

May 26, 2021

To
BSE Limited
Listing Dept./ Dept. of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400001

Security Code : 500101
Security ID : ARVIND

To
National Stock Exchange of India Ltd.
Listing Dept., Exchange Plaza, 5th Floor
Plot No. C/1, G. Block
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400051

Symbol : ARVIND

Dear Sir/Madam,

Sub.: Outcome of the Meeting of the Board of Directors held on 26th May 2021

Ref.: Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby inform you that the Board of Directors of the Company at its meeting held today has:

1. approved the Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended on 31st March 2021.
2. not recommended dividend on Equity Shares for the year ended on 31st March 2021.
3. approved issue of Non-Convertible Debentures (NCDs) upto Rs. 200 crores on private placement basis to meet with general corporate purposes including capital expenditure, augmenting long term working capital and re-finance of existing loans.

Pursuant to Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following:

1. Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended on 31st March 2021 along-with Auditors' Reports with unmodified opinion issued by the Deloitte Haskins & Sells LLP, Statutory Auditors of the Company.
2. A copy of the press release being issued by the Company in respect of Audited financial results for the quarter and year ended on 31st March 2021.
3. Investor Presentation for Q4 issued in this regard.



The meeting of the Board of Directors of the Company commenced at 11:30 a.m. and concluded at 1:45 p.m.

We shall inform you in due course the date on which the Company will hold Annual General Meeting for the year ended 31st March 2021.

You are requested to take the above on your record and bring this to the Notice of all concerned.

Thanking you,
Yours faithfully,



R. V. Bhimani
Company Secretary



Encl.: As above



Arvind Limited FY2021 Results Review Note For Analysts and Investors

26th May 2021 | Ahmedabad/ Online

Safe harbour statement

Certain statements contained in this document may be statements of future expectations and other forward looking statements that are based on management's current view and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. None of Arvind Limited or any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its content or otherwise arising in connection with this document. This document does not constitute an offer or invitation to purchase or subscribe for any shares and neither it nor any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

FY2021 and recent months have been very difficult times for all of us, and we condole the suffering of our colleagues and their loved ones, including loss of precious lives in some cases.

We are deeply thankful to our employees, associates and partners for their support and efforts in continuing to serve our customers and other stakeholders

We grappled with Covid-19 through FY2021, though all our Ahmedabad factories are back to normal as wave-2 recedes

Impact on Operations

- Temporary factory shut-downs as per government norms – all geographies in Wave 1, and Bengaluru area during Wave 2
- Absenteeism as employees/ their family members tested +ve
- Challenges in getting adequate contract workers given migration
- Disruptions at supplier and contract manufacturing units
- Supply chain disruptions resulting from interstate movement restrictions, and poor container availability

Arvind Response

- Facilities/protocols to enable physical distancing and sanitization
- Short-term local housing and transport arrangements to manage worker availability
- Enhanced healthcare and insurance support for employees (expanded coverage, vaccination, facilitation of oxygen/ beds/ medicines, online consultation)
- Additional employee support (unlimited sick leaves, education and job support for families of deceased employees)
- Enhanced customer engagement at highest levels

Outcome

- Quick bounce-back as govt restrictions eased post 1st wave
- Limited capacity and business loss
- No material impact on demand – most customers understood and accepted shipment delays

Q4 FY21 Highlights

Revenues

1655

+9% Q-o-Q

+1% Y-o-Y

EBITDA (Without other Income)

208

+28% Q-o-Q

+32% Y-o-Y

PAT (Before exceptional items)

66

+161% Q-o-Q

+91% Y-o-Y

Closing Net Debt

1951

- Rs 132 cr Q-o-Q

-Rs 421 Cr Y-o-Y

- Textile volumes recovered
 - Denim Q4 volumes recovered to 113% of Q4 FY20 at ~20 mn Meters
 - Wovens recovered to 112% at ~28 mn M
 - Garments was 92% of previous year at 11 mn Pcs
- Textiles contributions maintained despite increases in RM prices
 - Denim prices moved up from Rs 184/m in Q3 to Rs 195/m in Q4;
 - Wovens moved from Rs 146/m to Rs 151/m
- AMD grew by 11% over Q4FY20, and maintained EBITDA margin of ~14%

FY2021 Executive Summary: strong Q4 performance helped the year end with strong EBITDA margin

<i>INR Crs</i>	Q4FY21(YoY)	FY2021 (YoY)
Revenues	1655 (+1%)	5073 (-31%)
Textiles	1325 (-2%)	3998 (-35%)
Advanced Materials	198 (+11%)	679 (-5%)
EBITDA margin	12.6% vs 9.6%	9.1% vs 9.4%
Textiles	12.6% (9.3%)	10.0% (10.7%)
Advanced Materials	13.8% (13.4%)	14.4% (12.9%)
Net Debt (31 st March 2021)		1951 vs 2371

- Textile revenues recovered to Q4 FY20 levels, AMD revenues grew 11% for the quarter
- Fixed cost reduction program delivered savings of 28% for the year, half of which is structural and should continue
- Commodity and freight prices driven input cost increases compensated by efficiency improvement
- AMD margins improved despite the setbacks in Q1
- FY21 closed with Net Debt of INR 1951 crores as targeted

Segment wise performance – all businesses started delivering strong margins by Q4

Rs Cr Business	Q4 FY21			Q4 FY20		
	Revenue	EBIDTA	EBIDTA %	Revenue	EBIDTA	EBIDTA %
Textiles	1325	167	12.6%	1352	126	9.3%
Advanced Material	198	27	13.8%	179	24	13.4%
Others & Adjustment	131	35		110	17	
Total	1655	230	13.9%	1642	167	10.2%

Rs Cr Business	FY21			FY20		
	Revenue	EBIDTA	EBIDTA %	Revenue	EBIDTA	EBIDTA %
Textiles	3998	401	10.0%	6205	664	10.7%
Advanced Material	679	98	14.4%	713	92	12.9%
Others & Adjustment	395	16		484	26	
Total	5073	514	10.1%	7403	782	10.6%
Less : One time Write off				-34	-34	
Reported Number	5073	514	10.1%	7369	748	10.2%

Note: One time Write off in FY20 of Rs 34 cr related to withdrawal of MEIS

Q4 and Full Year FY21 Consolidated P&L

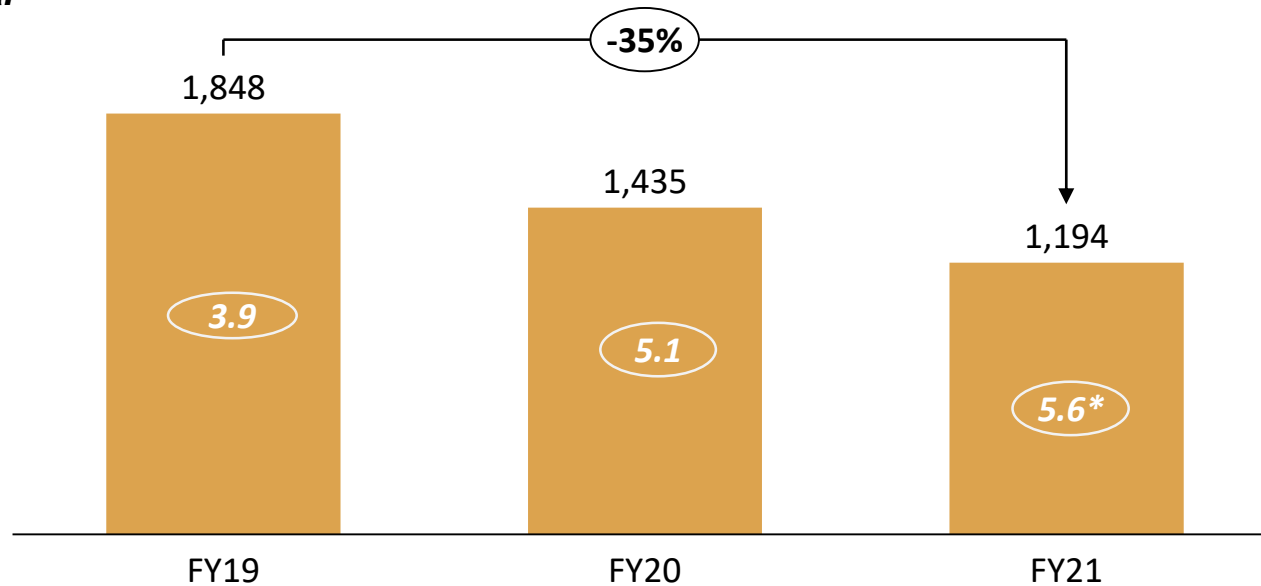
<i>All figures in INR Crs</i>			YoY			YoY
	Q4 FY21	Q4 FY20	Change	FY21	FY20	Change
Revenue from Operations	1,655	1,642	1%	5,073	7,369	-31%
EBIDTA	208	158	32%	463	692	-33%
EBIDTA %	12.6%	9.6%		9.1%	9.4%	
Other Income	21	9		52	55	
Interest	51	52		225	237	
Cash Accruals	178	114	57%	290	511	-43%
Depreciation	69	77		285	290	
PBT	110	37	199%	5	220	-98%
PAT	66	35	91%	19	146	-87%
Less : Exceptional Items	13	47		36	50	
Net Profit	53	-12		-17	96	

- Interest expense includes write off of TUF Interest benefit of Rs 10 Cr during the year
- Exceptional items include staff retrenchment compensation, goodwill impairment of an acquired subsidiary, impairment of investments in an overseas JV
- As government has not announced rates for refund of duties on exports (RoDTEP), the company has not accrued any income relating to RoDTEP for Q4.

NWC saw a significant decline over two successive years

**Net Working Capital
(INR Crs)**

NWC Turns



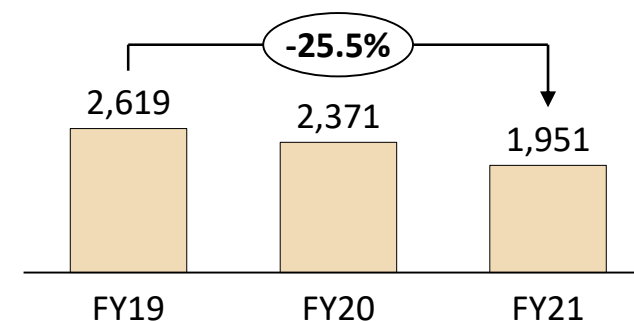
* based on annualized Q4 revenues

**Coupled with reduced Capital Expenditure,
helped reduce debt**

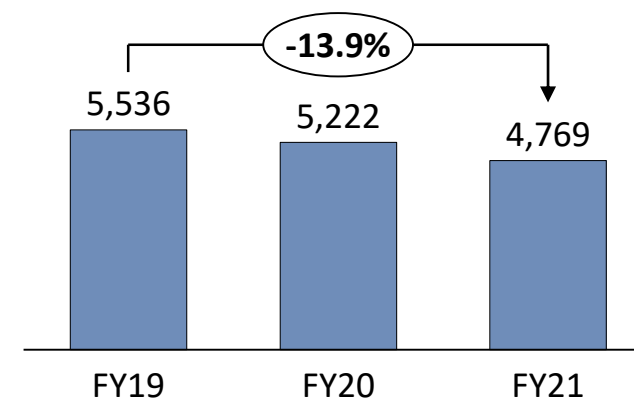
Consolidated Balance Sheet, as at March 31st 2021

Rs Cr	31st Mar 21	31st Mar 20
Shareholders' Fund	2767	2767
Share Capital	259	259
Reserves & Surplus	2460	2450
Minority Interest	47	58
Borrowings	2002	2455
long Term Borrowings	1142	1018
Short Term Borrowings	631	1175
Long Term Liability Maturing in one year	230	262
Lease Liabilities (Current + Non Current)	119	185
Other Liabilities	1833	1759
Total	6721	7165
Assets	3816	4128
Fixed Assets	3580	3800
ROU Assets	89	148
Non Current Investments	70	90
Long term Loans & Advances	1	1
Other Non Current Assets	76	89
Cash and cash equivalents	52	84
Other Current Assets	2853	2954
Total	6721	7165

Debt reduction continues as planned

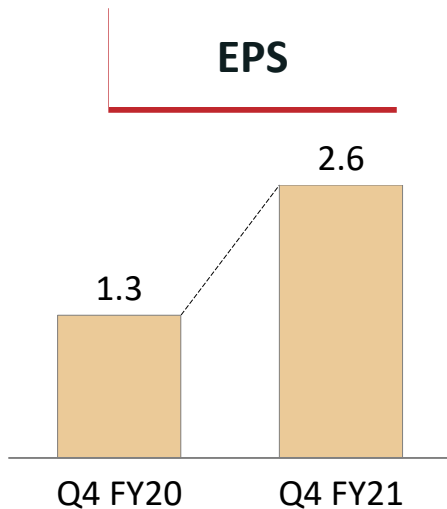


Capital employed lower by 760 cr

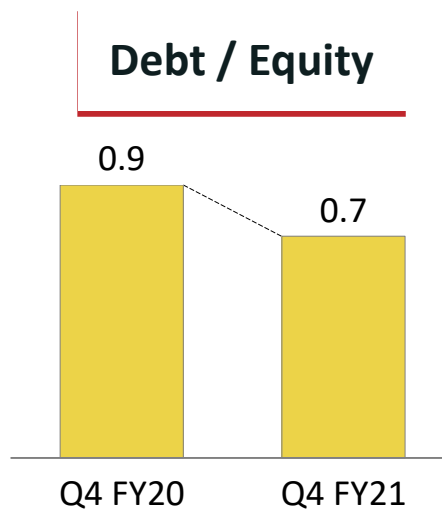


Key indicators – Q4 FY21 Vs Q4 FY20

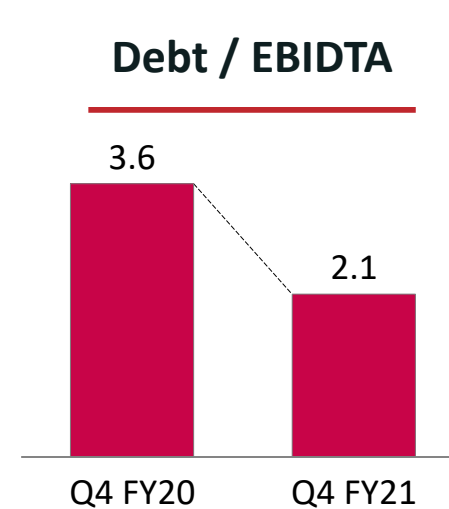
EPS



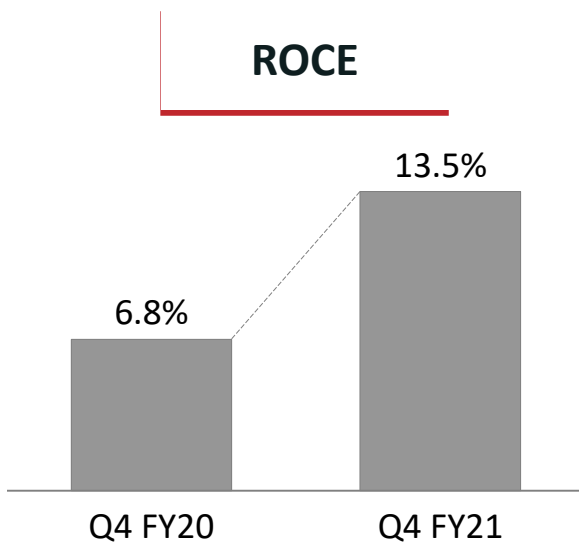
Debt / Equity



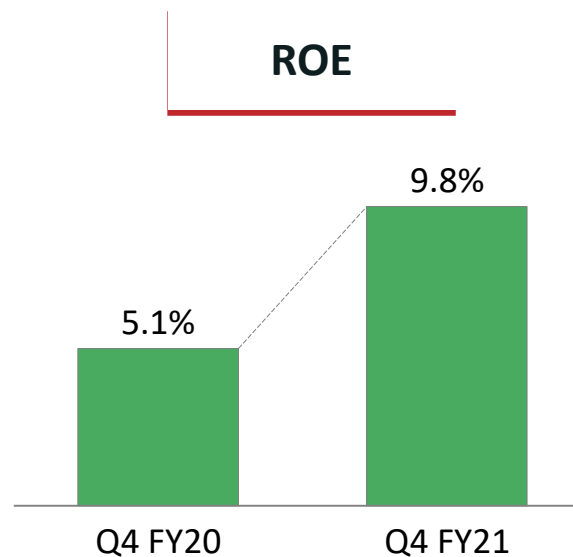
Debt / EBIDTA



ROCE



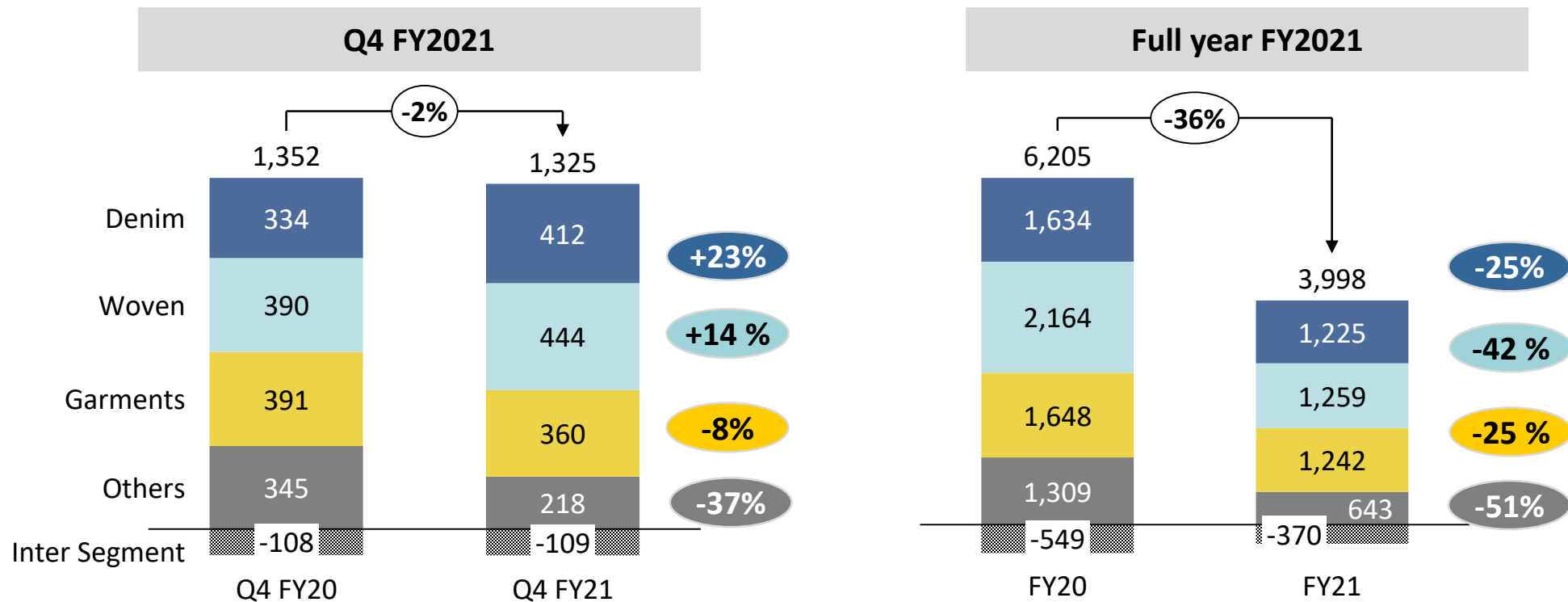
ROE



- Net Debt is considered for Debt / EBIDTA
- PAT is considered before exceptional items

Textile revenues recovered to near FY20 levels by Q4; though lower on a full year basis given shortfalls in H1

Textile revenues (INR Crs)



- Exports recovery started from Q2 as countries learned to manage Covid and stores reopening started
- Domestic customers reduced pipeline inventories, fresh ordering started only for Diwali/festival season
- Denim recovered much faster and to a greater extent, as compared to Wovens

Fabric volumes recovered to pre-Covid levels, Garments reached 92%; price realization improved in both Denims and Wovens during Q4

Denim volumes recovered to 113% and Woven volumes to 112% of Q4 FY2020

Denim	Export	Domestic	Total (YoY %)	
Q1	5	2	7	34%
Q2	11	6	17	80%
Q3	10	8	18	88%
Q4	10	10	20	113%

Woven	Export	Domestic	Total (YoY %)	
Q1	2	5	7	21%
Q2	5	15	19	59%
Q3	5	22	27	77%
Q4	3	25	28	112%

Garment volumes recovered to 92% of FY20 levels in H2

Garments	Mn Pcs	YoY %
Q1	4	38%
Q2	8	81%
Q3	10	92%
Q4	10	92%

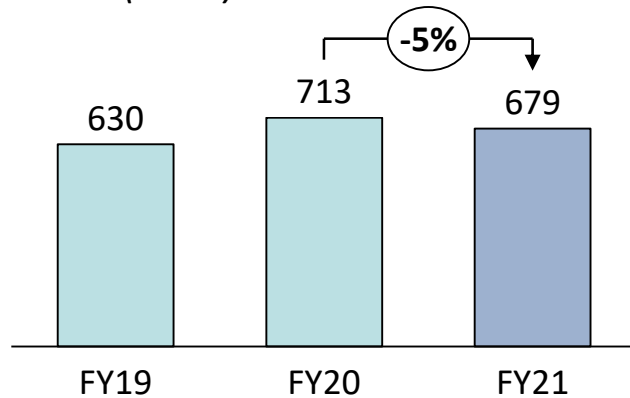
* Excludes Essentials and Suits

- Denim prices moved up from Rs 184/m in Q3 to Rs 195/m in Q4;
- Wovens moved from Rs 146/m to Rs 151/m in above period
- Cotton Cost in Q4 at Rs 114 / Kg (Rs 101/kg in Q3)

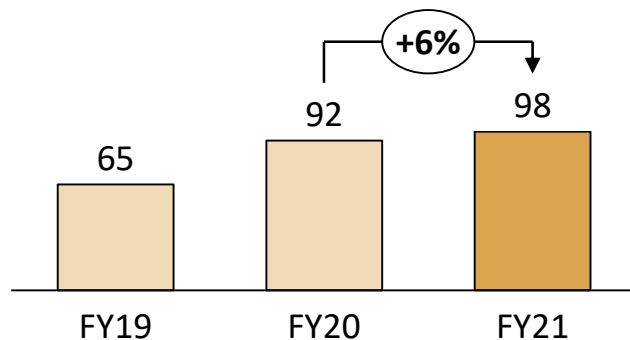
AMD delivered an expanded margin despite COVID related challenges

Healthy top-line growth and profitability

Revenue (Rs Cr)



EBITDA (Rs Cr)



Commentary

Overall focus

- Focus on building up differentiated product portfolio with 35-40% gross margin
- Exit businesses that are taking time to scale
- Continue to shave-off costs at 5-10% per year

Key business highlights

- Sports composites and Mass Transports emerged as a promising businesses with clear momentum
- 40+% of Composites business comprised of differentiated product-market plays
- Industrial products focused on calibrated capacity addition and cost leadership
- Human Protection closer to US market leadership

Forward looking commentary

- **Demand recovery**
 - Export demand likely to be buoyant across most markets, especially US
 - Domestic demand likely to be muted until the festival buying resumes in mid Q2
 - Demand for AMD products will continue to remain strong
- **Supply side constraints**
 - Temporary impact on production in Ahmedabad due to higher absenteeism in later part of April & first fortnight of May
 - Garmenting plants in Bangalore likely to remain closed for about 1 month
- **Cost push likely to keep pressure on margins, partly cushioned by fixed cost reduction achieved**
 - Cotton, yarn and other input prices likely to remain strong in coming months
 - RoDTEP rates have not been announced
- **Debt Reduction**
 - Lower capex and tight NWC management will help further debt reduction although debt for Q1 will go up temporarily as domestic sales will slow down and receivables go up
 - Company has sold land parcels and expects about Rs. 150 cr of cash realisation during the year.



Thank You!