

Sri Ramajayam



TAMILNADU JAIBHARATH MILLS LIMITED

Works : Malayankulam Village, Chidambarapuram - 627754, Sankarankovil Taluk,
TAMILNADU

Phone : 04636-222091- (3 lines), Fax : 04636 - 222634,

E-mail : account@tnjb.net.in CST.RC.No.: 500136 / 8-8-91 TIN No : 33165801040



9.9.2017

To

Corporate Relationship Dept.
Bombay Stock Exchange Ltd.,
1st Floor , New Trading Ring, Rotunda Bldg.
P.J.Towers, Dalal Street, Mumbai – 400 001

Scrip Code : 521038

Dear Sir / Mdam,

Sub : Submission of Annual Report for the year 2016- 2017 and Notice of Annual General meeting to held on 25th September, 2017

Please find enclose herewith Annual Report of the Company for the year 2016-2017 along with Notice of Annual General Meeting to be held on 15th September, 2017 in compliance with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Please take the above on record.

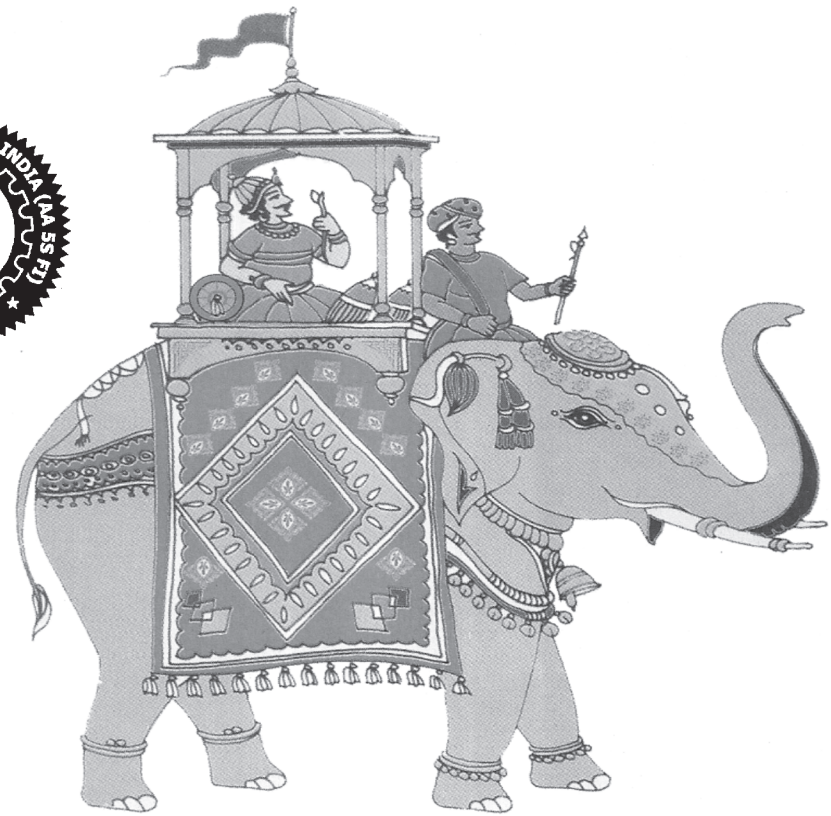
Thanking you,

Yours faithfully,
for Tamilnadu Jai Bharath Mills Ltd.,

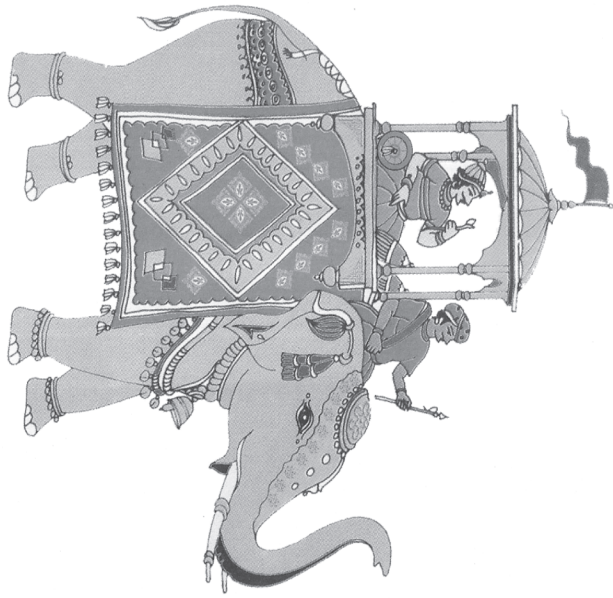

Compliance Officer

Encl : a/a.

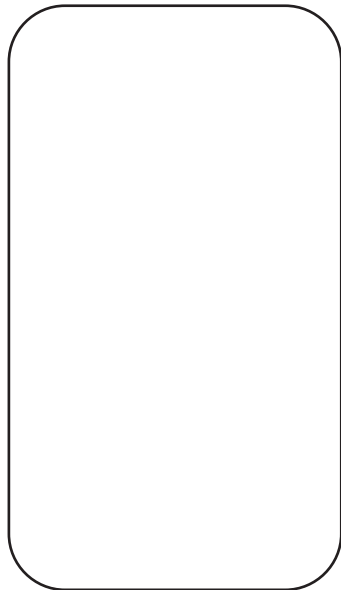
Tamilnadu **JAI BHARATH** Mills Limited



28th ANNUAL REPORT 2016 - 2017



To



BOOK POST

If undelivered please return to :
Tamilnadu Jai Bharath Mills Limited
212, Ramasamy Nagar, Aruppukottai - 626 159.

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Names & Address of the Stock Exchange
<p>BOMBAY STOCK EXCHANGE LTD., Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai - 400 001.</p>

(CIN : L17111TN1989LC018267)

BOARD OF DIRECTORS**Shri T.R.Dhinakaran**

Chairman and Managing Director

(DIN No. 00053927)

Shri D.Senthilkumar - Director

(DIN No. 00006172)

Smt. D.Kothai, Director

(DIN No. 00264935)

Shri P.Manojkumar Kedia, Director

(DIN No. 00395103)

Shri T.Balakumar, Director

(DIN No. 00440500)

Shri K.Subbarajulu, Director

(DIN No. 07284462)

COMPANY SECRETARYShri V.N. Kittappa
(Resigned on 17.07.2016)Shri M.V.Mahadevan
(Appointed on 13.01.2017)**AUDITORS**M/s. Krishnan & Raman
Chartered Accountants, Rajapalayam**BANKERS**State Bank of India
Tamilnad Mercantile Bank Ltd.**REGISTERED OFFICE**

212, Ramasamy Nagar, Aruppukottai – 626 159.

Registrars and Share Transfer AgentsM/s. S.K.D.C. Consultants Ltd.,
Kanappathy Towers
3rd Floor, 1391/A-1, Sathy Road,
Ganapathy Post, Coimbatore-641006.**FACTORY**Malayankulam village, Sankarankovil
Tirunelveli District – 627 756.

The value of help rendered by one who has not counted the cost, or
the likely recompense, when assessed, is greater in magnitude than the oceans.

- Thirukkural 103

பயன் தூக்கார் செய்த உதவி நயன் தூக்கின் நன்மை
கடலின் பெரிது - திருக்குறள் 103

Notice of the 28th Annual General Meeting of the Shareholders

Notice is hereby given that the 28th Annual General Meeting of the company will be held on Friday the 15th September, 2017 at 4.45 P.M at the Registered Office of the Company at No.212, Ramasamy Nagar, Aruppukottai- 626 159 to transact the following business;

ORDINARY BUSINESS :

1.To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2017 and the Audited Balance Sheet as on that date and the reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in the place of Shri. D.Senthilkumar, Director who retires by rotation and being eligible offers himself for re-appointment.

3. To appoint statutory auditors and fix their remuneration:

M/s. Krishnan & Raman, Chartered Accountants were the Statutory Auditors of the Company since the inception of the Company. As per second provision to Section 139(2) of the Companies Act, 2013 ('the Act'), a transition period of three years from the commencement of the Act is provided to appoint a new auditor when the existing auditor's firm has completed two terms of five consecutive years. Accordingly, as per the said requirements of the Act, M/s. Srithar & Associates, Chartered Accountants are proposed to be appointed as auditors for a period of 5 years, commencing from the conclusion of 28th AGM till the conclusion of the 33rd AGM, subject to ratification by members every year, as may be applicable. M/s. Srithar & Associates, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution. The Board recommends the following resolution for approval of the members.

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. Srithar & Associates, Chartered Accountants (Firm Registration No. 015896S), be appointed as statutory auditors of the Company, in place of retiring auditors M/s. Krishnan & Raman, Chartered Accountants (Firm Registration No. 001515S), to hold office from the conclusion of this 28th Annual General Meeting (AGM) until the conclusion of the 33rd AGM, subject to ratification by members every year, as applicable, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.”

SPECIAL BUSINESS :

4. Approval of Related Party transactions by Special Resolution running through out the year.

Sl.No.	Name of the Company / Firm	Interested Directors	AMOUNT Rs.
Transaction Type : Cotton Waste Sales			
1	Shri Ramalinga Mills Ltd.,	Sri T.R. Dhinakaran, Sri D.Senthilkumar	1,40,78,527
2	Lakshmi Electrical Drives Ltd., Textile Division - Sunspintex, Anamalai	Sri D.Senthilkumar	1,43,34,007
Transaction Type : Cotton Waste Purchase			
1	Shri Ramalinga Mills Ltd.,	Sri T.R. Dhinakaran, Sri D.Senthilkumar	3,29,17,933
2	Aruppukottai Sri Ramalinga Spinners P Ltd	Sri T.R. Dhinakaran, Smt D.Kothai	55,85,280
Transaction Type : Cotton Purchase			
1	Shri Ramalinga Mills Ltd.,	Sri.T.R.Dhinakaran, Sri D.Senthilkumar	2,99,09,559
Transaction Type : Interest Paid			
1	Shri T.R.Dhinakaran	CMD	1,19,85,100
2	Kedia Enterprises	Manoj kumar kedia	7,70,000
3	Smt. D. Nirmla	CMD/Spouse	1,65,646
Transaction Type : Rent Paid			
1	Harshni Textiles Limited, Coimbatore	Sri D.Senthilkumar	3,04,314
2	Shri Ramalinga Mills Ltd Aruppukottai	Sri T.R. Dhinakaran Sri D. Senthilkumar	72,000
Transaction Type : Services			
Hank Yarn Obligation Received			
1	Shri Ramalinga Mills Ltd Aruppukottai	Sri T.R. Dhinakaran, Sri D. Senthilkumar	8,17,741
LORRY FREIGHT PAID			
1	Nirmala & Company	Sri D. Senthilkumar, Partner	2,19,000
2	Sri Ramasamy & Company	Smt.D.Kothai, Partner	36,600
Transaction Type : Services			
Conversion charges paid			
1	Shri Ramalinga Mills Ltd.,Aruppukottai	Sri T.R.Dhinakaran, Sri.D.Senthilkumar	31,13,091
Transaction Type: Loan Repaid			
1	Smt. D. Nirmla	CMD/Spouse	26,81,782
Transaction Type: Loan Received			
1	Shri T.R.Dhinakaran	CMD	93,00,000

“ Resolved that pursuant to the provisions of Section 188 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and all other applicable provisions if any of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded by Special Resolution for the above related party transactions”.

Place: Aruppukottai
Date: 25.05.2017

By order of the Board
T.R.DHINAKARAN
Chairman and Managing Director

NOTES :

A Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself / herself. Such Proxy need not be a member of the Company. Proxies duly stamped, in order to be effective must be received by the company not less than 48 hours before the Annual General Meeting.

A person can act as a Proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other person or shareholder.

The Register of Members and the Share Transfer Books of the company will remain closed from 11.09.2017 to 15.09.2017 (both days inclusive).

Members are requested to bring their copies of the Annual Report to the Meeting.

Members / Proxies should bring the attendance slip duly filled in for attending the Meeting.

As per SEBI directive, it shall be mandatory for every participant in the securities market to furnish self attested copy of the PAN (Permanent Account Number) card to the Company / RTA for registration of transfer of shares in physical form and shareholders holding shares in Electronic form are requested to submit their PAN details to their Depository participant.

E-voting facility is being provided as mentioned after the Explanatory Statement.

Members holding shares in electronic mode are requested to furnish their Email Id to the respective Depository Participant (DP) and those who are holding shares in physical mode are requested to furnish their email id to the Company / RTA to facilitate easy and faster dispatch of Notices of General Meetings and other communications by electronic mode from time to time.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4

Related Party Transactions:

The related party transaction mentioned above have been approved by the Audit Committee as they are at arms length and transparent transactions and was also approved by the Board of Directors. The Board recommends that the above Special Resolution may be passed by the shareholders.

The Directors and Key Managerial Personnel of the respective companies concerned / interested in the resolutions being Directors and Key Managerial Personnel and / or shareholders to the extent of their shareholding in the company will not vote on the resolution.

The Directors recommend the resolution as set out in the Notice for the approval by the members as a Special Resolution.

Details of appointment / re- appointment of Directors as per SEBI (LODR) Regulations, 2015 of the Listing Agreement:

Shri. D.Senthilkumar, Director is retiring by rotation at this AGM and being eligible offers himself for re-appointment. The information / details to be provided in respect of the above said Director under

Sl. No.	NAME	QUALIFICATION	BRIEF RESUME AREA OF EXPERTISE	OTHER DIRECTORSHIP
1	Shri. D.Senthilkumar	B.E., (Mech) M.Sc., (Textiles)	He has rich experience and specialised knowledge on the textiles industry; also has very good exposure on corporate management.	17

Performance Evaluation of Independent Directors by the Board.

The Board recorded its appreciation of the performance of Shri. T. Balakumar, Shri. P. Manojkumar Kedia and Shri. K.Subbarajulu as Independent Directors and recommended their continuance.

Place: Aruppukottai

Date: 25.05.2017

By order of the Board
T.R.DHINAKARAN
Chairman and Managing Director

Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 12th September 2017 (9:00 am) and ends on 14th September, 2017 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 10th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "remote e-voting.pdf".
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put your user ID and password as initial password /PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Tamilnadu Jai Bharath Mills Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to smrajunaidu@gmail.com with a copy marked to evoting@nsdl.co.in. evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.
In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).
In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 10th September, 2017.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 10th September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or smrajunaidu@gmail.com. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. S. Muthu Raju, Practising Company Secretary (C.P.No.4181) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company tnjb.net.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

DIRECTORS' REPORT :

To
The Members, Tamilnadu Jai Bharath Mills Ltd.,
Ladies and Gentlemen,

The Directors hereby present their Twenty Eighth Annual Report on the business and operations of the Company and Financial Results for the year ended 31st March, 2017.

FINANCIAL RESULTS :	2016-2017 Rs.	2015-2016 Rs.
Profit (+)/Loss (-) from operations		
Before Depreciation	(-) 1,02,88,275	(-) 18,46,084
Less/Add : Depreciation	(-) 2,42,12,144	(-) 2,45,21,285
Profit (+)/Loss (-) after Depreciation	(-) 3,45,00,419	2,63,67,369
Less : Deferred Tax Asset	(-) 42,53,290	1,22,54,502
NET PROFIT(+)/LOSS(-)		
Trs.to Balance Sheet	(-) 3,02,47,129	(-) 1,41,12,867
Add: Write down of carrying cost of assets whose remaining useful lives is NIL as per Schedule II of the Companies Act 2013	(-) 0	43,98,161
Add Balance of Loss as per Last Balance Sheet	(-) 35,69,89,908	(-) 33,84,78,880
Balance Loss carried over to next year	(-) 38,72,37,037	(-) 35,69,89,908

TURNOVER & PROFITABILITY:

The Company has achieved an overall Turnover of Rs.101.08 Crores during the year against the turnover of Rs. 99.57 Crores for the previous year, resulting in an Increase of Rs.1.51 Crores.

FUTURE OUT LOOK :

This has been discussed in the Annexure of the Report.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of the business during the year.

TRANSFER TO RESERVES

Due to losses of the Company for the period ended 31.3.2017, your Directors have not proposed any amount to be transferred to the General Reserves of the Company.

SHARE CAPITAL

The paid-up share capital of the company is 39784736 equity shares of Rs.10/- each. There is no change in the Authorised , Issued, Subscribed and Paid-up share capital of the company during the period under review.

DEPOSITS

Your Company has not invited or accepted any fixed deposits from the public.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

No loans, guarantees and investments u/s. 186 of the Companies Act, 2013 has been made or given.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report is annexed.

DIVIDEND:

In view of the financial position, your Directors regret their inability to declare any dividend for the year.

PERSONNEL :

Particulars of Employees pursuant to Rules(5)(2) of the Companies (Appointment and Remuneration Rules) 2014.

Employees who were paid remuneration in aggregate of Rs.60,00,000/- per annum. - NIL

Employees who were paid Rs.5,00,000/- or more per month in any part of this year. - NIL

We have so far provided Rs.40.55 lacs towards the gratuity fund. As the Company continues to be a potentially sick company, we could not provide due gratuity and it will be provided / paid as and when the need arises.

DIRECTORS RESPONSIBILITY STATEMENTS:

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013, your Directors declare:

i. that in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanations relating to material departures;

ii. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for the year under review.

iii. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv. that the Directors had prepared the accounts for the financial year ended 31st March, 2017 on a going concern basis.

v. that the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls were adequate and were operating effectively.

vi. that the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:

In the ensuing Annual General Meeting, Shri. D.Senthilkumar, Director is retiring by rotation, and being eligible offers himself for re-appointment.

AUDITORS

Statutory Auditors

Since M/s. Krishnan & Raman , Chartered Accountants, the Auditors of the Company have resigned, the Board has appointed M/s. Srithar & Associates , Chartered Accountants, as Statutory Auditors for five years in terms of Sec.139, 141 of the Companies Act, 2013 to hold office from the conclusion of this AGM till the conclusion of the 33rd AGM of the Company to be held in the year 2022, however subject to ratification of their appointment at every AGM.

The Company has received a letter from the Statutory Auditors of the Company, M/s.Srithar & Associates (ICAI Firm Registration No.015896S) Chartered Accountants, to the effect that their appointment , if made, will be as per the requirements laid down under Section 139 and 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014. The Statutory Auditors have expressed their intention to hold office till the conclusion of the 33rd Annual General Meeting to be held in the year 2022 pursuant to the provisions of the said sections, subject to approval of the Members and ratification of the appointment at every Annual General Meeting. Accordingly, a resolution is being submitted to the Members for their approval as given in the AGM notice.

ADDENDUM TO AUDITORS REPORT:

With respect to Gratuity provision, so far, the Company had made a provision for Rs.40.55 lakhs towards the Gratuity Fund. As the Company continues to be a potentially non profit making entity, it could not make the required provision as per the Gratuity Act. However, as and when liability arises, it will be settled in full.

With respect to Deposit from Shareholder, the Company has received Rs.109.90 lakhs as Trade Advance, from M/s.Kedia Exports & Industries , who is also a shareholder of the company. The said advance will be adjusted against the business transactions, in due course.

With respect to 'Going Concern', the company is a subsidiary of M/s.Ramalinga Mills Limited, which is doing well. Also, your Directors are taking necessary steps to improve the results of the Company. Consistent steps are being taken to make the unit profitable , despite the moral and financial support extended by Group companies. Considering the above and also foreseeing better prospects for the textile industry, the concept of 'Going Concern' has been followed in preparing the accounts.

Company Secretary

Since Mr. V.N.Kittappa , Company Secretary resigned w.e.f.17.7.2016, Mr. M.V.Mahadevan (M.No.49019) has been appointed as the Company Secretary.

Independent Directors:

Shri.T.Balakumar , Shri. P. Manojkumar Kedia and Shri. K.Subbarajulu are Independent Directors and are not liable for retirement by rotation and eligible to continue for 5 years from 1.4.2014 i.e. upto 30th AGM 2019 as per the Companies Act, 2013.

The Independent Directors have submitted declarations that they met the criteria of Independence laid down under Section 149 of the Companies Act, 2013 and Regulation 16(b) of the SEBI (LODR) Regulations, 2015.

DECLARATION BY INDEPENDENT DIRECTORS AND EVALUATION BY THE BOARD.

As per the Regulation 25(3) of SEBI (LODR) Regulations, 2015 during the year under review, the Meeting of the Independent Directors was held on 10.02.2017, without the attendance of Non-Independent Directors and members of the management, inter alia, to discuss on the following :

- To review the performance of the Non-Independent Directors and the Board as a whole;
- To review the performance of the Chairperson of your Company, taking into account views of Executive / Non –Executive Directors; and
- To assess the quality , quantity and timeliness of flow of information between your Company's management and the Board that was necessary for the Board to effectively and reasonably perform their duties.

SECRETARIAL AUDITORS

Mr. S. Muthu Raju, Practising Company Secretary, Madurai (C.P.No. 4181) has been appointed as Secretarial Auditors of the Company for the financial year ended 31.3.2017 vide Board resolution dated 10.2.2017

The Secretarial audit report received from the Secretarial Auditors is annexed to this report marked as Annexure and forms part of this report. Necessary action has already been initiated to list the pending shares.

NUMBER OF BOARD MEETINGS HELD DURING THE YEAR 2016-2017

The Company has duly complied with the provisions of the Companies Act, 2013 in holding Board meetings and the details of the meetings are furnished in the Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR) :

As per Rule 8 of the Companies (Corporate Social Responsibility Policy Rules) 2014, the Board has, on the recommendation of the CSR Committee, approved the CSR Policy which is available on the Company's website tnjb.net.in .

RISK MANAGEMENT POLICY :

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuous basis.

WHISTLE BLOWER POLICY – CODE OF CONDUCT :

The Company conducts its affairs in a completely fair and transparent manner by adopting highest standards of professionalism, honesty , integrity and ethics . The Company accordingly adopts this code of Conduct concerning the principles and standards governing the actions of the Company and its employees. Any actual or potential violation of this code would be dealt with promptly.

Every employee shall choose to make a protected disclosure under the whistleblower policy of the company directly to the Chairperson of the Audit Committee or any member of the Audit Committee nominated by the Chairman in this behalf. The aggrieved employee shall address the above authority directly with covering letter which may bear his / her identity . The Company would provide necessary protection to such whistleblower and any attempt to intimidate the whistleblower will be considered as a violation of the code.

This mechanism is established as per Sec.177 (9) of the Companies Act , 2013 read with Rule 7 of the Company (meeting of Board and its powers) Rules 2014. As per SEBI (LODR) Regulations, 2015, the Listing Agreement also makes it mandatory to establish a whistleblower mechanism for employees including directors. Hence any aggrieved Director / Employee may make a complaint either to the Chairman of the Audit Committee or the Authority nominated by him. Thus this policy covers the entire employees of the organization.

While it will be ensured that genuine whistleblowers are given complete protection from any kind of unfair treatment, any abuse of this protection will entail disciplinary action. Whistleblowers who make frivolous , baseless, malicious complaint will be disqualified from further protected disclosures under this policy and Audit Committee / Company reserves it right to take appropriate disciplinary action. If a protected disclosure is received by any executive of the company other than the above mentioned authorities, the same should be forwarded to the Chairman of the Audit Committee or the authority notified by him without disclosing the identity of the whistleblower for necessary action.

All protected disclosures will be thoroughly investigated by the Chairman Audit Committee. He may at his discretion involve any investigators for the purpose.

The investigation shall be completed normally within 45 days of the receipt of the protected disclosure.

INFORMATION AS PER SECTION 134(3) OF THE COMPANIES ACT, 2013 :

Particulars required under Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 2014 as amended are furnished in the Annexure-I.

CORPORATE GOVERNANCE :

As per the amended Listing Agreement with the Stock Exchanges, a Report on Corporate Governance together with the Auditors Certificate regarding the compliance of conditions of Corporate Governance form part of the Annual Report – Vide Annexure – II..

RELATED PARTY TRANSACTIONS

The details of Related Party Transactions during the period ending 31.3.2017, being arm's length transactions have been reported in the Financial Statements and forms part of this report.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adequate internal Financial controls.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information pertaining to conservation of energy , technology absorption, Foreign Exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies, Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure – I and is attached to this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There is no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

ACKNOWLEDGEMENT :

The Board appreciates the support and co-operation extended by the Members, Customers, Suppliers, Bankers and Statutory Authorities and also its Employees for their continued good performance and patronage.

Place: Aruppukottai
Date: 25/05/2017

By order of the Board
T.R.DHINAKARAN
Chairman and Managing Director

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: Tamilnadu Jai Bharath Mills Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year ended March 31,2017.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sl.No.	Name of the Company / Firm	Interested Directors	AMOUNT Rs.
Transaction Type : Cotton Waste Sales			
1	Shri Ramalinga Mills Ltd.,	Sri T.R. Dhinakaran, Sri D.Senthilkumar	1,40,78,527
2	Lakshmi Electrical Drives Ltd., Textile Division - Sunspintex, Anamalai	Sri D.Senthilkumar	1,43,34,007
Transaction Type : Cotton Waste Purchase			
1	Shri Ramalinga Mills Ltd.,	Sri T.R. Dhinakaran, Sri D.Senthilkumar	3,29,17,933
2	Aruppukottai Sri Ramalinga Spinners P Ltd	Sri T.R. Dhinakaran, Smt D.Kothai	55,85,280
Transaction Type : Cotton Purchase			
1	Shri Ramalinga Mills Ltd.,	Sri.T.R.Dhinakaran, Sri D.Senthilkumar	2,99,09,559
Transaction Type : Interest Paid			
1	Shri T.R.Dhinakaran	CMD	1,19,85,100
2	Kedia Enterprises	Manoj kumar kedia	7,70,000
3	Smt. D. Nirmala	CMD'Spouse	1,65,646
Transaction Type : Rent Paid			
1	Harshni Textiles Limited, Coimbatore	Sri D.Senthilkumar	3,04,314
2	Shri Ramalinga Mills Ltd Aruppukottai	Sri T.R. Dhinakaran Sri D. Senthilkumar	72,000
Transaction Type : Services			
Hank Yarn Obligation Received			
1	Shri Ramalinga Mills Ltd Aruppukottai	Sri T.R. Dhinakaran, Sri D. Senthilkumar	8,17,741
LORRY FREIGHT PAID			
1	Nirmala & Company	Sri D. Senthilkumar, Partner	2,19,000
2	Sri Ramasamy & Company	Smt.D.Kothai, Partner	36,600
Transaction Type : Services			
Conversion charges paid			
1	Shri Ramalinga Mills Ltd.,Aruppukottai	Sri T.R.Dhinakaran, Sri.D.Senthilkumar	31,13,091
Transaction Type: Loan Repaid			
1	Smt. D. Nirmala	CMD'Spouse	26,81,782
Transaction Type: Loan Received			
1	Shri T.R.Dhinakaran	CMD	93,00,000

Date(s) of approval by the Board, if any : Board's approval obtained as and when required.
Amount paid as advances, if any : Nil

By order of the Board
T.R.DHINAKARAN
Chairman and Managing Director

ANNEXURE TO DIRECTORS' REPORT – (ANNEXURE – I)

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

(g) Total Foreign Exchange used :

1) Capital Expenditure	:	Nil
2) Commission	:	Rs.40,421/-
3) Foreign Travel	:	Nil

h) Total Foreign Exchange earned in C & F:

Export Sale of Cotton yarn	:	Rs.2,89,52,344/-
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Annexure : FORM A

A) Power and fuel consumption

1) Power purchased from TANGEDCO, IEX and Private power suppliers.

a) TANGEDCO		31.3.2017	31.3.2016
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Units in	KWH	6,24,517	27,49,086
Amount	Rs.	3,17,39,306	9,01,93,613

b) IEX and Private power suppliers

Units in	KWH	2,50,19,983	2,43,59,417
Amount	Rs.	12,92,45,485	13,09,15,605

Total (a + b)

Total Units in	KWH	2,56,44,500	2,71,08,503
Total amount	Rs.	16,09,84,791	17,11,09,218

Avg Rate per unit	Rs.	6.27	6.31
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2) Own Generation

a) Through Diesel Gensets

Units in	KWH	1,24,275	2,12,955
Amount	Rs.	19,37,875	28,72,827

Units per Litre	KWH	2.97	3.02
Cost per unit	Rs.	15.59	13.49

b) Through Power plant (HFO)

Units in	KWH	8,985	2,31,180
Amount	Rs.	83,007	19,93,164

Units per Litre	KWH	3.32	3.55
Cost per unit	Rs.	9.23	8.62

ANNEXURE: FORM "B" Research and Development:-

1. Special areas in which R & D carried out by the company

: 1. Grading of Cotton for specific count and quality of yarn

2. Evaluation and maintenance of quality of yarn at the various stages of processing and optimising the process parameters to achieve the best yarn quality to meet the International Standards.

2. Benefit derived as a result of the above R & D

Sustaining and improving existing and future overseas sales contracts as well as realizing good prices for yarn in indigenous markets.

3. Future Plan of Action

: To compete effectively in the International/Indigenous Markets.

4. Expenditure on R & D

a) Capital	:	} Nil
b) Recurring	:	
c) Total	:	
d) Total R & D expenditure as percentage of total turnover (Gross Receipts)	:	

B) Consumption per unit of production

Electricity unit consumed per kg of yarn (40s conv) is 4.10 as compared to 4.15 in last year.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation benefits derived as a result of the above efforts e.g product improvement, cost reduction, product development, import substitution etc. :

: Continuous efforts are made towards technology absorption by constantly watching the latest developments in India and abroad in the new designs of machines etc in the textile industry with special attention to Spinning Industry. Priority is being given to improve the quality of the Products and increasing productivity through effective measures.

2. Imported Technology : Nil

REPORT ON CORPORATE GOVERNANCE (ANNEXURE – II) :

The present status with regard to the various aspects of the corporate governance is given below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

Tamilnadu Jai Bharath Mills Limited's philosophy on corporate governance envisages transparency, accountability and equity in all facets of its operations, and in all its interactions with its Stakeholders, Suppliers, Creditors, Employees etc., The Company's decisions / actions in the conduct of business and in the treatment of its employees shall be devoid of any discriminations on the basis of sex, colour, creed castes etc.

2. MANAGEMENT DISCUSSION AND ANALYSIS :

FUTURE :

The company is pursuing efforts to broad base the market share as well as to economise the operational cost and to minimise the loss as much as possible.

RISK FACTORS AND MITIGATION

1) Raw material prices. Depending on the monsoon and the Government policy, the prices of cotton and yarn will vary affecting the performance either way.

2) Labour.

We have sufficient work force as the Company is functioning in a area where there is no alternative employment opportunities. Adequate measures are being undertaken to have conducive industrial relation in the organization and to maintain the required level of work force.

3. BOARD OF DIRECTORS :

Composition

The present strength of the Board is Six. Its composition / particulars of Directors and the details of the Board meetings held and attended by the Directors during the year under report are given below. The Chairman of the Board is a Independent Director-executive and Non-Independent Director. All Directors, except the Managing Director and Executive Director are liable to retire by rotation.

Particulars	Composition of the Board No.of Directors	% of Total Directors	Minimum requirement as per SEBI (LODR) Regulations, 2015 of the Listing Agreement
Non executive Directors	2	33.33	33%
Independent Directors	3	50.00	50%
Whole Time Director	1	16.67	17%
Total	6	100	

The necessary disclosures regarding the Committee positions held by them have been made by all the Directors. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees.

The relationship between the Directors interest is given below :

Shri T.R.Dhinakaran, CMD	:	F/o. Shri D. Senthilkumar and Smt. D. Kothai ,
Shri D. Senthilkumar, Director	:	S/o. Shri T.R.Dhinakaran and Brother of Smt. D. Kothai
Smt. D. Kothai , Director	:	D/o. Shri T.R.Dhinakaran and Sister of Shri. D. Senthilkumar

Six Board Meetings were held on 26.05.2016, 08.08.2016, 11.11.2016, 24.12.2016,13.01.2017 and 10.02.2017

The Details of attendance of the Directors are given below:

Name of the Director	Nature of Directorship	No of Board Meetings Attended	Attendance at last AGM 31.03.2016	No of other Directorship	No.of other Committee Membership	No.of other Committee Chairmanship
			(**)	(**)	(**)	
1. Shri T.R.Dhinakaran,CMD	ED	6	YES	20	NIL	NIL
2. Shri D.Senthilkumar	NED	2	----	17	1	4
3. Smt. D. Kothai	NED	2	----	5	NIL	NIL
4. Shri T.Balakumar	NEID	6	YES	4	NIL	NIL
5. Shri P.Manoj Kumar Kedia	NEID	5	----	3	NIL	NIL
6. Shri K.Subbarajulu	NEID	6	YES	2	NIL	NIL

** includes all companies viz., public and private companies.

ED - Executive Director, NEID -Non- Executive and Independent Director, NED-Non-Executive Director

Mandatory Committees

4. AUDIT COMMITTEE :

In compliance with the requirement of Section 177 of the Companies Act, 2013, as per SEBI (LODR) Regulations,2015 of the Listing Agreement, the Board has constituted an Audit Committee with terms of reference as detailed in the said section / SEBI (LODR) Regulations,2015.

The Audit Committee of the Board is headed by Shri T.Balakumar, a Non Executive and Independent Director. Other members of the Committee are Shri. D.Senthilkumar, Shri. P. Manoj Kumar Kedia , Smt. D.Kothai and Shri.K.Subbarajulu.

Four Committee Meetings were held on 26.05.2016, 08.08.2016, 11.11.2016 and 10.02.2017 and the details of the number of meetings attended by the members are given below :

Sl.No.	Name of the Member	No. of Committee Meetings attended during 2016-2017
1.	Shri T.Balakumar Chairman	4
2.	Shri D.Senthilkumar, Member	0
3.	Smt. D. Kothai, Member	0
4.	Shri P. Manoj Kumar Kedia, Member	2
5.	Shri K.Subbarajulu, Member	4

The Statutory Auditors are permanent invitees to the meetings.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

A committee headed by Smt. D.Kothai, Non Executive Director, as Chairman of the Committee looks into the aspects relating to the shareholders' interest, as stipulated in SEBI (LODR) Regulations, 2015 of the Listing Agreement with Stock Exchanges. The other members of the committee are Shri.D.Senthilkumar, Shri T.Balakumar, Shri.K.Subbarajulu and Shri Manoj Kumar Kedia. The Compliance Officer for the purpose of the listing agreement is Shri M.V. Mahadevan, Company Secretary. There are no pending share transfers. There were no significant investor grievance during the year and no Grievance / Letters from the Investors were pending disposal as on the date of this report. Four Committee Meetings were held on 26.05.2016, 08.08.2016, 11.11.2016 and 10.02.2017 and the details of the number of meetings attended by the members are given below :

Sl.No.	Name of the Member	No. of Committee Meetings attended during 2016 - 2017
1.	Smt. D. Kothai, Chairman	0
2.	Shri D.Senthilkumar, Member	0
3.	Shri P. Manoj Kumar Kedia, Member	2
4.	Shri T. Balakumar, Member	4
5.	Shri K. Subbarajulu, Member	4

6. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board is headed by Shri. P. Manojkumar Kedia, Non-Executive Independent Director. Other Members of the Committee are Shri.D. Senthilkumar, Shri.T. Balakumar, Shri.K.Subbarajulu and Smt.D.Kothai.

The terms of reference of the Nomination and Remuneration Committee cover the matters specified under SEBI (LODR) Regulation, 2015 of the Listing Agreement and Section 178 of the Companies Act, 2013, besides other issues as may be referred to by the Board of Directors from time to time.

7. SHARE TRANSFER COMMITTEE

Composition of Share Transfer Committee:

Shri. T.R.Dhinakaran, Chairman

Shri. T.Balakumar, Member

Shri.K.Subbarajulu, Member

The terms of reference of the Shareholders' Committee are as follows:

To issue Duplicate share certificates as and when the requests are received by the Company;

To approve the register of members as on the record date(s) and /or book closure date(s) for receiving dividends and other corporate benefits;

To review correspondence with the shareholders vis-à-vis legal case and take appropriate decisions in that regard; and

To authorise affixing of the Common seal of the Company from time to time on any deed or other instrument requiring authentication by or on behalf of the Company.

Further, Share Transfers approved by the Committee were placed before the Board of Directors at their meetings from time to time.

During the period under review, 4,200 shares were transferred. There were no pending Share Transfers as on date of this report.

8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The composition of the CSR Committee is in compliance with the provision of Section 135 of the Companies Act, 2013.

The Committee functioning under the Chairmanship of Shri.T.R.Dhinakaran, who is an Executive Director and Shri. T.Balakumar (Non Executive and Independent Director), Shri. K.Subbarajulu (Non Executive and Independent Director) are other members of the Committee.

The Committee met one time during the Financial year 2016-2017.

The CSR Committee is empowered, pursuant to its terms of reference, inter alia, for

1.Specifying the amount of expenditure to be incurred on the CSR activities;

2.Monitoring the CSR Policy of the Company from time to time;

3.Such activities as the Board of Directors may determine from time to time.

9. ANNUAL GENERAL MEETINGS :

(i) The details of the time, venue and the date of the last three Annual General Meetings are given below :

AGM	DATE	TIME	LOCATION
25th	23.09.2014	4.45 P.M	212,RAMASAMY NAGAR ARUPPUKOTTAI-626159
26th	25.09.2015	4.45 P.M	- DO -
27th	24.09.2016	4.45 P.M	- DO -

(ii) Special Resolution passed in the previous 3 AGMs.

EGM on 3.2.2014 - Conversion of promoters intercorporate loan of Rs.10.20 crores into equity shares at Rs.10/- per share.

Increase the Authorised Capital of the Company from Rs.30 Crores to Rs.40 Crores.

23.09.2014 - Adopt new Memorandum and Articles of Association of the Company.

AGM on 25.09..2015 - To consider and approve of Related Party Transactions 2014-2015.

AGM on 24.09..2016 - To consider and approve of Related Party Transactions 2015-2016.

- | | |
|--|---|
| (iii) Whether any Special Resolution Passed last year through Postal Ballot | - NO |
| (iv) Person who conducted the Postal Ballot exercise | - Not Applicable |
| (v) Whether any special resolution is proposed to be conducted through Postal Ballot | - YES |
| (vi) Procedure for Postal Ballot | - As per SEBI guidelines and Companies Act. |

10. DISCLOSURES :

- The related party transaction disclosures as required under AS-18 are given in notes forming part of the Accounts in the Annual Report.
- Details of non compliance by the company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any statutory authority, on any matter relating to capital markets during the last three years - NIL
- Whistle Blower Policy - Company has installed a suggestion / complaints procedure for employees to get their views / complaints on the workings / short comings, if any of any Department which has been updated as per the Companies Act, 2013 is included in the Directors Report.
- Mandatory requirements have been complied with while non mandatory requirements have been complied with to the extent possible.

11. MEANS OF COMMUNICATION :

- | | | |
|---|---|---|
| (i) Quarterly Results :- | : | The Company furnishes Quarterly Results to the concerned Stock Exchanges and also publishes them in Newspapers. |
| (ii) Newspapers wherein results normally published : | : | Makkal Kural (Virudhunagar Edition) and Financial Express(All Editions) |
| (iii) Any website, where displayed | : | www.tnjb.net.in. |
| (iv) Whether it also displays official News releases | : | Yes |
| (v) The presentation made to institutional Investors or to the analysts | : | NIL |
| (vi) Management Discussion and Analysis is a part of Annual Report | : | Yes |

12. Distribution of Shareholding

Sl.No.	Category	Shares held	% of Shares
1	Promoters & Promoter Group	3,17,77,646	79.87
2	Mutual Funds, Banks etc.,	3,300	0.01
3	Other Corporate Bodies	4,04,733	1.02
4	NRIs	6,08,100	1.53
5	Indian Public	65,78,157	16.53
6	Directors' Relative other than Promoter group	4,12,800	1.04
	Total	3,97,84,736	100.00

11. GENERAL SHAREHOLDERS INFORMATION :

1.	27th Annual General Meeting	Date & Time Venue	: :	15.09.2017 & 4.45 P.M 212, Ramasamy Nagar Aruppukottai-626 159
2.	Financial Calendar		:	The Company follows 1st April to 31st March as its Financial Year. Publication of Quarterly Financial Results are made within 45 days from the end of the respective quarters and year's results within 60 days.
3.	Date of Book Closure		:	11.09.2017 to 15.09.2017
4.	Dividend Payment Date		:	No Dividend has been declared for the year.
5.	Listing on Stock Exchange		:	Mumbai Stock Exchange. The Company has paid listing fees for the year 2017- 2018 to the above Stock Exchange.
6.	Stock Exchange Code		:	Bombay Code : 521038
7.	Market Price Data		:	It is not traded regularly. The 52 week high and low are Rs.5.82/- and Rs.3.19/- per share of face value of Rs.10/-.
8.	Custodial Fees to Depositories		:	The Annual Custodial Fees for the Financial Year 2017-2018 has been paid to NSDL and CDSL.
9.	Performance in comparison to broad-based Indices such as BSE Sensex, CRISIL index etc.		:	Not comparable
10.	Share Transfer Systems		:	The average time for processing and registration of Share transfer request is within 15 days of receipt.

12. Dematerialisation of Shares and liquidity : The Company's shares are available for dematerialisation with both National Securities Depository Ltd., (NSDL) and Central Depository Services Limited (CDSL) and Company's ISIN Number is INE868H01017.

Category	No.of Shares	% Shares
NSDL	61,24,664	15.395
CDSL	4,23,445	1.064
Physical Holdings	3,32,36,627	83.541
Total	3,97,84,736	100.000

13. The Shareholders may kindly note that as per recent orders for transfer of Physical Shareholding, they have to furnish their PAN NO. irrespective of the amount of such transactions.

14. Outstanding GDRs/ADRs Warrants or any convertible instruments, conversion date and likely impact on equity. : NIL

15. Plant Location : Malayankulam Village, Sankarankovil – 627 756
Ph.No. 04636-222091

16. Address for correspondence : 212, Ramasamy Nagar,
Aruppukottai – 626 159.
Ph.No. 04566-240282

17. Registrars and Share Transfer Agent : M /s. S.K.D.C.Consultants Ltd.,
Kanapathy Towers, 3rd Floor,
1391/A-1, Sathy Road, Ganapathy, Coimbatore-641006
Ph.No.0422-6549995,2539835-836
Fax No.0422-2539837
E-mail: info@skdc-consultants.com

To
The Members,
Tamilnadu Jai Bharath Mills Ltd.,

Declaration by the Chairman and Managing Director under the Listing Regulations regarding compliance with Code of Conduct Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby certified that all Board Members and Senior Management personnel have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2017.

Place : Aruppukottai
Date : 25.05.2017

for Tamilnadu Jai Bharath Mills Ltd.,
T.R.Dhinakaran
Chairman and Managing Director

CERTIFICATION BY CHAIRMAN CUM MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER.

We hereby certify that we have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2017 and that to the best of our knowledge and belief.

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and firm view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the aforesaid period which are fraudulent, illegal or violative of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintain internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls systems, if any, of which we are aware, and that we have taken the required steps to rectify these deficiencies.
5. We have indicated to the Auditors and the Audit Committee that;
 - (a) There have been no significant changes in internal control over financial reporting during the year.
 - (b) There have been no significant changes in accounting policies during the year.
 - (c) There have been no instances of significant fraud of which we 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 over financial reporting.

Place : Aruppukottai
Date ; 25.05.2017

for Tamilnadu Jai Bharath Mills Ltd.,
T.R.Dhinakaran
CMD
K.Balasubramanian
CFO

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE :

To the Members of
Tamilnadu Jai Bharath Mills Ltd.,

We have examined the compliance of conditions of Corporate Governance by Tamilnadu Jai Bharath Mills Limited for the year ended 31st March, 2017, as stipulated in applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respects with the accounts of Corporate Governance as stipulated in applicable provisions of the Regulations.

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.

Aruppukottai
Date : 25.05.2017

For Krishnan & Raman,
Chartered Accountants

V.SRIKRISHNAN, Partner
M.No.206115

FORM NO.MR-3**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members
Tamilnadu Jai Bharath Mills Limited (CIN : L17111TN1989PLC018267)
Aruppukottai

1. I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Tamilnadu Jai Bharath Mills Limited, (hereinafter referred to as the company). Secretarial Audit was conducted with reference to the required books and records made available to me, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

2. Based on my verification of the Company's Books, records, papers, minutes books, various forms and returns filed and other records and returns maintained by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I, on the basis and strength of such records, and information so provided, hereby report that in my opinion and understandings, the Company has during the audit period covering the financial year ended 31st March, 2017, complied with the statutory provisions listed hereunder and also in my limited review, that the company has proper and adequate Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the forms and returns as filed, books including minutes books, papers and other records maintained by the Company and made available to me, for the audit period upto the financial year ended 31st March, 2017 according to the applicable provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder as applicable;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and Rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. The following guidelines and regulations stipulated under the Securities and Exchange Board of India Act, 1992 (SEBI -ACT)

- i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- vi) The Securities and Exchange Board of India (Registrar to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

5. Other related and applicable laws on the operation of the company and the rules made thereunder and I have examined the systems and processes of the company in place to ensure the compliance with other general laws like Labour Laws, Competition Law, Environmental Laws, Employees Provident Funds Act, Employees State Insurance Act etc., considering and relying upon representations made by the company and its Officers for systems and mechanisms formed by the company for compliance under these laws and other applicable sector specific Acts, Laws, Rules and Regulations applicable to the company and its observance by them.

I have examined the compliance with the applicable clauses of:

1. Secretarial Standards issued by The Institute of Company Secretaries of India.
2. The Listing Agreement and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as entered into by the Company with Bombay Stock Exchange Limited, Mumbai.

The company has complied with the applicable provisions of the Act, Rules, Regulations, Standards, and Guidelines etc., mentioned above during the period under review except to the extent as mentioned below:

The Company has not fully provided for future gratuity liability.

1,38,00,000 equity shares of Rs.10/- each are listed in the Stock Exchange out of total issued equity shares numbering 3,97,84,736. The company has to speed up its efforts to get the remaining shares listed.

I further report that the related documents that I have come across show that the Board of Directors of the company is constituted as applicable with proper balance of Executive Directors, Non Executive Directors and Independent Directors and the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and adequate notices have been given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. I also report that board's decisions have been arrived at and recorded in the Minutes Book in line with the stipulations prescribed by the Companies Act, 2013, Rules made thereunder and the Secretarial Standards in operation.

I further report that there appears to be adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the period under review, the Company has sought the approval of members for related party transactions by passing special resolution.

I further report that my audit is subject only to verifying adequacy of systems and procedures that are in place for ensuring proper compliance by the company and I am not responsible for any lapses in those compliances on the part of the company.

Place: Madurai
Date : 25.05.2017

S. Muthu Raju
Practising Company Secretary
C.P.No. 4181

This Report is to be read with my testimony of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To
The Members,
Tamilnadu Jai Bharath Mills Limited (CIN : L17111TN1989PLC018267)
Aruppukottai

My report of even date is to be read along with this supplementary testimony.

1. Maintenance of secretarial records is the responsibility of Management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes that were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have consulted the Management and Officers of the company about the compliance of laws, rules and regulations and happenings of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules and regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management conducted the affairs of the company

Place: Madurai
Date: 25.05.2017

S. Muthu Raju
Practising Company Secretary
C.P.No. 4181

ii. Shareholding of Promoters:

Sr.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of % shares	% of total share of the company	% of total Shares pledged/encumbered of to total shares	No. of % shares	% of total share of the company	% of total Shares pledged/encumbered of to total shares	
1	A VASANTHA	18,340	0.05	-	18,340	0.05	-	-
2	J SEETHALAKSHMIAMMAL	10,000	0.03	-	10,000	0.03	-	-
3	T R JAYARAMAN	65,500	0.16	-	65,500	0.16	-	-
4	R MANGALESHWARI	5,000	0.01	-	5,000	0.01	-	-
5	R CHEMPAKADEVI	5,000	0.01	-	5,000	0.01	-	-
6	V RAMASAMY NAICKER	44,500	0.11	-	44,500	0.11	-	-
7	SHRI RAMALINGA MILLS LTD	2,45,17,436	61.63	-	2,45,17,436	61.63	-	-
8	K RAJAMANI	100	0.00	-	100	0.00	-	-
9	DHINAKARAN T R	44,99,900	11.31	-	44,99,900	11.31	-	-
10	T R VARADHARAJAN	62,500	0.16	-	62,500	0.16	-	-
11	D NIRMALA	14,02,530	3.53	-	14,02,530	3.53	-	-
12	J VASUDEVAKI	1,660	0.00	-	1,660	0.00	-	-
13	J VASUDEVAKI	18,340	0.04	-	18,340	0.04	-	-
14	V PARAMESHWARI	18,340	0.04	-	18,340	0.04	-	-
15	D SENTHILKUMAR	3,32,500	0.83	-	3,32,500	0.83	-	-
16	S RUKMANI	100	0.00	-	100	0.00	-	-
17	R CHEMPAKADEVI	13,000	0.04	-	13,000	0.04	-	-
18	KOTHAI D	6,76,800	1.69	-	6,76,800	1.69	-	-
19	V RAMASAMY	10,000	0.03	-	10,000	0.03	-	-
20	R MAHALAKSHMI	18,400	0.05	-	18,400	0.05	-	-
21	K G PARTHASARATHI	6,000	0.02	-	6,000	0.02	-	-
22	K T L GURUSAMY	100	0.00	-	100	0.00	-	-
23	M/S. ARUPPUKOTTAI SHRI VIJAYALAKSHMI TEXTILE MILLS (P)LTD	51,600	0.13	-	51,600	0.13	-	-
	TOTAL	3,17,77,646	79.87	-	3,17,77,646	79.87	-	-

iii. Change in Promoters' Share Holding- Nil

iv. Shareholding Pattern of top ten shareholders. (other than Directors, Promoters and Holders of GDRs and ADRs).

Sr.No.	Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of % shares	% of total share of the company	No. of % shares	% of total share of the company
1	M/S SIVAN SECURITIES (P) LTD.	1,67,600	0.711	1,67,600	0.711
2	C.H.MIRANI	1,10,000	0.466	1,10,000	0.466
3	ARADHANA KEDIA	80,000	0.339	80,000	0.339
4	VIDHYA	74,500	0.316	74,500	0.316
5	ASWINI	74,500	0.316	74,500	0.316
6	V PARAMESHWARI	74,500	0.316	74,500	0.316
7	ARUN	74,500	0.316	74,500	0.316
8	ANU	74,500	0.316	74,500	0.316
9	VANATHI ANAND	74,000	0.314	74,000	0.314
10	ARTHI ANAND	74,000	0.314	74,000	0.314

v. Shareholding of Directors and Key Managerial Personnel

Sr.No.	For Each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of % shares	% of total share of the company	No. of % shares	% of total share of the company
1	T.R.Dhinakaran, CMD	44,99,900	11.31	44,99,900	11.31
2	D. Senthilkumar, E.D	3,32,500	0.83	3,32,500	0.83
3	D. Kothai, Director	6,76,800	1.69	6,76,800	1.69
4	P. Manojkumar Kedia, Director	20,000	0.05	20,000	0.05
5	T.Balakumar, Director	100	0.00	100	0.00
6	K. Subbarajulu, Director	1,000	0.00	1,000	0.00
7	M.V. Mahadevan, Company Secretary	-	-	-	-
8	K. Balasubramanian, C.F.O.	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the company including interest outstanding / accrued but not due for payment. Rs. In Lacs

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 1.4.2016				
1. Principal amount	4,372	3,658		8,030
2. Interest due but not paid	-	-		-
3. Interest accrued but not due	-	121		121
Total (1 + 2 + 3)	4,372	3,779		8,151
Change in Indebtedness during the financial year				
+ Addition		35		35
- Reduction	-547			-547
Net Change	-547	35		512
Indebtedness at the end of the financial year 31.3.2017	3,825	3,814		7,639
1. Principal amount	3,815	3,675		7,490
2. Interest due but not paid	-	-		-
3. Interest accrued but not due	10	139		149
Total (1 + 2 + 3)	3,825	3,814		7,639

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director , Whole-time Directors and / or Manager	} The Directors including CMD, E.D. have opted not to draw any salary till the company turns positive.
B. Remuneration to other Directors	
C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD	
	} 2016 - 2017 Shri. V.N.Kittappa, Company Secretary (resig.17.7.16) - Rs.56,250/- Shri. M.V.Mahadevan, Company Secretary (Appt. on 13.01.17) - Rs.75,000/ Shri.K.Balasubramanian, CFO - Rs.3,66,582/-

VII. Penalties / Punishment / Compounding of offences (Under the Companies Act) : NIL

Form No.MGT-9
Extract of Annual Return as on the financial year ended on 31.3.2017

(Pursuant to section 92(3) of the Companies Act,2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I REGISTRATION AND OTHER DETAILS :

1	CIN	L17111TN1989PLC018267
2	Registration Date	02.11.1989
3	Name of the Company	TAMILNADU JAIBHARATH MILLS LIMITED
4	Category / Sub-Category of the Company	Public Company limited by Shares
5	Whether Listed Company	Yes
6	Address of the Registered Office and Contact details	No.212, Ramasamy Nagar, Aruppukottai - 626159
7	Name , Address and Contact details of Registrar and Transfer Agent if any	M/s. SKDC Consultants Ltd., Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Coimbatore-641006 Ph.No.0422-6549995 E-mail: info@skdc-consultnats.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr.No.	Name and Description of Main Product / Services	NIC Code of the Product	% of total turnover of the company
1.	Cotton Yan	5205	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr.No.	Name and Address of the Company	CIN / GIN	Holding / Subsidiary of the Company	% of shares held	Applicable Section
1.	Shri. Ramalinga Mills Ltd., 212, Ramasamy Nagar, Aruppukottai.	U17111 TN1951PLC002746	Holding	61.63%	2(87)

IV. Share Holding Pattern (Equity Share Capital Break-up as percentage of Total Equity)

i. Category - wise Share Holding		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Category of Shareholder	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change during the year
(A)	Shareholding of Promoter and Promoter Group ²									
1	Indian									
(a)	Individuals/ Hindu Undivided Family	26,45,110	45,63,500	72,08,610	18.12	26,45,110	45,63,500	72,08,610	18.12	0.00
(b)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	25,32,200	2,20,36,836	2,45,69,036	61.75	25,32,200	2,20,36,836	2,45,69,036	61.75	0.00
(d)	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total(A)(1)	51,77,310	2,66,00,336	3,17,77,646	79.87	51,77,310	2,66,00,336	3,17,77,646	79.87	0.00
2	Foreign									
a	"Individuals (Non-Residents Individuals/Foreign Individuals)"	0	0	0	0.00	0	0	0	0.00	0.00
b	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
c	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
d	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
e	Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total(A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	51,77,310	2,66,00,336	3,17,77,646	79.87	51,77,310	2,66,00,336	3,17,77,646	79.87	0.00
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds/ UTI	0	2,800	2,800	0.01	0	2,800	2,800	0.01	0.00
(b)	Financial Institutions / Banks	200	300	500	0.00	200	300	500	0.00	0.00
(c)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	FII-DR	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(1)	200	3,100	3,300	0.01	200	3,100	3,300	0.01	0.00
B 2	Non-institutions									
(a)	Bodies Corporate	1,31,074	2,54,300	3,85,374	0.97	1,50,533	2,54,200	4,04,733	1.02	0.00
(b)	Individuals	0	0	0	0.00	0	0	0	0.00	0.00
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh	9,48,522	55,20,190	64,68,712	16.27	1,50,533	2,54,200	4,04,733	1.02	0.00
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	75,200	23,700	98,900	0.23	9,77,439	54,65,391	64,42,830	16.2	0.00
(c)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Directors & their Relatives	1,29,700	2,83,100	4,12,800	1.04	1,29,700	2,83,100	4,12,800	1.04	0.00
	Non Resident Indians	1,500	6,06,800	6,08,300	1.53	1,300	6,06,800	6,08,100	1.53	0.00
	Clearing Members	1,645	0	1,645	0.01	3,810	0	3,810	0.01	0.00
	Hindu Undivided Families	28,059	0	28,059	0.07	32,617	0	32,617	0.08	0.00
	Sub-Total (B)(2)	13,15,700	66,88,090	80,03,790	20.12	13,70,599	66,33,191	80,03,790	20.13	0.0
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	13,15,900	66,91,190	80,07,090	20.13	13,70,799	66,36,291	80,07,090	20.13	0.00
	TOTAL (A)+(B)	64,93,210	3,32,91,526	3,97,84,736	100.00	65,48,109	3,32,36,627	3,97,84,736	100.00	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued									
1	Promoter and Promoter Group	0	0.00	0	0.00	0	0.00	0	0.00	0.00
2	Public	0	0.00	0	0.00	0	0.00	0	0.00	0.00
	Sub-Total (C)	0	0.00	0	0.00	0	0.00	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	64,93,210	3,32,91,526	3,97,84,736	100	65,48,109	3,32,36,627	3,97,84,736	100.00	0.00

BALANCE SHEET at 31st March, 2017

PARTICULARS	Note No.	As at 31.03.2017 (Rs)	As at 31.03.2016 (Rs)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	39,78,47,360	39,78,47,360
(b) Reserves and Surplus	2	(38,50,84,397)	(35,48,37,268)
(2) Share application money pending allotment	-	-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings	3	41,38,17,510	41,47,95,363
(b) Long term provisions	4	10,21,114	10,21,114
(4) Current Liabilities			
(a) Short-term borrowings	5	29,56,75,865	36,34,00,363
(b) Trade payables	6	10,18,59,351	10,27,50,338
(c) Other current liabilities	7	12,55,66,340	9,99,84,467
Total		95,07,03,143	1,02,49,61,737
II.Assets			
(1) Non-current assets			
(a) Fixed assets			
Tangible assets	8	25,60,14,803	26,56,12,073
(b) Non-current investments		-	-
(c) Deferred tax asset (net)		13,84,40,720	13,41,87,430
(d) Long term loans and advances	9	1,47,70,825	1,70,49,184
(2) Current assets			
a) Current investments	10	41,93,427	1,32,34,977
(b) Inventories	11	28,55,75,899	32,53,75,266
(c) Trade receivables	12	19,66,08,948	20,72,88,128
(d) Cash and cash equivalents	13	82,08,078	68,49,079
(e) Short-term loans and advances	14	2,50,29,533	2,64,28,511
(f) Other current assets	15	2,18,60,910	2,89,37,089
Total		95,07,03,143	1,02,49,61,737

As per our report of even date

For Krishnan & Raman,
Chartered Accountants

V. Srikrishnan, Partner
M.No.206115

 Place : **Aruppukottai**
Date : 25th May 2017

T.R. Dhinakaran
Chairman and Managing Director

T.Balakumar
Director

M.V. Mahadevan
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2017

PARTICULARS	Note No.	As at 31.03.2017 (Rs)	As at 31.03.2016 (Rs)
I. Revenue from operations	16	1,01,08,89,355	99,57,34,114
II. Other Income	17	42,65,787	83,55,078
III. Total Revenue (I +II)		1,01,51,55,142	1,004,089,192
IV. Expenses:			
Cost of Raw materials consumed	18	53,54,50,042	43,97,73,584
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		2,71,93,768	7,11,87,233
Employee benefit expense	19	11,45,42,545	11,12,31,148
Finance costs	20	7,40,72,812	7,29,14,911
Depreciation and amortization expense	8	2,42,12,144	2,45,21,285
Other expenses	21	27,41,84,250	31,08,28,400
Total Expenses		1,04,96,55,561	1,03,04,56,561
V. Profit/ (Loss) before exceptional and extraordinary items and tax	(III - IV)	(3,45,00,419)	(2,63,67,369)
VI. Exceptional & Extraordinary Items		-	-
VII. Profit / (Loss) before Tax	(V - VI)	(3,45,00,419)	(2,63,67,369)
VIII. Tax expense:			
(1) Current tax	-	-	-
(2) Deferred tax Asset		42,53,290	1,22,54,502
IX. Profit(Loss) from the period from continuing operations	(VII-VIII)	(3,02,47,129)	(1,41,12,867)
X. Earnings per equity share:			
Basic & Diluted (in Rs.)		(0.76)	(0.35)

As per our report of even date

For Krishnan & Raman,
Chartered Accountants

V. Srikrishnan, Partner
M.No.206115

 Place : **Aruppukottai**
Date : 25th May 2017

T.R. Dhinakaran
Chairman and Managing Director

T.Balakumar
Director

M.V. Mahadevan
Company Secretary

NOTES TO BALANCE SHEET

	As at 31.03.2017 (Rs)	As at 31.03.2016 (Rs)
1. Share Capital		
a. Authorised Share Capital: 40000000 number of Equity shares of Rs. 10 each	40,00,00,000	40,00,00,000
b. Issued, Subscribed and Fully Paid up Share Capital: 39784736 number of Equity shares of Rs.10 each	39,78,47,360	39,78,47,360
c. Par Value per Share	10	10
d. Number of equity shares at the beginning of the year	3,97,84,736	3,97,84,736
Number of equity shares at the end of the year	3,97,84,736	3,97,84,736
% of Shares held by Holding company	2,45,17,436	2,45,17,436
e Number of shares held by share holders more than 5% of total shares		
Name of the share holder	No of Shars & %	
Shri Ramalinga Mills Limited	2,45,17,436 61.63	2,45,17,436 61.63
T.R.Dhinakaran	44,99,900 11.31	44,99,900 11.31
2. PROFIT & LOSS ACCOUNT		
Opening balance	(35,69,89,908)	(33,84,78,880)
Add: transfer from profit & loss account	(3,02,47,129)	(1,41,12,867)
Add:Write down of carrying cost of assets whose remaining useful lives is NIL as per Schedule II of the Companies Act 2013		(43,98,161)
Closing balance (A)	(38,72,37,037)	(35,69,89,908)
CAPITAL RESERVE		
Redemption of Convertible Debentures (B)	21,52,640	21,52,640
TOTAL (A-B)	(38,50,84,397)	(35,48,37,268)

3 Long term Borrowings

A Term Loans -

(i) From Banks:(Secured)

SBI TUF IV -Quarterly due.Last
due date 31.03.2018 5,09,013 3,68,20,220

Security

Primary - Ist Charge on Scheme Assets

Collateral - Ist Charge on Fixed Assets

Guarantee -Corporate Guarantee of

Shri Ramalinga Mills Ltd

TMBL , SNKL, CORPORATE LOAN 3,18,23,507 -

NOTES TO BALANCE SHEET

	As at 31.03.2017 (Rs)	As at 31.03.2016 (Rs)
Security		
Primary- Mortgage of Lands		
Collateral - Corporate guarantee of Shri Ramalinga mills Ltd& Personal guarantee of Shri T.R.Dhinakaran		
b.Loans and advances from related parties - Unsecured		
Shri Ramalinga Mills Ltd Aruppukottai	25,94,25,691	26,68,32,284
Sri.T.R.Dhinakaran.Aruppukottai	10,33,58,299	8,97,55,465
Smt.D.Nirmala.Aruppukottai	-	26,81,782
c. Other loans and advances (Specify) - Unsecured		
Kedia Exports & Industries, Mumbai Trade Advance	1,09,90,000	1,09,92,713
Kedia Enterprises, Mumbai Trade Advance	76,93,000	76,94,899
TMBL ATM Rent Advance	18,000	18,000
	41,38,17,510	41,47,95,363

**Non-Current Assets:
a) Fixed Assets**

9	Tangible asset	Gross Value				Depreciation				In Rs. Closing balance	
		Opening balance	Additions	Deletions	Total	Opening balance	Additions	Deletions	Total	As on 31.03.2017	As on 31.03.2016
a	Land	21,99,899			21,99,899	0				21,99,899	21,99,899
b	Building	14,58,89,413	1,14,75,290		15,73,64,703	5,41,17,430	23,99,173		5,65,16,603	10,08,48,100	9,17,71,983
c	Plant & Equipments	77,86,36,464	31,39,584		78,17,76,048	60,73,01,528	2,18,12,971		62,81,14,499	15,26,61,549	17,13,34,936
d	Furniture & Fixtures	12,01,226			12,01,226	12,01,226	0		12,01,226	0	0
e	Vehicles	35,12,302			35,12,302	32,07,048	0		32,07,048	3,05,254	3,05,254
	Total	93,14,39,304	1,46,14,874		94,60,54,178	66,58,27,231	2,42,12,144		69,00,39,375	25,60,14,803	26,56,12,072
	Figures for the previous year	91,42,72,896	2,72,28,667		93,14,39,304	63,69,07,785	2,45,21,285		66,58,27,231	26,56,12,072	27,73,65,111

NOTES TO BALANCE SHEET

	As at 31.03.2017 (Rs)	As at 31.03.2016 (Rs)
4 Long term provisions		
Provision for employee benefits (gratuity)	10,21,114	10,21,114
Current Liabilities		
5.(A) Short term borrowings		
a Loans repayable on demand from banks: secured		
State Bank of India Security	29,56,75,865	28,67,04,665
Primary - 1st Charge on the Current Assets of the Company		
Collateral - 1st Charge on Fixed Assets		
Guarantee - Corporate Guarantee of Shri Ramalinga Mills Ltd.,		
TMB Ltd., Key Loan Security	0	26,083,095
Primary - Pledge of Cotton Stock		
Guarantee - Corporate Guarantee of Shri Ramalinga Mills Ltd.,		
TMB Ltd., Corporate Loan		5,06,12,603
	29,56,75,865	36,34,00,363
6 Current Liabilities		
Trade payables		
For Raw Materials	8,83,73,699	9,00,37,555
For Store Suppliers	1,32,66,532	1,24,93,663
For Capital Goods	2,19,120	2,19,120
	10,18,59,351	10,27,50,338
7 Other Current Liabilities		
current Maturities of long term debt	5,45,50,000	3,70,00,000
Other payables (specify) - For Expenses	6,59,74,428	6,14,04,216
TDS Payable	18,74,820	15,80,251
Customer Advance/Credit balance	31,67,092	
	125,566,340	99,984,467
8. Fixed Assets	26,56,12,072	27,73,65,111
9 Long term Loans and Advances		
a. Security deposit-TNEB, etc	1,47,70,825	17,049,184
10 Current investments		
a Investment in equity instruments	41,37,030	1,31,78,580
413704/ Equity Shares of Rs 10/ each in Gamma Green Power Private Ltd, Chennai(Unquoted)		
Kiran Wind Energy	12,000	12,000
TCP LTD -100 SHARES	44,397	44,397
	41,93,427	1,32,34,977

NOTES TO BALANCE SHEET

	As at 31.03.2017 (Rs)	As at 31.03.2016 (Rs)
11. Inventories		
a Raw materials-At cost	6,54,36,165	7,79,58,991
b Work in progress-RawMaterial +conversion cost	7,72,10,842	7,38,16,040
c Finished goods-At Contract Rate (Net)-Cotton Yarn	13,38,27,963	16,59,94,490
d. Cotton waste	23,88,862	8,10,905
e Stores & Spares -At cost (FIFO Method)	40,43,664	41,88,251
f Others (Specify)		
Consumables-Diesel,		
Oil &Furnace oil -At Cost	6,18,665	7,43,417
Packing materials-At cost (FIFO Method)	20,49,738	18,63,172
	28,55,75,899	32,53,75,266
12. Trade receivables		
a Trade receivables outstanding for more than 6 months * others	3,30,74,336	2,91,59,377
	16,35,34,612	17,81,28,751
	19,66,08,948	20,72,88,128
b Trade receivables Unsecured, considered good	19,66,08,948	20,72,88,128
(* To be calculated from the due date)		
13. Cash and Bank Balances		
a Cash and cash equivalents		
i Balance with banksIn current account	42,69,367	30,94,239
ii Cash in hand	3,44,498	3,91,150
b Other Bank Balances: in Fixed deposit - Margin money For ILC&BG	35,94,213	33,63,690
	82,08,078	68,49,079
14 Short term loans and advances		
a Capital Advance	5,00,868	4,80,001
b Other loans and advances		
Advance Adjustable or Recoverable	2,41,51,279	2,54,08,859
Advance to store Purchase	3,77,386	5,39,651
	2,50,29,533	2,64,28,511
15 Other current assets		
Prepaid expenses	10,62,514	13,22,286
Interest accrued	7,870,107	1,38,82,007
Income tax refund receivable	14,02,660	14,49,793
Sales Tax Receivable	13,05,621	13,05,621
Cenvat Claim	36,89,020	36,89,020
EPGC& Dutydrawback Receivable	30,988	7,88,362
MAT Credit Entitlement	65,00,000	65,00,000
	2,18,60,910	2,89,37,089
16. Revenue from operations		
a. Sale of Products		
Export Sales	2,89,52,344	12,29,26,296

NOTES TO STATEMENT OF PROFIT & LOSS

	As at 31.03.2017 (Rs)	As at 31.03.2016 (Rs)
Domestic Sales	98,19,37,011	87,28,07,818
	1,01,08,89,355	99,57,34,114
17. Other Income		
a. Interest Income	11,64,597	17,17,291
b. Dividend	100	100
Other non operating income		
Rent Receipt	1,59,800	1,54,300
Other Income	29,41,290	64,83,387
	42,65,787	83,55,078
18. Cost of Materials consumed		
Opening Stock of Raw Materials	7,79,58,991	8,53,20,306
Purchases	52,29,27,216	43,24,12,269,
	60,08,86,207	51,77,32,575
Less: Closing stock of raw Material	6,54,36,165	7,79,58,991
	53,54,50,042	43,97,73,584
19 Salaries & Wages		
Salaries & Wages	8,22,39,268	7,93,83,212
Bonus&Casual Leave Salary	54,12,004	47,65,064
Provident fund	49,46,965	62,83,577
Welfare expenses	2,19,44,308	2,07,99,295
	11,45,42,545	11,12,31,148
20 Financial Expenses		
a Interest Expenses	7,03,14,370	6,98,99,827
b Bank charges	37,58,442	30,15,084
	7,40,72,812	7,29,14,911
21. Other Expenses		
Stores & Packing Materials Consumed	2,31,09,672	2,37,89,442
Repairs & Maintenance		
Building	4,42,766	4,66,948
Machinery	51,34,988	53,72,446
Others	58,28,631	52,03,166
Power & Fuel	16,40,68,033	19,97,23,124
Conversion Charges	4,90,26,454	4,78,11,615
,Insurance	4,19,913	4,12,201
Rent Paid	72,000	72,000
Lease Rent Paid	2,99,119	2,76,279
Licence & Taxes	6,23,257	2,88,414

NOTES TO STATEMENT OF PROFIT & LOSS

	As at 31.03.2017 (Rs)	As at 31.03.2016 (Rs)
Selling & Distribution Expenses		
Sales tax &Service tax8,79,419 5,37,140		
Local Sales Commission	77,61,923	63,28,107
Overseas Sales Commission	40,421	18,30,114
Container Freight	0	5,81,556
Trailer Hire & Service Charges	2,13,135	7,51,764
Yarn Sales Lorry Freight Expenses	15,69,695	24,47,028
Cotton Waste Packing Expenses	5,14,837	5,15,762
Administration Expenses		
Labour Transport expense	82,32,090	82,55,553
Listing & Registrar Fees	5,53,858	5,28,847
Postage & Telephone Charges	8,10,004	7,98,707
Travelling Expenses	26,39,732	27,76,145
Printing & Stationery	6,25,010	6,12,699
Advertisement	1,50,532	2,01,768
Legal Expenses	46,600	9,400
Professional & Consultancy Fees	4,83,433	5,11,430
Audit Fees		
Statutory	25,000	28,430
Hank Yarn Obligation	0	52,909
Sundry Expenses	6,13,728	6,45,406
	27,41,84,250	31,08,28,400
Contingent liabilities & Commitments		
(to the extend not provided for)		
a. Guarantees	23,76,000	12,87,000
b. Other money for which the company is contingently liable	0	-
Foreign Lc Bills discounted	0	78,72,321
c.Disputed Statutory Liability		
Provident Fund	1,55,55,881	1,55,55,881
Salestax	83,87,592	86,31,811
Employees State Insurance Corporation	2,36,550	2,36,550

Other Notes forming Part of the Balance Sheet and statement of Profit & Loss

NOTES FORMING PART OF ACCOUNTS

I. COMPLIANCE OF ACCOUNTING STANDARDS AS ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

1) Accounting Policies: AS-1

1.1 Accounting Convention

The financial statements of the Company are prepared under the historical cost convention, on an accrual basis, in accordance with the Generally Accepted Accounting Principles and the provisions of the companies Act, 2013 as adopted consistently by the company

2) Inventories :AS-2

Inventories are valued in consistent with earlier years as under:

- Raw Materials - At cost
- Stock-in-Process - Raw Material + Conversion Cost
- Finished Goods - At contract rate (Net)
- Waste - At contract rate
- Stores and Packing Materials - At cost (on the basis of FIFO method)

3) Depreciation / Amortization : AS : 6

Depreciation is provided on Straight Line Method as per the provisions of Schedule II of the Companies Act 2013.

4) Revenue Recognition :AS-9

Income and expenditure are accounted on accrual basis.

5) Fixed Assets:AS-10

Fixed Assets are shown at cost less depreciation except land. Cost comprises of cost of acquisition, erection expenses and other incidental expenses directly/indirectly contributed to the cost of the assets excluding cenvat/TNVAT.

6) Foreign Currency Transaction :AS-11

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of negotiation.

7) Employees Benefits:- AS-15

Company's Contributions to PF, ESI, EDLI etc., made to the appropriate authorities have been recognized in the Profit & Loss Account. The outstanding liability towards provision for gratuity as per the actuarial valuation is Rs. 1,63,05,593/- . So far a provision of Rs.40,55,627/- has been made and a sum of Rs.30,34,513/- has been paid to the LIC Group Gratuity Scheme. No provision has been made towards gratuity liability in the current year.

Leave Encashment:

As per the Rules and Regulations of the Company, the eligible leave salary is paid on cash basis within the accounting year.

Bonus:

Bonus is accounted on Cash Basis

8) PENDING LITIGATIONS:

a) Provident Fund

The Company received a demand order dated 19.04.2011 for Rs.56,48,795/= from PF Commissioner, being the contribution payable for omitted wages for the period from April 2009 to December 2009. Against this order, the company has filed a stay petition and an Appeal before the Employees Provident Fund Appellate Tribunal, New Delhi. The said forum passed its order on 06.07.2011 directing to deposit 30% of the disputed amount and the company has paid Rs.1694639/=.

The Company also had preferred a stay petition against the demand order dated 19.04.2011 before the Honourable Madurai Bench of the Madras High Court which granted a stay order on 22.03.2012 directing the company to deposit 50% of the disputed amount less the amount already deposited before the Appellate authority within a period of 4 weeks. The Company has written a letter to the PF Office stating that the amount already deposited i.e Rs.16,94,639/= will cover the 50% amount if effect is given to the Tribunal order and is awaiting reply from the concerned authority. Adjudication is still pending at Honourable Madurai Bench of the Madras High Court.

The company received a demand order dated 26.04.2012 for Rs.9907086/= from PF Commissioner being he contribution payable for omitted wages for the period from January 2010 to June 2011. Against this order the company has filed a stay petition and an appeal before the Employees Provident Fund Appellate Tribunal, New Delhi. The said forum passed its order on 31.05.2012 directing to deposit 50% of the disputed amount.

The company also had preferred a writ petition against the demand order dated 26.04.2012 before the Honourable Madurai Bench of Madras High Court which directed on 21.06.2012 to deposit 50% of the disputed amount before 01.09.2012. The company has paid Rs.4953543/= on 28.08.2012 which will cover the 50% amount and informed to PF Office as well as Appellate Tribunal New Delhi and adjudication is still pending at PF Appellate Tribunal, New Delhi.

b) Sales-Tax

Sales tax Assessments(CST) have been completed upto the year ended 31.03.2016. The following liabilities are disputed in appeal and the management is in confidence of success in appeal and hence no provision has been made.

YEAR ENDED	TAX		PENALTY	
	TNGST	CST	TNGST	CST
31.03.1999	1,44,771			
31.03.2000	1,63,198			
31.03.2004			12,86,570	
2007-2008		20,56,561		
2008-2009		12,29,919		
2009-2010		8,98,071		
2011-2012		21,85,022		
2012-2013		6,67,699		
2014-2015		4,24,019		

9) Interest on Borrowings: AS 16

The company is following AS -16 with regard to the treatment of borrowing costs. But there are no borrowing costs to be capitalised during the year..

10)Segment Financials as per AS-17 recommended by the Institute of Chartered Accountants of India.

The company operates in a single primary business segment namely manufacture of cotton yarn. Since fabric sales is negligible, it is included in the total net sales itself. Hence no separate disclosure is required.

11)Related Party Disclosures as per AS-18 recommended by the Institute of Chartered Accountants of India

Reporting entity	:	Tamilnadu Jai Bharath Mills Limited
List of related parties		
Associate Companies	:	Shri Ramalinga Mills Ltd., Aruppukottai Harshni Textile Mills Ltd., Lakshmi Electrical Drives Ltd., Anamalai: Textile Division – Sunspintex, Anamalai Aruppukottai Shri Ramalinga Spinners P Ltd
Individuals/Firms	:	T.R.Dhinakaran D.Nirmala Nirmala & Company Sri Ramasamy & company

12) Particulars of transactions with related parties.

Sl.No.	Particulars	Year Ending 31.03.2017		Year Ending 31.03.2016	
		Associate Companies	Individual Firms&Key Managerial Personnel	Associate Companies	Individual Firms&Key Managerial Personnel
1	Sale of Goods Cotton Waste	2,84,12,534	Nil	2,63,50,434	Nil
2	Purchase of cotton Purchase of cotton waste.	2,99,09,559 3,85,03,213		62,40,564 5,05,390	
3	Interest Paid		1,29,20,746		1,02,36,197
4	Rent Paid	3,76,314		3,53,834	
5	Services Paid	31,13,091	2,55,600	97,48,500	
6	Services Received	8,17,741		10,20,806	
7	Loan taken	4,00,00,000	93,00,000	1,54,00,000	
8	Loan Repaid	5,00,00,000	26,81,782	1,48,00,000	
9.	Remuneration to Key Managerial Persons		4,97,832		

13) Disclosure regarding lease transactions: AS-19

The Company has not purchased any asset either on financial lease or on operating lease during the year.

14) Earning per share –AS-20

Basic and diluted Earnings per share (EPS) of face value of Rs. 10/= each is calculated as under:-

	2016-17 (Rs.in Lakhs)	2015-16 (Rs.in Lakhs)
a) Numerator :		
Net Profit / Loss (-) as disclosed in Profit & Loss account Before Deferred Tax Asset	(-) 345.00	(-) 263.67
After Deferred Tax Asset/Reversal	(-) 302.47	(-) 141.13
b) Denominator:		
Equity shares outstanding (in numbers)	3,97,84,736	3,97,84,736
c) Basic Earnings Per Share (in Rs.) Before Deferred Tax Asset	(0.87)	(0.66)
After Deferred Tax Asset/Reversal	(0.76)	(0.35)
15) Deferred Tax Asset/Liability: (AS-22)		
Deferred tax resulting from timing differences between book and taxable profit is accounted for using the tax rates in force as on the balance sheet date. The deferred tax assets is recognised and carried forward only to the extent that there is reasonable certainty that the asset will be realised in future.		

Deferred Tax Liability (DTL) As on 31.03.2017 As on 31.03.2016

WDV as per Companies Act	Rs. 25,60,14,803	26,56,12,073
WDV as per Income tax Act	14,77,67,215	15,34,75,125
Difference	10,82,47,588	11,21,36,948
TAX @ 30% (A)	3,24,74,276	3,36,41,084

DEFERRED TAX ASSET (DTA)

Earlier year carry forward loss		
Earlier year balance unabsorbed business loss	11,26,099	11,26,099
2011-2012 Unabsorbed Business Loss	24,43,55,507	2,443,55,507
2015-16 business Loss	18,46,084	18,46,084
2016-17 Unabsorbed business loss	1,02,88,275	
Earlier years unabsorbed Depreciation Loss:	19,22,03,413	19,22,03,413
Depreciation Loss 2011-2012	3,56,01,167	3,56,01,167
Depreciation Loss 2012-2013	1,80,19,028	1,80,19,028
Depreciation Loss 2013-14	2,19,12,572	2,19,12,572
Depreciation Loss 2014-15	2,27,22,373	2,27,22,373
Depreciation Loss 2015-16	2,16,42,137	2,16,42,137
Depreciation Loss 2016-17	2,03,22,786	
	56,97,16,655	55,94,28,380

TAX @ 30% (B) 17,09,14,997 16,78,28,514

Deferred Tax Asset (Net) (B-A)	13,84,40,720	13,41,87,430
Less: Already provided Upto 31.03.2016	13,41,87,430	12,19,32,928
Balance now provided	42,53,290	1,22,54,502

16) Impairment of Assets (AS-28)

In the opinion of the company, the recoverable amount of the fixed assets of the company will not be lower than the book value of the fixed assets. Hence no provision has been made for impairment.

II. Other Notes forming Part of the Balance Sheet and statement of Profit & Loss Account:

- 1) Managerial Remuneration: : Shri V.N.Kittappa, Company Secretary - Rs.56,250/- (resigned on 17.7.2016)
Shri M.V.Mahadevan, Company Secretary - Rs.75,000/- (appointed on 13.01.2017)
Shri. K.Balasubramanian, CFO - Rs.3,66,582/-
- 2). The Company has become a subsidiary of Shri Ramalinga Mills Ltd., Aruppukottai, who, by virtue of conversion of loan into equity shares by preferential allotment and holding 61.63% of the paid up equity share capital of the company as on 31.03.2017.
- 3) Non-Resident Shareholders:

	31.03.2017	31.03.2016
Number of Non-Resident Shareholders	---	17
Number of Equity Shares held	---	6,08,100
		6,08,300
- 4) Balance of certain debtors, creditors and Advances are yet to be confirmed and reconciled if any. In the opinion of the management the difference would be insignificant.
- 5) Income Tax Assessment:
Income-tax Assessments upto to the Assessment year 2014-15 were completed. As the Company has no Taxable Income under regular Income or Profit U/s. 115JB of the Income Tax Act, for the assessment year 2017-18, No Provision for Income Tax Liability has been made in the accounts.
- 6) The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under this act has not been given.
- 7) In the opinion of the Board of Directors, the Current Assets, Loans and Advances value as stated in the balance sheet will be realised in the ordinary course of business.

8) DEALING IN SPECIFIED BANK NOTES

	SBNs	Other denomination	Total notes
Closing cash in hand as on 08.11. 2016		Rs. 6,79,290	12,000
(+) Permitted receipts			
(-) Permitted payments			
(-) Amount deposited in Banks	NIL		
Closing cash in hand as on 30.12. 2016		Rs. 7,91,692	13,260

- 9). The Company has received long term deposits from the following party
a) Kedia Exports & Industries, Mumbai - Share holder Rs.1,09,90,000/-
- 10) The Company had incurred cash loss of Rs.102.88 lakhs during the year and Rs.18.46 lakhs in the previous year.
- 11) The Networth of the Company has reduced to Rs.127.63 lakhs from Rs.430.10 lakhs in the previous year. Because of the accumulated losses more than 50% of the net worth has been eroded.
- 12) Previous year figures have been regrouped and reclassified wherever necessary, to confirm to the years classification.
- 13) Paise have been rounded off to the nearest rupee.

To

The Members of Tamilnadu Jai Bharath Mills Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Tamilnadu Jai Bharath Mills Limited**, which comprise the Balance Sheet as at March 31, 2017 and the Statement of Profit and Loss and 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Emphasis of Matter:

- a. We draw attention to Note No.I-7, to the financial statements, which deal with non provisioning of Gratuity in compliance with AS15 issued by ICAI.
- b. We draw attention to Note No. II-9 to the financial statements, which deals with Deposit accepted from Shareholders without complying with the provisions of Companies Act 2013 and Companies (Acceptance of Deposit) Amendment Rules 2016.
- c. Also, we draw attention to Note II-10 to the financial statements, which indicate that the company has accumulated losses and substantial erosion of Net Worth, in addition to cash losses in the current and previous years. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statements of the company have been prepared on a going concern basis for the reasons stated in the said note. Our opinion is not modified in respect of these matters.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) 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, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - 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 aforesaid financial statements comply with Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except Accounting Standard 15 as detailed in Note No .7.
 - e) On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) the company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer to Note I-8 to the financial statements
 - ii) the company does not have any long-term contracts including derivative contracts , requiring a provision for material foreseeable losses.
 - iii) the company does not have any amounts required to be transferred to the Investor Education and Protection Fund.
 - iv) the Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note II- 8 to the financial statements.

For M/s.Krishnan and Raman
Chartered Accountants
 FRN:01515S

Place: Rajapalayam
 Date: 25.05.2017

V. Srikrishnan,
 M.No.206115

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF TAMILNADU JAI BHARATH MILLS LIMITED

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

We have audited the Internal Financial Controls over financial reporting of Tamilnadu Jai Bharath Mills Limited as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Rajapalayam
 Date: 25.05.2017

For M/s.Krishnan and Raman
Chartered Accountants
 FRN:01515S

V. Srikrishnan,
 M.No.206115

Annexure referred to in paragraph 1 of our Report of even date to the members of Tamilnadu Jai Bharath Mills Limited on the accounts of the Company for the year ended 31st March 2017

In terms of Companies (Auditor's Report) Order 2016, issued by Central Government of India, in terms of Section 143(11) of The Companies Act, 2013, we further report, on the matters specified in paragraph 3 and 4 of the said Order, that: -

1. FIXED ASSETS

- i) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- ii) As explained to us, all fixed assets have been physically verified by the management at reasonable intervals during the year which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancy was noticed on such physical verification.

iii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

2. INVENTORIES

The management has conducted physical verification of its inventories at reasonable intervals during the year. No material discrepancies were noticed during such verification.

3. LOANS TO PARTIES LISTED U/S 189 OF THE ACT

The Company has not granted any loans, secured or unsecured, to parties covered in register maintained under Section 189 of The Companies Act, 2013.

4. COMPLIANCE WITH SECTIONS 185 & 186 OF THE ACT

- i) In connection with matters specified u/s 185 of the act, the Company has not advanced any loans, directly or indirectly, to any of its directors or to any other person in whom the directors are interested, or has given any guarantee or provided security in connection with any loan taken by any other person.
- ii) The company has not made any investments in any other companies within the meaning of section 186(1) of the act.
- iii) In connection with matters specified under section 186(2) of the act, the company has not advanced any loans, directly or indirectly, to any person or body corporate, or has given any guarantee or provided security in connection with any loan taken by any other body corporate or any other person or acquired any securities of companies in excess of limits stipulated.

5. The Company has not accepted any deposits from the public.

6. We have broadly reviewed the accounts and records of the company in this connection and we are of the opinion that, prima facie, the prescribed accounts and records have been generally made and maintained. We have not, however, made a detailed examination of the same.

7. STATUTORY DUES

- i) According to the records maintained by the company and the information and explanations given to us, the company has been generally regular in depositing undisputed statutory dues including provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess.
- ii) According to the records maintained by the company and the information and explanations given to us, there were no arrears of undisputed statutory dues, in respect of provident fund, income – tax, sales tax, value added tax, duty of customs, service tax, cess which remained outstanding as at 31st March 2017, for a period of more than six months from the date they became payable.
- iii) According to the records of the company and the information and explanations given to us, the disputed statutory dues, pertaining to earlier years aggregating to Rs. 248.47 lakhs on account of matters pending before appropriate authorities is as under and for which no provision had been made in the accounts.

Nature of Due	Forum where pending	Period of dispute	Rs. In lakhs
Sales Tax	STAT-Madurai	1998-1999	1.45
Sales Tax	STAT-Madurai	1999-2000	1.63
Sales Tax	ACCT-Chennai	2003-2004	12.86
Central Sales Tax	Commissioner-Vnr	2007-2008	20.57
Central Sales Tax	Commissioner-Vnr	2008-2009	12.30
Central Sales Tax	Commissioner-Vnr	2009-2010	8.98
Central Sales Tax	Commissioner-Vnr	2011-2012	21.85
Central Sales Tax	Commissioner-Vnr	2012-2013	6.68
Central Sales Tax	Commissioner-Vnr	2014-2015	4.24
Provident Fund	High Court, Madurai	Apr 09- Dec 09	56.48*
Provident Fund	Appellate Tribunal, Delhi	Jan 10 – Jun 11	99.07*
E.S.I.	High Court, Madurai	Nov 06 – Mar 07	2.36
		Total	248.47

* Out of a total sum of Rs. 155.55 lakhs, Rs.66.48 lakhs already deposited with PF Authority under protest.

- 8. The Company has not defaulted in the repayment of any dues to a financial institution, bank or government or debenture holders.
- 9. Term loans were utilized for the purposes for which they were obtained.
- 10. Based upon the audit procedures performed and information and explanations given to us by the management, no fraud by the company or on the Company by its officers or employees have been noticed or reported during the course of our audit.
- 11. According to the information and explanations given to us and based on our examination of the records of the company, the company has not paid / provided for any managerial remuneration. Hence the provisions of section 197 read with Schedule V to the Companies Act 2013 is not applicable.
- 12. The provisions of section 406(1) of the act do not apply to the company.
- 13. The transactions entered into with related parties are in compliance with requirements of sections 177 & 188 of the act and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- 14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15. The Company has not entered into any non-cash transactions with directors or persons connected with directors, during the year.
- 16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Rajapalayam
Date: 25.05.2017

For **KRISHNAN&RAMAN**,
Chartered Accountants
FRN-01515S

V.SRIKRISHNAN,
M.No.206115

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

	Year Ended 31.03.2017 (Rs. in Lakhs)	Year Ended 31.03.2016 (Rs. in Lakhs)
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (Loss) before interest, Tax	384.08	448.30
Depreciation	242.12	245.21
Operating Profit (Loss) Before Working Capital Changes	626.20	693.51
<u>Adjustment for</u>		
Trade and Other receivables	214.32	(304.90)
Inventories	398.00	795.13
Trade Payables & Provision	246.90	(220.75)
Working Capital borrowings	(677.24)	351.64
Interest	(740.72)	(729.15)
Net Cash from Operating Activities	67.46	585.48
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(146.14)	(171.66)
Purchase of Investments		(82.21)
Interest Received	11.64	17.17
Sale of Investments	90.41	-
Net Cash used in Investing Activities	(44.09)	236.70
(C) CASH FLOW FROM FINANCING ACTIVITIES:		
Repayments of amounts borrowed	(44.88)	(361.63)
Proceeds from unsecured loans	35.10	35.82
Net Cash from Financing Activities	(9.78)	(325.81)
Net Increase/Decrease in cash and Cash equivalents	13.59	22.97
Cash and Cash equivalents as at 01.4.2016/01.04.2015 (Opening Balance)	68.49	45.52
Cash and Cash equivalents as at 31.03.2017/31.03.2016 (Closing Balance)	82.08	68.49

Place : **Aruppukottai**
Date : **25th May 2017**

M.V. Mahadevan
Company Secretary

T.R. Dhinakaran
Chairman and Managing Director

T.Balakumar
Director

AUDITOR'S CERTIFICATE

We have verified the above Cash Flow Statement with the books and records maintained by Tamilnadu Jai Bharath Mills Ltd., and certify that in our opinion and according to the information and explanations given to us, the above statement is in accordance there with.

Place : **Aruppukottai**
Date : **25th May 2017**

For **KRISHNAN&RAMAN**,
Chartered Accountants
FRN.01515S

V.SRIKRISHNAN,
M.No.206115



तानि सर्वाणि संयम्य युक्त आसीत मत्परः ।
वशे हि यस्येन्द्रियाणि तस्य प्रज्ञा प्रतिष्ठिता ॥ 61॥

The Blessed Lord said :-

The yogi, having controlled them all, sits focused
On Me as the supreme goal. His wisdom is constant
Whose senses are under subjugation.

பகவான் சொன்னது :-

மனதில் உறுதி நினைத்தோனே
அடங்காப்புலனை வென்றோனாய்
என்னைக் கதியாய் அடைகின்றான்
அவனே புலனுள் நிறை ஞானி

Bhagawad Geetha Chapter - 2 - Sloka -61

ATTENDANCE SLIP

TAMILNADU JAI BHARATH MILLS LIMITED

(L17111TN1989PLC018267)

Regd.Office: 212, Ramasamy Nagar, Aruppukottai-626 159
PH.NO: 04566-240282 , Email : tnjbsecretaryms@yahoo.com ,
Website : www.tnjb.net.in

28th ANNUAL GENERAL MEETING

I / We hereby record my / our presence at the 28th Annual General Meeting of the Company being held at 212, Ramasamy Nagar, Aruppukottai-626 159 on Friday, the 15th September, 2017 at 4.45 P.M.

Members Folio No./
Client ID No. :

Member's Name /
Proxy's Name :

Member's signature/
Proxy's signature :

Note :

1. Please complete the Folio / DP ID-Client ID No. and Name , Sign this Attendance Slip and hand it over at the Attendance verification counter at the entrance of the meeting hall.
2. Electronic copy of the Annual Report and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy form are being sent to all the members whose email address is registered with the Company / DP unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance slip.
3. Physical copy of the Annual Report and Notice of the AGM along with Attendance Slip and Proxy form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

PROXY FORM

TAMILNADU JAI BHARATH MILLS LIMITED

REGD. OFFICE : 212, RAMASAMY NAGAR, ARUPPUKOTTAI-626 159

PH.NO.04566-240282 , Email : tjnbsecretaryms@yahoo.com , Website :www.tjnb.net.in

Name of the member(s) :
Registered address :
E-mail Id :
Folio No./ Client ID No. :

I/We being the member(s) ofShares of the above named Company hereby appoint:

- 1. Name : Email ID: Address : Signatureor failing him;
2. Name : Email ID: Address : Signatureor failing him;
3. Name : Email ID: Address : Signature

as my / our proxy to attend and vote for me / us and on my / our behalf at the 28th Annual General Meeting of the Company, to be held on Friday, the 15th September, 2017 at 4.45 P.M at 212, Ramasamy Nagar, Aruppukottai-626 159 and at any adjournment thereof in respect of such resolution as are indicated below :

Ordinary Business

- 1. Adoption of Financial Statements for the period 31.3.2017
2. Re-appointment of Shri. D. Senthikumar, who retires by rotation.
3. Appointment of statutory auditors and fix their remuneration:

Special Business.

- 1. Approval of Related Party transactions by Special Resolution.

Signed this..... Day of September, 2017

Signature of Share Holder :

Signature of Proxy Holder:.....

Note :

- 1. The Proxy form must be deposited at the Registered Office of the Company at 212, Ramasamy Nagar, Aruppukottai-626 159 not less than 48 hours before the commencement of the meeting.
2. For the resolution, explanatory statement and notes, please refer to the Notice of the AGM.
3. It is optional to put 'X' in the appropriate column against the Resolutions indicated in the box. If you leave the 'For' or "Against" column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

NOTES:

Multiple horizontal lines for taking notes.

