

AMBIKA COTTON MILLS LIMITED

Registered Office : No.9 A , Valluvar Street, Sivanandha Colony, Coimbatore - 641 012.

Ph. : +91 422 2491504, 2491503

CIN No.L17115TZ1988PLC002269

website - www.acmills.in, Email -id - ambika@acmills.in

NOTICE OF THE MEETING

Notice is hereby given that the Thirty Fifth Annual General Meeting of the Company will be held on Friday, the 29th September, 2023 at 12.00 Noon through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following businesses:

A. ORDINARY BUSINESS(ES):

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the year ended 31st March 2023 comprising of the Balance Sheet as at March 31st, 2023, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and Reports of Directors and Auditors thereon.

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

RESOLVED THAT the audited financial statements of the Company, for the year ended 31st March, 2023 comprising of the Balance Sheet as at March 31st, 2023, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the notes forming part thereof along with the Report of the Board of Directors and Auditors thereon as placed before the Members, be and is hereby approved and adopted.

2. To declare a Final Dividend of Rs.35/- per equity share for the Financial year 2022-2023.

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

RESOLVED THAT a final dividend of Rs.35/- per equity share of face value of Rs.10 each be and is hereby approved for the financial year 2022-2023, to the Members who are entitled as on Friday, the 22nd September, 2023.

3. To appoint a Director in place of Mrs. Bhavya Chandran (DIN 02080649) who retires by rotation and being eligible offers herself for re-appointment.

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

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 ('Act') read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) Mrs. Bhavya Chandran (DIN 02080649), who retires by rotation at this Annual General Meeting and being eligible for such re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

B. SPECIAL BUSINESS(ES)

1. To ratify/ confirm the Remuneration of the Cost Auditors for the financial year 2023-24.

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions of the Companies Act, 2013 and Rules made there under, the remuneration payable to the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024 , as set out in the Explanatory Statement annexed to the Notice convening this Meeting be and is here by ratified and confirmed".

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board,

Sd/-

(P.V CHANDRAN)

Chairman and Managing Director

DIN: 00628479

Date: 10/08/2023

Place: Coimbatore

Notes:

1. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business as set out in the Notice is annexed hereto.
2. The Ministry of Corporate Affairs (“MCA”) vide its relevant circulars issued during the years 2020,2021 and 2022 permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. The same has been acknowledged by the Securities and Exchange Board of India vide its relevant circulars issued during the years 2020,2021, 2022 & 2023. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC /OAVM. The deemed venue for the AGM shall be the Registered Office of the Company ie. 9A, Valluvar Street ,Sivanandha Colony, Coimbatore – 641012.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC /OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to ca.vthangamuthu@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.
5. The Annual Report of the Company and other documents proposed to be sent through e-mail would also be made available on the Company's website at www.acmills.in
6. Soft copies of the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the companies Act, 2013 will be available for inspection by the members who request for the same, during the AGM.
7. The Register of Members and share transfer books of the Company will remain closed from Saturday 23rd September,2023 to Friday 29th September, 2023 (Both days inclusive).
8. Dividend when approved will be paid to such of the members whose names appear in the Register of the Members of the Company as on Friday, the 22nd, September, 2023. In respect of shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership as per the details furnished by the Depositories for this purpose at the end of business hours on Friday, the 22nd September, 2023.
9. Pursuant to the provisions of Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which will be made available on request) to the Registrar and Share Transfer Agents.
10. As per SEBI Circular. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 Shareholders are advised to furnish to the Registrar & Share Transfer Agents, S.K.D.C. Consultants Ltd (i) Self attested copy of PAN card (s) of sole /joint holder(s) of shares (ii) Bank details form along with original cancelled cheque leaf with the name of the sole/ first holder printed on cheque leaf or copy of Bank passbook attested by your Bank Manager, in case not furnished earlier.

11. As per amendment to SEBI (LODR) Regulation , 2015 with effect from 01.04.2019 transfer of shares in physical mode will not be processed and hence Shareholders are advised to demat their shares.
12. As per the Circular No. MRD / DoP / Cir-05/2009 dt. May 20, 2009 issued by the Securities Exchange Board of India (SEBI), it is mandatory to quote PAN for transfer/transmission of shares in physical form. Therefore the transferee(s)/ legal heirs are requested to furnish a copy of their PAN to the Registrar and Share Transfer Agents.
13. a) Members are requested to notify immediately any change of address:
 - i. to their Depository Participants (“DPs”) in respect of the shares held in electronic form, and
 - ii. to the Company or its RTA, in respect to the shares held in physical form together with a proof of address viz, Aadhar/Electricity Bill/ Telephone Bill/Ration Card/Voter ID Card/Passport etc.b) In case the registered mailing address is without the Postal Identification Number Code(“PIN CODE”), Members are requested to kindly inform their PIN CODE immediately to the Company / RTA/ DPs.
14. Non-Resident Indian (“NRI”) Members are requested to inform the Company or its RTA or to the concerned Depository Participants, as the case may be, immediately:
 - a) the change in the residential status on return to India for permanent settlement, or
 - b) the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.
15. Members who have not registered their Bank particulars with the Depository Participants (“DP”)/ Company are advised to utilize the electronic solutions provided by National Automated Clearing House (NACH) for receiving dividends. Members holding shares in electronic form are requested to contact their respective Depository Participants for availing this facility. Members holding shares in physical form are requested to download the NACH form from the website of the Company viz., www.acmills.in and the same, duly filled up and signed along with original cancelled cheque leaf may be sent to the Company or to the Registrar and Share Transfer Agent.
16. Members must quote their Folio Number/ Demat Account number and contact details such as email address, contact number etc in all correspondences with the Company/Registrar and Share Transfer Agents.
17. Members are requested to address all correspondences, including dividend matters to the Registrar & Share Transfer Agents, S.K.D.C. Consultants Ltd, “Surya”, 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore -641028. Phone: +91 422 4958995, 2539835-836, Fax: +91 422 2539837 Email ID: info@skdc-consultants.com Website: www.skdc-consultants.com
18. Shareholders who have not yet en-cashed their dividend warrants for the years FY 2017-18 (Interim) - FY 2021-22 (Final) may approach the Company for / RTA Revalidation, issue of duplicate warrants etc quoting the Folio Number/Client ID.
19. Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 as amended, dividend for the Financial year 2017-18 (Interim) and thereafter unpaid/unclaimed for a period of 7 (Seven) years will be transferred to the Investor Education and Protection Fund (IEPF) (the Fund) constituted by the Central Government under Section 125 of the Companies Act, 2013. Unpaid /Unclaimed Equity Dividend for the financial year 2017-18 (Interim) in respect of which dividend was declared on 12.08.2017 will fall due for transfer to the said Fund on 19, September 2024. As regards Unclaimed Dividend for the Financial years upto 2015-16 (interim) the same have already been transferred to the said Fund. It may kindly be noted that once the unpaid/unclaimed dividend is transferred to the above said Fund, the claim shall lie with the said IEPF. Further the Unpaid dividend details for FY 2017-18 (Interim) to FY 2021-22 (Final) are made available on the website of the Company.

20. Transfer of Unclaimed shares to IEPF A/c : The Company has transferred 12361 equity shares of Rs.10 each to IEPF Authority in respect of which the dividend remained unclaimed for a consecutive period of 7 years or more in terms of the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, notified by the Ministry of Corporate Affairs.
21. The details pertaining to Directors proposed to be appointed / reappointment, to be provided in terms of Regulation 36 of the SEBI (LODR) Regulations, 2015 is furnished in the annexure.
22. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report for the year 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.acmills.in websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively..
23. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
24. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their Residential Status, Category as per IT Act, PAN with the Company/RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode) immediately. A Resident individual shareholder having PAN and entitled to receive dividend amount exceeding Rs. 5,000/- and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to green@skdc-consultants.com on or before Friday, 22nd September, 2023. Shareholders are requested to note that in case their PAN is not registered with the DP/Company, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to green@skdc-consultants.com. The aforesaid declarations and documents need to be submitted by the shareholders on or before on Friday, 22nd September, 2023.
25. Members seeking any information relating to the accounts may write to the Company at No.9A , Valluvar Street, Sivanandha Colony , Coimbatore - 641012, Phone -0422-2491504 email-Id : ambika@acmills.in at least seven days before the date of the Annual General Meeting.
26. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
27. Members holding shares in electronic form may please note that as per the regulations of Securities and Exchange Board of India (SEBI), National Security Depository Services Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the Company is obliged to print the bank details on the dividend warrants as furnished by these depositories to the Company and the Company cannot entertain any request for deletion/change of Bank details already printed on dividend warrants as per the information received from the concerned depositories. In this regard, Members should contact their Depository Participants ("DP") and furnish particulars of any changes desired by them.

Explanatory Statement Pursuant to Section 102 (1) of the Companies Act, 2013 ("the Act")

ITEM NO.4 : Remuneration for Cost Auditor

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2024 on remuneration as set out in the table below:

Cost Auditor	Product	Audit Fees Rs.
M/s. Sakthivel & Co, Tirupur	Textiles	Rs.75,000/-

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

Your Directors recommend the resolution for your approval.

None of the Directors, Key Managerial Persons of the Company and their relatives is/are concerned or interested in the resolution.

Additional information on Directors recommended for re-appointment pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Name of Director	Mrs. Bhavya Chandran (DIN 02080649)
Brief Resume	Mrs. Bhavya Chandran holds Master Degree in Business Administration (Finance) and holds directorship in the company since January 2008..
Relationship between Director Interse	Related to Sri. P.V. Chandran, Chairman and Managing Director of the Company & Mrs. Vidya Jyothish Pillai, Director of the Company
List of Directorship and Membership of Committees of the Board in other listed entities	Nil
No. of Shares held in the Company	Nil
Interest of Directors	Sri. P.V. Chandran, Chairman and Managing Director of the Company & Mrs. Vidya Jyothish Pillai, Director of the Company, being relatives, interested in the resolution.

For and on behalf of the Board of Directors,
Sd/-

(P.V CHANDRAN)

Chairman and Managing Director
DIN: 00628479

Date: 10.08.2023

Place: Coimbatore

Voting Through Electronic Means

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS - 2), the Company is providing to its Members with the facility to cast their vote electronically from a place other than venue of the AGM ("remote e-voting") using an electronic voting system provided by CDSL as an alternative, for all members of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of AGM and the business may be transacted through such remote e-voting. The instructions to e-voting explain the process and manner for generating/receiving the password, and for casting of vote(s) in a secure manner. However, the Members are requested to take note of the following items:

- a. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of AGM Notice and holding shares as of the cut-off date, i.e. on Friday, 22nd September, 2023. may refer to this Notice of the AGM of the Company, posted on Company's website www.acmills.in for detailed procedure with regard to remote e-voting. Any person, who ceases to be the member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.
- b. The remote e-voting period will commence on Tuesday, September 26th, 2023 at 9.00 AM and ends on Thursday, September 28th, 2023 at 5.00 PM. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date on Friday, 22nd September, 2023. may cast their votes through remote e-voting.
- c. The remote e-voting module shall be disabled by CDSL for voting after 5.00 P.M on Thursday September 28th, 2023 and remote e-voting shall not be allowed beyond the said time.
- d. **The instructions to shareholders for e-voting and joining virtual meetings are as under**
Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach eVoting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the eVoting service providers' website directly.

Type of shareholders	Login Method
	<p>3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. visit the eVoting service providers' website directly.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43 toll free no. 1800225533
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at +91 22 4886 7000 and +91 22 2499 7000 toll free no.: 1800 1020 990 and 1800 22 44 30

e. i. LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETINGS FOR PHYSICAL SHAREHOLDERS AND SHAREHOLDERS OTHER THAN INDIVIDUAL HOLDING IN DEMAT FORM.

- 1) The shareholders should log on to the e-voting [website www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- ii. After entering these details appropriately, click on "SUBMIT" tab.
- iii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- iv. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- v. Click on the EVSN for the relevant Ambika Cotton Mills Limited on which you choose to vote.
- vi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- vii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- viii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- ix. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- x. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xi. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xii. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- xiii. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically and can be delinked in case of any wrong mapping
 - It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer email address viz; ca.vthangamuthu@gmail.com and to the Company at the email address viz ambika@acmills.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same

- **Process for those shareholders whose email/mobile no. are not registered with the company/depositories.**
 - a. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company ambika@acmills.in /RTA email id green@skdc-consultants.com.
 - b. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
 - c. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
- f. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E- VOTING DURING MEETING ARE AS UNDER:**
 1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
 2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
 3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
 4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
 5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance on or before 5.00 PM, Saturday, 23rd September, 2023, mentioning their name, demat account number/folio number, email id, mobile number at ambika@acmills.in . The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance on or before 5.00 PM, Saturday, 23rd September, 2023, mentioning their name, demat account number/folio number, email id, mobile number at ambika@acmills.in . These queries will be replied to by the company suitably by email.
 8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
11. Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
12. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Friday, the 22nd September, 2023.
13. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote by remote e-voting shall not vote by e-voting conducted during the Meeting.
14. The Company has appointed Mr.V.Thangamuthu , Chartered Accountant, as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
15. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those members who are present at the Annual General Meeting by electronic means but have not cast their votes by availing the remote e-voting facility.
16. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes casted during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
17. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.acmills.in immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges, where the shares of the Company are listed.

AMBIKA COTTON MILLS LIMITED

**ANNUAL REPORT
2022 - 2023**

AMBIKA COTTON MILLS LIMITED

CIN No.L17115TZ1988PLC002269

website - www.acmills.in, Email -id - ambika@acmills.in

ANNUAL REPORT 2022 - 2023

BOARD OF DIRECTORS Sri. P.V. Chandran (DIN : 00628479)
Dr. K. Venkatachalam (DIN : 01062171)
Mrs. Bhavya Chandran (DIN : 02080649)
Mrs. Vidya Jyothish Pillai (DIN : 05215930)
Sri. E.M. Nagasivam (DIN : 07894618)
Mrs. Vijayalakshmi Narendra (DIN: 00412374)

REGISTERED OFFICE 9A, Valluvar Street
Sivanandha Colony
Coimbatore - 641 012.

PLANT Kanniyapuram
Dindigul - 624 308.

AUDITORS S. Krishnamoorthy & Co.,
Chartered Accountants,
Coimbatore - 641 006.

BANKERS Axis Bank Ltd.
HDFC Bank Ltd.
ICICI Bank Ltd.
IDBI Bank Ltd.
Kotak Mahindra Bank Ltd.
Federal Bank Ltd.
Citi Bank Ltd.

AMBIKA COTTON MILLS LIMITED

Registered Office : No.9 A , Valluvar Street, Sivanandha Colony, Coimbatore - 641 012.

Ph. : +91 422 2491504, 2491505

CIN No.L17115TZ1988PLC002269

website - www.acmills.in, Email -id - ambika@acmills.in

DIRECTORS' REPORT

Your directors have great pleasure in submitting the Thirty Fifth Annual Report together with the audited accounts for the year ended 31st March 2023

FINANCIAL RESULTS

The Financial results for the year ended 31st March 2023 are furnished below:

(Rs. in Lakhs)

	CURRENT YEAR 2022-23	PREVIOUS YEAR 2021-22
Revenue from Operations& Other Income	86134.97	92547.98
Profit Before Finance Cost and Depreciation	18869.62	27460.89
Less: Finance Cost	639.68	123.09
Gross Profit For the Year	18229.94	27337.80
Less : Depreciation	2982.01	2938.83
Profit before Tax	15247.93	24398.97
Less : Tax Expense	4058.53	6410.19
Profit after Tax	11189.40	17988.78
Other Comprehensive income	-10.84	-19.08
Total Comprehensive income for the year	11178.56	17969.70
Add:Opening Balance of retained earnings	50858.36	35892.41
Amount available for appropriation	62036.92	53862.11
Less: Appropriations		
Transfer to General Reserve	1000.00	1000.00
Dividend on Equity Shares	2003.75	2003.75
Closing Balance of retained earnings	59033.17	50858.36

PERFORMANCE AND STATE OF AFFAIRS

The Company is engaged in manufacturing Cotton Yarn and Knitted Fabrics, which are generic products, the main input raw material is raw cotton, an agricultural produce, and as such there are no social or environmental concerns or risks involved. Raw cotton is widely available, in a sustainable manner, both from domestic and imported. There is no requirement of water for manufacture of cotton yarn. The energy needs are addressed by installation of windmills, renewable and clean energy. Continuous and consistent efforts are made to optimise the resources throughout the entire production process. The upstream manufacturing of products out of cotton yarn would require minimum resources depending upon the production activities carried out by the customers.

Operations of the Company manufacturing Cotton Yarn and Knitted Fabrics, prima facie, falls under Orange category duly certified by Tamil Nadu Pollution Control Board. In addition, the Company has installed windmills for captive consumption and generates power towards clean development mechanism for reduction of Co₂ and to that extent contributes reduction of Global warming and climate change. Besides the Company has obtained the following certificates, i. OEKO-TEX, ii. Global - Organic Textile Standard (GOTS), iii. SUPIMA, iv. Cotton USA, v. Better Cotton Initiative, vi. Organic Content Standard (OCS), vii. Global Recycled Standard (GRS), viii. FSC Chain of Custody (COC), ix. Cotton made in Africa (CMIA), x. US Cotton Trust Protocol Member, xi. SEDEX, xii. BMP Cotton from Australia

AMBIKA COTTON MILLS LIMITED

DIRECTORS' REPORT (Contd...)

The Company's key area of strategic focus is on customer satisfaction, and attracting new customers through commitment to production of high quality products which serves as a strong base in this regard.

The Company imports raw cotton from reputed farmers/intermediaries from USA/EGYPT/Australia and carries strong goodwill among them in terms of honouring such contracts without re-negotiating even under adverse circumstances such as COVID-19, the pandemic and on the other hand accepted requests from Company's buyers for deferment of deliveries to suit their convenience.

The Company's track record of product innovation, consistency in quality and timely delivery of committed orders has substantially contributed to repeat orders and its overall financial performance.

The Company's Total Revenue and Gross profit amounted to Rs. 86134.97 Lakhs (Previous year Rs. 92547.98 Lakhs) and Rs. 18229.94 Lakhs (Previous year Rs. 27337.80 Lakhs). This represents decline of 6.93 % in total Revenue as compared to 46.04 % growth in the previous year and decline of 33.32% in Gross Profit as against growth of 129.10% in the previous year.

For the year Company's Direct & SEZ Export Turnover under USD amounted to Rs. 59802.38 Lakhs as compared to Rs. 62651.43 Lakhs in the previous year representing decline of 4.55% (Previous Year growth of 41.08%)

In terms of percentage Exports Turnover constituted 73.20% of the total turnover as against 71.25% in the previous year.

During the year the Company has invested Rs.1780.14 Lakhs, out of internal accruals, in Factory Building and Plant & Machinery

The Company is not carrying any long term debt.

The company has entered into a definite proposal to install Solar Power Plant for a capacity of 8.334 MW over Roof Top at its Manufacturing Plants located at Dindigul in the State of Tamil Nadu for captive consumption at an estimated cost of Rs. 39.08 Crores, to be met out of internal accruals, in respect of which application has duly been submitted to the State Government of Tamil Nadu. The project would generate 1.157 Crore units annually on its completion and the company plans to complete before February 2024.

The strong financial fundamentals and business innovation and consistency have largely contributed to the sustained financial performance despite demand slowdown for cotton yarn which is expected to turn around during the current year.

The Company has sufficient liquidity in place for the continued operations.

TRANSFER TO RESERVES

The Company proposes to transfer Rs.10.00 Crores to the General Reserve out of the amount available for appropriation.

DIVIDEND

The Board of Directors has recommended payment of dividend for FY 2022-23 as under

Rate of Dividend	Dividend per equity share (Rs.)	Amount of Dividend (Rs.in Lakhs)
350%	35	2003.75

If approved by the members at the Annual General Meeting (AGM) to be held on 29.09.2023, the proposed dividend would result in cash outflow of dividend Rs. 2003.75 Lakhs for FY 2022-23 .The payout ratio of dividend works out to 17.91% (Previous year dividend payout ratio 11.14%).

The Dividend Distribution Policy is placed on the Company's weblink [http://www.acmills.in/2021/08/dividend-distribution-policy/ in terms of Regulation 43A of SEBI \(Listing Obligations and Disclosure Requirements\) Regulations, 2015.](http://www.acmills.in/2021/08/dividend-distribution-policy/in%20terms%20of%20Regulation%2043A%20of%20SEBI%20(Listing%20Obligations%20and%20Disclosure%20Requirements)%20Regulations,%202015)

AMBIKA COTTON MILLS LIMITED

DIRECTORS' REPORT (Contd...)

DIRECTORS

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Bhavya Chandran (DIN 02080649) Director, who retires by rotation and being eligible, offers herself for reappointment.

In terms of requirement of Section 149 of the Companies Act, 2013, the Independent Directors of the Company are, Dr. K.Venkatachalam, Sri.E.M.Nagasivam and Mrs. Vijayalakshmi Narendra.

In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the Companies Act, 2013 and Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and are independent of the Management.

There were no additional appointment or resignation of any directors during the year

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (3) (c) of the Companies Act 2013, your Directors state that: -

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. Accounting policies selected have been applied consistently. Reasonable and prudent judgments have been made so as to give a true and fair view of the state of affairs of the Company as at the end of 31st March, 2023 and of the profit of the Company for the year ended on that date;
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- iv. The annual accounts have been prepared on a going concern basis;
- v. Internal financial controls have been laid down to be followed by the Company and such internal financial controls are adequate and were operating effectively;
- vi. Systems to ensure compliance with the provisions of all applicable laws are in place and were adequate and operating effectively.

MEETINGS OF THE BOARD

The Board held four meetings during the Financial Year 2022- 23 namely, May 28, 2022, August 10, 2022, November 09, 2022 and February 09, 2023.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have submitted the Declaration of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in sub-section(6).

DEPOSITS:

The Company has not accepted any deposits from the public and therefore furnishing of details in terms of Rule 8(v) &(vi) of Companies (Accounts) Rules, 2014 does not arise.

AUDITORS

M/s.S.Krishnamoorthy & Co, Chartered Accountants (ICAI Firm Registration No.001496S) was appointed as Statutory Auditors for a continuous period of five years from the conclusion of 34th AGM (2022) till the conclusion of 39th AGM (2027).

Certificate from the Auditors has been received to the effect that they are eligible to act as Statutory Auditors of the Company under Section 141 of the Companies Act, 2013 and further submitted the Peer Review Certificate dt. 31.03.2023 issued to them by Institute of Chartered Accountants of India (ICAI).

AMBIKA COTTON MILLS LIMITED

DIRECTORS' REPORT (Contd...)

AUDITORS' REPORT

The Auditors' Report to the Shareholders does not contain any reservation, qualification or adverse remark.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed Sri. Sundararajan Baalaji, Practising Company Secretary to undertake the Secretarial Audit of the Company.

The Secretarial Audit Report for the financial year ended March 31, 2023 is annexed herewith marked as Annexure V to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

COST AUDITOR & COST AUDIT REPORT

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, cost audit records are maintained by the Company. As required under Companies Act, 2013, a resolution seeking approval of the members in this regard is included in the Notice convening the Annual General Meeting.

INTERNAL FINANCIAL CONTROLS

The Company has in place internal financial controls systems, commensurate with the size and nature of its operations to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances.

AUDIT COMMITTEE

The Committee now comprises of Directors Dr.K.Venkatachalam, Mrs .Vidya Jyothish Pillai, Sri.E.M.Nagasivam and Mrs. Vijayalakshmi Narendra.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has in place a vigil mechanism /Whistle Blower Policy for Directors and Employees to report genuine concerns about any wrongful conduct with respect to the Company of its business or affairs. The details of the Vigil Mechanism / whistle Blower Policy are available on the Company's website www.acmills.in&_under_web-link <http://www.acmills.in/2015/03/whistle-blower/>

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility Committee consists of Directors Sri. P.V.Chandran, Dr.K.Venkatachalam and Mrs. Bhavya Chandran as members of the committee. The Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, which has been approved by the Board, the details of the same are made available on the Company's website www.acmills.in_under_web-link & <http://www.acmills.in/2016/08/csr-policy/>

NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committee consists of Directors, Dr.K.Venkatachalam, Mrs. Bhavya Chandran and Sri. E.M.Nagasivam.

The Company has formulated the policy in this regard prescribing the criteria for determining qualifications positive attributes and independence of a director and the main attribute focused on is positive value creation and contribution in respect of ongoing activities of the Company and its value enhancement with adequate qualifications and independence. Details of the policy are made available in the Corporate Governance Report and on the Company's website www.acmills.in_under_web-link <http://www.acmills.in/2016/07/nomination-and-remuneration-policy/>

AMBIKA COTTON MILLS LIMITED

DIRECTORS' REPORT (Contd...)

RISK MANAGEMENT COMMITTEE

The Risk Management Committee consists of Directors Sri.P.V.Chandran, Dr.K.Venkatachalam and Mrs. Vidya Jyothish Pillai. The Company has developed and adopted a detailed Enterprise Risk Management Policy to sustain the operations of the Company and the same is disclosed in the website of the Company, www.acmills.in under web-link <http://www.acmills.in/2016/07/risk-management-policy/>.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders relationship committee consists of Directors Dr.K.Venkatachalam ,Mrs. Vidya Jyothish Pillai and Mrs. Bhavya Chandran. The Company has formulated policy for early resolution of stakeholders' grievances and the same is made available in the Company's website www.acmills.in under web-link <http://www.acmills.in/2016/07/stake-holders-grievance-resolution/>.

APPOINTMENT OF KEY MANAGERIAL PERSONNEL

There is no appointment of Key Managerial personnel during the year.

SUBSIDIARIES

The Company does not have any subsidiaries.

SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

LOANS, GUARANTEES AND INVESTMENTS

The Company has not made any investments or given any loans or guarantees or provided any security in connection with a loan to any person or body corporate, as defined under Section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

The Company does not have any related party transactions as defined in Section 188 of the Companies Act, 2013 hence Form AOC-2 is not enclosed.

MATERIAL CHANGES AND COMMITMENTS

There were no Material changes and Commitments affecting the financial position of the Company that have occurred between the end of the financial year March 31, 2023 to which the financial statements relate and the date of this report.

CHANGE IN THE NATURE OF BUSINESS

There were no changes in the nature of business during the year under review as prescribed in Rule 8(ii) of the Companies (Accounts) Rules, 2014.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Information regarding the same is also provided in the Corporate Governance Report forming part of Directors' Report.

BOARD EVALUATION

The Board has carried out an annual Performance evaluation of its own performance and that of its Committees and individual Directors. Further the independent Directors have carried out review of performance of non- independent directors and the Board as a whole, performance of the Chairperson and further made an assessment of quality, quantity and time lines of flow of information between the Company management and the Board for effective and reasonable performance of its duties.

ANNUAL RETURN

Pursuant to Section 92 (3) copy of Annual Return made available in the Company's website www.acmills.in under web-link <https://www.acmills.in/?s=mgt-7>

AMBIKA COTTON MILLS LIMITED

DIRECTORS' REPORT (Contd...)

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars relating to Conservation of Energy, Technology absorption, Foreign Exchange Earning and outgo, as required to be disclosed under the Act, are set out in Annexure – I to this report.

CSR EXPENDITURE

The requirement to spend in this regard is 269.00 Lakhs (Previous year Rs. 164.23 Lakhs) @ 2% of 3 years average net profit of the Company and the Company has spent Rs. 236.95 Lakhs (Previous year Rs. 202.23 Lakhs) on various CSR activities during the year and the surplus Rs. 38.00 Lakhs spent during the previous year was set off to the extent of Rs. 32.05 Lakhs towards CSR expenditure required to be spent for the current year. The CSR expenditure are into (i) Disaster Management (ii) Animal Protection (iii) Medical Support, (iv) Relief to Poor (v) Rural Development and Works (vi) Education and the details of expenditure are furnished in Annexure –II to this report.

PARTICULARS OF EMPLOYEES:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed in Annexure III to this report.

ADDITIONAL DISCLOSURES PURSUANT TO SEBI REGULATIONS

Business Responsibility and Sustainability Report is furnished in Annexure IV and the additional disclosures pursuant to Regulation 34 (3) and 53 (f) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in respect (i) Management Discussion and Analysis (ii) Corporate Governance Report (iii) Related Party Disclosures for the year under review are given as a separate statement in the Annual Report.

Place : Coimbatore
Date : 10.08.2023

By order of the Board
Sd/-
(P.V.CHANDRAN)
Chairman and Managing Director
(DIN : 00628479)

AMBIKA COTTON MILLS LIMITED

ANNEXURE TO DIRECTORS' REPORT (Contd...)

ANNEXURE - I

Information as required under Rule 8(3) of the Companies (Accounts) Rules,2014.

A.CONSERVATION OF ENERGY

A. CONSERVATION OF ENERGY

i) the steps taken or impact on conservation of energy:-
Usage of Energy is constantly monitored and the need to conserve the same is emphasized.

ii) the steps taken by the Company for utilizing alternative sources of energy:-

The Company has installed 27.4 MW of wind energy capacity for captive consumption. The actual generation would vary depending upon vagaries of nature i.e. wind. The company is installing Solar Power Plant for a capacity of 8.334 MW over Roof Top at its Manufacturing Plants for captive consumption

iii) the capital investment on energy conservation equipment. :- Nil

B. TECHNOLOGY ABSORPTION

i) the efforts made towards technology absorption :- Indigenous Technology alone is used.
ii) the benefits derived like product improvement , cost reduction , product development or import substitution ;-

Certain plant & machinery such as Autocorner Compact systems and Knitting Machines are imported to facilitate for product improvement & development which has facilitated exports of products.

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):-

a) the details of technology imported : Nil

b) the year of import : NA

c) Whether the technology been fully absorbed : NA

d) if not fully absorbed , areas where absorption has not taken place and the reasons there of ;and : NA

iv) the expenditure incurred on Research and Development : Not quantified

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and Foreign Exchange outgo during the year in terms of actual outflows.

[Rs in Lakhs]

Foreign Exchange earned (inflow) 60692

Foreign Exchange used (outflow) 45647

AMBIKA COTTON MILLS LIMITED

ANNEXURE TO DIRECTORS' REPORT (Contd...)

ANNEXURE - II

Information as required under Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's CSR policy of the Company

The CSR policy of the Company is to undertake and implement the projects / programs as specified in Schedule- VII of the Companies Act, 2013 .

2. The composition of the CSR committee Consists of the following Directors :

Sl.No	Committee Members	Designation in Committee - Directorship Type	Number of CSR Committee meetings held during the year	Number of CSR Committee meetings attended during the year
1	Sri. P.V.Chandran	Chairman and Managing Director - Chairperson	2	2
2	Dr. K. Venkatachalam	Independent / Non-Executive - Member	2	2
3	Mrs. Bhavya Chandran	Non-Executive Director-Promoter Group - Member	2	2

3. Web-link where composition of CSR committee, CSR Policy and CSR projects approved by the Board is disclosed on the website of the Company :

Web-link for CSR Committee <http://www.acmills.in/investors/>

Web-link for CSR Policy <http://www.acmills.in/2016/08/csr-policy/>

Web-link for CSR Projects <https://www.acmills.in/2023/08/csr-programmes-undertaken-in-2023/>

4. Executive Summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 if applicable: - Not applicable

5. CSR obligation for the financial year

Sl.No	Particulars	Amount [Rs. in Lakhs]
a)	Average Net Profit of the Company as per Section 135(5)	13450.47
b)	Two percent of the amount as per Section 135(5)	269.00
c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	0.00
d)	Amount required to be set off for the financial year (Excess Spent in FY 2021-22 Rs. 38.00 Lakhs, out of which Rs.32.05 lakh is set off during FY 2022-23)	32.05
e)	Total CSR obligation for the financial year (5b+5c-5d)	236.95

6. CSR Amount spent for the Financial Year

Sl.No	Particulars	Amount [Rs. in Lakhs]
a)	Amount spent on CSR Projects	236.95
b)	Amount spent in Administrative overheads	0.00
c)	Amount spent on Impact Assessment, if applicable	0.00
d)	Total amount spent for the Financial Year (6a+6b+6c)	236.95

AMBIKA COTTON MILLS LIMITED

ANNEXURE TO DIRECTORS' REPORT (Contd...)

e) CSR amount spent or unspent for the financial year

(Rs. in Lakhs)

Total Amount Spent for the Financial Year	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
236.95	-NIL-		-NIL-		

f) Excess amount for set-off if any:

Sl.No	Particulars	Amount [Rs in Lakhs]
i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	269.00
(ii)	Total amount spent for the Financial Year	236.95
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0.00
(v)	Amount available for set off in succeeding Financial Years [(iii) - (iv)]	0.00

7. Details of Unspent CSR amount for the preceding three financial years:

Sl.No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer	
1	FY 2019-20			-Nil-			
2	FY 2020-21			-Nil-			
3	FY 2021-22			-Nil-			

AMBIKA COTTON MILLS LIMITED

ANNEXURE TO DIRECTORS' REPORT (Contd...)

8. Details of CSR amount spent against other than ongoing projects for the financial year: (Rs. in Lakhs)

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the project		Amount spent for the project	Mode of implementation	Mode of Implementation Through Implementing Agency	
				State	District		Direct (Yes/ No)	Name	CSR Registration Number
1	Animal Protection and Development	iv	Yes	Tamil Nadu	Dindigul	72.00	YES	-	-
2	Rural Development Project - Collector Dindigul	x	Yes	Tamil Nadu	Dindigul	35.00		-	-
3	Chamber of Commerce - Trade Convention Centre	iii	Yes	Tamil Nadu	Tuticorin	3.00		-	-
4	Cultural Activity	v	Yes	Tamil Nadu	Coimbatore	1.00		-	-
5	Cultural Activity Nannerikazhagam	v	Yes	Tamil Nadu	Coimbatore	0.75		-	-
6	Education upgradation of School	ii	Yes	Tamil Nadu	Dindigul	10.00		-	-
7	Medical Support	i	Yes	Tamil Nadu	Dindigul	4.80		-	-
8	Police - Public Park	i	Yes	Tamil Nadu	Dindigul	3.00		-	-
9	Police Public Security and Service	xii	Yes	Tamil Nadu	Coimbatore	37.64		-	-
10	Support to Sport/ Education - Rifle Competition	vii	Yes	Tamil Nadu	Trichy	10.00		-	-
11	Relief to Poor	vii	Yes	Tamil Nadu	Dindigul	5.30		-	-
12	Relief to Poor (To Red Cross)	i	Yes	Tamil Nadu	Coimbatore	2.00		-	-
13	Relief to Poor (Water Supply)	i	Yes	Tamil Nadu	Dindigul	8.51		-	-
14	Medical Support (To VGM Hospital)	i	Yes	Tamil Nadu	Coimbatore	10.00		-	-
15	Rural Works (Public toilets Maintenance)	x	Yes	Tamil Nadu	Dindigul	1.21		-	-
16	Rural Works (Police Station)	x	Yes	Tamil Nadu	Dindigul	6.60		-	-
17	Rural Works (Road Safety Dividers)	x	Yes	Tamil Nadu	Dindigul	0.41		-	-
18	Rural Works (Veterinary)	x	Yes	Tamil Nadu	Dindigul	0.16		-	-
19	Support to Sport/ Education - Chess Olympiad	vii	Yes	Tamil Nadu	Chennai	2.00		-	-
20	Relief to Poor - St. Marks Church	i	Yes	Tamil Nadu	Coimbatore	0.20		-	-

AMBIKA COTTON MILLS LIMITED

ANNEXURE TO DIRECTORS' REPORT (Contd...)

8. Details of CSR amount spent against other than ongoing projects for the financial year:

(Rs. in Lakhs)

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Amount spent for the project	Mode of implementation	Mode of Implementation Through Implementing Agency	
				State	District		Direct (Yes/ No)	Name	CSR Registration Number
21	Relief to Poor - sathguruharshamatha charitable trust	i	Yes	Kerala	Ernakulam	1.00	YES	-	-
22	Relief to Poor - Citizen India Foundation Trivandram	i	Yes	Kerala	Trivandram	5.00		-	-
23	Rural works (EB Office)	x	Yes	Tamil Nadu	Dindigul	0.18		-	-
24	Rural Works Primary Health Centre	x	Yes	Tamil Nadu	Dindigul	1.02		-	-
25	Rural works (Restoration of water ponds)	x	Yes	Tamil Nadu	Dindigul	9.23		-	-
26	Rural works (RI Office)	x	Yes	Tamil Nadu	Dindigul	0.16		-	-
27	Rural works (Tree Cutting)	x	Yes	Tamil Nadu	Dindigul	1.78		-	-
28	Cultural - Temple Construction & Renovation (Sri Bhadrakali Kshethra)	v	Yes	Tamil Nadu	Dindigul	5.00		-	-
	Total amount spent for FY 2022-23					236.95		-	-

AMBIKA COTTON MILLS LIMITED

ANNEXURE TO DIRECTORS' REPORT (Contd...)

9. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes

The details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year

Sl.No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
1	Chamber of Commerce - Trade Convention Centre, Tuticorin	628001	16.11.2022	3.00	-	-	-
2	Education upgradation of KCC Vidhyalaya Nursery & Primary School, Pappanaicken Palayam, Coimbatore	641037	23.12.2022	10.00	-	-	-
3	Sri Bhadrakali Kshethra Committee, Cherooty Road, Kozhikode, Kerala	673001	21.10.2022	5.00	-	-	-

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).-
Not Applicable

By order of the Board
Sd/-

Place : Coimbatore
Date : 10.08.2023

P.V.Chandran
Chairman and Managing Director
Chairman - CSR Committee
(DIN: 00628479)

AMBIKA COTTON MILLS LIMITED

ANNEXURE TO DIRECTORS' REPORT (Contd..)

ANNEXURE - III

Statement as per Rule 5(1) of the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) The percentage increase in remuneration of each Director , Company Secretary and Chief Financial Officer (CFO) , ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23.

S.No	Name of the Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2022-23 (Rupees in Lakhs)	% increase in Remuneration in the Financial year 2022-23	Ratio of Remuneration of each Director, KMP to median remuneration of employees
1	Sri.P.V.Chandran, Chairman and Managing Director	25.00	--	16.79.1
2.	Dr.K.Venkatachalam , Non- Executive - Independent	4.40	14.28%	2.67.1
3.	Mrs. Bhavya Chandran, Non- Executive - Promoter group	1.00	--	0.67.1
4.	Mrs.Vidya Jyothish Pillai, Non- Executive - Promoter group	2.00	--	1.34.1
5.	Sri.E.M.Nagasivam , Non- Executive - Independent	2.00	-	1.34.1
6.	Mrs. Vijayalakshmi Narendra, Non- Executive - Independent	2.00	100%	1.34.1
7.	Sri. Radheshyam Padia, Company Secretary	6.00	-	4.03.1
8.	Sri. M.Vijayakumar, Chief Financial Officer	5.72	8.59%	3.84.1

- (ii) The percentage Increase in the median remuneration of the employees in the financial year : 21.53%
- (iii) The number of permanent employees on the rolls of Company (Worked for 12 Months): 1884
- (iv) The explanation on the relationship between average increase in remuneration and Company performance: The Profit after Tax for FY 2022-23 amounted to Rs.11189.40 Lakhs as compared to Rs. 17988.78 Lakhs for FY 2021-22, decrease of -37.80% whereas increase in employees' remuneration is 14.46%
- (v) Comparison of remuneration of the Key Managerial Personnel against the performance of the Company :The Profit after Tax for FY 2022-23 decreased -37.80% as compared to FY 2021-22, whereas increase in Key Managerial Personnel remuneration is 1.25%.
- (vi) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year :

Particulars	31.03.2023	31.03.2022
Market capitalization of the Company (Rs in Crore)	789.65	1348.98
Issued Capital (in No.s)	57,25,000	57,25,000
Closing Price at NSE (in Rs.)	1379.30	2356.30
Earning Per share	195.45	314.21
Price Earnings Ratio at the closing date	7.06	7.50

Note: Percentage Increase over decrease in market quotations of the shares of the Company with the last public offer : The last offer for sale of shares was made in the year 1996 and hence not comparable .

AMBIKA COTTON MILLS LIMITED

ANNEXURE TO DIRECTORS' REPORT (Contd...)

- vii) Percentage increase in the salaries of employees other than the Key Managerial Personnel (KMP) as compared to percentage increase in the KMP remuneration in the last financial year i.e 2022-23 : The Increase in remuneration is 14.46% for employees other than KMP while it is increase 1.25% for KMP.
- (viii) The Key parameters for any variable component of the remuneration availed by the Directors: There are no variable component in the Managerial Remuneration.
- (ix) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year :- None
- (x) Affirmation that the remuneration is as per the remuneration policy of the Company: Yes.

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

ANNEXURE - IV

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity : L17115TZ1988PLC002269
2. Name of the Listed Entity - : Ambika Cotton Mills Limited
3. Year of incorporation : 1988
4. Registered office address : 9A, Valluvar Street, Sivanandha Colony, Coimbatore - 641012
5. Corporate address : 9A, Valluvar Street, Sivanandha Colony, Coimbatore - 641012
6. E-mail : ambika@acmills.in
7. Telephone : 0422-2491504
8. Website : www.acmills.in
9. Financial year reported : FY 2022-23
10. Name of the Stock Exchange(s) where shares are listed : BSE Limited (BSE) & National Stock Exchange of India Limited (NSE)
11. Paid-up Capital : Rs. 5,72,50,000/- divided into 57,25,000 Equity Shares of Rs. 10/- each
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR :
 1. DIN Number : 00628479
 2. Name : Sri. P.V.Chandran
 3. Designation : Chairman and Managing Director
 4. Telephone No : 0422 2491501/502
 5. Email ID : ambika@acmills.in
13. Reporting boundary - The disclosures under this report are made on standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sl.No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Cotton yarn	Manufacture	64.46
2.	Knitted fabrics	Manufacture	22.70
3.	Waste Cotton	Residual available for sale	12.84

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl.No	Product/Service	NIC Code	% of Total Turnover contributed
1.	Cotton Yarn	13111	64.46
2.	Knitted Fabrics	13911	22.70
3.	Waste Cotton	Residual available for sale	12.84

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	5	2	7
International	0	0	0

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	3
International (No. of Countries)	5

b. What is the contribution of exports as a percentage of the total turnover of the entity – 73.20%

c. A brief on types of customers – The Customers are manufacturers of Garments (upstream activity) out of cotton yarn and Knitted Fabrics sourced from the Company.

IV. Employees

18. Details as at the end of Financial Year: 31.03.2023 (worked for 12 months)

a. Employees and workers (including differently abled):

Sl.No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1.	Permanent(D)	224	206	91.96%	18	8.03%
2.	Other than Permanent(E)	0	0	0	0	0
3.	Total employees (D+E)	224	206	91.96%	18	8.03%
WORKERS						
4.	Permanent(F)	1660	369	22.23%	1291	77.77%
5.	Other than Permanent(G)	0	0	0	0	0
6.	Total workers (F+G)	1660	369	22.23%	1291	77.77%

b. Differently abled Employees and workers:

Sl.No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent(D)	3	3	100.00%	0	0
2.	Other than Permanent(E)	0	0	0	0	0
3.	Total differently abled employees(D+E)	3	3	100.00%	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent(F)	8	4	50.00%	4	50.00%
5.	Other than permanent(G)	0	0	0	0	
6.	Total differently abled workers(F+G)	8	4	50.00%	4	50.00%

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	3	50%
Key Management Personnel*	2	0	NA

*Key Management Personnel other than Board of Directors

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23			FY 2021-22			FY 2020-21		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
Permanent Employees (In %)	0.80	1.90	2.70	0.90	2.20	3.10	1.00	2.40	3.40
Permanent Workers	1.10	3.30	4.40	1.41	4.70	6.11	2.13	5.20	7.33

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

Sl.No	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the BusinessResponsibility initiatives of the listed entity? (Yes/No)
- NIL -				

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (Rs. In Lakhs) - 81696.86/-

(iii) Net worth (Rs. In Lakhs) - 81661.54/-

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	-Yes*-	-Nil-	-Nil-	-Nil-	-Nil-	-Nil-	-Nil-
Investors (other than shareholders)							
Shareholders							
Employees and workers							
Customers							
Value Chain Partners							
Other (please specify)	-Not Applicable-						

* Please refer to the Whistle Blower Policy and Business Responsibility Policies available at: <http://www.acmills.in/2015/03/whistle-blower/>

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

24. Overview of the entity's material responsible business conduct issues Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sl.No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	Incase of risk, approach to adaptor mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy	Risk/Opportunity	Manufacture of Cotton yarn is energy based	The company has installed windmills of 27.4 MW and further has proposed to install solar power 8.334 MW ¹ for renewable energy	Reduction in energy and environmental costs
2	Raw Material	Risk/Opportunity	The Main input Raw Cotton is an agricultural produce. Price is subject to fluctuation / Government policies	Risk is mitigated by purchase across markets and settlement of contracts without any renegotiation	Increases the Reputation of the company
3	Maintenance of Liquidity	Opportunity	The non -leveraged financial position and maintenance of adequate liquidity ensures solvency and sustainability-	-	Enhances net worth and deliver financial position would not cause liquidity crunch ensuring sustained operations
4	Product Innovation / timely delivery / Maintenance of Quality	Opportunity	Comfort and growth of the business of the Customers	-	Long term relationship with Customers
5	Establishment of plants at Villages	Opportunity	Contributes to social development through Rural employment	-	Overall economic development

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)									-Yes-
b. Has the policy been approved by the Board? (Yes/No)									-Yes-
c. Web Link of the Policies, if available									https://www.acmills.in/2023/08/national-guidelines-on-responsible-business-conduct-policy/
2. Whether the entity has translated the policy into procedures. (Yes / No)									-Yes-
3. Do the enlisted policies extend to your value chain partners? (Yes/No)									-Yes-
4. Name of the national and international codes/certifications /labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle									The Company holds the following Certificates 1. STANDARD 100 by OEKO-TEX® . 2. Supima Certification 3. Global Organic Textile (GOTS) from CU Inspections & Certifications India Pvt. Ltd 4. Organic Content Standard (OCS) from CU Inspections & Certifications India Pvt. Ltd 5. Global Recycled Standard (GRS) from CU Inspections & Certifications India Pvt. Ltd 6. FSC Chain of Custody (COC) by Control Union Certifications 7. Cotton made in Africa (CMIA) certificate 8. Cotton USA Certificate 9. US Cotton Trust Protocol Member 10. Better Cotton Initiative (BCI) member 11. SEDEX certificate for Second Security 12. BMP Cotton from Australia with Certification
5. Specific commitments, goals and targets set by the entity with defined time lines, if any.									It is the endeavour of the company to pursue the policies to the satisfaction of all the stakeholders
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									- NA-
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)									Response : The product manufactured cotton yarn does not involve any environmental risk. The challenge lies in use of electricity from TANGEDCO and other sources. The company has installed windmills 27.4 MW for captive consumption and to that extent contributes to Co₂ reduction. Further the company has proposed to install solar power to the extent of 8.334 MW . On commissioning of Solar power project further generation of renewable energy would contribute to Co₂ reduction. Besides the entire plants soils are organically managed with out use of fertilizers and pesticides. There are grown multiple trees within the Plant premises over the years turning out to be the Birds' Paradise.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).									Board Committees in co-ordination with Board of Directors exercise and oversee implementation of various policies
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.									Board Committees in co-ordination with Board of Directors exercise and oversee implementation of various policies

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Review by Board of Directors									On continuous basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Review by Board of Directors									On continuous basis								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	-No-								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Response: **Not Applicable**

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 1 : Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total Number of training and awareness programs held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programe
Board of Directors (BOD)	-	The company since its incorporation strives to achieve excellence in corporate and statutory compliance and the Board consist of experienced and knowledgeable members who are all well aware of their responsibilities and company is complying with all such requirements. No specific training programmes are conducted in this respect.	-
Key Managerial Personnel (KMPs)	-	The principles are constantly evolved and discussed frequently amongst key managerial personnels and are educated and no specific programmes are carried out.	-
Employees other than BOD and KMPs	-	There are regular meetings at plant level on health and safety working conditions and plants do's and don'ts carried out by senior technicians regularly. No Count of meetings is maintained in this regard.	-
Workers	-	There are regular meetings at plant level on health and safety working conditions and plants do's and don'ts carried out by senior technicians regularly. As multiple meetings are carried and no count of meetings is maintained in this respect.	-

2. Details of fines / penalties / punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			-Nil -		-NA -
Compounding fee					

Non Monetary					
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment					
Punishment			-Nil -		-NA -

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 1 : Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable. (Contd...)

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
-NA-	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Response: **The Company has not laid down any such policy separately and would not engage itself in unwarranted practices which would bring disrepute to the company.**

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2022-23	FY 2021-22
Directors	-Nil-	-Nil-
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-Nil-		-Nil-	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Response: **Does not arise**

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 2 : Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Response: **The company manufactures Cotton Yarn and Knitted Fabrics, which are generic products, the main input is raw cotton, an agricultural produce, and as such there are no environmental and social impacts of manufacture.**

Particulars	2022-23	2021-22	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	-	-

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) -

Response: **YES - The main input raw material for manufacture of cotton yarn is Raw cotton and is widely available, in a sustainable manner, sourced from domestic and imported**

- b. If yes, what percentage of inputs were sourced sustainably? -

Response: **100%**

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste. -

Response: **Cotton Yarn manufacturing involves generation of meager generation of waste after post spinning which requires recycling. Other wastes are minimal, not related to manufacture and are disposed off as per acceptable industry practices.**

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Response: **Not Applicable**

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 3 : Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

% of employees covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	206	Nil		206	100%	Nil		Nil		Nil	
Female	18			18	100%	18	100%				
Total	224			224	100%	18	8.04%				
Other than Permanent employees											
Male	Nil	NA									
Female											
Total											

b. Details of measures for the well-being of workers:

% of employees covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	369	Nil		369	100%	Nil		Nil		Nil	
Female	1291			1291	100%	1291	100%				
Total	1660			1660	100%	1291	77.77%				
Other than Permanent workers											
Male	Nil	NA									
Female											
Total											

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Particulars	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)
PF	100% applicable employees as per act	100% applicable employees as per act	Yes	100% applicable employees as per act	100% applicable employees as per act	Yes
Gratuity	100% applicable employees as per act	100% applicable employees as per act	Yes	100% applicable employees as per act	100% applicable employees as per act	Yes
ESI	100% applicable employees as per act	100% applicable employees as per act	Yes	NA	NA	Nil
Others - Nil	NA	NA	NA	NA	NA	NA

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 3 : Businesses should respect and promote the well-being of all employees, including those in their value chains (Contd...)

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Response : **Yes.. The premises / offices are accessible to differently abled employees and workers.**

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Response : **Yes, and the web-link for the same is <https://www.acmills.in/2023/08/equal-opportunity-policy/>**

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	Yes/No	(If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes	Help Desk and Grievance Register and Whistle Blower Mechanism are in place to address complaints or issues raised
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Response : **The Company has a workers welfare association and all the workers are members automatically by virtue of their employment.**

8. Details of training given to employees and workers: -

Response : **The manufacturing of spinning involves various departments such as Blow Room, Carding, Combing , Spinning and the workers in general are trained in all the departments to have an understanding of the operations of the Cotton Yarn manufacturing. Besides knitting is a post manufacturing activity of spinning wherein the employees are also trained regularly.**

9. Details of performance and career development reviews of employees and worker:

Response: **The performance and career development reviews of employees and workers are regularly carried out at the plant level and leadership position is offered to those who perform and deserves**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).If yes, the coverage such system?

Response: **Yes – the coverage provides all employees**

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity? -

Response: **Identification of work related Hazards and its risk assessment is in place in respect of the entire manufacturing process and continuously reviewed.**

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N) -
Response: **Yes**

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Response: **Yes Such services are provided**

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 3 : Businesses should respect and promote the well-being of all employees, including those in their value chains (Contd...)

11. Details of safety related incidents, in the following format: -

Safety Incident/Number	Category	FY2022-23	FY2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person)	Employees Workers	Nil	Nil
Total recordable work-related injuries	Employees Workers	Nil	Nil
No. of fatalities	Employees Workers	Nil	Nil
High consequence work-related injury or ill health (excluding fatalities)	Employees Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Response: **The company provides in-depth training and constant review and up gradation of such training to all its employees to protect themselves and prevention of injuries at the work place.**

13. Number of Complaints on the following made by employees and workers: - Nil

Particulars	FY2022-23			FY2021-22		
	Filed during the year	Pending resolution at the end of year	Remark	Filed during the year	Pending resolution at the end of year	Remark
Working Conditions Health & Safety	- Nil-			- Nil-		

14. Assessments for the year

Particulars	percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Response : **Constant efforts are made to provide safe and secured environment work place to all the employees and workers at the plant level.**

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 4 : Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity-

Response : **The key stake holder groups are broadly categorized into Government, Employees, Shareholders, Customers and Suppliers.**

2. List stake holder groups identified as key for your entity and the frequency of engagement with each stake holder group.

Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly / Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Visits, Meetings and e-mail	Continuous basis	For discussion over business Matters
Employees	No	Committees and Communications	Continuous basis	Plant Management, Quality Maintenance, adherence to timely delivery of goods and protection of their interest and well being
Investors	No	Annual General Meetings, Filings with Stock Exchanges and Press Releases	In accordance with regulatory requirements	Updating of various informations with regard to functioning of the company and more specifically with reference to financial reporting.
Suppliers	No	Meetings and e-mails	Continuous basis	For meeting quality requirements and ensuring timely supplies
Government / Regulatory Bodies	No	Through Government Portals and other permitted means	As and when required	To resolve grievances

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 5 : Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy (ies) of the entity, in the following format:

Category	FY2022-23			FY2021-22		
	Total (A)	No. of employees / workers covered(B)	%(B/A)	Total(C)	No.of employees /workers covered(D)	%(D/C)
Employees						
Permanent	224	212	94.64%	206	194	94.17%
Other permanent than	Nil	Nil	Nil	Nil	Nil	Nil
Total Employees	224	212	94.64%	206	194	94.17%
Workers						
Permanent	1660	1660	100%	1483	1483	100%
Other permanent than	Nil	Nil	Nil	Nil	Nil	Nil
Total Workers	1660	1660	100%	1483	1483	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY2022-23					FY2021-22				
	Total (A)	Equal to Minimum Wage		More than MinimumWage		Total(D)	Equal to Minimum Wage		More than MinimumWage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	206	Nil	Nil	206	100%	191	Nil	Nil	191	100%
Female	18	Nil	Nil	18	100%	15	Nil	Nil	15	100%
Other Permanent than										
Male	Nil					Nil				
Female	Nil					Nil				
Workers										
Permanent										
Male	369	Nil	Nil	369	100%	330	Nil	Nil	330	100%
Female	1291	Nil	Nil	1291	100%	1153	Nil	Nil	1153	100%
Other Permanent than										
Male	Nil					Nil				
Female	Nil					Nil				

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 5 : Businesses should respect and promote human rights Essential Indicators (Contd...)

3. Details of remuneration/salary/wages,in the following format

Rs.in Lakhs

Particulars	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration /salary / wages of Respective category
Board of Directors (BoD) Executive	1	2500000	-	-
Board of Directors (BoD) Non - Executive	2	300000	3	250000
Key Managerial Personnel	2	586078	-	-
Employees and Workers other than BoD , KMP (in employment for full year)	575	131460	1309	113896

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Response: **Yes, the Plant head oversees all such issues**

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Response : **The grievances related to human rights issues are addressed through the “Whistle Blower Mechanism” / Maintenance of Complaints book at Plant level. Constant education is made through internal meetings**

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment						
Discrimination at workplace						
Child Labour						
Forced Labour /Involuntary Labour		Nil			Nil	
Wages						
Other human rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Response : **The complainant is fully protected from any harassment**

8. Do human rights requirements form part of your business agreements and contracts? - (Yes/No)

Response : **Generally, there are no specific agreements but adhered to by all entities**

9. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	All the Plants are regularly inspected by the statutory authorities
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others–please specify	

10. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments at Question 9 above.

Response : **There are no cases that are covered under Question 9 (above) and Question of corrective action does not arise.**

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 6 : Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)*	280924171200 Kj	78758292400 Kj
Total fuel consumption (B)	260794000 Kj	778772000 Kj
Energy consumption through other sources (C)	Nil	Nil
Total energy consumption (A+B+C)	281184965200 Kj	279537064400 Kj
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	34.42 Kj/Rupee	31.79 Kj/Rupee
Energy intensity (optional) – the relevant metric may be selected by the entity	Nil	Nil

***Wind units off set are not considered**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Response :- **The Company does not fall under PAT scheme for the current financial year.**

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilo litres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	10950 KL	9125 KL
(iii) Third party water (Sourced from TWAD Board)	81927.90 KL	92831.10 KL
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	92877.90 KL	101956.10 KL
Total volume of water consumption (in kilolitres)	92877.90 KL	101956.10 KL
Water intensity per rupee of turnover (Water consumed / turnover)	0.011 Liters per Rupee	0.012 Liters per Rupee

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Response: **There is no requirement of water for manufacture of cotton yarn. Sewage water recycled in STP (Sewage Treatment Plant) installed within Plant premises used for gardening.**

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 6 : Businesses should respect and make efforts to protect and restore the environment (Contd...)

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	--	Nil	Nil
SOx	--	Nil	Nil
Particulate matter (PM)	--	Nil	Nil
Persistent organic pollutants (POP)	--	Nil	Nil
Volatile organic compounds (VOC)	--	Nil	Nil
Hazardous air pollutants (HAP)	--	Nil	Nil
Others – please specify	-	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Response : **Cotton yarn manufacturing does not involve emissions and hence calculation of scope 1 & scope 2 emissions does not arise.**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	--	Nil	Nil
Total Scope 2 emissions (Break-up of the GHG into Co ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	--	Nil	Nil
Total Scope 1 and Scope 2 emissions per rupee of turnover	--	Nil	Nil
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	Nil	Nil

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Response : **The Company has installed windmills 27.4 MW for captive consumption and further has undertaken Solar Power Plant for a capacity of 8.334 MW over Roof Top at its Manufacturing Plants located at Dindigul in the State of Tamil Nadu for reduction of Co₂ and to that extent contributes reduction of Global Warming and climate change.**

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Nil	Nil
E-waste (B)	Nil	Nil
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	Nil	Nil
Other Non-hazardous waste generated (H). Please specify, if any. (Hard waste of Cotton) (Break-up by composition i.e. by materials relevant to the sector)	Nil 8494.687	Nil 9004.227
Total (A+B + C + D + E + F + G+ H)	8494.687	9004.227

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 6 : Businesses should respect and make efforts to protect and restore the environment (Contd...)

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	148.80	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	148.80	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Land filling	317.500	230.133
(iii) Other disposal operations	8028.387	8774.094
Total	8345.887	9004.227

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

Response: **There are no hazardous and toxic chemical usage in our product and process.**

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Response: **Not applicable, there are no operations/offices in/around ecologically sensitive areas.**

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Response : **Manufacturing of Cotton yarn would not cause environmental impacts and as such assessment of such impacts would not arise.**

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S.No.	Specify the law / regulation/ guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Correctiveaction taken, if any
Yes - the Company is compliant with all applicable laws and regulations				

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 7 : Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a & b. List of affiliations with trade and industry chambers/ associations.

Response : **The Company is a member of**

- i. **Indian Chamber of Commerce and Industry,**
 - ii. **The Cotton Textiles Export Promotion Council and**
 - iii. **Tamilnadu Spinning Mills Association,**
2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Response : **The Company has not engaged in any anti-competitive conducts**

Name of Authority	Brief of the case	Corrective action taken
-Nil-		

Principle 8 : Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year. -

Response: **Not Applicable**

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement is being undertaken by your entity, in the following format -

Response: **Not Applicable**

3. Describe the mechanisms to receive and redress grievances of the community

Response : **The Whistle Blower Policy formulated and made available would enable all stakeholders to raise their concerns. Besides the mechanism established at plant premises provides for proper recording of the grievances and redressal**

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers : competitive conduct by the entity, based on adverse orders from regulatory authorities.

Response : **The main input raw material for manufacture of cotton yarn is Raw Cotton. The Plants are located in the State of Tamil Nadu. Tamil Nadu is not a cotton producing State in adequate quantity or the cotton available is not suitable for manufacture of quality parameters of customers meant for exports . Raw cotton is sourced from Gujarat or Imported depending upon orders/production specifications. The other material requirements are sourced locally.**

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Principle 9 : Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback. – Customers complaints, if any, are attended to and are resolved.

Response : **Customers complaints, if any, are attended to and are resolved.**

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about environmental and social parameters relevant to the product, safe and responsible usage and Recycling and / or safe disposal

Response : **The Company is engaged in manufacturing cotton yarn and knitted fabric made out of Raw Cotton, an agricultural produce and prima facie would not involve environmental and social parameters involving safe and responsible usage and Recycling and / or safe disposal.**

3. Number of consumer complaints in respect of the following:

Particulars	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	NA	NA	Nil	NA	
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	Nil	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Response : **Though, there is no specific policy formulated in this respect, there are multiple security Standard Operating Procedures are put in place ensuring no unauthorised access to data and providing cyber security.**

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products/services.

Response: **Nil. None of the aforesaid matters arise or exists There are no such corrective actions taken or underway on issues relating to aadvertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products/services**

Place : Coimbatore
Date : 10.08.2023

By order of the Board
Sd/-
P.V.Chandran
Chairman and Managing Director
DIN : 00628479

AMBIKA COTTON MILLS LIMITED

SECRETARIAL AUDIT REPORT

ANNEXURE - V

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members,

M/s. Ambika Cotton Mills Limited,

CIN: L17115TZ1988PLC002269,

No.9 A, Valluvar Street,

Sivanandha Colony,

Coimbatore - 641 012.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Ambika Cotton Mills Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, Minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
 - e. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

AMBIKA COTTON MILLS LIMITED

SECRETARIAL AUDIT REPORT (Contd...)

(vi) The Management has identified and confirmed the following laws as specifically applicable to the Company: -

1. National Textile Policy, 2000
2. The Textiles Committee Act, 1963
3. Cotton Control Order, 1986
4. Cotton Control (Amendment) Orders, 1987
5. Cotton Control (Amendment) Orders, 1994
6. Indian Standard Specification for Cotton Bales
7. Textiles (Development and Regulation) Order, 2001
8. Essential Commodities Act 1955, with reference to "Hank Yarn Packing Notification 2003" (No.2/TDRO/8/2003 dated 17th April, 2003); and
9. The Electricity Act, 2003

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with respect to the Board Meetings (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI);
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Standards, etc. mentioned above.

I further report that, during the year under review, there were no actions/events in pursuance of the following Rules/Regulations required compliance thereof by the Company:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. The Securities and Exchange Board of India (De-listing of Equity Shares) Regulations, 2021;
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

I further report that having regard to the compliance system prevailing in the Company and on the review of quarterly compliance reports taken on record by the Board of Directors and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the labour and environmental laws as applicable.

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by the statutory financial auditor and other designated professionals.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent-Directors and a Woman Director.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

AMBIKA COTTON MILLS LIMITED

SECRETARIAL AUDIT REPORT (Contd...)

All decisions at Board meetings and Committee meetings are carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

Other than the above, there were no instances of

- Public/Rights/Preferential issue of shares/debentures/sweat equity.
- Redemption/Buy-back of securities.
- Major decisions taken by the members pursuant to Section 180 of the Companies Act, 2013.
- Merger/Amalgamation/reconstruction etc.
- Foreign technical collaborations

Place: Coimbatore

Date: 10.08.2023

Sd/
Name of the Practising Company Secretary : Sundararajan Baalaji
FCS No. : 5966
CP No. : 3514
Peer Review Certificate No. : 774/2020
UDIN : F005966E000774162

This report is to be read with our letter of even date which is annexed as *Annexure-A* and forms an integral part of this report.

AMBIKA COTTON MILLS LIMITED

SECRETARIAL AUDIT REPORT (Contd...)

ANNEXURE-A SECRETARIAL AUDIT REPORT OF EVEN DATE

The Members,

M/s. Ambika Cotton Mills Limited,

CIN: L17115TZ1988PLC002269,

No.9 A, Valluvar Street,

Sivanandha Colony,

Coimbatore - 641 012.

My Secretarial Audit Report of even date is to be read along with this letter

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. My responsibility is to make a report based on the Secretarial Records produced for my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my report.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management's representations about the compliance of laws, rules and regulations and happenings of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

Sd/

Name of the Practising Company Secretary : Sundararajan Baalaji

FCS No. : 5966

CP No. : 3514

Peer Review Certificate No. : 774/2020

UDIN : F005966E000774162

Place: Coimbatore

Date: 10.08.2023

AMBIKA COTTON MILLS LIMITED

ADDITIONAL DISCLOSURES PURSUANT TO REGULATIONS

ADDITIONAL DISCLOSURES PURSUANT TO REGULATIONS (34)(3) AND 53(f) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

A.RELATED PARTY TRANSACTIONS

Key Management Personnel	Sri P.V.Chandran
Relatives of Key Management Personnel	Mrs.Vidya Jyothish Pillai (Daughter of Sri.P.V.Chandran) Mrs. Bhavya Chandran (Daughter of Sri.P.V.Chandran)

(Rs in Lakhs)

Nature of Transactions	Salary	Director Sitting Fees	Total	Balance Payable as at 31.03.2023
Short term Employee benefits to Sri.P.V.Chandran	24.00	1.00	25.00	1.99
Mrs.Vidya Jyothish Pillai	-	2.00	2.00	-
Mrs. Bhavya Chandran	-	1.00	1.00	-

Notes :

1. Remuneration to Sri.P.V.Chandran was approved by the shareholders at the 34th Annual General Meeting held on 29.09.2023 pursuant to Section 197 of the Companies Act ,2013
2. The Sitting fees to Directors are approved by the Board of Directors at their Meeting held on 27.05.2017

B. MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry Structure & Developments

India's textiles is made up of Diverse nature coupled with rich cultural heritage. India's textiles sector is one of the oldest industries in Indian economy and one of the largest contributors to India's exports. The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale. The Indian textiles industry is extremely varied, with the hand-spun and hand woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum.

The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world. The textiles industry is also labour intensive and employs large number of persons.

The fundamental strength of the textile industry in India is its strong production base of wide range of fibre/ yarns from natural fibres like cotton, jute, silk and wool to synthetic / man-made fibres like polyester, viscose, nylon and acrylic.

AMBIKA COTTON MILLS LIMITED

ADDITIONAL DISCLOSURES PURSUANT TO REGULATIONS

Our country's connection with the textile sector dates back centuries. Every State in India has some unique textiles to offer. For instance, if the hand-painted cotton textile, Kalamkari is native to Andhra Pradesh, Ilkalsarees are Karnataka's indigenous textile. While Odisha is home to Sambalpuri fabric, Phulakri's are the pride of Punjab's culture. The vibrant, world-renowned Indian textiles have captivated several fabric connoisseurs and are highly valued globally. In human history, the importance of textiles cannot be sidelined, as they have changed social scenarios.

Evidence that inhabitants in the Harappan civilization were deft at spinning and weaving has been uncovered. William Lee created the stocking frame, the first hand-operated weft knitting machine, The textile evolution took a stride forward during the mediaeval age with William Lee's creation, the stocking frame. It was the first hand-operated weft knitting machine.

It was in the early nineteenth century that the textile industry started to gain momentum. This era saw the establishment of the first textile mill at fort Gloster, Kolkata in 1818 and in 1854 a cotton textile mill in Bombay. In 1861, the textile industry expanded its horizons to include Ahmedabad. In the second half of the nineteenth century, the cotton textile industry saw rapid progress.

The real technology-enabled revolution started to unfold in the industrial age. One such machine that was a game changer in the textile industry was the water frame, invented by the doyen of the textile segment, Sir Richard Arkwright. This invention facilitated faster spinning of cotton yarn. In addition to cotton, Indian silks were exported along the Silk Road in China and later on to western nations, making them another significant export of the ancient Indian textile industry. The British Empire colonised India for various reasons, but one of the main ones was the country's cheap, high-quality cotton.

The Indian textile industry has been ever-growing and is immensely influenced by tradition and aesthetics. A great stimulus for the Indian textile and cotton industries stemmed from the two world wars and the Swadeshi movement in India. Indian handlooms, spinning, and weaving techniques have been celebrated for centuries. Also, it has gradually and steadily created a niche for itself in home textile products in domestic and international markets.

During the Swaraj movement, Mahatma Gandhi encouraged people to use a spinning wheel, to make their own cloth. Khadi became a symbol of independence and self-sufficiency. As the Swaraj movement gained traction, the British Empire lost its hold on the textile industry This remarkable event changed the entire course of our Indian textiles, leading to a complete reorganisation of the industry.

2. Market Size

The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. The sector is expected to reach US\$ 226 billion by FY 2023. Urbanization is expected to support higher growth due to change in fashion and trends. This is amplified by opening of exclusive stores by the leading brands across the country. At present, our textile industry is estimated at \$16 billion, approximately 6% of the global market. India is among the top 5 apparel and textile exporting countries in the world.

For textile industry, the proposed hike in FDI limit in multi-brand retail will bring in more players, thereby providing more options to consumers. It will also bring in greater investments along the entire value chain – from agricultural production to final manufacture of goods. With global retail brands assured of a domestic foothold, outsourcing will also rise significantly.

AMBIKA COTTON MILLS LIMITED

ADDITIONAL DISCLOSURES PURSUANT TO REGULATIONS (Contd...)

3. Opportunities & Threats

Cotton yarn accounts for the largest share in total yarn production; India's growing population has been a key driver of textile consumption growth in the country. It has been complemented by a young population which is growing and at the same time is exposed to changing tastes and fashion. Rising income has been a key determinant of domestic demand for the sector; with income rising in the rural economy as well, the upward push on demand from the income side is set to continue.

Complementing this factor is rising female workforce participation in the Country. With consumerism and disposable income on the rise, the retail sector is set to experience a rapid growth. The organized apparel segment is expected to grow at a compound annual growth rate of more than 13% over a ten year period.

According to the new draft of the National Textile Policy, the Government is planning to attract foreign investments thereby creating employment opportunities to 35 million people.

Tech-enabled solutions will empower us to become the world's new textile and apparel production hub. Solutions that are scalable and also ecologically viable are imperative for the Indian textile industry. Changes in supply chain management, innovative fibres, smart farming to amplify natural fibre farming, and recycled yarn productions are some of the aspects that will help us build core competencies to become the global leader of the textile industry.

Embracing 3D technology

The adoption of 3D technology will make product creation more straightforward than ever. 3D rendering will assist in figuring out the ideal fit for costumes.

Blockchain for effective execution

Blockchain will have a profound impact on the way the textile industry interacts and executes transactions. Apart from bringing transparency to the transactions, blockchain will assist in tracking pertinent data points that will benefit stakeholders in the textile supply chain.

High-quality fabrics

While we work towards capturing a major share in the global textile market, means and methods to ensure the production and use of premium natural fabrics are vital.

Optimisation through digitization

By bringing accurate data and processes together under one unified platform, the textile supply chain can be digitised thus paving the way to produce and craft more products

4. Product wise Performance

Product wise performance in terms of Production and Sales quantities are given below:

Particulars	FY 2022-23 Qty (In Lakh Kgs)		FY 2021-22 Qty (In Lakh Kgs)	
	Production	Sales	Production	Sales
Cotton Yarn	183.30	108.68	191.85	124.40
Cotton Yarn for captive consumption(for knitting)	32.72	-	60.60	-
Cotton Fabrics (Knitted)	40.97	41.37	72.22	71.31
Waste Cotton	79.21	75.41	85.71	85.22
Wind units for captive consumption	473.01 Lakh units		475.42 Lakh units	

AMBIKA COTTON MILLS LIMITED

ADDITIONAL DISCLOSURES PURSUANT TO REGULATIONS (Contd...)

5. Outlook.

The Company, on account of manufacturing specialty cotton yarn, continues to have good demand and has created specific markets for its products. Further the Company's wider range of products in its knitting segment has established the newer markets in knitting segment. This ensures more sustained profitable operations. The company continues to strengthen its production base by modernization and adding balancing equipments and improvising production process. The Company has installed windmills for captive requirements and installed EHT line (110 KVA Sub-Station) for smooth flow of quality power. New Stenter plant is established for knitting division to heat process the fabrics. The company has initiated installation of Solar Power Project over Roof Top of its Plants located at Dindigul in the State of Tamil Nadu for a capacity of 8.334 MW for captive consumption. These measures will continue to strengthen and support the operations of the company

6. Risks and Concerns

- (i) Positive economic environment
- (ii) Government policies.
- (iii) Evacuation of 100% Wind energy generated to State Grid and favorable wind season.
- (iv) Stability in Raw cotton prices
- (v) Logistics of transport of imported raw materials
- (vi) Increase in Cost of Interest in the recent periods.
- (vii) Demand Slowdown

7. Internal control systems and their adequacy

The Company has put in place effective control systems in respect of all its operations and such systems are continuously reviewed and upgraded.

8. Discussion on Financial Performance with Respect to Operational Performance

The key financial data are furnished below for the current year as compared to the previous year

S. No	Particulars	CurrenYear 2023	Previous Year 2022
1	Increase in Net Sales (Rs. in Lakh)	-6240	26455
2	Increase in Net Sales (%)	-7.10	43.03
3	Increase in Exports (Rs. in Lakh)	-2849	18244
4	Increase in Exports (%)	-4.55	41.08
5	Operating Profit Margin before Tax(%)	23.10	31.23
6	Operating Profit Margin after Tax (%)	18.13	23.94
7	Cash Profit Margin before Tax (%)	22.31	31.09
8	Cash Profit Margin after Tax (%)	17.35	23.80
9	Net Profit Margin before Tax (%)	18.66	27.75
10	Net Profit Margin after Tax (%)	13.70	20.46

* Profit Margin calculations are on the basis of Net Sales

AMBIKA COTTON MILLS LIMITED

ADDITIONAL DISCLOSURES PURSUANT TO REGULATIONS (Contd...)

9. Material developments in Human resources/Industrial relations

The Company places its utmost value on the human resource and contribution from the employees is always fine-tuned towards to achieve the overall organization performance by constant education, training and various incentive schemes, which are in vogue. The company has cordial industrial relationship and have in total 1884 employees (worked for 12 months) consisting of staff and workmen in its roll. The Company ensures high safety and environmental standards in all its operations at all the units. Safety needs are continuously monitored and preventive actions are initiated through departmental safety committees consisting of plant staff and workmen.

10. Cautionary Statement

Certain Statements in this report on Management Discussion may be forward looking statements and which have been issued as required by applicable Securities Laws and Regulations. There are several factors which would be beyond the control of Management and as such, may affect the actual results which could be different from that envisaged.

AMBIKA COTTON MILLS LIMITED

C. CORPORATE GOVERNANCE REPORT

1. Brief statement on Company's philosophy on Code on Governance:

The Corporate Governance Policy of the Company is to ensure transparency, accountability and integrity in all its operations and in respect of all matters concerned with shareholders, employees, the Government and the financial institutions / banks and a consistent effort to broad base and improve upon these aspects on continuous basis.

2. Board of Directors

(A) Composition and Category of Directors

Name of the Director	Promoter /Executive/ Non Executive / Independent	No. of outside Directorship in Public Limited Companies	Membership held in Committee of Directors	Chairmanship held in Committee of Directors
Sri. P.V. Chandran	Chairman and Managing Director (Promoter & Executive)	Nil	Nil	Nil
Dr. K. Venkatachalam	Director (Independent -Non Executive)	Nil	Nil	Nil
Mrs. Bhavya Chandran	Director (Promoter Group-Non Executive)	Nil	Nil	Nil
Mrs.Vidya Jyothish Pillai	Director (Promoter Group-Non Executive)	Nil	Nil	Nil
Sri E.M. Nagasivam	Director (Independent -Non Executive)	Nil	Nil	Nil
Mrs. Vijayalakshmi Narendra	Director (Independent - Non Executive)	1	4	Nil

This does not include Membership / Chairmanship of Committee of Directors of Ambika Cotton Mills Limited.

(B) Number of Board Meetings and Attendance Record of Directors :

Number of Board Meetings held during the year 2022- 2023 : 4			
S.No.	Date of Board Meeting	S.No.	Date of Board Meeting
1	28.05.2022	2	10.08.2022
3	09.11.2022	4	09.02.2023

(C) Attendance Record of Directors :

S.No	Name of the Director	Number of Meetings held	Number of Meetings attended	Whether attended last AGM held on 29 th September, 2022
1	Sri. P.V. Chandran, Chairman and Managing Director	4	4	Yes
2	Dr.K.Venkatachalam, Director	4	4	Yes
3	Mrs. Bhavya Chandran, Director	4	4	Yes
4	Mrs.Vidya Jyothish Pillai, Director	4	4	Yes
5	Sri. E.M. Nagasivam, Director	4	4	Yes
6	Mrs. Vijayalakshmi Narendra, Director	4	4	Yes

AMBIKA COTTON MILLS LIMITED

CORPORATE GOVERNANCE REPORT (Contd...)

(D) Disclosure of Directors inter- se Relationships

The Directors Mrs.Bhavya Chandran and Mrs. Vidya Jyothish Pillai are daughters of Sri.P.V.Chandran Chairman and Managing Director of the Company.

(E) Shares of the company held by Non-Executive Directors: Nil

(F) Weblink of Familiarization Programmes imparted to independent Directors.

<http://www.acmills.in/2015/03/familiarization-program/>

(G) Core skills, expertise and competencies identified in the context of the Business of the company to function effectively

The core skills required in the context of the business of the company are varied in nature, as envisaged by the company, are as under

Core Skills	
Business Competency	Product innovation, Constant and continued upgradation and absorption of new technologies, Penetration of new markets, Offering new products, Business practices ensuring long term relationships with suppliers and customers and Generating confidence goodwill and dependability amongst all stakeholders.
Financial leverages	Acceptable Financial leverages.
Government laws and regulations	Compliance with Government laws and regulations.
Plant practices and Human Resources	Plant protection & safety measures, Development of human resources skills in production process, Quality work practices and safety measures and Identifying cost reduction measures such as generation of clean power for captive consumption.

In the opinion of the Board, that it consists of Directors who have skill, knowledge and long experience in respect of the aforesaid skill sets required by the company in the context of its business and sector for it to function effectively.

The Board of Directors are of the opinion that the independent directors fulfil the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Audit Committee:

The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013.

The Composition of the Audit Committee consists of Directors, Dr.K.Venkatachalam, Sri.E.M.Nagasivam, Mrs.Vidya Jyothish Pillai and Mrs. Vijayalakshmi Narendra

During the year, the Audit Committee held its meetings on 28.05.2022, 10.08.2022, 09.11.2022 and 09.02.2023.

Members' attendances at the meetings were as follows.

Name of the Directors	Category	No. of Meetings attended during the year 2022-23
Dr.K.Venkatachalam	Independent Non Executive -Chairperson	4
Mrs. Vidya Jyothish Pillai	Non-Executive Director-Promoter Group- Member	4
Sri. E.M.Nagasivam	Independent / Non Executive - Member	4
Mrs. Vijayalakshmi Narendra	Independent / Non Executive - Member	4

AMBIKA COTTON MILLS LIMITED

CORPORATE GOVERNANCE REPORT (Contd...)

4. Nomination & Remuneration Committee

Brief description of Terms of reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and to recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The Committee consist of Directors, Chaired by, Dr.K.Venkatachalam, Sri.E.M.Nagasivam and Mrs. Bhavya Chandran.

During the year, the Nomination & Remuneration Committee held its meetings on 10.08.2022 and 09.02.2023

Members' attendances at the meetings were as follows

Name of the Directors	Category	No. of Meetings attended during the year 2022-23
Dr..K.Venkatachalam	Independent / Non Executive - Chairperson	2
Sri. E.M.Nagasivam	Independent / Non Executive - Member	2
Mrs. Bhavya Chandran	Non-Executive Director-Promoter Group - Member	2

5. Performance Evaluation Criteria For Independent Directors:

The main attribute to be focused on is positive value creation and contribution in respect of ongoing activities of the Company and its value enhancement with adequate qualifications and independence.

6. Remuneration of Directors

(a) Non executive Directors

S.No.	Name of the Director	Sitting Fees (Rs.)
1	Mrs.Vidya Jyothish Pillai	200000
2	Mrs.Bhavya Chandran	100000
	Total	300000

(b) Independent Directors

S.No.	Name of the Director	Sitting Fees (Rs.)	Professional Charges (Rs.)	Total (Rs.)
1.	Dr.K. Venkatachalam	2,00,000	2,00,000	4,00,000
2.	.Sri.E.M. Nagasivam	2,00,000	--	2,00,000
3.	Mrs.Vijayalakshmi Narendra	2,00,000	-	2,00,000

(c) Chairman and Managing Director

Name of the Director	Salary (Rs)	Sitting Fees (Rs.)	Total (Rs.)
Sri. P.V. Chandran	24,00,000	1,00,000	25,00,000

AMBIKA COTTON MILLS LIMITED

CORPORATE GOVERNANCE REPORT (Contd...)

7. Stakeholders Relationship Committee

- i. a. The Committee consists of Directors Dr.K.Venkatachalam, Mrs. Vidya Jyothish Pillai and Mrs .Bhavya Chandran.
b. Number of shareholders Complaints received during the year: Nil
c. Number of not solved to the satisfaction of the shareholders during the year: NA
d. Number of pending complaints : NA
e. Name & Designation of Compliance Officer : Sri. Radheyshyam Padia, Compliance Officer
- ii. The Committee held its meetings 19.01.2023 and 16.02.2023 and attendance of the members were as follows:

Name of the Directors	Category	No. of Meetings attended during the year 2022-23
Dr.K.Venkatachalam	Independent / Non Executive- - Chairperson	2
Mrs. Vidya Jyothish Pillai	Non-Executive Director-Promoter Group - Member	2
Mrs.Bhavya Chandran	Non-Executive Director-Promoter Group - Member	2

8. Risk Management Committee

- The Committee consists of Directors Sri. P.V.Chandran, Dr.K.Venkatachalam and Mrs. Vidya Jyothish Pillai.
The Committee held its meetings on 28.05.2022, 10.08.2022,09.11.2022 and 09.02.2023 and attendance of the members were as follows:

Name of the Directors	Category	No. of Meetings attended during the year 2022-23
Sri. P.V.Chandran	Chairman and Managing Director - Chairperson	4
Dr.K.Venkatachalam	Independent Director / Non -Executive - Member	4
Mrs. Vidya Jyothish Pillai	Non-Executive Director - Promoter Group - Member	4

9. General Body Meetings:

- (i) Location, Date and time of the General Meetings held during the last three years.

Year	Location	Date	Time
2020	Through Video Conferencing (Deemed Venue: Registered Office of the Company)	29.09.2020	12 Noon
2021	Through Video Conferencing : (Deemed Venue: Registered Office of the Company)	29.09.2021	12 Noon
2022	Through Video Conferencing : (Deemed Venue: Registered Office of the Company)	29.09.2022	12 Noon

- (ii) Special resolutions passed in previous three Annual General Meeting

Year	Special Resolution for
2020	Nil
2021	Appointment of Mrs. Vijayalakshmi Narendra (DIN: 00412374) Woman Independent Director
2022	Re appointment of Sri. P.V.Chandran (DIN: 00628479) as Chairman and Managing Director Re appointment of Sri. E.M.Nagasivam (DIN:07894618) as an Independent Director

- (iii) No special resolution was put through by Postal Ballot during FY 2022-23 and is proposed to be conducted through postal ballot

10. Means of Communication:

Publications of Financial Results are generally made in dailies Financial Express and Dinamani and further are made available in the company's website www.acmills.in

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CORPORATE GOVERNANCE REPORT (Contd...)

11. General Information to Shareholders:

Annual General Meeting (AGM) Date and Time	Friday 29th September 2023 at 12.00 Noon	
Venue	Annual General Meeting (AGM) to be conducted through Video Conferencing (VC)/Other Audio Visual Means (OAVM), pursuant to MCA Circular dated 5th May, 2020 read with circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as "MCA Circulars"), without the physical presence of Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company	
Financial year	2022-23	
Dividend Payment Date	Within 30 days from the date of AGM	
Results for Quarter ending	June 30, 2023	2nd Week of August, 2023
	September 30, 2023	2nd Week of November, 2023
	December 31, 2023	2nd Week of February, 2024
	March 31, 2024	Last week of May 2024 (Audited).
	AGM	September 2024
Listing on Stock Exchanges	Listed in National Stock Exchange, Bombay Stock Exchange, Annual Listing Fee has been paid to the Stock Exchanges.	
Stock Code	531978 (BSE), AMBIKCO (NSE)	
Date of Book Closure	23.09.2023 to 29.09.2023 (Both days inclusive)	
Demat ISIN Number in NSDL & CDSL for Equity Shares	ISIN Number: INE540G01014.	

Stock Market Data :

Month	The Stock Exchange		National Stock Exchange	
	Mumbai (BSE)		Mumbai (NSE)	
	High	Low	High	Low
April-22,	2,544.00	2,156.00	2,548.85	2,151.00
May-22	2,258.20	1,720.00	2,264.00	1,720.00
Jun-22	1,953.55	1,324.45	1,950.00	1,325.00
July-22	1,772.75	1,504.00	1,777.00	1,509.95
August-22	1,870.80	1,628.20	1,870.00	1,650.00
September-22	1,885.45	1,565.50	1,888.00	1,582.00
October-22	1,727.00	1,548.00	1,729.40	1,549.90
November-22	1,679.55	1,458.00	1,669.00	1,471.05
December-22	1,645.50	1,366.20	1,637.95	1,365.55
January-23	1,604.05	1,500.00	1,611.85	1,499.70
February-23	1,578.15	1,371.75	1,586.55	1,390.05
March-23	1,495.00	1,310.50	1,494.90	1,314.20

AMBIKA COTTON MILLS LIMITED

CORPORATE GOVERNANCE REPORT (Contd...)

Registrar & Share Transfer Agents	SKDC Consultants Ltd., "Surya", 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore -641028
Share Transfer System	Presently, the share transfers which are received in physical form are processed and the Share Certificates returned within a period of 7 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board of Directors of the Company have delegated powers of approving transfer of securities to the Company's Registrars and Transfer Agents subject to placing of summary statement of transfer/ transmission of securities etc. of the Company at meetings of the Stakeholders Relationship Committee. The Company has obtained and filed with the Stock Exchange(s) the half yearly certificates from a Company Secretary in practice for due compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015).

Pattern of Share Holding as on 31.03.2023

S. No.	Category	No. of Shares	% of Share holding
1	Promoters	2872350	50.172
2	Banks, Financial Institutions, Mutual Funds	50	0.001
3	Alternate Investment Funds	4900	0.086
4	Foreign Portfolio investments – Corporate	175347	3.063
5	Corporate Bodies	286163	4.998
6	Public		
	1. Individuals (holding nominal share capital upto Rs.2.00 Lakh)	1960600	34.246
	2. Individuals (Holding nominal share capital in excess of Rs.2.00 Lakh)	134352	2.347
7	Any other		
	a. Directors and their relatives	100	0.002
	b. LLP	5073	0.089
	c. Trusts	5	0.000
	d. Nonresident Indians	171418	2.994
	e. Clearing Members	986	0.017
	f. Hindu Undivided Families	61546	1.075
	g. IEPF	12361	0.216
	h. Key Managerial Personnel	39749	0.694
	Total	5725000	100.000

AMBIKA COTTON MILLS LIMITED

CORPORATE GOVERNANCE REPORT (Contd...)

Distribution of Share Holding as on 31.03.2023				
Range (No. of Shares)	No. of Shares	% to total number of shares	No. of Shareholders	% to total number of Shareholders
0001 - 0500	1150746	20.10	27576	97.2836
0501 - 1000	301454	5.27	416	1.4676
1001 - 2000	268797	4.70	182	0.6421
2001 - 3000	148512	2.59	59	0.2081
3001 - 4000	127135	2.22	37	0.1305
4001 - 5000	103129	1.80	23	0.0811
5001 - 10000	199391	3.48	29	0.1023
10001 and above	3425836	59.84	24	0.0847
Total	5725000	100.00	28346	100.0000
Dematerialization of Shares	99.48% of the Company's paid-up Equity Share Capital has been dematerialized up to March 31, 2023. Trading in Equity shares of the Company is permitted only in dematerialized segment as per notification issued by the Securities & Exchange Board of India (SEBI).			
Liquidity	The Shares are actively traded in Bombay Stock Exchange Limited (BSE) & National Stock Exchange of India Limited (NSE)			
Outstanding GDR/ Warrants / Convertible Instruments	NIL			
Foreign exchange risk and hedging activities	Foreign exchange risks are mitigated through forward exchange contracts besides natural hedge of exports against imports.			
Plant Locations	<p>The Company has Five Units and its locations are given below:</p> <p>Unit-I-Natham Main Road, Kanniyapuram, Dindigul-624 308</p> <p>Unit - II - Kanniyapuram - Ellaipatty Road, Kanniyapuram, Dindigul - 624 308</p> <p>Unit - III - Kanniyapuram - Ellaipatty Road, Kanniyapuram, Dindigul - 624 308. (Adjacent to Unit - II).</p> <p>Unit - IV - Kanniyapuram - Ellaipatty Road, Kanniyapuram, Dindigul - 624 308 (Adjacent to Unit - III)</p> <p>Knitting Division - Kanniyapuram - Ellaipatty Road, Kanniyapuram, Dindigul - 624 308 (Adjacent to Unit - IV)</p>			
Investor Correspondence/ Query Information :				
For Transfer Shares	SKDC Consultants Ltd., "Surya", 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore -641028			
Any other matter	Regd.Office: 9-A, Valluvar Street, Sivanandha Colony, Coimbatore - 641 012			

AMBIKA COTTON MILLS LIMITED

CORPORATE GOVERNANCE REPORT (Contd...)

12. Other Disclosures

- i. There are no materially significant related party transactions that have potential conflict with the company.
 - ii. No penalties or strictures 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.
 - iii. The Company has established a vigil mechanism / whistle blower policy for directors and employees and the same has been disclosed on the website of the Company and no personnel has been denied access to the audit committee.
 - iv. The Company has duly complied with mandatory and adopted nonmandatory requirements.
 - v. There are no material subsidiary Companies.
 - vi. The policy on dealing with related party transactions is disclosed in weblink :<http://www.acmills.in/2016/04/related-party-transactions-policy>
 - vii. Raw cotton, the main input raw material, is subject to commodity price risks but there are no commodity hedging activities.
 - viii. The Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - ix. Certificate from Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority has been obtained and is annexed to this report.
 - x. During the year under review, the recommendations made by the different Committees have been accepted and there were no instances where the Board of Directors had not accepted any recommendation of the Committees.
 - xi. The Company has paid a sum of Rs. 6,00,000/- as fees for audit to the Statutory Auditors and there are no other entities in the network firm / network entity.
 - xii. As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee. During the year 2022-23, no complaint was received by the Committee. As such, there are no complaints pending as at the end of the financial year.
 - xiii. There are no loans and advances in the nature of loans extended by the company and therefore furnishing of details of 'Loans and advances in the nature of loans to firms/companies in which directors are interested', are not applicable.
 - xiv. There are no subsidiaries and hence furnishing of details of material subsidiaries including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries does not arise.
 - xv. Demat Accounts are opened in the name of " Ambika Cotton Mills Limited - Unclaimed Suspense Account" and " Suspense Escrow Demat Account" in compliance with SEBI Regulations and Circular.
13. All the requirements of corporate governance report of sub paragraphs (2) to (10) Para C of Schedule V of (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been duly complied with.
14. The Company has adopted the following discretionary requirements as prescribed in Part E of Schedule -II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- a. The auditors' report on statutory financial statements of the Company are unmodified
 - b. The internal auditor directly report to the audit committee.
15. The Company is fully compliant with the Corporate Governance requirements as specified by Regulation 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- D. DECLARATION REGARDING COMPLIANCE BY BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL AFFIRMING COMPLIANCE WITH COMPANY'S CODE OF CONDUCT.**
- This is to confirm that the Company has adopted a Code of Conduct for its Board and Staff of the Company and a declaration to the effect that the same have been complied with has been received from them in respect of the Financial Year Ended 31.03.2023.

By order of the Board

Sd/-

(P.V.CHANDRAN)

Chairman and Managing Director

(DIN : 00628479)

Place : Coimbatore

Date : 10.08.2023

AMBIKA COTTON MILLS LIMITED

CORPORATE GOVERNANCE REPORT (Contd...)

E. AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Ambika Cotton Mills Limited, Coimbatore.

We have examined the compliance of conditions of Corporate Governance by Ambika Cotton Mills Limited ("the Company") for the year ended March 31, 2023, as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations.

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 compliance with 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 explanations given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We 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 S. Krishnamoorthy & Co
Chartered Accountants
Regn No. 001496S

Sd/-

B. Krishnamoorthi
Partner, Auditors
Membership No. 020439
(UDIN: 23020439BGUGWG5823)

Place : Coimbatore

Date : 26.05.2023

AMBIKA COTTON MILLS LIMITED

CORPORATE GOVERNANCE REPORT (Contd...)

F. ANNUAL CONFIRMATION PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

To
The Board of Directors
Ambika Cotton Mills Limited
Coimbatore

Dear Sirs,
We hereby certify that:

We have reviewed the financial statement read with the cash flow statement of the Company for the year ended March 31, 2023 and that to the best of our knowledge and belief, we state that:

- a) i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best to our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2023 which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems pertaining to financial reporting of the Company and there were no deficiencies in the design or operation of internal controls.
- d) We have indicated to the auditors and the Audit Committee:
 - i) There are no significant changes in internal control over financial reporting during the year ended March 31, 2023.
 - ii) There are no significant changes in accounting policies made during the year ended March 31, 2023 and
 - iii) There have been no instances of significant fraud of which we have become aware.

Sd/-
M. Vijayakumar
Chief Financial Officer

Sd/-
P.V. Chandran
Chairman and Managing Director
(DIN : 00628479)

Place : Coimbatore
Date : 10.08.2023

AMBIKA COTTON MILLS LIMITED

CORPORATE GOVERNANCE REPORT (Contd...)

G. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS BY A COMPANY SECRETARY IN PRACTICE

(Pursuant to Regulation 34(3) and Schedule V Para-C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
M/s. AMBIKA COTTON MILLS LIMITED
CIN: L17115TZ1988PLC002269,
No.9-A Valluvar Street,Sivanandha Colony,
Coimbatore – 641 012.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. AMBIKA COTTON MILLS LIMITED having CIN: L17115TZ1988PLC002269 having registered office at No.9-A, Valluvar Street, Sivanandha Colony, Coimbatore – 641 012 (hereinafter referred to as “the Company”), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) Status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers. I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 has been debarred or disqualified from being appointed or continuing as Director of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.No.	DIN	Name of the Director	Date of appointment in Company
1.	00628479	Mr. PuthanVeedu Chandran	06/10/1988
2.	01062171	Mr. Karuppaiah Venkatachalam	31/07/2002
3.	05215930	Mrs. Vidya Jyothish Pillai	14/02/2012
4.	02080649	Mrs. Bhavya Chandran	30/01/2008
5.	07894618	Mr. EgambaramMadhavanNagasivam	12/08/2017
6.	00412374	Mrs. Vijayalakshmi Narendra	11/08/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Coimbatore
Date : 10.08.2023

Sd/
Name of the Practising Company Secretary : Sundararajan Baalaji
FCS No. : 5966
CP No. : 3514
Peer Review Certificate No. : 774/2020
UDIN : F005966E000774184

AMBIKA COTTON MILLS LIMITED

INDEPENDENT AUDITORS' REPORT

To the Members of Ambika Cotton Mills Limited

Report on the Financial Statements

Opinion

We have audited the Financial Statements of Ambika Cotton Mills Limited (“the Company”), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters

AMBIKA COTTON MILLS LIMITED

INDEPENDENT AUDITORS' REPORT

Key Audit Matter	How our audit addressed the key audit matter
Evaluation of open tax litigations (Direct and Indirect tax)	
The Company has uncertain tax positions on matters under dispute which involve significant judgment to determine the possible outcome of these disputes. Refer Note 30.1 to the Financial statements.	<ul style="list-style-type: none">• Obtained details of completed tax assessments and demands as on March 31,2023 from the management.• Obtained an understanding of key uncertain tax positions.• Discussed with appropriate senior management and assessed management's estimate of the possible outcome of the disputed cases.

Information Other than the Financial Statements and Auditor's Report There on

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

AMBIKA COTTON MILLS LIMITED

INDEPENDENT AUDITORS' REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

AMBIKA COTTON MILLS LIMITED

INDEPENDENT AUDITORS' REPORT

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act and is within the limit specified under the said section.

AMBIKA COTTON MILLS LIMITED

INDEPENDENT AUDITORS' REPORT

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note. 30.1 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Place : Coimbatore
Date : 26.05.2023

For S. Krishnamoorthy & Co
Chartered Accountants
Regn No. 001496S

Sd/-

B. Krishnamoorthi
Partner, Auditors
Membership No. 020439
(UDIN: 23020439BGUGWF6806)

AMBIKA COTTON MILLS LIMITED

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1(f) of Report on Other Legal and Regulatory Requirements)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Ambika Cotton Mills Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining Internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

AMBIKA COTTON MILLS LIMITED

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. Krishnamoorthy & Co
Chartered Accountants
Regn No. 001496S

Sd/-

B. Krishnamoorthi
Partner, Auditors

Membership No. 020439
(UDIN: 23020439BGUGWF6806)

Place : Coimbatore
Date : 26.05.2023

AMBIKA COTTON MILLS LIMITED

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 of Report on Other Legal and Regulatory Requirements)

According to the information and explanations sought by us and given by the Company and the books and records examined by us during the course of our Audit and to the best of our knowledge and belief we report the following:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (b) The Property, Plant and Equipment have been physically verified in a phased periodical manner, by the management, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such physical verification.
 - (c) The title deeds of all the immovable properties of land and building which are freehold are held in the name of the company as at the Balance Sheet date.
 - (d) The company has not Revalued any of the Property, Plant and Equipment during the Year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
 - (a) The physical verification of inventory has been conducted by the management at reasonable intervals. The Company has maintained proper record of inventory and no material discrepancies were noticed on the physical verification of inventories as compared to the book records.
 - (b) The Company has been sanctioned working capital limits in excess of Rs.5 Crores during the year from banks on the basis of security of current assets. The quarterly returns filed by the company with banks are in agreement with the books of account of the company.
- (iii) The Company has not made Investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act.
- (iv) The Company has not advanced any loans to its directors or any other person in whom the directors are interested or made any investments or given any guarantee or provided any security in connection with any loan taken by the directors or such other person as contemplated under section 185 of the Act.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however carried out a detailed examination of the cost records with a view to determine whether they are accurate or complete

AMBIKA COTTON MILLS LIMITED

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, ESI, Income-tax, goods and service tax, duty of customs, cess and other material statutory dues with the appropriate authorities. There are no undisputed arrears of statutory dues which were outstanding as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) The details of disputed statutory dues which have not been deposited by the Company are as given below:

Name of the Statute	Nature of Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Customs Duty	410.01	Demand Raised in FY 2008-2009	Madurai Bench of Madras High Court remitted the matter to the adjudicating authority for de novo proceedings
GST	GST	72.32	FY 2017-18	Deputy Commissioner (ST) GST Appeal, Madurai
GST	GST	19.07	FY 2018-19	Deputy Commissioner (ST) GST Appeal, Madurai
GST	GST	48.05	FY 2019-20	Deputy Commissioner (ST) GST Appeal, Madurai

(viii) In our opinion, there are no transactions that are not recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The company has not taken any loans or other borrowings from any lender other than Banks. Company has not issued any debentures.

(b) The company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) The company has not availed any term loans during the year.

(d) The company has not raised any funds on short term basis.

(e) The company has no investments in subsidiaries, joint ventures and associate companies.

(x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) The company has not made a Preferential Allotment or Private Placement of shares or convertible Debentures during the year.

(xi) (a) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) The Company has not received any Whistle-Blower complaints during the year.

(xii) The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion the transactions with the related parties are in compliance with sections 177 and 188 of the Act and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) (a) The company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the reports of the Internal Auditors for the period under audit, to the extent the same has a bearing on the Financial Statements.

AMBIKA COTTON MILLS LIMITED

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

- (xv) The company has not entered into non-cash transactions with directors or persons connected with them.
- (xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities.
- (C) The company is not a Core-Investment-Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (xvii) The company has not incurred cash loss during the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.
- (b) The Company does not have any ongoing projects as at the end of the previous financial year.

For S. Krishnamoorthy & Co
Chartered Accountants
Regn No. 001496S

Sd/-

B. Krishnamoorthi
Partner, Auditors
Membership No. 020439
(UDIN: 23020439BGUGWF6806)

Place : Coimbatore
Date : 26.05.2023

AMBIKA COTTON MILLS LIMITED

BALANCE SHEET AS AT 31st MARCH 2023

(Rs. in Lakhs)

Particulars	Note No	As at 31st 31.03.2023	As at 31st 31.03.2022
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	4	21501.52	22701.95
(b) Capital work-in-progress		0.53	3.02
(c) Intangible assets	5	0.00	0.00
(d) Financial assets			
(i) Investments		0.00	0.00
(ii) Trade receivables		0.00	0.00
(iii) Loans		0.00	0.00
(iv) Other financial assets	10	926.09	760.18
(e) Other non-current assets	12	0.00	18.63
Total Non-current assets	(A)	22428.14	23483.78
(2) Current assets			
(a) Inventories	6	39696.19	22922.49
(b) Financial Assets			
(i) Investments	7	44.34	43.50
(ii) Trade receivables	8	3911.32	4586.98
(iii) Cash and cash equivalents	9a	16937.78	27955.99
(iv) Bank Balances other than (iii) above	9b	10789.00	0.00
(v) Loans		0.00	0.00
(vi) Other financial assets	10	2346.88	2652.28
(c) Current tax assets (Net)	11	201.09	146.61
(d) Other current assets	12	1672.19	562.65
Total Current Assets	(B)	75598.79	58870.50
Total Assets	(A+B)	98026.93	82354.28
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	13	572.50	572.50
(b) Other Equity	14	81089.04	71914.23
Total Equity	(A)	81661.54	72486.73
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings		0.00	0.00
(ia) Lease Liabilities		0.00	0.00
(ii) Trade payables		0.00	0.00
(iii) Other financial liabilities	18	823.26	670.58
(b) Deferred tax liabilities (Net)	15	1879.24	2029.03
(c) Other non-current liabilities		0.00	0.00
Total non-current liabilities	(B)	2702.50	2699.61
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	0.00	0.00
(ia) Lease Liabilities		0.00	0.00
(ii) Trade payables	17		
Due to Micro and Small Enterprises		166.93	127.86
Due to Others		12102.22	5897.15
(iii) Other financial liabilities	18	1321.89	925.72
(b) Other current liabilities	19	71.85	204.16
(c) Current Tax Liabilities (Net)	20	0.00	13.05
Total Current Liabilities	(C)	13662.89	7167.94
Total Equity and Liabilities	(A+B+C)	98026.93	82354.28
See accompanying notes to the financial statements		0.00	0.00

As per our report of even date attached
For S. Krishnamoorthy & Co.,
Chartered Accountants
Firm Reg. No. 001496S

For and on behalf of the Board
Sd/-
P.V. Chandran
(Chairman and Managing Director)
(DIN : 00628479)

Sd/-
Dr.K.Venkatachalam
(Director)
(DIN : 01062171)

Sd/-
(B. Krishnamoorthi)
Membership No. 020439
Partner
Place : Coimbatore
Date : 26.05.2023

Sd/-
Radheshyam Padia
(Company Secretary)

Sd/-
E.M. Nagasivam
(Director)
(DIN : 07894618)

Sd/-
M.Vijayakumar
(Chief Financial Officer)

AMBIKA COTTON MILLS LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2023 (Rs. in Lakhs)

Particulars	Note No	Year Ended 31.03.2023	Year Ended 31.03.2022
INCOME			
Revenue from operations	21	84750.14	92051.80
Other income	22	1384.83	496.18
Total income		86134.97	92547.98
EXPENSES			
Cost of materials consumed	23	66059.83	52989.87
Purchase of Stock-in-Trade		0.00	0.00
Changes in inventories of finished goods and work-in-progress	24	-14393.29	-2229.39
Employee benefit expense	25	5174.19	4578.18
Finance costs	26	639.68	123.09
Depreciation and amortization expense	27	2982.01	2938.83
Other expenses	28	10424.62	9748.43
Total expenses		70887.04	68149.01
Profit before exceptional items and tax		15247.93	24398.97
Exceptional items		0.00	0.00
Profit before tax after exceptional items		15247.93	24398.97
Tax expense			
Current tax		4208.32	6460.94
Deferred tax		-149.79	-50.75
Total tax expense		4058.53	6410.19
Profit after tax from continuing operations for the year		11189.40	17988.78
Other Comprehensive income			
Items that will not be reclassified to Profit & Loss			
Remeasurements of the defined benefit plans		-14.49	-25.50
Income tax relating to items not reclassified to Profit & Loss		3.65	6.42
Items that will be reclassified to Profit & Loss		0	0
Total Other Comprehensive income		-10.84	-19.08
Total Comprehensive income for the year		11178.56	17969.70
Basic Earnings per share (In Rs) [Face Value Rs 10/- per share]		195.45	314.21
Diluted Earnings per Share (In Rs) [Face Value Rs 10/- per share]		195.45	314.21

See accompanying notes to the financial statements

As per our report of even date attached
For S. Krishnamoorthy & Co.,
Chartered Accountants
Firm Reg. No. 001496S

For and on behalf of the Board
Sd/-
P.V. Chandran
(Chairman and Managing Director)
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(B. Krishnamoorthi)
Membership No. 020439
Partner

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E.M. Nagasivam
(Director)
(DIN : 07894618)

Place : Coimbatore
Date : 26.05.2023

Sd/-
Radheshyam Padia
(Company Secretary)

Sd/-
M.Vijayakumar
(Chief Financial Officer)

AMBIKA COTTON MILLS LIMITED

STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2023

A. EQUITY SHARE CAPITAL:

(Rs. in Lakhs)

Balance as at 01/04/2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01/04/2022	Changes in equity share capital during the year	Balance as at 31/03/2023
572.50	0.00	572.50	0.00	572.50

Balance as at 01/04/2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01/04/2021	Changes in equity share capital during the year	Balance as at 31/03/2022
572.50	0.00	572.50	0.00	572.50

B. OTHER EQUITY:

(Rs. in Lakhs)

Particulars	Other Equity				Total Other Equity
	Reserves and Surplus				
	Capital Redemption Reserve	Share Premium Reserve	General Reserve	Retained Earnings	
As at 31.03.2022	15.00	361.06	20679.81	50858.36	71914.23
Total Comprehensive Income for the year				11178.56	11178.56
Payment of Final Dividend				-2003.75	-2003.75
Transfer to General Reserve			1000.00	-1000.00	0.00
As at 31.03.2023	15.00	361.06	21679.81	59033.17	81089.04

Particulars	Other Equity				Total Other Equity
	Reserves and Surplus				
	Capital Redemption Reserve	Share Premium Reserve	General Reserve	Retained Earnings	
As at 31.03.2021	15.00	361.06	19679.81	35892.41	55948.28
Total Comprehensive Income for the year				17969.70	17969.70
Payment of Final Dividend				-2003.75	-2003.75
Transfer to General Reserve			1000.00	-1000.00	0.00
As at 31.03.2022	15.00	361.06	20679.81	50858.36	71914.23

As per our report of even date attached
For S. Krishnamoorthy & Co.,
Chartered Accountants
Firm Reg. No. 001496S

For and on behalf of the Board
Sd/-
P.V. Chandran
(Chairman and Managing Director)
(DIN : 00628479)

Sd/-
Dr.K.Venkatachalam
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Sd/-
(B. Krishnamoorthi)
Membership No. 020439
Partner

Sd/-
E.M. Nagasivam
(Director)
(DIN : 07894618)

Place : Coimbatore
Date : 26.05.2023

Sd/-
Radheshyam Padia
(Company Secretary)

Sd/-
M.Vijayakumar
(Chief Financial Officer)

AMBIKA COTTON MILLS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakhs)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax after exceptional items	15233.45	24373.47
Adjustment for		
Depreciation and amortisation expense	2982.01	2938.83
Finance Costs	639.68	123.09
Sale of Assets	-2.72	-11.59
Increase/ Diminution in fair value of Investments	-0.59	-4.98
Investments Income:		
Interest/Dividend Received	-1384.24	-491.20
Operating Profit Before Working Capital Changes	17467.59	26927.62
Adjustments for (increase)/decrease in operating assets		
Inventories	-16773.70	8397.07
Trade receivables	675.66	-3240.27
Other Financial Assets - Non current	-165.91	-54.79
Other Financial Assets - Current	305.40	-39.79
Other Current Assets - Non Current	18.63	185.40
Other Current Assets- Current	-1109.54	880.61
Bank Balance other than cash and cash equivalents	-10789.00	0.00
	-10370.87	33055.85
Adjustments for increase /(decrease) in operating liabilities		
Trade Payables	6244.14	3704.73
Other Non Current Financial Liabilities	152.68	69.70
Other Financial Liabilities	396.17	118.94
Other Current Liabilities	-132.31	3.63
Cash used in / generated from operations	-3710.19	36952.85
Taxes paid	-4272.19	-6777.08
Net Cash used in / generated from operating activities	(A) -7982.38	30175.77
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-1843.49	-1232.47
Capital work in progress	2.49	382.69
Sale of Fixed assets	64.62	58.00
Investment in Mutual Funds	-0.26	0.00
Interest Received	1383.82	491.10
Dividend Received	0.42	0.10
Net cash used in Investing activities	(B) -392.40	-300.58

AMBIKA COTTON MILLS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2023 (Contd...)

C. CASH FLOW FROM FINANCING ACTIVITIES

(Rs. in Lakhs)

Particulars		Year Ended 31.03.2023	Year Ended 31.03.2022
Proceeds from Working Capital borrowings		0.00	-10.10
Dividend Paid		-2003.75	-2003.75
Interest Paid		-639.68	-123.09
Net Cash Used in Financing Activities	(C)	-2643.43	-2136.94
Net increase / (decrease) in Cash and Cash Equivalents	(A+B+C)	-11018.21	27738.25
Cash and Cash Equivalents at beginning of the period	(D)	27955.99	217.74
Unrealised Loss / (Gain) on Foreign Currency Cash and Cash equivalents		0.00	0.00
Cash and Cash Equivalents at end of the period	(E)	16937.78	27955.99

As per our report of even date attached
For S. Krishnamoorthy & Co.,
Chartered Accountants
Firm Reg. No. 001496S

For and on behalf of the Board
Sd/-
P.V. Chandran
(Chairman and Managing Director)
(DIN : 00628479)

Sd/-
Dr.K.Venkatachalam
(Director)
(DIN : 01062171)

Sd/-
(B. Krishnamoorthi)
Membership No. 020439
Partner

Sd/-
E.M. Nagasivam
(Director)
(DIN : 07894618)

Place : Coimbatore
Date : 26.05.2023

Sd/-
Radheshyam Padia
(Company Secretary)

Sd/-
M.Vijayakumar
(Chief Financial Officer)

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

1. CORPORATE INFORMATION

Ambika Cotton Mills Limited is engaged in manufacturing and selling speciality cotton yarn catering to the needs of manufacturers of premium branded shirts and t-shirts. Exports constitute significant portion of the operations. The company operates with total installed spindle capacity of 108288 (Previous Year 108288 Spindles) of compact facility housed in four units and Knitting facility of converting 40,000 Kgs of yarn per day into fabrics. The company has installed 27.4 MW wind power capacity for captive consumption of spinning segment. The Spinning Plants are located at Kanniyapuram, Dindigul and Windmills are located in Tirunelveli, Dharapuram and Theni in the State of Tamilnadu. The financial statements are approved for issue by the Company's Board of Directors on 26th May 2023.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Statement of compliance

The financial statements have been prepared in accordance with IND AS notified under Section. 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) (IndAS) Rules 2015 and other relevant provisions of the Act.

2.2. Basis of preparation and presentation

These financial statements are prepared in accordance with Indian Accounting Standards (IndAS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013(' Act')(to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) (IndAS) Rules, 2015 and The Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

2.3. Property, Plant and Equipment

Property, plant and equipment are carried at cost of acquisition including any attributable cost of bringing the assets to its working condition for its intended use and net of Cenvat /GST or any other claim receivable less accumulated depreciation and impairment losses, if any.

The depreciation charge is based on useful life and the expected residual value at the end of its life and are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end with the effect of any changes in estimate accounted for on a prospective basis. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Depreciation is recognised using the straight-line method.

Estimated useful lives of the tangible assets are as follows:	
Buildings	30- 40 Years
Plant and Equipment	18.94 Years
Wind Mills	13.33 Years
Furniture & fixtures	3 Years
Vehicles	8 years
Office Equipments	3 Years

An item of property, plant and equipment is de recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

For transition to IND AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1st April 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

2.4. Intangible Assets

Intangible assets are carried at cost less accumulated amortisation. Amortisation is recognised on a straight line basis over their estimated useful lives.

Estimated useful lives of the intangible assets are as follows:	
Technical Know how	4 years

2.5 Impairment of assets

A tangible or intangible asset is treated as impaired when the carrying amount of the asset exceeds its estimated recoverable value. Carrying amounts of tangible or intangible assets are reviewed at each balance sheet date to determine indications of impairment, if any, of those assets. If any such indication exists, the recoverable amount of the asset is estimated and an impairment loss equal to the excess of the carrying amount over its recoverable value is recognised as an impairment loss. The impairment loss, if any, recognised in prior accounting period is reversed if there is a change in estimate of recoverable amount.

2.6 Financial Instruments

Financial assets and financial liabilities constitute Financial Instruments and are recognised only when the company becomes party to the contractual provisions of the instrument.

On initial recognition, (i) financial assets are classified either at amortised cost or fair value through other comprehensive income (OCI) or fair value through profit or loss (FVTPL) and (ii) financial liabilities either at amortised cost or fair value through profit or loss (FVTPL)

On initial recognition, a financial asset or a financial liability is measured at its fair value. In the case of a financial asset or liability which is not categorised at FVTPL, the financial asset or liability will be measured at its fair value plus/minus transaction cost that are directly contributed to the acquisition or issue of the financial asset or financial liability.

The financial assets and liabilities are carried at FVTPL and there are no financial assets and liabilities falling under other categories.

The equity instruments are categorised at FVTPL and are measured at the end of each reporting period.

In the case of derivatives, the contractual rights and obligations are recognised as assets or liabilities in the balance sheet.

The financial assets are derecognised when the contractual rights to the cash flows from the asset expires.

The financial liabilities are derecognised when the obligations are discharged.

2.7 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments.

2.8 Valuation of Inventories

Inventories are valued at lower of cost or net realisable value after providing for obsolescence and other losses, where considered necessary. The costs of inventories are ascertained on weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

2.9. Foreign Currency transactions:

Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transaction.

Foreign currency monetary items at the balance sheet date are reported using the closing rate.

Exchange differences arising on the settlement of monetary items or on reporting of monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements are recognized as income or expense in the year in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.10 Recognition of revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

Dividend income from investments is recognised when the right to receive payment is established

Interest income is recognized on time proportionate basis with reference to the principal outstanding and at the effective interest rate applicable.

Export incentives are recognised when the right to receive payment/credit is established and no significant uncertainty as to measurability or collectability exists.

2.11 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

2.12 Date of recording of Final Dividend declared by the Company as a liability

Final dividend on shares are recorded as a liability on the date of approval by the shareholders at the annual general meeting and interim dividend are recorded as a liability on the date of declaration by the Company's Board of Directors.

2.13 Earnings per share:

Basic Earnings per share is calculated by dividing the Net Profit after tax attributable to the equity shareholders by the weighted average number of Equity Shares outstanding during the year.

2.14 Employee Benefits:

Employee benefits consist of provident fund and gratuity. The company's contribution to provident fund is considered as defined contribution plan and charged as an expense based on the amount of contribution required to be made. For defined benefit plan the company contributes to group gratuity scheme formulated by Life Insurance Corporation of India as demanded by the said corporation to discharge its liability on account of employee post employment benefits.

2.15. Taxes on Income

Income tax expense comprises current and deferred income tax.

Current tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date.

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax are also recognised in other comprehensive income.

2.16 Provisions, contingent liabilities and contingent assets

Provision is recognized when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent Asset is neither recognized nor disclosed in the financial statements.

2.17 Cash Flow statement and Cash and Cash equivalents

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

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about such estimates and judgments are included in the relevant notes together with the basis of calculation for relevant line item in the financial statements. Estimates and judgments are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

4. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK -IN-PROGRESS

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Carrying amounts of:		
Freehold land	373.38	372.58
Buildings	6410.94	6033.37
Plant and Equipment	14530.37	16108.61
Electrical Fittings	0.00	0.00
Furniture and fixtures	0.38	0.07
Vehicles	178.68	174.26
Office Equipment	7.77	13.06
Total	21501.52	22701.95
Capital Work-in-progress	0.53	3.02
Total	0.53	3.02
Total	21502.05	22704.97

(Rs. in Lakhs)

Particulars	Free hold Land	Buildings	Plant & Equip-ment	Electrical Fittings	Furniture & fixtures	Vehicles	Office equip-ments	Total	Capital Work in progress
Cost or deemed cost									
Balance at 1st April 2022	372.58	9764.01	53838.59	2.66	15.03	634.03	185.63	64812.53	3.02
Additions	0.80	740.21	1039.93	0.00	0.67	49.07	12.80	1843.48	0.53
Capitalised								0.00	3.02
Eliminated on disposals of assets	0.00	0.00	246.21	0.00	0.00	0.00	0.00	246.21	0.00
Balance at 31st March 2023	373.38	10504.22	54632.31	2.66	15.70	683.10	198.43	66409.80	0.53
Accumulated depreciation and impairment									
Balance at 1st April 2022	0.00	3730.64	37729.98	2.66	14.96	459.77	172.57	42110.58	0.00
Eliminated on disposals of assets	0.00	0.00	184.31	0.00	0.00	0.00	0.00	184.31	0.00
Depreciation Expense	0.00	362.64	2556.27	0.00	0.36	44.65	18.09	2982.01	0.00
Balance at 31st March 2023	0.00	4093.28	40101.94	2.66	15.32	504.42	190.66	44908.28	0.00
Carrying Amount									
Balance at 1st April 2022	372.58	6033.37	16108.61	0.00	0.07	174.26	13.06	22701.95	3.02
Additions	0.80	740.21	1039.93	0.00	0.67	49.07	12.80	1843.48	0.53
Capitalised									3.02
Eliminated on disposals of assets	0.00	0.00	61.90	0.00	0.00	0.00	0.00	61.90	0.00
Depreciation expense	0.00	362.64	2556.27	0.00	0.36	44.65	18.09	2982.01	0.00
Balance at 31st March 2023	373.38	6410.94	14530.37	0.00	0.38	178.68	7.77	21501.52	0.53

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

5. INTANGIBLE ASSETS

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Carrying amounts of:		
Know-how	0	0
Total	0	0
Particulars		Know-How
Cost or deemed cost		
Balance at 1st April 2022		79.43
Additions		0
Eliminated on disposals of assets		0
Balance at 31st March 2023		79.43
Accumulated depreciation and impairment		
Balance at 1st April 2022		79.43
Eliminated on disposals of assets		0
Depreciation Expense		0
Balance at 31st March 2023		79.43
Carrying Amount		
Balance at 1st April 2022		0
Additions		0
Eliminated on disposals of assets		0
Depreciation expense		0
Balance at 31st March 2023		0

6. INVENTORIES

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Inventories (lower of cost or net realisable value)		
Raw Materials	18833.73	16550.75
Work-in-progress	2697.37	2282.75
Finished Goods	16482.95	2866.90
Waste Cotton	498.52	135.90
Stores and Spares	1029.47	926.41
Packing Materials	154.15	159.78
Total	39696.19	22922.49

The cost of inventories recognised as an expense during the year is Rs.66059.83 Lakhs
(Previous year Rs. 52989.87 Lakhs)

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

7. INVESTMENTS

(Rs. in Lakhs)

Particulars	As at 31st March 2023		As at 31st March 2022	
	Quantity	Amount	Quantity	Amount
Current				
Investment in quoted equity instruments (fully paid up) [At fair values]				
Cholamandalam Investment & Finance Co. Limited	3250	24.75	3250	23.35
City Union Bank	6050	7.61	6050	7.81
Investment in Mutual Fund [at Nav]				
LICMF Equity Fund- Dividend-Reinvestment plan	59441.944	11.98	58182.257	12.34
Total	68741.944	44.34	67482.257	43.50
Aggregate book value of quoted investments		0.87		0.87
Aggregate market value of quoted investments		32.36		31.16
Aggregate book value of unquoted investments		0.00		0.00
Aggregate amount of impairment in the value of investments		0.00		0.00
Aggregate book value of Mutual fund		6.72		6.46
Aggregate net asset value of Mutual fund		11.98		12.34
Category-wise investments - as per IND AS 109 classification				
Financial assets carried at fair value through profit or loss (FVTPL)		44.34		43.50
Financial assets carried at amortised cost		0.00		0.00
Financial assets carried at fair value through Other Comprehensive Income (FVTOCI)		0.00		0.00

8. TRADE RECEIVABLES

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Current		
Unsecured Considered Good		
From related Parties	0.00	0.00
From others	3911.32	4586.98
Allowance for doubtful debts (Expected credit loss allowance)	0.00	0.00
Total	3911.32	4586.98

Concentration of Risk

Generally the sales are made against specific orders and to those customers who have long term relationship. Export Sales are backed by irrevocable letter of credits . In respect of domestic sales advance payments are collected before delivery of goods . However exceptions are made based on the credit quality of customers. Expected credit loss is placed at Nil

(Rs. in Lakhs)

Age of receivables	As at 31st March 2023	As at 31st March 2022
Within the credit period	3911.32	4586.98
30-60 Days	0	0
60-90 Days	0	0
More than 90 Days	0	0
Total	3911.32	4586.98

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

Movement in the expected credit loss allowance

(Rs. in Lakhs)

Age of receivables	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	0	0
Movement in the expected credit loss allowance on trade	0	0
Receivables calculated at lifetime expected credit losses	0	0
Balance at the end of the year	0	0

Trading Receivables ageing Schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3911.32	0	0	0	0	3911.32
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0	0
(iii) Undisputed Trade Receivables – credit impaired	0	0	0	0	0	0
(iv) Disputed Trade Receivables– considered good	0	0	0	0	0	0
(v) Disputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0	0
(vi) Disputed Trade Receivables – credit impaired	0	0	0	0	0	0

Trading Receivables ageing Schedule as at 31st March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4586.98	0	0	0	0	4586.98
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0	0
(iii) Undisputed Trade Receivables – credit impaired	0	0	0	0	0	0
(iv) Disputed Trade Receivables– considered good	0	0	0	0	0	0
(v) Disputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0	0
(vi) Disputed Trade Receivables – credit impaired	0	0	0	0	0	0

9(a.) CASH AND CASH EQUIVALENTS

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Balances with Banks		
Current account	1252.81	1225.06
EEFC A/c	0.53	669.71
Deposit Account	15595.00	26025.00
Unpaid Dividend account	29.06	22.09
Cash on hand	60.38	14.13
Total	16937.78	27955.99

Deposits with more than 12 months maturity 0.00 7379.00

The deposits maintained by the company with banks comprise of time deposits which can be withdrawn by the company at any point without prior notice or penalty on the principal. There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

9(b). BANK BALANCES OTHER THAN THE ABOVE

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Bank Deposits	10789.00	0.00
Total	10789.00	0.00

10. OTHER FINANCIAL ASSETS

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Non-current		
Cenvat and service tax credit receivable	17.64	17.64
Cenvat Transcredit Receivable	0.00	4.17
Security Deposit for Electricity TWAD Board & Others	908.45	738.37
Total	926.09	760.18
Current		
Cotton Purchase debit note	24.98	18.07
Duty drawback & RoDTepy receivable	287.67	599.65
EB receivable (for wind)	8.98	46.81
Forward cover receivable(Foreign Currency derivative)	15.27	442.70
Gratuity Receivable (From LIC)	0.00	6.58
GST receivable	1803.21	1447.74
Interest accrued & Receivable	196.77	90.73
Other Receivables	10.00	0.00
Total	2346.88	2652.28

11. CURRENT TAX ASSETS (NET)

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Current tax assets		
Income tax advances	4245.54	0.00
Current tax liabilities		
Income tax liability	4191.06	0.00
	54.48	0.00
Income tax refund due	146.61	146.61
Total	201.09	146.61

12. OTHER CURRENT ASSETS

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Non-Current		
Capital Advances	0.00	18.63
Total	0.00	18.63
Current		
Advance for supply of materials	177.57	155.06
Advance for Cotton	1042.57	37.08
LC Opening Charges for Import of Cotton	38.93	54.32
Prepaid Expenses	349.38	316.19
LIC Plan Assets	63.74	0.00
Total	1672.19	562.65

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

13. EQUITY SHARE CAPITAL

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
a. Authorized Share Capital		
1,00,00,000 Fully paid Equity Shares of Rs.10 each	1000.00	1000.00
b. Issued and subscribed and fully paid up capital		
5725000 Equity shares of Rs.10 each	572.50	572.50
		(Rs in Lakhs)
Fully paid Equity Shares	Number of Shares	Share Capital
Balance as on March 31, 2022	5725000	572.50
Balance as on March 31, 2023	5725000	572.50

The company has issued only one class of Equity share having a par value of Rs.10 per share. They entitle the holder to participate in dividends, and to share in the proceeds of winding up of the company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Shares held by promoters at the end of the year 2023

S.No.	Promoter Name	No. of Shares	%of total shares	%Change during the year
1.	Mrs. Chandran Bhavani	2272566	39.70	0
2.	Sri. P.V. Chandran	599784	10.47	0
	Total	2872350	50.17	-

Shares held by promoters at the end of the year 2022

S.No.	Promoter Name	No. of Shares	%of total shares	%Change during the year
1.	Mrs. Chandran Bhavani	2272566	39.70	0
2.	Sri. P.V. Chandran	599784	10.47	0
	Total	2872350	50.17	-

(Rs. in Lakhs)

Shareholders holding more than 5% Equity shares

Particulars	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	Percentage	Number of Shares	Percentage
1. Mrs. Chandran Bhavani	2272566	39.70	2272566	39.70
2. Sri. P.V. Chandran	599784	10.47	599784	10.47

14. OTHER EQUITY

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Capital Redemption Reserve	15.00	15.00
Securities Premium Account	361.06	361.06
General Reserve	21679.81	20679.81
Retained Earnings	59033.17	50858.36
Total	81089.04	71914.23

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

14.1 CAPITAL REDEMPTION RESERVE

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	15.00	15.00
Movements during the year	0.00	0.00
Balance at the end of the year	15.00	15.00

Capital Redemption Reserve is a statutory reserve created at amounts equal to the face value of the shares bought back as per the provisions of company law.

14.2 SECURITIES PREMIUM RESERVE

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	361.06	361.06
Movements during the year	0.00	0.00
Balance at the end of the year	361.06	361.06

Security Premium reserve is a reserve created out of amounts received over and above the par value at the time of issue of shares .

14.3 GENERAL RESERVE

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	20679.81	19679.81
Add: Transfer from retained earnings	1000.00	1000.00
Balance at the end of the year	21679.81	20679.81

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss

14.4 RETAINED EARNINGS

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	50858.36	35892.41
Add: Total comprehensive income for the year	11178.56	17969.70
Less: Payment of dividends on equity shares	2003.75	2003.75
Less: Payment of tax on dividends	0.00	0.00
Less: Transfer to General Reserve	1000.00	1000.00
Balance at the end of the year	59033.17	50858.36

The directors have proposed dividend of Rs.35/- per share amounting to Rs.2003.75/- for the year ended March 31, 2023 and the same is subject to approval of shareholders at the Annual General Meeting and hence not included as a liability

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

15. DEFERRED TAX LIABILITY (NET)

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Deferred Tax Liability	1879.24	2029.03
Deferred Tax Asset	0.00	0.00
Total	1879.24	2029.03

2022 - 23

(Rs. in Lakhs)

Particulars	Opening Balance	Recognised in Profit or loss	Closing Balance
On account of Property , Plant & Equipment	2020.80	-150.00	1870.80
On account of fair value of Equity instruments	8.23	0.21	8.44
	2029.03	-149.79	1879.24

2021 - 22

(Rs. in Lakhs)

Particulars	Opening Balance	Recognised in Profit or loss	Closing Balance
On account of Property , Plant & Equipment	2072.80	-52.00	2020.80
On account of fair value of Equity instruments	6.98	1.25	8.23
	2079.78	-50.75	2029.03

16. BORROWINGS

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
From Banks (Secured)		
Loans Repayable on Demand - Working Capital	0.00	0.00
From Banks (Unsecured)		
Loans Repayable on Demand - Working Capital	0.00	0.00
	0.00	0.00

NATURE OF SECURITY

Working Capital Loans from Banks are secured by Paripassu First charge over the current assets and Paripassu second charge over the movable fixed assets excluding Windmills.

Loans Guaranteed by Directors

Nil

Period and amount of continuing Default

Nil

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

17. TRADE PAYABLES

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Current		
Due to Micro and Small Enterprises	166.93	127.86
Others	12102.22	5897.15
Total	12269.15	6025.01

Trading Payables ageing Schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	166.93	0	0	0	166.93
(ii) Others-Acceptance	10394.58	0	0	0	10394.58
(iii) Others - Other than Acceptance	1707.64	0	0	0	1707.64
(iv) Disputed dues - MSME	0	0	0	0	0
(iv) Disputed dues - Others	0	0	0	0	0
Total	12269.15	0	0	0	12269.15

Trading Payables ageing Schedule as at 31st March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	127.86	0	0	0	127.86
(ii) Others-Acceptance	4144.00	0	0	0	4144.00
(iii) Others - Other than Acceptance	1753.15	0	0	0	1753.15
(iv) Disputed dues - MSME	0	0	0	0	0
(iv) Disputed dues - Others	0	0	0	0	0
Total	6025.01	0	0	0	6025.01

18. OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Non- current		
Liabilities for Expenses	823.26	670.58
	823.26	670.58
Current		
Unpaid dividends	29.06	22.09
Interest accrued but not due on borrowings	128.59	5.50
Statutory payables	81.66	72.12
LIC Gratuity (Plan Assets) Net	1.22	14.92
Other liabilities for Expenses	1081.36	811.09
Total	1321.89	925.72

19. OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Advance received from Customers	71.85	204.16
Total	71.85	204.16

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

20. CURRENT TAX LIABILITIES (NET)

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Current tax liabilities		
Income tax provisions	0.00	6435.73
Current tax assets		
Income tax advances	0.00	6422.68
Total	0.00	13.05

21. REVENUE FROM OPERATIONS

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Sale of Products (Refer Note (i) below)	81696.86	87936.72
Other Operating Revenue (Refer Note (ii) below)	3053.28	4115.08
	84750.14	92051.80
Note (i)		
Sale of Products Comprises		
Cotton Yarn	52664.80	50535.01
Knitted Fabrics	18543.80	29797.28
Waste Cotton	10488.26	7604.43
	81696.86	87936.72
Note (ii)		
Other Operating Revenue		
Export Benefits	1775.51	1615.57
Foreign Exchange Fluctuation	0.00	1052.21
Profit on disposal of rawmaterial	1176.70	1210.15
Profit on sale of machinery	2.72	0.00
EB Receivable (Banking)	0.00	11.59
Insurance Claim	0.00	17.51
REC Sales	50.22	20.87
Wind Energy	11.46	12.57
Sale of Scrap	36.67	38.67
Sundry Parties Written Back	0.00	135.94
	3053.28	4115.08

22. OTHER INCOME

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Interest (Refer Note (i) below)	1383.82	491.10
Dividend from Current Investments	0.42	0.10
Other non-operating income (Refer Note (ii) below)	0.59	4.98
	1384.83	496.18
Note (i)		
Interest Income Comprises of		
From banks on deposits	1343.72	466.02
Other Interest	40.10	25.08
Total Interest Income	1383.82	491.10
Note (ii)		
Other non-operating income comprises of		
Increase in fair value of Investments	0.59	4.98
	0.59	4.98

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

23. COST OF MATERIALS CONSUMED

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Opening Stock	16550.75	27354.91
Add : Purchases	72562.31	43785.65
	89113.06	71140.56
Less: Cost of materials disposed	4219.50	1599.94
	84893.56	69540.62
Less : Closing Stock	18833.73	16550.75
Total Cost of Materials Consumed	66059.83	52989.87
Materials Consumed Comprise		
Raw Cotton	61940.84	47177.26
Modal	886.36	1326.71
Lycra	825.25	1648.06
Yarn	2407.38	2837.84
	66059.83	52989.87

24.CHANGES IN INVENTORIES OF WORK IN PROGRESS AND FINISHED GOODS

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Opening Stock of Work in progress	2282.75	2668.72
Opening Stock of Finished Goods	2866.90	331.28
Opening Stock of Waste Cotton	135.90	56.16
Total (A)	5285.55	3056.16
Closing Stock of Work in progress	2697.37	2282.75
Closing Stock of Finished Goods	16482.95	2866.90
Closing Stock of Waste Cotton	498.52	135.90
Total (B)	19678.84	5285.55
Increase / Decrease in Stock (A - B) (-)/(+)	-14393.29	-2229.39

25. EMPLOYEES BENEFIT EXPENSES

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Salaries & Wages	3934.75	3482.91
Contribution to Provident Fund & Other Funds	278.39	202.10
Staff Welfare Expenses	961.05	893.17
	5174.19	4578.18

26. FINANCE COSTS

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Interest - Working Capital Loans	635.62	119.84
Other Borrowing Costs	4.06	3.25
	639.68	123.09

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

27. DEPRECIATION AND AMORTISATION EXPENSE

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Depreciation of property, plant and equipment	2982.01	2938.83
Amortisation expense	0.00	0.00
Total depreciation and amortisation expense	2982.01	2938.83

28. OTHER EXPENSES

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Stores Consumed	708.39	799.01
Power & Fuel	3728.36	3156.06
Materials Sizing & Fabrication	95.12	416.94
Freight Inwards	26.40	28.63
Machinery Maintenance	81.49	78.34
Building Maintenance	46.52	46.19
Vehicle Maintenance	321.72	218.68
Printing & Stationary	21.31	11.28
Postage & Telephone	21.42	17.11
Travelling Expenses	43.95	34.44
Insurance	212.48	247.77
Licence Fees & Taxes	128.02	144.47
Bank Charges	97.63	112.99
Professional & Legal Charges	76.94	69.78
Salary to Managing Director	24.00	24.00
Auditors Remuneration - for Audit fees	6.00	6.00
Freight Outwards	1457.65	1626.37
Packing Materials	892.67	719.34
Brokerage & Commission	1381.78	1599.10
Godown Rent	43.20	70.20
Advertisement	3.16	4.39
Foreign Currency Fluctuation Loss	622.29	0.00
Security Service Charges	64.27	56.83
CSR Expenses	236.95	202.23
Miscellaneous Expenses	82.90	58.28
Total	10424.62	9748.43

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

29. INCOME TAX RELATING TO CONTINUING OPERATIONS

29.1. INCOME TAX RECOGNISED IN PROFIT & LOSS

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Current tax		
Current tax on profits for the year	4194.70	6442.15
Add: interest	0.00	0.00
Adjustments for current tax of prior periods	13.62	18.79
Current tax expense	4208.32	6460.94
Deferred Tax		
(Decrease) in DTL - depreciation	-150.00	-52.00
Increase(+)/ decrease (-) in DTL - Fair value of Investments	0.21	1.25
Deferred tax	-149.79	- 50.75
Total Tax expense for continuing Operations	4058.53	6410.19
Less : Tax relating to other comprehensive income	3.65	6.42
Total tax expense for the year	4054.88	6403.77

29.2. RECONCILIATION OF INCOME TAX EXPENSE TO THE ACCOUNTING PROFIT FOR THE YEAR

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Profit before tax after exceptional items	15247.94	24398.97
Enacted tax rate in India	25.168%	25.168%
Computed expected tax expense at enacted tax rate	3837.60	6140.73
Tax effect on account of items treated separately	-0.94	-4.28
Tax effect on Income that is exempt from taxation	0.00	0.00
Tax effect of non-deductible expenses	59.71	50.90
Tax effect on Difference of book and IT Depreciation	298.33	254.80
Total income tax expense recognised for the year	4194.70	6442.15

29.3 . INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Remeasurement of defined benefit obligations	14.49	25.50
Total	14.49	25.50
Bifurcation of income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	3.65	6.42
Items that may be reclassified to profit or loss	0.00	0.00
Total	3.65	6.42

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

30.1. CONTINGENT LIABILITIES AND COMMITMENTS TO THE EXTENT NOT PROVIDED FOR

(Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
i) Contingent liabilities :		
a) Claims against the company not acknowledged as debt		
Customs Duty	410.01	410.01
GST	139.44	0.00+
b) Other money for which the company is contingently liable		
Export Bills Deposited with the Bank covered under Irrevocable Letter of Credits	6097.26	13330.48
Total Contingent Liabilities	6646.71	13740.49
Nature of Disputes and amount of demand		
Customs Duty Demand relating to de-bonding of 100%EoU	410.01	410.01
	410.01	410.01
<p>The company has duly discharged its duty liability on debonding of its 100% EoU. However the department has raised demand 2nd time. The demand is disputed. The Hon'ble Madurai Bench of Madras High Court has remitted the matter to the adjudicating authority for de novo proceedings and hence no provision is considered.</p>		
GST		
FY 2017-18	72.32	0.00
FY 2018-19	19.07	0.00
FY 2019-20	48.05	0.00
	139.44	0.00

The demands are in respect of non reversal of Input Tax Credit and Demand of GST on free supply of canteen service to the employees. The matter is pending for disposal before Appellate Authority . The company is advised that the demand raised is not sustainable in law and hence no provision is considered.

ii) Commitments

Estimated amount of contracts remaining to be executed on capital account not provided for	1500.00	1388.22
Advances made in respect of the above works	0.53	21.65
Capital Commitments net of advances	1499.47	1366.57
Total Contingent Liabilities and Commitments	8146.18	15107.06

30.2. DETAILS OF DIVIDEND PROPOSED AND PAID

(Rs. in Lakhs)

Particulars	Year Ended 31 st March 2023	Year Ended 31 st March 2022
a) Final dividend paid during the year for the year ended March 31, 2022 is Rs.35/- per share	2003.75	0
b) Final dividend paid during the year for the year ended March 31, 2021 is Rs.35/- per share	0	2003.75
c) In respect of the current year i.e. FY 2022-23 ,the directors propose that a dividend of Rs. 35/- per share be paid on equity shares. The equity dividend is subject to approval by shareholders at the Annual General meeting and has not been included as a liability in these financial statements. The total estimated equity dividend to be paid is Rs.2003.75/-Lakh		

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

30.3. ADDITIONAL REGULATORY INFORMATION

30.3.a. Disclosure Not Applicable

The disclosure requirements with regard to the following regulatory information are not applicable to the company for the reasons stated therein against the specified regulatory information disclosure requirement

1. Title deeds of Immovable Properties not held in name of the Company :	There are no immovable properties not held in the name of the company
2. Fair value of Investment property :	There are no Investment property
3. Revaluation of property plant and equipment :	No Revaluation of property Plant & Equipment
4. Revaluation of Intangible assets :	No Revaluation of Intangible assets
5. Loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties that are a) repayable on demand or without specifying any terms or period of repayment :	No loans are granted to the specified persons/relatives
6. Ageing schedule of intangible assets under development :	There are no Intangible assets under development
7. Details of Benami property held :	No Benami property held
8. Wilful defaulter :	No default so as to fall under category of wilful defaulter
9. Relationship with struck of companies :	No Relationship with struck of companies
10. Registration of charges or satisfaction with Registrar of Companies (ROC) :	There are no charges omitted to be created / satisfied
11. Compliance with number of layers of companies:	No such layers of holding of shares by Companies, shares are held by Individual promoters.
12. Compliance with approved scheme of arrangements :	The company is not part of any approved scheme of arrangements
13. Utilisation of Borrowed funds and share premium :	There are no arrangements or transactions for cross transfers

30.3.b. Disclosure Applicable

1. Ageing schedule of capital work in progress	within 1 year
2. Where the Company has borrowings from banks or financial institutions the basis of security of current assets, it shall disclose the following:- (a) whether quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts; -	Yes
(b) if not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed. -	NA

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

30.3.c. Disclosure of Ratios

	Numerator	Denominator	Year Ended 31 st March 2023	Year Ended 31 st March 2022	Variance
(a) Current Ratio	Current Assets	Current Liabilities	5.53	8.21	-2.68
(b) Debt-Equity Ratio*	-	-	NA	NA	-
(c) Debt Service Coverage Ratio*	-	-	NA	NA	-
(d) Return on Equity Ratio	Profit After Tax	Average Equity	14.52	27.89	-13.37
(e) Inventory turnover ratio	Cost of Goods Sold	Average Inventory	2.16	2.41	-0.25
(f) Trade Receivables turnover ratio	Sale of Products	Average Trade Receivables	19.23	29.64	-10.41
(g) Trade payables turnover ratio	Net Credit Purchase	Average Trade Payables	7.22	12.70	-5.48
(h) Net capital turnover ratio	Revenue from Operations	Working Capital	1.39	1.79	-0.40
(i) Net profit ratio	Profit After Tax	Revenue from Operations	12.99	19.44	-6.45
(j) Return on Capital employed	EBITDA	Net worth	0.23	0.38	-0.15
(k) Return on investment	Income from Investments	Cost of Investments	0.06	0.01	0.04

* There are no long term debts and hence (b) Debt-Equity Ratio and (c) Debt Service Coverage Ratio does not arise.

30.4. DISCLOSURE AS PER SCHEDULE

As defined under Micro, Small and Medium Enterprises Development Act, 2006, the disclosure in respect of the amounts payable to such enterprises as at the end of the year has been made in the financial statements based on information received and available with the Company.

Particulars	(Rs. in Lakhs)	
	As at 31st March 2023	As at 31st March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	166.93	127.86
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	Nil	Nil

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

30.5. FINANCIAL INSTRUMENTS

i) Financial Instruments by category

(Rs. in Lakhs)

Particulars	As at 31st March 2023			As at 31st March 2022		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
(a) Cash and cash equivalents	-	-	16937.78	-	-	27955.99
(b) Bank Balances other than (a) above	-	-	10789.00	-	-	0.00
(c) Other financial assets-Non current	-	-	926.09	-	-	760.18
(d) Trade receivables	-	-	3911.32	-	-	4586.98
(e) Other financial assets- Current	-	-	2346.88	-	-	2652.28
(f) Investments in subsidiaries	-	-	-	-	-	-
(g) Investments in equity	44.34	-	-	43.50	-	-
Total	44.34	0.00	34911.07	43.50	0.00	35955.43
Financial Liabilities						
(a) Borrowings	-	-	0.00	-	-	0.00
(b) Trade payables	-	-	12269.15	-	-	6025.01
(c) Other financial liabilities - Non current	-	-	823.26	-	-	670.58
(d) Other financial liabilities	-	-	1321.89	-	-	925.72
(e) Other Current liabilities	-	-	71.85	-	-	204.16
Total	0.00	0.00	14486.15	0.00	0.00	7825.47
Financial assets			34955.41			35998.93
Financial liabilities			14486.15			7825.47

ii) Fair Valuation techniques and Inputs used - recurring Items

(Rs. in Lakhs)

Particulars	Fair value as at 31 March 2023	Fair value as at 31 March 2022
Financial assets measured at Fair value		
Financial assets		
Investments		
i) Quoted Equity investments	44.34	43.50
Total financial assets	44.34	43.50

iii) Fair Value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short term and settlement on demand nature.

For all other financial assets and liabilities measured at amortised cost, the Company considers that their carrying amounts approximates their fair values

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

30.6. AUDITORS' REMUNERATION

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
For Audit	6.00	6.00
For Other works and Reimbursement of Expenses	0.00	0.00
	<u>6.00</u>	<u>6.00</u>

30.7. CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Amount spent through approved trusts and institutions	0.00	0.00
Amount spent directly	236.95	202.23
Total	236.95	202.23
Amount required to be spent as per Sec. 135 of the Act	269.00	164.23
Amount spent during the year on:-		
Construction / acquisition of an asset	18.00	19.87
On purposes other than above	218.95	182.36
Total	236.95	202.23
Excess (+) /Shortfall(-) Carried Forward	37.99	0.00
Excess (+)/Shortfall(-) spent for the year	-32.05	37.99
Setoff of expenditure incurred in FY 2021-22	32.05	0.00
Balance Carried	5.94	37.99

CSR Expenses relating to gross amount required to be spent for the year and the actual amount spent by the Company during the year is furnished as Annexure to the Directors' Report.

30.8. EARNINGS PER SHARE

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Earnings used in the calculation of Basic and diluted earnings per share (Rs in Lakhs)	11189.40	17988.78
Weighted Average Number of Equity Shares used for the purpose of calculating basic and diluted earnings per share	5725000	5725000
Nominal Value per Equity Share [in Rs.]	10.00	10.00
Basic & Diluted Earnings Per Share [in Rs]	195.45	314.21

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

30.9. RELATED PARTY TRANSACTIONS

Related party Relationships

Key Management personnel

Sri.P.V.Chandran	Chairman and Managing Director
Wholly Owned Subsidiary	Nil
Other Related parties	Nil
Related to Key Management personnel	Nature of relationship
Mrs.Vidya Jyothish Pillai	Daughter of Sri.P.V.Chandran
Mrs.Bhavya Chandran	Daughter of Sri.P.V.Chandran

Key Management personnel compensation

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Short term employee benefits	24.00	24.00
Post employment benefits	0.00	0.00
Total compensation	24.00	24.00
Other related parties		
Director's Sitting Fees paid to		
Mrs.Vidya Jyothish Pillai	2.00	2.00
Mrs.Bhavya Chandran	1.00	1.00

Note : Related party relationships are as identified by the Management

30.10 EMPLOYEE DEFINED BENEFIT AND CONTRIBUTION PLANS

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Present Value Of Obligations		
Obligations at the beginning of the year*	168.34	135.78
Interest Cost	11.79	9.51
Current Service Cost	13.05	11.51
Past service Cost	0.00	0.00
Benefit paid	-8.37	-3.61
Actuarial (Gain) / Loss on obligations	2.65	15.16
Obligations at the end of the year	187.46	168.35
Fair value of Plan assets		
Fair value of Plan assets, beginning of the year	153.43	114.22
Expected return on plan assets	13.00	10.68
Contributions	28.18	32.14
Benefit paid	-8.37	-3.61
Fair value of Plan assets, end of the year	186.24	153.43
Funded Status	-1.22	-14.92
Expenses to be recognized for the current year		
Current Service Cost	13.05	11.51
Interest Cost	11.79	9.51
Expected return on plan assets	-13.00	-10.68
Net Actuarial (Gain) / Loss recognized in the year	2.65	15.16
Expense to be recognized in other comprehensive income	14.49	25.50
Actuarial Assumption		
Discount Rate	7.00%	7.00%
Salary Escalation	6.50%	6.50%

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

30.11 . GEOGRAPHICAL SEGEMENT

(Rs. in Lakhs)

Particulars	Europe	Asia	North America	Africa	India*	Total
Sale of Goods (Figures in Brackets relates to Previous Year)	1551.54 (1997.3)	41430.84 (52196.89)	1311.97 (1339.47)	7510.61 (2807.03)	29891.90 (29596.03)	81696.86 (87936.72)

* India Segment includes SEZ exports

Information about major customers Contributing 10 % or more to the Company's revenue

The sale revenue includes sale to three customers amounting to Rs. 40285 Lakhs (Previous year three customers amounting to Rs. 42458 Lakhs) contributing more than 10% of the company's sale revenue in each case.

30.12. APPROVAL OF FINANCIAL STATEMENTS

The Financial statements were approved for issue by the Board of Directors on 26.05.2023

30.13. FINANCIAL RISK MANAGEMENT OBJECTIVES

The Company prima facie is exposed to financial risks which is inclusive of Market risk, Interest rate risk ,Price risk, Credit risk and Liquidity risk.

Market Risk : The substantial operations of the Company are into exports and imports and are subject to Foreign Currency Fluctuation risk. The Company enters into Foreign Currency forward contracts based on underlying to mitigate such Flutucation risks. Further the Company is also having natural hedge on account of exports exceeding imports.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(Rs. in Lakhs)

Particulars		Amount in foreign currency		Equivalent	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022
USD					
Liabilities					
PCFC	USD	0.00	0.00	0.00	0.00
Acceptances	USD	12648395.27	5459098.03	10394.57	4144.00
Advances Received	USD	35095.27	101891.00	28.84	77.35
Sundry Creditors	USD	277248.49	292588.24	227.85	222.10
Libor Interest	USD	156472.40	7250.65	128.59	5.50
		13117211.43	5860827.92	10779.85	4448.95
INR					
Assets					
Sundry Debtors	USD	3977410.21	5477649.47	3268.68	4158.08
Debit Note	USD	30391.72	23805.44	24.97	18.07
EEFC	USD	653.84	882246.73	0.54	669.71
		4008455.80	6383701.64	3294.19	4845.86
Net Exposure	USD	-9108755.63	522873.72	-7485.66	396.91

The earnings in Foreign Currency out of exports would easily cover deficit exposure, if any, further the forward cover would protect the fluctuations.

AMBIKA COTTON MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

FOREIGN CURRENCY SENSITIVITY ANALYSIS (USD)	31-03-2023	(Rs. in Lakhs) 31-03-2022
Foreign Currency sensitivity analysis (USD)		
Impact on profit : 5% increase in currency rate	-374.28	19.85
Impact on profit : 5% decrease in currency rate	374.28	-19.85

Interest Rate Risk: The Company's working capital borrowings are short term in nature and hence any fluctuation in market interest rates would not impact the profitability of the Company in terms of debt servicing and liquidating of such borrowings.

Price Risk: The price risk arises on account of holding marketable financial assets. The company's equity investments forms insignificant portion and hence any price fluctuation would not have any impact over the financial position of the company.

Credit Risk : Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The credit risk in trade receivables is managed by selling goods to specific orders and reputed customers . Exports are made against irrevocable letter of credits .

Domestic sales are largely against advance payments. However certain exceptions are made in specific cases .There are no other financial assets carrying credit risk.

Liquidity Risk: Liquidity risk refers to the risk that the company cannot meet its financial obligations. The Company carries substantial current assets to pay off short term obligations arising from working capital bank borrowings , trade payables and other related liabilities .

Capital Management: The company manages its capital to ensure that it will continue to operate as a going concern while maximising the return to stakeholders. The core focus is to safeguard and maintain the company's financial stability and independence. The fund requirements of the company are generally met through internal accruals. The working capital borrowings are meant for augmenting current assets. Substantial capital assets and current assets are built and maintained

30.14.

Previous year's figures have been regrouped / reclassified, wherever necessary, to conform with the current period presentation.

As per our report of even date attached
For S. Krishnamoorthy & Co.,
Chartered Accountants
Firm Reg. No. 001496S

For and on behalf of the Board
Sd/-
P.V. Chandran
(Chairman and Managing Director)
(DIN : 00628479)

Sd/-
Dr.K.Venkatachalam
(Director)
(DIN : 01062171)

Sd/-
(B. Krishnamoorthi)
Membership No. 020439
Partner

Sd/-
E.M. Nagasivam
(Director)
(DIN : 07894618)

Place : Coimbatore
Date : 26.05.2023

Sd/-
Radheshyam Padia
(Company Secretary)

Sd/-
M.Vijayakumar
(Chief Financial Officer)

Book-post

To:

From

Regd.Office : AMBIKA COTTON MILLS LIMITED

9 A , Valluvar Street,
Sivanandha Colony,
Coimbatore - 641 012.