NOTE:

The Company has only one class of equity shares having a par value of Rs.10 per share. Each Share holder is eligible for one vote per share.

In the event of liquidation the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion of their share holding.

There are no shares allotted as fully paid without payments being received in cash, bonus shares or shares bought back.

3. RESERVES AND SURPLUS:

Capital Reserve - Land	96,45,052	-
Securities Premium Account		
As per last Balance Sheet	10,81,07,045	10,81,07,045
Revaluation Reserve (Land)		
As per last Balance Sheet	3,14,77,758	4,04,11,872
Adjustment on account of land converted into Stock-in-trade	1,14,907	89,34,114
Closing balance	3,13,62,851	3,14,77,758
Revaluation Reserve (Buildings and Machinery)		
As per last Balance Sheet	5,18,34,854	5,83,61,100
Adjustment on assets sold during the year	28,20,623	10,66,216
	4,90,14,231	5,72,94,884
Depreciation on Revaluation Surplus of Building, Plant & Machinery transferred from Statement of Profit & Loss	53,08,659	54,60,030
Closing balance	4,37,05,572	5,18,34,854
Surplus		
As per last Balance Sheet	(3,54,78,715)	60,24,129
Loss transferred from Statement of Profit and Loss	(2,70,45,757)	(4,15,02,844)
Closing balance	(6,25,24,472)	(3,54,78,715)
Total	13,02,96,048	15,59,40,942

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (Contd...)

As at 31.03.2013
Rs.

As at 31.03.2012
Rs.

Non-Current Liabilities:

4. LONG TERM BORROWINGS:

Secured

From Banks				
Term Loans		8,48,11,099		6,40,81,208
Hire Purchase loans		-		10,122
From Others				
Hire Purchase loans		45,25,087		23,53,336
Unsecured				
Fixed Deposits		2,08,43,000		2,06,69,000
Trade Deposits				
From Associates		3,80,24,610		3,12,07,560
From Others		4,21,000		4,41,000
Total		14,86,24,796		11,87,62,226

There is no case of continuing default as on the balance sheet date in respect of repayment of loans and interest.

Particulars	Outstanding amount	No of instalment	Interest %	Periodicity
Kotak Mahindra Bank Ltd:				
Term Loan : Rs. 139.51 lacs	1,00,28,775	38	16.75	Monthly
Term Loan : Rs. 510.48 lacs	3,61,16,563	37	16.75	Monthly
The South Indian Bank Ltd:				
Working Capital Term Loan	5,13,47,617	127	17.4	Monthly
Hire Purchase Loan:				
Kotak Mahindra Prime Ltd:	39,14,500	60	10.31	Monthly
Kotak Mahindra Prime Ltd:	23,82,266	42	6.45	Monthly
Kotak Mahindra Bank Limited	29,382	3	4.77	Monthly
Repayment Schedule for term loans:				
Within 1 year	1,26,81,856			
Beyond 1 year	8,48,11,099			
Repayment Schedule for hire purchase:				
Within 1 year	18,01,061			
Beyond 1 year	45,25,087			

Details of Security :

- Secured by equitable mortgage of 4.135 acres of vacant land situated at Coimbatore with all its present and future superstructure
- Hire Purchase Loans are secured by hypothecation of respective assets

Aggregate amount of loans guaranteed by Chairman & Managing Director towards term loans:

	Rs.in lacs
i) From The South indian Bank Ltd	1730
ii) From Kotak Mahendra Bank Ltd	950

5. LONG TERM PROVISIONS:

Provision for Gratuity :

- Managerial personnel		54,58,847		52,95,000
- Others		1,89,33,041		1,90,49,634
Total		2,43,91,888		2,43,44,634

6. SHORT TERM BORROWINGS:

Secured

From Banks				
Cash Credit Account		2,348,033		3,82,36,253
Letter of Credit		8,00,46,115		12,85,44,133
Bills		29,00,000		15,00,000

Unsecured

Loan from Managing Director and Chairman		35,42,111		-
Others		5,73,38,114		2,56,99,929
Total		14,61,74,373		19,39,80,315

Loans from The South Indian Bank Ltd are secured by first charge on hypothecation of Stock-in-Trade, and Book Debts and Second charge of the movable and immovable properties of the company.



NOTES FORMING PART OF FINANCIAL STATEMENTS (Contd...)

As at 31.03.2013
Rs.

As at 31.03.2012
Rs.

7. TRADE PAYABLES:

Due to Micro, Small & Medium Enterprises	39,43,755	32,67,963
Others	6,44,20,221	4,28,07,168
Total	6,83,63,976	4,60,75,131

8. OTHER CURRENT LIABILITIES:

Current maturities of term loans - Secured	1,26,81,856	1,72,31,976
Current maturities of Hire Purchase Loan - Secured	18,01,061	9,72,193
Current maturities of long term debt - Unsecured	-	35,78,926
Interest accrued and due on borrowings	2,69,701	3,22,699
Interest Accrued but not due on Borrowings	15,15,325	13,26,414
Unclaimed Matured Deposits	45,000	2,11,000
Liabilities for expenses	1,55,47,195	1,28,55,516
Liabilities for other finance	3,98,49,269	5,43,59,919
Total	7,17,09,407	9,08,58,643

9. SHORT TERM PROVISIONS:

Provision for taxation(Net of Advance Tax)	-	24,19,608
Provision for Gratuity	12,17,602	11,65,749
Provision for Leave Encashment	5,40,563	4,82,461
Total	17,58,165	40,67,818

10 FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2012	Additions during the year	Sales/ Withdrawals during the year	As at 31.03.2013	As at 01.04.2012	Provided during the year	Withdrawn during the year	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
A. TANGIBLE ASSETS:										
Land : (Cost)	9,88,899	-	1,70,343	818,556	-	-	-	-	8,18,556	9,88,899
(Revalued)	3,14,77,758	-	1,14,907	3,13,62,851	-	-	-	-	3,13,62,851	3,14,77,758
Buildings : (Cost)	7,06,47,808	-	63,62,206	6,42,85,602	5,57,94,790	9,65,107	53,01,179	5,14,58,718	1,28,26,884	1,48,53,018
(Revalued)	6,68,98,442	-	-	6,68,98,442	4,05,94,051	29,28,571	-	4,35,22,622	2,33,75,820	2,63,04,391
Plant & Machinery (Cost)	46,76,26,897	4,10,114	4,79,70,224	42,00,66,787	37,18,71,914	63,95,920	3,79,54,372	34,03,13,462	7,97,53,325	9,57,54,983
(Revalued)	4,80,55,292	-	29,77,854	4,50,77,438	2,25,24,829	23,80,088	1,57,231	2,47,47,686	2,03,29,752	2,55,30,463
Computer	25,99,590	18,850	-	26,18,440	23,52,716	94,541	-	24,47,257	1,71,183	2,46,874
Office Equipment	16,86,434	-	-	16,86,434	13,52,509	60,440	-	1,412,949	2,73,485	3,33,925
Furniture	12,09,168	-	3,500	12,05,668	11,78,011	5,639	3,045	11,80,605	25,063	31,157
Motor Vehicles	1,32,53,314	47,07,276	32,22,652	1,47,37,938	68,33,616	16,60,601	26,35,239	58,58,978	88,78,960	64,19,698
Library	1,921	-	-	1,921	1,910	1	-	1,911	10	11
	70,44,45,523	51,36,240	6,08,21,686	64,87,60,077	5,025,04,346	1,44,90,908	4,60,51,066	47,09,44,188	17,78,15,889	20,19,41,177
B. INTANGIBLE ASSETS :										
Software	19,01,951	-	0	19,01,951	19,01,951	-	-	19,01,951	-	-
	19,01,951	-	-	19,01,951	19,01,951	-	-	19,01,951	-	-
TOTAL	70,63,47,474	51,36,240	6,08,21,686	65,06,62,028	50,44,06,297	1,44,90,908	4,60,51,066	47,28,46,139	17,78,15,889	20,19,41,177
Capital Work in progress									11.45.524	
Previous Year	71,92,55,258	22,05,188	1,51,12,972	70,63,47,474	48,54,75,766	2,34,99,264	45,68,733	50,44,06,297	20,19,41,177	23,37,79,492

Note: 1) Land Revalued as on 30.09.2003
2) Building and Plant & Machinery revalued on 30.09.2002

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (Contd...)

As at 31.03.2013
Rs.

As at 31.03.2012
Rs.

11. NON-CURRENT INVESTMENT:

NON - TRADE INVESTMENTS - UN-QUOTED

Investments in Equity Instruments

2,000 Equity Shares of Rs.10/-each fully paid up in Sentra Yarns Ltd	20,000	20,000
3,57,500 Shares of Rs.10/- each fully paid up in Maple Renewable Power Private Limited	-	35,75,000

Investments in Government Securities

7 Years National Savings Certificate	1,000	1,000
6 Years National Savings Certificate	62,000	62,000
Indira Vikas Patra	1,100	1,100
Investment in the Capital of Partnership Firm	15,000	15,000

Total

99,100

36,74,100

Details regarding Investment in the Capital of Partnership Firm (Dove Real Estate)

Name of the partner	Percentage	Percentage
Sri Ramakrishna Mills (CBE) Limited	98	98
Sri.D.Lakshminarayananaswamy	2	1
Smt.L.Nagaswama	-	1

NON-CURRENT ASSETS:

12. LONG TERM LOANS AND ADVANCES:

Unsecured, considered Good:

Advances recoverable in cash or in kind, or for value to be received	17,59,796	20,32,406
Due from Companies in which Directors are interested - Associates	3,04,21,198	3,04,21,198
Sundry Deposits	1,54,43,988	1,41,24,435
Advance for purchase of capital assets	11,07,87,590	11,11,00,069
MAT Credit Entitlement	1,65,31,200	1,65,31,200
Advance tax (Net of provisions)	19,74,746	-
Total	17,69,18,518	17,42,09,308

13. OTHER NON-CURRENT ASSETS:

TRADE RECEIVABLES:

Unsecured, considered good :

Long-term trade receivables	47,15,945	1,86,94,609
Total	47,15,945	1,86,94,609

CURRENT ASSETS:

14. INVENTORIES "(at lower of cost or net realisable value)"

Raw materials	21,33,019	85,20,196
Work-in-process	75,57,444	1,15,29,760
Finished Goods	1,46,71,603	2,61,30,566
Waste	4,32,142	14,43,309
Stock-in-Trade-Land	9,05,00,000	8,00,00,000
Stock of Stores	46,13,444	63,85,885
Total	11,99,07,652	13,40,09,716

15. TRADE RECEIVABLES:

Unsecured, considered good :

Outstanding for a period exceeding six months from the due date	99,38,889	1,10,37,032
Others	3,60,68,246	2,08,52,126
Total	4,60,07,135	3,18,89,158

16. CASH AND CASH EQUIVALENTS:

Cash on hand	5,06,117	11,59,192
Balance with banks :		
In Current Account	13,51,391	1,54,572
In Margin Money Deposit Account	58,39,310	1,86,13,573
Stamps on hand	1,142	672
Total	76,97,960	1,99,28,009

17. SHORT TERM LOANS AND ADVANCES:

Unsecured, considered Good:

Advances recoverable in cash or in kind, or for value to be received	50,56,950	47,39,986
Due from Partnership Firm in which Company is Partner - Dove Real Estates	97,83,189	1,46,586
Balance with Excise Department, Sales Tax, etc.	15,10,421	24,18,234
Pre-paid expenses	19,76,299	31,11,291
Total	1,83,26,859	1,04,16,097

18. OTHER CURRENT ASSETS:

Interest accrued on Deposits	419,961	10,01,805
Income receivable	-	1,620
Total	4,19,961	10,03,425

NOTES FORMING PART OF FINANCIAL STATEMENTS (Contd...)

	Year ended 31.03.2013 Rs.	Year ended 31.03.2012 Rs.
19. REVENUE FROM OPERATIONS:		
Sale of products :		
Yarn	36,57,97,141	38,33,65,364
Waste	55,54,885	1,18,67,906
Sale of services - Conversion receipts	68,26,050	2,56,60,366
Total	37,81,78,076	42,08,93,636
20. OTHER INCOME:		
Interest Receipts	14,13,719	23,30,741
Miscellaneous Income	9,15,426	11,40,238
Profit on sale of Assets (Net)	1,26,23,147	4,77,529
Lease Rent	11,81,053	12,03,283
Share of profit/(Loss) from Partnership Firm	(8,450)	(6,194)
Foreign Exchange Fluctuation	-	2,43,705
Total	1,61,24,895	53,89,302
21. COST OF MATERIALS CONSUMED:		
Opening Stock	85,20,196	2,85,25,215
Add : Purchases	19,76,51,662	23,46,04,120
	20,61,71,858	26,31,29,335
Less : Sales	-	22,10,466
	20,61,71,858	26,09,18,869
Less: Closing Stock	21,33,019	85,20,196
Total	20,40,38,839	25,23,98,673
22. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROCESS:		
Opening Stock		
Finished Goods - Yarn	2,61,30,566	6,84,67,787
Work-in-process	1,15,29,760	2,14,02,055
Waste	14,43,309	28,52,641
Sub-Total (1)	3,91,03,635	9,27,22,483
Closing Stock		
Finished Goods - Yarn	1,46,71,603	2,61,30,566
Work-in-process	75,57,444	1,15,29,760
Waste	4,32,142	14,43,309
Sub-Total (2)	2,26,61,189	3,91,03,635
Stock (Decrease) / Increase Net (1 - 2)	(1,64,42,446)	(5,36,18,848)
23 EMPLOYEE BENEFITS EXPENSE :		
Salaries and wages	5,28,83,047	5,22,70,377
Contribution to provident and other funds	50,71,560	92,76,030
Staff Welfare expenses	37,02,024	35,27,618
Managerial Remuneration	38,40,565	38,40,565
Total	6,54,97,196	6,89,14,590
24 FINANCE COST :		
Interest expenses		
On Fixed Loans	1,53,48,858	1,28,16,205
On others	2,01,84,166	2,25,06,971
Bank charges	31,46,619	63,02,612
Total	3,86,79,643	4,16,25,788

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS (Contd...)

25 OTHER EXPENSES

	Year ended 31.03.2013 Rs.	Year ended 31.03.2012 Rs.
Consumption of stores and spare parts	36,20,397	33,17,717
Consumption of Packing Materials	35,84,300	51,65,108
Processing Charges	1,32,30,284	2,42,11,167
Repairs & Maintenance of :		
i) Buildings	8,88,425	4,17,648
ii) Machinery	33,07,660	26,24,901
iii) Other Assets	30,10,877	21,86,306
Printing & Stationery	2,52,472	3,07,714
Postage, Telegram & Telephones	5,26,762	5,69,427
Travelling and maintenance of vehicles	32,32,460	37,04,360
Insurance	3,36,715	3,71,512
Advertisement, Subscription and Periodicals	4,92,777	3,39,609
Rates and taxes, excluding, taxes on income.	22,16,387	31,13,101
Brokerage on yarn sales	8,53,307	9,41,897
Filing Fees	10,163	19,646
Directors' sitting Fees	44,000	15,000
Auditors' Remuneration	1,60,517	1,57,002
Yarn Sales Expenses other than brokerage	5,12,841	14,50,402
Legal and Professional charges	3,54,184	4,07,637
Rent	59,640	55,525
Donations	1,95,480	1,23,490
Miscellaneous expenses	1,82,053	1,34,493
Total	3,70,71,701	4,96,33,662

26 ADDITIONAL INFORMATION TO FINANCIAL STATEMENTS

	Year ended 31.03.2013 Rs.	Year ended 31.03.2012 Rs.
1. Estimated amount of contracts remaining to be executed on Capital account (Net of Advance)	10,02,54,641	10,02,54,641
2. The following Sales Tax demands are being contested before Hon'ble Madras High Court and no provision is made in the accounts as these are stayed:		

Asst. Year	Nature of Dispute	Disputed Demand (Rs. in Lakhs)	
		31.03.2013	31.03.2012
1995-96	TNGST Demand	54.59	54.59
1998-99	TNGST Demand	61.66	61.66
		(Rs.31/- lacs since paid as per Madras High Court Interim Order.)	
1999-00	TNGST Pre-assessment Demand	89.37	89.37
2000-01	Total (TNGST+Additional Sales Tax)	121.97	121.97
1.4.2004 to 31.12.2006	Additional Sales Tax under TNGST	7.43	7.43

3. Customs department filed an appeal before Madras High Court against the orders of Settlement Commission under Advance Licence Scheme in respect of reduction of Interest of Rs.8.26 lakhs allowed to us.
4. There is a demand of Rs. 3,19,712/- raised by Andhra Pradesh Electricity Department in respect of Fuel Surcharge adjustment (FSA). The same is disputed by the Company before Hon'ble High Court and pending order no provision is made in the accounts.
5. a) Income Tax assessments from Assessment year 2010-11 and onwards are pending.
b) Sales Tax Assessments pending:
 - a) Under TNGST : 1999-00 to 2000-01 & 2004-05 to 31.12.06
 - b) Under TNVAT : 01.01.07 to 31.03.12
 - c) Under CST (TN) : 1999-00 to 2011-12
 - d) Under KGST : 2005-06
 - e) Under CST (Kerala) : 2005-06
 - f) Under APVAT : 2009-10 & 2011-12
 - g) Under CST (AP) : 2009-10 & 2011-12

ADDITIONAL INFORMATION TO FINANCIAL STATEMENTS (Contd...)

6. Consumption:	31.03.2013	%	31.03.2012	%
	Value (Rs.)		Value (Rs.)	
Raw materials :				
Imported	-	-	-	-
Indigenous	20,40,38,839	100	25,23,98,673	100
Total	20,40,38,839	100	25,23,98,673	100
7. Stores, Spares & Components :				
Imported	-	-	-	-
Indigenous	72,04,697	100	84,82,825	100
Total	72,04,697	100	84,82,825	100
8. The amount remitted during the year in			31.03.2013	31.03.2012
i. Foreign Currencies on account of dividends:-				
a. Number of Non-resident shareholders			5	6
b. Number of shares held by them			47,616	47,567
c. The years to which the dividend related			-	-
d. The amount remitted in foreign currencies			-	-
ii. Earnings in Foreign Exchange				
a. Export of goods - FOB Value Rs.			-	1,05,58,928
iii. Expenditure in foreign currency				
i. Travelling (Rs.)			65,670	3,89,654
ii. Technical Knowhow, Royalty, Consultation, etc.			-	-
iii. Interest			-	-
iv. Others			-	-

9. MANAGERIAL REMUNERATION:

Due to inadequacy of profits, only minimum remuneration was paid as under :-

	Sri R Doraiswami, Chairman		Sri D Lakshminarayananaswam, Mg. Director	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Salary	4,08,000	4,08,000	30,00,000	30,00,000
P F Contribution	9,360	9,360	9,360	9,360
Gratuity Provision	19,615	19,615	1,44,230	1,44,230
Leave Salary	-	-	2,50,000	2,50,000
Total	4,36,975	4,36,975	34,03,590	34,03,590

10. Balance of Sundry Debtors and Sundry Creditors are subject to confirmation, reconciliation and consequent adjustments thereof.
11. In the opinion of Directors, assets other than fixed assets and non-current investments have the value or realization in the ordinary course of business at least equal to the amount at which they are stated.
12. Sales Tax collections not included in the Sales for the year ended 31.03.2013 is Rs.65,61,597/- (previous year Rs.59,78,344/-)
13. Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows:

	31.03.2013	31.03.2012
(a) Principal amount due	39,43,755	32,67,963
Interest due on the above	Nil	Nil
(b) Interest paid during the period beyond the appointed day	Nil	Nil
(c) Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act	Nil	Nil
(d) Amount of interest accrued and remaining unpaid at the end of the period	Nil	Nil
(e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Act	Nil	Nil

14. Building, Plant & Machinery had been revalued as on 30th September 2002 and land had been revalued as on 30th September 2003 (by approved valuers, since their original costs no longer gave a true and fair view of their then values) and surplus (arisen on revaluation of Building, Plant & Machinery) amounting to Rs.15,56,26,170/- and Rs.6,88,20,020/- respectively were credited to Revaluation Reserve Account.

15. Particulars regarding investment in the capital of M/s.Dove Real Estates:

Particulars	31.03.2013	31.03.2012
Capital Contribution	15,000/-	15,000/-
Profit Sharing Ratio	98%	98%

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

ADDITIONAL INFORMATION TO FINANCIAL STATEMENTS (Contd...)

16. Auditors' Remuneration:	31.03.2013	31.03.2012
	Rs.	Rs.
Audit fees	73,034	73,034
Tax Audit fee	16,854	16,854
I T Representation fee	16,854	16,854
Certificate fees	48,775	45,260
Travelling Expenses	5,000	5,000
Total	<u>1,60,517</u>	<u>1,57,002</u>

17. Employee Benefits (AS-15):

I. Defined Benefit Plans

Gratuity (Unfunded)

	31.03.2013	31.03.2012	31.03.2011
	Rs.	Rs.	Rs.
A. Expenses recognized in the Statement of Profit and Loss for the year ended:-			
1 Current Service Cost	12,37,885	12,63,401	13,00,436
2 Interest Cost	14,91,523	13,41,639	11,12,202
3 Settlement Cost	Nil	Nil	Nil
4 Expected return on Planned assets	Nil	Nil	Nil
5 Net actuarial(gain)/Loss recognised during the year	4,10,182	23,31,734	24,88,859
6 Expenses/(Income)recognised in the Statement of Profit and Loss	31,39,590	49,36,834	49,01,497
B. Actuarial return on Plan Assets for the Year Ended:			
1 Expected return on Plan assets	Nil	Nil	Nil
2 Actuarial (gain)/Loss on Plan assets	Nil	Nil	Nil
3 Actuarial return on Plan assets	Nil	Nil	Nil
C. Net Asset / (Liability) recognised in the Balance Sheet as at			
1 Present Value of Obligation	2,01,50,643	2,02,15,383	1,82,06,105
2 Fair Value of Plan assets	Nil	Nil	Nil
3 Net asset/(liability)recognised in the Balance Sheet	(2,01,50,643)	(2,02,15,383)	(1,82,06,105)
D. Change in Defined Obligation during the year ended:			
1 Present Value Obligation at the beginning of the Year	2,02,15,383	1,82,06,105	1,44,77,864
2 Current Service Cost	12,37,885	12,63,401	13,00,436
3 Interest Cost	14,91,523	13,41,639	11,12,202
4 Benefits paid	32,04,330	29,27,556	11,73,256
5 Actuarial (gain) / Loss	4,10,182	23,31,734	24,88,859
6 Present Value Obligation at the end of the year	2,01,50,643	2,02,15,383	1,82,06,105
E. Changes in Fair Asset during the year ended:			
1 Fair Value of Plan assets as at	Nil	Nil	Nil
2 Expected return on Plan assets	Nil	Nil	Nil
3 Contributions made	Nil	Nil	Nil
4 Benefits paid	Nil	Nil	Nil
5 Actuarial gain/(loss) on Plan assets	Nil	Nil	Nil
6 Fair value of Plan assets as at	Nil	Nil	Nil
F. Major categories of Plan assets as a percentage of total Planned assets			
1 Central Government Securities	Nil	Nil	Nil
2 State Government Securities	Nil	Nil	Nil
3 Private Sector bonds	Nil	Nil	Nil
4 Special deposit Scheme	Nil	Nil	Nil
5 Cash at Bank	Nil	Nil	Nil
6 Investments in Insurance Companies	Nil	Nil	Nil
7 Others	Nil	Nil	Nil
G. Actuarial assumptions			
1 Discount rate	8%	8 %	8%
2. Expected rate of return on Planned assets	Nil	Nil	Nil
3. Salary Escalation	6 %	6 %	6%
4. Mortality rate	LIC 94-96	LIC 94-96	LIC 94-96

Future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

ADDITIONAL INFORMATION TO FINANCIAL STATEMENTS (Contd...)

II. Defined Contribution Schemes	31.03.2013	31.03.2012	31.03.2011
1 Provident Fund	38,35,020	31,47,358	46,30,613

18. Segmental Reporting (AS-17):

The Company has only Single Reportable Business Segment, i.e. "Yarn Segment" in terms of requirements of AS-17.

19. Exceptional item in Statement of Profit and Loss represents surplus arising on conversion of land, being capital asset, to stock in trade during the year. The value of converted land is taken at the value as certified by certified valuer.
**20. i. Related party disclosure (AS-18)
(As identified by the Management)**

Associates	Key Management Personnel	Relatives of Key Management Personnel
Sri Jaganatha Ginning.& Oil Mills (JGOM)	Sri R Doraiswami	Smt R Suhasini Smt L Swathy
Sri Jaganatha Textiles Ltd (SJTL)	Sri D Lakshminarayanawamy	
Suhasini Spinners Ltd (SSL)	Smt L Nagaswar na	
Swathy Processors Ltd (SPL)		
Sri Ramakrishna Yarn Carriers Ltd (SRYC)		
Dove Real Estates		

Nature of Transactions	31.03.2013			31.03.2012		
	Associates	Key Management Personnel Rs.	Relatives of Key Management Personnel	Associates	Key Management Personnel Rs.	Relatives of Key Management Personnel
Managerial Remuneration						
D. Lakshminarayanawamy	-	34,03,590	-	-	34,03,590	-
Others	-	4,36,975	-	-	4,36,975	-
Salaries						
Smt.L.Nagaswar na	-	14,80,662	-	-	12,74,805	-
Lease Rent Received						
SJTL	3,000	-	-	62,904	-	-
SPL	-	-	-	59,904	-	-
SRYC	2,05,620	-	-	1,65,500	-	-
JGOM	2,69,664	-	-	1,40,000	-	-
Yarn Conversion Charges Received						
SPL	37,33,939	-	-	35,86,903	-	-
Others	-	-	-	7,529	-	-
Yarn Conversion Charges Paid						
SJTL	10,49,201	-	-	1,98,467	-	-
SPL	1,07,30,058	-	-	2,27,24,872	-	-
Share of Profit/(Loss) From Firm:						
Dove Real Estates	(8,450)	-	-	(6,194)	-	-
Raw Material / Waste Purchases:						
SJTL	-	-	-	32,582	-	-
SPL	8,91,479	-	-	9,76,680	-	-
Others	-	-	-	-	-	-
Purchase of Yarn						
SJTL	-	-	-	1,07,144	-	-
Trade Deposit Repaid						
JGOM	5,60,061	-	-	15,99,064	-	-
Loan Received						
R. Doraiswami	-	2,00,000	-	-	-	-
D. Lakshminarayanawamy	-	21,50,000	-	-	-	-
Interest on Trade Deposit						
JGOM	50,50,751	-	-	54,76,957	-	-
Interest on Loan						
R. Doraiswami	-	8,511	-	-	-	-
D. Lakshminarayanawamy	-	2,59,323	-	-	-	-
R. Suhasini	-	-	3,84,144	-	-	3,41,840
Reimbursement of Expenses Paid						
SRYC	17,54,626	-	-	15,69,417	-	-

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

ADDITIONAL INFORMATION TO FINANCIAL STATEMENTS (Contd...)

Nature of Transactions	31.03.2013			31.03.2012		
	Associates	Key Management Personnel Rs.	Relatives of Key Management Personnel	Associates	Key Management Personnel Rs.	Relatives of Key Management Personnel
Outstanding Balance						
Payable						
SPL	7,09,059	-	-	67,39,479	-	-
SRYC	4,94,313	-	-	-	-	-
R. DORAISWAMI	-	34,000	-	-	34,000	-
D. Lakshminarayanawamy	-	2,50,000	-	-	2,50,000	-
L. Nagaswama	-	1,24,955	-	-	1,12,202	-
Receivable						
SJTL	2,75,76,598	-	-	2,67,38,050	-	-
Others	-	-	-	36,924	-	-
JGOM	6,12,43,659	-	-	6,44,61,558	-	-
Dove Real Estates	97,83,189	-	-	1,46,586	-	-

21. Lease (AS-19)

The Lease Agreement provides for an option to the company to renew the lease period for a further period varying from 1 to 2 years at the end of the period provided atleast three months' prior notice is given:

Future Minimum lease rent to be received:	31.03.2013 Rs.	31.03.2012 Rs.
Not later than 1 year	8,45,107	3,38,341
Later than 1 year but not more than 5 years	11,62,876	7,81,540
More than 5 years	34,86,600	34,86,600

22. Earnings Per Share (AS-20)

Net Profit / (Loss) before exceptional items	(3,73,75,414)	(12,14,99,458)
Less: Exceptional Items	1,03,29,657	7,99,96,614
(Loss) after exceptional items	(2,70,45,757)	(4,15,02,844)
Weighted average number of shares (Nos.)	7118330	7118330
Nominal Value of share	Rs.10/-	Rs.10/-
Basic & diluted EPS before exceptional items	(5.25)	(17.07)
Basic & diluted EPS after exceptional items	(3.80)	(5.83)

23. a) The components of Deferred Tax Asset consists of the following :-

i) Deferred Tax Asset:		
Business Loss	11,23,44,161	11,23,44,161
Unabsorbed Depreciation	2,28,59,177	2,28,59,177
On account of Depreciation	6,42,999	6,42,999
43B Disallowance	10,00,679	10,00,679
Total (i)	13,68,47,016	13,68,47,016
ii) Deferred Tax Liability:		
Reversal of 43B Disallowance	1,49,51,003	1,49,51,003
Long Term Capital Gain	1,24,48,603	1,24,48,603
Total (ii)	2,73,99,606	2,73,99,606
Net Deferred Tax Asset	10,94,47,410	10,94,47,410

b) The company has not provided for Deferred tax asset as on 01.04.2001

c) The company has also not provided for Deferred tax asset for the year on account of prudence for the current year as there is no virtual certainty that sufficient future taxable income will be available against which such Deferred Tax Asset can be realized.

24. Capital Reserve relates to revaluation of land in Partnership Firm in which Company is a Partner. The revaluation of land is done on the basis of valuation certified by Certified Valuer. Corresponding effect is accounted under receivable from Partnership Firm.

25. Previous year figures have been re grouped and reclassified wherever necessary to correspond with current year's classification/disclosure.

SRI RAMAKRISHNA MILLS (COIMBATORE) LTD.
Regd. Office : No. 3, Bhavani River Street, Ariappampalayam, Sathyamangalam - 638402

ATTENDANCE SLIP

(Particulars to be completed by Member / Proxy)

Name of the Member : _____

(IN BLOCK LETTERS)

Member Folio Number / ID No. : _____

Name of Proxy : _____

No. of Shares held : _____

I hereby record my presence at the 66th Annual General Meeting of the Company at the Registered Office at No.3, Bhavani River Street, Ariappampalayam, Sathyamangalam - 638 402 on Wednesday, 24th day of July, 2013.

Signature of the Member / Proxy

NOTE:

1. The meeting is for Members of the Company only. Members are requested not to bring non members or children.
2. The Company will accept only the attendance slip of person personally attending the meeting as a Member or a valid proxy duly registered with the company.

SRI RAMAKRISHNA MILLS (COIMBATORE) LTD.

Regd. Office : No. 3, Bhavani River Street, Ariappampalayam, Sathyamangalam – 638402

PROXY FORM

66th Annual General Meeting

I/We of being a member/members of the above named Company, hereby appointor failing him as my/our Proxy to attend and vote for me/us and on my/our behalf at the 66th Annual General Meeting of the Company, to be held on Wednesday, the 24th day of July, 2013 and at any adjournment thereof.

Signed this day of 2013.

Signature :.....

Affix
Re. 1/-
Revenue
Stamp

Folio No/ Client ID No: _____

No. of Shares : _____

DP ID: _____

Note : The Form, complete in all respects, must be deposited at the Registered Office of the Company not less than 48 hours before the time of meeting..

Book-Post

If undelivered please return to



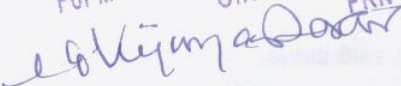
SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

Post Box No. 2007 ● Ganapathy Post

Coimbatore - 641 006

Form A

Format of covering letter of the Annual Audit Report to be filed with the Stock Exchange

1.	Name of the Company:	Sri Ramakrishna Mills (Coimbatore) Ltd
2.	Annual financial statements for the year ended	31 st March 2013
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	N.A.
5.	Signed by-	
a)	Managing Director	For Sri Ramakrishna Mills (Coimbatore) Ltd.,  Managing Director
b)	Audit Committee Chairman	
c)	Auditor of the company	For M.S. JAGANNATHAN & VISWANATHAN Chartered Accountants ERN 001209S  Partner

Coimbatore }
22.08.2013 }