

# AMBIKA COTTON MILLS LIMITED

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

PROCEEDINGS OF THE TWENTY FIFTH AGM OF THE COMPANY HELD ON  
27<sup>TH</sup> SEPTEMBER 2013 AT THE RESIDENCY, COIMBATORE.

## Directors Present

Sri. P.V. Chandran  
Sri.K.N.Sreedharan  
Dr.K.Venkatachalam  
Sri. R.Soundararaja Perumal

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 have great pleasure in welcoming you all to the Twenty Fifth 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 2013. The total income stood at Rs.398.05 Crores as against previous year total income of Rs.390.13 Crores representing a growth of 2.03% as against the growth of 19.22% in the previous year. The gross profit amounted to Rs.68.09 Crores as compared to Rs.58.95 Crores of the previous fiscal. This represents growth of 15.50% as against the decline of 29.85% in the previous year.

2. The direct export turnover in fiscal 2013 amounted to Rs.244.75 Crores as against Rs. 229.16 Crores of fiscal 2012, showing a growth of 6.80%. The export turnover constituted 63.57% of the net sales as against 60.97% of the previous fiscal.

For AMBIKA COTTON MILLS LTD.,

  
P.V. CHANDRAN  
Chairman and Managing Director

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3. In the first quarter ended 30<sup>th</sup> June 2013 of the current year, the company had made a total sales turnover of Rs.103.12 Crores comprising of an export turnover of Rs.64.16 Crores. The net profit for the period stood at Rs.8.48 Crores and Cash Profit at Rs.15.44 Crores. The Company up to 26<sup>th</sup> September 2013 had made a turnover of Rs.218.62 Crores of which Exports amounted to Rs.142.13 Crores.

4. I hope that the members would agree that considering the macro economic environment the financial results of the company is better placed as compared to the peers and I assure you that the company would continue to perform well in the coming periods as before.

5. I am glad to inform you that the company has consistently reduced its long term debt in the recent periods and the company would continue its path of reduction of long term debt.

1. The company is modernizing its Unit-I and so far during the current financial year has incurred an expenditure of Rs.15.86 Crores, fully met out of internal accruals. Further expenditure to complete the modernization of Unit-I is estimated at Rs.9.00 Crores which would also be met fully out of internal accruals. This will further strengthen the overall production base of the company ensuring strong operational performance.

For AMBIKA COTTON MILLS LTD.,

  
(P.V. DHANDRAN)  
Chairman and Managing Director

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With these few words, now I proceed to the Agenda of the Meeting.

With the permission of the members present

The notice convening the meeting was taken as read.

The Directors Report was taken as read.

The Auditors Report was taken as read.

The meeting passed the following Resolutions

**1. Adoption of Accounts, Directors and Auditors Report**

PROPOSED BY : T.C.P.Nambiar

SECONDED BY : Vijay D. Lodaya

RESOLVED THAT the Audited Balance Sheet of the Company as at 31<sup>st</sup> March 2013 and Statement of Profit and Loss for the year ended on that date and reports of the Directors and Auditors thereon, received and considered be and are hereby adopted.

The Resolution was passed unanimously.

**2. Declaration of Dividend**

PROPOSED BY SRI. : A.Palanichamy

SECONDED BY SRI. : Athul Asher

“RESOLVED that Dividend at the rate of 95% (Rs.9.50 per share) be and the same is hereby declared and the same be paid to those members whose names appear in the Register of Members as on Friday, 27<sup>th</sup> September 2013 in respect of shares held in physical form and in respect of shares held in dematerialized form on the basis of beneficial ownership as per details furnished by the depositories for this purpose at the end of business hours on Saturday, 21<sup>st</sup> September 2013.

The Resolution was passed unanimously.

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For AMBIKA COTTON MILLS LTD.,

  
(P. CHANDRAN)  
Chairman and Managing Director

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**3. Re-appointment of Mrs.Bhavya Chandran as a Director of the Company.**

PROPOSED BY : R.Chentamarakshan

SECONDED BY : S.M Alagappan

RESOLVED THAT Mrs.Bhavya Chandran, a Director retiring by rotation be and she is hereby re-appointed as a Director of the Company in the same place vacated by her.

The Resolution was passed unanimously.

**4. Appointment of Auditors**

PROPOSED BY : T.S.Sahadevan

SECONDED BY : Ketan Lalka

RESOLVED THAT the retiring Auditors M/s. L.Venkatasubbu & Co., Chartered Accountants, Coimbatore be and are hereby re-appointed to hold the office of the Auditors until the conclusion of the next AGM and their remuneration be fixed by the Board in consultation with them.

The Resolution was passed unanimously.

For AMBIKA COTTON MILLS LTD.,

  
(P.V.CHANDRAN)  
Chairman and Managing Director

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**5. Approval of Variation in Remuneration of Sri.P.V.Chandran, as Chairman and Managing Director of the company**

PROPOSED BY : Ramakant Padia

SECONDED BY : K.Shanmuganandam

Resolved that pursuant to Section 309 (3) and all other applicable provisions read with Schedule XIII of the Companies Act, 1956 and subject to such approvals as may be necessary, consent be and is hereby accorded for variation of annual payment of remuneration to Sri.P.V.Chandran, Chairman and Managing Director of the Company at Rs.2,00,000/- per month plus commission at the rate of 2% of the net profit of the company.

Further Resolved that the above annual remuneration is not subject to any ceiling and that the variation be effective from 01.04.2013 and accordingly applicable in respect of computation of his remuneration from the financial year 2013-14 onwards.

Further Resolved that Sri.P.V.Chandran be entitled to sitting fees for the meetings of the Board of Directors or the Committee thereof attended by him and he will not be entitled to any perquisites as before.

The Resolution was passed unanimously.

The Meeting terminated with a Vote of Thanks to the Chair

Place: Coimbatore

Date: 27.09.2013

For AMBIKA COTTON MILLS LTD.

  
(P.V. CHANDRAN)  
Chairman and Managing Director