

Arvind Limited Board Meeting

29th October 2020 | Ahmedabad

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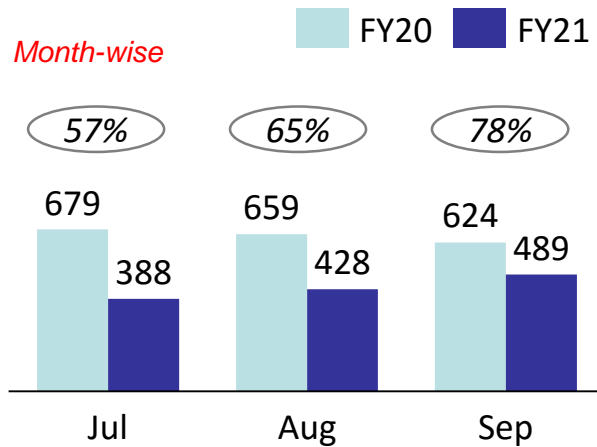
Q2 FY2021 Executive Summary: results on expected lines

	INR Crs	Q2 FY2021	Remarks
Revenues		1305 (-33%)	Sep revenues recovered to ~78% of Sep '19
Textiles		1017 (-38%)	Denim volumes ~80%; Wovens ~60%
Advanced Materials		186 (+2%)	Demand fully recovered
Others*		103 (-22%)	
EBITDA		122 (9.3% vs 10.0%)	
Textiles		11.6% (vs 10.8%)	Higher mix of exports; Cost management
Advanced Materials		14.9% (vs 13.8%)	Maturing portfolio
Others*		-4.4% (vs 9%)	
Net Debt (30 th Sep 2020)		2291 (vs 2702 on 30 th Jun; 2371 on 31 st Mar 2020)	Debt Reduced by about 400 cr and 100 cr from June 20 and March 20 levles respectively

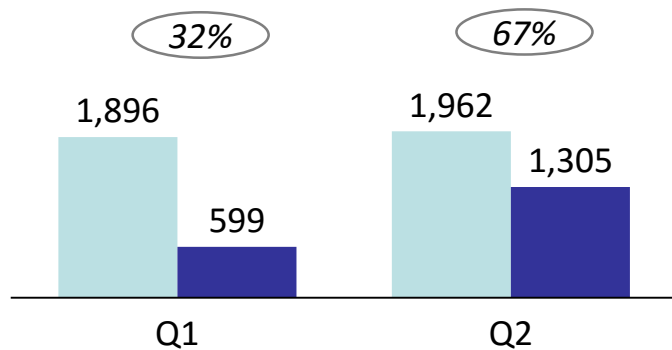
*Others includes our Effluent Treatment projects business which had booked revenues and profits related to a large project milestone in Q2 FY20

Q2 revenues recovered to 67% of previous year; margins almost fully recovered

Revenues (INR Crs)



Quarterly



EBITDA margin (%)

	Q1	Q2
FY2021	-4.8%	9.3%
FY2020	8.1%	10.0%

- Monthly revenue run-rate continued to improve through September
- EBITDA margins were robust as a result of higher export revenues and tight cost management
 - Fixed Cost lower by 25% compared to Q2 FY 20

Q2 FY21 Consolidated P&L

<i>All figures in INR Crs</i>	Q2 FY21	Q2 FY20	YoY Change
Revenues from Operations	1,305	1,962	-33%
EBIDTA	122	195	-37%
Profit Before Tax	2	74	-97%
Profit After Tax	23	43	
Less : Exceptional Item	22	-5	
Net Profit	1	48	

Note: Exceptional item during for Q2 FY 21, includes provision in diminution in investments in Joint Venture/Associate company & separation cost paid to employees

Segment wise performance: Textile recovered to 62%, AMD surpassed FY20 Q2 numbers

Rs Cr Business	Q2 FY2021				Q2 FY1920			
	Revenue	EBIDTA	EBIDTA%	ROCE %	Revenue	EBIDTA	EBIDTA%	ROCE %
Textiles	1017	118	11.6%	8.6%	1647	179	10.8%	12.5%
Advanced Material	186	28	14.9%	21.5%	183	25	13.8%	16.0%
Others & Adjustments	103	-24			132	-8		
Total	1305	122	9.3%	4.6%	1962	196	10.0%	9.4%

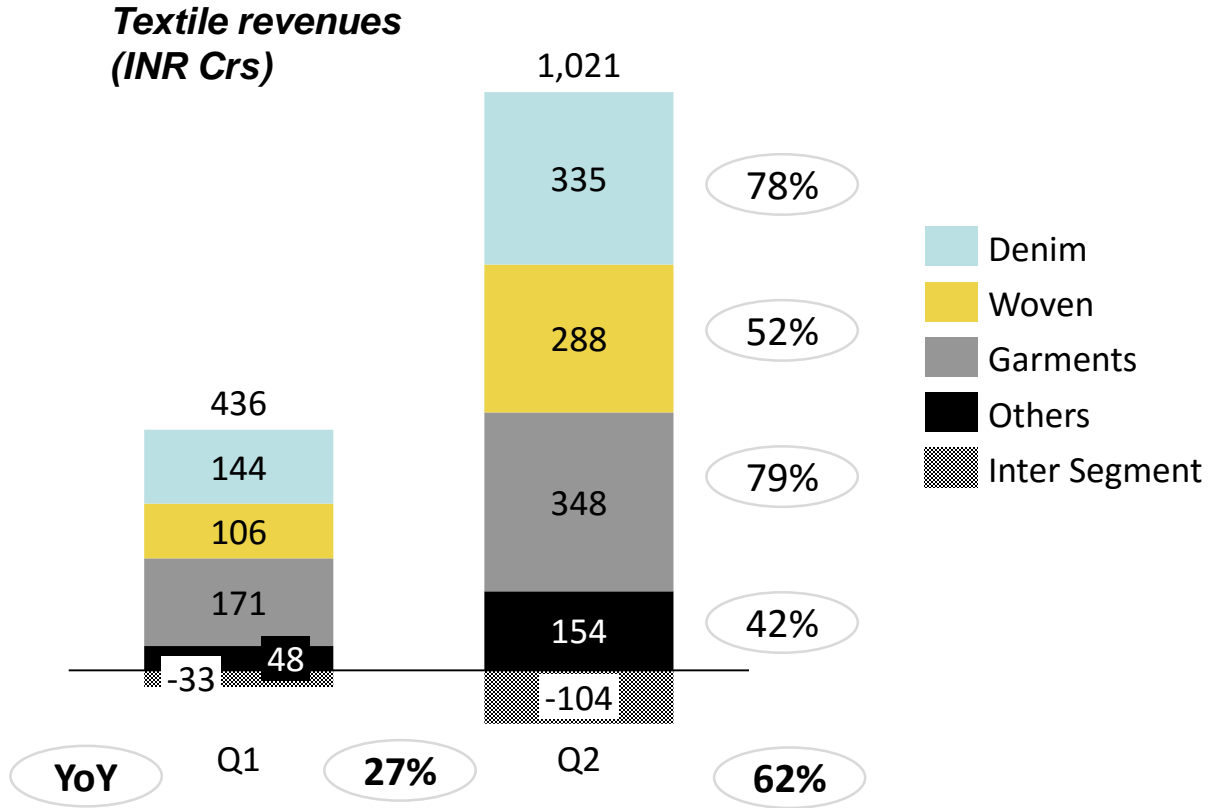
- Textiles revenues recovered to 62%
- Advanced Materials surpassed previous year numbers
- Larger export proportion drove higher margins in Fabrics and Advanced Materials
- Projects in our effluent treatment business (classified as Others), had booked profits in FY20, which was missing this year

Consolidated Balance Sheet as on Sep 30th 2020

Rs Cr	30th Sept 20	31st Mar 20
Shareholders' Fund	2679	2767
Share Capital	259	259
Reserves & Surplus	2371	2450
Minority Interest	49	58
Borrowings	2341	2455
long Term Borrowings	1222	1018
Short Term Borrowings	875	1175
Long Term Liability Maturing in one year	244	262
Lease Liabilities (Current + Non Current)	156	185
Other Liabilities	1436	1759
Total	6612	7165
Assets	3999	4128
Fixed Assets	3695	3800
ROU Assets	119	148
Non Current Investments	70	90
Long term Loans & Advances	1	1
Other Non Current Assets	114	89
Current Assets	2613	3038
Total	6612	7165

- Borrowings reduced by over 100 crs compared to March 2020 levels

Textile revenues for Q2 reached 62% of Q2 in FY20; monthly run-rate in September was ~75%



- Sep 2020 revenues were 75% of previous year
- EBITDA margins in textiles improved from 10.8% in Q2 FY20, to 11.6% in Q2 this year resulting from higher export revenues and tight cost management

Denim volumes have recovered to 80% driven by exports; Demand for domestic increased sharply compared to Q1

Denim volumes in Q2 were 80% of previous year

Denim	Exports	Domestic	Total
Q1 (YoY)	57%	17%	34%
Q2 (YoY)	108%	54%	80%
Q2 (million M)	11	6	17

- Average price realization: Rs 190/meter (Rs 191/m in last year)

Wovens volumes reached 59% of previous year

Wovens	Exports	Domestic	Total
Q1 (YoY)	28%	19%	21%
Q2 (YoY)	56%	60%	59%
Q2 (million M)	5	15	19

- Average price realization: Rs 142/meter (Rs 172/m in last year)
- Realization remained steady in each segment as volumes skewed towards lower value products

Garment volumes reached 66% of previous year volumes for second quarter

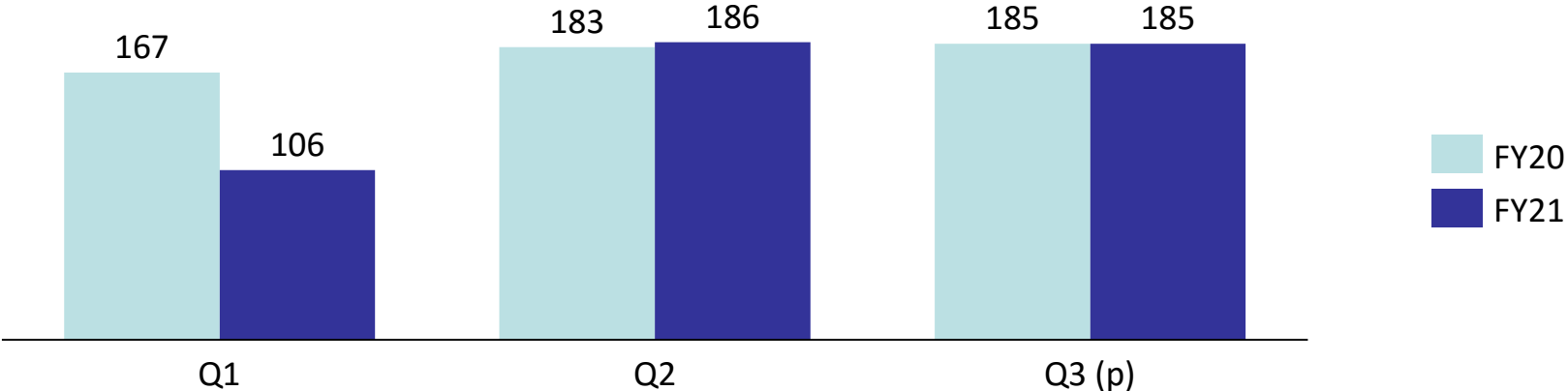
	Q1	Q2
FY2021	3.7	8.4
FY2020	10.0	12.7
% yoy	37%	66%

- Similar to fabrics, volumes have recovered in Jeans and Knitwear;

* Excludes Essentials and Suits

AMD delivered strong Q2 performance on both revenues and margins

Revenues INR Crs



EBITDA margin



* EBITDA margin in Q2 improved by ~100 basis points over Q2 previous year

Forward looking commentary

- Q3 likely to grow by further 10%+ over Q2 and reach 75-80% of Q3 FY2020
- Textile EBIDTA in Q3 expected to be between 12.5 %-13%
- AMD EBIDTA in Q3 expected to be around 14%
- Net Debt at end of Q3 likely to further reduce by at least Rs 100 crores.



Thank You!