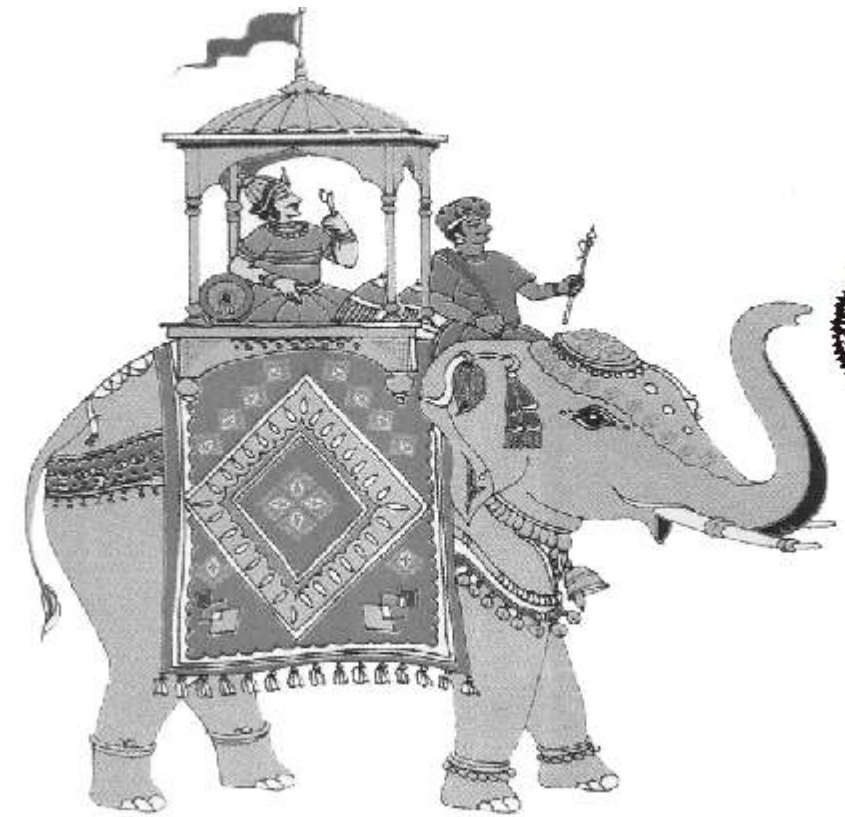


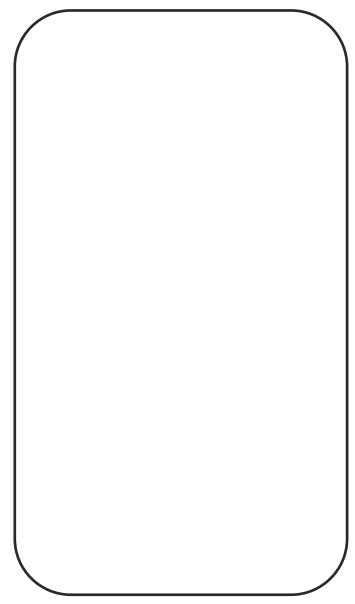
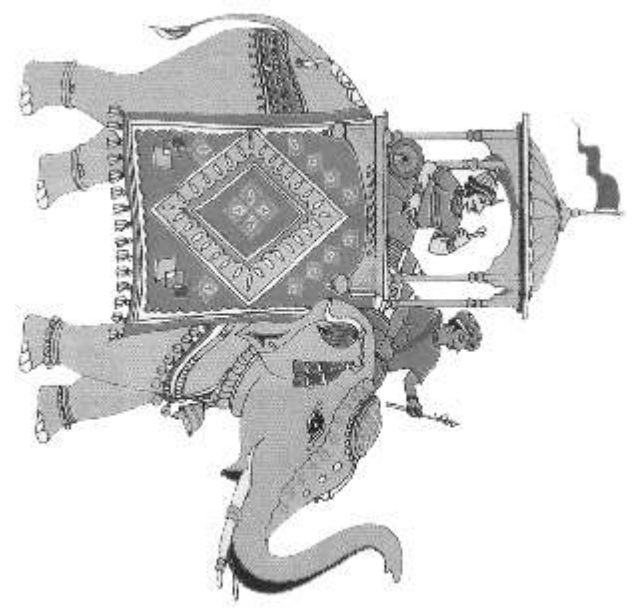
Tamilnadu JAI BHARATH Mills Limited



21st ANNUAL REPORT 2009 - 2010

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212, Ramasamy Nagar, Aruppukottai - 626 159.

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Names & Addresses of the Stock Exchanges
<p>1) MADRAS STOCK EXCHANGE LTD., (Regional Stock Exchange) Post Box No. 183 Second Line Beach Chennai – 600 001.</p> <p>2) BOMBAY STOCK EXCHANGE LTD., Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai - 400 001.</p> <p>3) AHMEDABAD STOCK EXCHANGE LTD., Kamadhenu Complex, Near Polytechnic Panjarapole Ahmedabad –380 015.</p>

BOARD OF DIRECTORS

Shri Srinivas A Naidu - Chairman
Shri D.Senthilkumar - Managing Director
Shri T.R.Dhinakaran
Shri T.R.Varadarajan
Shri J.Sree Rajasegaran
Smt D.Kothai
Shri G.Bhaskaran
Shri Manojkumar Kedia
Shri T.Balakumar

COMPANY SECRETARY

V.N. Kittappa

AUDITORS

M/s. Krishnan & Raman
 Chartered Accountants, Rajapalayam

M/s. K.Subramanian & Co.,
 Chartered Accountants, Madurai.

BANKERS

State Bank of India
 Industrial Development Bank of India
 Indian Bank

REGISTERED OFFICE

212, Ramasamy Nagar, Aruppukottai – 626 159.

Registrars and Share Transfer Agents

M/s. S.K.D.C. Consultant Ltd.,
 Kanappathy Towers
 3rd Floor, 1391/A-1, Sathy Road,
 Ganapathy Post, Coimbatore-641006.

FACTORY

Malayankulam village, Sankarankovil
 Thirunelveli District – 627 756.

NOTICE OF THE 21ST ANNUAL GENERAL MEETING OF THE SHAREHOLDERS

Notice is hereby given that the 21st Annual General Meeting of the company will be held on Monday the 9th August, 2010 at 4.30 P.M at the Registered Office of the Company at No.212, Ramasamy Nagar, Aruppukottai 626 159 to transact the following business ;

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2010 and the Audited Balance Sheet as on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Shri. T.R. Varadarajan who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Smt. D. Kothai who retires by rotation and being eligible offers herself for re-appointment.
4. To appoint a Director in the place of Shri. T.R. Dhinakaran who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors of the Company and fix their remuneration.

M/s.Krishnan & Raman, Rajapalayam and M/s. K. Subramanian & Co., Madurai, are retiring at the ensuing AGM and are eligible for re-appointment.

NOTES :

1. A Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself / herself. Such Proxy need not be a member of the Company. Proxies, in order to be effective must be received by the company not less than 48 hours before the Annual General Meeting.
2. The Register of Members and the Share Transfer Books of the company will remain closed from 2.8.2010 to 9.8.2010 (both days inclusive).
3. Members are requested to bring their copies of the Annual Report to the Meeting.
4. Members / Proxies should bring the attendance slip duly filled in for attending the Meeting.

Place : Chennai
 Date : 24th May 2010

By Order of the Board
D.SENTHILKUMAR
 Managing Director

Details of appointment / re- appointment of Directors as per Clause 49 of the Listing Agreement:

Shri. T.R.Varadarajan, Smt. D. Kothai and Shri. T.R. Dhinakaran are retiring by rotation and being eligible offer themselves for re-appointment. The information / details to be provided in respect of the above said Directors under Corporate Governance code are as under :

SL. No.	NAME	QUALIFICATION	BRIEF RESUME AREA OF EXPERTISE	OTHER DIRECTORSHIP
1.	Shri.T.R.Varadarajan	B.A.,	He has got wide experience in the textile industry for a considerable period of time. He has also got highly pragmatic exposure on present trends in textile industry.	9
2	Smt. D.Kothai	B.Com.,	She has rich experience and specialized knowledge in the textile industry and also has very good exposure in Managing Spinning Mills.	5
3	Shri.T.R.Dhinakaran	B.E.,	He has rich experience and specialized knowledge of the textile industry. He has also got highly pragmatic exposure on present trends in textile industry.	27

Place : Chennai
Date : 24th May 2010

By Order of the Board
D.SENTHILKUMAR
Managing Director

DIRECTOR'S REPORT :

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

The Directors hereby present their Twentyfirst Annual Report on the business and operations of the Company and Financial Results for the year ended 31st March,2010

FINANCIAL RESULTS :

	2009 2010 Rs.	2008 2009 Rs.
Profit (+)/Loss(-) from operations		
Before Depreciation	(+) 1,76,04,254	(-) 6,89,95,674
Less : Depreciation	(-) 4,81,48,122	(-) 3,69,48,317
Profit (+) /Loss (-) after Depreciation	(-) 3,05,43,868	(-) 10,59,43,991
Less : Tax Provision FBT	(-) NIL	2,52,000
Add Deferred tax asset	(+) 3,88,17,351	NIL
NET PROFIT(+)/LOSS(-)	(+) 82,73,483	(-) 10,61,95,991
Add Balance of Loss as per Last Balance Sheet	12,79,45,603	(-) 2,17,49,612
Balance Loss carried over to next year	(-) 11,96,72,120	(-) 12,79,45,603

TURNOVER & PROFITABILITY:

The Company has achieved an overall Turnover of Rs.85.78 Crores during the year against the turnover of Rs.70.89 Crores for the previous year, resulting in an increase of Rs. 14.89 Crores .

We expect the same level of Sales volume to sustain in the Financial Year 2010-2011 also.

Textile Industry was the worst hit during the Global Economic melt down in 2008 - 2009. Revival in the Economic Environment started showing signs only in the last quarter of the financial year March 2010 when we have made a net profit of Rs. 45.60 Lacs.

DIVIDEND:

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

FIXED DEPOSIT :

There is no unclaimed Fixed Deposits remaining with the Company as on 31.03.2010. No deposits were received in 2009-2010. The unfavourable financial results for this financial year has resulted in the reduction of limit prescribed for Fixed Deposits. The Fixed Deposits will be repaid as and when they become due.

PERSONNEL :

Particulars of Employees pursuant to the provisions of Sec.217(2A) of the Companies Act, 1956 read with companies (Particulars of Employees) Rules, 1975 as amended upto date.

Employees who were paid remuneration in aggregate of Rs.24,00,000/- per annum.- NIL

Employees who were paid Rs.2,00,000/- or more per month in any part of this year. - NIL

The company has provided to Rs. 8.52 Lacs this year on the basis of actuarial valuation furnished by LIC. We have provided a total sum of Rs.30.34 Lacs from the year 2006-2007 on actuarial basis against the total accrued amount of Rs. 98.07 Lacs. We will provide the balance also in due course.

DIRECTORS RESPONSIBILITY STATEMENTS:

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956, your Directors declare:

- that in the preparation of the annual accounts for the financial year ended 31st March, 2010, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for the year under review.
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- that the directors had prepared the accounts for the financial year ended 31st March, 2010 on a going concern basis.

DIRECTORS :

In ensuing Annual General Meeting Shri T.R. Varadarajan , Smt . D. Kothai and Shri T. R. Dhinakaran are retiring by rotation, and being eligible offer themselves for re-appointment.

AUDITORS :

M/s. Krishnan & Raman ,Rajapalayam and M/s.K.Subramanian & Co., Madurai, the present Auditors of the Company hold office till the conclusion of Twentyfirst Annual General Meeting and are recommended for re-appointment on such remuneration as may be fixed by the Board of Directors.

The notes forming part of Accounts referred to in the Auditors' Report are self-explanatory and complete.

INFORMATION AS PER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 :

Particulars required under Companies (Disclosure of particulars in the Report of Board Directors) Rules, 1988 as amended are furnished in the Annexure I.

CORPORATE GOVERNANCE :

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

ACKNOWLEDGEMENT :

The Board wishes to record its sincere appreciation for the unstinted support and co-operation extended by the Members, Fixed Deposit Holders, Customers, Suppliers, Bankers, Statutory Authorities and also its Employees for their continued good performance.

Place : Chennai

Date : 24.05.2010

for and on Behalf of the Board
Shri Srinivas A Naidu
Chairman