



62nd

ANNUAL REPORT

2008 - 2009

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

SATHYAMANGALAM 638 402



Board of Directors

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

CFO-Vice-President

Sri N. NARASIMHALU

Company Secretary

Sri. S.A. SUBRAMANIAN

Internal Auditor

Smt. SASIREKHA VENGATESH

Auditors

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

Bankers

THE SOUTH INDIAN BANK LTD.

Registered Office

No. 3, Bhavani River Street
Ariappampalayam
Sathyamangalam-638 402
PHONE : 04295-220681, 0422-2531022
FAX : 04295-220681, 0422-2531579
E-mail : srmc@vsnl.com

Mills

1. COIMBATORE
2. NAGARI (A.P.)
3. SATHYAMANGALAM

CONTENTS	Page Nos
Notice of Annual General Meeting	2
Directors' Report	3
Management Discussion & Analysis Report	4
Corporate Governance	6
Auditors' Report on Corporate Governance	8
Auditors' Report	9
Balance Sheet	11
Profit & Loss Account	12
Cash Flow Statement	13
Balance Sheet Schedules	15
Profit & Loss A/c Schedules	19
Accounting Policy	20
Notes on Accounts	22
General Profile	27

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

NOTICE OF THE 62nd ANNUAL GENERAL MEETING

NOTICE is hereby given that the 62nd ANNUAL GENERAL MEETING of the members of SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED will be held on Friday, the 18th day of SEPTEMBER 2009 at 9.00 A M at No.3, Bhavani River Street, Ariappampalayam, Sathyamangalam-638 402, Erode District, to transact the following business:

A G E N D A

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2009 and the Profit and Loss Account of the Company for the year ended on that date and the Reports of the Directors and Auditors' thereon.
2. To appoint Sri N Jothikumar as a Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors to hold office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

Place : COIMBATORE

Date : 30.06.2009

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

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY OR PROXIES MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 11th day of September 2009 to 18th day of September 2009 (both days inclusive).
3. Members/Proxy holders are requested to bring their copies of the Annual Report to the Meeting, as no further copies would be made available.
4. The Shareholders are requested to (a) intimate, if shares are held in the same name or in the same order and names, but in more than one folio to enable the Company to consolidate the said folios into one folio and (b) notify immediately, any change in their recorded address along with pincode number, to the Registrar & Share Transfer Agent, M/s. SKDC Consultants Limited, New No.7 (Old No.11) S.N. Layout, Street No.1 (West Power House Road), Tatabad, Coimbatore 641012.
5. Members desirous of making nomination in respect of their shareholding in the company as permitted under Section 109A of the Companies Act, 1956 are requested to submit the prescribed Form 2B for this purpose to the Company.
6. The Company's ISIN No. Is INE306D01017

BRIEF RESUME OF PERSON PROPOSED TO BE RE-APPOINTED AS DIRECTOR OF THE COMPANY AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT:

Name	Sri N Jothikumar
Age	71 Years
Qualification	B E
Experience	Well experienced in the Management particularly of textile mills owing to his long association with several such units.
Name of the Companies in which he also holds Directorship	Nil
Other Directorships	Nil
Shareholding in SRMC	12600 Equity Shares
Other Committee membership	Remuneration Committee, Audit Committee, Shareholders'/Investors' Committee, Share Transfer Committee.

Place : COIMBATORE

Date : 30.06.2009

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



REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

Ladies and Gentlemen,

Your Directors submit the following report on the working of the company for the year ended 31.03.2009.

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

FINANCIAL-RESULTS:

	Year Ended 31.03.2009	Year Ended 31.03.2008
	Rs.	Rs.
Profit/(Loss) before Interest, Depreciation and Extraordinary Income	(1,95,83,707)	7,80,87,915
ADD : Extraordinary Income	6,00,00,000	-
LESS : Interest	5,88,10,258	6,93,81,988
Depreciation	1,81,73,920	2,14,89,854
Net Profit / (Loss) before Taxes	(3,65,67,885)	(1,27,83,927)
LESS : Tax Adjustments:		
Fringe Benefit Tax	(2,79,145)	(1,57,508)
Net Profit / (Loss) after taxes	(3,68,47,030)	(1,29,41,435)
ADD : Prior year Adjustments (Net)	(14,82,010)	(1,56,55,047)
Donations	-	(3,16,000)
Loss b/f from Previous Year	(4,27,75,910)	(1,38,63,428)
Surplus / (Deficit) Carried Over to B/S	(8,11,04,950)	(4,27,75,910)

The above deficit has been carried over to Balance Sheet.

PERFORMANCE:

During the beginning of this year, the rupee appreciation against US Dollar led to a fall in export of Textiles and though the trend started reversing later, due to the global industrial and economic recession prevailing in US, European and Asian Countries, the exports have not picked up significantly.

As observed in last year's report, the cotton prices ruled high by about 25 to 30% over international market prices on account of minimum support price announced by Govt. of India for cotton. Hence, the industry could not take advantage of record production of cotton in India.

The units in Tamil Nadu suffered huge production losses due to unscheduled power shutdowns and power cuts imposed by Tamil Nadu Electricity Board.

Under these circumstances, your Directors feel that the company could not achieve the expected results.

However, we expect that with the intervention of new Govt. and with the improved power supply and taking into account the importance of this industry in the Indian economy, the Board of Directors hope that during the current year the working results of the company might stabilize.

REAL ESTATE OPERATION :

It was mentioned in the earlier Directors' Report that the company intends to develop the land at its Ganapathy Unit. Accordingly, it had entered into a Joint Development Agreement with M/s Arihant Griha Ltd., Chennai. Due to the present recessionary conditions prevailing both at home and abroad which has affected the real estate business to a great extent, the Developers have intimated and we have accepted to terminate the contract. In view of this development, the company is looking at other avenues in this regard.

DIRECTORS :

Retiring Directors:

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

ENERGY-CONSERVATION etc :

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

EMPLOYEES :

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

STATEMENT OF RESPONSIBILITY OF DIRECTORS :

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

- that in the preparation of the annual accounts, the applicable accounting standards have been followed.
- that the accounting policies selected and applied are consistent and the judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

A separate Report on Corporate Governance is attached to this report.

CODE OF CONDUCT :

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

CEO/CFO CERTIFICATION :

As contemplated under Clause 49 of the Listing Agreement, the certificate from Mr N Narasimhalu, CFO-Vice President was placed before the Board of Directors at their meeting held on 30.06.2009.

GENERAL :

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

The cost accounting records maintained by the Company as required under Sec.209(1)(d) of the Companies Act, 1956 would be audited by M/s. S.Mahadevan & Co., Cost Accountants, whose appointment as Cost Auditor of the Company for the year ended 31.03.2009 duly approved by the Government to comply with statutory requirements.

Our thanks are due to M/s Clearwater Capital Partners India P. Ltd., / The South Indian Bank Ltd., for their support and assistance to meet our business needs.

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

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

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

ANNEXURE TO DIRECTORS' REPORT

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

A. CONSERVATION OF ENERGY

- a) Energy Conservation measures taken :
Installed additional capacitors during previous year to reduce the energy losses.
- b) Additional investments and proposals being implemented for reduction of consumption and consequent impact on cost of production:
Propose to replace the existing motors with energy efficient motors in all our LR Ring Frames.
- c) Impact of measures (a) and (b) for reduction of energy consumption and consequent impact on cost of production:
The proposals implemented in the earlier years are closely monitored.
- d) Total energy consumption and energy consumption per unit of production as prescribed in Form-A.

	Year Ended 31.03.2009	Year Ended 31.03.2008
(A) Power and Fuel Consumption:		
1. Electricity:		
a) Purchased:		
Units (In lakhs)	171.17	266.54
Total amount (Rs.in lakhs)	666.98	1069.72
Rate per Unit (Rs.)	3.90	4.01
b) Own Generation:		
i) Through Diesel Generator		
Units (in lakhs)	2.30	0.17
Units per litre of Diesel Oil	2.55	2.32
Cost/Unit (Rs.)	13.74	14.54
ii) Through Steam turbine/Generator	Nil	Nil
2. Coal	Not used	Not used
3. Furnace Oil	Not used	Not used
4. Other / internal generation	Nil	Nil
(B) Consumption per unit of production:		
Electricity - Units per kg. of yarn	4.57	5.12

B. TECHNOLOGY ABSORPTION

Efforts made in Technology absorption as per Form B:

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

Earned : Export of yarn - in Foreign Exchange (FOB)	9,558
Used : a) Subscription to periodicals	797
b) Travelling	69,993

Ganapathy
Coimbatore 641 006
30.06.2009

For the Board of Directors
(Sd.) R Doraiswami
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian Textile Industry has evolved into a class manufacturing center. With the implementation of Technology Upgradation in Textile machinery and Technology Mission in cotton increasing the per capita world class quality cotton production, the textile industry has a future in catering to the world by increasing its exports as also increased domestic demand.

2. RISKS AND CONCERNS

Though a bright future is envisaged for the textile industry, but it is not immune from the normal business risks like fierce competition from neighbouring countries, availability of raw material at international prices are the greatest threats to the industry. Rise in oil prices will increase freight costs and PSF. The power situation for the next few years is also worrisome.

3. FINANCIAL AND OPERATIONAL PERFORMANCE

Last year the centre fixed the minimum support price for cotton at an unrealistic level unrelated to global market conditions. While exporters were unhappy, cotton textile mills have been complaining about high domestic price of raw material that render textile exports uncompetitive a slow down in the global economic activity also resulted in a slow down in textile exports and loss of export earnings. With the continued adverse market conditions, shortage in power and increase in cost of raw material and other inputs, the working of the company has suffered very badly.

Keeping in view the importance of the textile industry, the Govt. will look to quicken the Technology Upgradation Fund Scheme and Technology Mission on Cotton during the 11th Plan period. Govt. is also pondering over certain steps to be taken to help rejuvenate the textile industry including liberalization of labour laws.

4. INTERNAL CONTROL SYSTEMS & PROCEDURES

The Company is having a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or dispositions. All transactions are authorized, recorded and reported correctly. These systems are supplemented by internal audit.

5. OPPORTUNITIES & THREATS

The slow down and recession in other parts of the world have forced to improve availability of exports in India with less cost. This offers immense opportunity in India for the future. With the proper support from the Govt. on infrastructure, finance and taxation, the Indian Industry can grow manifold and your company shall also take part of it.

High interest rates, lack or inadequate credit facilities extended by Banks to their customers, pricing pressure on cotton, power and other inputs, fluctuating foreign currency, global recession are threats thrown to the textile industry and any adverse change may influence the profitability of the company.

6. OUTLOOK

The Indian Textile Sector is suffering on account of high interest costs, shortage of power, higher raw material prices both Cotton and PSF. With the Govt's determination to strive for service tax exemption for the textile industry reducing interest rates on pre and post-shipment credits and formulating a National Fibre Policy and a scheme for technology mission on cotton during the 11th plan period is what is needed at this juncture and will reduce the burden on the textile industry. The company cannot guarantee the accuracy of assumptions and perceive performance of the company in future. Therefore, it is cautioned that the actual results may materially differ from those expressed in this report.



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

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

- a. I have reviewed the financial statements and the cash flow statement for the year ended 31.3.2009 and that to the best of my knowledge and belief :
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. I am responsible for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken to rectify these deficiencies.
- d. I have indicated to the auditors and the audit committee:
 - i) Significant changes in internal control during the year
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instance of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Coimbatore
30.06.2009

(Sd.) N NARASIMHALU
Chief Financial Officer

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

CORPORATE GOVERNANCE

1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

2) BOARD OF DIRECTORS

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

The table below gives the particulars of attendance of each director at the Board Meetings held during the year ended 31.03.2009 and at the last AGM as also the number of directorships in other companies and memberships in other Board Committees.

Name of the Director	Position	No. of Board Meetings attended	Attendance at last AGM	No. of Directorships in other companies	No. of Membership in Board Committee of other companies	No. of shares held
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Sri R Doraiswami	Executive-Chairman	6	Present	Nil	Nil	429782
Sri D Lakshminarayananaswamy	Executive-Managing Director	6	Present	06	Nil	398171
Sri L Damodaraswamy	Non-Executive Independent	6	Present	Nil	Nil	3525
Sri N Jothikumar	Non-Executive Independent	6	Present	Nil	Nil	12600
Sri R Narayanamurthy	Non-Executive Independent	6	Present	01	Nil	500
Sri R Radhakrishnan	Non-Executive Independent	5	Present	01	Nil	500

DIRECTOR RETIRES BY ROTATION

Sri N Jothikumar retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

BOARD MEETINGS

From 01.04.2008 to 31.03.2009 six board meetings were held on the following dates:

22.05.2008, 25.06.2008, 31.07.2008, 24.10.2008, 19.11.2008 and 30.01.2009

As required under Clause 49 XI(A), particulars of director seeking re-appointment is given in the explanatory statement in the Notice for the Annual General Meeting to be held on 18.09.2009.

3) COMMITTEES OF THE BOARD

a) REMUNERATION COMMITTEE

Remuneration Committee constituted on 28.04.2003 consists of the following members:

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

This Committee has been formed to recommend to the Board the appointment/reappointment of the executive and non-executive directors, the induction of Board members into various committees. The Chairman and the Managing Director are paid salary as recommended by the Remuneration Committee and approved by the Shareholders/Central Government wherever necessary. No sitting fee has been paid to them. The committee has also been empowered to determine the periodic increments in salary and annual incentive of the executive director(s).

This committee comprises entirely of independent directors.

Remuneration to Non-executive Directors for the year ended 31.03.2009.

Director	Sitting Fees (Rs.)
Sri L Damodaraswamy	6000
Sri N Jothikumar	6000
Sri R Narayanamurthy	6000
Sri R Radhakrishnan	5000

b) AUDIT COMMITTEE

Audit Committee consists of the following Directors after being reconstituted on 31.10.2007:

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

The Company Secretary is the convenor.

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

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

The Audit Committee met four times on 23.06.2008, 31.7.2008, 24.10.2008, 30.01.2009 -

The attendance during the year is as under:-

Members	Meetings attended
Sri D Lakshminarayananaswamy	4
Sri N Jothikumar	4
Sri R Radhakrishnan	3

c) INVESTORS' GRIEVANCE COMMITTEE

Shareholders' / Investors' Grievance Committee consists of the following members:

1. Sri N Jothikumar - Chairman
2. Sri D Lakshminarayananaswamy - Member
3. Sri L Damodaraswamy - Member

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

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

During the year, the Committee met six times to deliberate on various matters referred to it and all of them were resolved. As on 31.03.2009 no complaint from shareholders/investors is pending.

The Shareholders'/Investors' Grievance Committee met six times on 22.05.2008, 31.07.2008, 24.10.2008, 10.11.2008, 25.11.2008 and 29.01.2009. The attendance during the year is as under:

Members	Meetings attended
Sri N Jothikumar	4
Sri D Lakshminarayananaswamy	4
Sri L Damodaraswamy	4



d) SHARE TRANSFER COMMITTEE

The Share Transfer Committee not being a Statutory / Mandatory one, has been formed by the members of the Board and representatives from Registrar and Share Transfer Agent. In the normal course, the representatives from Share Transfer Agent are authorised to effect the transfers. The committee meets at frequent intervals to review and approve transfers and transmission of equity shares. The committee met fifteen times during the financial year ended 31st March 2009.

4) DETAILS OF GENERAL MEETINGS

a) Annual General Meetings :-

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

Venue	Day	Date	Time
1) No.3, Bhavani River Street Ariappampalayam Sathyamangalam-638402	Monday	29.09.2008	10.00 A.M.
2) -do-	Friday	28.09.2007	10.00 A.M.
3) -do-	Monday	18.09.2006	10.00 A.M.

b) Extraordinary General Meeting :-

There was one Extraordinary General Meeting held on Saturday, the 27th December 2008 at 11.00 a.m. at the Company's Administrative Office to transact the following business :-

- 1) Consider appointment of Chairman and fix his remuneration.

5) GENERAL SHAREHOLDER INFORMATION :

1	62 nd AGM to be held on : At : Venue :	Friday, the 18 th September 2009 Regd. Office No.3, Bhavani River Street Ariappampalayam Sathyamangalam 638 402
2	Date of Book Closure	11.09.2009 to 18.09.2009 (both days inclusive)
3	Financial Calendar: Results announced Posting of Annual Reports Last date of Receipt of Proxy Forms Announcement of Quarterly Results	Third week of August 2009 16.09.2009 July 2009, October 2009, January 2010 and June 2010
4	Listing on Stock Exchanges	Bombay Stock Exchange – Scrip Code No.521178 – ISIN No.INE306D01017 Annual listing fee to the Stock Exchange was paid upto date.
5	Registered Office	No.3, Bhavani River Street Ariappampalayam Sathyamangalam 638 402 Phone & Fax No.: 04295-220681
6	Administrative Office	1493, Sathyamangalam Road Ganapathy Post Coimbatore 641 006 Phone : 0422-2531022/1122 Fax : 0422-2531579 E-mail : srmc@vsnl.com
7	Plant Location	Coimbatore, Nagari & Sathyamangalam
8	Share Transfer System	Shares are in physical and demat form. Share Transfer documents received at the office of Registrar and Share Transfer Agent are processed and returned with in a period of 15 days from the date of receipt.
9	Share Transfer Agents' Address	M/s. S.K.D.C. Consultants Ltd., P.B.No.2979 New No.7 (Old No.11), S N Layout, Street No.1, Tatabad, Coimbatore - 641 012. Phone : 0422 - 6549995 Fax : 0422 - 2499574

6) DEMATERIALISATION OF SHARES :

91.4% of total equity capital is held in dematerialisation form with NSDL and CDSL whereby shareholders have an option to keep their shareholdings in dematerialized form with any one of the two depositories.

7) MARKET PRICE DATA

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

B S E			
Month		High (Rs.)	Low (Rs.)
April	2008	26.45	18.00
May	"	29.00	20.45
June	"	26.00	20.40
July	"	26.95	18.90
August	"	27.20	21.50
September	"	27.00	17.85
October	"	18.00	12.70
November	"	14.45	12.00
December	"	12.94	11.41
January	2009	15.00	10.85
February	"	17.14	11.46
March	"	19.65	13.40

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

8) DISTRIBUTION OF SHAREHOLDING (AS ON 31.03.2009)

Range (No. of shares)	No. of shares	No. of Shareholders	% to total shares
Upto 5000	3024180	1734	4.25
5001 - 10000	1554110	205	2.18
10001 - 20000	1939040	136	2.72
20001 - 30000	1031650	41	1.45
30001 - 40000	737640	21	1.04
40001 - 50000	811470	17	1.14
50001 - 100000	1592250	24	2.24
100001 and above	60492960	37	84.98
Total	71183300	2215	100.00

Shares under Lock in conversion of warrants : 31,35,000 Equity Shares of Rs.10 each were allotted during the previous financial year on conversion of equal number of share warrants issued on Preferential basis. Out of this, 21,35,000 Equity shares will have lock-in period in the following manner :-

No. of Shares	Distinctive Nos.		Lock in period	
	From	To	From	To
10,00,000	4983331	5983330	05.02.2008	06.08.2009
11,35,000	5983331	7118330	05.02.2008	27.01.2010

Legal proceedings/disputes on share transfer against the company
Contact Address for Shareholders/Analyst

: NIL
Company Secretary
Sri Ramakrishna Mills (Coimbatore) Ltd.
1493, Sathyamangalam Road, Ganapathy, Coimbatore - 641 006.
Phone No. : 0422-2531022, 2531122, Fax No. : 0422-2531579 E-mail : srmc@vsnl.com

The Company currently does not have any Stock Option Scheme.

9) CATEGORIES OF SHAREHOLDING AS ON 31ST MARCH 2009

Category	No. of shareholders	No. of shares	% shareholding
Promoter's Holding	15	3918116	55.04
Directors & Relatives	18	101786	1.43
Private Corporate Bodies	74	201799	2.83
Banks	1	750000	10.53
Financial Institutions	2	101	0.01
N R I	8	6522	0.09
Foreign Institutional Investor	1	1000000	14.05
Other Public	2096	1140006	16.02
Total	2215	7118330	100.00

10) NOMINATION FACILITY

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

11) DISCLOSURES

- Disclosure of material transaction
During the financial year ended 31st March 2009 there was no material, financial or commercial transaction which had potential interest of the senior management personnel or which might have had potential conflict with the interests of the Company.
- Related party transactions
During the financial year ended 31st March, 2009 there were no transactions of material nature, with the Promoters, Directors and Relatives and the Management that had potential conflict with the interest of the company. Details of related party transactions are given elsewhere in the Annual Report.
- Information supplied to the Board
All information, as required under Annexure 1A to Clause 49 of the Listing Agreement, is made available to the Board. The Board is also regularly updated on statutory compliances, as are applicable to the Company.
- Code of Conduct
The Company has adopted a Code of Conduct for Directors and Senior Management personnel for prevention of Insider Trading based on SEBI (Insider Trading) Regulations 1992. The Directors and Senior Management Personnel of the Company have affirmed their adherence to the Code.
- Compliance by the Company
During the last three years, there were no penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.

12) MEANS OF COMMUNICATION

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

AUDITORS' CERTIFICATE

To the Members of
M/s. SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED
COIMBATORE.

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of Corporate Governance by M/s. SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED for the year ended on March 31, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Ltd., Mumbai.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was conducted in the manner described in the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and on the basis of our examination described above, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

On the basis of Certificate issued by the share transfer agents we state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the shareholders/investors grievance committee.

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

Place : Coimbatore
Date : 30.06.2009

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



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

1. We have audited the attached balance sheet of SRI RAMAKRISHNA MILLS [COIMBATORE] LIMITED as at 31st March, 2009 and also the Profit and Loss Account for the year ended on that date annexed thereto and the cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies [Auditor's Report] Order, 2003, and as amended by the Companies (Auditor's Report) Amendment order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that;
 - a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Profit and Loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit and Loss account and cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors, as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 on that said date.;
5. In our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act 1956, in the manner so required and give a true and fair view in conformity with the accounting principles accepted in India:
 - a. In the case of Balance Sheet, of the state of affairs of the company as at 31st March 2009
 - b. In the case of Profit and Loss account, 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;

Place : Coimbatore
Date : 30.06.2009

For M.S.JAGANNATHAN & VISVANATHAN
Chartered Accountants
(Sd.)M.J.Vijayaraghavan
Partner
Membership No.7534

ANNEXURE REFERRED TO IN PARAGRAPH [3] OF OUR REPORT OF EVEN DATE

- i)
 - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the period and discrepancies noticed on such physical verification were not material and have been properly dealt with in books of Accounts.
 - c) There were no disposal of substantial part of fixed assets during the period and hence the going concern status of the Company is not affected.
- ii)
 - a) Physical verification of Inventory [excluding stocks with third parties] has been conducted at reasonable intervals by the Management. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
 - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) The company has maintained proper records of inventory and discrepancies noticed on physical verification of inventories as compared to book records were not material and have been appropriately dealt with.
- iii) The company has neither granted nor taken any loans, secured or unsecured to firms, Companies or other parties covered in the register maintained under section 301 and hence sub clauses b, c & d of clause (iii) are not applicable.
- iv)
 - a) In our opinion and according to the explanation and information given to us there is adequate internal control system commensurate with the size of the Company and the nature of the business for the purchase of inventory and fixed assets and for the sale of goods.
 - b) During the course of our Audit no major weakness has been noticed in the internal controls.
- v)
 - a) The transactions made in pursuance of contracts or arrangements, that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been recorded in the register maintained for the purpose.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act, have been made at prices which are reasonable having regard to the Prevailing Market prices at the relevant time other than for conversion income amounting to Rs.4,81,24,579/- (Net) for which no comparable market prices were available and are considered to be of special nature as explained by the management of the Company.
- vi) The Company during the period has not accepted any deposit from the public and hence provisions of section 58A of the Companies Act, 1956 and the companies (Acceptance of Deposits) Rules 1975 are not applicable.
- vii) On the basis of Internal audit reports broadly reviewed by us, we are of the opinion that, the coverage of Internal Audit functions carried by a chartered Accountant appointed by the Management is commensurate with the size of the Company and the nature of its business.
- viii) We have broadly reviewed the books of accounts maintained by the Company pursuant to the order made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix)
 - a) According to the information and explanations given to us and records examined by us, the company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth-tax, Service tax and any other statutory dues with the appropriate authorities.
 - b) According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March 2007 for a period of more than Six months from the date they became payable.

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

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

Name of the Statute	Nature of the Dues	Amount [Rs.] (in lakhs)	Period to which the amount relates	Forum where dispute is pending
TNGST	Addl. Sales tax	7.43	A.Y.2004-05	Madras High Court
TNGST	Sales tax	54.59	A.Y.1995-96	Madras High Court
TNGST	Sales tax	89.37	A.Y.1999-00	Madras High Court
TNGST	Sales Tax	61.66 (Rs.31 lakhs, since paid)	A.Y.1998-99	Madras High Court
TNGST	TNGST, AST	121.97	A.Y.2000-01	Madras High Court
Customs	Customs duty on Cotton	8.26	A.Y.2003-04	Madras High Court

- x) The Company has accumulated losses of Rs. 8.11 crores for the year ended 31st March 2009 and it has not incurred cash loss for the above year and in the immediately preceding financial year.
- xi) According to the information and explanation given to us and on the basis of records examined by us, the Company has during the period not defaulted in repayment of loans to Bank.
- xii) During the period, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4 (xiii) of the Companies (Auditors Report) order, 2003 is not applicable to the Company.
- xiv) In our opinion and according to the information and explanation given to us, the Company is not dealing or trading in Shares, Securities, debentures and other Investments.
- xv) In our opinion and according to the information and explanation given to us, the company, during the period has not given any guarantee for loans taken by others from banks or financial Institutions.
- xvi) In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance sheet of the company, we report that no funds raised on short term basis have been used for long-term investment.
- xviii) The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- xix) The company has not issued any debentures during the period and hence creation of security in respect of debentures does not arise.
- xx) The company has not raised any money through a public issue during the period.
- xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Coimbatore
Date : 30.06.2009

For M.S.JAGANNATHAN & VISVANATHAN
Chartered Accountants
(Sd.) M.J.VIJAYARAGHAVAN
Partner
Membership No.7534



BALANCE SHEET AS AT 31st MARCH 2009

Particulars	Schedule No.	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SOURCES OF FUNDS			
1 Shareholders' Funds			
a) Share Capital	1	7,11,83,300	7,11,83,300
b) Reserves & Surplus	2	24,08,65,669	25,20,80,233
Total Shareholders' Funds		31,20,48,969	32,32,63,533
2 Loan Funds			
a) Secured loans	3	40,32,01,321	40,43,02,190
b) Unsecured Loans	4	2,37,97,849	4,41,000
Total Loan Funds		42,69,99,170	40,47,43,190
Total		73,90,48,139	72,80,06,723
APPLICATION OF FUNDS			
1 Fixed Assets			
Gross Block	5	75,60,67,604	78,16,09,812
Less: Depreciation		45,89,52,908	45,31,52,677
Net Block		29,71,14,696	32,84,57,135
Capital Work in progress		-	18,64,365
2 Investments	6	3,27,350	3,27,350
3 Deferred Tax Asset	7	10,94,47,410	10,94,47,410
4 Current Assets, Loans and Advances			
a) Inventories	8	12,99,78,531	16,78,49,171
b) Sundry debtors	9	12,45,78,322	13,05,83,494
c) Cash and Bank Balances	10	64,47,105	1,78,02,814
d) Other Current Assets	11	10,17,975	26,84,251
e) Loans and Advances	12	22,49,79,015	20,90,16,472
		48,70,00,948	52,79,36,202
Less: Current Liabilities and Provisions			
a) Current Liabilities	13	25,09,54,763	30,95,48,483
b) Provisions	14	1,49,18,532	1,48,54,582
		26,58,73,295	32,44,03,065
Net Current Assets		22,11,27,653	20,35,33,137
5 Miscellaneous Expenditure	15	2,99,26,080	4,16,01,416
6 Profit & Loss Account		8,11,04,950	4,27,75,910
TOTAL		73,90,48,139	72,80,06,723

Schedules 1 to 15, Statement on Significant Accounting Policies and Notes on Accounts form Part of this Balance Sheet.

This is the Balance Sheet referred to in our report of even date

For M.S.JAGANNATHAN & VISVANATHAN

Chartered Accountants

(Sd.) M.J.VIJAYARAGHAVAN

Partner

M.No. 7534

(Sd.) R.Doraiswami
Chairman(Sd.) D.Lakshminarayanawamy
Managing Director(Sd.) N.Narasimhalu
C F O - Vice President(Sd.) S.A. Subramanian
Company Secretary

(Sd.) Sasirekha Vengatesh

Chartered Accountant

Internal Auditor

M No. 200464

Coimbatore
Date : 30.06.2009

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

Particulars	Schedule No.	Year ended 31.03.2009 Rs.	Year ended 31.03.2008 Rs.
INCOME			
Sales	16	51,20,67,844	55,62,49,963
Other Income	17	6,50,50,516	8,72,55,539
Total Income		57,71,18,360	64,35,05,502
EXPENDITURE			
Raw material consumption	18	29,95,43,781	27,55,20,155
Stores Consumed		1,29,23,568	1,47,33,686
Power and Fuel		6,98,74,996	10,72,25,209
Personnel Cost	19	6,68,25,252	8,68,18,337
Processing Charges		5,21,36,709	64,72,801
Financial Charges	20	5,88,10,258	6,93,81,988
Repairs & maintenance	21	53,81,532	57,90,422
Depreciation		2,54,45,704	
Less: Depreciation transferred to Revaluation reserve		72,71,784	
Other Expenses	22	1,25,75,033	1,83,02,056
Add/Less: Depletion/(Accretion) in Stock	23	59,62,45,049	60,57,34,508
		1,74,41,196	5,05,54,921
Total Expenditure		61,36,86,245	65,62,89,429
PROFIT/(LOSS) BEFORE TAX		(3,65,67,885)	(1,27,83,927)
Less : Provision for			
- Current Tax		-	-
- Deferred Tax (Liability)/Asset		-	-
- Fringe Benefit Tax		(2,79,145)	(1,57,508)
- IT for earlier years		-	-
PROFIT AFTER TAX		(3,68,47,030)	(1,29,41,435)
Donation and Charity		-	(3,16,000)
Prior year adjustments	24	(14,82,010)	(1,56,55,047)
Deficit brought forward from previous year		(4,27,75,910)	(1,38,63,428)
Deficit carried over to Balance Sheet		(8,11,04,950)	(4,27,75,910)
Basic EPS(of Rs 10/-each) - including extraordinary income		(5.38)	(6.48)
- excluding extraordinary income		(13.81)	(23.88)
Diluted EPS (of Rs 10/-each) - including extraordinary income		(5.38)	(6.48)
- excluding extraordinary income		(13.81)	(23.88)

Schedules 16 to 24, Statement on Significant Accounting Policies and Notes on Accounts form Part of this Profit & Loss Account.

This is the Profit & Loss Account referred in our report of even date

For M.S. JAGANNATHAN & VISVANATHAN

Chartered Accountants

(Sd.) M.J. VIJAYARAGHAVAN

Partner

M.No. 7534

(Sd.) R.Doraiswami
Chairman

(Sd.) D.Lakshminarayanawamy
Managing Director

(Sd.) N.Narasimhalu
CFO - Vice President

(Sd.) S.A. Subramanian
Company Secretary

(Sd.) Sasirekha Vengatesh

Chartered Accountant

Internal Auditor

M No. 200464

Coimbatore
Date : 30.06.2009



**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET
FOR THE YEAR ENDED 31st MARCH 2009**

PARTICULARS	For the Year ended 31-03-2009	For the Year ended 31-03-2008
A. CASH FLOW FROM OPERATING ACTIVITIES:	Rs.	Rs.
Net Profit/(Loss) before tax and extra-ordinary items	(9,65,67,885)	(9,04,68,102)
Less: Adjusted for		
Depreciation	1,81,73,920	2,14,89,854
Interest paid (Net)	5,64,18,383	6,69,93,888
Profit/Loss on sale of assets	(21,78,858)	(73,26,074)
Interest Receipts	(15,70,540)	(16,60,268)
Dividend Receipts	(38,000)	(38,000)
Rent Receipts	(15,37,025)	(1,55,374)
Operating Profit before Working Capital changes	(2,73,00,005)	(1,11,64,076)
Add/Deduct: Adjustments for		
Trade and other receivables	35,88,624	(10,44,95,076)
Inventories	3,78,70,640	(3,06,34,777)
Trade payables	(5,88,05,691)	20,82,77,373
Cash generated from operations	(4,46,46,432)	6,19,83,444
Direct Taxes paid	(2,04,383)	(1,59,938)
Cash generated from operations before extraordinary items	(4,48,50,815)	6,18,23,506
Extra ordinary items - Others	(14,82,010)	(1,59,71,047)
- One Time Settlement	6,00,00,000	-
- Profit on Conversion of land into Stock-in-trade	-	7,76,84,175
Net Cash generated from operations	1,36,67,175	12,35,36,634
B. CASH FLOW FROM INVESTMENT ACTIVITIES:		
Purchase of fixed assets	(20,48,796)	(3,27,58,391)
Purchase of Investment	-	(1,000)
Sale of fixed assets	80,45,974	1,73,62,520
Interest Received	15,70,540	16,60,268
Dividend Receipts	38,000	38,000
Rent Receipts	15,37,025	1,55,374
Net cash used in investment activities	91,42,743	(1,35,43,229)

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET (Contd...) FOR THE YEAR ENDED 31st MARCH 2009

PARTICULARS	For the Year ended 31-03-2009	For the Year ended 31-03-2008
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Increase in Share Capital	-	2,48,91,900
Increase in Share premium	-	3,32,31,000
Proceeds from long term borrowings	(60,96,924)	(8,98,84,069)
Proceeds from short term borrowings	2,33,56,849	-
Interest paid (Net)	(5,14,25,552)	(6,74,39,036)
Net cash used in financing activities	(3,41,65,627)	(9,92,00,205)
Net Increase/Decrease in Cash & Cash equivalents (A+B+C)	(1,13,55,709)	1,07,93,200
Opening balance - Cash & Cash equivalents	1,78,02,814	70,09,614
Closing Balance - Cash & Cash equivalents	64,47,105	1,78,02,814
Components of Cash and Cash equivalents as at 31st March 2009		
Cash and Stamps on Hand	13,42,663	4,26,278
Balances with Banks		
- On Current Account	14,76,045	1,40,72,856
- On Margin Money Deposit Account	36,23,397	32,98,680
- On Deposits Account	5,000	5,000
	64,47,105	1,78,02,814

This is the cash flow statement referred to in our report of even date.

(Sd.) R. Doraiswami
Chairman

(Sd.) D. Lakshminarayanawamy
Managing Director

(Sd.) N. Narasimhalu
CFO - Vice President

(Sd.) S.A. Subramanian
Company Secretary

Coimbatore
30.06.2009

For M.S.JAGANNATHAN & VISVANATHAN
Chartered Accountants
(Sd.) M.J. Vijayaraghavan
Partner
M.No.7534

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

SCHEDULES ANNEXED TO THE BALANCE SHEET AS AT 31st MARCH 2009

SCHEDULE 1 - SHARE CAPITAL

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
Authorised		
1,00,00,000 Equity shares of Rs-10/- each	10,00,00,000	10,00,00,000
5,00,000 Preference Shares of Rs.100/- each	5,00,00,000	5,00,00,000
	15,00,00,000	15,00,00,000
Issued		
71,19,421 Equity Shares of Rs.10/ each	7,11,94,210	7,11,94,210
SUBSCRIBED, CALLED AND PAID-UP		
71,18,330 Equity Shares of Rs.10/- each (Of the above shares, 7,69,810 Equity shares of Rs.10/- each have been allotted as fully paid Bonus shares by Capitalisation of Reserves)	7,11,83,300	7,11,83,300
TOTAL	7,11,83,300	7,11,83,300

SCHEDULE 2 - RESERVES AND SURPLUS

Securities Premium Account		
As per last Balance Sheet	10,81,07,045	7,48,76,045
Add: Received on issue of 3135000 Equity Shares @ Rs.10.60 per share	-	3,32,31,000
Sub -Total -I	10,81,07,045	10,81,07,045
Revaluation Reserve (Land)		
As per last Balance Sheet	5,64,91,968	5,64,91,968
Sub -Total -II	5,64,91,968	5,64,91,968
Revaluation Reserve (Building & Machinery)		
As per last Balance Sheet	8,74,81,220	10,11,63,358
Less: Adjustment on assets sold during the year	39,42,780	56,04,023
	8,35,38,440	9,55,59,335
Depreciation on Revaluation surplus of Building, Plant & Machinery transferred to Profit and Loss Account	72,71,784	80,78,115
Sub -Total -III	7,62,66,656	8,74,81,220
Total - I+II+III	24,08,65,669	25,20,80,233

SCHEDULE 3 - SECURED LOANS

1 From Banks		
a) Cash Credit Account	9,86,20,371	5,66,36,919
b) Inland Letters of Credit	3,01,17,297	2,79,37,022
c) Interest accrued and due	49,96,055	-
2. From Others		
Clearwater Capital Partners India Private Ltd (CCPI PVT LTD)	26,76,24,283	31,63,03,813
ICICI Bank Limited - Hire purchase Loan	18,43,315	23,06,114
3. Interest Free Sales Tax Loan	-	11,18,322
TOTAL	40,32,01,321	40,43,02,190

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

SCHEDULES ANNEXED TO THE BALANCE SHEET (Contd.,)

Details of Security:

1. Term Loan from CCPI Pvt Ltd is secured by first mortgage/charge on immovable and movable properties present and future and second charge of the immovable and movable properties is extended to The South Indian Bank Ltd., Promoters have pledged 39,07,616 of their equity shares of the company as collateral for this term loan with CCPI Pvt.Ltd
2. Loans from The South Indian Bank Ltd are secured by first charge on hypothecation of stock-in-trade, and Book Debts, and second charge of the same is given to CCPI PVT LTD.
3. Hire Purchase Loan is secured by Hypothecation of concerned asset.
4. Aggregate amount of loans guaranteed by Chairman & Managing Director

(Rs.Lacs)

i) Term Loan from CCPI Pvt Ltd	3,893/-
ii) Bank Borrowing for Working Capital	1,075/-

SCHEDULE 4 - UNSECURED LOANS

Particulars	As at	As at
	31.03.2009	31.03.2008
	Rs.	Rs.
Trade Deposits	2,37,97,849	4,41,000
TOTAL	2,37,97,849	4,41,000

SCHEDULE 5 - Fixed Assets

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at	Additions	Sales/Transfer/ Withdrawals	As at	As at	Provided	Withdrawn	As at	As at	As at
	31.03.2008	during	during	31.03.2009	31.03.2008	during	during	31.03.2009	31.03.2009	31.03.2008
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
TANGIBLE ASSETS:										
LAND: COST	10,00,856	-	-	10,00,856	-	-	-	-	10,00,856	10,00,856
	(10,00,856)	(87,21,441)	(87,21,441)	(10,00,856)	-	-	-	-	(10,00,856)	-
REVALUED	5,64,91,968	-	-	5,64,91,968	-	-	-	-	5,64,91,968	5,64,91,968
	(5,64,91,968)	-	-	(5,64,91,968)	-	-	-	-	(5,64,91,968)	-
BUILDING : COST	8,09,09,923	-	-	8,09,09,923	5,91,71,694	16,72,623	-	6,08,44,317	2,00,65,606	2,17,38,229
	(8,10,57,293)	(95,799)	(2,43,169)	(8,09,09,923)	(5,74,71,768)	(18,43,380)	(1,43,454)	(5,91,71,694)	(2,17,38,229)	-
REVALUED	8,18,00,694	-	-	8,18,00,694	3,59,13,326	45,88,737	-	4,05,02,063	4,12,98,631	4,58,87,368
	(8,18,00,694)	-	-	(8,18,00,694)	(3,08,14,730)	(50,98,596)	-	(3,59,13,326)	(4,58,87,368)	-
PLANT & MACHINERY-COST	49,50,84,617	12,97,468	2,34,76,439	47,29,05,646	33,77,02,672	1,54,36,029	1,76,25,376	33,55,13,325	13,73,92,321	15,73,81,945
	(49,35,29,272)	(1,95,92,162)	(1,80,36,817)	(49,50,84,617)	(33,63,55,016)	(1,82,05,692)	(1,68,58,036)	(33,77,02,672)	(15,73,81,945)	-
REVALUED	5,64,30,292	-	56,15,000	5,08,15,292	1,48,36,440	26,83,047	16,72,220	1,58,47,267	3,49,68,025	4,15,93,852
	(6,47,50,292)	-	(83,20,000)	(5,64,30,292)	(1,45,72,898)	(29,79,519)	(27,15,977)	(1,48,36,440)	(4,15,93,852)	-
FURNITURE	45,74,600	7,13,742	20,000	52,68,342	32,79,302	5,71,513	15,419	38,35,396	14,32,946	12,95,298
	(42,97,136)	(4,43,190)	(1,65,726)	(45,74,600)	(29,12,971)	(5,19,921)	(1,53,590)	(32,79,302)	(12,95,298)	-
MOTOR VEHICLES	53,14,941	-	3,43,930	49,71,011	22,47,336	1,38,257	3,32,458	20,53,135	29,17,876	30,67,605
	(21,21,770)	(33,13,302)	(1,20,131)	(53,14,941)	(14,22,235)	(9,20,859)	(95,758)	(22,47,336)	(30,67,605)	-
LIBRARY	1,921	-	-	1,921	1,907	1	-	1,908	13	14
	(1,921)	-	-	(1,921)	(1,905)	(2)	-	(1,907)	(14)	-
INTANGIBLE ASSETS:										
SOFTWARE	-	19,01,951	-	19,01,951	-	3,55,497	-	3,55,497	15,46,454	-
TOTAL	78,16,09,812	39,13,161	2,94,55,369	75,60,67,604	45,31,52,677	2,54,45,704	1,96,45,473	45,89,52,908	29,71,14,696	32,84,57,135
Capital work in progress									-	18,64,365

Note : 1) Land Revalued as on 30.09.2003

Building and Plant & Machinery revalued as on 30.09.2002

2) Figures in brackets indicate previous year.



SCHEDULES ANNEXED TO THE BALANCE SHEET (Contd.,)

SCHEDULE 6 - INVESTMENTS (AT COST)

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
NON-TRADE INVESTMENTS		
Quoted		
3800 Equity Shares of Rs.10/- each fully paid up in State Bank Of Travancore	2,28,000	2,28,000
NON-TRADE INVESTMENTS UN-QUOTED		
25 Shares of Rs.10/- each fully paid up in Sri Ramakrishna Mills Co-op Stores Ltd	250	250
2000 Equity Shares of Rs.10/- each fully paid up in Sentra Yarns Ltd	20,000	20,000
7 year National Savings Certificate	1,000	1,000
6 year National Savings certificate	62,000	62,000
Indira Vikas Patra	1,100	1,100
Capital Investment In Dove Real Estates: (A firm in which the company is a partner)		
Capital Account	15,000	15,000
TOTAL	3,27,350	3,27,350
Net Aggregate Value of quoted Investments		
Cost:	2,28,000	2,28,000
Market Value:	8,06,930	18,14,861
Aggregate Value of Unquoted Investments		
Cost:	99,350	99,350

SCHEDULE 7 - DEFERRED TAX ASSET

As per last Balance Sheet	10,94,47,410	10,94,47,410
TOTAL	10,94,47,410	10,94,47,410

SCHEDULE 8 - INVENTORIES

(As per list certified by the Managing Director)		
Stock of Stores	68,36,690	68,00,058
Raw Materials	83,30,122	2,87,96,198
Process Stock	95,79,037	1,28,12,331
Waste	10,72,823	12,77,056
Finished Goods	1,77,54,243	3,17,57,912
Stock in Trade - Land	8,64,05,616	8,64,05,616
TOTAL	12,99,78,531	16,78,49,171

(For method of Valuation refer Statement on Significant Accounting Policy)

SCHEDULE 9 - SUNDRY DEBTORS

Unsecured, considered good :		
More than six months :		
Others	9,69,61,182	9,87,60,091
Less than Six Months		
Others	2,76,17,140	3,18,23,403
TOTAL	12,45,78,322	13,05,83,494

SCHEDULE 10 - CASH AND BANK BALANCES

Cash on hand	13,41,644	4,25,026
Stamps on hand	1,019	1,252
Bank balances with Scheduled banks:		
In current Account	14,76,045	1,40,72,856
In Margin Money Deposit Account	36,23,397	32,98,680
In Deposit Account	5,000	5,000
TOTAL	64,47,105	1,78,02,814

SCHEDULE 11 - OTHER CURRENT ASSETS

Interest accrued on deposits	6,47,779	2,69,939
Conversion Charges Receivable	3,68,768	24,12,009
Income Receivable	1,428	2,303
TOTAL	10,17,975	26,84,251

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

SCHEDULES ANNEXED TO THE BALANCE SHEET (Contd.,)

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SCHEDULE 12 - LOANS AND ADVANCES		
Unsecured, considered good :		
Advances Recoverable in cash or in kind or for value to be received :		
Due from Partnership Firm in which Company is Partner	1,58,097	30,62,081
Due from Companies in which Directors are interested	2,85,90,700	2,63,70,338
Due from Employees	44,83,229	42,08,381
Advance to Suppliers	3,69,01,809	1,40,67,279
Advance for purchase of Capital Assets	12,40,24,906	12,89,24,431
Advance Tax (FBT & TDS)	22,66,240	18,67,091
Balances with Excise Department , Sales tax , Customs etc	32,13,207	35,66,557
Sundry Deposits	2,41,15,792	2,56,96,634
Prepaid Expenses	12,25,035	12,53,680
TOTAL	22,49,79,015	20,90,16,472
SCHEDULE 13 - CURRENT LIABILITIES:		
Liabilities for Purchases:		
Due to Micro, Small & Medium Enterprises	-	-
Others	7,29,57,742	6,74,20,234
Liabilities for expenses	1,68,53,536	1,94,60,664
Liabilities for other finance	16,11,30,643	22,26,51,519
Interest accrued but not due	12,842	16,066
TOTAL	25,09,54,763	30,95,48,483
SCHEDULE 14 - PROVISIONS		
Provisions:		
Provision for FBT	4,36,653	1,57,508
Provision for Gratuity:		
Managerial Personnel	9,92,819	9,38,319
Others	1,34,89,060	1,32,61,341
Provision for Leave Encashment	-	4,97,414
TOTAL	1,49,18,532	1,48,54,582
SCHEDULE 15 - MISCELLANEOUS EXPENDITURE		
Deferred Revenue Expenditure		
Voluntary Retirement Scheme		
As per last Balance Sheet	4,16,01,416	1,90,13,359
Add:Paid During the Year	-	2,89,55,000
	4,16,01,416	4,79,68,359
Less:1/5th Written Off for this year	1,16,75,336	63,66,943
Sub total - I	2,99,26,080	4,16,01,416
OTS professional Fee		
As per last Balance Sheet	-	31,93,722
Less: Written Off for this year	-	31,93,722
Sub total - II	-	-
Pre-operative Expenses		
As per last Balance Sheet	-	72,859
Less: Written off this year	-	72,859
Sub total - III	-	-
GRAND TOTAL (I+II+III)	2,99,26,080	4,16,01,416



SCHEDULES ANNEXED TO THE PROFIT AND LOSS ACCOUNT

	For the year 31.03.2009 Rs.	For the year 31.03.2008 Rs.
SCHEDULE 16 - SALES		
Yarn	47,32,10,001	50,04,33,671
Less : Excise duty	-	-
	-----	-----
Add : Waste	47,32,10,001	50,04,33,671
Conversion Charges Receipts	1,40,74,067	1,27,46,735
	2,47,83,776	4,30,69,557
	-----	-----
TOTAL	51,20,67,844	55,62,49,963
	-----	-----
Tax deducted at source: On Conversion Charges	1,30,005	2,72,470
	-----	-----
SCHEDULE 17 - OTHER INCOME		
Interest receipts	15,70,540	16,60,268
Miscellaneous Income	5,89,586	3,85,830
Profit/(Loss) on sale of assets(Net)	(21,78,858)	73,26,074
Dividend receipts from long term Investments	38,000	38,000
Rent	15,37,025	1,55,374
Share of Profit/Loss from partnership firm	34,94,415	(1,339)
Surplus on Conv. of Land into Stock in Trade	-	7,76,84,175
Foreign Exchange Fluctuation	(192)	7,157
Extraordinary Income (OTS)	6,00,00,000	-
(Refer Note No.15 of Notes on Accounts)		
	-----	-----
TOTAL	6,50,50,516	8,72,55,539
	-----	-----
Tax deducted at source: On Interest	3,20,569	3,97,809
On Rent	2,99,000	27,872
	-----	-----
SCHEDULE 18 - RAW MATERIAL CONSUMPTION		
Opening Stock	2,87,96,198	3,38,79,497
Less: Rejected	-	19,98,434
Add: Purchases	28,12,55,422	27,56,85,806
	-----	-----
	31,00,51,620	30,75,66,869
Less: Sales	21,77,717	32,50,516
	-----	-----
	30,78,73,903	30,43,16,353
Less: Closing Stock	83,30,122	2,87,96,198
	-----	-----
TOTAL	29,95,43,781	27,55,20,155
	-----	-----
SCHEDULE 19 - PERSONNEL COST		
Salaries, Wages , Bonus etc	5,62,78,797	7,04,33,945
Contribution to PF, ESI and other funds	50,03,810	1,21,13,231
Managerial Remuneration	15,77,420	15,77,420
Workmen and Staff Welfare Expenses	39,65,225	26,93,741
	-----	-----
TOTAL	6,68,25,252	8,68,18,337
	-----	-----
SCHEDULE 20 - FINANCIAL CHARGES		
Interest on Fixed Loans	4,56,73,941	5,90,57,274
On others	1,07,44,442	79,36,614
Bank charges	23,91,875	23,88,100
	-----	-----
TOTAL	5,88,10,258	6,93,81,988
	-----	-----
SCHEDULE 21 - REPAIRS AND MAINTENANCE		
Buildings	3,78,990	4,44,573
Machinery	30,77,253	31,83,844
Others	19,25,289	21,62,005
	-----	-----
TOTAL	53,81,532	57,90,422
	-----	-----

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

SCHEDULES ANNEXED TO THE PROFIT AND LOSS ACCOUNT (Contd.,)

	For the year 31.03.2009 Rs.	For the year 31.03.2008 Rs.
SCHEDULE 22 - OTHER EXPENSES		
Printing & Stationery	3,21,886	3,98,831
Postage, Telegram & Telephones	5,12,296	6,02,928
Travelling and maintenance of vehicles	19,61,252	18,60,833
Insurance	6,93,253	10,61,610
Advertisement, Subscription and Periodicals	2,10,640	2,08,819
Taxes & Licences	32,24,185	35,12,122
Brokerage on yarn sales	13,52,880	26,32,231
Rent	28,800	86,400
Filing Fees	6,232	11,576
Directors sitting fees	23,000	24,000
Auditors Remuneration	1,03,507	1,07,288
Yarn sales expenses other than Brokerage	27,20,525	40,75,066
Legal and Professional Charges	11,46,417	35,19,060
Miscellaneous Expenses	2,70,160	1,28,432
Pre-operative expenses written off	-	72,860
TOTAL	1,25,75,033	1,83,02,056
SCHEDULE 23 - DEPLETION/(ACCRETION) IN STOCK		
Opening Stock		
Finished Goods	3,17,57,912	7,48,23,604
Process Stock	1,28,12,331	2,02,82,642
Waste	12,77,056	12,95,974
Sub Total - I	4,58,47,299	9,64,02,220
Closing Stock		
Finished Goods	1,77,54,243	3,17,57,912
Process Stock	95,79,037	1,28,12,331
Waste	10,72,823	12,77,056
Sub Total - II	2,84,06,103	4,58,47,299
Depletion/(Accretion) in stock Net I - II	1,74,41,196	5,05,54,921
SCHEDULE 24 - PRIOR YEAR ITEMS		
Prior Year Adjustments	(20,64,554)	(1,58,36,356)
Sundry Credits Forfeited	5,82,544	1,81,309
TOTAL	(14,82,010)	(1,56,55,047)

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2009

SIGNIFICANT ACCOUNTING POLICIES:

AS-1 DISCLOSURE AND BASIS OF ACCOUNTING

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

AS-2 VALUATION OF INVENTORIES

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

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

AS-3 CASH FLOW STATEMENTS:

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

AS-5 NET PROFIT/LOSS FOR THE PERIOD AND PRIOR YEAR ITEMS

- a) All items of income and expenses pertaining to the year are included in arriving at the net profit for the year unless specifically mentioned elsewhere in the financial statement or as required by Accounting Standards.
- b) Prior year items are disclosed separately in the Profit & Loss Account below the line.

AS-6 DEPRECIATION ACCOUNTING

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

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

AS-9 REVENUE RECOGNITION

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

AS-10 ACCOUNTING FOR FIXED ASSETS

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

AS-11 FOREIGN CURRENCY TRANSACTIONS

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

AS-13 ACCOUNTING FOR INVESTMENTS

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

AS-15 EMPLOYEE BENEFITS

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

Defined Contribution Plans

Company's contributions paid / payable during the year to Provident Fund, Super Annuation Fund and Employees' State Insurance Fund are recognised in the Profit and Loss Account.

Defined Benefit Plans

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

- b) The outstanding terminal benefits namely Voluntary Retirement payments are amortized over a period of five years as required under the standard.

AS-16 BORROWING COSTS

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

All other borrowing costs are charged to revenue.

AS-19 LEASES

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

AS-20 EARNINGS PER SHARE

The Earnings considered in ascertaining the Company's earnings per share comprises of Net Profit after tax and includes post tax adjustments of prior year and extraordinary items.

AS-22 ACCOUNTING FOR TAXES ON INCOME

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

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

AS-26 INTANGIBLE ASSETS

- a) Software is being amortized over a period of 4 years
- b) VRS is being amortized over a period of 5 years.

AS-28 IMPAIRMENT OF ASSETS

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

AS-29 CONTINGENT LIABILITY

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

OTHERS

(i) USE OF ESTIMATES

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

(ii) CENVAT

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

(iii) SUNDRY DEBTORS AND ADVANCES

Doubtful advances are disclosed by way of notes.

(iv) PREOPERATIVE EXPENSES

The Company has the policy of writing off of 1/5th of the expenditure every year.

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2009

		Year Ended 31.03.09 Rs.	Year ended 31.03.08 Rs.
1.	Estimated amount of contracts remaining to be executed on Capital account (Net of Advance)	9,80,86,659	9,80,86,659
2.	Contingent Liabilities not provided for in accounts:		
a)	Bills discounted with Banks pending realisation:-		
	[i] Export Bills :	Nil	Nil
	[ii] Domestic Bills :	Nil	Nil
b)	Following Sales Tax assessments are contested before Madras High Court and stayed:-		
	Asst. Year Nature of Dispute Disputed Demand (Rs. in Lakhs)		
		31.03.2009	31.03.2008
	1995-96 TNGST Demand	54.59	54.59
	1998-99 TNGST Demand	61.66	61.66
			(Rs.31 lacs since paid as per Madras High Court Order.)
	1999-00 TNGST Pre-assessment Demand	89.37	89.37
	2000-01 TNGST, Additional Sales Tax	121.97	121.97
	1.4.2004 to 31.12.2006 TNGST, Additional Sales Tax	7.43	7.43
c)	Customs department filed an appeal before Madras High Court against the orders of Settlement Commission under Advance Licence Scheme in respect of reduction of Interest of Rs.8.26 lakhs allowed to us.		
3.	a) Income Tax assessments are completed upto Assessment year 2007-08		
	b) Sales Tax Assessments pending:		
	a) Under TNGST : 1999-00 to 2000-01		
	b) Under TNGST : 2004-05 to 31.12.06		
	c) Under TNVAT : 01.01.07 to 31.03.09		
	d) Under CST (TN) : 1999-00 to 2008-09		
	e) Under KGST : 2005-06		
	f) Under CST (Kerala) : 2005-06		
	g) Under APGST : 2004-05		
	h) Under APVAT : 2008-09		
	i) Under CST (AP) : 2004-05 & 2008-09		
4.	QUANTITATIVE INFORMATION :		
	Additional Information pursuant to Part II of Schedule VI to the Companies Act,1956		
		Year Ended 31.03.2009	Year Ended 31.03.2008
a)	Licensed Capacity		...Not Applicable...
b)	Installed Capacity		
	Spindle	62,780	66,220
	Rotors	1,104	1,104
	Installed capacities are as furnished by the Managing Director on which the Auditors have relied.		
c)	Production of Finished Goods :		
	Yarn Own Kgs.	34,53,083	36,92,580
	Conversion to others Kgs.	8,74,123	15,73,569
5. I.	a) Sale of Finished Goods:		
	Yarn Kgs.	34,98,619	39,65,148
	Rs.	47,32,10,001	50,04,33,671
	Conversion to others Kgs.	8,74,123	15,73,569
	Rs.	2,47,83,776	4,30,69,557
	b) Home Consumption Kgs.	—	38
	c) Sale of Waste:		
	Cotton Waste Kgs.	6,22,245	7,89,405
	Rs.	1,40,74,067	1,27,46,735
II.	Raw materials consumed:		
	Cotton & Cotton Waste Kgs.	41,78,785	45,26,890
	Rs.	29,95,43,781	27,55,20,155
III.	Stock of Finished Goods:		
	Opening:		
	Yarn Kgs.	2,08,840	4,81,446
	Rs.	3,17,57,912	7,48,23,604
IV.	Stock of finished goods:		
	Closing:		
	Yarn Kgs.	1,63,304	2,08,840
	Rs.	1,77,54,243	3,17,57,912
V.	Stock of Waste:		
	a) Stock of opening:		
	Cotton Waste/Yarn Waste Kgs.	43,853	62,877
	b) Stock of closing:		
	Cotton Waste/Yarn Waste Kgs.	30,369	43,853
6.	Value of Imports:		
I	CFI Value:		
	a. Raw materials Rs.	—	—
	b. Components & Spares Rs.	—	—
	c. Capital Goods Rs.	—	1,26,013



NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2009 (Contd.,)

	Year ended 31.03.2009		Year ended 31.03.2008	
	Value (Rs.)	%	Value (Rs.)	%
II. Consumption:				
Value				
a. Raw materials:				
Imported	-	-	-	-
Indigenous	29,95,43,781	100	27,55,20,155	100.00
Total	29,95,43,781	100	27,55,20,155	100.00
b. Stores, Spares & Components:				
Imported	-	-	-	-
Indigenous	1,29,23,568	100	1,47,33,686	100.00
Total	1,29,23,568	100	1,47,33,686	100.00
7. i. The amount remitted during the year in Foreign currencies on account of dividends				
a. Number of Non-resident shareholders	8		4	
b. Number of shares held by them	6,522		834	
c. The year to which the dividend related	Nil		Nil	
d. The amount remitted in foreign currencies	Nil		Nil	
ii. Earnings in Foreign Exchange:				
a. Export of goods:				
i) Foreign currency exports:				
FOB Value (Rs.)	9,558		10,83,268	
ii) Rupee Exports:				
FOB Value (Rs.)	Nil		Nil	
b. Royalty, know-how, professional and consultation fees	Nil		Nil	
c. Interest and dividends	Nil		Nil	
d. Other Income, if any	Nil		Nil	
iii. Expenditure in foreign currencies during the financial year on account of Travelling (Rs.)	69,993		10,859	
Subscription to periodicals (Rs.)	797		632	
8. CALCULATION OF MANAGERIAL REMUNERATION:				
Net Profit/Loss (-) as per Profit and Loss A/c	(3,65,67,885)		(1,27,83,927)	
Add/(Less):				
Managerial remuneration charged	15,77,420		15,77,420	
Depreciation charged in Books	1,81,73,920		2,14,89,854	
	(1,68,16,545)		1,02,83,347	
Add/(Less):				
Waiver of Advance received (under OTS)	6,00,00,000		-	
Profit on conversion of land into stock-in-trade	-		(7,76,84,175)	
Profit on sale of assets (Net)	(21,78,858)		(73,26,074)	
Prior year Adjustments (Net)	(14,82,010)		(1,56,55,047)	
Depreciation under Sec.350	(1,81,73,920)		(2,14,89,854)	
Donations	-		(3,16,000)	
Balance of Profit/(Loss)	2,13,48,667		(11,21,87,803)	
(Loss) under Sec.349 Brought Forward	(74,41,58,962)		(63,19,71,159)	
Net (Loss) under Sec.349	(72,28,10,295)		(74,41,58,962)	
Remuneration Payable (minimum)	15,77,420		15,77,420	
Due to inadequacy of profits, only minimum remuneration is paid as below:				
Salary	13,08,000		13,08,000	
P F Contribution	18,720		18,720	
Perquisites	2,50,700		2,50,700	
Total	15,77,420		15,77,420	
9. Balance of Sundry Debtors and Sundry Creditors are subject to confirmation, reconciliation and consequent adjustments thereof.				
10. In the opinion of Directors, current assets, loans and advances have the value at which they are stated in the Balance Sheet, if realised in the ordinary course of business.				
11. Sales Tax collections not included in the Sales for the year ended 31.03.2009 is Rs.95,37,618/-				
12. Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows:				
	31.3.2009	Rs/lakhs	31.3.2008	
(a) Principal amount due	Nil		Nil	
Interest due on the above	Nil		Nil	
(b) Interest paid during the period beyond the appointed day	Nil		Nil	
(c) Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act	Nil		Nil	
(d) Amount of interest accrued and remaining unpaid at the end of the period	Nil		Nil	
(e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Act	Nil		Nil	

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2009 (Contd..)

The above information and that given in Schedule 13 "Current Liabilities" regarding micro enterprise and small enterprises has been determined on the basis of information available with the Company. This has been relied upon by the Auditors.

13. Building, Plant & Machinery had been revalued as on 30th September 2003 (by approved valuers, since their original costs no longer gave a true and fair view of their then values) and surplus (arisen on revaluation of Building, Plant & Machinery) amounting to Rs.15,56,26,170/- and Rs.6,88,20,020/- respectively were credited to Revaluation Reserve Account.
14. Particulars regarding investment of Rs.25,000/- in the capital of the partnership firm of M/s.Dove Real Estates:

Sl.No.	Name of the Partner	Capital Contribution	Share Ratio
1	Sri Ramakrishna Mills (Cbe) Ltd.	Rs.15,000/-	98%
2	Sri D Lakshminarayanawamy	Rs. 5,000/-	1%
3	Smt L Nagaswarma	Rs. 5,000/-	1%
	Total	Rs. 25,000/-	100%

15. Extraordinary income:
The Joint Development Agreement with M/s Arihant Griha Ltd., has been terminated due to realty sectors' downturn and M/s Arihant Griha Ltd., has waived Rs.6 crores of advance under an OTS.

16. Auditors Remuneration:

	31.03.2009	31.03.2008
	Rs.	Rs.
Audit fees	55,150	56,180
Tax Audit fee	11,030	11,236
IT Representation fee	11,700	11,700
Certificate fees	21,297	23,600
Travelling Expenses	4,330	4,572
Total	1,03,507	1,07,288

Disclosures under Accounting Standards:

17. Details of prior year items (AS-5) charged to Profit & Loss account below the line:-

(Amount in Rupees)

S. No.	Details	31.3.2009		31.3.2008	
		Expenses	Income	Expenses	Income
A.	Prior Year Expenses				
i)	Gratuity Provision	—	—	41,78,708	—
ii)	ESI contribution	23,564	—	10,432	—
iii)	Central Excise Duty	—	—	—	—
iv)	Bonus paid for prior year	15,90,944	—	31,29,316	—
v)	Taxes & Licenses	—	—	61,159	—
vi)	Others	13,505	—	36,990	—
vii)	Cotton purchase expenses	—	—	17,565	—
viii)	Electricity Tax	4,00,050	—	82,97,656	—
ix)	Sales Tax	6,81,884	—	1,39,903	—
B.	Prior Year Income				
	Excess Provision reversed	—	6,45,393	—	35,373
	TOTAL	27,09,947	6,45,393	1,58,71,729	35,373
	Net	20,64,554		1,58,36,356	

18. Employee Benefits (AS-15):

Gratuity (unfunded)

- A. Expenses recognized in the Profit and Loss Account for the year ended

Rs.

		31.3.09	31.3.08
1	Current Service Cost	8,48,545	1,06,94,463
2	Interest Cost	10,43,678	11,78,132
3	Settlement Cost	Nil	Nil
4	Expected return on Planned assets	Nil	Nil
5	Net actuarial(gain)/Loss recognised during the year	(12,25,334)	(56,60,002)
6	Expenses/(Income)recognised in the Profit & Loss Account	6,66,889	62,12,593

- B. Actuarial return on Plan Assets for the Year Ended:

1	Expected return on Plan assets	Nil	Nil
2	Actuarial (gain)/Loss on Plan assets	Nil	Nil
3	Actuarial return on Plan assets	Nil	Nil

- C. Net Asset / (Liability) recognised in the Balance Sheet as at 31st March 2009

1	Present Value of Obligation	1,34,89,060	1,32,61,341
2	Fair Value of Plan assets	Nil	Nil
3	Net asset/(liability)recognised in the Balance Sheet	(1,34,89,060)	(1,32,61,341)

- D. Change in Defined Obligation during the year ended:

a	Present Value Obligation at the beginning of the Year (01.04.2008)	1,32,61,341	2,21,14,720
b	Current Service Cost	8,48,545	1,06,94,463
c	Interest Cost	10,43,678	11,78,132
d	Benefits paid	4,39,170	1,50,65,972
e	Actuarial (gain) / Loss	(12,25,334)	(56,60,002)
f	Present Value Obligation at the end of the year (31.03.2009)	1,34,89,060	1,32,61,341

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2009 (Contd.,)

E. Changes in Fair Asset during the year ended:

a	Fair Value of Plan assets as at 01.04.2008	Nil	Nil
b	Expected return on Plan assets	Nil	Nil
c	Contributions made	Nil	Nil
d	Benefits paid	Nil	Nil
e	Actuarial gain/(loss) on Plan assets	Nil	Nil
f	Fair value of Plan assets as at 31.03.2009	Nil	Nil

F. Major categories of Plan assets as a percentage of total Planned assets

a	Central Government Securities	Nil	Nil
b	State Government Securities	Nil	Nil
c	Private Sector bonds	Nil	Nil
d	Special deposit Scheme	Nil	Nil
e	Cash at Bank	Nil	Nil
f	Investments in Insurance Companies	Nil	Nil
g	Others	Nil	Nil

G. Actuarial assumptions

a.	Discount rate	8 %	8 %
b.	Expected rate of return on Planned assets	Nil	Nil
c.	Salary Escalation	6 %	6 %
d.	Mortality rate	LIC 94-96 Mortality rate	LIC 94-96 Mortality rate

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

19. Segmental Reporting (AS-17):

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

20. Related party disclosure (AS-18)

(As identified by the Management)

i. Related party Relationships :

- a) Associates : Sri Jaganatha Ginning & Oil Mills
Sri Jaganatha Textiles Ltd
Suhasini Spinners Ltd
Dove Real Estates
- b) Key Management Personnel : Sri R Doraiswami
Sri D Lakshminarayanawamy
- c) Relatives of Key Management Personnel : L Nagaswama , R Suhasini & L Swathy

ii. Transactions with Related Parties / Concerns:

Nature of Transactions	31.03.2009			31.03.2008		
	Associates Rs.	Key Management Personnel Rs.	Relatives of Key Management Rs.	Associates Rs.	Key Management Personnel Rs.	Relatives of Key Management Rs.
Managerial Remuneration	—	15,77,420	—	—	15,77,420	—
Salaries	—	—	2,46,688	—	—	2,55,738
Lease Rent [NET]	—	—	—	—	—	10,467
Yarn Conversion charges [NET]	2,22,19,958	—	2,59,04,621	13,86,544	—	68,97,533
Purchase of Assets [NET]	26,000	—	10,740	—	—	6,33,540
Share of Profit from Firm	34,94,415	—	—	—	—	(1,339)
Cotton and Other Purchases	1,62,132	—	19,45,570	—	—	43,98,750
Sale of Cotton Waste	1,93,470	—	8,60,716	14,17,184	—	7,94,341
Interest on Trade Deposit	20,56,277	—	2,01,762	—	—	—
Others	3,69,847	—	33,06,277	5,65,043	—	10,57,157
Outstanding Balance -						
Payable	—	—	—	—	—	—
Receivable	11,74,80,955	—	18,26,292	2,94,12,499	—	12,21,12,846

21. Lease (AS-19)

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

Future Minimum lease rent to be received:

	31.03.2009 Rs.	31.03.2008 Rs.
Not later than 1 year	1,54,980	—
Later than 1 year but not more Than 5 years	19,36,700	—
More than 5 years	46,97,314	48,20,314

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2009 (Contd.,)

22. Earnings Per Share (AS-20)

	31.03.2009	31.03.2008
	Rs	Rs
Net Profit after tax and donation	(3,68,47,030)	(1,32,57,435)
Less: Adjustments	(14,82,010)	(1,56,55,047)
Net Profit after tax & adjustments (including extraordinary income)	(3,83,29,040)	(2,89,12,482)
Net Profit after tax and adjustments (excluding extraordinary income)	(9,83,29,040)	(10,65,96,657)
BASIC EPS		
Weighted average number of shares	71,18,330	44,64,316
Basic EPS – including extraordinary income	(5.38)	(6.48)
- excluding extraordinary income	(13.81)	(23.88)
DILUTED EPS		
- including extraordinary income	(5.38)	(6.48)
- excluding extraordinary income	(13.81)	(23.88)

23. a) The company has not provided for Deferred tax asset as on 01.04.2001

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

24. The figures have been rounded off to the nearest rupee and previous year's figures have been re-grouped and re-classified wherever necessary.



Information Pursuant to Part IV of Schedule VI to the Companies Act, 1956.

Balance Sheet Abstract and Company's General Profile:

I. Registration Details

Registration No. : U17111TZ1946PLC000175
 State Code : 18
 Balance Sheet Date : 31.03.2009

II. Capital Raised during the Year (Amount Rupees in Thousands)

Public Issue	: Nil	Rights Issue	: Nil
Bonus Issue	: Nil	Private Placement	: Nil

III. Position of Mobilisation and Deployment of Funds

(Amount Rupees in Thousands)

Total Liabilities	: 10,04,921	Total Assets	: 10,04,921
Sources of Funds:		Application of Funds:	
Paid-up Capital	: 71,183	Net Fixed Assets	: 2,97,115
Share Warrant applica- tion money	: Nil	Capital Work-in-progress	: -
Reserves & Surplus	: 2,40,866	Investments	: 327
Secured Loan	: 4,03,201	Deferred Tax	: 1,09,447
Unsecured Loan	: 23,798	Net Current Assets / Liabilities	: 2,21,128
		Misc. Expenditure	: 29,926
		Accumulated Losses	: 81,105

IV. Performance of Company (Amount Rupees in Thousands)

Turnover/Receipts	: 5,77,118	Total Expenditure	: 6,15,168
Profit/Loss(-) Before Tax	: (36,568)	Profit /(-)Loss After Tax	: (36,847)
Earning per Share(Rs.)	: (5.38)	Dividend Rate	: Nil

V. Generic Names of Three Principal Products/Services of Company

(as per monetary terms)

Item Code No.(ITC Code)	Product Description
5205	Cotton Yarn containing 85% or more by weight of cotton
5509	Yarn of Synthetic Staple Fibres Cotton Waste
5202	Cotton Waste

(Sd.)R Doraiswami
Chairman

(Sd.)D Lakshminarayananaswamy
Managing Director

(Sd.) N Narasimhalu
CFO-Vice President

(Sd) S A Subramanian
Company Secretary

Coimbatore
Date : 30.06.2009

"As per our Report of even date".
For M.S. JAGANNATHAN & VISVANATHAN
Chartered Accountant

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

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

SRI RAMAKRISHNA MILLS (COIMBATORE) LTD.

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

ATTENDANCE SLIP

(Particulars to be completed by Member / Proxy)

Name of the Member :

(IN BLOCK LETTERS)

Member Folio Number/Client ID : DP ID.....

Name of Proxy :

No. of Shares held :

I hereby record my presence at the 62nd Annual General Meeting of the Company at Registered Office at No.3, Bhavani River Street, Ariappampalayam, Sathyamangalam - 638 402 held on Friday, 18th day of September, 2009.

Signature of the Member / Proxy

NOTE :

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

SRI RAMAKRISHNA MILLS (COIMBATORE) LTD.

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

PROXY FORM

62nd Annual General Meeting

I/We of
..... being a member/members of the above named Company, hereby appoint
..... or failing him as my/our
Proxy to attend and vote for me/us and on my/our behalf at the 62nd Annual General Meeting of the
Company, to be held on Friday, the 18th day of September 2009 and at any adjournment thereof.

Signed this day of 2009.

Folio No/ Client ID :

No. of Shares :

DP ID :

Re. 1/-
Revenue
Stamp

Signature

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

Book-Post

If undelivered please return to :

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

Post Box No. 2007 • Ganapathy Post
Coimbatore - 641 006