

**EXTRACT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020**

[₹ in Crores except per share data]

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Total Income from Operations	463.81	160.38	1,055.87	624.19	1,895.99	3,673.35
2	Net Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	(151.04)	(182.48)	(56.78)	(333.52)	(192.58)	(376.64)
3	Net Profit/(Loss) for the period before tax (after Exceptional and/or Extraordinary items)	(196.24)	(182.48)	(56.78)	(378.72)	(192.58)	(437.33)
4	Net Profit/(Loss) for the period after tax (after Exceptional and/or Extraordinary items) from continuing operations	(189.49)	(194.21)	(38.41)	(383.70)	(130.20)	(359.90)
5	Net Profit/(Loss) for the period after tax (after Exceptional and/or Extraordinary items) from continuing and Discontinuing operations	(217.79)	(213.13)	(45.57)	(430.92)	(142.81)	(399.19)
5	Total Comprehensive Income/(Loss) for the period [Comprising Profit for the period (after tax) and Other Comprehensive Income (after tax)]	(217.69)	(216.44)	(43.78)	(434.13)	(143.45)	(392.57)
6	Paid up Equity Share Capital	39.46	23.47	23.47	39.46	23.47	23.47
7	Reserves as shown in the Audited Balance Sheet						573.83
8	Earnings Per Share (of Rs. 4/- each) (Continuing and Discontinuing Operations)						
	Basic : (Rs.)	(22.70)	(25.52)	(6.10)	(48.22)	(18.91)	(52.02)
	Diluted : (Rs.)	(22.59)	(25.45)	(6.05)	(48.04)	(18.74)	(51.65)

**Notes:**

- The above is an extract of the detailed format of the Financial Results for the quarter and half year ended September 30, 2020 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of these Financial Results is available on the Stock Exchanges websites at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) and on the Company's website at [www.arvindfashions.com](http://www.arvindfashions.com).
- The above consolidated financial results for the quarter and half year ended September 30, 2020 which have been subjected to audit by the Auditors of the Group, were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on November 12, 2020 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The Statutory Auditors have expressed an unqualified audit opinion.
- The Group is primarily engaged in the business of Branded Apparels (Garments and Accessories) through retail and departmental store facilities, which in the terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting segment.
- Due to Covid19, the fashion business has been severely impacted. This has led to lower sales, resulting into inventory build-up and slower collection of receivables. The Group has taken several steps including raising of equity capital by way of rights issue of Rs. 399.79 Crores, strategic partnership with Flipkart India Private Limited for its youth brands Flying Machine which has resulted in cash flow of Rs. 260 Crores, discontinuation of certain brands, sharp reduction in overheads and closure of unviable stores. With objectives of faster releasing cash and have fresh inventory offered to customers, the Group has decided to offer higher discounts to liquidate old inventory rapidly and take back goods sold from customers where collection of funds is getting delayed and sell it through other channels for faster liquidation. In order to achieve these objectives, during the quarter and half year ended September 30, 2020, the Group has made special provision of Rs. 157.11 Crores consisting of Rs. 34.74 Crores for Margin on Sales Return and Scheme and Discounts, Rs. 96.83 Crores for Inventory Dormancy and Rs. 25.54 Crores for Allowance for Doubtful Debtors (Quarter and year ended March 31, 2020: Rs. 60.69 Crores, Rs. 37.49 Crores, Rs. 13.19 Crores and Rs. 10.01 Crores respectively) which are disclosed under Exceptional Items.
- The Parent Company and Arvind Lifestyle Brands Limited (ALBL), a wholly owned subsidiary Company have transferred by way of sale, the wholesale trading business and retail trading business of "Flying Machine" ("FM") brand respectively as a going concern to Arvind Youth Brands Private Limited (AYBPL), a subsidiary company on a slump sale basis for a lump sum consideration of Rs. 61.90 Crores and Rs. 151.30 Crores respectively. The Flipkart India Private Limited has purchased a significant minority stake in AYBPL through purchase of Compulsorily Convertible Preference Shares for Rs. 260 Crores. Rs. 111.91 crores, being the gain on sale of shares has been disclosed under Exceptional Items.
- The Ministry of Corporate Affairs vide notification dated July 24, 2020, issued an amendment to Ind AS 116-Leases, by inserting a practical expedient w.r.t "Covid-19-Related Rent Concessions" effective from the period beginning on or after April 01, 2020. Pursuant to the above amendment, the Group has applied the practical expedient by accounting the unconditional rent concessions (including rent concessions pertaining to discontinuing operations) of Rs. 14.31 Crores for the quarter ending September 30, 2020 (quarter ended June 30, 2020: 64.88 Crores, half year ended September 30, 2020: Rs. 79.19 Crores) (including Rs. 14.84 Crores pertaining to periods after September 30, 2020).
- During the quarter, the Company has not allotted any equity shares (quarter ended June 30, 2020: Nil, quarter ended September 30, 2019: 44,706, year ended March 31, 2020: 6,84,691) pursuant to exercise of stock options by employees.
- The National Company Law Tribunal (NCLT), vide its order dated July 14, 2020 has approved the scheme of amalgamation of Tommy Hilfiger Arvind Fashion Private Limited with Calvin Klein Arvind Fashion Private Limited now renamed as PVH Arvind Fashion Private Limited. The scheme has become effective with appointed date i.e. April 01, 2019. As required by applicable accounting standard the consolidated financial results of previous periods have been restated.
- On June 21, 2020, the Board of Directors of the Company had approved the revised size of Rights Issue of 3,99,79,347 shares of face value of Rs. 4 each (the "Rights Issue Shares") at a price of Rs. 100 per Rights Equity Shares (including premium of Rs. 96 per Rights Equity Share) in the ratio of 62:91, i.e. 62 Rights Equity Shares for every 91 existing Equity Shares held by the eligible equity shareholders on the record date, i.e. March 18, 2020. On July 24, 2020, the Company has approved the allotment of 3,99,79,347 equity shares of face value Rs. 4/- each to the eligible equity shareholders as fully paid up. There is no deviation in use of proceeds from the objects stated in the Offer document for Right issue. Pursuant to IND AS 33, basic and diluted earnings per share for the previous periods have been restated for the bonus element in respect of right issue.
- The Management of Arvind Lifestyle Brands Limited (ALBL), a wholly owned subsidiary of the Company has decided to discontinue Brands like GAP, Hanes, New Port and Ruf & Tuf. Accordingly, the activities of these brands business that are considered as disposal group are presented as a discontinued operation in accordance with the provisions of Indian Accounting Standard 105 - 'Non-current Assets Held for Sale and Discontinued Operations'. Consequently, Loss before tax and tax expenses relating to these brands business have been disclosed separately as discontinued operations as part of the above results. The previous periods have been re-classified to give effect to the presentation requirements of Ind AS 105: Non-current Assets Held for Sale and Discontinued Operations.
- The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contribution by the Company towards Provident Fund, Gratuity and ESIC. The Code have been published in the Gazette of India. However effective date has yet not been notified. the Group will assess the impact of the Code and will record related impact in the period it becomes effective.
- Previous period's figures have been regrouped/ rearranged wherever necessary, to conform to current period presentation.
- The Company has intimated the Stock Exchange to publish only Consolidated Financial Results and hence, the standalone financial results have not been published. However, the standalone financial results for the quarter and half year ended September 30, 2020 is available on Company's website at [www.arvindfashions.com](http://www.arvindfashions.com).

**Standalone Information:**

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
Total Income	62.98	34.05	281.21	97.03	455.13	866.55
Profit/(Loss) before Tax (before Exceptional and/or Extraordinary items)	1.56	(17.05)	(0.78)	(15.49)	0.52	11.93
Profit/ (Loss) before Tax (After Exceptional and/or Extraordinary items)	(44.17)	(17.05)	(0.78)	(61.22)	0.52	(7.33)
Profit/(Loss) after Tax	(44.21)	(17.71)	(1.31)	(61.92)	(0.52)	(4.89)
Other Comprehensive Income/(Loss) (net of tax)	0.38	(0.22)	(0.09)	0.16	(0.23)	(0.17)
Total Comprehensive Income/(Loss) after tax	(43.83)	(17.93)	(1.40)	(61.76)	(0.75)	(5.06)

Place: Bangalore  
Date: November 12, 2020

For Arvind Fashions Limited  
Suresh.J  
Managing Director & CEO

