

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY REPORT

ANNEXURE - IV

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company	: L17115TZ1988PLC002269
2. Name of the Company	: Ambika Cotton Mills Limited
3. Registered address	: No.9A , Valluvar Street , Sivanandha Colony , Coimbatore - 641012
4. Website	: www.acmills.in
5. E-mail id	: ambika@acmills.in
6. Financial Year reported	: 2021-22
7. Sectors that the Company is engaged in	: Textile – Manufacturing of Cotton yarn and Knitted fabrics
8. List three key products/services that the Company manufactures	: i. Cotton Yarn ii. Knitted Fabrics
9. Total number of locations where business activity is undertaken by the Company	: The Company's plants situate at the following locations
International Locations	: Nil
National Locations Unit I	: Kanniyapuram, Natham Main Road, Kanniyapuram, Dindigul – 624308.
Unit II, III& IV and Knitting	: Kanniyapuram- Ellaipatti Road, Kanniyapuram, Dindigul – 624308
Windmills	: Thirunelveli ,Dharapuram and Theni
10. Markets served by the Company - Local/State/National/International	: Both National (Domestic) & international markets.

Section B: Financial Details of the Company (2021-22)

Sl No	Particulars	Unit of Measure	Details
1	Paid up capital	(Rs in Lakhs)	572.50
2	Total Turnover	(Rs in Lakhs)	87936.72
3	Total Profit after Taxes	(Rs in Lakhs)	17988.78
4	Total Spending on Corporate Social Responsibility (CSR) as a percentage of Profit after Tax (%)		Corporate Social Responsibility spending is as mandated under Companies Act, 2013. Amount spent on CSR during 2021-22 Rs.202.23 Lakhs representing 1.12% of Profit after Tax.
5	List of activities in which expenditure as per point 4 above has been incurred		Refer Annexure II of Directors' Report

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY REPORT (Contd...)

Section C : Other Details

1. Does the Company have any Subsidiary Company/ Companies -No
 2. Does the Subsidiary Company/Companies participate in the Business Responsibility (BR) Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(ies) - NA
 3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?-NA
- The Company constantly apprises its business responsibility initiatives with all the stakeholders

Section D: BR Information

1. Details of Director / Directors responsible for BR:

(a) Details of the Director/ Directors responsible for implementation of the BR policy/ policies

1. DIN Number : 00628479
2. Name : Sri. P.V.Chandran
3. Designation : Chairman and Managing Director

(b) Details of the BR head:

1. DIN Number : Not Applicable
2. Name : Sri.G.Veerakumar
3. Designation : General Manager (Admin)
4. Telephone No : +91 04512449916
5. Email ID : ambikamillsdgl@gmail.com

2. Principle-wise (as per NVGs) BR Policy/policies

The Ministry of Corporate Affairs has issued the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) as under:

The Ministry of Corporate Affairs has issued the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) as under:

- I. Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- II. Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- III. Businesses should promote the well-being of all employees.
- IV. Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- V. Businesses should respect and promote human rights.
- VI. Businesses should respect, protect and make efforts to restore the environment.
- VII. Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- VIII. Businesses should support inclusive growth and equitable development.
- IX. Businesses should engage with and provide value to their customers and consumers in a responsible manner.

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY REPORT (Contd...)

The company has in place the Business Responsibility Policy (www.acmills.in) covering all the principles as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business for pursuance and across the Company at all levels and further ensuring that the business practices are governed by these principles.

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1:	P2:	P3:	P4:	P5:	P6:	P7:	P8:	P9:
		Ethics and Transparency	Sustainable Products	Well being of employees	Responsiveness to Stakeholders	Respect Human Rights	Environmental Responsibility	Public policy advocacy	Support inclusive growth	Engagement with Customers
1	Do you have a policy / policies for	-----Yes-----								
2	Has the policy been formulated in consultation with the relevant stakeholders?	Even though there are no formal consultation with the stakeholders, however, are educated , at the point of initiation of transactions, the practices and policies put in place are made known, for strict compliance								
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	The Company takes into consideration all national/international standards, in all spheres , wherever available, and pursues the same								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?	-----Yes - Approved by the Board of Directors-----								
5	Does the Company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Even though there are no specified committee, the compliance with he policies are being monitored across at all the levels of operations of the company								
6	Indicate the link for the policy to be viewed online?	-----Yes- Company's website www.acmills.in -----								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes - The business practices are carried out in such a way that all the stakeholders are being made known the policies of the company								
8	Does the Company have in house structure to implement the policy/ policies.	Yes - At each stage, the transactions are cross verified and followed and are verified for compatibility with the policies of the company								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	----- Yes -----								
10	Has the Company carried out - independent audit/ evaluation of the working of this policy by an internal or external agency?	----- Such an audit was not carried out -----								

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY REPORT (Contd...)

3. Governance related to BR:

- a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

Assessment of the BR performance is monitored continuously without any defined time period

- b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The report is made part of Annual Report

Section E: Principle-wise performance

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability.

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No.

Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The policy covers both the company and its suppliers. There are no group/ joint venture entities. NGOs/Others are also covered within the frame work of the policies.

2. How many stakeholder complaints have been received in the past Financial Year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Generally there are no complaints, if any raised, are resolved effectively to the satisfaction of stakeholders

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.

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 social or environmental concerns or risks involved.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- a) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain? For manufacture of cotton yarn the input raw cotton is an agricultural produce and a natural product. 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.

- b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The upstream manufacturing of products out of cotton yarn would require minimum resources depending upon the production activities carried out by the buyers.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs sustainably? Also, provide details thereof, in about 50 words or so.

Yes- The main input raw material cotton is widely available, in a sustainable manner, both from domestic and imported

4. Has the Company taken any steps to procure goods and services from local & small producers, including Communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and Capability of local and small vendors?

Yes - Emphasis is placed to source the materials from local & small producers and suppliers. Based upon the input requirements the vendors are advised to upgrade the product supplies .

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY REPORT (Contd...)

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Cotton Yarn manufacturing does not involve generation of waste which requires recycling.

Principle 3: Businesses should promote the well being of all Employees.

1. Please indicate the total number of employees: 1824
2. Please indicate the total number of employees hired on temporary/contractual/casual basis: Nil
3. Please indicate the number of permanent women employees: 1253
4. Please indicate the number of permanent employees with disabilities: 13
5. Do you have an employee association that is recognized by management? Workers welfare committees are in place
6. What percentage of your permanent employees are members of this recognized employee association? Nil.
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year- Nil

Sl No	Category	No. of complaints filed on end of the Financial Year	No. of Complaints pending as during the financial year
1	Child Labour/Forced Labour/Involuntary Labour	NIL	As a policy the Company is not engaging persons below 18 years of age
2	Sexual Harassment*	NIL	NIL
3	Discriminatory Employment	NIL	NIL

*The above may be treated as information pursuant to provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2015

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

a) Permanent Employees	-	1824
b) Permanent Women Employees	-	1253
c) Casual/Temporary/Contractual Employees	-	NA
d) Employees with Disabilities	-	13

All the employees are trained to upgrade their skills constantly

Principle 4: Businesses should respect the interests of, and be responsive towards all Stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the Company mapped its internal and external stakeholders? Yes- Engagement process with the stakeholders in an informal manner, is in vogue.
2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders? -to certain extent
3. Are there any special initiatives taken by the Company to engage with the disadvantaged, Vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company has always engaged itself in special initiatives with the disadvantaged, vulnerable and marginalized stakeholders

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY REPORT (Contd...)

Principle 5: Businesses should respect and promote human rights.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?
Yes - The Policies in the aforesaid matter of Human Rights covers the Company and also extends to all the stakeholders of the Company.
2. How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management?- Nil

Principle 6: Businesses should respect, promote and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures Suppliers/Contractors/ NGOs/others.
Yes - it covers all the concerned stakeholders
2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global Warming, etc? Y/N. If yes, please give hyperlink for web page etc.
Yes -Operations of the company prima facie falls under Green category. Windmills are installed to generate green Power to the extent of 100% of power requirements. Besides the company has obtained the following certificates,
 1. OKO- Tex Certificate
 2. Global - Organic Textile Standard (Gots)
 3. SUPIMA Licensee
 4. Cotton USA Licensee
 5. Better Cotton Initiative
3. Does the Company identify and assess potential environmental risks?
The product manufactured cotton yarn does not involve any environmental risk.
4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?
Yes- The company has installed windmills and generates power towards clean development mechanism for reduction of CO2 and to that extent contributes reduction of Global warming and climate change. Further the operations are duly certified by Tamil Nadu Pollution Control Board.
5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.
Yes- The company has installed windmills for renewable energy captive power to the extent of 100 % of its power requirement
6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?
There are no such emissions/ waste are being generated in the operations of the company, which requires to be reported.
7. Number of show cause / legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.- Nil.

AMBIKA COTTON MILLS LIMITED

BUSINESS RESPONSIBILITY REPORT (Contd...)

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your Company a member of any trade or chamber or association? If Yes, name only those major ones that your business deals with:

The Company is a member of

- a. Indian Chamber of Commerce and Industry, Coimbatore.
 - b. The Cotton Textiles Export Promotion Council, Mumbai.
 - c. Tamilnadu Spinning Mills Association, Dindigul.
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good?
Yes/No; if yes specify the broad areas like: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)
Yes - We constantly draw attention of the associations on such matters which need to be addressed for facilitating business operations.

Principle 8: Businesses should support inclusive growth and equitable development.

1. Does the Company have specified programmes /initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The company has formulated its CSR policy in accordance with the provisions of the Companies Act, 2013 and the same being are pursued broadly into i. Medical support , ii.Education, iii.Rural Development and works, iv.Relief to poor, v. Animal Protection, vi. Disaster Management .

2. Are the programmes / projects undertaken through in-house team/own foundation/ external NGO/ government structures /any Other organization?

The CSR activities are primarily carried out directly and further through Trusts/ Hospitals

3. Have you done any impact assessment of your initiative? - No
4. What is your Company's direct contribution to community development projects and the details of the projects undertaken?
The Company has spent Rs. 202.23 Lakh towards CSR activities during the year. The details are furnished in the Annual Report
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the Community?
Yes - Widely in use for public purposes.

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

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year. Generally there are no cases of complaints. There are no pending cases.
2. Does the Company display product information on the product label, over and above what is mandated as per local laws?
Yes / No / N.A. /Remarks (additional information) - Yes
3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising And/or anti-competitivebehaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so. - No
4. Did your Company carry out any consumer survey / consumer satisfaction trends? -
Such trends are sourced from customers, who interact with the end consumers.

Place: Coimbatore
Date: 10/08/2022

By order of the Board
P.V.Chandran
Chairman and Managing Director
(DIN: 00628479)