



AMBIKA COTTON MILLS LIMITED



38th Annual General Meeting
Presentation — FY 2025-26

ESTABLISHED 1988 • COIMBTORE • TAMIL NADU

*Precision-engineered premium cotton yarn &
knitted fabrics;
Built on quality, traceability and Disciplined
capital allocation.*





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Ambika at a glance



A globally respected manufacturer of premium compact cotton yarns and high-quality knitted fabrics, built on decades of textile expertise and technological discipline



Founded in 1988

Headquartered in Coimbatore, Tamil Nadu — 38 years of continuous textile manufacturing expertise



Premium product focus

Compact cotton yarns, speciality blends and high-quality knitted fabrics for discerning global brands



Export-oriented

Exports form the largest share of turnover, serving established international textile and apparel customers



Customer-specific development

Every order is engineered around the customer's fibre, performance and end-use requirements

KEY STATISTICS

114,336

Installed spindles (up from 108,288), with a further 6,480 spindles nearing completion

5

Integrated manufacturing units, Coimbatore / Dindigul region

Debt-free

Profitable every quarter since beginning



FY 2025-26 performance highlights



Growth resumed across revenue and exports, supported by a debt-free balance sheet and disciplined capital allocation

₹781 Cr

Revenue in FY26

vs ₹702 Cr in FY25

₹545.5 Cr

Export turnover

+10.10% YoY — 72.9% of total turnover

14%–15%

EBITDA margin

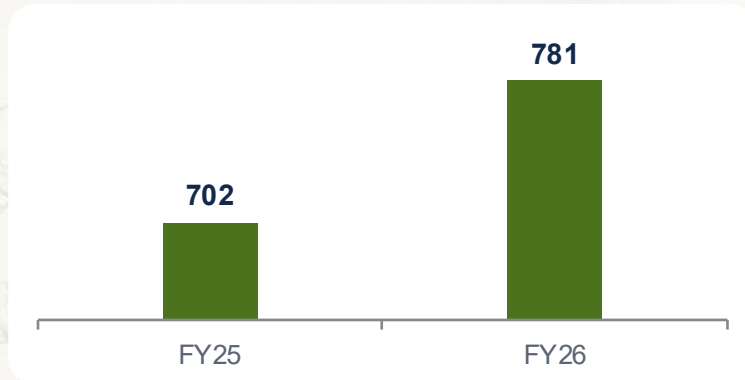
Improved marginally over FY25

~10%

Return on capital employed

Average across the three fiscals to FY26

REVENUE TREND (₹ CRORE)



Export momentum

Exports grew 10.10% in FY26 to ₹545.50 Cr, recovering from a 16.49% decline in FY25 — now 72.90% of turnover, up from 72.43%.



Shareholder returns

Proposed FY26 dividend implies a cash outflow of ₹21.18 Cr, a 29.60% payout ratio (32.22% in the previous year), subject to member approval at the AGM.



A robust & sustainable business model

Value is created through quality, technology, product differentiation and operational efficiency — not volume alone.



**Premium
sourcing**



**Bale
selection**



**Precision
blending**



**Advanced
spinning**



**Stringent
testing**



**Fabric
evaluation**



**Customer-
specific
development**



**Global
markets**



The Company's approach is focused on producing differentiated, value-added products rather than competing on volume. A strong export orientation and long-standing relationships with established textile and apparel brands provide access to discerning markets that value quality, consistency, traceability and product performance.



The Ambika Advantage



Six pillars underpin Ambika's competitive strengths in a fragmented, commodity-oriented industry.



Superior raw-material sourcing

Access to premium cotton varieties and long-established sourcing relationships across geographies.



A measurable quality advantage

Meticulous raw-material selection and proprietary in-house technology deliver a low fall rate in the hands of downstream garment manufacturers — directly enhancing customer production efficiency and fostering long-term business relationships.



Technology-driven manufacturing

Home-grown technology, modern machinery and continuous upgrades to improve productivity, consistency and process control.



Product differentiation

A unique product mix of premium cotton, speciality fibres and blends, backed by a distinct prepping technique for every lot.



Rising engagement from global brands

As traceability becomes a growing industry priority, particularly among global brands, Ambika has seen increased direct engagement from end customers — and continues to be approved as a certified spinner by reputed international brands.



Quality & traceability

End-to-end systems providing visibility and control from raw material through to the finished product.



Strategic Sourcing



- Quality of yarn begins with quality and selection of cotton — sourced globally and matched precisely to customer requirements
- Lead time for contracted Cotton to reach facilities - 6 months – Company's bank exposure only to this period – resulting in interest accrual

SOURCING GEOGRAPHIES



India



USA



Australia



Mexico



Greece



Austria

PREMIUM VARIETIES

- LS Supima
- Regen Agri cotton (USA / India)
- Australian & Indian cotton
- Lenzing Micro Modal (Austria)
- Mexican & Greek Pima
- Memphis / Eastern Medium Staple
- Dyna-Gro Long Staple (USA)
- CMIA cotton
- Carbon-Free MicroModal

BALE-BY-BALE EVALUATION

Every bale is classified before it enters production, ensuring the right raw material is matched to the desired end product.

Micronaire

Fibre length

Fibre strength

Colour

Wherever possible, Ambika sources directly from growers through carefully established supply relationships, with early-season procurement enabling selection of superior-quality cotton.

70%

Raw Material is Imported



Quality embedded at every step



Stringent, technology-backed quality control is embedded from raw-material intake through to final dispatch.



Advanced contamination detection

Every bale passes through latest Uster® Jossi Vision Shield / Magic Eye technology at the initial processing stage, safeguarding raw-material quality.



Continuous testing at every stage

Equipped with the full range of Uster® testing equipment; every production lot is knitted into fabric and checked before dispatch.



Precision pre-blowroom blending

A sophisticated blending system combines multiple bales with precision, creating the optimum raw-material mix for each specific yarn requirement.



24-hour quality assurance

A trained, experienced team monitors production round the clock, embedding stringent controls across the manufacturing flow.



End-to-end traceability



Traceability has been integral to Ambika's manufacturing philosophy since inception — increasingly valued by global brands.



Every bale carries a unique barcode, feeding a QR-based traceability system — each production lot is assigned a unique lot number and QR code.



Certified spinner status

Ambika has been approved as a certified spinner by reputed international brands, reflecting the strength of its traceability systems.



A brand-level requirement

Leading global brands increasingly extend sourcing traceability to the spinner level — a trend driving greater direct customer engagement.



Visibility to the source

In many cases, Ambika's system can trace finished yarn back to the individual bale, ginner and the originating farm.



Deep & enduring customer relationships



Decades-long partnerships

Several of Ambika's customers have been associated for one to two decades.

Established itself as chosen spinning partner within supply chains of established textile and apparel brands.

These relationships are built around:

- Consistent, differentiated quality
- In-house technology
- Customer-specific product development
- Reliable supply
- Strong traceability systems
- Optimal Pricing
- Timely Delivery

End User Esteemed Clientele



International Brands

VICTORIA'S
SECRET

UNI
QLO

H&M

intimissimi

BOSS
HUGO BOSS

M&S
EST. 1884

Calvin Klein

SKIMS



Total customers/ brands

50% clients - >15 years of association



Unit 4 – Modernising for Productivity & Automation

A technology-led investment designed to lift productivity and automation — not simply add spindles.



Although the physical spindle addition is modest, the new-generation machinery is expected to deliver production broadly equivalent to ~50,000 spindles of existing technology.

₹130–135 Cr

Investment (~USD 14.25 million)

100%

Funded from internal accruals — zero incremental borrowings

Mar 2027

Targeted operational date; orders placed with indigenous machinery manufacturers - Advance provided for Indigenous machines - 100% LCs opened for import machines



Manpower redeployment

For the same level of production, the modernised Unit 4 is expected to require approximately 200 fewer manpower resources than existing machinery.

This creates an opportunity to redeploy people to other productive areas:

- Quality & maintenance
- Process improvement
- Product development
- Production planning





Scaling with Discipline



Capacity has grown in measured phases, funded entirely from internal accruals.

SPINDLE CAPACITY BUILD-OUT



Installed capacity has advanced from 108,288 to 114,336 spindles, with a further 6,480 spindles nearing completion — route to the Unit 4 modernisation.



**FY26 capital investment:
₹69.96 Cr**

Invested from internal accruals during FY 2025-26:

Plant & machinery **₹44.56 Cr**

Factory building **₹20.60 Cr**

Capital work-in-progress **₹4.80 Cr**

Ambika's long-term vision is not simply to become larger, but to become more productive, more automated, more energy-efficient and more resilient.





Sustainability at the Core



Sustainability at Ambika extends well beyond renewable-energy generation to encompass efficiency, sourcing and community welfare.



27.4 MW

Installed wind power capacity
for captive consumption



82–84%

Of total energy requirement met
by renewables



8.33 MW

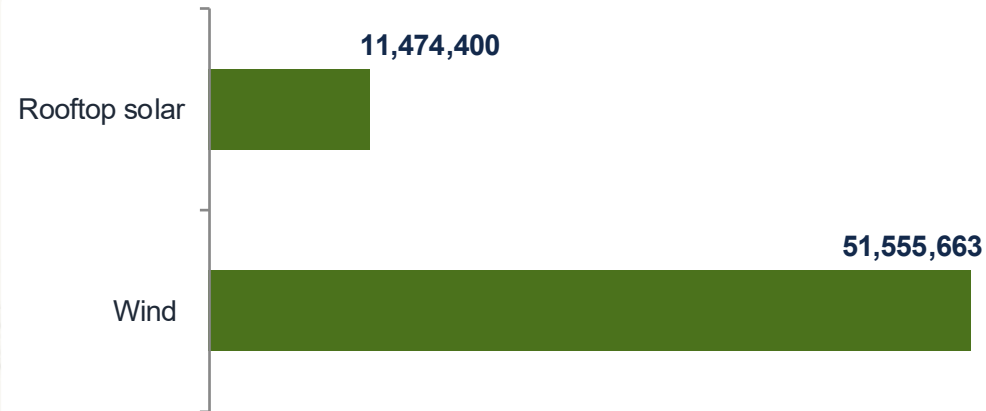
Installed rooftop solar capacity
for captive consumption



~44,751 tn

CO₂ emissions avoided in the year

FY26 GENERATION (KWh)



Battery Energy Storage System (BESS)

Moving beyond generating renewable power toward greater control over when and how it is used.

The Board is evaluating deployment of BESS, in addition to further rooftop solar installations, subject to detailed assessment of technical feasibility, investment economics, operating requirements and the evolving regulatory framework.

The Company is in discussions with technology and solution providers to identify the safest, most efficient and commercially viable system — with the objective of enabling stored renewable power to be utilised across the full 24-hour operating cycle.

Combining rooftop solar with battery storage could allow surplus solar generation to be stored and used when required — including during peak operating hours.

Supporting climate goals

By maximising captive use of clean energy, Ambika contributes to the Clean Development Mechanism (CDM) and supports broader global climate-change mitigation efforts, alongside continued investment in energy efficiency, responsible sourcing (including Regen Agri cotton and Carbon-Free MicroModal), and employee and community welfare.



Volume uptrend mirrors improving demand



Production (in lakhs kg)	FY25	FY26
Cotton Yarn	151.74	148.96
Cotton Yarn – Captive consumption for knitting	46.10	59.27
Cotton Fabrics (Knitted)	59.37	70.01
Waste Cotton	63.89	51.86
Sales (in lakhs kg)	FY25	FY26
Cotton Yarn	89.42	105.46
Cotton Fabrics (Knitted)	59.46	69.54
Waste Cotton	60.66	56.66

Sustained efforts on product development with R&D focus and innovation resulting in consistent demand for Ambika products



Rating upgrade – Reflective of strong fundamentals



Credit Rating for Company upgraded

Crisil A1+ from Crisil A1

- Short-term bank facilities upgraded

Crisil A+/Stable

- Reaffirmed the long-term rating



Reflects sustained improvement in company's liquidity and strengthening financial flexibility -

Maintained a strong net cash position - which increased to around

Rs 198 crore as of March 2026 from

Rs 135 crore as of March 2024.

Healthy cash accrual, prudent working capital management, and limited dependence on external borrowings-> resulting in enhanced liquidity and a stronger Balance Sheet

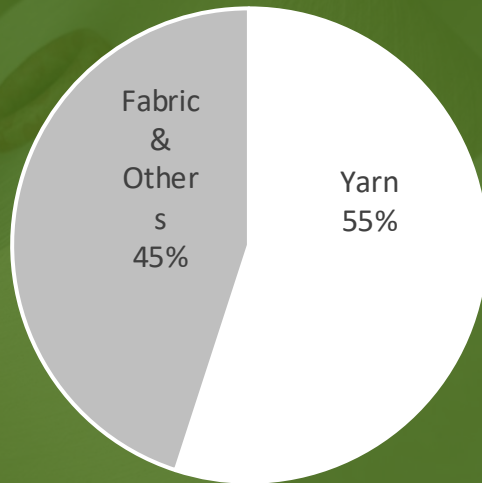


Revenue Break-up

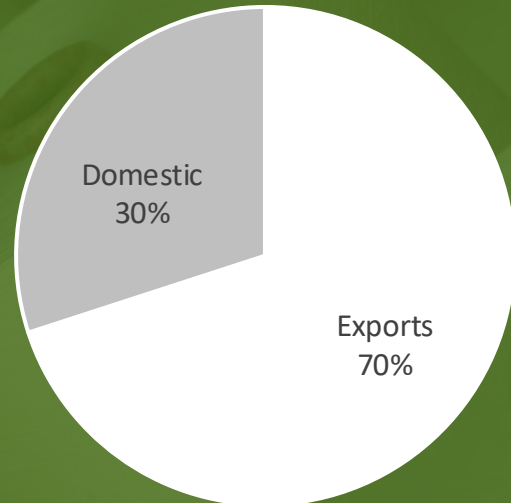


Sales only against 100% LC s or payments in advance

Product Break-up



Geographical Break-up



Primary export markets



Bangladesh



Sri Lanka



China



Egypt



Vietnam



Annual Profit & Loss Statement

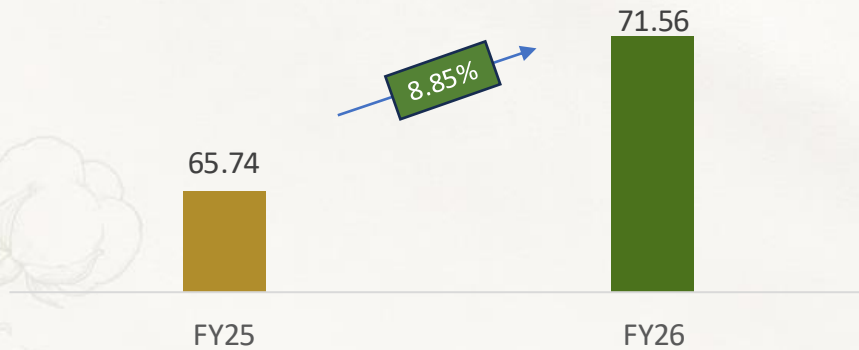
Revenue from Operations (Rs. Cr.)



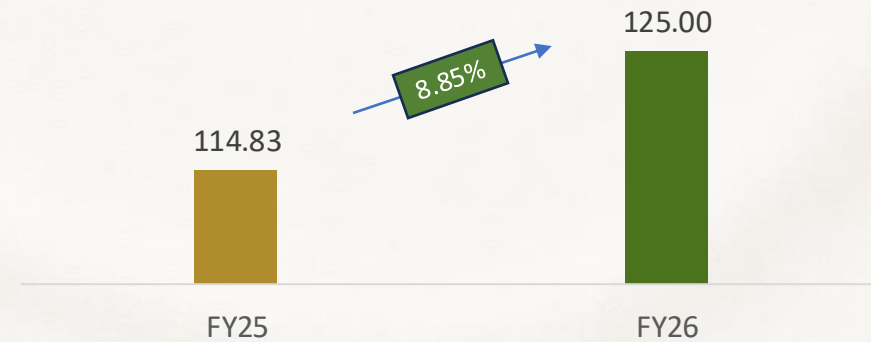
EBITDA* (Rs. Cr.)



Profit After Tax (Rs. Cr.)



EPS (Rs.)

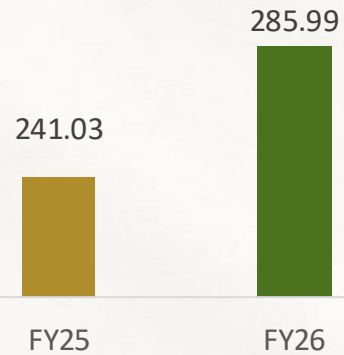


*EBITDA does not include Other Income

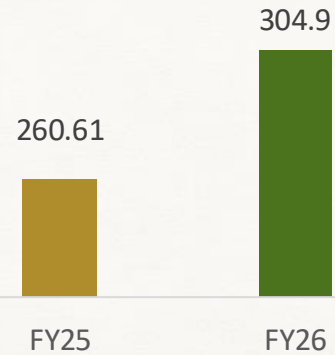


Annual Balance Sheet

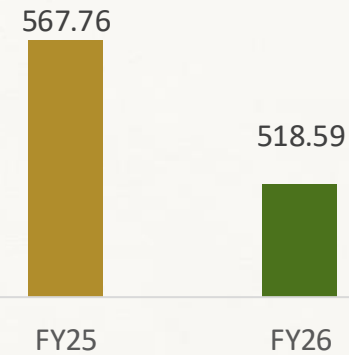
PPE*(Rs. Cr.)



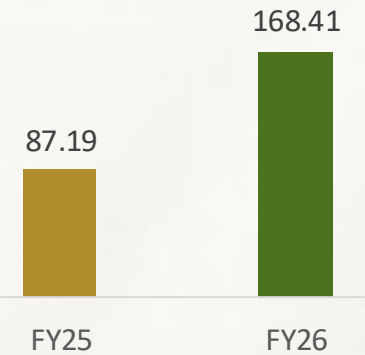
Total NC Assets** (Rs. Cr.)



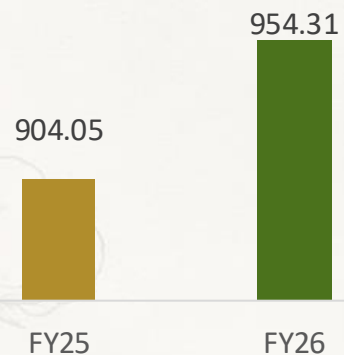
Inventory (Rs. Cr.)



Cash & Cash Eq. (Rs. Cr.)



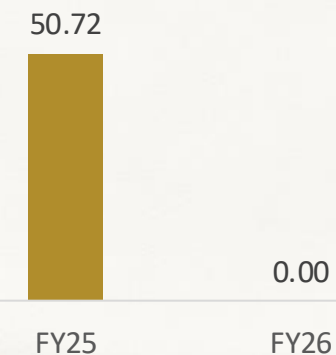
Equity (Rs. Cr.)



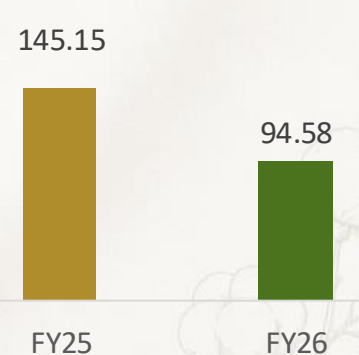
Total NC Liability*** (Rs. Cr.)



Borrowings (Rs. Cr.)



Trade Payables (Rs. Cr.)



*PPE stands for Plant, Property & Equipment; **NC implies Non-Current

*** DTL – Liability Rs. 28.17 Cr in FY26 and Rs. 25.71 Cr in FY25



Annual Cashflow Statement

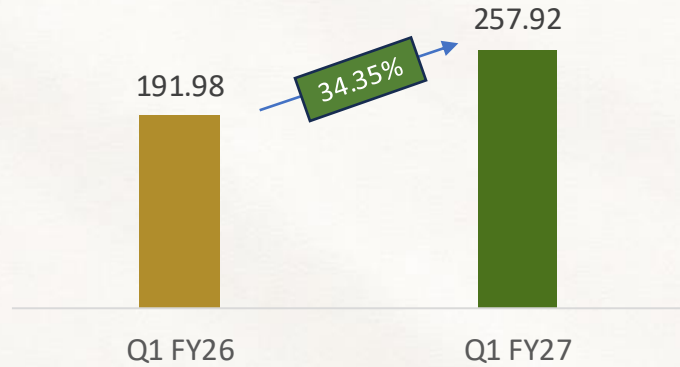


Particulars (Rs. Cr)	FY26	FY25
Net Profit Before Tax	96.03	90.46
Adjustments for: Non Cash Items / Other Investment or Financial Items	17.68	11.82
Operating profit before working capital changes	113.71	102.28
Changes in working capital	130.27	48.42
Cash generated from/(used in) operations	243.98	150.70
Direct taxes paid (net of refund)	-15.73	-21.65
Net Cash from Operating Activities	228.25	129.05
Net Cash from Investing Activities	-62.46	-22.98
Net Cash from Financing Activities	-84.58	-67.49
Cash & Cash equivalents at the end of the period	168.41	87.19

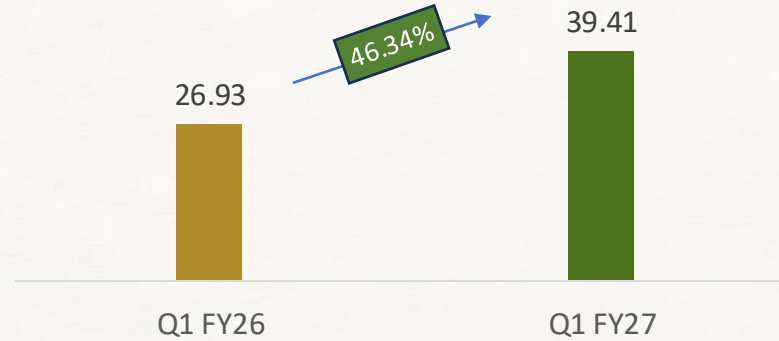


Quarter ended June 2026 - Profit & Loss Statement

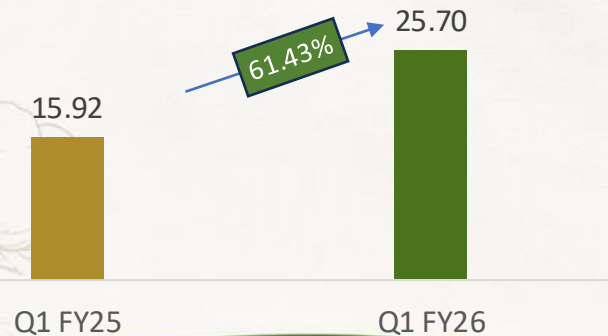
Revenue from Operations (Rs. Cr.)



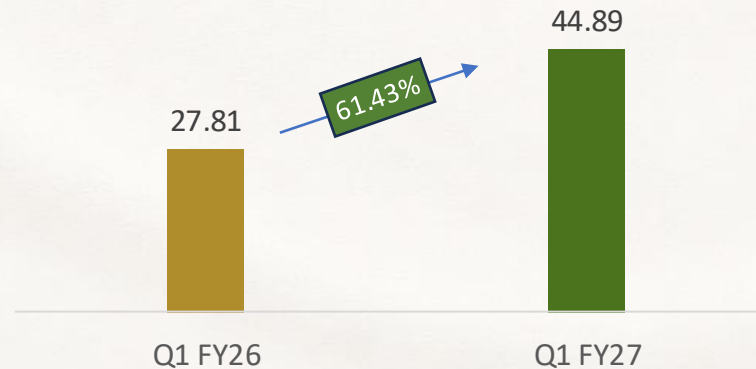
EBITDA* (Rs. Cr.)



Profit After Tax (Rs. Cr.)



EPS (Rs.)



Improvement in global demand coupled with recent expansion resulted in Q1 FY27 posting strong set of numbers

With incremental utilization of expanded capacity

RoE ↑

RoCE ↑

*EBITDA does not include Other Income



From capacity to capability

Ambika's journey is moving from not simply expanding manufacturing capacity but towards building a more productive, automated, energy-efficient and resilient manufacturing platform. The modernisation of Unit 4 is an important step in this journey.



Higher
productivity



Greater
automation



Better manpower
utilisation



Greater renewable-
energy use



Improved
operational
resilience



Sustainable long-
term
value creation

“ The Company's long-term vision is not simply to become larger, but to become more productive, more automated, more energy-efficient and more resilient. ”



Outlook & strategic priorities



Eight priorities guide Ambika's path forward — anchored in technology, product mix and disciplined capital allocation.



Technology-led modernisation

Progressive replacement and upgrading of machinery to improve productivity and automation.



Product mix

Increasing focus on premium, speciality and value-added products.



Product development

Continued customer-specific development and innovation.



Operational efficiency

Improving productivity, resource utilisation and process consistency.



Export markets

Strengthening relationships with established international customers and markets.



Sustainability

Increasing renewable-energy usage and evaluating energy-storage solutions.



Capital discipline

Investing selectively where technology and efficiency generate sustainable returns.



Customer relationships

Deepening long-standing relationships through quality, traceability and reliable supply.



THANK YOU

