

# ARVIND FASHIONS LIMITED

A MEMBER OF THE LALBHAI GROUP

Corporate Office : Du Pare Trinty, 8<sup>th</sup> Floor, 17, M.G. Road, Bengaluru - 560 001

Tel : 91-80-4155 0601, Fax : 91-80-41550651

Website: <http://www.arvindfashions.com>

May 27, 2022

BSE Limited  
Listing Dept. / Dept. of Corporate Services  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 001

National Stock Exchange of India Ltd.  
Listing Dept., Exchange Plaza, 5th Floor  
Plot No. C/1, G. Block  
Bandra-Kurla Complex  
Bandra (E)  
Mumbai - 400 051

Security Code : 542484  
Security ID : ARVINDFASN

Symbol : ARVINDFASN

Dear Sir/ Madam,

**Sub: Outcome of the Meeting of the Board of Directors of Arvind Fashions Limited ("the Company") held on May 27, 2022.**

**Ref: Regulation 30 and 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations")**

Further to our letters dated May 19, 2022 for intimation of Board Meeting, and in accordance with the provisions of Regulation 30 of the SEBI LODR Regulations, this is to inform that the Board of Directors of the Company, at its meeting held today (i.e., on May 27, 2022) has, *inter alia*, considered and approved the following business:

1. The Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended on March 31, 2022.
2. Appointment of Ms. Lipi Jha as Company Secretary & Compliance Officer of the company.

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

1. Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended on March 31, 2022, along with Auditors' Reports with an unmodified opinion issued by the joint statutory auditors of the company i.e M/s. Deloitte Haskins & Sells and Sorab S Engineer & Co.
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 March 31, 2022.
3. Investor Presentation for Q4 issued in this regard.
4. Brief profile of Ms. Lipi Jha, Company Secretary & Compliance Officer of the company.



Arvind FASHIONS

Regd Office : Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad - 380 025.

CIN : L52399GJ2016PLC085595

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The meeting of the Board of Directors commenced at 11:30 a.m. and concluded at 03.45 p.m.

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

Thanking you,

For Arvind Fashions Limited

Lipi Jha  
Company Secretary

Encl: As above.



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**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS****TO THE BOARD OF DIRECTORS OF  
ARVIND FASHIONS LIMITED****Opinion and Conclusion**

We have (a) audited the Standalone Financial Results for the year ended March 31, 2022 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2022 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2022 of **Arvind Fashions Limited** ("the Company"), ("the statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

**(a) Opinion on Annual Standalone Financial Results**

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2022:

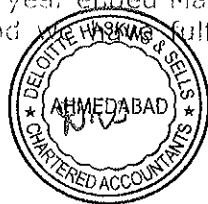
- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

**(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2022**

With respect to the Standalone Financial Results for the quarter ended March 31, 2022, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2022, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2022**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2022 under the provisions of the Act and the Rules



these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

### Emphasis of Matter

We draw attention to Note 4 of the statement, which describes the uncertainties and the impact of COVID 19 pandemic on the Company's operations and results as assessed by the Management.

Our conclusion on the statement is not modified in respect of this matter.

### Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2022 has been compiled from the related audited standalone financial information. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2022 that give a true and fair view of the net (loss)/profit and other comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

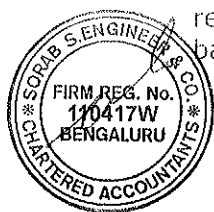
In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

### Auditor's Responsibilities

#### (a) Audit of the Standalone Financial Results for the year ended March 31, 2022.

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2022 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

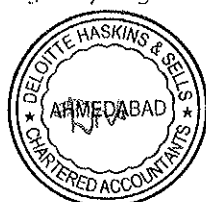
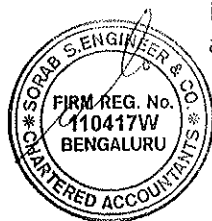


As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**(b) Review of the Standalone Financial Results for the quarter ended March 31, 2022**

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2022 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Other Matters**

- The Statement includes the results for the Quarter ended March 31, 2022 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.
- The comparative financial information of the Company for the quarter and year ended March 31, 2021 included in this Statement had been reviewed/ audited by one of the joint auditors, who had expressed an unmodified conclusion/ opinion thereon as per their reports dated June 03, 2021.

Another joint auditor's conclusion is not modified in respect of these matters.

For **SORAB S ENGINEER & CO.**  
Chartered Accountants  
(Firm's Registration No. 110417W)




**Choksi Shreyas B.**  
(Partner)  
(Membership No: 100892)  
(UDIN: 22100892AJSSUU4223)

Place: Bengaluru  
Date: May 27, 2022



For **DELOITTE HASKINS AND SELLS**  
Chartered Accountants  
(Firm's Registration No. 117365W)



**Kartikeya Raval**  
(Partner)  
(Membership No. 106189)  
(UDIN: 22106189AJSUVQ8876)

Place: Bengaluru  
Date: May 27, 2022





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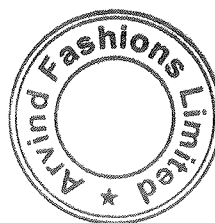
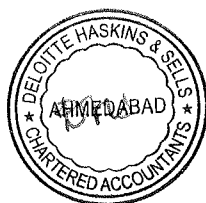
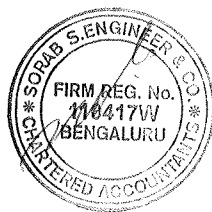
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## Statement of Standalone Audited Financial Results for the Quarter and Year Ended March 31, 2022

Particulars	Quarter Ended			Year ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	(Refer Note 11)	Unaudited	(Refer Note 11)	Audited	Audited
<b>1 Income</b>					
(a) Revenue from Operations	106.91	195.83	59.12	514.01	298.30
(b) Other Income	2.35	2.42	1.95	9.44	14.74
<b>Total Income</b>	<b>109.26</b>	<b>198.25</b>	<b>61.07</b>	<b>523.45</b>	<b>313.04</b>
<b>2 Expenses</b>					
(a) Purchases of stock-in-trade	76.59	42.57	57.22	254.27	34.25
(b) Changes in inventories of stock-in-trade	(7.55)	91.26	(12.39)	67.52	134.25
(c) Employee benefits expense	9.96	15.17	10.37	50.72	35.41
(d) Finance costs	1.89	3.37	2.19	12.36	31.43
(e) Depreciation and amortisation expense	5.94	3.81	5.07	18.07	17.54
(f) Other expenses	25.99	35.53	21.43	111.63	74.12
<b>Total Expenses</b>	<b>112.82</b>	<b>191.71</b>	<b>83.89</b>	<b>514.57</b>	<b>327.00</b>
<b>3 Profit/(Loss) before exceptional items and tax (1-2)</b>	<b>(3.56)</b>	<b>6.54</b>	<b>(22.82)</b>	<b>8.88</b>	<b>(13.96)</b>
<b>4 Exceptional items (Refer Note 5)</b>	-	-	-	-	(45.73)
<b>5 Profit/(Loss) before tax (3+4)</b>	<b>(3.56)</b>	<b>6.54</b>	<b>(22.82)</b>	<b>8.88</b>	<b>(59.69)</b>
<b>6 Tax Expense</b>					
Current Tax	(2.10)	1.12	-	-	-
Short provision related to earlier years	1.20	-	-	1.20	-
Deferred Tax Charge/ (Credit)	0.21	0.01	0.10	0.24	(0.28)
<b>Total Tax Expense/(Credit)</b>	<b>(0.69)</b>	<b>1.13</b>	<b>0.10</b>	<b>1.44</b>	<b>(0.28)</b>
<b>7 Profit/(Loss) for the period after tax (5-6)</b>	<b>(2.87)</b>	<b>5.41</b>	<b>(22.92)</b>	<b>7.44</b>	<b>(59.41)</b>
<b>8 Other Comprehensive Income/ (Loss) (Net of Tax)</b>					
<b>Items that will not be classified to profit and loss</b>					
(i) Re-measurement gain/(loss) on defined benefit plans	(0.58)	(0.03)	(0.28)	(0.67)	0.01
(ii) Income Tax related to the item above	0.21	0.01	0.10	0.24	-
<b>Total other comprehensive income/(loss), net of tax</b>	<b>(0.37)</b>	<b>(0.02)</b>	<b>(0.18)</b>	<b>(0.43)</b>	<b>0.01</b>
<b>9 Total Comprehensive Income/ (Loss) for the Period (7+8)</b>	<b>(3.24)</b>	<b>5.39</b>	<b>(23.10)</b>	<b>7.01</b>	<b>(59.40)</b>
<b>10 Paid-up Equity Share Capital (Face Value ₹ 4/- per share)</b>	52.97	52.96	42.43	52.97	42.43
<b>11 Other Equity</b>				2,249.30	1,752.55
<b>12 Earning Per Share in ₹ (not annualised)</b>					
- Basic	(0.26)	0.43	(2.87)	0.61	(6.85)
- Diluted	(0.26)	0.43	(2.87)	0.61	(6.85)
<b>(See accompanying notes to the Standalone Financial Results)</b>					

Bengaluru  
May 27, 2022



For Arvind Fashions Limited

*Shailesh Chaturvedi*

**Shailesh Chaturvedi**  
Managing Director  
DIN:03023079

ARVIND

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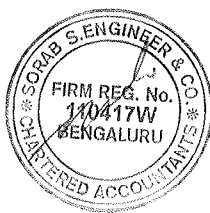
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## Standalone Audited Balance Sheet

Particulars	Year Ended	
	31.03.2022	31.03.2021
	Audited	Audited
<b>ASSETS</b>		
<b>I. Non-current assets</b>		
(a) Property, plant and equipment	17.05	20.92
(b) Intangible assets	10.67	20.78
(c) Financial assets		
(i) Investments	2,108.26	1,754.30
(ii) Loans	-	0.01
(iii) Other financial assets	5.91	13.69
(d) Deferred tax assets (net)	19.35	19.35
(e) Non-Current tax assets (net)	7.95	5.98
(f) Other non-current assets	19.70	0.57
<b>Sub-Total-Non-current Assets</b>	<b>2,188.89</b>	<b>1,835.60</b>
<b>II. Current assets</b>		
(a) Inventories	41.36	108.80
(b) Financial assets		
(i) Trade receivables	271.26	119.59
(ii) Cash and cash equivalents	1.05	0.65
(iii) Bank balance other than (ii) above	1.17	0.07
(iv) Loans	44.08	43.09
(v) Others financial assets	1.32	2.05
(c) Other current assets	55.53	46.10
<b>Sub-Total-Current Assets</b>	<b>415.77</b>	<b>320.35</b>
<b>Total Assets</b>	<b>2,604.66</b>	<b>2,155.95</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	52.97	42.43
(b) Other equity	2,249.30	1,752.55
<b>Sub-Total -Equity</b>	<b>2,302.27</b>	<b>1,794.98</b>
<b>LIABILITIES</b>		
<b>I. Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	37.33	49.39
(ii) Other financial liabilities	2.32	1.94
(b) Long-term provisions	3.32	3.43
<b>Sub-Total - Non-current Liabilities</b>	<b>42.97</b>	<b>54.76</b>
<b>II. Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	54.34	73.91
(ii) Trade payables		
a) total outstanding dues of micro enterprises and small enterprises	8.28	17.65
b) total outstanding dues of creditors other than micro enterprises and small enterprises	163.00	199.48
(iii) Other financial liabilities	12.83	8.34
(b) Other current liabilities	19.82	6.27
(c) Short-term provisions	1.15	0.56
<b>Sub-Total - Current Liabilities</b>	<b>259.42</b>	<b>306.21</b>
<b>Total Equity and Liabilities</b>	<b>2,604.66</b>	<b>2,155.95</b>

Bengaluru  
May 27, 2022



For Arvind Fashions Limited

*Shailesh Chaturvedi*

**Shailesh Chaturvedi**  
Managing Director  
DIN: 03023079

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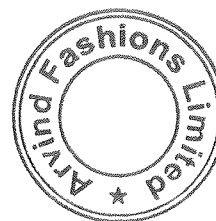
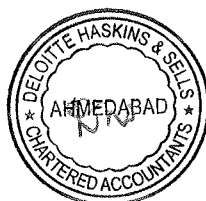
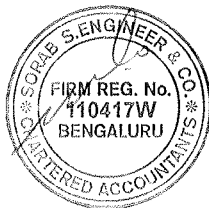
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Standalone Audited Statement of Cash Flows for the year ended March 31, 2022				
Particulars	Year ended		Year ended	
	March 31, 2022		March 31, 2021	
	Audited		Audited	
<b>A Operating activities</b>				
Profit/(Loss) after taxation		7.44		(59.41)
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation /Amortization	18.07		17.54	
Financial guarantee commission	(4.44)		(3.98)	
Tax Expenses/(Credit)	1.44		(0.28)	
Interest Income	(4.05)		(10.20)	
Interest and Other Borrowing Cost	12.36		31.43	
Allowance of doubtful debts/advances	6.37		6.00	
Sundry debit balances written off	-		0.03	
Stamp Duty on Demerger	(5.50)		-	
Foreign Exchange difference	-		(0.55)	
(Profit)/Loss on Sale of Property, Plant & Equipment /Intangible assets	(0.72)		(0.01)	
Share based payment expense	4.16		2.20	
		27.69		42.18
<b>Operating Profit before Working Capital Changes</b>		35.13		(17.23)
Working Capital Changes:				
(Increase) / Decrease in Inventories	67.44		94.39	
(Increase) / Decrease in trade receivables	(158.05)		(4.33)	
(Increase) / Decrease in other assets	(12.04)		14.42	
(Increase) / Decrease in other financial assets	8.49		2.89	
Increase / (Decrease) in trade payables	(34.86)		(113.44)	
Increase / (Decrease) in other liabilities	9.04		2.77	
Increase / (Decrease) in other financial liabilities	0.91		(2.62)	
Increase / (Decrease) in provisions	(0.19)		(1.10)	
<b>Net Changes in Working Capital</b>		(119.26)		(7.02)
<b>Cash Generated from Operations</b>		(84.13)		(24.25)
Direct Taxes paid (Net of Income Tax refund)		(3.16)		9.19
<b>Net Cash outflow from Operating Activities (A)</b>		(87.29)		(15.06)
<b>B Cash Flow from Investing Activities</b>				
Purchase of Property, Plant & Equipment / Intangible assets (Net)	(4.24)		(6.32)	
Proceeds from disposal of Property, Plant & Equipment	0.87		0.77	
Changes in Capital Advances	(16.50)		0.17	
Changes in other bank balances not considered as cash and cash equivalents	(1.10)		0.15	
Loans (given)/received back (net)	(0.98)		67.80	
Purchase of Investments	(348.00)		(445.71)	
Proceeds from sale of undertaking	-		52.00	
Interest Received	4.06		10.19	
<b>Net cash outflow from Investing Activities (B)</b>		(365.89)		(320.95)
<b>C Cash Flow from Financing Activities</b>				
Proceeds from issue of share capital (Net)	499.82		499.30	
Proceeds/(repayment) from long term borrowings (net)	(12.06)		29.07	
Proceeds/(repayment) from short term borrowings (net)	(19.57)		(163.50)	
Interest and Other Borrowing Cost Paid	(14.61)		(36.21)	
<b>Net Cash from Financing Activities (C)</b>		453.58		328.66
<b>Net Increase/(Decrease) in cash &amp; cash equivalents (A) + (B)+(C)</b>		0.40		(7.35)
Cash & Cash equivalents at the beginning of the year		0.65		8.00
Cash & Cash equivalents at the end of the year		1.05		0.65

## Reconciliation of Cash & Cash equivalents:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash and cash equivalents comprise of:		
Cash on Hand	-	-
Balances with Banks	1.05	0.65
<b>Cash and cash equivalents</b>	<b>1.05</b>	<b>0.65</b>

Bengaluru  
May 27, 2022



For Arvind Fashions Limited

*Shalish Chaturvedi*

Shalish Chaturvedi  
Managing Director  
DIN:03023079

ARVIND FASHIONS

Regd Office : Arvind Limited Premises, Naroda Road, Ahmedabad - 380 025.

CIN : L52399GJ2016PLC085595

# ARVIND FASHIONS LIMITED

A MEMBER OF THE LALBHAI GROUP

Corporate Office: Du Parc Trinity, 8th Floor, 17, M.G. Road, Bengaluru - 560 001

Tel : 91-80-4155 0601, Fax : 91-80-4155 0651

Website : <http://www.arvindfashions.com>

## Notes:

- 1 The above standalone audited financial results have been prepared in accordance with Indian Accounting Standards as prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 2 The above standalone financial results were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on May 27, 2022 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The Statutory Auditors have expressed an unqualified audit opinion.
- 3 The Company is primarily engaged in the business of Branded Apparels (Garments and Accessories) which in the terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting segment.
- 4 Given the COVID-19 pandemic, the Company has considered relevant internal and external information for evaluating the financial results and recoverability and carrying values of its particularly property plant and equipment, investments and deferred tax assets. With a large section of the population being vaccinated, the Company has concluded that the pandemic is not likely to materially impact on the future operations of the Company and the recoverability of the carrying value of these assets. However, in an unlikely situation of reoccurrence of COVID the eventual impact may differ from these estimates as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions and will recognize the impact, if any, prospectively in future periods.
- 5 Given the pandemic, for the year ended March 31, 2021, the Company decided to offer higher discounts to liquidate old inventory rapidly and take back goods sold from customers where collection of funds was getting delayed to sell it through other channels for faster liquidation. In order to achieve these objectives, for the year ended March 31, 2021, the Company has made additional provisions arising out of Covid of Rs. 45.73 Crores consisting of Rs. 7.29 Crores for Margin on Sales Return, Rs. 32.44 Crores for Inventory Dormancy and Rs. 6.00 Crores for Allowance for Doubtful Debtors which are disclosed under Exceptional Items.
- 6 The Company has transferred by way of sale, the wholesale trading business of "Flying Machine" ("FM") brand as a going concern to Arvind Youth Brands Private Limited (AYBPL), a subsidiary company on a slump sale basis during the year ended March 31, 2021. To that extent, the above standalone financial results are not comparable with those of previous periods.
- 7 ESOP Share Allotment: Pursuant to various Employees Stock Option Schemes, following equity shares of Rs. 4/- each were allotted to the option grantees:

	Quarter Ended			Year Ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
Shares allotted	9,691	1,08,587	-	6,67,702	27,000

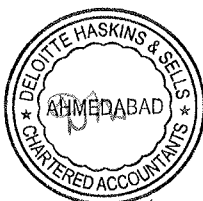
- 8 Right Issue 2020: On June 21, 2020, the Board of Directors of the Company had approved the revised size of Rights Issue of 3,99,79,347 shares of face value of Rs. 4 each (the "Rights Issue Shares") at a price of Rs. 100 per Rights Equity Shares (including premium of Rs. 96 per Rights Equity Share) 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.

On February 03, 2021, the Board of Directors of the Company and subsequently on February 18, 2021, the Committee of Directors had approved the Rights Issue of 1,48,02,856 equity shares of face value of Rs. 4 each (the "Rights Issue Shares") at a price of Rs. 135 per Rights Equity Shares (including premium of Rs. 131 per Rights Equity Share) in the ratio of 3:20, i.e. 3 Rights Equity Shares for every 20 existing Equity Shares held by the eligible equity shareholders on the record date, i.e. February 24, 2021. On March 25, 2021, the Company has approved the allotment of 1,48,01,776 equity shares of face value Rs. 4/- each to the eligible equity shareholders as partly paid up for an amount of Rs. 70/- per Rights Issue Share received on application (of which Rs. 2/- was towards face value and Rs. 68/- towards premium). The allotment of 1,080 Rights Equity Shares has been kept in abeyance pending regulatory/other clearance.

Subsequently, in terms of the Letter of Offer and board resolution dated April 7, 2021, the First and Final Call Money Notice requiring payment of the balance amount of Rs. 2 per Rights Equity Share with a premium of Rs.63 per Rights Equity Share was dispatched on May 6, 2021 and the holders of partly paid equity shares were given time till May 24, 2021, to make the payment of the First and Final Call Money. Pursuant to the above Notice, the Company has received full payment of First and Final Call Money on 1,45,56,343 partly paid-up equity shares (out of the total of 1,48,01,776 partly paid up equity shares) and the said shares became fully paid up.

The Company has issued a Final Demand cum Forfeiture Notice dated July 15, 2021 seeking payment of First and Final Call Money to the holders of 2,45,433 partly paid-up Equity Shares. The Company has converted 1,54,413 equity shares from partly paid up to fully paid up shares during the quarter ending September 30, 2021. The Company has again issued a Final Demand cum Forfeiture Notice - Reminder 2 dated December 15, 2021 seeking payment of First and Final Call Money to the holders of 91,020 partly paid-up Equity Shares. The Company has converted 40,155 equity shares from partly paid up to fully paid up shares during the quarter ending March 31, 2022.

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.



ARVIND

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**9 Preferential Issue:**

During the quarter ended September 30, 2021, the Company has allotted 1,64,75,961 equity shares to investors not belonging to the promoter or promoter group of the Company and 18,30,663 equity shares to promoters of the Company, on a preferential basis at a price of Rs. 218.50 per equity share (at a premium of Rs. 214.50 per equity share) on receipt of the consideration.

10 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 has been published in the Gazette of India. However effective date has yet not been notified. The Company will assess the impact of the Code and will record related impact in the period it becomes effective.

11 The figures for the quarter ended March 31, 2022 and March 31, 2021 are the balancing figures between the audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the respective financial years which were subjected to limited review by the statutory auditors.

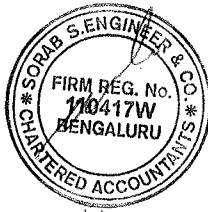
12 The above financial results have been presented in accordance with the amended Division II of Schedule III to the Companies Act, 2013. Previous period's figures have been regrouped /rearranged wherever necessary, to comply with the amended Division II of Schedule III.

Bengaluru  
May 27, 2022



For Arvind Fashions Limited

**Shailesh Chaturvedi**  
Managing Director and CEO  
DIN:03023079



ARVIND

Regd Office : Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad-380 025  
CIN: L52399GJ2016PLC085595

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS****TO THE BOARD OF DIRECTORS OF  
ARVIND FASHIONS LIMITED****Opinion and Conclusion**

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2022 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2022 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended March 31, 2022" of **Arvind Fashions Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and year ended March 31, 2022, ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

**(a) Opinion on Annual Consolidated Financial Results**

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of one of joint auditors and other auditors on separate financial information of subsidiaries referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2022:

- (i) includes the results of the entities as given in Annexure 1 to this report;
- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net loss and consolidated total comprehensive loss and other financial information of the Group for the year ended March 31, 2022.

**(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2022**

With respect to the Consolidated Financial Results for the quarter ended March 31, 2022, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review reports of one of joint auditors and other auditors referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2022, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



**Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2022**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2022 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by one of joint auditors and other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

**Emphasis of Matter**

We draw attention to Note 4 of the statement, which describes the uncertainties and the impact of COVID 19 pandemic on the Group's operations and results as assessed by the Management.

Our conclusion on the statement is not modified in respect of this matter.

**Management's Responsibilities for the Statement**

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2022, has been compiled from the related audited consolidated financial information. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2022 that give a true and fair view of the consolidated net profit / (loss) and consolidated other comprehensive loss and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.



The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibilities

#### (a) Audit of the Consolidated Financial Results for the year ended March 31, 2022

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2022 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.



- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the entities within the Group to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which have been audited by one of the joint auditors and other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2022**

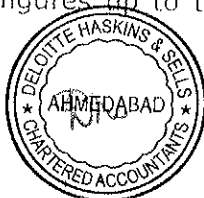
We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2022 in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

**Other Matters**

- The Statement includes the results for the Quarter ended March 31, 2022 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year





which were subject to limited review by us. Our report is not modified in respect of this matter.

- The financial information of 5 subsidiaries included in the consolidated financial results, whose financial information reflect total assets of Rs. 3,137.71 crores as at March 31, 2022 and total revenues of Rs 853.66 crores and Rs. 2,793.30 crores for the quarter and year ended March 31, 2022 respectively, total net profit/(loss) after tax of Rs 41.71 crores and Rs. (96.86) crores for the quarter and year ended March 31, 2022 respectively and total comprehensive income/(loss) of Rs 40.59 crores and Rs. (96.85) crores for the quarter and year ended March 31, 2022 respectively and net cash inflows of Rs. 82.01 crores for the year ended March 31, 2022, as considered in the Statement, whose financial information have been audited by either one of the joint auditors or other auditors. These financial information reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the either one of the joint auditors or other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our report on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of one of the joint auditors and other auditors.

- The comparative financial information of the Group for the quarter and year ended March 31, 2021 included in this Statement had been reviewed / audited by one of the joint auditors, who had expressed an unmodified conclusion / opinion thereon as per their reports dated June 03, 2021.

Another joint auditor's conclusion is not modified in respect of these matters.

For **SORAB S ENGINEER & CO.**

Chartered Accountants

(Firm's Registration No. 110417W)



**Choksi Shreyas B.**

(Partner)

(Membership No: 100892)

(UDIN: 22100892AJSSYQ2828)

For **DELOITTE HASKINS AND SELLS**

Chartered Accountants

(Firm's Registration No. 117365W)



**Kartikeya Raval**

(Partner)

(Membership No. 106189)

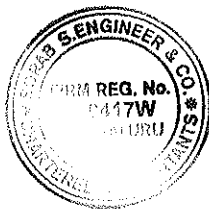
(UDIN: 22106189AJSVCE4954)

Place: Bengaluru

Date: May 27, 2022

Place: Bengaluru

Date: May 27, 2022



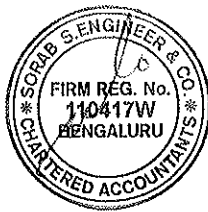
**Annexure to Independent Auditor's Review Report**

**The Parent**

1. Arvind Fashions Limited

**List of Subsidiaries**

1. Arvind Lifestyle Brands Limited
2. Arvind Beauty Brands Retail Private Limited
3. PVH Arvind Fashion Private Limited
4. Arvind Youth Brands Private Limited
5. Value Fashion Retail Limited



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## Statement of Consolidated Audited Financial Results for the Quarter and Year Ended March 31, 2022

Particulars		₹ in Crores except per share data				
		Quarter Ended			Year Ended	
		31.03.2022 (Refer Note 13)	31.12.2021 Unaudited	31.03.2021 (Refer Note 13)	31.03.2022 Audited	31.03.2021 Audited
1	<b>Income</b>					
	(a) Revenue from Operations	916.70	1,007.99	684.58	3,056.04	1,911.91
	(b) Other Income	20.98	8.91	21.37	66.88	108.74
	<b>Total Income</b>	<b>937.68</b>	<b>1,016.90</b>	<b>705.95</b>	<b>3,122.92</b>	<b>2,020.65</b>
2	<b>Expenses</b>					
	(a) Purchases of stock-in-trade	543.74	553.18	274.07	1,764.09	626.66
	(b) Changes in inventories	(38.83)	(5.13)	103.10	(54.28)	491.56
	(c) Employee benefits expense	56.23	69.80	59.57	236.76	204.72
	(d) Finance costs	22.95	27.07	41.08	123.92	180.29
	(e) Depreciation and amortisation expense	61.03	56.71	61.58	233.00	237.84
	(f) Other expenses	282.51	293.27	180.25	929.31	590.56
	<b>Total Expenses</b>	<b>927.63</b>	<b>994.90</b>	<b>719.65</b>	<b>3,232.80</b>	<b>2,331.63</b>
3	<b>Profit/(Loss) before exceptional items and tax (1-2)</b>	<b>10.05</b>	<b>22.00</b>	<b>(13.70)</b>	<b>(109.88)</b>	<b>(310.98)</b>
4	Exceptional items (Refer Note 5 and 6)	-	-	-	-	(45.20)
5	<b>Profit/(Loss) Before Tax (3+4)</b>	<b>10.05</b>	<b>22.00</b>	<b>(13.70)</b>	<b>(109.88)</b>	<b>(356.18)</b>
6	<b>Tax Expense</b>					
	Current Tax	4.37	5.92	-	11.27	-
	Short provision related to earlier years	2.06	-	-	2.06	-
	Deferred Tax Charge/ (Credit)	(18.76)	(1.55)	27.34	(19.13)	41.86
	<b>Total Tax Expense/(Credit)</b>	<b>(12.33)</b>	<b>4.37</b>	<b>27.34</b>	<b>(5.80)</b>	<b>41.86</b>
7	<b>Net Profit/(Loss) for the period from Continuing Operations (5-6)</b>	<b>22.38</b>	<b>17.63</b>	<b>(41.04)</b>	<b>(104.08)</b>	<b>(398.04)</b>
	<b>Discontinuing Operations (Refer Note 11)</b>					
8	Profit/(Loss) Before Tax for the period from Discontinuing Operations	-	-	(58.41)	(132.62)	(197.95)
9	Tax Expense/(Credit) on Discontinuing Operations	-	-	-	-	-
10	<b>Net Profit/(Loss) for the period from Discontinuing Operations (8-9)</b>	<b>-</b>	<b>-</b>	<b>(58.41)</b>	<b>(132.62)</b>	<b>(197.95)</b>
11	<b>Net Profit/(Loss) for the period from Continuing Operations and Discontinuing Operations (7+10)</b>	<b>22.38</b>	<b>17.63</b>	<b>(99.45)</b>	<b>(236.70)</b>	<b>(595.99)</b>
	<b>Attributable to:</b>					
	<b>Equity Holders of the Parent</b>	<b>0.78</b>	<b>6.31</b>	<b>(103.25)</b>	<b>(267.40)</b>	<b>(579.78)</b>
	Non-controlling interest	21.60	11.32	3.80	30.70	(16.21)
		<b>22.38</b>	<b>17.63</b>	<b>(99.45)</b>	<b>(236.70)</b>	<b>(595.99)</b>
12	<b>Other Comprehensive Income/ (Loss) (Net of Tax)</b>					
	<b>(a) Items that will not be classified to profit and loss</b>					
	(i) Re-measurement gain/(loss) on defined benefit plans	(2.04)	0.35	(0.81)	(0.98)	1.64
	(ii) Income Tax related to the item above	0.60	(0.12)	0.23	0.25	(0.71)
	<b>(b) Items that will be classified to profit and loss</b>					
	(i) Effective portion of gains / (loss) on cash flow hedges	0.03	(0.51)	1.14	0.39	(3.61)
	(ii) Income Tax related to the item above	(0.09)	-	-	(0.09)	-
	<b>Other Comprehensive Income/ (Loss) (Net of Tax)</b>	<b>(1.50)</b>	<b>(0.28)</b>	<b>0.56</b>	<b>(0.43)</b>	<b>(2.68)</b>
	<b>Attributable to:</b>					
	<b>Equity holders of the Parent</b>	<b>(1.33)</b>	<b>(0.03)</b>	<b>0.10</b>	<b>(0.47)</b>	<b>(0.65)</b>
	Non-controlling interest	(0.17)	(0.25)	0.46	0.04	(2.03)
		<b>(1.50)</b>	<b>(0.28)</b>	<b>0.56</b>	<b>(0.43)</b>	<b>(2.68)</b>
13	<b>Total Comprehensive Income/ (Loss) for the Period (11+12)</b>	<b>20.88</b>	<b>17.35</b>	<b>(98.89)</b>	<b>(237.13)</b>	<b>(598.67)</b>
	<b>Attributable to:</b>					
	<b>Equity holders of the Parent</b>	<b>(0.55)</b>	<b>6.28</b>	<b>(103.15)</b>	<b>(267.87)</b>	<b>(580.43)</b>
	Non-controlling interest	21.43	11.07	4.26	30.74	(18.24)
		<b>20.88</b>	<b>17.35</b>	<b>(98.89)</b>	<b>(237.13)</b>	<b>(598.67)</b>
14	Paid-up Equity Share Capital (Face Value ₹ 4/- per share)	52.97	52.96	42.43	52.97	42.43
15	Other Equity				697.28	479.55
16	<b>Earnings Per Share in ₹ (Annualised, except for quarters)</b>					
	<b>Continuing Operations</b>					
	-Basic	0.69	0.48	(4.79)	(11.04)	(41.59)
	-Diluted	0.69	0.48	(4.79)	(11.04)	(41.59)
	<b>Discontinuing Operations</b>					
	-Basic	-	-	(6.08)	(10.86)	(21.32)
	-Diluted	-	-	(6.08)	(10.86)	(21.32)
	<b>Continuing and Discontinuing Operations</b>					
	-Basic	0.69	0.48	(10.87)	(21.90)	(62.91)
	-Diluted	0.69	0.48	(10.87)	(21.90)	(62.91)
	(See accompanying notes to the Consolidated Financial Results)					

(See accompanying notes to the Consolidated Financial Results)

For Arvind Fashions Limited

Shailesh Chattervedi  
Managing Director & CEO  
DIN:03023079

Pengauru  
May 27, 2022



ARVIND FASHIONS

Regd Office : Arvind Limited Premises, Naroda Road, Ahmedabad - 380 025.

CIN : L52399GJ2016PLC085595

# ARVIND FASHIONS LIMITED

A MEMBER OF THE LALBHAI GROUP

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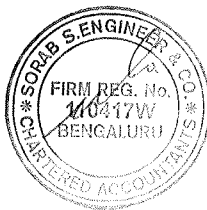
Consolidated Audited Balance Sheet			
Particulars	Year Ended		₹ in Crores
	31.03.2022	31.03.2021	
	Audited	Audited	
<b>ASSETS</b>			
<b>I. Non-current assets</b>			
(a) Property, plant and equipment	113.30	199.26	
(b) Capital work-in-progress	-	0.40	
(c) Right-of-use asset	387.90	664.54	
(d) Goodwill on consolidation	111.23	111.23	
(e) Intangible assets	48.90	69.84	
(f) Financial assets			
(i) Loans	0.80	1.02	
(ii) Other financial assets	61.85	149.76	
(g) Deferred tax assets (net)	410.97	391.90	
(h) Non-Current tax assets (net)	28.85	30.36	
(i) Other non-current assets	63.12	27.06	
<b>Sub-Total-Non-current Assets</b>	<b>1,226.92</b>	<b>1,645.37</b>	
<b>II. Current assets</b>			
(a) Inventories	830.81	810.01	
(b) Financial assets			
(i) Trade receivables	571.71	625.61	
(ii) Cash and cash equivalents	86.67	8.01	
(iii) Bank balance other than (ii) above	18.29	10.85	
(iv) Loans	4.29	3.81	
(v) Others financial assets	113.67	58.32	
(c) Other current assets	405.51	416.54	
(d) Assets Held for Sale	5.00	122.71	
<b>Sub-Total-Current Assets</b>	<b>2,035.95</b>	<b>2,055.86</b>	
<b>Total Assets</b>	<b>3,262.87</b>	<b>3,701.23</b>	
<b>EQUITY AND LIABILITIES</b>			
<b>I. Equity</b>			
(a) Equity share capital	52.97	42.43	
(b) Other equity	697.28	479.55	
<b>Sub-total-Equity</b>	<b>750.25</b>	<b>521.98</b>	
<b>II. Non Controlling Interest</b>	<b>100.16</b>	<b>69.42</b>	
<b>LIABILITIES</b>			
<b>III. Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	71.71	157.26	
(ii) Lease liabilities	335.39	651.61	
(iii) Other financial liabilities	238.10	211.45	
(b) Long-term provisions	14.37	18.83	
(c) Other non-current liabilities	0.48	0.07	
<b>Sub-Total - Non-current Liabilities</b>	<b>660.05</b>	<b>1,039.22</b>	
<b>IV. Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	430.02	785.78	
(ii) Lease liabilities	120.74	160.27	
(iii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	74.01	159.06	
b) total outstanding dues of creditors other than micro enterprises and small enterprises	973.86	758.94	
(iv) Other financial liabilities	67.57	94.09	
(b) Other current liabilities	71.07	62.94	
(c) Short-term provisions	10.14	7.74	
(d) Liabilities directly associated with Assets classified as held for sale	5.00	41.79	
<b>Sub-Total - Current Liabilities</b>	<b>1,752.41</b>	<b>2,670.61</b>	
<b>Total Equity and Liabilities</b>	<b>3,262.87</b>	<b>3,701.23</b>	

Bengaluru  
May 27, 2022

For Arvind Fashions Limited

*Shailesh Chaturvedi*

Shailesh Chaturvedi  
Managing Director & CEO  
DIN:03023079



ARVIND

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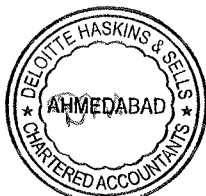
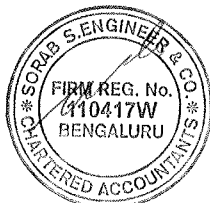
## Consolidated Audited Statement of Cash Flows for the year ended March 31, 2022

Particulars	Year ended		Year ended	
	March 31, 2022		March 31, 2021	
<b>A Operating activities</b>				
Profit/(Loss) after taxation				
Continuing Operations		(104.08)		(398.04)
Discontinuing Operations		(132.62)		(197.95)
		(236.70)		(595.99)
<b>Net Profit/(Loss) for the period from Continuing Operations and Discontinuing Operations</b>				
<b>Adjustments to reconcile profit before tax to net cash flows:</b>				
Depreciation /Amortization	260.92		334.05	
Interest Income	(6.99)		(2.36)	
Tax Expenses/(Credit)	(5.80)		41.86	
Interest and Other Borrowing Cost	136.93		235.68	
Advances written off	-		1.30	
Bad Debt written off	6.37		-	
Allowance for doubtful debts	2.32		-	
Provisions of doubtful debts written back	(6.30)		28.80	
Provision no longer required	(4.08)		-	
Provisions of doubtful advances	-		0.24	
Sundry Debit balances written off	0.27		-	
Gain on reassessment of lease and Lease Concessions	(110.72)		(123.55)	
Stamp Duty on Demerger	(5.50)		-	
Foreign Exchange difference	-		(1.79)	
Adjustment on Consolidation	1.07		-	
Property, Plant & Equipment written off	1.08		-	
Gain on sale of shares (Net)	-		(111.91)	
(Profit)/Loss on Sale of Property, Plant & Equipment /Intangible assets	(5.05)		(0.81)	
Share based payment expense	5.97		5.82	
		270.49		407.33
<b>Operating Profit before Working Capital Changes</b>		33.79		(188.66)
<b>Working Capital Changes:</b>				
(Increase) / Decrease in Inventories	43.77		426.26	
(Increase) / Decrease in trade receivables	81.17		97.03	
(Increase) / Decrease in other assets	(0.65)		(81.29)	
(Increase) / Decrease in other financial assets	46.82		28.05	
Increase / (Decrease) in trade payables	97.17		(353.49)	
Increase / (Decrease) in other liabilities	8.54		15.07	
Increase / (Decrease) in other financial liabilities	4.37		(26.08)	
Increase / (Decrease) in provisions	(3.04)		2.24	
<b>Net Changes in Working Capital</b>		278.15		107.79
<b>Cash Generated from Operations</b>		311.94		(80.87)
Direct Taxes paid (Net of Income Tax refund)		(11.82)		11.22
<b>Net Cash from Operating Activities (A)</b>		300.12		(69.65)
<b>B Cash Flow from Investing Activities</b>				
Purchase/(Proceeds) of Property, Plant & Equipment /Intangible assets (Net)	16.60		(46.36)	
Changes in Capital Advances and payable in respect of capital goods	(25.56)		0.25	
Changes in other bank balances not considered as cash and cash equivalents	(6.32)		(8.47)	
Loans (given)/received back (net)	(0.28)		3.77	
Interest Received	7.05		2.01	
<b>Net cash flow from Investing Activities (B)</b>		(8.51)		(48.80)
<b>C Cash Flow from Financing Activities</b>				
Proceeds from issue of share capital (net)	494.82		499.30	
Proceeds from Sale of Shares of Subsidiary (Net)	-		254.86	
Proceeds/(repayment) from long term borrowings (net)	(85.55)		0.66	
Proceeds/(repayment) from short term borrowings (net)	(355.75)		(299.67)	
Principal repayment of lease liabilities	(175.13)		(93.13)	
Interest and Other Borrowing Cost Paid	(87.59)		(249.24)	
<b>Net Cash flow from Financing Activities (C)</b>		(209.20)		112.78
<b>Net Increase/(Decrease) in cash &amp; cash equivalents (A)+(B)+(C)</b>		82.41		(5.67)
Cash & Cash equivalent at the beginning of the year		4.27		9.94
Cash & Cash equivalent at the end of the year		86.68		4.27

### Reconciliation of Cash & Cash equivalents:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Cash and cash equivalents comprise of:</b>		
Cash on Hand	0.01	0.01
Balances with Banks	86.67	8.00
Less: Bank Overdraft	86.68	8.01
<b>Cash and cash equivalents</b>	-	3.74
	86.68	4.27

Bengaluru  
May 27, 2022



For Arvind Fashions Limited

*Shailesh Chaturvedi*

Shailesh Chaturvedi  
Managing Director & CEO  
DIN:03023079

ARVIND

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Website: <http://www.arvindfashions.com>

## Notes:

- 1 The above consolidated audited financial results have been prepared in accordance with Indian Accounting Standards as prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 2 The above consolidated financial results were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on May 27, 2022 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The Statutory Auditors have expressed an unqualified audit opinion.
- 3 The Group is primarily engaged in the business of Branded Apparels (Garments and Accessories) which in the terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting segment.
- 4 Given the COVID-19 pandemic, the Group has considered relevant internal and external information for evaluating the financial results and recoverability and carrying values of its particularly property plant and equipment, investments and deferred tax assets. With a large section of the population being vaccinated, the Group has concluded that the pandemic is not likely to materially impact on the future operations of the Group and the recoverability of the carrying value of these assets. However, in an unlikely situation of reoccurrence of COVID the eventual impact may differ from these estimates as at the date of approval of these financial results. The Group will continue to closely monitor any material changes to future economic conditions and will recognize the impact, if any, prospectively in future periods.
- 5 Given the pandemic, for the year ended March 31, 2021, the Group decided to offer higher discounts to liquidate old inventory rapidly and take back goods sold from customers where collection of funds was getting delayed to sell it through other channels for faster liquidation. In order to achieve these objectives, for the year ended March 31, 2021, the Group has made additional provisions arising out of Covid of Rs. 157.11 Crores consisting of Rs. 34.74 Crores for Margin on Sales Return, Rs. 96.83 Crores for Inventory Dormancy and Rs. 25.54 Crores for Allowance for Doubtful Debtors which are disclosed under Exceptional Items.
- 6 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 during the year ended March 31, 2021.  
Flipkart India Private Limited has made investments in AYBPL through purchase of Compulsorily Convertible Preference Shares for Rs. 260 Crores. Rs. 111.91 crores (net), being the gain on sale of shares has been disclosed under Exceptional Items during the year ended March 31, 2021.
- 7 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 and vide notification dated June 18, 2021, extended practical expedient up to June 30, 2022.

Pursuant to the above amendment, the Group has applied the practical expedient by accounting the unconditional rent concessions in "Other Income". The details are as under:

Particulars	Quarter Ended			Year Ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
Rent concessions accounted in the period	3.12	3.14	9.91	38.20	81.93
Rent concessions pertaining to periods after reporting period	-	0.58	-	-	-

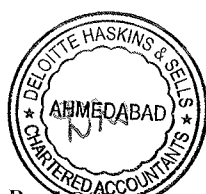
- 8 ESOP Share Allotment: Pursuant to various Employees Stock Option Schemes, following equity shares of Rs. 4/- each were allotted to the option grantees:

Shares allotted	Quarter Ended			Year Ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	9,691	1,08,587	-	6,67,702	27,000

- 9 Right Issue 2020: 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.

On February 03, 2021, the Board of Directors of the Company and subsequently on February 18, 2021, the Committee of Directors had approved the Rights Issue of 1,48,02,856 equity shares of face value of Rs. 4 each (the "Rights Issue Shares") at a price of Rs. 135 per Rights Equity Shares (including premium of Rs. 131 per Rights Equity Share) in the ratio of 3:20, i.e. 3 Rights Equity Shares for every 20 existing Equity Shares held by the eligible equity shareholders on the record date, i.e. February 24, 2021. On March 25, 2021, the Company has approved the allotment of 1,48,01,776 equity shares of face value Rs. 4/- each to the eligible equity shareholders as partly paid up for an amount of Rs. 70/- per Rights Issue Share received on application (of which Rs. 2/- was towards face value and Rs. 68/- towards premium). The allotment of 1,080 Rights Equity Shares has been kept in abeyance pending regulatory/other clearance.

Subsequently, in terms of the Letter of Offer and board resolution dated April 7, 2021, the First and Final Call Money Notice requiring payment of the balance amount of Rs. 2 per Rights Equity Share with a premium of Rs.63 per Rights Equity Share was dispatched on May 6, 2021 and the holders of partly paid equity shares were given time till May 24, 2021, to make the payment of the First and Final Call Money. Pursuant to the above Notice, the Company has received full payment of First and Final Call Money on 1,45,56,343 partly paid-up equity shares (out of the total of 1,48,01,776 partly paid up equity shares) and the said shares became fully paid up.



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The Company has issued a Final Demand cum Forfeiture Notice dated July 15, 2021 seeking payment of First and Final Call Money to the holders of 2,45,433 partly paid-up Equity Shares. The Company has converted 1,54,413 equity shares from partly paid-up to fully paid up shares during the quarter ending September 30, 2021. The Company has again issued a Final Demand cum Forfeiture Notice - Reminder 2 dated December 15, 2021 seeking payment of First and Final Call Money to the holders of 91,020 partly paid-up Equity Shares. The Company has converted 40,155 equity shares from partly paid up to fully paid up shares during the quarter ending March 31, 2022.

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.

**10 Preferential Issue:**

During the quarter ended September 30, 2021, the Company has allotted 1,64,75,961 equity shares to investors not belonging to the promoter or promoter group of the Company and 18,30,663 equity shares to promoters of the Company, on a preferential basis at a price of Rs. 218.50 per equity share (including a premium of Rs. 214.50 per equity share) on receipt of the consideration.

**11 During the year ended March 31, 2021, Arvind Lifestyle Brands Limited (ALBL), a wholly owned subsidiary of the Company has decided to discontinue Brands like GAP, Hanes, New Port, The Childrens Place and Ruf & Tuf.**

During the quarter ending September 30, 2021, ALBL has entered into definitive agreements for strategic sale of assets of the Unlimited Retail Business, consisting of fixed assets, lease deposits, identified inventory and other current assets of Unlimited Retail stores and warehouse, along with Unlimited brand to V-Mart at its book value of Rs. 175.19 Crores.

Accordingly, the activities of the above brands and the Unlimited Retail business 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 reclassified to give effect to the presentation requirements of Ind AS 105: Non-current Assets Held for Sale and Discontinued Operations.

**12 The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contribution by the Group towards Provident Fund, Gratuity and ESIC. The Code has 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.**

**13 The figures for the quarter ended March 31, 2022 and March 31, 2021 are the balancing figures between the audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the respective financial years which were subjected to limited review by the statutory auditors.**

**14 The above financial results have been presented in accordance with the amended Division II of Schedule III to the Companies Act, 2013. Previous period's figures have been regrouped /rearranged wherever necessary, to comply with the amended Division II of Schedule III.**

Bengaluru  
May 27, 2022



For Arvind Fashions Limited

*Shailesh Chaturvedi*

**Shailesh Chaturvedi**  
Managing Director & CEO  
DIN:03023079

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## PRESS RELEASE

### **Arvind Fashions reports a strong operational performance in Q4 FY22;**

### **Posts sales growth of 34% (Y-o-Y) and 59% (vs. pre-Covid)**

**Bengaluru, Feb 11, 2022:** Arvind Fashions Limited (AFL), India's leading casual and denim player, has declared its financial results for the fourth quarter and the fiscal year ended March 31, 2022.

#### **Key Highlights for Q4 FY22**

- Q4 FY22 revenues grew by 34% to Rs. 917 Crs compared to Q4 FY21. This was led by a strong bounce back in demand and strong footfalls, reflected in 20% LTL growth in Feb-Mar'22 after the impact of Covid 3<sup>rd</sup> wave in Jan'22. It was further aided by growth in other channels including online and department stores. Revenue growth was 59%, compared to pre-COVID levels (Q4 FY20)
- Power brands revenues grew by 32% with USPA and Tommy Hilfiger continuing to clock double-digit EBITDA margins (pre-IndAS)
- Robust sales growth resulted in an EBITDA of Rs. 94 Crs; growth of 36% Y-o-Y (adjusted for rent concessions in Q4 FY21)
- Online channel achieved the significant milestone of ~1000 Crs in revenues in FY22; profitably grew by 20%+ in Q4 and 50%+ for the full year
- Net debt stood at ~Rs. 400 Crs; lower by >50% compared to Mar'21

Commenting on the performance of the company, **Mr. Shailesh Chaturvedi, MD & CEO** said "FY22 has indeed been an important year for the company having achieved various milestones with refreshed brand identities, sharp retail execution, significant expansion of our store network backed by omni-capabilities, leadership in the online channel with 1000 Crs revenues and a stronger balance sheet. Performance in H2 FY22 with revenues of 1925 Crs and EBITDA of 200 Crs reflects great affinity of our brands amongst the consumers and resilience of business model to overcome the initial impact of the Covid 3<sup>rd</sup> wave in Jan'22. This momentum sets us up strongly for FY23 to capture the large opportunities in branded & apparel industry, thereby delivering accelerated profitable growth going ahead"

#### **Consolidated Financial Performance Summary**

Rs. Crore	Q4 FY22	Q4 FY21	Y-o-Y Growth	H2 FY22	H2 FY21	H-o-H Growth
Revenues	917	685	34%	1925	1458	34%
EBITDA	94	89	6%	200	154	30%
PBT	10	(14)	-	32	(43)	-
PAT	1	(45)	-	7	(86)	-

\*Continuing operations

#### **About AFL**

Arvind Fashions Ltd is India's no. 1 casual and denim player, a lifestyle powerhouse with a strong portfolio of fashion brands catering to consumers across the sub-categories and price points. With a host of renowned brands, both international and indigenous, like US Polo Assn., Arrow, Tommy Hilfiger, Calvin Klein, Flying Machine and Sephora, it has presence across lifestyle brands and prestige beauty.



**For more information, please contact:**

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**Disclaimer:**

*This document by Arvind Fashions Limited ('the Company') contains forward-looking statements that represent our beliefs, projections and predictions about future events or our future performance. These forward-looking statements are necessarily subjective and involve known and unknown risks, uncertainties and other important factors that could cause our actual results performance to differ materially from any future results or performance described in or implied by such statements. The forward-looking statements contained herein include statements about the Company's business prospects, its ability to attract customers, its expectation for revenue generation and its outlook. These statements are subject to the general risks inherent in the Company's business. These expectations may or may not be realized. Some of these expectations may be based upon assumptions or judgments that prove to be incorrect. In addition, the Company's business and operations involve numerous risks and uncertainties, many of which are beyond the control of the Company, which could result in the Company's expectations not being realized or otherwise materially affect the financial condition, results of operations and cash flows of the Company. The forward-looking statements are made only as of the date hereof, and the Company does not undertake any obligation to (and expressly disclaims any obligation to) update any forward-looking statements to reflect events or circumstances after the date such statements were made, or to reflect the occurrence of unanticipated events.*



# Arvind Fashions Limited

Q4 FY22 Results Presentation

*May 2022*

## Disclaimer

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# Agenda

Q4 and FY22 Performance Highlights .....



Q4 and FY22 Results with IndAS .....



Way Forward .....





# FY22 Priorities - What we had set out for ourselves at the start of the year

	Targets		Achievement
1. Portfolio Rationalisation	<ul style="list-style-type: none"> <li>Absolute focus on our high conviction brands</li> <li>Exit of loss making and marginal brands; financial impact to complete within H1 FY22</li> </ul>		<ul style="list-style-type: none"> <li>Robust operational performance with 30%+ sales growth in H2 FY22 despite Covid impact</li> <li>Discontinued brands exit completed; no losses post H1 FY22. EBITDA growth of 30% in H2 to Rs. 200 Crs</li> </ul>
2. Working Capital Optimization	<ul style="list-style-type: none"> <li>Efficient working capital management and significantly improved inventory turns</li> <li>Flexibility in the supply chain to react quickly to changes in demand</li> </ul>		<ul style="list-style-type: none"> <li>Tighter inventory controls with 4x inventory turns (based on H2 revenues); highest in recent history</li> <li>Improved inventory freshness along with sharper retail execution led to better gross margins, industry leading LTL growth and full price sell-thru's</li> </ul>
3. Leadership in online channel	<ul style="list-style-type: none"> <li>Building omni-channel capabilities</li> <li>Significant scaling up of online business</li> </ul>		<ul style="list-style-type: none"> <li>800+ omni-enabled stores</li> <li>Online became ~1000 Crs profitable revenue channel</li> </ul>



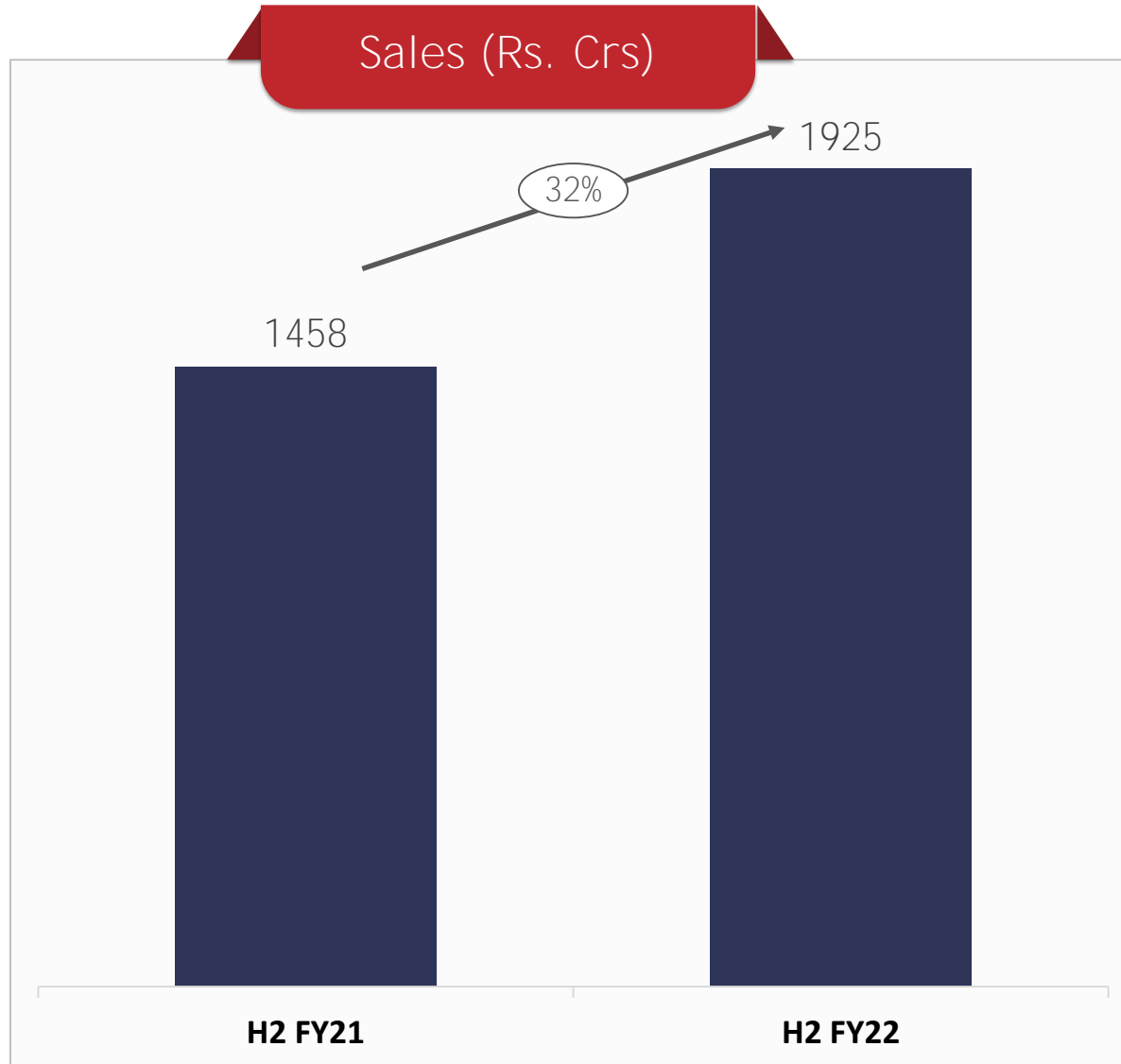
## FY22 Priorities - What we had set out for ourselves at the start of the year

	Targets		Achievement
4. Re-capitalisation of the business & de-leveraging	<ul style="list-style-type: none"> <li>Reduction in debt to ~600 Crs by year-end</li> <li>Adequately capitalizing balance sheet to fund growth</li> </ul>		<ul style="list-style-type: none"> <li><b>Net debt at &lt;400 Crs as of Mar'22</b></li> <li>Significant strengthening of balance sheet through equity raise and cash flow; cash profit of ~Rs. 75 Crs in H2</li> </ul>
5. Under performing brands - Turnaround or Exit	<ul style="list-style-type: none"> <li>Make Arrow a more desirable &amp; updated brand with product refresh, new retail identity etc.</li> <li><b>Strategic solution to 'Unlimited'</b></li> </ul>		<ul style="list-style-type: none"> <li>Structural turnaround of Arrow completed; marginal impact on account of 3<sup>rd</sup> Covid wave</li> <li><b>Sold 'Unlimited' retail business to V-Mart Retail</b></li> </ul>
6. Bolder and better AFL 2.0	<ul style="list-style-type: none"> <li>Become PAT positive in FY23</li> <li>New capabilities</li> <li>Transformational projects</li> <li>Stronger team and talent</li> </ul>		<ul style="list-style-type: none"> <li>Achieved PAT positive milestone in H2 FY22</li> <li>Evolution of central sales structure</li> <li>Supply chain, inventory turns, cost control</li> <li>Built highly experienced management team</li> </ul>



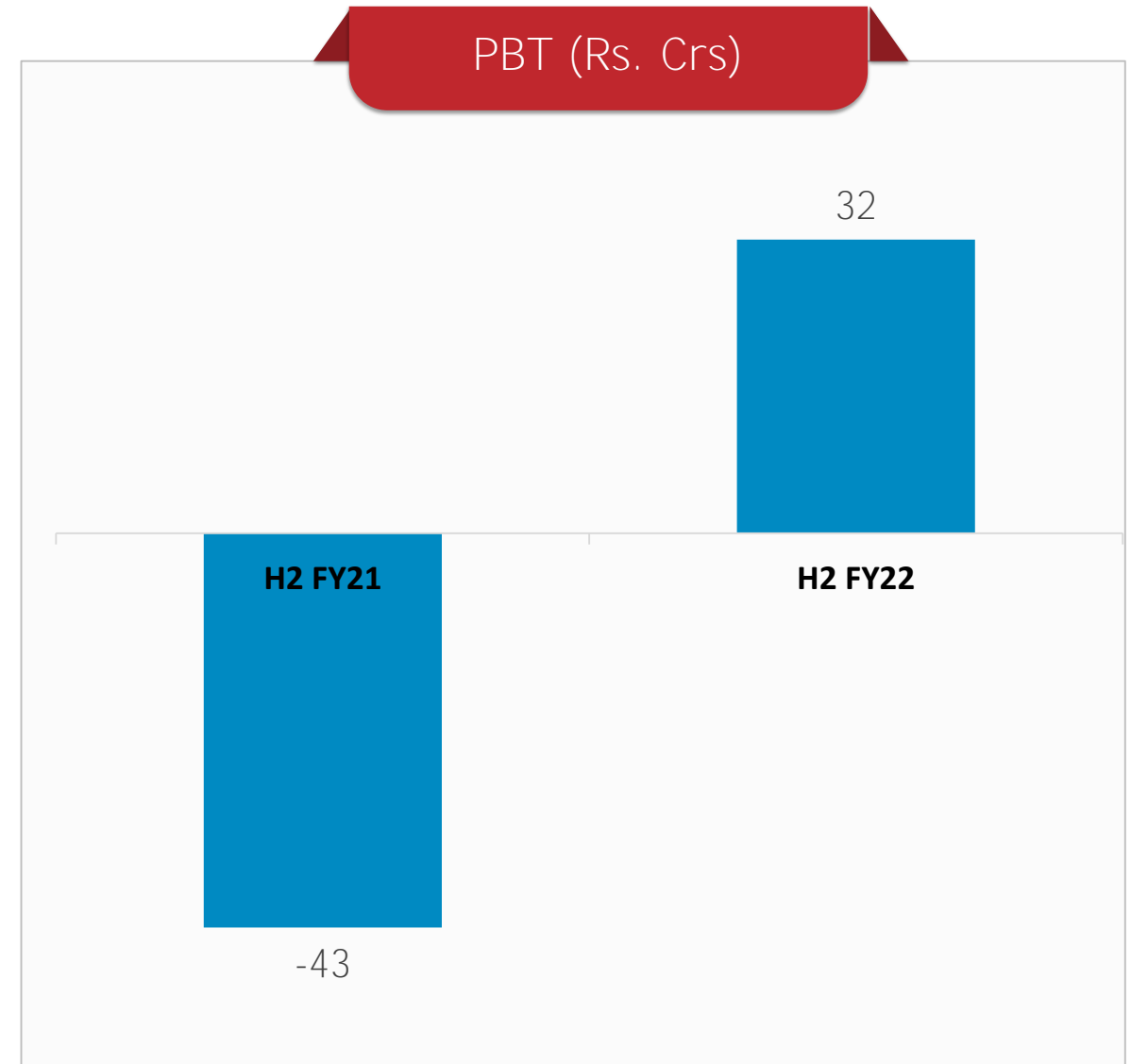
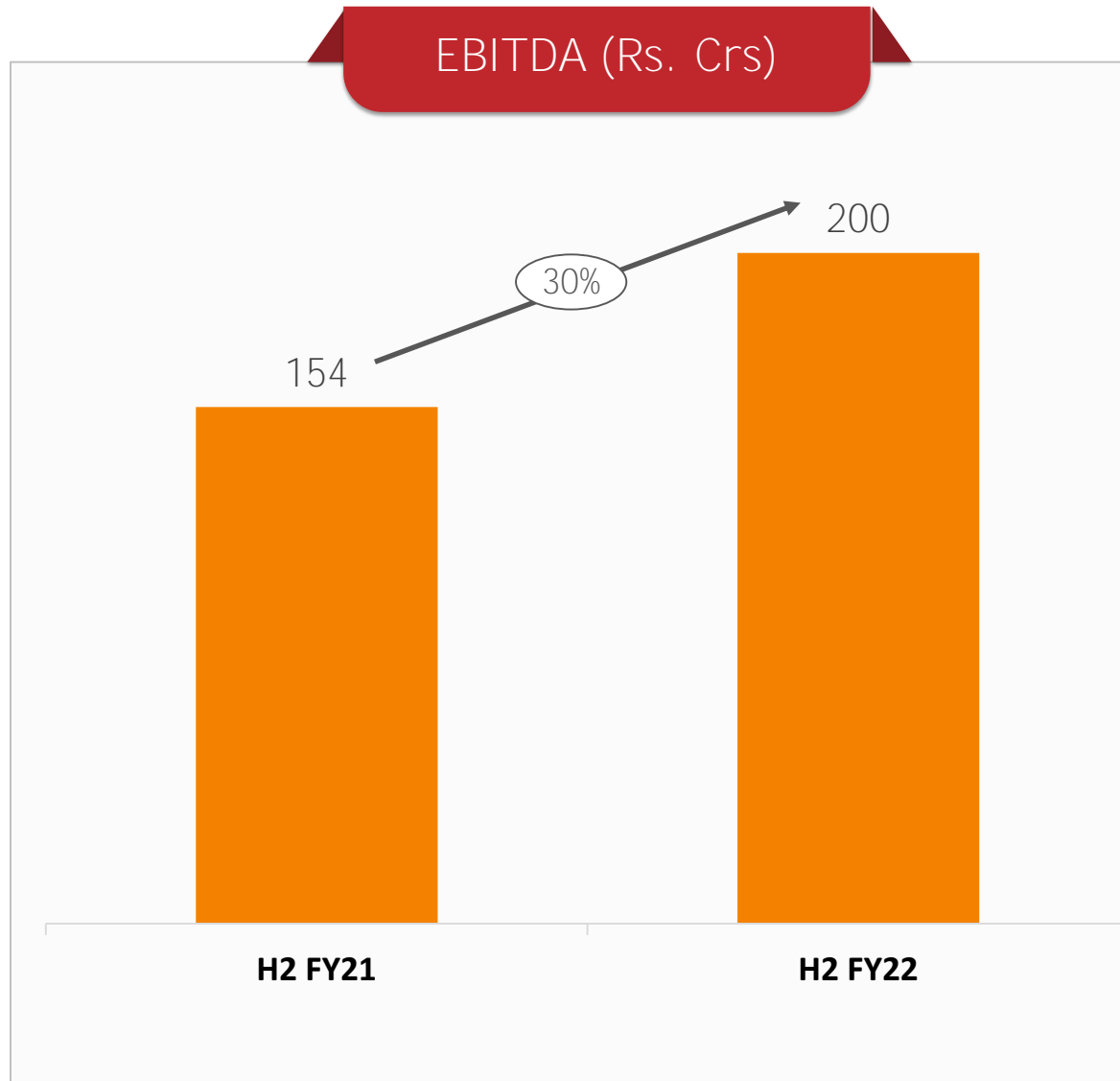


## Strong financial performance in H2 FY22 despite Covid 3<sup>rd</sup> wave impact



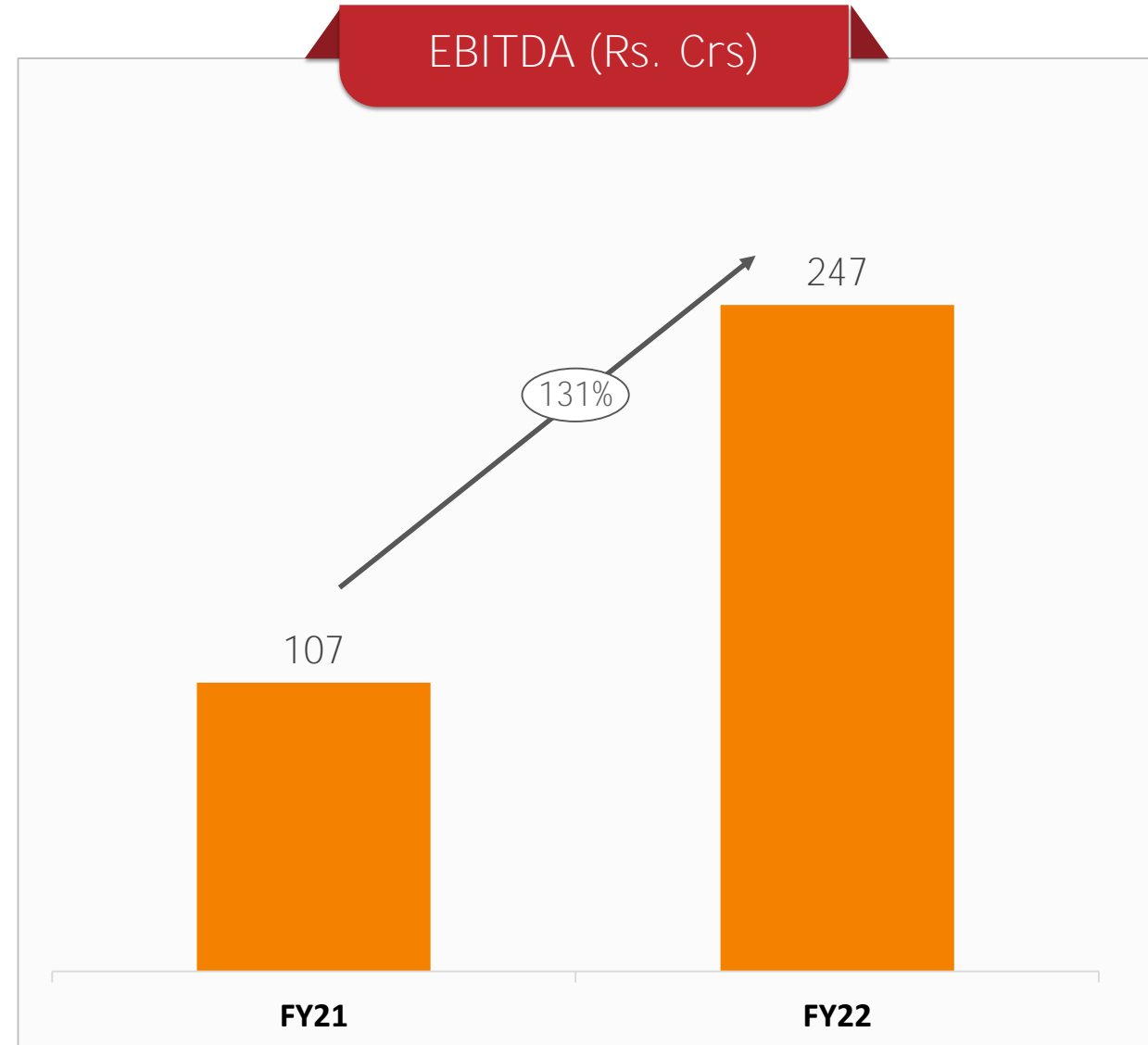
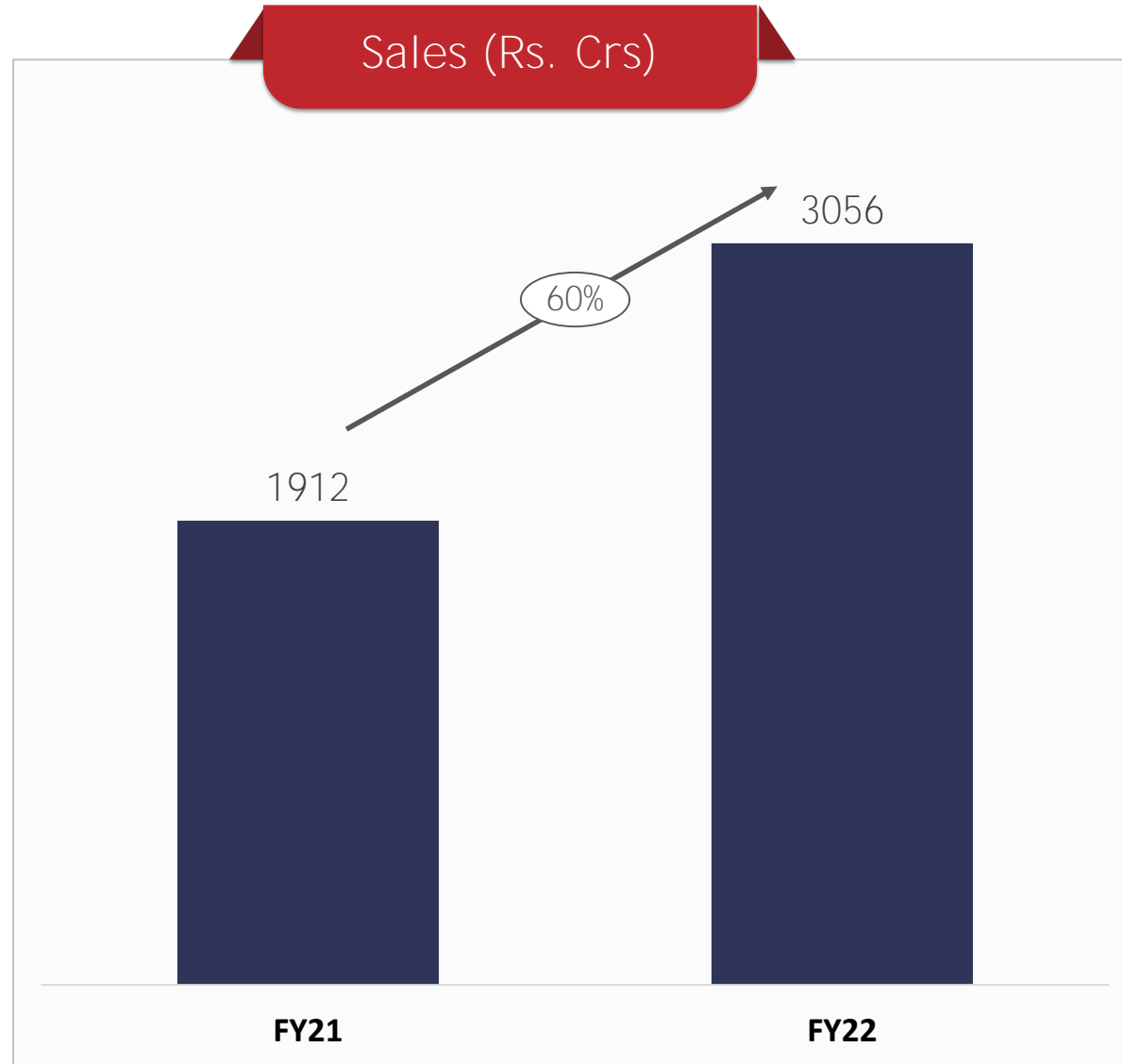
- Significant focus on core brands along with fresh brand retail identities drove higher like-to-like growth
- Strong multi-channel play
- Aggressive retail expansion across brands with addition of 150+ stores in FY22

Leading to significant improvement in all operational parameters





Gross margin improvement of 180 bps to 45.3% leading to improvement in profitability

Posts strong FY22 performance after setback due to pandemic



Revenues crossed pre-Covid levels with sharp turnaround in profitability

## H2 FY22 - Groupwise Performance



	Sales (Rs. Crs)				EBITDA (Rs. Crs)	
	H2 FY22	H2 FY21	% Growth	% Growth vs H2 FY20	H2 FY22	H2 FY21
 Power Brands	1538	1201	28%	34%	180	150
 Emerging Brands	386	257	50%	36%	20	4
<hr/>						
Total	1925	1458	32%	34%	200	154

Note:

Power Brands - US Polo Assn., Tommy Hilfiger, Flying Machine and Arrow

Emerging Brands - Calvin Klein, Sephora, Ed Hardy, Aeropostale and Others

## FY22 - Groupwise Performance

	Sales (Rs. Crs)				EBITDA (Rs. Crs)	
	FY22	FY21	% Growth	% Recovery vs FY20	FY22	FY21
 Power Brands	2475	1529	62%	104%	236	116
 Emerging Brands	581	384	51%	100%	12	(9)
<hr/>						
Total	3056	1912	60%	103%	247	107

Note:

Power Brands - US Polo Assn., Tommy Hilfiger, Flying Machine and Arrow

Emerging Brands - Calvin Klein, Sephora, Ed Hardy, Aeropostale and Others

## Strong working capital controls yielding better inventory turns and cash flow

	Figures in Rs Crs.			
	Mar'22	Mar'21	Change	Dec'21
Inventory	965	900	65	985
Receivables	572	626	(54)	522
<hr/>				
GWC	1537	1525	11	1506
Payables	1048	918	130	1088
NWC	489	607	(118)	418

- Sharp working capital management through quick actions to largely offset Covid-led impact

# Q4 FY22 Highlights



## Q4 FY22 Business Highlights



### Strong revenue performance

- 34% sales growth Y-o-Y; 59% growth (vs. pre-COVID)
- Recovered **strongly in March'22** posting LTL growth of 20% in Feb-Mar'22 and 15% in Q4; despite impact of Covid 3<sup>rd</sup> wave



### Power Brands

- Continued double-digit EBITDA margin (pre-IndAS) trajectory in USPA & Tommy Hilfiger



### Profitability

- 36%\* growth in EBITDA to Rs. 94 crores; despite normalization of costs & Covid impact in Jan
- Better full price sell-thru's and lower discounts
- Positive cash flow from operations



### Channel-wise

- 45%+ overall growth in retail **channel in Mar'22; momentum** continued thereafter
- 4.6x growth in online channel (vs pre-COVID); 20%+ Y-o-Y growth
- Strong bounce back in department stores; sales growth of >2.2x



### Working capital management

- Tighter inventory control despite seasonal build-up
- Strong focus on inventory turns; delivered 4x turns (based on H2) despite sales impact due to Covid



### Leaner balance sheet

- ~Rs. 400 crores net debt; reduction of **>50% compared to Mar'21**
- Debt Equity ratio at 0.67x compared to **1.81x in Mar'21**

\* Adjusted for rent concessions received in base quarter (Q4 FY21)



USPA : Opened the largest store with new retail identity in South market



**U.S. POLO ASSN.**  
SINCE 1890



## Q4 FY22 - Groupwise Performance

	Sales (Rs. Crs)				EBITDA (Rs. Crs)	
	Q4 FY22	Q4 FY21	% Growth	% Growth vs Q4 FY20	Q4 FY22	Q4 FY21
 Power Brands	732	555	32%	50%	87	85
 Emerging Brands	185	129	43%	75%	7	4
<hr/>						
Total	917	685	34%	54%	94	89

Note:

Power Brands - US Polo Assn., Tommy Hilfiger, Flying Machine and Arrow

Emerging Brands - Calvin Klein, Sephora, Ed Hardy, Aeropostale and Others



# Agenda

Q4 and FY22 Performance Highlights .....



Q4 and FY22 Results with IndAS .....



Way Forward .....



# Q4 FY22 - Performance Snapshot



	Reported (Rs Crs.)		
	Q4 FY22	Q4 FY21	% growth
Revenue from Operations	917	685	34%
Other Income	21	21	(2%)
Total Income	938	706	32%
EBITDA*	91	67	36%
Reported EBITDA	94	89	6%
Finance Costs	23	41	(44%)
Depreciation and amortisation	61	62	(1%)
PBT from continuing operations	10	(14)	-
Discontinued operations	-	(58)	-
PAT	1	(103)	-

\* Adjusted for rent concessions included in other income

# FY22 - Performance Snapshot



	Reported (Rs Crs.)		
	FY22	FY21	% growth
Revenue from Operations	3056	1912	60%
Other Income	65	109	(39%)
Total Income	3122	2021	54%
EBITDA	247	107	131%
Finance Costs	124	180	(31%)
Depreciation and amortisation	233	238	(2%)
Exceptional items	-	(45)	-
PBT from continuing operations	(104)	(398)	-
Discontinued operations	(133)	(198)	-
PAT	(267)	(580)	-

## Balance Sheet

Particulars (Rs Cr.)	Mar'22	Mar'21
Net Worth*	996	734
Borrowings	502	903
Capital Employed	1498	1637
Inventory	965	900
Receivables	572	626
Creditors	1048	918
Net Working Capital	489	608
Net Fixed Asset	273	381
Discontinued Operations Assets	5	81
Other Assets	731	567
Capital Employed	1498	1637

\* Includes Compulsorily Convertible Preference Shares issued by AYBPL and sold to FK, presented in the books as financial liability



# Agenda

Q4 and FY22 Performance Highlights .....



Q4 and FY22 Results with IndAS .....



Way Forward .....





# Way forward

## FY23 Priorities

- Strong revenue growth coupled with improvement in profitability & ROCE
- Significant scaling up of adjacencies across brands - footwear, kidswear, innerwear and **women's** wear
- Acceleration in store network expansion across brands & markets by opening 200+ stores
- Investments to maintain digital channel leadership and focusing on omni and D2C
- Continued focus on de-leveraging & driving higher inventory turns leading to improved cash flow

## Short term

- Growth momentum to continue after strong bounce back in **Mar'22**; witnessing similar trend in Apr-**May'22**
- Profitability improvement through various levers including gross margin, better sell-**thru's** etc.
- Increase in raw material costs & inflation remains a key challenge; being managed through pricing power in focus brands and efficiencies of lower discounting and economies of scale to improve margins



Thank You

# ARVIND FASHIONS LIMITED

A MEMBER OF THE LALBHAI GROUP

Corporate Office : Du Parc Trinty, 8<sup>th</sup> Floor, 17, M.G. Road, Bengaluru - 560 001  
Tel : 91-80-4155 0601, Fax : 91-80-41550651  
Website: <http://www.arvindfashions.com>

## Annexure-1

### Details required under Regulation 30 of the SEBI LODR Regulation

Particulars	Ms. Lipi Jha
Reason for change viz. appointment, resignation, removal, death otherwise	Appointment
Date of appointment / cessation (as applicable)	Appointment with effect from May 27, 2022.
Brief Profile (in case of appointment)	Ms. Lipi Jha, is a Qualified Company Secretary and a Commerce graduate working within the Arvind group and its joint venture since 2007. She has contributed her expertise towards various projects of company and majorly in Secretarial & Legal field.
Disclosure of relationships between director (in case of appointment of a director)	Not applicable.

For Arvind Fashions Limited

  
Lipi Jha  
Company Secretary



ARVIND FASHIONS

Regd Office : Arvind Limited Premises, Naroda Road, Ahmedabad - 380 025.  
CIN : L52399GJ2016PLC085595