



Ambika Cotton Mills Limited

27/09/2019  
Ref.No.ACM/027/2019-20

To,  
The Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex  
Bandra (E), Mumbai - 400 051

The Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001

**BSE - Scrip Code: 531978 Scrip Name: Ambika Cotton Mills Limited**  
**NSE - AMBIKCO**

Dear Sirs,

**Filing of Proceedings - 31<sup>st</sup> AGM of the Company - Regulation 30 of SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Please find the details of proceedings of the 31<sup>st</sup> Annual General Meeting (AGM) of the Company held on Friday 27<sup>th</sup> September, 2019 at The Residency, Avinashi Road, Coimbatore-641018.

Kindly acknowledge the same.

Thanking you,  
Yours faithfully,

For Ambika Cotton Mills Limited

  
Swaminathan. R  
Compliance Officer

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CIN : L7315121999PL0103009



## Ambika Cotton Mills Limited

### **PROCEEDINGS OF THE THIRTY FIRST AGM OF THE COMPANY HELD ON 27<sup>TH</sup> SEPTEMBER 2019 AT RESIDENCY, COIMBATORE.**

The Quorum being present the meeting commenced.

SRI. P.V.CHANDRAN, Chairman and Managing Director presided the meeting.

The Chairman made a Statement as under

#### **Dear Shareholders,**

I am happy to welcome you all to the Thirty First AGM of the Company.

1. The Directors' Report and accounts are with you for quite some time and I am happy to draw your attention that the company had made further progress in fiscal 2019. The total income amounted to Rs.657.00 Crores as against previous year total income of Rs. 585.70 Crores (stands revised as per IND AS ) representing growth of 12.17 % as against 10.62 % growth in the previous year. The gross profit amounted to Rs.115.67 Crores as compared to Rs. 108.49 Crores of the previous fiscal. This represents growth of 6.62% in gross profit as against 6.98% growth in the previous year.

2. The direct export turnover in fiscal 2019 amounted to Rs. 445.03 Crores as against Rs. 327.29 Crores of fiscal 2018, representing a growth of 35.98% as against growth of 31.10%. The export turnover constituted 69.05% of the net sales as against 57.46% of the previous fiscal.

3. In the first quarter ended 30<sup>th</sup> June 2019 of the current year, the company had made a total sales turnover of Rs.147.25 Crores comprising of an Direct export turnover of Rs.107.87 Crores. The net profit for the period stood at Rs.13.79 Crores and Cash Profit at Rs.20.51 Crores. The Company up to 26<sup>th</sup> September 2019 had made a total turnover of Rs. 298.75 Crores of which Direct Exports amounted to Rs. 219.86 Crores.

4. The overall sustained financial performance of the company is on account of continued presence across the markets by sale of specialty products coupled with newer products for the market. I am glad to inform you that the company is not having any long term liability as on 31.03.2019.

5. Special materials are developed by way of outsourcing yarn out of processed material made available by the company for making fabrics to meet the specific needs of the international markets .

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6. The financial performance of the company is to be seen through the prism of global & domestic demand scenario.

7. I would like to add that the Company has invested Rs.15.99 Crores in Knitting and 13.17 Crores in Spinning. In addition we have initiated steps to add stenters for conditioning (pre processed) fabrics for bleaching and dyeing and we are also adding knitting machines to augment knitting fabrics. These steps will further strengthen the operational base of the company. All the investments are made out of internal accruals of the company

### 8. CSR Activities of the Company

The Company has carried out several CSR activities such as supported Coimbatore Police Commissionerate in establishing Physical Fitness Education centre, Construction of Class rooms for a school , Drinking facilities to villages, Road Safety awareness, Medical and Legal aid and various other activities.

9. I hope that the members would appreciate the consistent performance of the Company and the overall growth achieved.

10. The attention of the members was drawn to the resolutions contained in the Notice convening the 31<sup>st</sup> Annual General Meeting dt :10.08.2019 and the availability of the facility of voting by use of Ballot in respect of the resolutions for those members who have not exercised e-voting.

11. Thereafter, there was an open discussion.

12. The members who have participated in the discussion appreciated the Company on various matters such as (i) the sustained financial performance and prudent Management ,(ii) carrying no long term debt,(iii) payment of final Dividend of Rs.30/- per share (iv) the broad based carrying of CSR activities. Some members suggested to consider buyback of shares in place of dividend.

13. The Chairman explained in detail the operations of the Company. He said that the company is carrying out several initiatives that would strengthen the operational base of the company. He said that the present trade disputes between USA and China would have a bearing over the performance of the textile industry. He outlined that large

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exports of cotton yarn depends upon the Chinese demand which in turn depends upon US market. However he expressed confidence that the situation would improve in the days to come. He further added that the company has signed MOU with Government of Tamilnadu for implementation of the envisaged spinning phase of expansion which would ensure faster approvals and clearances which are pre requisite for the implementation of the project. With regard to the knitting activity he explained that not only the yarn of Ambika is used but also certain yarns are out sourced for knitting fabrics so as to meet the specific demands of user industries and are exported. Even though the overall situation is not optimistic, Ambika on account of its financial strength and diversified product profile, the impact would be sailed through.

14. Dr.K.Venkatachalam, Director of the Company made a presentation with regard to the difficulty in making use of the captive wind power on account of Government policies.

15.The members exercised their vote at the venue of the Annual General Meeting on the Ballot Form provided at the meeting.

16.After exercise of vote by members, the meeting was closed.

Start time of the Meeting : 12.00 Noon  
Meeting Ended at : 1.30 p.m

Place: Coimbatore  
Date: 27.09.2019

For AMBIKA COTTON MILLS LTD.,

  
(P.V. CHANDRAN)  
Chairman and Managing Director

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