



70th
ANNUAL REPORT
2016-2017

SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED
COIMBATORE - 641 006

Board of Directors

Sri. D. LAKSHMINARAYANASWAMY (DIN : 00028118)
(Managing Director)

Sri. N. JOTHIKUMAR (DIN : 00028025)

Sri. R. NARAYANAMURTHY (DIN : 00028158)

Sri. R. RADHAKRISHNAN (DIN : 00028190)

Smt. L. NAGASWARNA (DIN : 00051610)

Company Secretary

Sri S.A. SUBRAMANIAN

Chief Financial Officer

Sri G. KRISHNAKUMAR

Internal Auditor

Smt. SASIREKHA VENGATESH
Coimbatore.

Secretarial Auditor

Smt. C. JAYANTHI
Coimbatore

Auditors

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

M/s.CSK PRABHU & Co
Coimbatore

Bankers

THE SOUTH INDIAN BANK LTD

Registered Office

No.1493, SATHYAMANGALAM ROAD
GANAPATHY POST
COIMBATORE – 641 006
PHONE : 0422-2531022 / 2531122
E-mail : srmc@vsnl.com

Mill

NAGARI (A.P)

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SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED

NOTICE OF THE 70th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 70th ANNUAL GENERAL MEETING of the members of SRI RAMAKRISHNA MILLS (COIMBATORE) LIMITED will be held on Thursday, the 28th day of September 2017 at 11.00 a.m. at the Registered Office of the Company at No.1493, Sathyamangalam Road, Ganapathy Post, Coimbatore-641006 to transact the following business:

A G E N D A

ORDINARY BUSINESS

ITEM NO.1

To receive, consider and adopt the Financial Statements of the company for the year ended 31st March 2017 including audited Balance Sheet of the Company as at 31st March, 2017 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

ITEM NO.2

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution

RESOLUTION

“RESOLVED THAT pursuant to Sections 139, 141, 142 and other applicable provisions of the Companies Act, 2013 ('Act') read with the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendations of the Audit Committee, M/s. CSK Prabhu & Co., Chartered Accountants (Firm Regn. No.062485S) be and are hereby appointed as the Statutory Auditors of the company in the place of retiring Auditors M/s.M.S.Jagannathan & Visvanathan, Chartered Accountants (Firm Regn.No.001209S) to hold Office from the conclusion of the 70th Annual General Meeting till the conclusion of the 75th Annual General Meeting (subject to ratification of their appointment at every Annual General Meeting, if so required under the Act) at such remuneration including applicable taxes and out-of-pocket expenses, as may be mutually agreed between the Board of Directors of the Company and the Auditors”.

ITEM NO.3

To appoint a Director in the place of Smt.L.Nagaswama (DIN: 00051610) who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

ITEM NO.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 Sections 196 & 197 read with Schedule-V and other applicable provisions, if any, of the Companies Act, 2013, the approval of the members of the Company by a Special Resolution be and is hereby accorded for the reappointment of Sri.D.Lakshminaryanaswamy, the present Managing Director of the Company on the recommendation of the Nomination and Remuneration Committee of the Company for a further tenure of 3 years commencing from 01.04.2017 and that an aggregate remuneration of not exceeding 5% of the net profits of the company as laid down in sub section (1) of section 197 of the Companies Act 2013 and the overall limit of 11% of net profits as laid down in subsection (1) of section 198 of the Companies Act 2013 and that taking into account other details and profile of the incumbent and circumstances including the working results of the company and the remuneration drawn earlier, the present package of remuneration offered by industries in general, an aggregate remuneration of not exceeding 5% of net profits of the company and such remuneration which may be by way of Salary, Variable Dearness Allowance, Accommodation, Commission, Medical reimbursement towards expenses incurred by the Managing Director, Club Fees, Personal Accident and Medical insurance premia, car with driver, phone and such other allowances as the Board may think fit, be paid to him.

The Managing Director shall also be eligible for the following perquisites which shall not be included in the computation of ceiling on remuneration specified above

- contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act 1961.
- gratuity payable at a rate not exceeding half a month's salary for each completed year of service and
- encashment of leave at the end of the tenure.

“RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of the Managing Director, the company has no profits or the profits are inadequate, the following salary and perquisites not exceeding the ceiling limits prescribed in Section II of Part II of Schedule V of Companies Act 2013 be paid to him as minimum remuneration:-

Salary : Rs 3,50,000/- per month

He shall also be eligible for the payment of the following perquisites which shall not be included in the computation of the ceiling on remuneration specified above:

- contribution to provident fund, superannuation fund or annuity fund to the extent that these either singly or put together are not taxable under the Income Tax Act 1961 or any statutory modification or re-enactment thereof.
- gratuity payable at a rate not exceeding half a month's salary for each completed year of service and
- encashment of leave at the end of the tenure”.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Sri. N. Jothikumar, Director of the Company and Sri. S.A. Subramanian, Company Secretary be and are hereby severally authorized on behalf of the Board to file the various applications, forms and returns required to be filed under the provisions of the Companies Act, 2013 and do all such things, acts and deeds as are considered necessary, expedient and/or proper.

ITEM NO.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 applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications) or re-enactment(s) thereof for the time being in force and the Articles of Association of the Company, the approval of the Members of the Company be and is hereby accorded for the re-appointment of Smt.L.Nagaswama (DIN: 00051610) on the recommendation of Nomination & Remuneration Committee of the Company as Whole Time Director of the Company for a further period of three years from 14.08.2017.”

“RESOLVED FURTHER that, pursuant to the provisions of Sections 196, 197 Schedule V and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) on the recommendation of Nomination & Remuneration Committee of the Company, Smt.L.Nagaswama (DIN: 00051610) be and is hereby paid the following remuneration :

Salary per month : Rs.1,70,000/- with annual increment of 8%

She shall be eligible for payment of the following perquisites and benefits Variable Dearness Allowance (VDA) along with other perquisites, benefits and incentives as applicable to the other members of Staff.

Minimum Remuneration :

Notwithstanding anything hereinabove stated, where in any financial year during the tenure of Smt.L.Nagaswama, (DIN: 00051610) the company has no profits or the profits are inadequate, the above salary and perquisites not exceeding the ceiling limits prescribed in Section-II of Part-II of Schedule V of the Companies Act, 2013 be paid to her as minimum remuneration.

Her period of Office shall be liable to determination by retirement of directors by rotation as hitherto.



RESOLVED FURTHER that the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and/or remuneration subject to the same not exceeding the limits specified under Section 197, read with Schedule-V of the Companies Act 2013 (including any statutory modifications or re-enactment(s) thereof for the time being in force) and to take all such steps as may be required and desirable and comply with all the formalities as may be required so as to give effect to this resolution".

ITEM NO.6

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

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its powers) Rules 2014 and subject to such approvals, consents, sanctions and permission as may be necessary, consent of the members of the company be and is accorded to the Board of directors of the Company to enter into contracts and/or arrangements with the related party as per details given below :-

S.No.	Name of the Related Party	Nature of transaction	Maximum amount per annum Rs.in crores
1.	Sri Jaganatha Agencies	Purchase of Raw materials	15.00

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, matters, deeds and things and to settle any questions, difficulties, doubts that may arise with regard to any transaction with the related parties and execute or authorize any person(s) to execute all such agreements, documents and writings and to make such filings, as may be necessary, relevant, usual, customary or desirable for the purpose of giving effect to this resolution and its decision shall be final."

By Order of the Board
For Sri Ramakrishna Mills (Coimbatore) Limited

Place : Coimbatore
Date : 27.07.2017

D. LAKSHMINARAYANASWAMY
Managing Director
(DIN : 00028118)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO.2 of the Agenda:

The Auditors of the Company M/s.M.S.Jagannathan & Visvanathan were appointed at the last Annual General Meeting to hold Office till the conclusion of the 70th Annual General Meeting. They have completed their term of appointment at the conclusion of the 70th Annual General Meeting and company has to appoint new Auditors pursuant to the provisions of the Companies Act, 2013 and rules framed thereunder and on the recommendation of the Audit Committee, it is proposed to appoint M/s.CSK Prabhu & Co., Chartered Accountants, Coimbatore as Statutory Auditors of the Company to hold Office from the conclusion of the 70th Annual General Meeting till the conclusion of the 75th Annual General Meeting. The Company has received a letter from the Auditors consenting to the appointment and confirmation to the effect that their appointment would be within the prescribed limit and they do not suffer from any disqualification under Sec.141 of the Companies Act, 2013 and the rules made thereunder. The Board of Directors recommends the above resolution set forth in Item No.2 of the Agenda for approval by Members.

None of the Directors or KMP and their relatives is concerned or interested in passing of the resolution.

ITEM NO.4 and ITEM NO.5 of the Agenda:

- A. (i) The present tenure of Sri.D.Lakshminarayanawamy as Managing Director of the Company expired on 31.03.2017 and it is proposed that he can be reappointed on the recommendations of the Nomination and Remuneration Committee for a further period of three years with effect from 01.04.2017 with a view to avail his services on a continued basis with salary and perquisites in accordance with the guidelines issued in this regard by the Central Government. The Board of Directors recommends the resolution as set out in Item No.4 of the Agenda for approval by Members.
- (ii) It is proposed that Smt.L.Nagaswama can be reappointed on the recommendations of the Nomination and Remuneration Committee for a period of three years with effect from 14.08.2017 with a view to avail her services on a continued basis with salary and perquisites in accordance with the guidelines issued in this regard by the Central Government. The Board of Directors recommends the resolution as set out in Item No.5 of the Agenda for approval of Members.

(iii) Details of Appointees :

1.	Name	Sri.D.Lakshminarayanawamy	Smt.L. Nagaswama
2.	Date of Birth	13.04.1950	28.12.1952
3.	Date of appointment	01.04.1981	14.08.2014
4.	Expertise in specific functional area	Textile (Spinning) Cotton Trade and marketing of yarn	General Administration and Communication
5.	Directorship in other Public Ltd Companies	Sri Jaganatha Textiles Ltd Suhasini Spinners Ltd Sentra Yarns Ltd	Sri Ramakrishna Yarn Carriers Ltd Suhasini Spinners Ltd Sentra Yarns Ltd
6.	Membership of Committees in other Public Ltd Companies	None	None
7.	Background details	Mr D Lakshminarayanawamy is a citizen of India, 67 years of age. He is a Textile Graduate from PSG College of Technology, Coimbatore and MBA from Pennsylvania State University, USA and has about 4 decades of experience in Textile industry, Yarn Marketing and Cotton Trade. He is past Chairman of Indian Cotton Mills Federation (ICMF) the Apex Body representing Textile Industry in India, Southern India Mills Association (SIMA) and a Member of The Cotton Textiles Export Promotion Council (TEXPROCIL), SITRA and various other Committees connected with Textiles.	Smt.L.Nagaswama, is a citizen of India, 65 years old. She is a Commerce Graduate with MBA Qualification. She was employed with M/s.Lakshmi Mahine Works Ltd, a premier Textile Machinery Manufacturers in Coimbatore as its Financial Controller upto 1973. She joined the company as Administrative Manager in 1982 and was elevated as Chief Executive of the Company with effect from 01.10.1988. In this capacity, she was responsible for the general administration of the Company, purchase of stores, spares and other commodities, approval of specifications / quality and price of the items, recruitment and training of staff and co-ordinating various activities related to the operations of the company.
8.	Past remuneration	Rs.2,50,000/- per month plus perquisites	Rs.1,56,000/- per month Plus Allowances and perquisites

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9.	Job profile and his suitability	Mr D Lakshminarayanawamy is the Managing Director of the company since 1981, He is well known in the Textile World.	Smt.L.Nagaswama is with the Company since 1982.
10.	Remuneration Proposed	As per the resolution at Item No.4 of Notice convening the Annual General Meeting on 28.09.2017	As per the resolution at Item No.5 of Notice convening the Annual General Meeting on 28.09.2017.
11.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Taking into consideration the size of the Company, the profile of the appointees, the responsibilities shouldered by the appointees and the industry bench marks, the remuneration proposed to be paid is commensurate with the remuneration packages adopted by other Companies in the industry in similar position of the respective appointee.	
12.	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	Besides the remuneration proposed, the Managing Director do not have any other pecuniary relationship or otherwise with the Company and its managerial personnel except being a relative of Wholetime Director.	Besides the remuneration proposed, the Whole Time Director does not have any other pecuniary relationship or otherwise with the company and its managerial personnel except being a relative of Managing Director.

B. Information to be provided under Schedule-V Part-II Section-II of the Companies Act, 2013 :- (common to both the appointees)

I. General Information

1.	Nature of Industry	Textile Industry	
2.	Date or expected date of commencement of commercial Production	The Company was incorporated on 06.09.1946 and commenced production subsequently during the year 1951	
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable	
4.	Financial performance based on given indicators:	Rs. in Lakhs	
	Particulars	2016-2017	2015-16
	Sales and other Income	1353.79	1977.02
	Profit/(Loss) before Tax and depreciation	93.33	(454.41)
	Profit/(Loss) after Tax	29.01	(534.62)
	Paid up Equity Capital	711.83	711.83
	Reserves and Surplus	(31.98)	(43.94)
	Basic Earnings per share	0.41	(7.51)
5.	Foreign investments and collaborators, if any	NIL	

II. Information about the two Appointees:

Details in respect of both the appointees are given under A(iii) above.

III. Other Information (Common to both the appointees)

- Reasons of loss or inadequate profits :
 - Continued recession in the global economy resulting in sluggish market conditions.
 - Exports of textile falls appreciably resulting in over supply in the domestic market.
 - Highly fluctuating cotton price with depressed yarn prices,
 - Reduced production due to imposition of heavy power cut and unscheduled power shut down.
 - Increased labour cost due to increments and increase in Dearness Allowance.
 - Increase in interest costs
- Steps taken or proposed to be taken for improvement :
 - Company is restructuring its product mix
 - Improvement in power situation
 - Reduction in inventory carrying cost by reducing the inventory
 - Reduction in accounts receivables
 - Steps announced by the Central Government recently to rejuvenate the industry
 - Company entering into development of Real Estate
- Expected increase in productivity and profits in measurable terms :

The Company is expected to perform well in the near future on account of the steps to be taken.

IV. Disclosures:

- The shareholders of the company shall be informed of the remuneration package of the managerial person: Disclosed
- The following disclosures shall be mentioned in the Board of Directors' report under the heading "Corporate Governance", if any, attached to the annual report:
 - All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc., all the directors : Disclosed
 - Details of fixed component and performance linked incentives along with the performance criteria : Disclosed
 - Service contracts, notice period, severance Fees : Disclosed
 - Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable : Company has not issued any stock option

The Company has not defaulted in repayment of any of its debts or debentures and public deposits.

Sri.D.Lakshminarayanawamy and Smt.L.Nagaswama are interested in the resolutions set out at Item No.4 and Item No.5 respectively of the Notice with regard to their re-appointment. Sri.D.Lakshminarayanawamy, Managing Director being related to Smt.L.Nagaswama and vice versa may be deemed to be interested in the resolutions set out at Item No.5 and Item No.4 respectively. Save and except the above, none of the Directors / Key Managerial Personnel of the company / their relatives are, in any way concerned or interested financially or otherwise in the resolutions 4 and 5.

The Shareholdings of Sri.D.Lakshminarayanawamy and Smt.L.Nagaswama in the Company have been given under "Corporate Governance".

ITEM NO.6 of the Agenda:

In terms of the provisions of Sec.188 read with Rules under the Companies (Meetings of Board and its Powers) Rules 2014 all transactions with related parties, which exceed the threshold monetary limit are subject to the approval of Members of the company by an Ordinary resolution and the related parties shall abstain from voting on such resolutions. For this purpose, the threshold monetary limit for the transaction means any transaction entered into either individually or taken together with previous transactions during the financial year, that exceeds ten percent of the annual turnover as per the last audited financial statements of the company.

The proposed transactions with Sri Jaganatha Agencies is exceeding the monetary threshold limit as provided in the above said provisions of the Act / Rules and therefore would require the approval of the members by passing an ordinary resolution in order to comply with requirement of statutory provisions.

1. Name of the Related Parties and Nature of relationship :

- Sri Jaganatha Agencies (SJA), a Partnership firm in which the Managing Director and the Whole Time Director are Partners among others.

2. Nature, material terms and other brief details of proposed transactions :

- With Sri Jaganatha Agencies (SJA)

The proposed transaction is for the purchase of raw materials

Amount involved : Upto Rs.15.00 crores per annum.

Validity of arrangement : It is a long term on going arrangement unless terminated by the parties otherwise for purchase of raw materials

3. Name of the Directors / Key Managerial Personnel who is related if any :

Except to the extent of their shareholding interest, if any, none of the Director / Key Managerial Personnel of the Company / their relatives are, in any way concerned or interested, "financially or otherwise" in this resolution except the under-mentioned :-

S.No.	Particulars	SJA
1.	Sri.D. Lakshminarayanawamy Managing Director	Partner - Contributing 57% of its Capital
2.	Smt.L.Nagaswama Whole Time Director	Partner - Contributing 19% of its Capital

4. Any other information relevant or important for the members to make a decision on the proposed transactions.

The expected transactions with the related party may vary with the change in the market conditions to be agreed between the parties mutually.

The Audit Committee of the Company in its meeting held on 26.07.2017 has already approved the aforesaid transactions with Sri Jaganatha Agencies (SJA) as proposed to be passed by the Members. Further, while approving the aforesaid transactions with related parties, the Audit Committee noted that these transactions are in the ordinary course of business and also are at arm's length basis.

The resolution as set out in Item No.6 of Agenda is accordingly recommended for Members' approval in terms of Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

NOTES:

- i) 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.
- ii) A person can act as Proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total Share Capital of the Company. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as Proxy and such person shall not act as a proxy for any other person or shareholder.
- The Register of Members and Share Transfer Books of the Company will remain closed from 22.09.2017 to 28.09.2017 (both days inclusive).
- As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report for the meeting.
- The Shareholders are requested to 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.
- Members desirous of making nomination in respect of their shareholding in the company as permitted under Section 72 of the Companies Act, 2013 are requested to submit the prescribed Form 2B for this purpose to the Company.
- Members are requested to communicate their change of address, if any, quoting their folio numbers to the Registrars and Share Transfer Agents, M/s.SKDC Consultants Limited, "Kanapathy Towers", 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore-641 006. Similarly members holding shares in Demat form, shall intimate the change of address, if any, to their respective Depository Participants.
- Electronic copy of the Notice of the 70th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 70th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting alongwith the Attendance Slip and Proxy Form is being sent in the permitted mode.
- Members who have still not registered their e-mail ID are required to register their e-mail addresses, in respect of shares held in electronic mode, with their Depository Participant and in respect of the shares held in physical mode, with the Company / Registrar and Share Transfer Agent of the Company.
- Members may also note that the Notice of the 70th Annual General Meeting and the Annual Report for the year 2016-17 will also be available on the Company's website www.ramakrishnamills.com for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's email ID : srmc@vsnl.com
- The documents referred to in the accompanying NOTICE in respect of Item No. 4, 5 & 6 of the Agenda will be available for inspection at the Registered Office of the Company during business hours on all working days upto the date of declaration of the results of the 70th Annual General Meeting of the Company.

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VOTING THROUGH ELECTRONIC MEANS

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the company is pleased to provide members facility to exercise their votes for all the resolutions detailed in the Notice of the 70th Annual general Meeting scheduled to be held on Thursday, the 28th September 2017 at 11.00 a.m by electronic means and the business may be transacted through e-voting. The company has engaged the services of CDSL as the authorized Agency to provide the e-voting facilities as per instructions below:-

The instructions for shareholders voting electronically are as under:

- i) The voting period begins on 25.09.2017 at 9.00 a.m. IST and ends on 27.09.2017 at 5.00 p.m. IST. During this period shareholders of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21.09.2017 can cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- iv) Click on "Shareholders" tab
- v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi) Next enter the Image Verification as displayed and Click on Login.
- vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none">If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- ix) After entering these details appropriately, click on "SUBMIT" tab.
- x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii) Click on the EVSN for the relevant SRI RAMAKRISHNA MILLS (COIMBATORE) LTD, on which you choose to vote.
- xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- xx) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com



Details of persons to be contacted for issues relating to e-voting:

M/s.SKDC Consultants Limited, Kanapathy Towers, 3rd Floor
1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641 006
Phone : +91 422 4958995, 2539835-836 Fax : +91 422 2539837
E-mail :info@skdc-consultants.com
Website :www.skdc-consultants.com

The notice of the Annual General Meeting and this communication are also available on the website of the www.evotingindia.com

AS THE COMPANY HAS PROVIDED E-VOTING / VOTING IN TERMS OF Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, MEMBERS MAY PLEASE NOTE THAT THERE WILL BE ONLY ONE MODE OF VOTING. THE SCRUTINIZER WILL COLLATE THE VOTES DOWNLOADED FROM THE E-VOTING SYSTEM AND VOTES POLLED AT THE AGM THROUGH POLLING PAPER TO DECLARE THE FINAL RESULT FOR EACH OF THE RESOLUTIONS FORMING PART OF THE NOTICE OF ANNUAL GENERAL MEETING.

Mrs.Sasirekha Vengatesh, Chartered Accountant, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the General Meeting first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Managing Director.

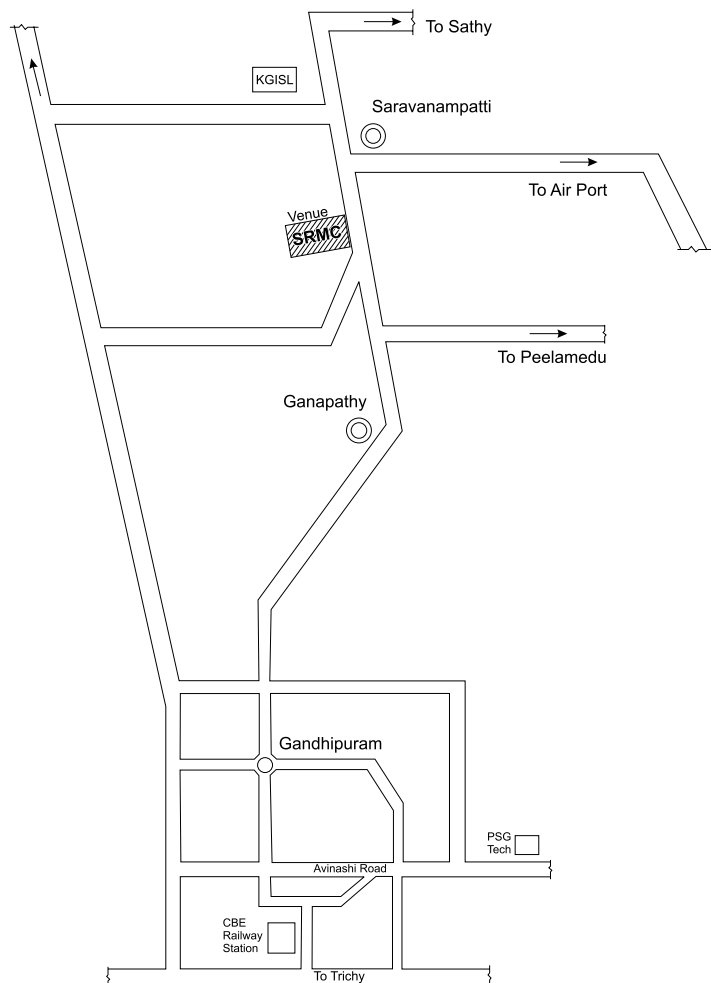
The result shall be declared after the AGM of the Company and after submission of the report by the scrutinizer. The results declared along with the scrutinizers report shall be available for inspection and also placed on the website of the Company after the conclusion of the AGM of the Company and communicated to the Stock Exchange(s) simultaneously.

Place: Coimbatore
Date : 27.07.2017

By Order of the Board
For Sri Ramakrishna Mills (Coimbatore) Limited

D. LAKSHMINARAYANASWAMY
Managing Director
(DIN : 00028118)

**ROUTE MAP TO THE VENUE
OF THE 70th AGM OF THE COMPANY**



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 31.03.2017.

After meeting all working expenses, interest, repairs to machinery and buildings, the working result of the company for the year 2016-17 is given below :-

Financial results:

	Year Ended	
	31.03.2017 Rs.	31.03.2016 Rs.
(Loss) before Interest and Depreciation	(1,61,30,503)	(1,76,81,946)
Less : Interest	(2,60,09,270)	(2,77,58,205)
Depreciation	(64,32,231)	(80,21,409)
(Loss) before Exceptional items	(4,85,72,004)	(5,34,61,560)
Exceptional Item: Surplus on conversion of land into Stock-in-Trade	5,14,72,807	–
Surplus/(Loss) after Exceptional Item	29,00,803	(5,34,61,560)
Surplus/(Deficit) carried over to Balance Sheet	29,00,803	(5,34,61,560)

Performance:

The turnover of the Company declined to Rs.10.84 crores from Rs.18.62 crores and the company has incurred a loss of Rs.4.86 crores after charging interest and depreciation. After taking into account the surplus arising on conversion of land into Stock-in-trade of Rs.5.15 crores, there is a surplus of Rs.29.00 lakhs carried over to Balance Sheet.

Textile Industry has been facing a lot of challenges like – raw material prices moving northward and yarn prices not moving in tandem, high interest rates, rigid and outdated labour laws and unabated state level taxes and duties. Consequently, there was sub-optimal utilization of the capacity. Add to this, the demand also has not picked up significantly owing to the demonetization of currency and other attendant factors.

Future:

Being a basic necessity product, the Indian Textile Industry can benefit a lot from growth in demand for textile products in India and at global level. Equally the Governments policy emphasis to modernize and develop various segments of textile value chain has presented the Indian Spinning Industry with opportunities to grow further.

Further, the 5 percent GST rate on Cotton Textiles is a progressive decision and one that would give impetus to the growth and development of the entire textile value chain.

The Company intends to take advantage of the favourable environment present in the Indian economy and thereby improve its performance.

Management Discussion and Analysis

In terms of the provisions of Regulation 34(3) and Schedule-V of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Management Discussion and Analysis is set out in this report. It contains an analysis on the performance of the industry, the Company, Internal Control System and Risk management policy.

Board of Directors:

The composition of the Board of Directors of the Company is furnished in the Corporate Governance Report annexed to this report. The Company has issued letters of appointment to all the independent directors and the terms and conditions of their appointment have been disclosed on the website of the company. In terms of Section 149 of the Companies Act, 2013 (Act), Sri.N.Jothikumar (DIN:00028025) Sri.R.Narayanamurthy (DIN:00028158) and Sri.R.Radhakrishnan (DIN:00028190), Independent Directors were appointed by the Shareholders at the 67th Annual General Meeting (AGM) held on September 29, 2014 for a period of five years to hold Office upto September 28, 2019. All the independent directors have affirmed that they satisfy the criteria laid down under Sec.149(6) of the Act and Regulation 16(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, Further, the Company's Code of Conduct suitably incorporates the duties of independent directors as laid down in the Act.

Retirement by rotation:

Smt.L.Nagaswama (DIN: 00051610), who has been appointed as a Whole time Director, retires by rotation at the ensuing Annual General Meeting of the Company, as per the terms of her appointment. The place so vacated by her 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 to this effect is included in the Agenda for consideration of members at the ensuing Annual General Meeting of the Company.

Board Meetings:

During the year Six (6) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening period between two consecutive meetings was within the period prescribed under the Act.

Meeting of Independent Directors:

During the year, one separate meeting of independent directors was held. All the independent directors were present at this meeting. In the said meeting, the independent directors assessed the quality, quantity and timeliness of flow of information between the management and the Board and expressed that the current flow of information and contents were adequate for the Board to effectively perform its duties.

Board Evaluation

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been framed by the Nomination and Remuneration Committee and approved by the Board. A questionnaire consisting of certain criteria is adopted for reviewing the functioning and effectiveness of the Board and for identifying possible areas for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, decision making of the Directors, relationship to Stakeholders, Company performance, company strategy and effectiveness of the whole Board and its various committees on a scale of one to five.

Necessary feed back is provided for improvement in the performance of the Directors and the functioning of the overall Board and the various committees.

Familiarisation Programme for Independent Directors :

The Company has put in place required programme for independent directors to get familiarized with the Organisation and also about their duties and responsibilities.

Key Managerial Personnel:

Sri.D.Lakshminaraswamy (DIN:00028118), Managing Director, Smt.L.Nagaswama, Wholetime Director (DIN:00051610), Sri.S.A.Subramanian and Sri.G.Krishnakumar as Company Secretary and Chief Financial Officer respectively constitute Key Managerial Personnel of the Company.

Remuneration Policy:

The policy on appointment, remuneration and evaluation criteria for Directors and Senior Management is as per the recommendation of the Nomination and Remuneration Committee of the Board. The Company recognized that Compensation Policy is an important and strategic tool in the achievement of vision and goals of the company. It is in keeping with the performance of the individuals, internal equity, market trends and industry practices, legal requirements and appropriate governance standards.