AMBIKA COTTON MILLS LIMITED

ANNUAL REPORT
2023 - 2024

AMBIKA COTTON MILLS LIMITED

CIN No.L17115TZ1988PLC002269

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

ANNUAL REPORT 2023 - 2024

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 Sixth Annual Report together with the audited accounts for the year ended 31st March 2024

FINANCIAL RESULTS

The Financial results for the year ended 31st March 2024 are furnished below: **(Rs. in Lakhs)**

	CURRENT YEAR 2023-24	PREVIOUS YEAR 2022-23
Revenue from Operations & Other Income	84621.31	86134.97
Profit Before Finance Cost and Depreciation	13202.03	18869.62
Less: Finance Cost	1907.05	639.68
Gross Profit For the Year	11294.98	18229.94
Less : Depreciation	2770.33	2982.01
Profit before Tax	8524.65	15247.93
Less : Tax Expense	2227.29	4058.53
Profit after Tax	6297.36	11189.40
Other Comprehensive income	-65.76	-10.84
Total Comprehensive income for the year	6231.60	11178.56
Add: Opening Balance of retained earnings	59033.17	50858.36
Amount available for appropriation	65264.77	62036.92
Less: Appropriations		
Transfer to General Reserve	1000.00	1000.00
Dividend on Equity Shares	2003.75	2003.75
Closing Balance of retained earnings	62261.02	59033.17

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

Operations of the Company manufacturing Cotton Yarn and Knitted Fabrics, prima facie, falls under Orange category duly certified by Tamil Nadu Pollution Control Board. 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. Recycled Claim Standards (RCS).

Continuous and consistent efforts are made to optimise the resources throughout the entire production process. 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 and on the other hand accepts customer's requests from 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 despite the demand scenario for cotton yarn and knitted fabrics has substantially impacted during the current year operations.

The company has during the year duly commissioned Roof Top Solar Power Project 6.49 MW as envisaged with due approvals. The company has already installed windmills of 27.4 MW. The energy generated both by the Windmills and Solar are meant for captive consumption renewable and clean energy and contributes towards clean development mechanism for reduction of CO2 and to that extent reduction of Global warming and climate change. Presently 80% of the power requirement is met through Renewable Energy.

The Company's Total Revenue and Gross Profit amounted to Rs. 84621.31 Lakhs (Previous year Rs. 86134.97 Lakhs) and Rs. 11294.98 Lakhs (Previous year Rs. 18229.94 Lakhs). This represents decline of 1.76 % in Total Revenue as compared to decline of 6.93 % in the previous year and decline of 38.04% in Gross Profit as against decline of 33.32% in the previous year.

For the year Company's Direct & SEZ Export Turnover under USD amounted to Rs. 59330.84 Lakhs as compared to Rs. 59802.38 Lakhs in the previous year representing decline of 0.79% (Previous Year decline of 4.55%) In terms of percentage the Exports Turnover constituted 74.02% of the total turnover as against 73.20% in the previous year.

During the year the Company has invested in Roof Top Solar Project Rs.3654.14 Lakhs, Plant & Machinery Rs. 1030.60 Lakhs and Factory Building Rs. 44.16 Lakhs, out of internal accruals, totally aggregating to Rs.4728.90 Lakhs.

The Company is not carrying any long term debt

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 2023-24 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 27.09.2024, the proposed dividend would result in cash outflow of dividend Rs. 2003.75 Lakhs for FY 2023-24 .The payout ratio of dividend works out to 31.82% (Previous year dividend payout ratio 17.91%)

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.

DIRECTORS

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Vidya Jyothish Pillai (DIN 05215930) 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.

Dr.K.Venkatachalam holds office as Independent Director upto the date of conclusion of 36th AGM. By virtue of Section 149(10), no independent director shall hold office for more than two consecutive terms and consequently upon the date of conclusion of this AGM Dr. K. Venkatachalam vacates office as Independent Director. However the Board upon considering his expertise and upon recommendation of nomination and remuneration committee appoints him as Non – executive director liable to retire by rotation.

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

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, 2024 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 2023 - 24 namely, May 26, 2023, August 10, 2023, November 09, 2023 and February 08, 2024.

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

DIRECTORS' REPORT (Contd...)

AUDITORS

M/s. S.Krishnamoorthy & Co, Chartered Accountants (ICAI Firm Registration No.001496S) was appointed as Statutory Auditors for a continues 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) valid upto 31.03.2026

AUDITORS' REPORT

The Auditors' Report to the Shareholders does not contain any reservation, qualification or adverse remark. There were no instances of fraud reported by the Auditor to the Central Government or to the Audit Committee of the Company as indicated under the provisions of Section 143 (12) of the Companies Act, 2013

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, 2024 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/csrpolicy/

DIRECTORS' REPORT (Contd...)

NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committee presently 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-renumeration-policy/

RISK MANAGEMENT POLICY

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 https://www.acmills.in /2016/07/stakeholders-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, 2024 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 timelines 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 is made available in the Company's website www.acmills.in under web link https://www.acmills.in/?s=mgt-7

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING 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 Rs. 324.57 Lakhs (Previous year Rs. 269.00 Lakhs) @ 2% of 3 years average net profit of the Company and the Company has spent Rs. 330.84 Lakhs (Previous year Rs. 236.95 Lakhs and set off the to the extent of Rs. 32.05 Lakhs out of surplus Rs. 35.00 Lakhs carried forward). The CSR expenditure are into (i) Police Public Park (ii) Animal Protection (iii) Medical Support, (iv) Relief to Poor (v) Rural Development and Works (vi) Education (vii) Cultural Activity 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

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

Place : Coimbatore
Date : 09.08.2024

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 power capacity and during the year commissioned 6.49 MW Roof Top Solar capacity for captive consumption. In aggregate 80% of power requirement of spinning and knitting segment is met through Renewable energy of Wind and Solar.

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 Autoconer, 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)	61583
Foreign Exchange used (outflow)	44319

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)	16228.62
b)	Two percent of the amount as per Section 135(5)	324.57
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	0.00
e)	Total CSR obligation for the financial year (5b+5c-5d)	324.57

6. CSR Amount spent for the Financial Year

Sl.No	Particulars	Amount [Rs. in Lakhs]
a)	Amount spent on CSR Projects	330.84
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)	330.84

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 Accountas per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
330.84	-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	324.57
(ii)	Total amount spent for the Financial Year	330.84
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	6.27
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	5.95
(v)	Amount available for set off in succeeding Financial Years [(iii) - (iv)]	12.22

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 2020-21	-Nil-					
2	FY 2021-22	-Nil-					
3	FY 2022-23	-Nil-					

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 implem entation	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	80.82	Yes	–	–
2	Police Public Park	i	Yes	Tamil Nadu	Coimbatore	55.13	Yes	–	–
3	Education (KCC Vidhyalaya)	ii	Yes	Tamil Nadu	Coimbatore	6.00	Yes	–	–
4	Education (SPK Educational Trust)	ii	Yes	Tamil Nadu	Namakkal	50.00	Yes	–	–
5	Medical Support (KG Hospital)	i	Yes	Tamil Nadu	Coimbatore	20.00	Yes	–	–
6	Medical Support (VGM Hospital)	i	Yes	Tamil Nadu	Coimbatore	10.00	Yes	–	–
7	Medical Support (Idhayangal Charitable Trust)	i	Yes	Tamil Nadu	Coimbatore	10.00	Yes	–	–
8	Medical Support (For Treatment)	i	Yes	Tamil Nadu	Coimbatore	1.00	Yes	–	–
9	Medical Support	i	Yes	Tamil Nadu	Dindigul	4.80	Yes	–	–
10	Relief to Poor (Water Supply)	i	Yes	Tamil Nadu	Dindigul	11.50	Yes	–	–
11	Relief to Poor (AyyappaSeva Sangam)	i	Yes	Tamil Nadu	Coimbatore	4.00	Yes	–	–
12	Relief to Poor (Food)	i	Yes	Tamil Nadu	Coimbatore	24.91	Yes	–	–
13	Public Toilet Maintenance	x	Yes	Tamil Nadu	Dindigul	1.20	Yes	–	–
14	Rural Development Primary Health Care in Ullupangudi	x	Yes	Tamil Nadu	Dindigul	19.60	Yes	–	–
15	Temple Construction (Shri Bhadrakali Kshethram)	v	Yes	Kerala	Kozhikode	20.00	Yes	–	–
16	Temple Renovation (Karpaga Vinayagar Temple)	v	Yes	Tamil Nadu	Coimbatore	4.90	Yes	–	–

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 implem entation	Mode of Implementation Through Implementing Agency	
				State	District		Direct (Yes/ No)	Name	CSR Registration Number
17	Cultural Activity (Expo on 108 divya desam)	v	Yes	Tamil Nadu	Coimbatore	2.00	Yes	–	–
18	Rural Works (Red Flag Day)	x	Yes	Tamil Nadu	Dindigul	0.24	Yes	–	–
19	Rural Works (Tree Cutting)	x	Yes	Tamil Nadu	Dindigul	0.76	Yes	–	–
20	Rural works (Kosavapatty DPH)	x	Yes	Tamil Nadu	Dindigul	0.29	Yes	–	–
21	Rural works (Police – DSP Office)	x	Yes	Tamil Nadu	Dindigul	3.69	Yes	–	–
	Total amount spent for FY 2023-24					330.84		–	–

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	Primary Health Centre, Uluppagudi Village Dindigul, Tamil Nadu	624401	02.03.2024	19.60	–	–	–
2	Sri Bhadrakali Kshethra Committee, Cherooty Road, Kozhikode, Kerala	673001	23.02.2024	20.00	–	–	–

* represents date of support

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

Place : Coimbatore
Date : 09.08.2024

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 2023-24.

S.No	Name of the Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2023-24 (Rs. in Lakhs)	% increase in Remuneration in the Financial year 2023-24	Ratio of Remuneration of each Director, KMP to median remuneration of employees
1	Sri.P.V.Chandran, Chairman and Managing Director	25.00	--	15.23:1
2.	Dr.K.Venkatachalam , Non- Executive – Independent	4.00	--	2.44:1
3.	Mrs. Bhavya Chandran, Non- Executive – Promoter group	1.00	--	0.61:1
4.	Mrs.Vidya Jyothish Pillai, Non- Executive – Promoter group	2.00	--	1.22:1
5.	Sri.E.M.Nagasivam , Non- Executive – Independent	2.00	--	1.22:1
6.	Mrs. Vijayalakshmi Narendra, Non- Executive – Independent	2.00	--	1.22:1
7.	Sri. Radheshyam Padia, Company Secretary	6.00	–	3.66:1
8.	Sri. M.Vijayakumar, Chief Financial Officer	5.69	8.04%	3.47:1

(ii) The percentage Increase in the median remuneration of the employees in the financial year: 33.97%

(iii) The number of permanent employees on the rolls of Company (Worked for 12 Months): 1802

(iv) The explanation on the relationship between average increase in remuneration and Company performance: The Profit after Tax for FY 2023-24 amounted to Rs.6297.36 Lakhs as compared to Rs. 11189.40 Lakhs for FY 2022-23, decrease of 43.72% whereas increase in employees' remuneration is 8.48%

(v) Comparison of remuneration of the Key Managerial Personnel against the performance of the Company: The Profit after Tax for FY 2023-24 decreased 43.72% as compared to FY 2022-23, whereas increase in Key Managerial Personnel remuneration is 1.17%.

(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	**31.03.2024**	**31.03.2023**
Market capitalization of the Company (Rs in Crore)	809.69	789.65
Issued Capital (in No.s)	57,25,000	57,25,000
Closing Price at NSE (in Rs.)	1414.30	1379.30
Earnings Per share	110.00	195.45
Price Earnings Ratio at the closing date	12.86	7.06

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.

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. 2023-24: The Increase in remuneration is 8.54% for employees other than KMP while it is increase 1.17% for KMP.

(viii) The Key parameters for any variable component of the remuneration availed by the Directors: There are no variable components 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 2023-24
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. Name : Sri. G. Veerakumar
    2. Designation : General Manager (Admin)
    3. Telephone No : 0451 3515916
    4. Email ID : ambika@acmills.in
13. Reporting boundary - The disclosures under this report are made on standalone basis
14. Whether the company has undertaken reasonable assurance of the BRSR Code - No
15. Name of assurance provider : - Not Applicable
16. Type of assurance obtained : - Not Applicable

II. Products/services1

17. 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	60.16
2.	Knitted fabrics	Manufacture	28.81
3.	Waste Cotton	Residual available for sale	11.03

18. 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	60.16
2.	Knitted Fabrics	13911	28.81
3.	Waste Cotton	Residual available for sale	11.03

III. Operations

19. 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

20. 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 **– 74.02%**

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

21. Details as at the end of Financial Year: 31.03.2024

a. Employees and workers (including differently abled): : (worked for 12 months)

Sl.No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1.	Permanent(D)	156	141	90.38%	15	9.62%
2.	Other than Permanent(E)	0	0	0	0	0
3.	Total employees (D+E)	156	141	90.38%	15	9.62%
	WORKERS					
4.	Permanent(F)	1646	389	23.64%	1257	76.36%
5.	Other than Permanent(G)	0	0	0	0	0
6.	Total workers (F+G)	1646	389	23.64%	1257	76.36%

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)	2	2	100.00%	0	0
2.	Other than Permanent(E)	0	0	0	0	0
3.	Total differently abled employees(D+E)	2	2	100.00%	0	0
	DIFFERENTLY ABLED WORKERS					
4.	Permanent(F)	15	9	60.00%	6	40.00%
5.	Other than permanent(G)	0	0	0	0	
6.	Total differently abled workers(F+G)	15	9	60.00%	6	40.00%

22. 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

23. Turnover rate for permanent employees and workers

	FY 2023-24			FY 2022-23		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
Permanent Employees (In %)	1.74	0.12	1.86	1.44	0.13	1.57
Permanent Workers	3.13	11.47	14.6	2.49	8.25	10.74

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

24. (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

25. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
(ii) Turnover (Rs. In Lakhs) - 80153.71/-
(iii) Net worth (Rs. In Lakhs) – 85889.39/-

VII. Transparency and Disclosures Compliances

26. 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 2023-24			FY 2022-23		
		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-						

1. Please refer to the Whistle Blower Policy and Business Responsibility Policies available at: http://www.acmills.in/2015/03/whistle-blower/
2. GrievanceRedressalPolicyLink: https://www.acmills.in/2016/07/stake-holders-grievance-resolution/

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd...)

27. 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 commissioned during the year roof top solar power 6.49 MW 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 deleveraged 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

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd...)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements

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, Trust) 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. Recycled Claim Standard (RCS)								
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.	Fully Met and being pursued								
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 and further has commissioned during the year Roof Top Solar Power 6.49 MW for captive consumption. The generation of renewable energy through wind and solar would contribute to Co2 reduction.** **Besides the entire plant's soils are organically managed without use of fertilizers and pesticides. There are grown multiple tress within the Plant premises over the years turning out to be the Bird's 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								

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.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd...)

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	-Nil -				-NA -
Settlement					
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	-Nil -				-NA -
Punishment					

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd...)

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

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 2023-24	FY 2022-23
Directors	-Nil-	-Nil-
KMPs		
Employees		
Workers		

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

Particulars	FY 2023-24		FY 2022-23	
	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**

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	33 days	54 days

9. Openness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchase	A. Purchase from trading houses as % of total purchases	Nil	Nil
	B. Number of trading houses where purchases are made from	Nil	Nil
	C. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil

Concentration of Sales	A. Sales to dealers/distributors as % of total sales	Nil	Nil
	B. Number of dealers/distributors to whom sales are made	Nil	Nil
	C. Sales to top 10 dealers / distributors as % of total sales to dealers/distributors	Nil	Nil
Share of RPTs in	A. Purchases (Purchases with related parties / Total Purchases)	Nil	Nil
	B. Sales (Sales to related parties / Total Sales)	Nil	Nil
	C. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	D. Investments (Investments in related parties / Total Investments made)	Nil	Nil

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	2023-24	2022-23	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 is also recycled. 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**

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd...)

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:

Category	Total (A)	% of employees covered by									
		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	141	Nil		141	100%	Nil		Nil		Nil	
Female	15			15	100%	15	100%				
Total	156			156	100%	15	9.62%				
Other than Permanent employees											
Male	Nil	NA									
Female											
Total											

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

Category	Total (A)	% of employees covered by									
		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	389	Nil		389	100%	Nil		Nil		Nil	
Female	1257			1257	100%	1257	100%				
Total	1646			1646	100%	1257	76.37%				
Other than Permanent workers											
Male	Nil	NA									
Female											
Total											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2023-24	FY 2022-23
Cost incurred on well being measures as a % of total revenue of the company	1.50	1.46

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

Particulars	FY 2023-24			FY 2022-23		
	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	100% applicable employees as per act	100% applicable employees as per act	Yes
Others -Nil	NA	NA	NA	NA	NA	NA

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

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 : Y**es.. 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 workers? 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 of cotton yarn 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 workers:

   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**

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

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

Safety Incident / Number	Category	FY2023-24	FY2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees Workers	0.230	Nil
Total recordable work-related injuries	Employees Workers	2	Nil
No. of fatalities	Employees Workers	0	Nil
High consequence work-related injury or ill health (excluding fatalities)	Employees Workers	0	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	FY2023-24			FY2022-23		
	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.**

Principle 4 : Businesses should respect the interests of and be responsive to all its stakeholders

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

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	FY2023-24			FY2022-23		
	Total (A)	No of. employees / workers covered(B)	%(B/A)	Total(C)	No.of employees /workers covered(D)	%(D/C)
	Employees					
Permanent	156	156	100%	224	212	94.64%
Other than permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total Employees	156	156	100%	224	212	94.64%
	Workers					
Permanent	1646	1646	100%	1660	1660	100%
Other than permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total Workers	1646	1646	100%	1660	1660	100%

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

Category	FY2023-24					FY2022-23				
	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	141	Nil	Nil	141	100%	206	Nil	Nil	206	100%
Female	15	Nil	Nil	15	100%	18	Nil	Nil	18	100%
Other than permanent										
Male	Nil					Nil				
Female										
Workers										
Permanent										
Male	389	Nil	Nil	389	100%	369	Nil	Nil	369	100%
Female	1257	Nil	Nil	1257	100%	1291	Nil	Nil	1291	100%
Other than Permanent										
Male	Nil					Nil				
Female										

3. a. 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	166667
Key Managerial Personnel	2	584637	-	-
Employees and Workers other than BoD , KMP (in employment for full year)	530	197866	1272	141948

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY2023-24	FY2022-23
Gross wages paid to females (Gross wages paid to females as % of total wages)	42.49	41.38

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 2023-24			FY 2022-23		
	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	Nil			Nil		
Discrimination at workplace						
Child Labour						
Forced Labour /Involuntary Labour						
Wages						
Other human rights related issues						

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Not Applicable	Not Applicable
Complaints on POSH upheld	Not Applicable	Not Applicable

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

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

9. 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**

10. 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	

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

    Response : **There are no cases that are covered under Question10 (above) and Question of corrective action does not arise.**

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 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	169258370400 kj	170283913200 Kj
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C) From non-renewable sources	169258370400 kj	170283913200 Kj
Total electricity consumption (D)	99691189200Kj	110640258000Kj
Total fuel consumption (E)	103421290Kj	260794000Kj
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	99794610490Kj	110901052000 Kj
Total energy consumed (A+B+C+D+E+F)	269052980890Kj	281184965200Kj
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	33.57kj/Rupee	34.42Kj/Rupee
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)		
(Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical Output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	–

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. (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 there medial action taken, if any.

Response : **The Company falls under PAT8 scheme and the target year is 2025-2026**

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

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilo litres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	11250 KL	10950 KL
(iii) Third party water (Sourced from TWAD Board)	82863.79 KL	81927.90 KL
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	94113.79 KL	92877.90 KL
Total volume of water consumption (in kilolitres)	94113.79 KL	92877.90 KL
Water intensity per rupee of turnover (Water consumed / turnover)	0.0012 Liters per Rupee	0.011 Liters per Rupee
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: There is no requirement of water for manufacturing purposes. The water consumption is meant for human consumption.

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
((i) To Surface water	- NA-	- NA-
(ii) To Groundwater		
(iii) To Seawater		
(iv) Sent to third-parties		
(v) Others		
Total water discharged (in kilolitres)		

5. 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**.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd...)

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

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

Parameter	Please specify unit	FY 2023-24	FY 2022-23
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

7. 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	unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO_2 , CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	Nil	Nil
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs,SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	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

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

Response : **Response: The company has installed windmills 27.4 MW and further has commissioned during the year roof top solar power plant with a capacity of 6.49 MW at its Manufacturing Plants located at Dindigul in the State of Tamil Nadu for reduction of CO_2 and to that extent contributes reduction of Global Warming and climate change . The entire power generated is for captive consumption.**

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

Parameter	FY 2023-24	FY 2022-23
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 7626.341	Nil 8495.121
Total (A+B + C + D + E + F + G+ H)	7626.341	8495.121

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd...)

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

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
(I) Recycled	Nil	148.80
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	Nil	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	283.630	317.500
(iii) Other disposal operations	7342.711	8028.821
Total	**7626.341**	**8346.321**

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

10. 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.**

11. 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.**

12. 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.**

13. 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:

Response : **Yes - the Company is compliant with all applicable laws and regulations**

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	Corrective action taken, if any
- Not Applicable -				

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 basedon applicable laws, in the current financial year. –

   Response : **Not Applicable**

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement(R&R) 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:

   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.**

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24	FY 2022-23
Rural	99.57%	99.54%
Semi-urban	Nil	Nil
Urban	0.43%	0.46%
Metropolitan	Nil	Nil

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

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 2023-24			FY 2022-23		
	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	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 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**

7. Provide the following information relating to data breaches:

   a. Number of instances of data breaches - Nil

   b. Percentage of data breaches involving personally identifiable information of customers – Nil

   c. Impact, if any, of the data breaches - Nil

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

Place : Coimbatore
Date : 25.05.2024

ANNEXURE - V

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2024

[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, 2024** 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, 2024** 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 there under;

(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.

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 Standardswith 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/Regulationsrequiring 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 (Delisting 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.

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 andoperations 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.

Sd/
Name of the Practising Company Secretary : Sundararajan Baalaji
FCS No. : 5966
CP No. : 3514
Peer Review Certificate No. : 774/2020
UDIN : F005966F000934366

Place: Coimbatore
Date: 09.08.2024

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.

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 : F005966F000934366

Place: Coimbatore
Date: 09.08.2024

AMBIKA COTTON MILLS LIMITED

ADDITIONAL DISCLOSURES PURSUANT TO REGULATIONS (Contd...)

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 31.03.2024
Short term Employee benefits to Sri.P.V.Chandran	24.00	1.00	25.00	2.00
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 29.09.2022 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 naturalfibres like cotton, jute, silk and wool to synthetic /man-made fibres like polyester, viscose, nylon and acrylic

.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 outperform. 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. India is among the top 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.

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 substantial employment opportunities.

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.

4. Product wise Performance

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

Particulars	FY 2023-24 Qty (In Lakh Kgs)		FY 2022-23 Qty (In Lakh Kgs)	
	Production	Sales	Production	Sales
Cotton Yarn	165.74	121.67	183.30	108.68
Cotton Yarn for captive consumption(for knitting)	48.54	-	32.72	-
Cotton Fabrics (Knitted)	62.00	61.11	40.97	41.37
Waste Cotton	74.46	72.25	79.21	75.41
Wind units for captive consumption `	453.54 Lakh units		473.01 Lakh units	

5. Outlook.

The Company, on account of manufacturing speciality 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. Apart from installation of 27.4 MW wind power capacity, during the year, the Company has installed Roof Top Solar capacity 6.49 MW, for captive consumption. In aggregate 80% of power requirement of spinning and knitting segment is met through renewable energy. The installed EHT line (110 KVA Sub-Station) ensures smooth flow of quality power. New Stenter plant is established for knitting division to heat process the fabrics. These measures will strengthen and supportthe 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 fabourable 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 consequent to geopolitical risks

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 2024	Previous Year 2023
1	Increase in Net Sales (Rs. in Lakh)	-1543	-6240
2	Increase in Net Sales (%)	-1.89	-7.10
3	Increase in Exports (Rs. in Lakh)	-472	-2849
4	Increase in Exports (%)	-0.79	-4.55
5	Operating Profit Margin before Tax(%)	16.47	23.10
6	Operating Profit Margin after Tax (%)	13.69	18.13
7	Cash Profit Margin before Tax (%)	14.09	22.31
8	Cash Profit Margin after Tax (%)	11.31	17.35
9	Net Profit Margin before Tax (%)	10.64	18.66
10	Net Profit Margin after Tax (%)	7.86	13.70

* Profit Margin calculations are on the basis of Net Sales

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 relationshipand have in total 1802 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 of 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)	Nill	Nill	Nil
Mrs. Vijayalakshmi Narendra	Director (Independent – Non Executive)	2	2	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 2023- 2024 : 4			
S.No.	**Date of Board Meeting**	**S.No.**	**Date of Board Meeting**
1	26.05.2023	2	10.08.2023
3	09.11.2023	4	08.02.2024

(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 29th September, 2023
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

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 and maintenance of sufficient liquidity.
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 26.05.2023, 10.08.2023, 09.11.2023and 08.02.2024.

Members' attendances at the meetings were as follows.

Name of the Directors	Category	No. of Meetings attended during the year 2023-24
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

CORPORATE GOVERNANCE REPORT (Contd...)

4. Nomination & Remuneration Committee

Brief description of Terms of reference:

a. 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;

b. Formulation of criteria for evaluation of Independent Directors and the Board;

c. Devising a policy on Board diversity;

d. 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 consistof Directors, Chaired by, Dr.K.Venkatachalam, Sri.E.M.Nagasivam and Mrs. Bhavya Chandran.

During the year, the Nomination & Remuneration Committee held its meetings on26.05.2023.

Members' attendances at the meetings were as follows

Name of the Directors	Category	No. of Meetings attended during the year 2023-24
Dr..K.Venkatachalam	Independent / Non Executive - Chairperson	1
Sri. E.M.Nagasivam	Independent / Non Executive - Member	1
Mrs. Bhavya Chandran	Non-Executive Director-Promoter Group - Member	1

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)	Commission (Rs)	Sitting Fees (Rs.)	Total (Rs.)
Sri. P.V. Chandran	24,00,000	0.00	1,00,000	25,00,000

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 not solved to the satisfaction of the shareholders during the year: NA

d. Number of pending complaints : NA

e. Name & Designation of Compliance Officer :Radheyshyam Padia, Compliance Officer

ii. The Committee held its meetings 26.05.2023,10.08.2023,09.11.2023 and 08.02.2024 attendance of the members were as follows:

Name of the Directors	Category	No. of Meetings attended during the year 2023-24
Dr.K.Venkatachalam	Independent / Non Executive- - Chairperson	4
Mrs. Vidya Jyothish Pillai	Non-Executive Director-Promoter Group - Member	4
Mrs.Bhavya Chandran	Non-Executive Director-Promoter Group - Member	4

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 26.05.2023, 10.08.2023, 09.11.2023 and 08.02.2024 attendance of the members were as follows:

Name of the Directors	Category	No. of Meetings attended during the year 2023-24
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
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
2023	Through Video Conferencing : (Deemed Venue: Registered Office of the Company)	29.09.2023	12 Noon

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

Year	Special Resolution for
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
2023	Nil

(iii) No special resolution was put through by Postal Ballot during FY 2023-24 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

CORPORATE GOVERNANCE REPORT (Contd...)

11. General Information to Shareholders:

Annual General Meeting (AGM) Date and Time	Friday 27th September 2024 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	2023-24	
Dividend Payment Date	Within 30 days from the date of AGM	
Results for Quarter ending	June 30, 2024	2nd Week of August, 2024
	September 30, 2024	2ndWeek of November, 2024
	December 31, 2024	2nd Week of February, 2025
	March 31, 2025	Last week of May 2025 (Audited).
	AGM	September 2025
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	21.09.2024 to 27.09.2024 (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-23	1566.60	1371.90	1570.00	1369.95
May-23	1600.00	1448.05	1600.00	1449.00
Jun-23	1725.00	1454.40	1729.00	1455.00
July-23	1729.95	1525.20	1657.75	1526.10
August-23	1661.50	1409.90	1660.00	1410.05
September-23	1749.95	1499.95	1749.80	1489.25
October-23	1619.00	1472.10	1619.00	1471.00
November-23	1690.15	1497.75	1695.00	1500.00
December-23	1889.95	1628.85	1869.25	1630.00
January-24	1889.15	1651.25	1885.00	1691.05
February-24	1810.45	1588.20	1810.10	1590.95
March-24	1692.00	1400.00	1690.00	1385.65

Registrar & Share Transfer Agents	Link Intime India Private Limited., "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 31.03.2024

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	435	0.008
4	Foreign Portfolio investments – Corporate	20215	0.353
5	Corporate Bodies	306050	5.346
6	Public		
	1. Individuals (holding nominal share capital upto Rs.2.00 Lakh)	2054483	35.886
	2. Individuals (Holding nominal share capital in excess of Rs.2.00 Lakh)	145633	2.544
7	Any other		
	a. Directors and their relatives	100	0.002
	b. LLP	4704	0.082
	c. Trusts	5	0.000
	d. Nonresident Indians	172703	3.017
	e. Clearing Members	187	0.003
	f. Hindu Undivided Families	95805	1.673
	g. IEPF	12531	0.219
	h. Key Managerial Personnel	39749	0.694
	Total	5725000	100.000

CORPORATE GOVERNANCE REPORT (Contd...)

Distribution of Share Holding as on 31.03.2024				
Range (No. of Shares)	No. of Shares	% to total number of shares	No. of Shareholders	% to total number of Shareholders
0001 - 0500	1172714	20.48	25989	97.1588
0501 - 1000	295655	5.16	409	1.5290
1001 - 2000	270499	4.72	180	0.6729
2001 - 3000	176018	3.07	68	0.2542
3001 - 4000	91228	1.59	26	0.0972
4001 - 5000	90197	1.58	20	0.0748
5001 - 10000	218454	3.82	31	0.1159
10001 and above	3410235	59.57	246	0.0972

Dematerialization of Shares	99.497% of the Company's paid-up Equity Share Capital has been dematerialized up to 31, March 2024. 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	The Company has Five Units and its locations are given below:
	Unit-I–Natham Main Road, Kanniyapuram, Dindigul–624 308 Unit – II – Kanniyapuram – Ellaipatty Road, Kanniyapuram, Dindigul – 624 308 Unit – III – Kanniyapuram – Ellaipatty Road, Kanniyapuram, Dindigul – 624 308. (Adjacent to Unit - II). Unit – IV – Kanniyapuram – Ellaipatty Road, Kanniyapuram, Dindigul – 624 308 (Adjacent to Unit - III) Knitting Division – Kanniyapuram – Ellaipatty Road, Kanniyapuram, Dindigul – 624 308 (Adjacent to Unit - IV)
Investor Correspondence/ Query Information :	
For Transfer Shares	Link Intime India Private Limited., "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

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 auditor 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 2023-24, 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 reports 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 beenreceived from them in respect of the Financial Year Ended 31.03.2024.

Place : Coimbatore
Date : 09.08.2024

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

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, 2024, 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: 24020439BKABCL7821)

Place : Coimbatore
Date : 25.05.2024

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

As required by Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we here by certify that:

a) We have reviewed the Financial Statements and the Cash Flow Statement of the Company for the year ended 31st March 2024 and that to the best of our knowledge and belief:

   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 of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal, or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee of:

   i) significant changes if any, in internal control over financial reporting during the year;

   ii) significant changes if any, in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statements; and

   iii) that there were no instances of fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over Financial reporting.

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

Sd/-
M. Vijayakumar
Chief Financial Officer

Place : Coimbatore
Date : 25.05.2024

CORPORATE GOVERNANCE REPORT (Contd...)

G. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(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-clause10(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, 2024** 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. Egambaram Madhavan Nagasivam	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.

Sd/
Name of the Practising Company Secretary : Sundararajan Baalaji
FCS No. : 5966
CP No. : 3514
Peer Review Certificate No. : 774/2020
UDIN : F005966F000934410

Place : Coimbatore
Date : 09.08.2024

INDEPENDENT AUDITOR'S REPORT

To the member of Ambika Cotton 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 2024, 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 material 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, 2024, 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.

INDEPENDENT AUDITORS' REPORT (Contd...)

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.	• Obtained details of completed tax assessments and demands as on March 31,2024 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 Thereon

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.

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.

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.

INDEPENDENT AUDITORS' REPORT (Contd...)

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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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:

   h) 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.

   i) 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.

INDEPENDENT AUDITORS' REPORT (Contd...)

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 Parties (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.

v. As stated in Note 30.2 to the Financial Statements

a. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

b. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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.

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

Sd/-

B. Krishnamoorthi
Partner, Auditors
Membership No. 020439
(UDIN: 24020439BKABCK3232)

Place : Coimbatore
Date : 25.05.2024

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, 2024 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.

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, 2024, 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: 24020439BKABCK3232)

Place : Coimbatore
Date : 25.05.2024

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 tb 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, 2024 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 deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

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

vii. In respect of statutory dues:

(a) The Company is regular in depositing undisputed statutory dues including provident fund, Income-tax, goods and service tax, duty of customs, cess and other material statutory clues with the appropriate authorities. There are no undisputed arrears of statutory dues which were outstanding as at 31 March 2024 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 in respect of exit from 100% EOU - Unit II - Final exit order dated 17.05.2005	Pending for disposal before Commissioner of GST and Central Excise (Appeals) Coimbatore, Circuit Office at Trichy
GST	GST	34.11	FY 2017-18	Appeal to be filed before GST Tribunal on its Constitution
GST	GST	11.93	FY 2018-19	Appeal to be filed before GST Tribunal on its Constitution
GST	GST	13.27	FY 2019-20	Appeal to be filed before GST Tribunal on its Constitution

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. Hence reporting under clause 3 (ix) (a) of the Order is not applicable.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

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

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

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.

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT (Contd...)

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.

xv In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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 realization 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: 24020439BKABCK3232)

Place : Coimbatore
Date : 25.05.2024

AMBIKA COTTON MILLS LIMITED

BALANCE SHEET AS AT 31st MARCH 2024

(Rs. in Lakhs)

Particulars		Note No	As at 31.03.2024	As at 31.03.2023
ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment		**4**	23226.48	21501.52
(b) Capital work-in-progress			348.28	0.53
(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**	994.91	926.09
(e) Other non-current assets		**12**	117.77	0.00
Total Non-current assets	**(A)**		**24687.44**	**22428.14**
(2) Current assets				
(a) Inventories		**6**	52515.27	39696.19
(b) Financial Assets				
(i) Investments		**7**	62.05	44.34
(ii) Trade receivables		**8**	2546.86	3911.32
(iii) Cash and cash equivalents		**9a**	4862.08	16937.78
(iv) Bank Balances other than (iii) above		**9b**	16822.00	10789.00
(v) Loans			0.00	0.00
(vi) Other financial assets		**10**	4715.01	2346.88
(c) Current tax assets (Net)		**11**	0.00	201.09
(d) Other current assets		**12**	736.38	1672.19
Total Current Assets	**(B)**		**82259.65**	**75598.79**
Total Assets	**(A+B)**		**106947.09**	**98026.93**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share capital		**13**	572.50	572.50
(b) Other Equity		**14**	85316.89	81089.04
Total Equity	**(A)**		**85889.39**	**81661.54**
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**	735.10	823.26
(b) Deferred tax liabilities (Net)		**15**	1950.66	1879.24
(c) Other non-current liabilities			0.00	0.00
Total non-current liabilities	**(B)**		**2685.76**	**2702.50**
(2) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings		**16**	8197.56	0.00
(ia) Lease Liabilities			0.00	0.00
(ii) Trade payables		**17**		
Due to Micro and Small Enterprises			45.60	166.93
Due to Others			8372.07	12102.22
(iii) Other financial liabilities		**18**	1518.43	1321.89
(b) Other current liabilities		**19**	148.42	71.85
(c) Current Tax Liabilities (Net)		**20**	89.86	0.00
Total Current Liabilities(C)			**18371.94**	**13662.89**
Total Equity and Liabilities (A+B+C)			**106947.09**	**98026.93**
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
Sd/-
(B. Krishnamoorthi)
Membership No. 020439
Partner
Place : Coimbatore
Date : 25.05.2024

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/-
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 2024

(Rs. in Lakhs)

Particulars	Note No	Year Ended 31.03.2024	Year Ended 31.03.2023
INCOME			
Revenue from operations	**21**	82345.99	84750.14
Other income	**22**	2275.32	1384.83
Total income		**84621.31**	**86134.97**
EXPENSES			
Cost of materials consumed	**23**	53818.03	66059.83
Purchase of Stock-in-Trade		0.00	0.00
Changes in inventories of finished goods and work-in-progress	**24**	1940.05	-14393.29
Employee benefit expense	**25**	5415.21	5174.19
Finance costs	**26**	1907.05	639.68
Depreciation and amortization expense	**27**	2770.33	2982.01
Other expenses	**28**	10245.99	10424.62
Total expenses		**76096.66**	**70887.04**
Profit before exceptional items and tax		**8524.65**	**15247.93**
Exceptional items		0.00	0.00
Profit before tax after exceptional items		**8524.65**	**15247.93**
Tax expense			
Current tax		2155.87	4208.32
Deferred tax		71.42	-149.79
Total tax expense		**2227.29**	**4058.53**
Profit after tax from continuing operations for the year		**6297.36**	**11189.40**
Other Comprehensive income			
Items that will not be reclassifed to Profit & Loss			
Remeasurements of the defined benefit plans		-87.88	-14.49
Income tax relating to items not reclassified to Profit & Loss		22.12	3.65
Items that will be reclassifed to Profit & Loss		0	0
Total Other Comprehensive income		**-65.76**	**-10.84**
Total Comprehensive income for the year		**6231.60**	**11178.56**
Basic Earnings per share (In Rs) [Face Value Rs 10/- per share]		**110.00**	**195.45**
Diluted Earnings per Share (In Rs) [Face Value Rs 10/- per share]		**110.00**	**195.45**

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

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

Place : Coimbatore
Date : 25.05.2024

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

Sd/-
Radheshyam Padia
(Company Secretary)

Sd/-
M.Vijayakumar
(Chief Financial Officer)

AMBIKA COTTON MILLS LIMITED

STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2024

A. EQUITY SHARE CAPITAL:

(Rs. in Lakhs)

Balance as at 01/04/2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01/04/2023	Changes in equity share capital during the year	Balance as at 31/03/2024
572.50	0.00	572.50	0.00	572.50
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

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 31.03.2023	**15.00**	**361.06**	**21679.81**	**59033.17**	**81089.04**
Total Comprehensive Income for the year				6231.60	6231.60
Payment of Final Dividend				-2003.75	-2003.75
Transfer to General Reserve			1000.00	-1000.00	0.00
As at 31.03.2024	**15.00**	**361.06**	**22679.81**	**62261.02**	**85316.89**

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**

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

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

Place : Coimbatore
Date : 25.05.2024

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

Sd/-
Radheshyam Padia
(Company Secretary)

Sd/-
M.Vijayakumar
(Chief Financial Officer)

AMBIKA COTTON MILLS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2024

(Rs. in Lakhs)

Particulars		Year Ended 31.03.2024	Year Ended 31.03.2023
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax after exceptional items		8436.77	15233.45
Adjustment for			
Depreciation and amortisation expense		2770.33	2982.01
Finance Costs		1907.05	639.68
Sale of Assets		-700.07	-2.72
Loss on Sale of Asset		1.69	0.00
Increase/ Diminution in fair value of Investments		-17.56	-0.59
Exchange rate changes on Cash and Cash Equivalents		-0.12	0.00
Investments Income:			
Interest/Dividend Received		-1557.69	-1384.24
Operating Profit Before Working Capital Changes		**10840.40**	**17467.59**
Adjustments for (increase)/decrease in operating assets			
Inventories		-12819.08	-16773.70
Trade receivables		1364.46	675.66
Other Financial Assets - Non current		-68.82	-165.91
Other Financial Assets - Current		-2368.13	305.40
Other Current Assets - Non Current		-117.77	18.63
Other Current Assets- Current		935.81	-1109.54
Bank Balance other than cash and cash equivalents		-6033.00	-10789.00
		-8266.13	**-10370.87**
Adjustments for increase /(decrease) in operating liabilities			
Trade Payables		-3851.48	6244.14
Other Non Current Financial Liabilities		-88.16	152.68
Other Financial Liabilities		196.54	396.17
Other Current Liabilities		76.57	-132.31
Cash used in / generated from operations		**-11932.66**	**-3710.19**
Taxes paid		-1842.81	-4272.19
Net Cash used in /generated from operating activities	**(A)**	**-13775.47**	**-7982.38**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		-4744.94	-1843.49
Capital work in progress		-347.75	2.49
Sale of Fixed assets		948.02	64.62
Investment in Mutual Funds		-0.13	-0.26
Interest Received		1557.42	1383.82
Dividend Received		0.27	0.42
Net cash used in Investing activities	(B)	**-2587.11**	**-392.40**

AMBIKA COTTON MILLS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2024 (Contd...)

C. CASH FLOW FROM FINANCING ACTIVITIES

(Rs. in Lakhs)

Particulars		Year Ended 31.03.2024	Year Ended 31.03.2023
Proceeds from Working Capital borrowings		8197.56	0.00
Dividend Paid		-2003.75	-2003.75
Interest Paid		-1907.05	-639.68
Net Cash Used in Financing Activities	**(C)**	**4286.76**	**-2643.43**
Net increase /(decrease)in Cash and Cash Equivalents	**(A+B+C)**	**-12075.82**	**-11018.21**
Cash and Cash Equivalents at beginning of the period	**(D)**	**16937.78**	**27955.99**
Unrealised Loss /(Gain) on Foreign Currency Cash and Cash equivalents		**0.12**	**0.00**
Cash and Cash Equivalents at end of the period	**(E)**	**4862.08**	**16937.78**

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

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

Place : Coimbatore
Date : 25.05.2024

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

Sd/-
Radheshyam Padia
(Company Secretary)

Sd/-
M.Vijayakumar
(Chief Financial Officer)

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. Apart from installation of 27.4 MW wind power capacity, during the year the company has installed Roof Top Solar capacity 6.49 MW, for captive consumption of spinning segment. In aggregate 80% of power requirement of spinning and knitting segment is met through Renewable energy. 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 25th May 2024.

2. MATERIAL 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).

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the company takes into account the characteristics of the asset or liability at the measurement date. In addition, for financial reporting purposes, fair value measurements are categorised into:

Level 1 (unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date);

Level 2 (inputs other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly;

Level 3 (unobservable inputs for the asset or liability). Fair value in respect of equity financial instruments are the quoted prices of those instruments in the stock exchanges at the measurement date.

a) Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

b) Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

The financial statements are presented in Indian Rupees (₹) which is the Company's presentation currency. All financial information presented in Indian Rupees has been rounded up to the nearest Lakhs except where otherwise indicated.

c) Use of Estimates

The preparation of standalone financial statements in conformity with Ind AS requires the management to make estimates and judgements that affect the reported amounts of assets, liabilities, revenue, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates. Changes in estimates are reflected in the standalone financial statements in the year in which the changes are made. Significant estimates and assumptions are used for, but not limited to,

a) Estimation of useful life of Property, Plant and Equipment
b) Estimation of useful life of Intangible Assets
c) Provisions and Contingent Liabilities
d) Recognition of deferred taxes
e) Key actuarial assumptions for measurement of future obligations under employee benefit plans

d) Recent accounting pronouncements

The Ministry of Corporate Affairs has amended notified the following Ind AS which are effective from April 1, 2023.

a) Definition of Accounting estimates – Amendments to Ind AS 8

Clarifies the distinction between the changes in accounting estimates and changes in accounting policies and the correction of errors and how entities use measurement techniques and inputs to develop accounting estimates. This amendment does not cause any material impact over the company's financial statements.

b) Disclosure of Accounting Policies – Amendments to Ind AS 1

The amendment requires entities to disclose 'material' accounting policies instead of 'significant' accounting policies and provide guidance for application of concept of materiality in making decisions about accounting policy disclosures. This amendment does not cause any material impact over the company's financial statements.

c) **Deferred Tax related to Assets and Liabilities arising from single transaction – Amendments to Ind AS 12**

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. This amendment has no effect on company's financial statements.

d) Notification of New standards and Amendments by Ministry of Corporate Affairs ("MCA")

MCA notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There are no new standards or amendments notified by MCA during the year ended March 31, 2024, to the existing standards applicable to the Company.

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 & Solar	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.

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

For transition to IND AS, the company has elected to continue with the carrying value of Zero of its intangible assets viz Technical know which was fully amortised 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.

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 derecognises 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 and 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.

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 uncertainity 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.

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 note. 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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2024

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

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Carrying amounts of:		
Freehold land	383.13	373.38
Buildings	5866.58	6410.94
Plant and Equipment	16837.84	14530.37
Electrical Fittings	0.00	0.00
Furniture and fixtures	0.48	0.38
Vehicles	135.98	178.68
Office Equipment	2.47	7.77
Total	**23226.48**	**21501.52**
Capital Work-in-progress	348.28	0.53
Total	**348.28**	**0.53**
Total	**23574.76**	**21502.05**

(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 2023	**373.38**	**10504.22**	**54632.31**	**2.66**	**15.70**	**683.10**	**198.43**	**66409.80**	**0.53**
Additions	9.75	44.16	4684.74	0.00	0.49	0.00	5.80	4744.94	348.28
Capitalised									0.53
Eliminated on disposals of assets	0.00	262.41	95.34	0.00	0.00	0.00	0.00	357.75	0.00
Balance at 31st March 2024	**383.13**	**10285.97**	**59221.71**	**2.66**	**16.19**	**683.10**	**204.23**	**70796.99**	**348.28**
Accumulated depreciation and impairment									
Balance at 1st April 2023	**0.00**	**4093.28**	**40101.94**	**2.66**	**15.32**	**504.42**	**190.66**	**44908.28**	**0.00**
Eliminated on disposals of assets	0.00	31.57	76.53	0.00	0.00	0.00	0.00	108.10	0.00
Depreciation Expense	0.00	357.68	2358.46	0.00	0.39	42.70	11.10	2770..33	0.00
Balance at 31st March 2024	**0.00**	**4419.39**	**42383.87**	**2.66**	**15.71**	**547.12**	**201.76**	**47570.51**	**0.00**
Carrying Amount									
Balance at 1st April 2023	**373.38**	**6410.94**	**14530.37**	**0.00**	**0.38**	**178.68**	**7.77**	**21501.52**	**0.53**
Additions	9.75	44.16	4684.74	0.00	0.49	0.00	5.80	4744.94	348.28
Capitalised									0.53
Eliminated on disposals of assets	0.00	230.84	18.81	0.00	0.00	0.00	0.00	249.65	0.00
Depreciation expense	0.00	357.68	2358.46	0.00	0.39	42.70	11.10	2770.33	0.00
Balance at 31st March 2024	**383.13**	**5866.58**	**16837.84**	**0.00**	**0.48**	**135.98**	**2.47**	**23226.48**	**348.28**

5. INTANGIBLE ASSETS

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Carrying amounts of:		
Know-how	**0**	**0**
Total	**0**	**0**

Particulars	**Know-How**
Cost or deemed cost	
Balance at 1st April 2023	79.43
Additions	0
Eliminated on disposals of assets	0
Balance at 31st March 2024	79.43
Accumulated depreciation and impairment	
Balance at 1st April 2023	79.43
Eliminated on disposals of assets	0
Depreciation Expense	0
Balance at 31st March 2024	79.43
Carrying Amount	
Balance at 1st April 2023	0
Additions	0
Eliminated on disposals of assets	0
Depreciation expense	0
Balance at 31st March 2024	0

6. INVENTORIES

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Inventories (lower of cost or net realisable value)		
Raw Materials	33767.71	18833.73
Work-in-progress	3573.59	2697.37
Finished Goods	13354.25	16482.95
Waste Cotton	810.95	498.52
Stores and Spares	925.13	1029.47
Packing Materials	83.64	154.15
Total	**52515.27**	**39696.19**

The cost of inventories recognised as an expense during the year is Rs.53818.03 Lakhs

(Previous year Rs. 66059.83 Lakhs)

7. INVESTMENTS

(Rs. in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Quantity	Amount	Quantity	Amount
Current				
Investment in quoted equity instruments (fully paid up) [At fair values]				
Cholamandalam Investment & Finance Co. Limited	3250	37.59	3250	24.75
City Union Bank	6050	8.18	6050	7.61
Investment in Mutual Fund [at NAV]				
LICMF Flexi Cap Fund- Regular plan - IDCW	60123.89	16.28	59441.944	11.98
Total	**69423.890**	**62.05**	**68741.944**	**44.34**
Aggregate book value of quoted investments		0.87		0.87
Aggregate market value of quoted investments		45.77		32.36
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		6.86		6.72
Aggregate net asset value of Mutual fund		16.28		11.98
Category-wise investments - as per IND AS 109 classification				
Financial assets carried at fair value through profit or loss (FVTPL)		62.05		44.34
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 2024	As at 31st March 2023
Current		
Unsecured Considered Good		
From related Parties	0.00	0.00
From others	2546.86	3911.32
Allowance for doubtful debts (Expected credit loss allowance)	0.00	0.00
Total	**2546.86**	**3911.32**

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 2024	As at 31st March 2023
Within the credit period	2546.86	3911.32
30-60 Days	0	0
60-90 Days	0	0
More than 90 Days	0	0
Total	**2546.86**	**3911.32**

Movement in the expected credit loss allowance (Rs. in Lakhs)

Age of receivables	As at 31st March 2024	As at 31st March 2023
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 2024

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	2546.86	0	0	0	0	2546.86
(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 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

9(a). CASH AND CASH EQUIVALENTS

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Balances with Banks		
Current account	756.42	1252.81
EEFC A/c	38.39	0.53
Deposit Account	4000.00	15595.00
Unpaid Dividend Account	29.96	29.06
Cash on Hand	37.31	60.38
Total	4862.08	16937.78

Time period of deposits 12 Months

The callable 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.

In the event if deposits are closed at earlier point of time which would attract lower rate of interest as against the Rate of Interest available for the period.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

9(b). BANK BALANCES OTHER THAN THE ABOVE

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Bank Deposits	16822.00	10789.00
Total	**16822.00**	**10789.00**

Time period of deposits 12 Months

The Non-Callable Deposits are time - Specific and are encashable on maturity date

10. OTHER FINANCIAL ASSETS

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Non-current		
Cenvat and service tax credit receivable	17.64	17.64
Security Deposit for Electricity TWAD Board & Others	977.27	908.45
Total	**994.91**	**926.09**
Current		
Cotton Purchase debit note	2.07	24.98
Duty drawback & RoDTepy receivable	292.92	287.67
EB receivable (for wind)	8.98	8.98
Security Deposit EHT	159.80	0.00
Forward cover receivable (Foreign Currency derivative)	78.60	15.27
GST receivable	3815.69	1803.21
Interest accrued & Receivable	165.27	196.77
Insurance claim receivable - Windmill	186.00	0.00
Other Receivables	5.68	10.00
Total	**4715.01**	**2346.88**

11. CURRENT TAX ASSETS (NET)

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Current tax assets		
Income tax advances	0.00	4245.54
Current tax liablities		
Income tax liability	0.00	4191.06
	0.00	54.48
Income tax refund due	0.00	146.61
Total	**0.00**	**201.09**

12. OTHER CURRENT ASSETS

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Non-Current		
Capital Advances	117.77	0.00
Total	**117.77**	**0.00**
Current		
Advance for supply of materials	329.98	177.57
Advance for Cotton	13.63	1042.57
LC Opening Charges for Import of Cotton	10.22	38.93
Prepaid Expenses	270.40	349.38
LIC Plan Assets	112.15	63.74
Total	**736.38**	**1672.19**

13. EQUITY SHARE CAPITAL

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
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

Fully paid Equity Shares	Number of Shares	(Rs in Lakhs) Share Capital
Balance as on March 31, 2024	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 2024

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 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	–

(Rs. in Lakhs)

Shareholders holding more than 5% Equity shares	As at 31st March 2024		As at 31st March 2023	
Particulars	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 2024	As at 31st March 2023
Capital Redemption Reserve	15.00	15.00
Securities Premium Account	361.06	361.06
General Reserve	22679.81	21679.81
Retained Earnings	62261.02	59033.17
Total	**85316.89**	**81089.04**

14.1 CAPITAL REDEMPTION RESERVE

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
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 2024	As at 31st March 2023
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 2024	As at 31st March 2023
Balance at the beginning of the year	21679.81	20679.81
Add: Transfer from retained earnings	1000.00	1000.00
Balance at the end of the year	22679.81	21679.81

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 2024	As at 31st March 2023
Balance at the beginning of the year	59033.17	50858.36
Add: Total comprehensive income for the year	6231.60	11178.56
Less: Payment of dividends on equity shares	2003.75	2003.75
Less: Transfer to General Reserve	1000.00	1000.00
Balance at the end of the year	62261.02	59033.17

The directors have proposed dividend of Rs.35/- per share amounting to Rs.2003.75/- Lakhs for the year ended March 31, 2024 and the same is subject to approval of shareholders at the Annual General Meeting and hence not included as a liability

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2024

15. DEFERRED TAX LIABILITY (NET)

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Deferred Tax Liability	1950.66	1879.24
Deferred Tax Asset	0.00	0.00
Total	1950.66	1879.24

2023 - 24

(Rs. in Lakhs)

Particulars	Opening Balance	Recognised in Profit or loss	Closing Balance
On account of Property , Plant & Equipment	1870.80	67.00	1937.80
On account of fair value of Equity instruments	8.44	4.42	12.86
	1879.24	71.42	1950.66

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

16. BORROWINGS

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
From Banks (Secured)		
Loans Repayable on Demand - Working Capital	4489.29	0.00
From Banks (Unsecured)		
Loans Repayable on Demand - Working Capital	3708.27	0.00
	8197.56	**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

17. TRADE PAYABLES

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Current		
Due to Micro and Small Enterprises	45.60	166.93
Others	8372.07	12102.22
Total	**8417.67**	**12269.15**

Trading Payables ageing Schedule as at 31st March 2024

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	45.60	0	0	0	45.60
(ii) Others-Acceptance	6578.84	0	0	0	6578.84
(iii) Others - Other than Accceptance	1793.23	0	0	0	1793.23
(iv) Disputed dues - MSME	0	0	0	0	0
(iv) Disputed dues - Others	0	0	0	0	0
Total	8417.67	0	0	0	8417.67

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 Accceptance	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

18. OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Non- current		
Liabilities for Expenses	735.10	823.26
	735.10	**823.26**
Current		
Unpaid dividends	29.96	29.06
Interest accrued but not due on borrowings	129.99	128.59
Statutory payables	90.31	81.66
Forward Cover (Foreign Currency)	18.29	0.00
LIC Gratuity (Plan Assets) Net	0.00	1.22
Other liabilties for Expenses	1249.88	1081.36
Total	**1518.43**	**1321.89**

19. OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Advance received from Customers	148.42	71.85
Total	**148.42**	**71.85**

20. CURRENT TAX LIABILITIES (NET)

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Current tax liabilities		
Income tax provisions	2131.55	0.00
Current tax assets		
Income tax advances	2041.69	0.00
Total	**89.86**	**0.00**

21. REVENUE FROM OPERATIONS

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Sale of Products (Refer Note (i) below)	80153.71	81696.86
Other Operating Revenue (Refer Note (ii) below)	2192.28	3053.28
	82345.99	**84750.14**
Note (I)		
Sale of Products Comprises		
Cotton Yarn	48224.47	52664.80
Knitted Fabrics	23089.29	18543.80
Waste Cotton	8839.95	10488.26
	80153.71	**81696.86**
Note (ii)		
Other Operating Revenue		
Export Benefits	1543.66	1775.51
Foreign Exchange Fluctuation	7.02	0.00
Profit on disposal of rawmaterial	360.38	1176.70
Profit on sale of machinery	0.00	2.72
REC Sales	47.15	50.22
Wind Energy	0.00	11.46
Sale of Scrap	45.38	36.67
Sundry Parties Written Back	188.69	0
	2192.28	**3053.28**

22. OTHER INCOME

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Interest (Refer Note (i) below)	1557.42	1383.82
Dividend from Current Investments	0.27	0.42
Other non-operating income (Refer Note (ii) below)	717.63	0.59
	2275.32	**1384.83**
Note (i)		
Interest Income Comprises of		
From banks on deposits	1497.91	1343.72
Other Interest	59.51	40.10
Total Interest Income	**1557.42**	**1383.82**
Note (ii)		
Other non-operating income comprises of		
Increase in fair value of Investments	17.56	0.59
Profit on sale of immovable property	700.07	0.00
	717.63	**0.59**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2024

23. COST OF MATERIALS CONSUMED

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Opening Stock	18833.73	16550.75
Add : Purchases	72726.12	72562.31
	91559.85	89113.06
Less: Cost of materials disposed	3974.11	4219.50
	87585.74	84893.56
Less : Closing Stock	33767.71	18833.73
Total Cost of Materials Consumed	**53818.03**	**66059.83**
Materials Consumed Comprise		
Raw Cotton	45744.08	61940.84
Modal	3951.65	886.36
Lycra	996.19	825.25
Yarn	3107.23	2407.38
Other materials	18.88	0.00
	53818.03	66059.83

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

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Opening Stock of Work in progress	2697.37	2282.75
Opening Stock of Finished Goods	16482.95	2866.90
Opening Stock of Waste Cotton	498.52	135.90
Total (A)	**19678.84**	**5285.55**
Closing Stock of Work in progress	3573.59	2697.37
Closing Stock of Finished Goods	13354.25	16482.95
Closing Stock of Waste Cotton	810.95	498.52
Total (B)	**17738.79**	**19678.84**
Increase / Decrease in Stock (A - B) (-)/(+)	1940.05	-14393.29

25. EMPLOYEES BENEFIT EXPENSES

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Salaries & Wages	4180.76	3934.75
Contribution to Provident Fund & Other Funds	389.59	278.39
Staff Welfare Expenses	844.86	961.05
	5415.21	**5174.19**

26. FINANCE COSTS

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Interest - Working Capital Loans	1904.05	635.62
Other Borrowing Costs	3.00	4.06
	1907.05	**639.68**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2024

27. DEPRECIATION AND AMORTISATION EXPENSE

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Depreciation of property, plant and equipment	2770.33	2982.01
Amortisation expense	0.00	0.00
Total depreciation and amortisation expense	**2770.33**	**2982.01**

28. OTHER EXPENSES

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Stores Consumed	941.77	708.39
Power & Fuel	3667.35	3728.36
Materials Sizing & Fabrication	279.72	95.12
Freight Inwards	34.93	26.40
Machinery Maintenance	93.45	81.49
Building Maintenance	25.97	46.52
Vehicle Maintenance	275.42	321.72
Printing & Stationary	15.58	21.31
Postage & Telephone	23.36	21.42
Travelling Expenses	48.35	43.95
Insurance	246.72	212.48
Licence Fees & Taxes	146.20	128.02
Bank Charges	129.85	97.63
Professional & Legal Charges	45.32	76.94
Salary to Managing Director	24.00	24.00
Auditors Remuneration - for Audit fees	6.00	6.00
Freight Outwards	1314.79	1457.65
Packing Materials	775.73	892.67
Brokerage & Commission	1528.13	1381.78
Godown Rent	101.70	43.20
Advertisement	8.10	3.16
Foreign Currency Fluctuation Loss	0.00	622.29
Loss on Sale of Machinery	1.69	0.00
Security Service Charges	74.32	64.27
CSR Expenses	330.84	236.95
Miscellaneous Expenses	106.70	82.90
Total	**10245.99**	**10424.62**

29. INCOME TAX RELATING TO CONTINUING OPERATIONS

29.1. INCOME TAX RECOGNISED IN PROFIT & LOSS

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Current tax		
Current tax on profits for the year	2149.06	4194.70
Add: Interest	4.61	0.00
Adjustments for current tax of prior periods	2.20	13.62
Current tax expense	2155.87	4208.32
Deferred Tax		
Increase(+)/ decrease (-) in DTL - depreciation	67.00	-150.00
Increase(+)/ decrease (-) in DTL - Fair value of Investments	4.42	0.21
Deferred tax	71.42	- 149.79
Total Tax expense for continuing Operations	2227.29	4058.53
Less : Tax relating to other comprehensive income	22.12	3.65
Total tax expense for the year	2205.17	4054.88

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

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Profit before tax after exceptional items	8524.65	15247.93
Enacted tax rate in India	25.168%	25.168%
Computed expected tax expense at enacted tax rate	2145.48	3837.60
Tax effect on account of items treated separately	-5.69	-0.94
Tax effect on Income that is exempt from taxation	-140.65	0.00
Tax effect of non-deductible expenses	83.69	59.71
Tax effect on Difference of book and IT Depreciation	66.23	298.33
Total income tax expense recognised for the year	2149.06	4194.70

29.3 . INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Remeasurement of defined benefit obligations	87.88	14.49
Total	87.88	14.49
Bifurcation of income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	22.12	3.65
Items that may be reclassified to profit or loss	0.00	0.00
Total	22.12	3.65

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

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
i) Contingent liabilities :		
a) Claims against the company not acknowledged as debt		
Customs Duty	410.01	410.01
GST	59.31	139.44
b) Other money for which the company is contingently liable		
Export Bills Deposited with the Bank covered under Irrevocable Letter of Credits	8078.17	6097.26
Total Contingent Liabilities	**8547.49**	**6646.71**
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**

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 directed to file appeal before the first appeallate authority after the demand confirmed by the adjudicating authority. The matter is pending for disposal before the first appeallate authority. The Company is advised that the demand raised is not sustainable in law and hence no provision is considered.

GST		
FY 2017-18	34.11	73.32
FY 2018-19	11.93	19.07
FY 2019-20	13.27	48.05
	59.31	**139.44**

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 for FY 2017-18 ,FY 2018-19 and FY2019-20. The matter is appealable before GST Tribunal and on constitution of the same the respective appeals would be filed. 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	1000.00	1500.00
Advances made in respect of the above works	466.06	0.53
Capital Commitments net of advances	**533.94**	**1499.47**
Total Contingent Liabilities and Commitments	**9081.43**	**8146.18**

30.2. DETAILS OF DIVIDEND PROPOSED AND PAID

(Rs. in Lakhs)

Particulars	Year Ended 31 st March 2024	Year Ended 31 st March 2023
a) Final dividend paid during the year for the year ended March 31, 2023 is Rs.35/- per share	2003.75	0
b) Final dividend paid during the year for the year ended March 31, 2022 is Rs.35/- per share	0	2003.75

c) In respect of the current year i.e. FY 2023-24, 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/-Lakhs

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

30.3.c. Disclosure of Ratios

	Numerator	Denominator	Year Ended 31 st March 2024	Year Ended 31 st March 2023	Variance
(a) Current Ratio	Current Assets	Current Liabilities	4.48	5.53	-1.05
(b) Debt-Equity Ratio*	-	-	NA	NA	-
(c) Debt Service Coverage Ratio*	-	-	NA	NA	-
(d) Return on Equity Ratio	Profit After Tax	Average Equity	7.52	14.52	-7.00
(e) Inventory turnover ratio	Cost of Goods Sold	Average Inventory	1.56	2.16	-0.60
(f) Trade Receivables turnover ratio	Sale of Products	Average Trade Receivables	24.82	31.08	-6.26
(g) Trade payables turnover ratio	Net Credit Purchase	Average Trade Payables	5.20	7.22	-2.02
(h) Net capital turnover ratio	Revenue from Operations	Working Capital	1.32	1.39	-0.07
(i) Net profit ratio	Profit After Tax	Revenue from Operations	7.44	12.99	-5.55
(j) Return on Capital employed	EBITDA	Net worth	15.37	23.11	-7.74
(k) Return on investment	Income from Investments	Cost of Investments	1.62	5.50	-3.88

* 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.

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	45.60	166.93
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

30.5. FINANCIAL INSTRUMENTS

i) Financial Instruments by category

(Rs. in Lakhs)

Particulars	As at 31st March 2024			As at 31st March 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
(a) Cash and cash equivalents	-	-	4862.08	-	-	16937.78
(b) Bank Balances other than (a) above	-	-	16822.00	-	-	10789.00
(c) Other financial assets-Non current	-	-	994.91	-	-	926.09
(d) Trade receivables	-	-	2546.86	-	-	3911.32
(e) Other financial assets- Current	-	-	4715.01	-	-	2346.88
(f) Investments in subsidiaries	-	-	-	-	-	-
(g) Investments in equity	62.05	-	-	44.34	-	-
Total	**62.05**	**0.00**	**29940.86**	**44.34**	**0.00**	**34911.07**
Financial Liabilities						
(a) Borrowings	-	-	8197.56	-	-	0.00
(b) Trade payables	-	-	8417.67	-	-	12269.15
(c) Other financial liabilities - Non current	-	-	735.10	-	-	823.26
(d) Other financial liabilities	-	-	1518.43	-	-	1321.89
Total	**0.00**	**0.00**	**18868.76**	**0.00**	**0.00**	**14414.30**
Financial assets			30002.91			34955.41
Financial liabilities			18868.76			14414.30

ii) Fair Valuation techniques and Inputs used - recurring Items

(Rs. in Lakhs)

Particulars	Fair value as at 31 March 2024	Fair value as at 31 March 2023
Financial assets measured at Fair value		
Financial assets		
Investments		
i) Quoted Equity investments	62.05	44.34
Total financial assets	**62.05**	**44.34**

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

30.6. AUDITORS' REMUNERATION

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
For Audit	6.00	6.00
For Other works and Reimbursement of Expenses	0.00	0.00
	6.00	6.00

30.7. CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Amount spent through approved trusts and institutions	0.00	0.00
Amount spent directly	330.84	236.95
Total	**330.84**	**236.95**
Amount required to be spent as per Sec. 135 of the Act	324.57	269.00
Amount spent during the year on:-		
Construction / acquisition of an asset	39.60	18.00
On purposes other than above	291.24	218.95
Total	**330.84**	**236.95**
Excess (+) /Shortfall(-) Carried Forward	5.94	37.99
Excess (+)/Shortfall(-) spent for the year	6.27	-32.05
Setoff of expenditure	0	32.05
Balance Carried	12.21	5.94

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 2024	Year Ended 31st March 2023
Earnings used in the calculation of Basic and diluted earnings per share (Rs in Lakhs)	6297.36	11189.40
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]	110.00	195.45

30.9. RELATED PARTY TRANSACTIONS

Related party Relationships

Key Management personnel	
Sri.P.V.Chandran	Chairman and Managing Director
Wholly Owned Subsidiary	Nil
Other Realted 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 2024	Year Ended 31st March 2023
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 BENEFITS AND CONTRIBUTION PLANS

(Rs. in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Present Value of Obligations		
Obligations at the beginning of the year	187.46	168.34
Interest Cost	21.47	11.79
Current Service Cost	29.88	13.05
Past service Cost	108.65	0.00
Benefits paid	0.00	-8.37
Actuarial (Gain) / Loss on obligations	1.17	2.65
Obligations at the end of the year	348.63	187.46
Fair value of Plan assets		
Fair value of Plan assets, beginning of the year	186.24	153.43
Fair value of Plan assets, recognized at the beginning of the year	77.58	0.00
Expected return on plan assets	24.87	13.00
Contributions	107.44	28.18
Benefits paid	0.00	-8.37
Actuaraial (Gain) / Loss of Plan Assets	0.00	0.00
Fair value of Plan assets, end of the year	396.13	186.24
Funded Status	47.50	-1.22
Expenses to be recognized for the current year		
Current Service Cost	29.88	13.05
Interest Cost	21.47	11.79
Past service Cost	60.23	0.00
Expected return on plan assets	-24.87	-13.00
Net Actuarial (Gain) / Loss recognized in the year	1.17	2.65
Expense to be recognized in other comprehensive income	87.88	14.49
Actuarial Assumption		
Discount Rate	7.25%	7.25%
Salary Escalation	7.25%	7.00%

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)	2394.62 (1551.54)	45636.00 (41430.84)	147.36 (1311.97)	5089.21 (7510.61)	26886.52 (29891.90)	80153.71 (81696.86)

* India Segment includes SEZ exports

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

The sale revenue includes sale to two customers amounting to Rs. 26521 Lakhs (Previous year three customers amounting to Rs. 40285 Lakhs) contributing more than 10% of the company's sale revenue in each case.

30.12. APPROVAL OF FINANCIAL STATEMENTS

The Financial statements were apporved for issue by the Board of Directors on 25.05.2024

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 USD		Equivalent INR	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023
Liabilities					
PCFC	USD	7414346.91	0.00	6182.30	0.00
Acceptances	USD	7889905.34	12648395.27	6578.84	10394.58
Advances Received	USD	115413.47	35095.27	96.24	28.84
Trade Payables	USD	214660.97	277248.49	178.99	227.85
Interest	USD	155906.98	156472.40	129.99	128.59
		15790233.67	13117211.43	13166.36	10779.86
Assets					
Trade Receivables	USD	1218706.43	3977410.24	1016.16	3268.68
Debit Note	USD	2481.25	30391.72	2.07	24.98
EEFC	USD	46032.45	653.84	38.39	0.53
		1267220.13	4008455.80	1056.62	3294.19
Net Exposure	USD	-14523013.54	-9108755.63	-12109.74	-7485.67

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

FOREIGN CURRENCY SENSITIVITY ANALYSIS (USD)	31-03-2024	(Rs. in Lakhs) 31-03-2023
Foreign Currency sensitivity analysis (USD)		
Impact on profit : 5% increase in currency rate	-605.49	-374.28
Impact on profit : 5% decrease in currency rate	605.49	374.28

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 profitablity 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 investmements 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 stablity and independence. The fund requirements of the company are generally met through internal accruals. The working capital borrowings are meant for agumenting 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

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

Place : Coimbatore
Date : 25.05.2024

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

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.