



**66<sup>th</sup>**  
**ANNUAL REPORT**  
**2012 - 2013**

**SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED**  
SATHYAMANGALAM - 638 402

**Board of Directors**

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

Chief Executive  
Smt L NAGASWARNA

CFO- Vice-President  
Sri N.NARASIMHALU

Company Secretary  
Sri S.A. SUBRAMANIAN

Internal Auditor  
Smt.SASIREKHA VENGATESH  
COIMBATORE

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

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

Bankers  
THE SOUTH INDIAN BANK LTD  
KOTAK MAHINDRA BANK LTD

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

PHONE : 04295-220681, 0422-2531022  
FAX : 04295-220681, 0422-2531579  
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**Mills**

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

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# SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

## NOTICE OF THE 66<sup>th</sup> ANNUAL GENERAL MEETING

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

### AGENDA

#### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2013 and Statement of Profit and Loss of the Company and Cash Flow Statement for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To appoint Sri.R. Radhakrishnan, 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.

#### SPECIAL BUSINESS

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

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

i) "Article 2A be deleted entirely".

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

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

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

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

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

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

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

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

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

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

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

Coimbatore  
30.05.2013

### NOTES:

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 17<sup>th</sup> July 2013 to 24<sup>th</sup> July 2013 (both days inclusive).
3. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report for the meeting.
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, Kanapathy Towers, 3<sup>rd</sup> Floor, 1391/A-1 Sathy Road, Ganapathy, Coimbatore 641006.
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

### DISCLOSURE UNDER CLAUSE 49 OF THE LISTING AGREEMENT:

#### Item No.2 of the Agenda:

##### Details of a Director seeking reappointment at the Annual General Meeting

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

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

#### ITEM NO.4 of the Agenda:

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

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

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

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

#### ITEM NO.5 of the Agenda:

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

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

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

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

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

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

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

#### **ITEM NO.6 of the Agenda:**

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

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

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

#### **DISCLOSURE UNDER CLAUSE 49 OF THE LISTING AGREEMENT:**

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

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

Coimbatore  
30.05.2013

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

# SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

## REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

Dear Shareholders,

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

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

### FINANCIAL RESULTS:

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

The above deficit has been carried over to Balance Sheet.

### PERFORMANCE:

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

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

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

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

### DIRECTORS:

#### Reappointment of Directors:

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

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

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

### FIXED DEPOSITS:

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

### TECHNOLOGY ABSORPTION , ENERGY CONSERVATION ETC:

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

### EMPLOYEES:

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

### STATEMENT OF RESPONSIBILITY OF DIRECTORS:

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

- that in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departure from the same.
- that the accounting policies selected and applied are consistent and the judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended March 31,2013 and of the Loss of the company for the year ended on that date.
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the annual accounts have been prepared on a "going concern" basis.

### CORPORATE GOVERNANCE

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

### CODE OF CONDUCT:

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

### CEO/CFO CERTIFICATION:

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

### AUDITORS:

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

### COST AUDITORS:

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

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

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

### GENERAL:

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

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

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

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

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

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

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

Coimbatore  
30.05.2013

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

## ANNEXURE TO DIRECTORS' REPORT

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

### A. CONSERVATION OF ENERGY

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

#### FORM-A

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

### B. TECHNOLOGY ABSORPTION

Efforts made in Technology absorption as per Form B:

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

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

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

Coimbatore  
30-05-2013

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

# **SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED**

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## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **INDUSTRY STRUCTURE AND DEVELOPMENT**

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

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

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

### **OUTLOOK**

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

### **RISK & CONCERNS**

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

### **INTERNAL CONTROLS**

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

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

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

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

Coimbatore  
30.05.2013

**(Sd.) N NARASIMHALU**  
Chief Financial Officer

## CORPORATE GOVERNANCE

### 1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

### 2) BOARD OF DIRECTORS

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

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

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

### DIRECTORS' REAPPOINTMENT:

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

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

### BOARD MEETINGS

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

15.05.2012, 13.08.2012, 23.10.2012, 09.11.2012 and 15.02.2013

### 3) COMMITTEES OF THE BOARD

#### a) REMUNERATION/SELECTION COMMITTEE

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

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

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

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

This committee comprises entirely of independent directors.

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

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

#### b) AUDIT COMMITTEE

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

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

The Company Secretary is the convenor.

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

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

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

The attendance during the year is as under:-

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



## SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

### c) SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

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

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

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

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

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

The attendance during the year is as under:-

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

### d) SHARE TRANSFER COMMITTEE

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

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

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

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

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

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

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

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

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

## 4) DETAILS OF GENERAL MEETINGS

### a) Annual General Meetings :-

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

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

## 5) GENERAL SHAREHOLDER INFORMATION:

### 1 66th AGM to be held on :

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

### 2 Date of Book Closure

: From 17th July 2013 to 24th July 2013 (both days inclusive)

### 3 Financial Calendar :

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

### 4 Listing on Stock Exchanges

: BSE Ltd - Scrip Code No.521178 - ISIN No.INE306D01017

Annual listing fee to the Stock Exchange paid upto date.

### 5 Registered Office

: No.3, Bhavani River Street, Ariappampalayam, Sathyamangalam 638 402

Phone & Fax No.: 04295-220681

### 6 Administrative Office

: 1493, Sathyamangalam Road, Ganapathy Post, Coimbatore 641 006

Phone : 0422-2531022/1122 Fax : 0422-2531579 E-mail: srnc@vsnl.com

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

### 7 Plant Location

: Nagari (Andhra Pradesh), & Sathyamangalam (Tamil Nadu)