

**95th ANNUAL REPORT
2010-2011**



The Ruby Mills Limited

BOARD OF DIRECTORS:

Manharlal Chunilal Shah
Hiren Manharlal Shah
Bharat Manharlal Shah
Viraj Manharlal Shah
Aruna. M. Shah
Jimmy D. Masani
Girish C. Sharedalal
Shardul J. Thacker
Dharamsinh M. Popat
Dattatreya S. Soman
Dilip J. Thakkar

Executive Chairman
Managing Director
Jt. Managing Director
Executive Director
Director
Independent Director
Independent Director
Independent Director
Independent Director
Independent Director

Purav H Shah
Jayalakshmi Anshuman

President
Financial Controller & Company Secretary

SOLICITORS:

Federal & Rashmikant

AUDITORS:

B. S. Mehta & Co.
Chartered Accountants, Mumbai

BANKERS:

State Bank of India
Bank of India
Bank of Baroda
IDBI Bank
Allahabad Bank

Axis Bank
UCO Bank
United Bank of India
Andhra Bank
HDFC Bank

REGISTERED OFFICE:

Ruby House
J. K. Sawant Marg
Dadar, Mumbai-400 028
Email: info@rubymills.com
www.rubymills.com

PLANT LOCATIONS:

* Mumbai Plant
J. K. Sawant Marg
Dadar
Mumbai-400 028.

* Dhamni Complex
Village Dhamni
Taluka Khalapur
Dist. Raigad.

* Khursundi Complex
Village Khursundi
Taluka Khalapur
Dist. Raigad.



NOTICE

1. NOTICE is hereby given that the **Ninety Fifth Annual General Meeting** of the Shareholders of THE RUBY MILLS LIMITED will be held at the Registered office of the Company at Ruby House, J. K. Sawant Marg, Dadar (W), Mumbai - 400 028 on Thursday the 29th September 2011 at 4.30 p.m. to transact the following business:
2. To receive, consider and adopt the Audited Balance Sheet and Profit & Loss Account for the year ended 31st March 2011 together with the Directors' and Auditors' Reports thereon.
3. To declare dividend on Equity Shares of the Company for the Financial Year ended 31st March 2011.
4. To appoint a Director in place of Mr. S.J. Thacker, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. D.M. Popat, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Mr. G.C. Sharedalal, who retires by rotation and being eligible, offers himself for re-appointment.
7. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

8. Increase in borrowing limits

To consider and if, thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT in supersession of the resolution passed by the Members of the Company at the Annual General Meeting held on 25th September 2008 and pursuant to the provisions of Section 293 (1) (d) of the Companies Act, 1956 and pursuant to the provisions of the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time, any sum or sums of money for the purpose of Company's business which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and its free reserves, that is to say, reserves not set apart for any specific purpose provided that the aggregate of the monies borrowed by the Board and outstanding at any time does not exceed Rs.1000 crores (Rupees One Thousand Crores only) or the aggregate of paid-up share capital of the Company and its free reserves whichever is higher."

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

"RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors of the Company in terms of provisions of section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 for mortgaging and / or charging all the movable and immovable assets and properties of the Company wheresoever situate, both present and future and of every nature and kind whatsoever and / or creating a floating charge on all or any of the immovable assets / properties of the Company for the purpose of securing any loans, advances, credit facilities, debt instruments etc. taken and / or issued by the Company from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby further authorised to take necessary action for giving effect to the above Resolution."

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. A PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 14th September 2011 to Wednesday, 21st September 2011 (Both days inclusive).
3. The Dividend recommended by the Board of Directors, if declared at the meeting, will be payable to those Shareholders whose names are registered in the Register of Members of the Company on 21st September 2011. The dividend in respect of Shares held in electronic form will be payable to the beneficial owners of the Shares as at the end of the business hours on 13th September 2011 as per details to be furnished by the Depositories for this purpose.
4. Dividend if declared will be made payable at the Registered office of the Company on or before 27th September 2011. Pursuant to Section 205A of the Companies Act, 1956 dividend for the financial year ended 31st March 2004 and thereafter which remain unpaid or unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund of the Central Government. Shareholders who have not encashed the dividend warrant (s) so far for the financial



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year ended 31st March 2004 or any subsequent Financial Years are requested to make their claim to the Share Department of the Company. It may be noted that once the unclaimed dividend is transferred to the Central Government, as above, no claim shall lie in respect thereof.

5. Members are requested to intimate to the Company or to its Registrar & Share Transfer Agents changes, if any, in their registered addresses, at an early date and to quote folio numbers in all their correspondence.
6. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
7. BIG SHARE SERVICES PRIVATE LIMITED having its office at E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri East, Mumbai-400 072 are the Registrar and Transfer Agent for shares held in physical form and in electronic / demat form. The Register of Members is maintained at the Office of the Registrar and Share Transfer Agents.
8. The Ministry of Corporate Affairs, vide its General Circular No.18/2011 dated 29th April 2011 has clarified that as a measure of "Green initiative in Corporate Governance" it will be in compliance, if the Annual Report (i.e. documents listed in section 219(1) of the Companies Act, 1956) is sent through email. To support this green initiative, members holding shares in demat form are requested to provide their email-id to the depository through their concerned depository participant and members holding shares in physical form are requested to provide their email-id to the Company's RTA, M/s. Bigshare Services Private Limited by filling the form available on the Company's website and also update the email address as and when there is any change.
9. As required by Clause 49 of the Listing Agreement signed by the Company with the Stock Exchange, Mumbai, brief profile of the Directors retiring by rotation and eligible for re-appointment is given below.

Name of Directors	Mr. S.J. Thacker	Mr. D.M. Popat	Mr. G.C. Sheredalal
Date of Appointment	19.12.1984	27.03.2000	12.06.1981
Date of Birth	17.11.1947	18.12.1933	05.10.1932
Expertise in specific functioning areas	Solicitor	Solicitor	Chartered Accountant
List of other Directorship held.	<ol style="list-style-type: none"> 1. Fomento Resorts & Hotels Ltd. 2. RPG Enterprises Ltd. 3. SEAMEC Ltd. 4. CGU Logistic Ltd. 5. Stream International Services Pvt. Ltd. 6. Infowavz Pvt. Ltd. 	<ol style="list-style-type: none"> 1. Hindoostan Spinning & Weaving Mills Ltd. 2. Hindustan Construction Co. Ltd. 3. Peninsula Land Ltd. 4. Continental Air Services Pvt. Ltd. 	<ol style="list-style-type: none"> 1. Stovec Industries Ltd. 2. FDC Ltd. 3. Kotak Mahindra Trustee Co. Ltd. 4. Ratan Trading Pvt. Ltd. 5. Stellar Asset Management Pvt. Ltd. 6. Maulik & Kaji Financial Services Pvt. Ltd. 7. Truetzschler India Pvt. Ltd. (Alternate Director)

By Order of the Board of Directors

Place : Mumbai
Dated : 11th August 2011

JAYALAKSHMI ANSHUMAN
Company Secretary

Registered Office :
Ruby House
J. K. Sawant Marg
Dadar
Mumbai 400 028.



EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 173 of the Companies Act, 1956 (the Act), sets out all material facts relating to the business mentioned at Item Nos. 7 & 8 of the accompanying Notice dated 11th August 2011.

Item Nos. 7 & 8:

Under Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of a Company cannot, except with the consent of the Company in a general meeting, borrow monies, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose. The Members, at the Annual General Meeting of the Company held on 25th September 2008 had accorded their consent to the Board of Directors borrowing up to Rs. 750 crores (Rupees Seven Hundred Fifty Crores). To meet the capital expenditure requirements, it is necessary to enhance the present borrowing limit. The Members' approval is therefore being sought pursuant to Section 293(1)(d) of the Companies Act to increase the borrowing limit from Rs. 750 crores to Rs. 1000 crores.

Borrowings need to be secured by creation of charge / mortgage on the movable / immovable fixed assets of the Company in favour of the lending institution(s) in various forms.

This is an enabling resolution authorising the Board to ensure borrowing made from Banks and Financial Institutions. The Directors recommend the resolutions at Item Nos. 7 and 8 of the accompanying Notice for approval by the Members. No Director of the Company is concerned or interested in the said resolutions.

By Order of the Board of Directors

Place : Mumbai
Dated : 11th August 2011

JAYALAKSHMI ANSHUMAN
Company Secretary

Registered Office :
Ruby House
J. K. Sawant Marg.
Dadar
Mumbai 400 028.



DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 95th Annual Report together with Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011. A summary of financial results is given below:

1. Summarised Financial Results:

	2010-2011 Rupees	2009-2010 Rupees
		(Rs. in Lakhs)
Total Income	20390.73	15534.25
Profit before Depreciation and Taxation	9421.91	5323.02
Less: Depreciation	2154.17	1591.41
Profit after depreciation	7267.74	3731.61
Less: Provision for Taxation		
Current Tax	1500.00	380.00
Deferred Tax	(9.28)	(43.23)
Wealth Tax	3.00	2.65
	1493.72	339.42
Profit after tax	5774.02	3392.19
Add/(Less): Prior period Income/(Expenses) (Net)	(18.52)	20.78
Exceptional Item (Income)/Expense	0	1500.00
Add : Profit as per last Balance Sheet	5755.50	1567.94
Amount Available for Appropriation	8849.45	3480.91
Less: Transfer to General Reserve	576.00	192.00
Proposed Dividend	209.00	167.20
Dividend Tax on Proposed Dividend	34.71	27.77
Surplus carried to Balance Sheet	8029.74	3093.94

2. The Company has registered a growth of 31.26% in respect of total income. The performance of the Company has been comprehensively discussed in the Management Discussion and Analysis Report (forming part of this Directors' Report).
3. The Board of Directors has recommended a dividend at the rate of 50 % (Fifty percent) p.a. of Rs.5/- (Rupees Five) per share on 41,80,000 equity shares of Rs.10/- each aggregating to Rs.2,09,00,000/- as against 40%, i.e. Rs.4/- per share in the previous year.
4. The Process House at Kharsundi is commissioned and all operating trials are stabilized. Now we are mainly concentrating to achieve consistency of results for which required training is being imparted to workers and staff. This should happen in the current year.
5. The private IT Park at Dadar, Mumbai constructed on part of land by grant of development rights is now operational.
6. As required under Section 209 (1) (d) of the Companies Act, 1956 the Company has maintained cost accounting records and under Section 233B, qualified Cost Auditor is appointed to conduct Cost Audit.
7. As required under Maharashtra Sales Tax Act Company has appointed a VAT Auditor to conduct the VAT Audit.
8. The Company's Building, Machineries, Stores and Stocks in trade etc. are fully covered against all insurance risks.
9. The Company is not accepting deposits from the public within the meaning of Section 58A of the Companies Act, 1956 or rules framed thereunder.
10. Under Article 159 of the Articles of Association of the Company, Mr. S.J. Thacker, Mr. D.M. Popat and Mr. G.C. Shredalal - directors of the Company, retire by rotation and being eligible offer themselves for re-appointment.



11. The Company has two segments of activities, Textile and Real Estate. The statement of accounts prepared and submitted are therefore of two Segments.
12. In view of the on-going expansion and modernisation, the Company has strengthened scope of internal audit at various Plant locations.
13. Directors' Responsibility statement:
On the basis of compliance certificates received from the Executives of the Company and the discussion had with the statutory auditors and subject to disclosures in the Annual accounts, we state as under:-
 - a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
 - b) that the proper accounting policies have been selected and applied them consistently and made judgments and estimates that 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 of the Company for that period;
 - c) that proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - d) that the Accounts have been prepared on a going concern basis.
14. Particulars regarding Employees as required by Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are set out in a separate statement in Annexure 'A' forming part of this report.
15. Particulars regarding conservation of Energy, Technology Absorption etc. as required under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out in a separate statement in Annexure 'B' forming part of this report.
16. The list of person constituting "Group" (within the meaning as defined in the Monopolies Restrictive Trade Practices Act, 1969) for the purpose of availing exemption from applicability of the provision Regulations 10 to 12 of the Securities Board of India (Substantial Acquisition of Shares and Takeover Regulations 1997 as provided in Clause 3 (1) (i) of the said Regulations is furnished in the Annexure C.
17. Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance and Management Discussion and Analysis are forming a part of the Director's Report marked annexure D & E respectively.
18. The retiring Auditors, M/s. B.S. Mehta & Co., Chartered Accountants, are eligible for re-appointment and have expressed their willingness to accept the re-appointment. In terms of Section 224A of the Companies Act, 1956, their re-appointment needs to be approved by the members and their remuneration has to be fixed.
19. **Clause (xi) of the Annexure to the Auditors' Report to the Shareholders mentions that during the year during the year, the Company has defaulted in repayment of dues to banks. An amount of Rs. 14,07,52,372 which was due on December 31, 2010; an amount of Rs.5,50,89,401 which was due on February 7, 2011 and the amount of Rs. 25,36,48,725 which was due at the balance sheet date have remained unpaid on the respective due dates. These amounts have since been paid.**
20. As a responsible corporate citizen, your Company is committed to the concerns of society as a whole. Towards fulfilling social responsibilities, we have contributed Rs. 68,62,601/- (including a sum of Rs.68,00,000/- contributed to a charitable trust) in support of several social causes.
21. Your Directors thank the Company's clientele, vendors, investors and bankers for their continued support during the year. Your Directors' place on record their appreciation of the excellent contribution made by employees at all levels, without whose contribution the company would not have recorded substantial growth in its revenue and profitability for the year under review.

For and on behalf of the Board

M. C. SHAH
Executive Chairman

Place : Mumbai
Dated : 11th August 2011

**ANNEXURE 'A'**

Particulars of Employees pursuant to Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of the Employees) Rules 1975 (as amended by Companies (Particulars of Employees) Amendment Rules, 2011) and forming part of the Directors' Report for the year ended 31st March, 2011.

Sr.No.	Name	Designation & Nature of the Duties	Remuneration Rupees	Qualification	Age Years	Date of Employment	Experience Years	Last Employment held & Name of the Employer
A. EMPLOYED THROUGHOUT THE FINANCIAL YEAR UNDER REVIEW AND WERE IN RECEIPT OF REMUNERATION AGGREGATING TO Rs.60,00,000/- P.A. AND MORE.								
1.	Shri M. C. Shah	Executive Chairman	1,49,84,861	Experience in Senior Management	77	18-09-1953	58	None
2.	Shri H. M. Shah	Managing Director	1,07,76,000	Licenciate in Textile Mfg.	57	01-12-1976	35	None
3.	Shri B. M. Shah	Jt. Mg. Director	1,07,49,760	B.Com	52	01-02-1982	29	None
4.	Shri V.M. Shah	Executive Director	1,07,43,771	B.Com	50	01-04-1984	27	None

B. EMPLOYED FOR THE PART OF THE FINANCIAL YEAR UNDER REVIEW AND WERE IN RECEIPT OF REMUNERATION AGGREGATING TO Rs.5,00,000/- P.M. AND MORE.

NONE

Note: Remuneration as above includes, Salary, Company's Contribution to Provident Fund and Family Pension Fund, L.T.A., Reimbursement of Medical Expenses, Personal Accident Insurance Gratuity etc.

ANNEXURE 'B'

ADDITIONAL INFORMATION AS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2011

(A) CONSERVATION OF ENERGY:**(a) ENERGY CONSERVATION MEASURES TAKEN**

1. Set up completely new processing facility with State-of-the Art Continuous Bleaching and Dyeing equipment resulting in substantial reduction in water and power. The Plant is already commissioned.
2. Continuous replacement of conventional chokes by electronic chokes.
3. Commissioning of Adiabatic Caustic Recovery Plant for recovery of caustic from wash liquor.
4. Evaluation of replacement of old belt driven screw compressor to direct driven centrifugal compressors for energy saving.
5. Commissioning of Condensate Recovery System in the Process House.
6. Commissioning of Stenters and continuous dyeing with energy saving towers resulting in about 12-15% fuel saving.
7. Installation of 1 No. energy efficient Open End machine resulting in saving of energy to the tune of about 10%.
8. Water to water heat exchangers installed on Merceriser, CBR and Pad Steam.
9. Jet Dyeing Heat recovery from out-going effluent to fresh feed water through heat exchangers.
10. Improvement of Power Factor from 0.93 to 1 by incorporating Auto Power Factor Correction system.

(b) ADDITIONAL INVESTMENT AND PROPOSALS

1. Balancing equipment like some Jets, Jiggers, Sanforisers for our Kharsundi Plant.
2. Installation of new Air Jet Looms for our Dhamni Plant.
3. Evaluation of introduction of Harmonic Filters in Process House for reduction of harmonics.
4. Replacement of old Ring Frames by new Auto Doffing Ring Frame.
5. Replacement of old Automatic Winders with new generation Winders.
6. Replacement of old Cards by new generation of super high production Cards for improvement of quality and reduction of water.



(B) TECHNOLOGY ABSORPTION AND INNOVATION:

(a) EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:

1. Data acquisition being evaluated for retrieval of critical parameters and their controls for processing machine.
2. Replacement of old screw compressor by energy efficient centrifugal compressors.

(b) BENEFITS OF R&D WORKS

1. Developing and matching new dyestuffs and shades in R & D Laboratory and establishing the same on Continuous Dyeing Ranges.
2. Development in reduction of effluent to reduce discharge and sludge.
3. Development of new finishes for various applications.

(c) FUTURE PLAN

1. Modernization of present spinning and winding department with installation of new generation equipment like –
2. Replacement of old Blow Room.
3. Replacement of old Cards.
4. Replacement of old Draw Frames
5. Replacement of old Combers
6. Replacement of old Speed Frames
7. Replacement of old manual Ring Frames to Auto Doffing Ring Frame.
8. Replacement of old winding machine to new generation Auto Winding machines.
9. Marginal expansion of spinning capacity.

(C) FOREIGN EXCHANGE SPENT AND EARNED:

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

The exports have been maintained at same level of last year, however sale in the domestic market was considered to be more remunerative for the company than exports.

	Current Year 2010-2011 Rupees	Previous Year 2009-2010 Rupees
(a) Value of Direct Imports calculated on CIF Basis:		
(i) Stores, Spare parts and Colour Chemicals	2,07,85,801	2,51,42,603
(ii) Raw Materials	13,86,386	2,41,12,275
(iii) Capital Goods	1,27,64,610	20,66,41,876
(b) Earnings in Foreign Exchange on account of export of goods :		
Direct Export on FOB Basis	58,58,344	75,24,816
(c) Expenditure in Foreign Currency :		
Travelling	56,71,761	25,52,327

**FORM 'A'****FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT OF CONSERVATION OF ENERGY :**

	Current Year 2010-11	Previous Year 2009-10
Power & Fuel Consumption		
1. Electricity :		
a. Purchased Unit :	3,41,50,230	3,04,17,796
Total Amount (Rs.)	1,64,990,909	13,05,86,354
b. Own Generation :		
i. Through Diesel Generator Unit	Units 1,21,690	1,09,900
Units per 1 Ltr. of diesel oil	Unit 2.95	2.25
Cost / Unit	Rs. 14.06	15.97
ii. Through steam turbine / Generator Unit	NIL	NIL
Units per 1 ltr. of fuel oil	NIL	NIL
Cost / Unit	NIL	NIL
2. Coal (Dhamni) :		
Quantity (Tonnes)	7377.63	1816.63
Total Cost (Rs.)	3,32,27,700	86,52,700
Cost / Unit	*	*
3. Furnace Oil :		
Quantity (K. Ltrs.)	601.16	1922.84
Total Cost (Rs.)	1,87,86,366	5,17,21,403
4. Gas : Piped Natural Gas (Dadar)		
Quantity M3	2500.187	2754.680
Total Cost	4,56,50,155	4,29,88,080
Cost / Unit	*	*

* Cost per unit of production for Electricity and Steam is not comparable as we are a composite Textile Mill and have a regular change of product mix.

ANNEXURE-C

The following persons constitute the Group within the definition of group as defined in the Monopolies and Restrictive Trade Practices Act, 1959, (54 of 1969) which execution or is established to be in a position to exercise, control, directly or indirectly over the company.

- | | |
|--------------------------------------|---|
| 1. Shri Manharlal Chunilal Shah | 16. Smt. Asha Yogesh Mehta |
| 2. Shri M. C. Shah H.U.F. | 17. E & T. of Late Chunilal Narbheram |
| 3. Smt. Aruna Manharlal Shah | 18. Hiren Brothers Inv.Co. Pvt. Ltd. |
| 4. Shri Hiren Manharlal Shah | 19. M.C. Shah & Sons Inv. Co. Pvt. Ltd. |
| 5. Smt. Jayshree Hiren Shah | 20. Manubhai & Sons Inv. Co. Pvt. Ltd. |
| 6. Shri Purav Hiren Shah | 21. Miss Mihika Bharat Shah |
| 7. Miss Nehali Hiren Shah | 22. Miss Jhanvi Bharat Shah |
| 8. Shri Hiren Manharlal Shah H.U.F. | 23. Miss Miloni Bharat Shah |
| 9. Shri Bharat Manharlal Shah | 24. Shri Pranav Yogesh Koradia |
| 10. Shri Bharat Manharlal H.U.F. | 25. Shri Samay Yogesh Koradia |
| 11. Smt. Aabha Bharat Shah | 26. Shri Yogesh U. Mehta |
| 12. Shri Viraj Manharlal Shah | 27. Smt. Barkha Purav Shah |
| 13. Smt. Dipti Viraj Shah | 28. Miss Jinaya Purav Shah |
| 14. Shri Rishabh Viraj Shah | 29. Shri. Yogesh Koradia |
| 15. Shri Viraj Manharlal Shah H.U.F. | |



**ANNEXURE-D
ANNEXURE TO DIRECTORS' REPORT**

Corporate Governance Report

In compliance with the Clause 49 of the Listing Agreement with the Stock Exchanges the Corporate Governance report is as under:

I. Company's philosophy on Corporate Governance:

The Company is committed to good Corporate Governance. The Company's Corporate Governance Policies aim to facilitate the creation of long term value for its shareholders and stakeholders. The Company has implemented code of conduct for transparency and integrity at all levels so as to achieve best results.

II. Board of Directors :

A. Composition of Board of Directors:

For the financial year 2010-11, the Board of Directors comprised of Executive Chairman, Managing Director, Jt. Managing Director and an Executive Director along-with seven non-executive Directors.

Since the Chairman is an Executive Chairman the requirement of half of the Board of Directors as independent Directors is met with by the Company in view of Six Independent Directors out of a total of eleven directors. The non-executive independent Directors are eminent professionals and have experience in the field of finance, taxation, management, administration and law, bringing a wide range of expertise and experience to the Board.

B. Board Procedure:

The Board members are presented Agenda papers along with the notes for the meeting. In addition to the normal business agenda, information covering the matters listed as per Annexure 1 to Clause 49 is provided to the Board as a part of Agenda papers.

During the year 2010-11, the Board met five times on the following dates 15th May 2010, 12th August 2010, 25th September 2010, 15th November 2010 and 9th February 2011.

All the directors who are on various committees are within the permissible limits of the listing agreement. The directors have intimated from time to time about their membership in the various committees in other companies.

The composition of Board of Directors, number of Board Meetings held and attended by the Directors, number of Chairmanship/membership in other Board Committees are given in following Table.

Name of Director	Status Executive/ Non-Executive	No. of Board Meetings Held	No. of Board Meetings attended	Attendance of last AGM	No. of Directorship in other Co.		No. of Chairmanship / Membership in other Board Committee	
					Public	Pvt.	Chairman	Member
Shri M. C. Shah	EC	5	3	No	-	2	-	-
Shri H. M. Shah	MD	5	5	Yes	-	4	-	-
Shri B. M. Shah	Jt.MD	5	5	Yes	-	4	-	-
Shri V. M. Shah	ED	5	4	Yes	-	4	-	-
Smt. A. M. Shah	NED	5	3	No	-	-	-	-
Shri J. D. Masani	NED	5	5	Yes	-	-	-	-
Shri G. C. Sharedalal	NED	5	4	Yes	3	4	2	1
Shri S. J. Thacker	NED	5	5	Yes	4	2	1	1
Shri D. M. Popat	NED	5	3	Yes	3	1	2	-
Shri D. S. Soman	NED	5	5	Yes	-	-	-	-
Shri D. J. Thakkar	NED	5	4	Yes	13	8	5	5



(C) Code of Conduct:

The Company has adopted a Code of Conduct for the members of the Board and the Senior Executives in compliance with the provision of Clause 49 of the Listing Agreement. All the members of the Board and the Senior Management Personnel have affirmed compliance to the Code of Conduct as on 31st March, 2011 and a declaration to that effect signed by the Managing Director is attached and forms part of this Report.

III Audit Committee:

- a. The Audit Committee of the Company met five times during the year as per the dates mentioned below: 15th May 2010, 12th August 2010, 25th September 2010, 15th November 2010 and 9th February 2011.
- b. The Audit Committee of the Board comprises of three non-executive, independent Directors. Recommendations of the Audit Committee, if any, are considered and implemented by the Board from time to time.
- c. Attendance of the members of these meetings was as follows :

Name of the Audit Committee Member	Status	No. of meetings held / attended
Shri D. S. Soman	Chairman & Independent Director	5/5
Shri S. J. Thacker	Independent Director	5/4
Shri J D. Masani	Independent Director	5/5

The Representative of Statutory Auditor, Internal Auditor, Jt. Managing Director and Financial Controller were also invited to attend the Audit Committee meetings. The Company Secretary is the secretary of the committee.

- d. The role and terms of reference of the Audit Committee covers the matters specified for Audit Committee under Clause 49 of Listing Agreement and section 292A of the Companies Act, 1956.
- e. The Chairman of the Audit Committee remains present at the Annual General Meeting. The previous Annual General Meeting of the Company was held on 25th September 2010 and was attended by Shri D. S. Soman, Chairman of the Audit Committee. The Company Secretary is the Secretary of the Committee.

IV. Remuneration Committee:

- a. Brief description of Terms of Reference

To determine the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment.

- b. The Remuneration Committee of the Board comprises of three independent, non-executive Directors viz.:

Name of the Committee Member	Status
Shri J. D. Masani	Chairman & Independent Director
Shri S. J. Thacker	Independent Director
Shri D. M. Popat	Independent Director

- c. During the financial year ended 31st March, 2011 there was no meeting of the Remuneration Committee. Presently, the Company does not have any Stock Option Scheme.
- d. Remuneration Policy

The remuneration policy for Working Directors is in line with the other peer Companies and reviewed periodically. The payment of remuneration is duly approved by the Board of Directors upon the recommendation of the Remuneration Committee and the Shareholders.



e. Details of remuneration, sitting fees, etc. paid to Directors are given in following Table

Name of Director	Status	Remuneration paid to Directors						
		Independent Non Independent	Salary Rupees	Other Perquisite Rupees	Contribution to PF Rupees	Provision for Gratuity Rupees	Total Rupees	Sitting Fees Rupees
Shri M. C. Shah	EC		1,26,24,000	2,39,058	15,14,880	6,06,923	1,49,84,861	Nil
Shri H. M. Shah	MD		90,00,000	2,64,000	10,80,000	4,32,000	1,07,76,000	Nil
Shri B. M. Shah	Jt. M.D		90,00,000	2,37,760	10,80,000	4,32,000	1,07,49,760	Nil
Shri V. M. Shah	ED		90,00,000	2,31,771	10,80,000	4,32,000	1,07,43,771	Nil
Smt A. M. Shah	NON-IND		Nil	Nil	Nil	Nil	Nil	37,500
Shri J. D. Masani	IND		Nil	Nil	Nil	Nil	Nil	1,25,000
Shri G.C. Sharedalal	IND		Nil	Nil	Nil	Nil	Nil	50,000
Shri S. J. Thacker	IND		Nil	Nil	Nil	Nil	Nil	1,12,500
Shri D. M. Popat	IND		Nil	Nil	Nil	Nil	Nil	37,500
Shri D. S. Soman	IND		Nil	Nil	Nil	Nil	Nil	1,25,000
Shri D. J. Thakkar	IND		Nil	Nil	Nil	Nil	Nil	50,000

EC – Executive Chairman MD – Managing Director JMD – Jt. Managing Director
ED – Executive Director NED – Non-Executive Director IND – Independent Director
NON-IND – Non Independent Director

Note: No commission is paid to any of the Directors.

V. Shareholders :

a. Share Transfer and Shareholders / Investors Grievance Committee :

Name of the Share Transfer and Shareholders/Investors Grievance Committee Member	Status
Shri Manharial C. Shah	Executive Chairman
Shri Hiren M. Shah	Managing Director
Shri Bharat M. Shah	Jt. Manager Director
Shri Viraj M. Shah	Executive Director

b. Name & Designation of Compliance Officer :

Ms. Jayalakshmi Anshuman, Company Secretary is designated as Compliance Officer of the Company.

c. A statement of various complaints received and cleared by the Company during the year ended on 31st March, 2011 is given below:

Name of Complaint	Received	Cleared	Pending
Non Receipt of Annual Report	4	4	Nil
Non Receipt of Dividend Warrants	-	-	-
Request for Duplicate Share Certificates	-	-	-
Non Receipt of Share Transferred	-	-	-
Others	8	8	Nil
Letters from Stock Exchange/SEBI	5	5	Nil
Ministry of Corporate Affairs	-	-	-

As per revised Clause 47 (F) of the Listing Agreement the Email ID of the Investor Grievance Department of the company is info@rubymills.com

VI. Compliance Certificate:

Compliance Certificate for Corporate Governance from Auditors of the Company is annexed herewith.



VII. General Body Meetings:

1. The details of Annual General Meetings held in last three years are as under :-

AGM	Day	Date	Time	Venue	Details of the Special Resolutions
94th	Saturday	25/09/2010	11.30 a.m.	Ruby House, J.K.Sawant Marg, Dadar, Mumbai.	Appointment and remuneration to Directors
93rd	Friday	18/09/2009	5.00 p.m.	Ruby House, J.K.Sawant Marg, Dadar, Mumbai.	Appointment and remuneration to Directors
92nd	Thursday	25/09/2008	5.00 p.m.	Ruby House, J.K.Sawant Marg, Dadar, Mumbai.	Borrowing power and mortgage of Assets

2. Whether special resolutions were put through postal ballot last year? No
 3. Are special resolutions proposed to be put through postal ballot this year? No
 4. No Extra Ordinary General Meeting was held.

VIII. Disclosures:

1. Disclosure regarding materially significant related party transactions :

During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with the promoters, directors and management that had a potential conflict with the interest of the Company at large.

All the transactions with related parties are periodically placed before the Audit Committee. The Register of Contracts detailing transactions in which Directors are interested is placed before the Board at every meeting for its approval. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in Schedule 22 Note No.10 to the Accounts in the Annual Report and they are not in conflict with the interest of the Company at large.

2. Disclosure of non-compliance by the Company

No penalties have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

3. The Company has not adopted Whistle Blower Policy.

4. The Company has complied with the Mandatory requirements regarding the Board of Directors, Audit Committees and other Board Committees and other disclosures as required under the provisions of the revised Clause 49 of the Listing Agreement. The status of compliance in respect of non-mandatory requirement of Clause 49 of Listing Agreement is as follows:

- (a) **Maintenance of the Chairman's Office:** The Company has an Executive Chairman and the office provided to him for performing his executive duties is also utilized by him for discharging his duties as Chairman. No separate office is maintained for the non-executive Chairman of the Audit Committee but Secretarial and other assistance is provided to him whenever needed, in performance of his duties
- (b) **Tenure of Independent Directors:** No specific tenure has been specified for the Independent Directors.
- (c) **Remuneration Committee:** The Company has set up a remuneration committee consisting of three Non-Executive Independent Directors.
- (d) **Shareholders' Rights:** Un-audited quarterly financial results are sent to the stock exchanges and published in the news papers as per the Listing Agreement.
- (e) **Audit Qualification:** Clause (xi) of Annexure to the Auditors' Report mentions that during the year, the Company has defaulted in repayment of dues to banks. This matter has been addressed in detail in the Directors' Report.
- (f) **Training of Board of Directors:** The Directors of the Company are persons from Business and Profession with experience in corporate sector. They are being kept posted with various statutory and regulatory changes which are applicable to the Company.
- (g) **Mechanism for evaluating non-executive Board Member:** Non-Executive members of the Board are highly qualified and there is no need for evaluation.
- (h) **Whistle Blower Policy:** The Company has so far not framed a formal whistle blower policy. However, the employees of the Company have free access to the Board of Directors, Audit Committee and Senior Management personnel to report their concerns about unethical behaviour, fraud or violation of statutory requirements, with assurance from the Management to protect the employees from victimization in case they report any such unethical or fraudulent behaviour.
- (i) **Board disclosure - Risk Management:** The Board is kept informed about the risk management being followed



by the Company from time to time. All the risks such as fire, marine, burglary, earthquake etc. have been adequately insured.

- (j) The Company has not issued any shares during the year.

IX. CMD/CFO Certification

Managing Director/Chief Executive Officer and Chief Financial Officer have issued necessary certificate pursuant to the provisions of clause 49 of the Listing Agreement and the same is annexed and forms part of the Annual Report.

X. Declaration regarding Code of Conduct

Declaration by the Chairman and Managing Director confirming compliance with the Code of Conduct as adopted by the Company is annexed and forms part of the Annual Report.

XI. Shareholding of the Non- executive Directors in the Company

<u>Name of the Non-Executive Director</u>	<u>No. of Shares held</u>
1) Shri J. D. Masani	1575
2) Shri G. C. Sharedalal	525
3) Shri S. J. Thacker	Nil
4) Shri D. M. Popat	Nil
5) Shri D. J. Thakkar	Nil
6) Shri D. S. Soman	Nil

IX Means of Communication

1. The Company publishes generally quarterly financial results in The Financial Express / Free Press Journal (English) and Navshakti (Marathi).
2. There is no official news release displayed on the website.
3. The company has not made any presentation to institutional investors or equity analysts.
4. Whether M.D. & A is a part of Annual Report: Yes
5. In compliance with Clause 54 of the Listing Agreement, the Company is maintaining a website containing financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the company who are responsible for assisting and handling investor grievances. The company updates the contents of the website on a regular basis.

A General Shareholder Information

1. Annual General Meeting to be held :

Day, date, time and venue :

Day : Thursday

Date : 29th September 2011

Time : 4.30 p.m.

Venue : Ruby House, J.K.Sawant Marg, Dadar, Mumbai.400 028.

2. 1. Financial Calendar 2011-2012

First Quarterly Unaudited Results : Within 45 days of the end of the quarter

Second Quarterly Unaudited Results : Within 45 days of the end of the quarter

Third Quarterly Unaudited Results : Within 45 days of the end of the quarter

Fourth Quarterly Unaudited Results : Within 45 days of the end of the quarter

Or

Audited Yearly Results for the Year

Ended 31st March 2012 : Before 30th May 2012

3. Dates of Book Closure:

14th September 2011 to 21st September 2011 (Both days inclusive).



4. Dividend payment date:

The Dividend recommended by the Board of Directors, if declared at the meeting, will be payable to those Shareholders whose names are registered in the Register of Members of the Company on 21st September 2011. The dividend in respect of Shares held in electronic form will be payable to the beneficial owners of the Shares as at the end of the business hours on 13th September 2011 as per details furnished by the Depositories for this purpose.

5. Listing on Stock Exchanges at:

The Equity Shares of the Company are listed at

- a. The Stock Exchange, Mumbai, Phiroze Jeejeebhoy Towers, Dalal street, Mumbai – 400 001.
- b. National stock Exchange, Exchange Plaza, Bandra – Kurla Complex, Bandra (E), Mumbai-400 051.

Note: Listing fees have been paid to the above Stock Exchanges for the year 2011-2012.

6. Stock / Company / Security / Common Code : Equity Shares.

- a. The Stock Exchange, Mumbai : 503169
- b. National Stock Exchange of India Limited : RUBYMILLS
- c. ISIN : INE301D01018

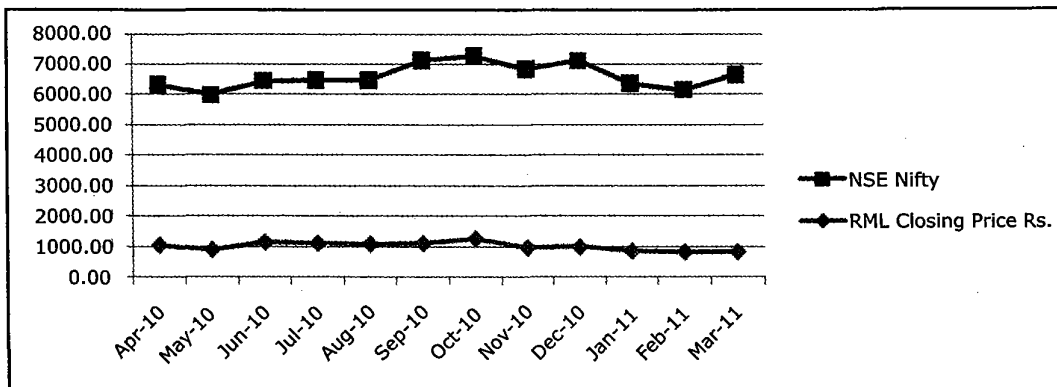
XIV. Market price Data :

The monthly high and low quotations and volume of shares traded at the National Stock Exchange of India Limited during the financial year 2010-11 are given below:

Stock Price
Script Code : 503169 Company Name : THE RUBY MILLS LTD.
For the period : 1st April 2010 to 31st March 2011

Month	High Price Rs.	Low Price Rs.	Volume Traded (No. of Shares)
Apr-10	1050.00	854.00	31,869
May-10	1157.90	862.30	36,319
Jun-10	1229.95	862.00	112,691
Jul-10	1219.00	1055.50	55,858
Aug-10	1280.00	1035.10	56,075
Sep-10	1218.00	1060.00	35,558
Oct-10	1350.00	1100.00	65,911
Nov-10	1277.50	933.50	21,772
Dec-10	1104.00	885.00	18,329
Jan-11	994.90	825.00	11,590
Feb-11	884.75	768.00	7,874
Mar-11	921.75	757.15	13,934

Performance in Comparison to broad-based indices such as NSE Nifty





XV. Registrar and Transfer Agents:

The Company has engaged the services of Bigshare Services Pvt. Ltd., a SEBI registered Registrar as its Share Transfer Agents for processing the transfers, sub-division, consolidation, Splitting of Securities, etc. The requests for transfers, sub-division, consolidation, splitting of securities, demat and remat should be sent directly to Bigshare Services Pvt. Ltd. Shareholders have the option to open their accounts with either NSDL or CDSL as the Company has entered into Agreements with both these Depositories.

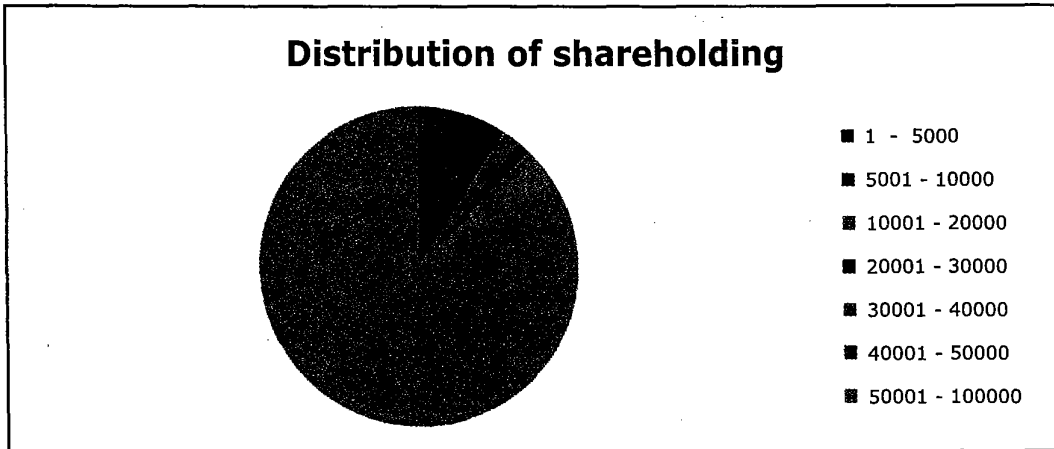
1. Share Transfer System:

Share transfers are registered and share certificates are despatched within a period of 30 days from the date of receipt, if the documents are in order in all respects.

2. Distribution of Share holding:

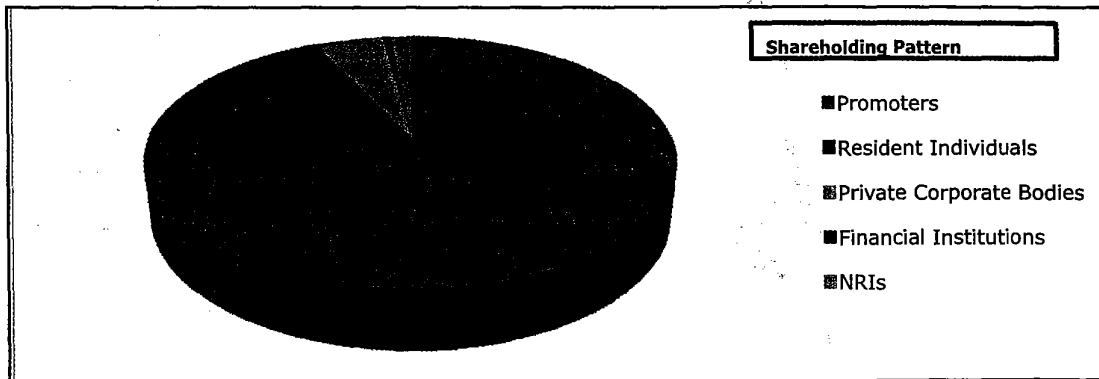
The shareholding distribution of equity shares as of 31st March 2011 is given below:

Sr. No.	Range (In Rs.)	Total Holders	% of Total Holders	No. of Shares	Percentage of Shareholding
1	1 – 5000	4951	94.59	2,73,055	6.53
2	5001 – 10000	148	2.83	1,08,461	2.59
3	10001 – 20000	54	1.03	76,554	1.83
4	20001 – 30000	23	0.44	55,511	1.33
5	30001 – 40000	3	0.06	11,297	0.27
6	40001 – 50000	4	0.08	17,729	0.42
7	50001 – 100000	18	0.34	1,29,373	3.10
8	100000 and above	33	0.63	35,08,020	83.93
TOTAL		5234	100.00	41,80,000	100.00



3. Shareholding pattern as on 31st March 2011:

Sr. No.	Category	No. of Shares held	% of Share holding
1	Promoters	31,31,680	74.92
2	Resident Individuals	7,53,825	18.03
3	Private Corporate Bodies	2,07,278	4.97
4	Financial Institutions	25,600	0.61
5	NRIs	61,617	1.47
TOTAL		41,80,000	100.00



4. Dematerialisation of equity Shares:

As on 31st March 2011, 97.92% of the Company's total equity shares representing 40,93,630 shares are held in dematerialised form and the balance 2.08% representing 86,370 shares are in physical form.

5. Plant (Manufacturing Units) :

Correspondence and Dadar Unit address
 Ruby House,
 J K Sawant Marg,
 Dadar, Mumbai – 400 028.
 Tel.:022-2437800
 Email:info@rubymills.com

Dhamni Unit Address
 Village Dhamni
 Off. Savroli Kharpada Road,
 Taluka Khalapur,
 Dist. Raigad, Pin: 410202

Kharsundi Address
 Village Kharsundi
 Savroli Kharpada Road,
 Taluka Khalapur
 Dist. Raigad, Pin: 410202

6. Address for Correspondence:

a. Any query on Annual Report or Investors' Grievance Redressal:

By email: info@rubymills.com
 By telephone: 022-24387835

b. Investor Correspondence:

For shares held in physical form

Bigshare Services Private Limited
 E-2/3, Ansa Industrial estate,
 Sakivihar Road, Saki Naka,
 Andheri (E), Mumbai-400 072.
 Tel : 022-28473474 / 2847 0652 / 53
 Fax : 022-2847 5207
 Email : investor@bigshareonline.com

For shares held in Demat form

Investors' concerned Depository Participant(s) and/or
 Bigshare Services Private Limited

XVI. Information pursuant to Clause 32 of the Listing Agreement:

The Company has no subsidiary and hence provisions for furnishing specific information are not applicable.

XVII. Declaration by the CEO under Clause 49 Of the Listing Agreement regarding adherence to the Code Of Conduct:

In accordance with Clause 49 sub-clause I (D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended 31st March 2011.

For The Ruby Mills Ltd.

H. M. Shah
 Managing Director

Place: Mumbai
 Date: 11th August 2011



MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of The Ruby Mills Limited ("The Company") to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended on 31st March, 2011 and based on our knowledge and belief we state that:
- These statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading.
 - 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) We further state that to the best of our knowledge and belief there is no transaction entered into by the Company during the year, which is fraudulent, illegal or violative of the Company's Code of Conduct. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- (c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
- Significant changes, if any, in the internal controls over financial reporting during the year.
 - Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place : Mumbai
Date : 11th August 2011

B.M Shah
Jt. Managing Director

Jayalakshmi Anshuman
Chief Financial Officer



ANNEXURE-E

MANAGEMENT'S DISCUSSION AND ANALYSIS

1 Overall Review:

During the year, the turnover of the company has increased marginally and in turn the operating profit. However, cost of power and fuel, raw material and wages have increased.

On account of better operational control and the management's good acumen, textile profit has gone up marginally. On the manufacturing front we are continuing our thrust on cost controls and improved realizations.

2 Business Segment – Cotton, Synthetic Yarn and Fabrics:

a) Industry Structure and Development:

During the last financial year 2010 -11, the revival in global textile demand saw consumption rise by 6%. The Indian textile sector has also seen growth for the last seven quarters, recovering quickly from the global economic recession.

During fiscal 2010-11, cotton prices peaked to all time high records in global markets and the domestic market witnessed a true reflection of this trend. Cotton prices went up by about 100%, plus man-made fibre went up by 60-75% resulting in very high increase in the manufacturing cost. With cotton almost going out of reach of the consumers, man-made fibres got some spill-over demand and this, coupled with some increase in oil prices, pushed up the prices of manmade fibres as well. However, demand for most textile products was also on the rise and therefore the textile industry could pass on the additional raw material cost to their consumers, at least to some extent.

Post recent Union Budget, the Textile Upgradation Fund Scheme has been re-introduced in the modified format. This will prompt Industry to make significant efforts to upgrade technology, undertake expansion in order to reduce labour requirement and improve productivity to face the new challenges. Textile companies with established market presence are now aiming to create large capacity across the value chain.

b) Opportunities and Threats:

Due to availability of indigenous raw materials like cotton, man-made fibres, trained labour and conducive climate for investments into textile would help the Indian manufacturers to withstand competition in the developed world. However, the threat of cheaper imports continues due to recession by foreign countries. This would definitely bring pressure on margins of textile mills.

c) Review and Analysis:

The costs of inputs have increased substantially during the year. The Cotton prices are also high compared to the previous year. The export market was difficult to attack due to cost competitiveness continuing our consistent approach. The Spinning and Weaving unit at Dhamni is well-established and we are able to control operating cost and are continuously in process of reduction of cost.

In order to increase our share in the domestic market and to provide newer varieties of fabric to meet the consumer demand, our Research and Development Department continues to remain actively engaged in development of new shades, finishes and varieties in an economical and environmentally sustainable manner. After the commissioning of new processing facility we are trying to develop different finishes for various fabrics. Efforts are continuously being made for value addition to enable the customer to have accessibility to a wide range for exclusive varieties. Additionally, several fabric blends are being developed with unique finishing processes and chemicals to cater to the ever changing consumer demand.

d) Outlook:

The Current economic scenario appears to be robust as Indian economy is currently growing at the rate of above 8% annually. The expanding economy and increase in organised retail will have a significant impact on textile industry.

Although the outlook for the textile industry is coupled with uncertainty, we are hopeful that with our thrust on improving domestic market and change in production pattern, we can achieve a better performance.



e) Risks and Concerns:

Availability of quality cotton throughout the year at reasonable prices has always been a cause of concern due to crop uncertainty but we can only overcome the same by procuring maximum amount of cotton during 3 months of peak season blocking high capital. All manmade and synthetic fibre prices have started going up due to increase in Petrochemical prices and other cost. Due to appreciation of Rupee, Industry is also facing the risk of import of cheaper textiles into the country. The power situation in the State of Maharashtra is a cause of concern as power supply is short due to supply demand mismatch, prices are higher, and the quality of power is poor. We have to also address the issue of high labour cost and non-availability of skilled and unskilled labour in the area operation. We have to make investments in equipment with high automation requiring less labour force.

f) Internal control systems and their adequacy:

The Company has proper and adequate systems of internal controls in order to ensure that all assets are safeguarded against loss from unauthorised use or disposition and that all transactions are authorised, recorded and reported correctly. Regular internal audits and checks are carried out to ensure that the responsibilities are executed effectively and that adequate systems are in place. The Management continuously reviews the internal control systems and procedures to ensure orderly and efficient conduct of business. The emphasis of internal control will be further strengthened across functions and processes, covering the entire gamut of activities including manufacturing, finance, supply chain sales & distribution, marketing etc. The Company has adopted a Foreign Exchange Risk management policy and also appointed an expert consultant to enable an effective Treasury management of its Foreign Exchange exposure. The implementation of the ERP system shall ensure internal controls in finance, supply chain, sales distribution and marketing.

g) Company's financial performance and analysis:

The turnover and other income of the Company during the year is Rs. 203.91 crores as against Rs. 155.34 crores in the previous year. The operating profit before Depreciation and Taxation is Rs. 94.22 crores as against Rs. 53.23 crores in the previous year. The net profit after depreciation, taxation is Rs. 57.74 crores as against Rs. 33.92 crores in the previous year.

h) Human Resource Development / Industrial Relations:

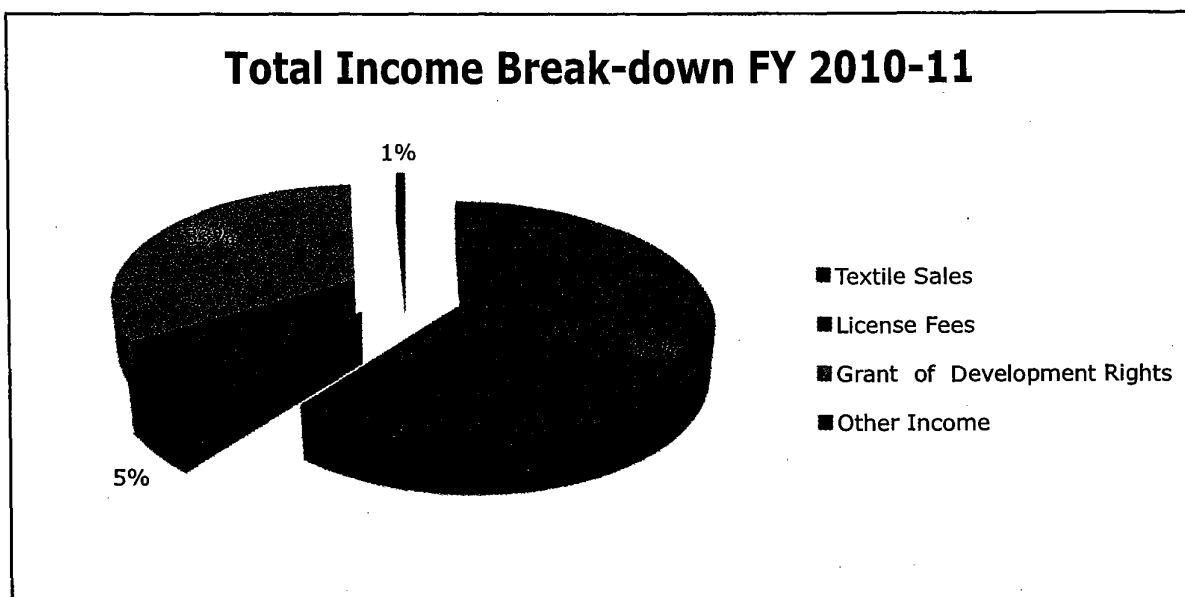
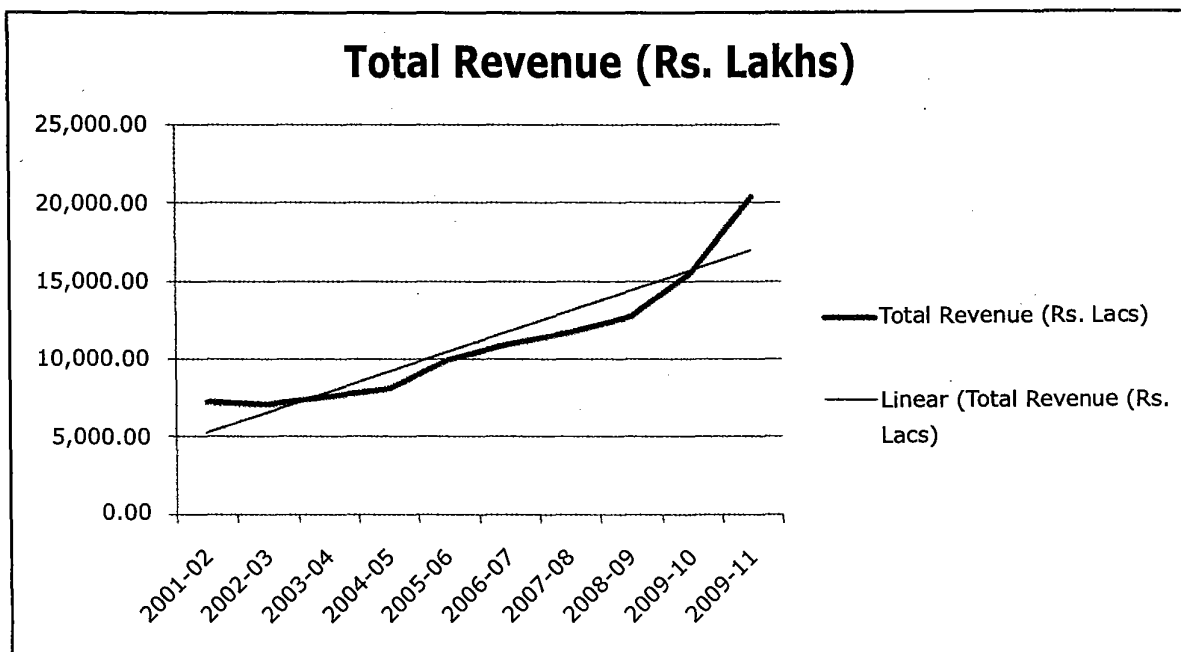
With effective industrial relations and proper communication channels with the workers peace, harmony and discipline is maintained within the organization and has created a productive work environment. The focus is now on continued improved and disciplined work culture. The exercise of the ISO Certification and its continuing audit has brought about awareness amongst the employees and the management.

Industrial relations have continued to be harmonious at both units throughout the year. Measures for safety of employee, training, welfare and development continued to receive top priorities.

i. Cautionary Statement:

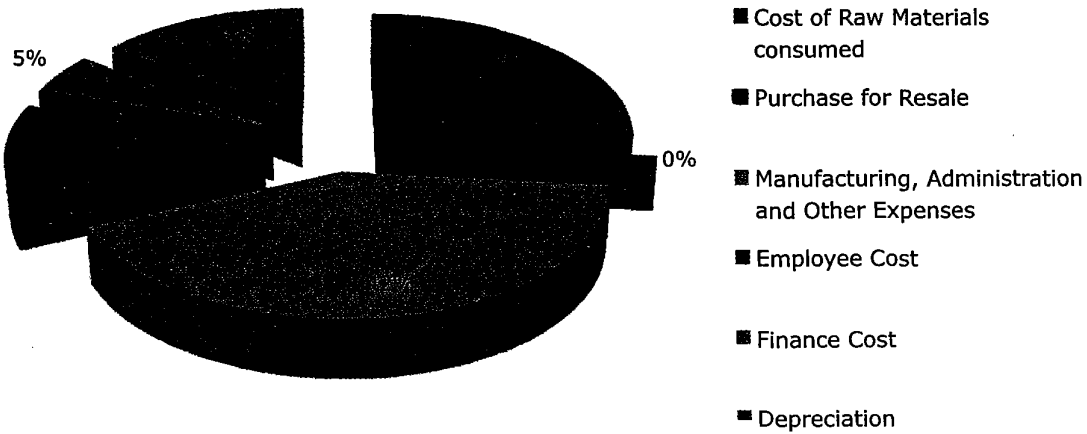
Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable laws or regulations. These statements are based on certain assumptions and reasonable expectation of future events. Actual results could however differ materially from those expressed or implied important factors that could make a difference to the Company's operations included global and domestic demand-supply conditions, finished goods prices, raw materials cost & availability, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of the forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

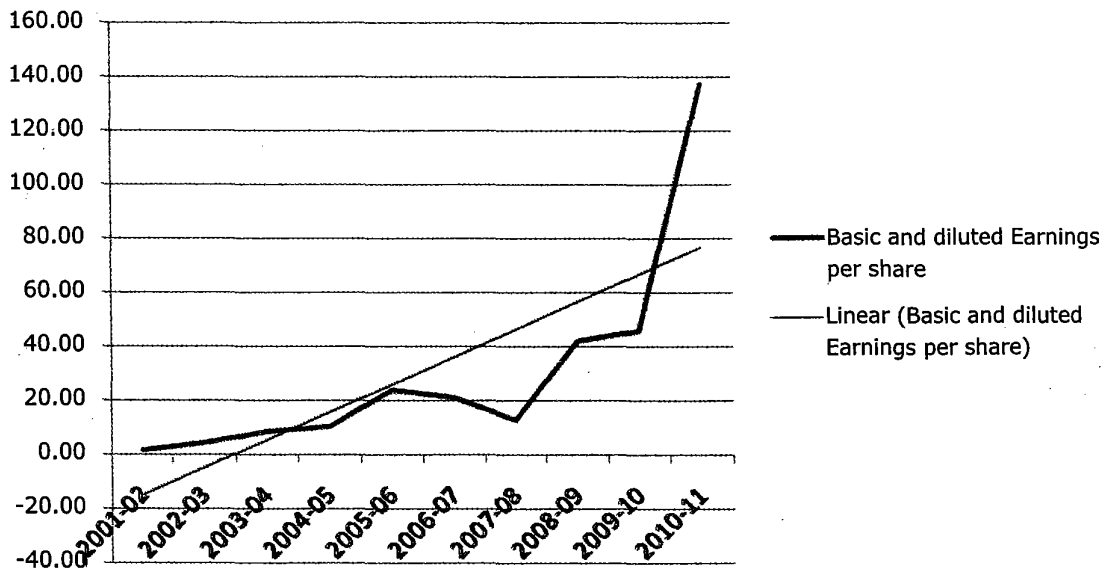




Cost Break-down FY 2010-11



Basic and diluted Earnings per share





AUDITORS' CERTIFICATE

To
The Board of Directors
The Ruby Mills Limited

We have examined the compliance of conditions of Corporate Governance by **The Ruby Mills Limited** ("the Company") for the year ended 31st March 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanation given to us:

- i. We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
- ii. We state that no investor grievance is pending for a period exceeding one year against the Company as per the records maintained by the Company and noted by the Board of Directors/Share Transfer Committee and shareholders/Investors Grievance Committee.
- iii. 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.

For B.S. MEHTA & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number: 106190 W

KRUPA R. GANDHI (MS.)
Partner
Membership No. 49392

Place : Mumbai
Dated : 11th August 2011



AUDITORS' REPORT
For the Financial Year Ended as on 31st March 2011

To
The Members of
THE RUBY MILLS LIMITED

1. We have audited the attached Balance Sheet of **The Ruby Mills Limited** as at 31st March 2011 and the Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. 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 the 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 amount 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, as amended, issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks of the books and records of the Company as considered appropriate and according to the information and explanations to us, we enclose in the Annexure a Statement on the matters specified in paragraph 4 & 5 of the said Order.
4. Further to our comments in Annexure referred to in paragraph 3 above, we report that:
 - i. 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;
 - ii. 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 such books;
 - iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - v. On the basis of written representations received from the Directors of the Company and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956; and
 - vi. In our opinion and to the best of our knowledge and according to the explanations given to us, the said accounts read together with the notes thereon, 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 generally accepted in India:
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011;
 - b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For B.S. Mehta & Co.
Chartered Accountants
Firm's Registration Number: 106190W

KRUPA R. GANDHI (MS.)
Partner.
Membership No. 49392.

Place : Mumbai
Dated : 11th August 2011

Annexure to the Auditors' Report

[Referred to in Paragraph (3) of our report of even date]

- i. a. The Company is maintaining proper records to show full particulars, including quantitative details and situation of fixed assets.
- b. In our opinion, the fixed assets have been physically verified by the management at reasonable intervals, having regard to the size of the Company and the nature of assets. No material discrepancies have been noticed.



- c. In our opinion and according to the information and explanation given to us, on such verification a substantial part of the fixed assets has not been disposed of by the Company during the year.
- ii. a. As explained to us, inventories have been physically verified by the management at regular intervals, except for inventories lying with third parties at the year end for which confirmations have been obtained in most of the cases. In our opinion, the frequency of verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. On the basis of our examination of the inventory records of the Company, we are of the opinion that the Company is maintaining proper records of its inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- iii. a. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956. As the Company has not granted any loans, secured or unsecured, to parties listed in the Register maintained under Section 301 of the Companies Act, 1956, Paragraphs 4 (iii) (b), (c) and (d) of the Order, are not applicable.
- b. The Company has taken unsecured loans from eight parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved at any time during the year and year-end balance of such loans aggregate to Rs. 18,44,75,000 and Rs. 18,06,95,000 respectively.
- c. In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions of loans taken by the Company are not prima facie prejudicial to the interest of the Company.
- d. In respect of loans taken by the Company, the interest payments are regular and the principal amount is repayable on demand.
- iv. According to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. Further on the basis of our examination of the books and records of the Company no major weakness in internal control has been noticed or reported.
- v. a. According to the information and explanations given to us and the records of the Company examined by us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered into the Register required to be maintained under that section.
- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register in pursuance of Section 301 of the Act and exceeding the value of Rupees Five Lakhs in respect of any party during the year, have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time, wherever applicable.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year and hence, the question of complying with the provisions of Section 58A and 58AA or any other relevant provisions of the Act and the rules framed there under does not arise.
- vii. On the basis of the internal audit reports broadly reviewed by us, we are of the opinion that, the coverage of internal audit functions carried out by the firm of chartered accountants 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 account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 in respect of the Company's products to which the said rules are made applicable, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not 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 the records examined by us, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities.
- b. According to the information and explanations given to us and the records examined by us, the particulars of dues of Sales Tax, Income Tax, Wealth-Tax and Excise Duty, wherever applicable, as at March 31, 2011, which have not been deposited on account of a dispute, are referred to in Annexure "A".
- x. The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- xi. According to the information and explanations given to us, as also on the basis of the books and records examined by us, during the year, the Company has defaulted in repayment of dues to banks. An amount of Rs. 14,07,52,372 which was due on December 31, 2010; an amount of Rs.5,50,89,401 which was due on February 7, 2011 and the amount of Rs. 25,36,48,725 which was due at the balance sheet date have remained unpaid on the respective due dates; these amounts have since been paid.**
- xii. According to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund /society.
- xiv. In our opinion and according to the information and explanations given to us, as the Company is not dealing or trading in shares, securities, debentures and other investments, Paragraph 4 (xiv) of the Order relating to the maintenance of the proper records of the transactions and contracts and making of timely entries therein are not applicable. All the investments are held by the Company in its own name.
- xv. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- xvi. 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 raised.
- xvii. Based on the information and explanations given to us and on an overall examination of the balance sheet of the company, in our opinion, there are no funds raised on a short term basis which 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 during the year.
- xix. As the Company has no debentures outstanding any time during the year, paragraph 4(xix) of the Order is not applicable to the Company.
- xx. The Company has not raised any money by public issue during the year.
- xxi. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the year, nor have we been informed of such a case by the Management.

For B.S. Mehta & Co.
Chartered Accountants
Firm's Registration Number: 106190W

KRUPA R. GANDHI (MS.)
Partner.
Membership No. 49392.

Place : Mumbai
Dated : 11th August 2011



ANNEXURE 'A' TO AUDITORS' REPORT
Referred to in Paragraph ix (b) to the Auditors' Report

Sr. No.	Nature of the Dues	Forum where dispute is pending	Amount (Rs. in Lakhs)
1.	Adverse test results	Assistant Commissioner of Central Excise	0.23
2.	Sourced parachutes cloth classification	Assistant Commissioner of Central Excise	7.24
3.	Valuation of fabrics selling distribution profit and administration and interest	Assistant Commissioner of Central Excise	8.06
4.	Clearance on double / folded yarn	Assistant Commissioner of Central Excise	1.47
5.	MODVAT Credit on empty drums	Assistant Commissioner of Central Excise	0.96
6.	MODVAT Credit wrongly availed	Assistant Commissioner of Central Excise	2.08
7.	MODVAT Credit on inputs received from Dhamni Unit	Commissioner of Central Excise, Mumbai IV	326.74
8.	Service tax	CESTAT	0.76
9.	Differential value from Depot Sale	CESTAT	4.34
10.	Interest and Penalty on Cenvat Credit availed on Capital Goods	CESTAT	15.75
		Total (A)	367.63
11.	Interest Capitalisation for Assessment Year 1995-96	High Court	0.45
12.	ICD Interest notionally taxed for the Assessment Year 1998-99	High Court	46.50
13.	ICD Interest notionally taxed for the Assessment Year 2000-01	High Court	47.28
14.	ICD Interest Notionally taxed and Bad debts written off for the Assessment Year 1998-99	High Court	113.84
15.	ICD interest notionally taxed for the Assessment Year 2002-03	High Court	135.92
		Total (B)	343.99
16.	Treatment of Khandala Holiday Home as a non business asset and valuation of other immovable assets (Assessment Year 1998-99)	Income Tax Apellate Tribunal	0.47
17.	Treatment of Sale of CIDCO leasehold rights (Assessment Year 2005-06)	Income Tax Apellate Tribunal	34.93
		Total (C)	35.40
18.	Penalty under Section 271 (1) (Assessment Year 2005-06)	Commissioner of Income Tax (Appeals)-XIII	53.85
19.	Addition under Section 145 and Section 69C of the Act (Assessment Year 2007-08)	Commissioner of Income Tax (Appeals)-XIII	140.39
20.	Mark to Market derivative losses, Depreciation on Leased assets etc.(Assessment Year 2008-09)	Commissioner of Income Tax (Appeals)-XIII	123.07
		Total (D)	317.31
		Total (B+C+D)	696.70
		Total (A+B+C+D)	1064.33



BALANCE SHEET AS AT MARCH 31, 2011

SOURCES OF FUNDS :	SCHEDULE	Rupees	As at	As at
			March 31, 2011	March 31, 2010
			Rupees	Rupees
Shareholders' Funds				
Share Capital	1	4,18,00,000		4,18,00,000
Reserves and Surplus	2	148,14,15,741		93,02,36,675
			152,32,15,741	97,20,36,675
Loan Funds				
Secured Loans	3	440,74,54,259		414,79,26,858
Unsecured Loans	4	49,41,54,422		12,23,50,000
			490,16,08,681	427,02,76,858
Deferred Tax Liability (Net)			10,50,35,774	10,59,63,680
Total			652,98,60,196	534,82,77,213
APPLICATION OF FUNDS:				
Fixed Assets	5			
Gross Block		323,50,49,023		273,95,93,235
Less: Accumulated Depreciation		114,91,64,608		95,60,43,572
Net Block		208,58,84,415		178,35,49,663
Capital Work-In-Progress (Includes Capital Advances Rs. 1,11,98,853) (Previous Year Rs. 19,21,666)		38,10,48,190	246,69,32,605	7,64,97,220 186,00,46,883
Investments	6		48,962	48,962
Current Assets, Loans and Advances				
Inventories	7	40,27,41,887		26,85,75,315
Sundry Debtors	8	11,55,17,692		10,71,29,758
Cash and Bank Balances	9	8,20,12,185		7,71,96,464
Other Current Assets	10	11,21,75,028		8,34,02,729
Loans and Advances	11	483,78,55,749		408,14,55,534
		555,03,02,541		461,77,59,800
Less: Current Liabilities and Provisions				
Current Liabilities	12	146,14,58,757		110,85,19,923
Provisions	13	2,59,65,155		2,10,58,509
		148,74,23,912		112,95,78,432
Net Current Assets			406,28,78,629	348,81,81,368
Total			652,98,60,196	534,82,77,213
Significant Accounting Policies	21			
Notes to Accounts	22			

As per our Report of even date attached

FOR B.S.MEHTA & CO.
Chartered Accountants
Firm's Registration Number 106190W

KRUPA R. GANDHI (MS.)
Partner
Membership No. 49392

Place : Mumbai
Date : 11th August 2011

For and on behalf of the Board of Directors

M. C. SHAH	Executive Chairman
H. M. SHAH	Managing Director
B. M. SHAH	Jt. Managing Director
D. S. SOMAN	Director
JAYALAKSHMI ANSHUMAN	Company Secretary & Financial Controller



Ninety Fifth Annual Report 2010-2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

INCOME	SCHEDULE	For the year ended	
		March 31, 2011	March 31, 2010
		Rupees	Rupees
Sales	14	123,90,02,330	119,04,02,964
License Fees		10,98,93,990	11,63,03,072
(Tax deducted at source Rs. 1,14,50,484; Previous Year Rs. 2,43,15,928)			
Grant of Development Rights			240,925,000
(Refer Note 6 (a)(iv) to Accounts under Schedule 22)		67,52,63,585	
Other Income	15	1,49,12,852	57,94,576
Total		203,90,72,757	155,34,25,612
EXPENDITURE			
(Increase) / Decrease in Inventories	16	(14,06,66,255)	(3,58,13,976)
Cost of Raw Materials consumed	17	38,64,52,044	33,26,16,326
Purchase for Resale		-	5,48,270
Manufacturing, Administration and Other Expenses	18	60,51,49,859	55,49,32,283
Employee Cost	19	16,77,32,976	15,81,71,508
Finance Cost	20	7,82,12,891	1,06,68,606
Depreciation	5	21,54,17,007	15,91,40,959
Total		131,22,98,522	118,02,63,976
Profit / (Loss) Before Taxation, Prior Period and Exceptional Items		72,67,74,235	37,31,61,636
Less : Provision for Taxation			
- Current Tax		15,00,00,000	3,80,00,000
- Deferred Tax		(9,27,906)	(43,22,923)
- Wealth Tax		3,00,000	2,65,000
Profit / (Loss) After Taxation and Before Prior Period and Exceptional Items		57,74,02,141	33,92,19,559
Add / (Less) : Prior Period Income / (Expenses)			
(Net) (Refer Note 4 to Accounts under Schedule 22)		(18,51,844)	2,078,377
Exceptional Item-(Income)/Expense (Refer Note 4 to Accounts under Schedule 22)		-	15,00,00,000
Profit / (Loss) After Taxation, Prior Period and Exceptional Items:		57,55,50,296	19,12,97,936
Add : Balance brought forward from the previous year		30,93,94,708	15,67,93,755
Profit available for Appropriations		88,49,45,005	34,80,91,691
Less : Appropriations :			
Transferred to General Reserve		5,76,00,000	1,92,00,000
Proposed Equity Dividend		2,09,00,000	1,67,20,000
Tax on Proposed Equity Dividend		34,71,229	27,76,983
		8,19,71,229	3,86,96,983
Balance carried to Balance Sheet		80,29,73,776	30,93,94,708
Basic and diluted Earnings per share		137.69	45.77
Significant Accounting Policies	21		
Notes to Accounts	22		

As per our Report of even date attached

For and on behalf of the Board of Directors

FOR B.S.MEHTA & CO.

Chartered Accountants

Firm's Registration Number 106190W

KRUPA R. GANDHI (MS.)

Partner

Membership No. 49392

Place : Mumbai

Date : 11th August 2011

M. C. SHAH

Executive Chairman

H. M. SHAH

Managing Director

B. M. SHAH

Jt. Managing Director

D. S. SOMAN

Director

JAYALAKSHMI ANSHUMAN

Company Secretary &
Financial Controller

**SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011**

	Rupees	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
SCHEDULE 1 : SHARE CAPITAL			
Authorised :			
50,00,000 Equity Shares of Rs. 10 each.		<u>5,00,00,000</u>	<u>5,00,00,000</u>
Issued, Subscribed and Paid-up :			
41,80,000 Equity Shares of Rs. 10 each fully paid-up		<u>4,18,00,000</u>	<u>4,18,00,000</u>
Of the above :			
1,925 shares were allotted as fully paid-up pursuant to a contract without payment being received in cash			
33,30,000 shares were allotted as fully paid-up by way of bonus shares by capitalisation of General Reserve			
TOTAL		<u><u>4,18,00,000</u></u>	<u><u>4,18,00,000</u></u>
 SCHEDULE 2 : RESERVES AND SURPLUS			
Securities Premium			
Balance as per last Balance Sheet		<u>20,83,38,100</u>	<u>20,83,38,100</u>
Capital Reserve			
Balance as per last Balance Sheet		<u>11,90,862</u>	<u>11,90,862</u>
Central / State Capital Subsidy (Refer note 1 below)			
Balance as per last Balance Sheet		<u>17,90,429</u>	<u>17,90,429</u>
General Reserve			
Balance as per last Balance Sheet	<u>40,95,22,576</u>		
Add : Transferred from the Profit and Loss Account	<u>5,76,00,000</u>	<u>46,71,22,576</u>	<u>40,95,22,576</u>
Profit and Loss Account			
As per Account Annexed		<u>80,29,73,775</u>	<u>30,93,94,708</u>
TOTAL		<u><u>148,14,15,741</u></u>	<u><u>93,02,36,675</u></u>

Note 1 : Received on Investment in Plant and Machinery.



SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011,

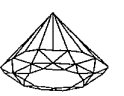
	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
SCHEDULE 3 : SECURED LOANS		
TERM LOANS :		
From Banks		
Under Textile Upgradation Fund Scheme	118,88,88,461	114,15,10,623
(Repayable within one year Rs. 18,23,97,293 [P.Y. Rs.12,06,92,000]) [Secured by first pari passu charge created by joint mortgage by deposit of title deeds of immovable properties situated at Dhamni and plant and machinery at Dadar and Dhamni and Khursundi. Further secured by second pari passu charge created by joint hypothecation of all tangible movable assets, both present and future, (save and except book debts) of the Company. Further secured by the Personal Guarantees of two of the Directors]		
Others	310,19,33,309	293,52,05,545
(Repayable within one year Rs. 219,16,66,000 [P.Y. Rs.97,50,00,000]) (Secured by pari passu charge created by joint mortgage of land admeasuring 12,204.58 sq mts together with the building structure on Dadar Land. Further secured by the Personal Guarantees of two of the Directors) (Refer Note 6 to Accounts under Schedule 22)		
CASH CREDIT / WORKING CAPITAL DEMAND LOANS :		
From Banks :	11,66,32,489	7,12,10,690
[Secured by first pari passu charge created by joint hypothecation of stocks, book debts and other tangible movable assets of the Company. Further, secured by second pari passu charge created by joint mortgage by deposit of title deeds of Dhamni Land and all plant and machinery of the Company. Further secured by the Personal Guarantees of two of the Directors]		
TOTAL	440,74,54,259	414,79,26,858
SCHEDULE 4 : UNSECURED LOANS		
From:		
- Directors	8,55,55,000	5,48,25,000
- Companies	40,85,99,422	6,75,25,000
TOTAL	49,41,54,422	12,23,50,000

SCHEDULE " 5 " FIXED ASSETS FORMING PART OF THE BALANCE SHEET AS ON MARCH 31, 2011

Fixed Assets	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at April 1, 2010	Additions for the year	Deductions Adjustments	As at March 31, 2011	As at April 1, 2010	Additions for the year	Deductions Adjustments	As at March 31, 2011	As at March 31, 2011	As at March 31, 2010
Land - Freehold	4,19,53,210	5,50,00,000	-	9,69,53,210	-	-	-	-	9,69,53,210	4,19,53,210
Land - Freehold (Under Development) (Refer Note No. 6 to Accounts under Schedule 22)	92,912	-	-	92,912	-	-	-	-	92,912	92,912
Land- Leasehold	6,96,419	-	-	6,96,419	-	-	-	-	6,96,419	6,96,419
Live Stock	-	1,20,015	-	1,20,015	-	-	-	-	1,20,015	-
Buildings:										
On Freehold Land	55,97,96,524	-	-	55,97,96,524	13,02,27,110	3,72,23,264	-	16,74,50,374	39,23,46,149	42,95,69,414
On Leasehold Land	1,35,08,387	-	-	1,35,08,387	76,94,284	2,42,019	-	79,36,283	55,72,104	58,14,123
Given On Lease (a)	4,00,96,860	40,04,63,254	-	44,05,60,114	80,94,950	25,87,539	-	1,06,82,489	42,98,77,625	3,20,01,910
Plant & Machinery (a) & (b)	193,73,81,982	5,58,09,364	1,50,04,492	197,81,86,854	72,84,10,878	16,26,27,672	1,35,56,282	87,74,82,268	110,07,04,586	120,89,71,104
Given On Lease	33,90,790	-	-	33,90,790	15,86,861	3,50,608	-	19,37,469	14,53,321	18,03,929
Computers	2,31,95,053	69,15,733	-	3,01,10,787	1,80,50,816	37,40,089	-	2,17,90,905	83,19,882	51,44,237
Furniture & Office Equipment	8,40,92,665	6,13,491	-	8,47,06,156	3,83,30,162	55,27,342	-	4,38,57,504	4,08,48,652	4,57,62,502
Given On Lease	9,72,314	-	-	9,72,314	3,91,733	80,759	-	4,72,492	4,99,822	5,80,581
Vehicles	3,11,04,918	19,31,379	1,03,92,957	2,26,43,340	1,99,48,596	30,37,715	87,39,689	1,42,43,622	83,99,718	1,11,59,322
Technical Knowhow Fees	33,11,201	-	-	33,11,201	33,11,201	-	-	33,11,201	-	-
TOTAL RUPEES	273,95,93,235	52,08,53,237	2,53,97,449	323,50,49,023	95,60,43,572	21,54,17,007	2,22,95,971	114,91,64,608	208,58,84,415	178,35,49,663
Capital Work-in-Progress (incl. advances)									38,10,48,190	7,64,97,220
TOTAL RUPEES	273,95,93,235	52,08,53,237	2,53,97,449	323,50,49,023	95,60,43,572	21,54,17,007	2,22,95,971	114,91,64,608	246,69,32,605	186,00,46,883
PREVIOUS YEAR	190,56,40,167	84,25,90,249	86,37,182	273,95,93,235	80,41,79,797	15,91,40,958	72,77,183	95,60,43,572	178,35,49,663	110,14,60,370

NOTE:

- a. Additions includes borrowing cost capitalised of Rs. 6,71,50,316/- (Previous Year Rs.2,94,39,060/-) - Building & Plant and Machinery
- b. Additions to Plant & Machinery is net of Capital Subsidy Rs. 15,61,875/- (Previous Year: Rs.4,59,22,379/-)





SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011

SCHEDULE 6 : INVESTMENTS	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
Equity Shares		
- 90 shares (PY: 50 shares) of The New Piece Goods Bazar Co. Limited	27,750	27,750
- 150 shares of Art Silk Co-op Limited	-	-
Government Securities:		
- 3% Govt. of India conversion Loan 1986 [Deposited with Cenral Excise Authorities Rs. Nil/- (P.Y. Rs. Nil)]	19,212	19,212
- 7 Years National Savings Certificates (Deposited with government authorities)	2,000	2,000
TOTAL	48,962	48,962

INVESTMENTS	As at 31st March, 2011		As at 31st March, 2010	
AGGREGATE VALUE OF	Book Value Rupees	Net Asset Value Rupees	Book Value Rupees	Market Value Rupees
Unquoted Investments	48,962	NA	48,962	NA



SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
SCHEDULE 7 : INVENTORIES		
(As per Inventories taken, valued and certified by the Management)		
Raw materials	5,00,45,409	5,25,51,337
Finished goods	9,505,435	1,02,32,008
Work-in-progress	31,17,43,549	18,50,06,155
Waste	7,00,317	4,26,489
Stores and spares	2,60,51,054	1,74,92,353
Liquid fuel	46,96,123	28,66,973
TOTAL	40,27,41,887	26,85,75,315
SCHEDULE 8 : SUNDRY DEBTORS		
Unsecured and Considered good		
For a period exceeding six months	2,28,78,510	20,19,767
Others	9,26,39,182	10,51,09,991
TOTAL	11,55,17,692	10,71,29,758
SCHEDULE 9 : CASH AND BANK BALANCES		
Cash on hand	7,42,705	2,37,157
Cheques on hand	3,34,168	26,86,725
Balances with Scheduled Banks :		
- On Current accounts	1,78,48,675	3,46,81,155
- On Margin accounts (includes interest accrued Rs.8,57,643 Previous year Rs.5,74,496)	5,74,36,648	3,42,97,205
- On Fixed deposit account (includes interest accrued Rs.3,85,951 Previous year Rs.2,51,817)	56,49,990	52,94,222
TOTAL	8,20,12,185	7,71,96,464
SCHEDULE 10 : OTHER CURRENT ASSETS		
Capital Subsidy Receivable under TUF	4,74,84,254	4,59,22,379
Interest Receivable (TUF loan subsidy)	6,06,33,416	3,34,22,993
Sales Tax Set off Receivable	3,727,608	37,27,608
Export Incentives Receivable	1,86,084	1,86,084
Duty Drawback	1,43,665	1,43,665
TOTAL	11,21,75,028	8,34,02,729
SCHEDULE 11 : LOANS AND ADVANCES :		
Unsecured and Considered good		
Advance for Development Rights	3,25,00,000	3,25,00,000
Due from Developer (Refer Note 6 to Accounts under schedule 22)	478,97,16,403	398,88,53,108
Advances recoverable in cash or in kind or for value to be received	1,49,41,374	92,26,963
Taxes Paid in Advance (including Fringe Benefit Tax)	27,89,42,519	17,45,21,723
Less : Provision for Tax	30,07,57,390	(14,79,80,407)
	(2,18,14,871)	2,65,41,316
Balance with the Central Excise Authorities (Refer Note 3 to Accounts under Schedule 22)	1,06,41,044	1,06,41,044
Deposits	1,18,71,798	1,36,93,103
TOTAL	483,78,55,749	408,14,55,534



SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011

SCHEDULE 12 : CURRENT LIABILITIES	Rupees	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
Sundry Creditors (Refer Note 16 to Accounts under Schedule 22)			
Dues of Micro Enterprises and Small Enterprises	35,93,875		68,31,600
Dues of Others	<u>84,34,32,415</u>		61,00,57,463
		84,70,26,290	61,68,89,063
Security Deposits Received		57,55,30,202	41,33,49,571
Unclaimed Dividend		5,58,025	4,41,032
Other Liabilities		3,83,44,240	7,78,40,257
TOTAL		<u>146,14,58,757</u>	<u>110,85,19,923</u>
 SCHEDULE 13 : PROVISIONS			
Provision for Wealth Tax		28,15,683	27,83,283
Less : Advance Payment of Wealth Tax		12,21,757	12,21,757
		15,93,926	15,61,526
Proposed Equity Dividend		2,09,00,000	1,67,20,000
Tax on Proposed Equity Dividend		34,71,229	27,76,983
TOTAL		<u>2,59,65,155</u>	<u>2,10,58,509</u>



THE RUBY MILLS LTD.

SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	Rupees	For the year ended on	
		March 31, 2011 Rupees	March 31, 2010 Rupees
SCHEDULE 14 : SALES			
Sales	123,76,59,679		119,00,90,716
Less: Excise Duty on Garments	46,911	123,76,12,768	-
Processing Charges		13,89,562	3,12,248
TOTAL		123,90,02,330	119,04,02,964
SCHEDULE 15 : OTHER INCOME			
Dividend received		6,400	27,53,010
Profit on Sale of Fixed Assets (net)		14,75,260	8,57,934
Accounts Written back		926,069	-
Export Incentives		1,88,208	4,18,153
Bad Debts Recovered		-	50,000
Miscellaneous Income		1,23,16,915	17,15,479
TOTAL		1,49,12,852	5,794,576
SCHEDULE 16 : (INCREASE) / DECREASE IN INVENTORIES			
Closing Stock			
- Finished Goods	95,05,435		1,02,32,008
- Work In Progress	31,17,43,549		18,50,06,155
- Waste	7,00,317		4,26,489
		32,19,49,301	19,56,64,652
Add: Stock Loss by Fire		1,43,81,606	-
Less : Opening Stock			
- Finished Goods	1,02,32,008		2,85,18,516
- Work In Progress	18,50,06,155		13,12,10,600
- Waste	426,489		1,21,560
		19,56,64,652	15,98,50,676
TOTAL		(14,06,66,255)	(3,58,13,976)



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SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

SCHEDULE 17 : COST OF RAW MATERIAL CONSUMED	For the year ended on	
	March 31, 2011 Rupees	March 31, 2010 Rupees
Opening Stock	5,25,51,337	4,43,20,685
Add : Purchases	38,39,46,116	34,08,46,978
	43,64,97,453	38,51,67,663
Less : Closing stock	5,00,45,409	5,25,51,337
TOTAL	38,64,52,044	33,26,16,326
SCHEDULE 18 : MANUFACTURING, ADMINISTRATION & OTHER EXPENSES		
Stores, Spares, Dyes and Chemicals consumed	16,81,05,591	15,62,85,934
Weaving and Processing Charges	3,40,08,559	3,28,80,610
Power, Fuel and Water charges	25,96,34,956	23,67,88,812
Rent	53,54,145	28,00,047
Rates and Taxes	63,59,304	74,28,150
Repairs and Maintenance :		
- Buildings	17,72,432	7,56,789
- Plant and Machinery	36,41,095	92,16,556
- Others	85,70,408	78,08,732
	1,39,83,935	1,77,82,077
Insurance	30,18,986	13,74,470
Brokerage and Commission	4,96,04,764	3,98,70,538
Discount on Sales	88,95,179	84,23,576
Freight and Forwarding	40,867	14,68,467
Travelling, Conveyance and Vehicle Expenses	1,21,91,387	1,03,79,499
Legal and Professional Fees	62,00,077	66,89,535
Loss on sale of Investments	-	1,07,46,481
Donations	68,01,000	50,83,103
Directors' Sitting Fees	5,37,500	5,62,500
Auditors' Remuneration :		
- Audit Fees	7,72,100	3,48,775
- Tax Audit Fees	1,10,300	1,10,300
- Other Services	2,20,600	1,20,218
	11,03,000	5,79,293
Cost Audit Fees	51,635	32,000
Miscellaneous Expenses	2,92,58,973	1,57,57,191
TOTAL	60,51,49,859	55,49,32,283

**SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011**

	For the year ended on	
	March 31, 2011	March 31, 2010
	Rupees	Rupees
SCHEDULE 19 : EMPLOYEE COST		
Salaries, Wages and Bonus	11,58,53,637	9,83,57,513
Contribution to Provident Fund and Other Funds	5,604,858	1,05,71,611
Staff Welfare Expenses	37,74,969	18,42,384
Managerial Remuneration (Refer Note 8 to Accounts under Schedule 22)	4,24,99,512	4,74,00,000
TOTAL	16,77,32,976	15,81,71,508
SCHEDULE 20 : FINANCE COST		
Interest		
- On Term Loans*	5,98,85,204	4,21,98,621
- Others	1,61,54,281	1,43,84,130
Bank Charges	45,62,434	74,58,940
	8,06,01,919	6,40,41,691
Less : Interest Income :		
From		
- Fixed deposit with banks	3,85,952	2,51,817
- Margin deposits with Banks	26,05,687	7,14,112
- Others	5,78,871	8,80,649
(Tax deducted at source Rs.5,75,680, Previous Year Rs. 2,26,493)		
Others	35,70,510	18,46,578
	31,82,039	29,25,172
	67,52,549	4,771,750
Foreign Exchange Loss / (Gain) (net)	43,63,521	(4,86,01,335)
TOTAL	7,82,12,891	1,06,68,606

* Net of subsidy of Rs.5,25,48,120 (Previous year Rs.4,27,41,390) under the Textile Upgradation Fund scheme of the Government of India.



SCHEDULES TO THE BALANCE SHEET AS AT MARCH 31, 2011 AND TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

SCHEDULE 21: SIGNIFICANT ACCOUNTING POLICIES

1. Overall Valuation Policy:

The Accounts have been prepared on a going concern basis under historical cost convention.

2. Basis of Accounting:

The accounts have been prepared on accrual basis, in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, which have been prescribed by the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956. Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard or a more appropriate presentation of the financial statements requires a change in the accounting policy hitherto in use.

The preparation of the financial statements in conformity with the generally accepted accounting principles requires Management to make estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reporting period, the reported amounts of assets and liabilities and the disclosures relating to the contingent liabilities on the date of the financial statements. Examples of such estimates include useful lives of Fixed Assets, provision for doubtful debts/advances, deferred tax etc. Actual results could differ from those estimates.

3. Revenue Recognition:

- a) Domestic Sales is recognised on transfer of significant risks and rewards of ownership which is on the despatch of goods. Export Sales are accounted for on the basis of the dates of 'On Board Bill of Lading'.
- b) License fees are recognised over the period of Leave & License Agreements.
- c) Income from processing charges is accounted on the despatch of processed goods to customers.
- d) Export Benefits are accounted in the year of export.
- e) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- f) Dividend income is recognised when the right to receive dividend is established.

4. Fixed Assets:

- a) Fixed Assets are valued at cost less depreciation.
- b) The Cost of Fixed Asset comprises its purchase price net of capital subsidy receivable, including non-refundable taxes duties and directly attributable cost of bringing the asset to its working condition for its intended use.
- c) Borrowing costs, for the assets that necessarily take a substantial period of time to get ready for its intended use are capitalised to the cost of assets.
- d) Expenditure and outlays of money on incomplete Fixed Assets are shown as capital work-in-progress until such time the same are completed. Capital work-in-progress is stated at cost.

5. Depreciation:

- a) Depreciation is calculated at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 as under:-
 - i. Plant and Machinery capitalised on or after April 1, 1988 on Straight Line basis.
 - ii. All other assets, on Written Down Value basis.
- b) Depreciation, in respect of each item of depreciable asset so provided is equal to or not less than the depreciation which is required to be provided at the rates specified in Schedule XIV of the Companies Act, 1956.
- c) In respect of Fixed Assets whose actual cost does not exceed Rs. 5,000/-, depreciation is provided at 100% in the year of addition.

6. Investments:

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

7. Inventory Valuation:

- a) Raw Materials, Materials in Process, Finished Goods, Goods for Trade, Stores, Spares and Liquid Fuel are valued at the lower of Cost and Net Realisable Value.
- b) Cost comprises all cost of purchases, cost of conversion and cost incurred in bringing the inventory to their present location and condition.



- c) Due allowances are made for obsolete inventory based on technical estimates made by the Company.
- d) Waste is valued at the net realisable value.

8. Transactions in Foreign Currency:

- a) Transactions in Foreign Currencies are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- b) Monetary items which are denominated in foreign currency are translated at the exchange rates prevailing at the Balance Sheet date and profit/loss on translation thereon is credited / charged to the Profit and Loss account.
- c) Pursuant to the adoption of Companies (Accounting Standard) Rules, 2006 with effect from April 1, 2007, exchange differences arising on settlement or restatement of foreign currency denominated liabilities relating to the acquisition of fixed asset are recognised in the Profit and Loss account.

9. Employee Benefits:

a) Defined Contribution Plan

Contribution as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 towards Provident Fund and Family Pension Fund are provided for and payments in respect thereof are made to the relevant authorities on actual basis.

b) Defined Benefit Plan

Gratuity - In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("Gratuity Plan") covering all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. Liability with regard to Gratuity Plan is the years accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary. Actuarial gain or loss is recognised immediately in the statement of the profit and loss as income or expense. The Company makes contributions to The Ruby Mills Ltd. Staff & Gratuity Trust and The Ruby Mills Workmen's Gratuity Trust.

Compensated Absences - The Company provides for the encashment of absence or absence with pay based on policy of the Company in this regard. The employees are entitled to accumulate such absence subject to certain limits, for the future encashment or absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an independent actuarial valuation.

10. Government Grants:

Grants, in the nature of interest subsidy under the Technology Upgradation Fund Scheme (TUFS), are accounted for when it is reasonably certain that ultimate collection will be made. Government grants specifically related to fixed assets under Capital subsidy scheme of TUFS are reduced from the value of the fixed assets and shown as receivable under Other Current Assets in the Balance Sheet.

11. Borrowing Costs:

- a) Borrowing costs, less any income on the temporary investment out of those borrowings, that are directly attributable to acquisition, construction or production of a qualifying asset are capitalised as a part of the cost of that asset.
- b) Other borrowing costs are recognised as expense in the period in which they are incurred.

12. Leases:

Assets taken on lease, under which all the risks and rewards of ownership are effectively retained by the lessor, are classified as operating lease. Operating lease payments are recognised as expense in the Profit and Loss Account on a straight-line basis over the lease term.

13. Taxation:

- a) **Current Tax:** Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year.
- b) **Deferred Tax:** In accordance with the Accounting Standard 22 - "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India, the deferred tax for the timing differences is measured using the tax rates and tax laws that have been enacted or substantially enacted at the Balance Sheet date. Deferred tax assets arising from the timing differences are recognised only on the consideration of prudence.



14. Impairment of Assets:

If internal / external indications suggest that an asset of the company may be impaired, the recoverable amount of asset / cash generating unit is determined on the Balance Sheet date and if it is less than its carrying amount, the carrying amount of the asset / cash generating unit is reduced to the said recoverable amount. Subsequently, if there is a change in the indication, since the last impairment was recognised, so that recoverable amount of an asset exceeds its carrying amount, an impairment recognised for an asset in prior accounting period is reversed. The recoverable amount is measured as the higher of the net selling price and value in use of such assets / cash generating unit, which is determined by the present value of the estimated future cash flows.

15. Provisions, Contingent Liabilities and Contingent Assets:

- a) The Company recognizes as Provisions, the liabilities being present obligations arising from past events, the settlement of which is expected to result in an outflow of resources and which can be measured only by using a substantial degree of estimation.
- b) Contingent Liability is disclosed by way of a note to the financial statements after careful evaluation by the management of the facts and legal aspects of the matters involved.
- c) Contingent Assets are neither recognized nor disclosed.

16. Segment Accounting:

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- a) Segment revenue includes sales/lease rent and other income directly identifiable with/allocable to the segment.
- b) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under "Unallocable Corporate Expenditure".
- c) Income which relates to the Company as a whole and not allocable to segments is included in "Unallocable Corporate Income."
- d) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities are those that relate to the Company as a whole and not allocable to any segment.



SCHEDULE TO THE BALANCE SHEET AS AT MARCH 31, 2011 AND TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

SCHEDULE 22 : NOTES TO ACCOUNTS

1. Particulars	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	11,54,30,347	1,02,37,220
Less : Advances	(1,11,98,853)	(19,21,666)
Net Estimated amount	10,42,31,494	83,15,554
b) Contingent Liabilities not provided for :		
i) Bank Guarantees (In Lieu of Cash Deposits)	1,32,09,100	1,31,49,675
ii) Disputed liability in respect of Income Tax demand (including interest) matters under appeal.	6,96,69,000	6,31,26,000
iii) Disputed liability in respect of Excise Duty matters under appeal (Amount deposited Rs. NIL)	3,67,63,000	3,67,63,000
iv) Claims by Ex-employees pending in labour court	Amount unascertainable	Amount unascertainable
v) Disputed Liability paid under protest in respect of Employees' PF under section 8F of EPF Act, 1952	15,65,934	NIL
2) The balance of Sundry Debtors and Sundry Creditors as at March 31, 2011 are subject to confirmation / reconciliation, where applicable.		
3) The balance with Central Excise Authorities includes Rs.96,37,761 being the amount of unutilised credit of additional duty of Central Excise claimed as refund by the Company. The Central Excise Department had rejected the refund of this amount against which the company had filed an appeal before the Honourable High Court of Bombay on March 29, 2007 which is subsequently admitted by the Honourable High Court on March 25, 2008.		
4) Prior Period Items :- Nature of Prior Period Items shown in the Profit & Loss Account :		

Particulars	For the Year ended on March 31, 2011	For the Year ended on March 31, 2011
Income relating to earlier years	1,51,137	23,28,711
Expenses relating to earlier years	20,02,981	2,50,334
Prior Period adjustments (Net)	(18,51,844)	20,78,378



5) Disclosure pursuant to Accounting Standard-15 "Employee Benefits"

a) Consequent to adoption of Accounting Standard 15 (Revised 2005) on "Employee Benefits" issued by the Institute of Chartered Accountants of India, as required by the Standard, the following disclosures are made :

Reconciliation of opening and closing balances of the present value of the defined benefit obligation	Gratuity (Funded) Rupees 2010-11	Gratuity (Funded) Rupees 2009-10	Compensated Absence Rupees 2010-11	Compensated Absence Rupees 2009-10
Change in present value of obligations				
Present value of obligation at the beginning of the year	2,94,12,259	2,80,16,838	32,41,280	31,92,445
Current Service Cost	38,01,717	53,97,719	36,11,980	30,79,205
Interest Cost	23,30,231	17,41,902	2,21,373	1,86,510
Past service cost - (Vested benefits)	5,34,024	NIL	NIL	NIL
Actuarial (gain)/loss	-1,44,240	-37,89,761	-29,72,823	-29,26,680
Benefits Paid	-17,62,761	-19,54,439	-3,49,052	-2,90,200
Present value of obligation at the end of the year	3,41,71,230	2,94,12,259	37,52,758	32,41,280
Changes in plan assets				
Fair value of plan assets as at the beginning of the year	2,85,11,789	3,11,12,585	NIL	NIL
Adjustment to opening balance	80,15,034	-29,57,918	NIL	NIL
Expected return on plan assets	21,04,838	17,53,202	NIL	NIL
Actuarial gain / (loss)	-14,41,707	-33,76,641	NIL	NIL
Contributions	74,71,000	39,35,000	3,49,052	2,90,200
Benefits paid	-17,62,761	-19,54,439	-3,49,052	-2,90,200
Fair value of plan assets as at the end of the year	4,28,98,193	2,85,11,789	NIL	NIL
Reconciliations of present value for the obligation and the fair value of plan assets				
Fair value of plan assets at the end of the year	4,28,98,193	2,85,11,789	NIL	NIL
Present value of the defined benefit obligations at the end of the year	3,41,71,230	2,94,12,259	37,52,758	32,41,280
Net Liability/(Asset) recognized in the Balance Sheet	87,26,963	-900,470	37,52,758	32,41,280
Cost for the year				
Current service cost	38,01,717	53,97,719	36,11,980	30,79,205
Interest cost	23,30,231	17,41,902	2,21,373	1,86,510
Expected return on plan assets	-21,04,838	-17,53,202	NIL	NIL
Actuarial (gain) / loss	12,97,467	-4,13,120	-29,72,823	-29,26,680
Past service cost - (Vested benefits)	5,34,024	NIL	NIL	NIL
Net Cost recognized in the Profit and Loss Account	58,58,601	49,73,299	8,60,530	3,39,035
Assumptions used to determine the benefit obligations :				
Mortality		LIC (1994-96) Ult.		LIC (1994-96) Ult.
Interest / discount rate	8%	8%	8%	8%
Estimated rate of return on plan assets	6%	6%	NIL	NIL
Expected rate of increase in compensation	5%	5%	5%	5%
Actual return on plan assets		NIL		NIL

b) The estimate of future compensation increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors

- 6) a) i) The Company has entered into a Development Agreement ("the DA") with a Developer whereby the Company has granted the development rights to develop approximately 36,000 square metres of constructed area ("the Development Rights") on 12,204 square metres out of its freehold land at Dadar ("the said property").
- ii) In terms of the DA and further agreements/undertakings between the Company and the Developer, since the Developer is to reimburse the cost of construction incurred by the Company and such further costs (including interest on borrowings for the said construction) that may be incurred by the Company, the cost incurred upto March 31, 2011 for construction of Information Technology ("IT/ITES") Park (net of amounts received from the developer in terms of DA) amounting to Rs.478,97,16,403 (Previous year Rs. 398,88,53,108) is shown as "Due from developer" under "Loans and Advances" in Schedule 11.
- iii) The proportionate carrying cost of 12,204 square metres of land of Rs. 92,912 (Previous year Rs. 92,912), in respect of which the Development Rights are granted, is shown as "Freehold Land (under development)" under "Fixed Assets" in Schedule '5'.



- iv) Further, the consideration for the Grant of the Development Rights is based on the specified percentage of the revenue received by the Developer (in terms of the DA) from the Purchasers/Licencees, etc. irrespective of the completion of construction/handing over of the possession of the said constructed area to the Purchasers / Licensees and reflected as "Grant of Development Rights" in the Profit and Loss Account. The DA does not contemplate a transfer or an intention to transfer the ownership or possession of the said property at present and the same continue to remain with the Company.
- b) The Company has received from the Government of Maharashtra the approval for the development of an additional constructed area of approximately 5000 square metres over and above the area covered under the DA; the Developer and the Company have agreed that such additional area shall be owned by the Company. The related cost of such area to be owned by the Company is mutually agreed upon with the Developer on an appropriate basis. As on March 31, 2011, the Company has capitalised the cost of Rs. 40,04,63,254 (which includes the cost of common area facilities) under the head "Buildings" based on receipt of the Occupation Certificate and has entered into a Leave and License Agreement with a party in respect of the said constructed area. The Company has also carried forward an amount of Rs. 15,38,88,533 in Capital Work In Progress. The said cost shall be increased when the Developer completes the construction of the total area including the construction of the common areas.
- 7) While making the Provision for Current Tax, the Company has relied on the expert opinion for the tax treatment of the gains earned from the grant of the Development Rights and availability of certain tax benefits in respect of the capital expenditure incurred on shifting of the industrial undertaking, as per the provisions of the Income Tax Act, 1961.
- 8) **Managerial Remuneration**

	For the year ended on March 31, 2011 Rupees	For the year ended on March 31, 2010 Rupees
a) Salaries	3,96,24,000	3,96,00,000
b) Contribution to Provident Fund	47,54,880	47,52,000
c) Provision for Gratuity	19,02,923	19,02,000
d) Other perquisites	9,72,589	11,46,000
	4,72,54,392	4,74,00,000

Remuneration paid to the Executive Chairman, Managing Director, Joint Managing Director & Executive Director for the year April 01, 2010 to March 31, 2011 are as per the approval of Central Government valid from April 01, 2009 to March 31, 2012.

9) **Segment Information**

	For the Year ended 31st March, 2011 (Rupees)	Year ended 31st March, 2010 (Rupees)
Information in respect of Primary Segment		
A. Segment Revenue (Sales/Services to External Customers)		
Textile	123,90,02,330	119,29,36,786
Real Estate	10,98,93,990	11,66,43,070
Net Revenue from Operations	134,88,96,320	130,95,79,856
B. Segment Results		
Textile	87,21,216	8,35,24,996
Real Estate	9,71,63,518	11,09,34,840
Add/(Less): Unallocated Corporate Income (Net of unallocated corporate expense)	69,01,76,437	23,79,71,744
Operating Profit.	79,60,61,171	43,24,31,580
Less: Interest Expenses (Net of Interest / Income)	6,92,86,936	5,92,69,940
Profit before Taxation and prior period Item	72,67,74,235	37,31,61,640
Less: Provision for Taxation	14,93,72,094	3,39,42,077
Profit After Taxation but before Prior period & Exceptional Item	57,74,02,141	33,92,19,563
Add/(Less): Prior Period Income/ (Expenses) (Net) and Exceptional Items	(18,51,844)	20,78,377
Less: Exceptional Items	-	15,00,00,000
Profit after Taxation and Prior Period and Exceptional items	57,55,50,297	19,12,97,940



C. Other information		
Segment Assets		
Textiles	244,93,37,826	227,32,93,180
Real Estate	54,00,11,583	4,15,19,027
Add: Unallocated Corporate Assets	532,99,13,847	431,22,45,603
	<u>831,92,63,256</u>	<u>662,70,57,810</u>
Total Assets		
Segment Liabilities		
Textile	30,20,73,928	59,82,67,026
Real Estate	40,58,80,583	10,87,57,557
Add: Unallocated Corporate Liabilities.	606,37,21,775	494,79,96,556
	<u>677,16,76,286</u>	<u>565,50,21,139</u>
Total Liabilities		
D. Capital Expenditure during the Year.		
Textiles	12,02,69,968	84,25,90,249
Real Estate	40,04,63,254	0
	<u>52,07,33,222</u>	<u>84,25,90,249</u>
Total Capital Expenditure.		
E. Depreciation		
Textiles	20,72,38,658	15,17,95,483
Real Estate	30,18,906	21,28,726
Add: Unallocated	51,59,443	52,16,749
	<u>21,54,17,007</u>	<u>15,91,40,958</u>
Total Depreciation		

10) Related Party Disclosures of transactions in terms of Accounting Standard 18 on "Related Party Disclosures"

a) Following transactions were carried out in the ordinary course of business with the parties referred to in (b) below:

Particulars	Key Managerial Personnel		Relatives of Key Managerial Personnel		Enterprise on which Key Managerial Personnel has Control	
	[with b (I) below]		[with b (II) below]		[with b (III) below]	
	For the Year ended March 31, 2011 (Rupees)	For the Year ended March 31, 2010 (Rupees)	For the Year ended March 31, 2011 (Rupees)	For the Year ended March 31, 2010 (Rupees)	For the Year ended March 31, 2011 (Rupees)	For the Year ended March 31, 2010 (Rupees)
Rent and Other Services	9,00,000	9,00,000	NIL	NIL	NIL	NIL
Interest on Unsecured Loans	68,70,077	67,10,128	9,30,567	8,76,805	85,45,980	66,66,791
Director's Fees	NIL	NIL	37,500	62,500	NIL	NIL
Remuneration paid/provided	5,01,94,257	5,01,61,639	2,95,680	NIL	NIL	NIL

b) Relationships:

I) Key Managerial Personnel:

- i) Shri Manaharlal C. Shah (Executive Chairman)
- ii) Shri Hiren M. Shah (Managing Director)
- iii) Shri Bharat M. Shah (Jt. Managing Director)
- iv) Shri Viraj M. Shah (Executive Director)
- v) Shri Purav H. Shah (President)

II) Relatives of key Managerial Personnel:

- i) Smt. Aruna M. Shah
- ii) Shri Rishabh V. Shah

III) Enterprise on which key Managerial Personnel has Control:

- i) Manubhai & Sons Investment Co. Pvt. Ltd.
- ii) Hiren Bros. Investment Co. Pvt. Ltd.
- iii) M C Shah & Sons Investment Co. Pvt. Ltd.



11. Disclosure on Lease as per Accounting Standard 19 on "Accounting for Leases":

a Where the company is the lessee:

- i) The Company has taken residential & office premises under leave & licence agreements and car under operating lease. These are generally not non-cancellable and are for 11 to 18 months and are renewable by mutual consent on mutually agreeable terms.
- ii) Lease/Rent payments are recognised in the Profit & Loss Account under 'Rent Account' in Schedule 19.
- iii) Minimum lease rental is payable is as under:

Particulars	As at	As at
	March 31, 2011 (Rupees)	March, 31, 2010 (Rupees)
Within 1 year	71,97,925	25,65,764
After 1 year but before 5 years	1,66,28,546	98,78,818
After 5 years	NIL	NIL

- iv) Under all the agreements, refundable interest free deposit has been given.
- v) Such agreement provide for increase in rent.
- vi) All the agreements provide for an termination by either party with a notice which varies from month to six months.

b. Where the Company is a Lessor :

- i) The Company has given premises under leave and licence agreements under operating lease. These are generally not non-cancellable and are for 11 to 33 months and are renewable by consent on mutually agreeable terms.
- ii) Minimum lease rental receivable is as under :

Particulars	As at	As at
	March 31, 2011 (Rupees)	March, 31, 2010 (Rupees)
Within 1 year	25,14,60,673	10,86,28,588
After 1 year but before 5 years	132,58,28,806	7,97,19,721
After 5 years	123,97,01,204	NIL

- iii) Under all the agreements, refundable interest free deposit has been taken.
- iv) Such agreement provide for increase in rent.
- v) All the agreements provide for early termination by either party with a notice period which varies from 1 month to 6 months.

12) Unhedged foreign currency exposures:

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	As at March 31, 2011	As at March 31, 2010
Loan/Payables	69,00,20,900	52,13,65,367

13) Disclosure of Earnings per Share in terms of Accounting Standard 20 on "Earnings per Share":

Particulars	For the Year ended on March 31, 2011 Rupees	For the Year ended on March 31, 2010 Rupees
	Numerator for basic and diluted earning per share	
Net Profit/(Loss) after tax for the year (a)	57,55,50,296	19,12,97,940
Denominator for basic and diluted earning per share		
Weighted average number of shares (b)	41,80,000	41,80,000
Basic and diluted earnings per share [(a)/(b)]	137.69	45.77
Face value per share	Rs.10/-	Rs.10/-



14) Disclosure in terms of Accounting Standard 22 on "Accounting for Taxes on Income", Deferred Taxes have been recognised in respect of the following items:

Deferred Tax :

As required by Accounting Standard 22 on "Accounting for Taxes on Income", Deferred Taxes have been recognised in respect of the following items :

Items of Timing Difference	Accumulated Deferred Tax Assets/(Liabilities) As at April 1, 2010 (Rupees)	(Charge) / Credit during the Year ended on March 31, 2011 (Rupees)	Accumulated Deferred Tax Assets / (Liability) As at March 31, 2011 (Rupees)
Depreciation	(10,15,93,099)	(32,11,386)	(10,48,04,485)
Expenses allowable for Tax Purpose when paid	43,54,747	(9,30,288)	34,24,459
Unrealised foreign exchange gain (Net) relating to depreciable assets	(87,25,328)	50,69,581	(36,55,747)
Net Deferred Tax Assets/(Liabilities)	(10,59,63,680)	9,27,907	(10,50,35,773)

15) Disclosure in terms of the Accounting Standard (AS 29) on "Provisions, Contingent Liabilities and Contingent Assets":

Particulars	As at April 1, 2010 (Rupees)	Additions during the year (Rupees)	Amount paid/ reversed during the year (Rupees)	As at March 31, 2011 (Rupees)
Leave Encashment	32,41,280	8,60,530	3,49,052	37,52,758
Gratuity	2,94,12,259	58,58,601	10,99,630	3,41,71,230
Total	3,26,53,539	67,19,131	14,48,682	3,79,23,988

16) Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006

Sr. No.	Particulars	As At March 31, 2011 (Rupees)	As At March 31, 2010 (Rupees)
a.	Principal amount remaining unpaid and interest due thereon	35,93,975	68,31,600
b.	Interest paid in term of Section 16	NIL	NIL
c.	Interest due and payable for the period of delay in payment	NIL	NIL
d.	Interest accrued and remaining unpaid	NIL	NIL
e.	Interest due and payable even in succeeding years	NIL	NIL

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.



THE RUBY MILLS LTD.

17) Additional Information pursuant to the provision of The Paragraphs 3, 4C and 4D of Part II of Schedule VI of The Companies Act, 1956 (As Certified By Management)

		For the year ended on March 31, 2011		For the year ended on March 31, 2010	
		Quantity	Value Rupees	Quantity	Value Rupees
a. Sales					
i) Fabric	Mtrs.	1,94,10,362	121,56,70,932	2,01,18,415	117,97,33,222
ii) Yarn	Kgs	42,594	78,52,558	28,140	37,04,234
iii) Waste	Kgs	3,21,166	64,69,247	2,81,959	66,53,261
iv) Others	---	---	90,09,593	---	3,12,248
			123,90,02,330		119,04,02,965
b) Finished Stocks					
i) Opening Stock					
Fabric (packed)	Mtrs.	2,91,355	1,02,32,008	7,11,611	2,73,93,518
Yarn (packed)	Kgs.	---	---	7,109	11,24,998
Waste	Kgs.	15,160	4,26,489	4,740	1,21,560
			1,06,58,497		2,86,40,076
ii) Closing stock					
Fabric (packed)	Mtrs.	2,05,772	95,05,435	2,91,355	1,02,32,008
Yarn	Kgs.	---	---	---	---
Waste	Kgs	18,710	7,00,317	15,160	4,26,489
			1,02,05,752		1,06,58,497
c) Capacities and Production					
i) Licenced and Registered Capacity.					
Spindles	Nos.	57,010		57,010	
Looms	Nos.	613		613	
ii) Installed Capacity (As certified by Technical expert)					
Spindles	Nos.	26,992		26,992	
Looms	Nos.	128		128	
Autocoro	Nos.	744		360	
iii) Actual production					
Fabric (packed)	Mtrs.	1,93,24,779		1,96,98,159	
Yarn (packed)	Kgs	42,594		21,031	
Waste	Kgs	3,24,716		2,92,379	
iv) Purchase for Resale – Cloth					
Fabric (packed)	Mtrs.	697			
d) Cost of materials					
i) Raw Material consumed					
Cotton	Kgs	12,84,892	11,35,54,292	11,48,338	6,80,94,044
Man-made Fibres	Kgs	13,46,994	13,94,73,054	11,72,111	10,18,75,345
Yarn**	Kgs	4,37,240	10,08,97,154	5,45,201	8,18,66,366
Grey Cloth	Mtrs.	2,14,201	3,25,27,544	14,94,569	8,07,80,571
			38,64,52,044		33,26,16,326

** Excludes yarn captively consumed



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ii) Consumption of Raw Materials

Imported	2.13%	82,36,505	7.86%	2,61,58,505
Indigenous	97.87%	37,82,15,539	92.14%	30,64,57,821
		38,64,52,044		33,26,16,326

e) Stores & Spares Consumed

Imported	15.20%	2,55,57,097	16.75%	2,50,48,530
Indigenous	84.80%	14,25,48,494	83.25%	12,45,20,022
		16,81,05,591		14,95,68,552

f) C.I.F. Value of imports by the Company

Raw Materials	13,86,386	2,41,12,275
Stores, Spares & Colour Chemicals	2,07,85,801	2,51,42,603
Capital Goods	1,27,64,610	20,66,41,876
	3,49,36,797	25,58,96,754

g) Expenditure in Foreign Currency

Travelling	56,71,761	19,96,775
------------	-----------	-----------

h) Earnings in Foreign Exchange

Export of Goods	58,58,344	75,24,816
Direct at F.O.B. Value		

18) The Company has entered into an agreement on May 27, 2011 with the workers in Processing, Folding and Engineering Departments at Dadar Unit for the purposes of Voluntary Retirement. The total commitment on this account is Rs. 12,60,45,615/-.

19) Figures for the previous year have been regrouped to confirm with current year's grouping:

As per our Report of even date attached

For and on behalf of the Board of Directors

FOR B.S.MEHTA & CO.
Chartered Accountants
Firm's Registration Number 106190W

KRUPA R. GANDHI (MS.)
Partner
Membership No. 49392

Place : Mumbai
Date : 11th August 2011

M. C. SHAH	Executive Chairman
H. M. SHAH	Managing Director
B. M. SHAH	Jt. Managing Director
D. S. SOMAN	Director
JAYALAKSHMI ANSHUMAN	Company Secretary & Financial Controller



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

		(Rs. in Lacs)	
		2010-11	2009-10
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax ,but after Prior period Expenses & Extraordinary items	7,249.22	2,252.40
	Adjustments for :		
	Depreciation	2,154.17	1,591.41
	Interest and Finance Charges	806.02	640.42
	(Profit)/Loss on Sale of Investments	-	107.46
	(Profit)/Loss on Sale of Assets	(14.75)	(8.58)
	(Profit)/Loss on Assets destroyed by Fire	(67.09)	-
	Interest and Dividend Income	(67.59)	(75.25)
	Foreign Exchange (Gain)/ Loss Unrealized	228.36	(384.60)
	Operating Profit Before Working Capital Changes	10,288.34	4,123.26
	(Increase) / Decrease in Working Capital:		
	Trade and Other Receivables	(9,431.43)	(39,612.85)
	Inventories(Increase)	1,341.67	(358.14)
	Trade Payable and Other Liabilities	3,986.23	3,933.36
	B	(6,786.87)	(36,037.63)
	Cash Generated from Operations	3,501.47	(31,914.37)
	Interest Paid	(754.25)	(385.21)
	Direct Taxes (Paid)/ Received including Fringe Benefit Tax	(792.00)	(323.20)
	NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	1,955.22	(32,622.78)
	CASH FLOW FROM INVESTING ACTIVITIES:		
	(Purchase of Fixed Assets / Capital Advances paid)	(5,208.53)	(8,460.27)
	Sale of Fixed Assets	133.27	21.59
	(Increase)/Decrease in Capital Work in Progress (Net)	(3,045.51)	25,028.66
	Interest & Dividend Received	63.42	63.35
	NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	(8,057.35)	16,653.33
	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from Long Term and Short Term Borrowings (Net)	6,313.32	15,251.85
	Dividends Paid	(167.20)	(124.95)
	NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES	6,146.12	15,126.90
	Net (Decrease) / Increase in Cash & Cash Equivalents	43.98	556.60
	Cash & Cash Equivalents -At Beginning of the Year	763.70	207.10
	Cash & Cash Equivalents -At the End of the Year	807.68	763.70
	(Net of Interest Accrued Rs. 12,43,594/-)		



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	As on March 31, 2011	As on March 31, 2010
Cash & Cash Equivalents comprise of :		
Cash on Hand	7.43	2.37
Cheques on Hand	3.34	26.87
Balances with Banks	-	-
- Current Accounts	178.49	346.81
- Deposit Accounts as Margin Money (Net of Interest Accrued Rs. 8,57,643/-)	565.79	337.23
- Fixed Deposit Account (Net of Interest Accrued Rs. 3,85,951/-)	52.64	50.42
	<u>807.68</u>	<u>763.70</u>

For and on behalf of the Board

M. C. SHAH	Executive Chairman
H. M. SHAH	Managing Director
B. M. SHAH	Jt. Managing Director
D. S. SOMAN	Director
JAYALAKSHMI ANSHUMAN	Company Secretary & Financial Controller

AUDITORS' CERTIFICATE

To,
The Board of Directors
The Ruby Mills Limited
Mumbai.

We have verified the above Cash Flow Statement of The Ruby Mills Limited for the year ended 31st March 2011.

The Statement has been prepared by the Company in accordance with requirements of clause 32 of Listing Agreement with the Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our Report of 11th August 2011 to the Members of the Company.

For B.S.Mehta & Co.
Chartered Accountants
Firm's Registration Number: 106190W

KRUPA R.GANDHI(MS.)
Partner
Membership No. 49392

Place : Mumbai
Dated : 11th August 2011



Balance Sheet Abstract & Company's General Business Profile

I. Registration Details

Registration No.
 State Code
 Balance Sheet Date
 Date Month Year

II. Capital raised during the period (Amount in Rs. Thousands)

Public Issue <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> N I L <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/>	Rights Issue <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> N I L <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/>
Bonus Issue <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> N I L <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/>	Private Placement (Preference Shares) <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> N I L <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/>

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities <input type="text" value=""/> <input type="text" value="6"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="6"/> <input type="text" value="0"/>	Total Assets <input type="text" value=""/> <input type="text" value="6"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="6"/> <input type="text" value="0"/>
Source of Funds	
Paid-up Capital <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="0"/> <input type="text" value="0"/>	Reserves & Surplus <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="8"/> <input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="6"/>
Secured Loans <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="0"/> <input type="text" value="7"/> <input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="4"/>	Unsecured Loans <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="9"/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="5"/> <input type="text" value="5"/>
Application of Funds	
Net Fixed Assets <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="6"/> <input type="text" value="6"/> <input type="text" value="9"/> <input type="text" value="3"/> <input type="text" value="3"/>	Investments <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="9"/>
Net Current Assets <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="0"/> <input type="text" value="6"/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="9"/>	Miscellaneous Expenditure <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> N I L <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/>
Accumulated Losses <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> N I L <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/>	

IV. Performance of Company (Amount in Rs. Thousands)

Turnover & Other Income <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="0"/> <input type="text" value="7"/> <input type="text" value="3"/>	Total Expenditure <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="9"/> <input type="text" value="9"/>
+/- Profit / Loss Before Tax <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="text" value=""/> <input type="text" value="7"/> <input type="text" value="2"/> <input type="text" value="6"/> <input type="text" value="7"/> <input type="text" value="7"/> <input type="text" value="4"/>	+/- Profit / Loss After Tax <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="7"/> <input type="text" value="7"/> <input type="text" value="4"/> <input type="text" value="0"/> <input type="text" value="2"/>
(Please tick (✓) appropriate box + for profit, — for loss)	
Earning per Share in Rs. <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="7"/> . <input type="text" value="6"/> <input type="text" value="9"/> (Annualised)	Dividend rate % <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="0"/> %

V. Generic names of Three Principal Products / Services of the Company (as per monetary terms)

Item Code No. (ITC Code)	Product Description
1. <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="8"/> <input type="text" value="0"/> <input type="text" value="0"/>	C O T T O N W O V E N F A B R I C S
2. <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="5"/> <input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="0"/> <input type="text" value="0"/>	B L E N D E D F A B R I C S
3. <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="5"/> <input type="text" value="0"/> <input type="text" value="0"/>	C O T T O N Y A R N
4. <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="5"/> <input type="text" value="0"/> <input type="text" value="9"/> <input type="text" value="0"/> <input type="text" value="0"/>	B L E N D E D Y A R N

ATTENDANCE SLIP

The Ruby Mills Ltd.

Regd. Office : Ruby House, J.K. Sawant Marg, Dadar (W), Mumbai - 400 028.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP. Id*	
---------	--

Folio No.	
-----------	--

Client Id*	
------------	--

NAME AND ADDRESS OF THE SHAREHOLDER _____

No. of Shares held : _____

I hereby record my presence at the 95th ANNUAL GENERAL MEETING of the Company held on Thursday, the 29th September, 2011 at 4.30 p.m. at Ruby House, J. K. Sawant Marg, Dadar (W), Mumbai-400 028.

* Applicable for investors holding shares in electronic form.

** Strike out whichever is not applicable.

SIGNATURE OF THE SHAREHOLDER OR PROXY **

PROXY FORM

The Ruby Mills Ltd.

Regd. Office : Ruby House, J.K. Sawant Marg, Dadar (W), Mumbai - 400 028.

DP. Id*	
---------	--

Folio No.	
-----------	--

Client Id*	
------------	--

I/We _____ being a Member/Members

of THE RUBY MILLS LIMITED hereby appoint Mr./Mrs. _____

_____ of _____

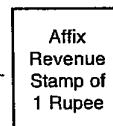
(or failing him) _____ of _____

(or failing him) _____ of _____

as my / our Proxy to attend and vote for me/us and on my/our behalf at the 95th Annual General Meeting of the Company to be held on Thursday, the 29th September, 2011 at 4.30 p.m. and at any adjournment thereof.

AS WITNESS my hand / our hands this _____ day of _____ 2011

Signature _____



• Applicable for investors holding share in electronic form.

Note : The Proxy form must be deposited at the Registered Office of the Company at Ruby House, J.K. Sawant Marg, Dadar (W), Mumbai-400 028 not less than 48 hours before the time for holding the meeting. The Proxy need not be a member of the Company.

If not delivered, please return to :

The Ruby Mills Limited

Ruby House, J. K. Sawant Marg,
Dadar, MUMBAI - 400 028.