

February 4, 2021

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

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

Security Code : 500 101

Security ID : ARVIND

Symbol : ARVIND

Dear Sir / Madam,

**Sub: Outcome of the Meeting of the Board of Directors held on 4<sup>th</sup> February 2021**

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

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

1. Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended 31<sup>st</sup> December 2020 approved by the Board of Directors of the Company at their meeting held today along with Limited Review Reports by the Deloitte Haskins & Sells LLP, Statutory Auditors of the Company, for the said quarter.
2. A copy of the press release being issued by the Company in respect of unaudited financial results for the quarter ended 31<sup>st</sup> December 2020.
3. Investor Presentation issued in this regard.

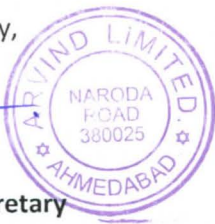
The meeting of the Board of Directors of the Company commenced at 11:15 a.m. and concluded at 12:45 p.m.

You are requested to bring this to the notice of all concerned.

Thanking You,

Yours faithfully,

  
**R.V. Bhimani**  
Company Secretary



Encl: As above



# Investor Review Note

4<sup>th</sup> February 2021 | Ahmedabad

## Safe harbour statement

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

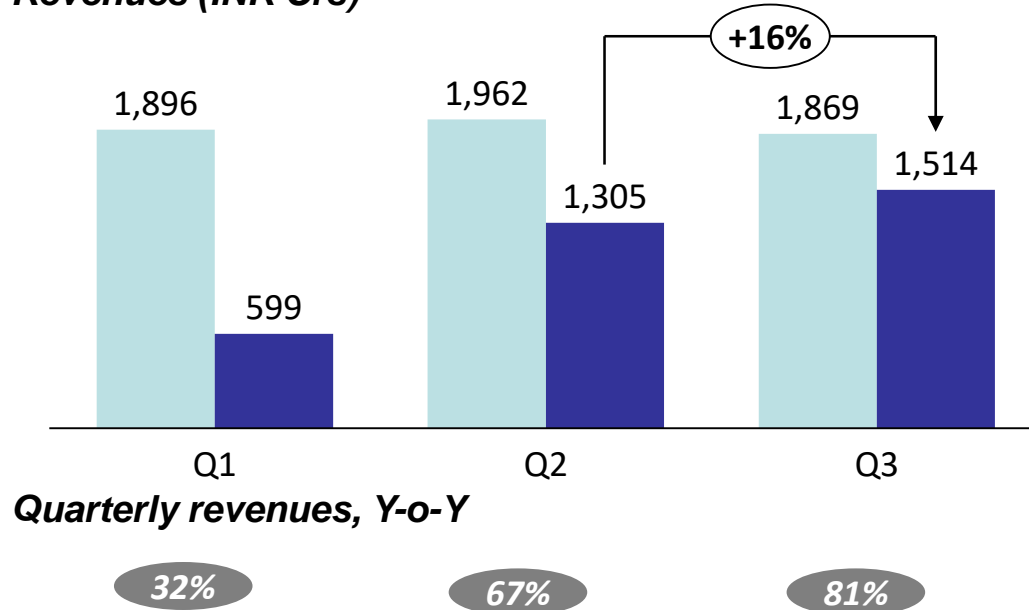
# Q3 FY2021 Executive Summary: sequential improvement continues; overall business back to 80+% of Q3 FY20

	<i>INR Crs</i>	Q3 FY2021 (YoY)	Vs Q2	Remarks
Revenues		1514 (-19%)	+16%	
Textiles		1220 (-23%)	+20%	Sequentially volume recovery continuing
Advanced Materials		189 (2%)	+2%	Robust demand across all AMD businesses
Others*		116 (-20%)	+2%	
EBITDA margin		10.7% vs 9.9%	vs 9.4%	
Textiles		12.4% vs 12.7%	vs 11.6%	Margins back to FY20 levels
Advanced Materials		14.6% vs 13.3%	vs 15.1%	Robust margins as planned
Others*		-2.2% vs 1.9%	vs -5.1%	
Net Debt (31 <sup>st</sup> Dec 2020)		2082 vs 2279 (Sep'20), 2701 (Jun'20) and 2371 (Mar'20)		Debt reduction higher than planned

\*Others includes our Effluent Treatment projects business which started to show post-Covid traction in Q3

## Q3 revenues recovered to 81% of previous year; margins almost fully recovered

### Revenues (INR Crs)



- Overall revenues rose 16% on a sequential basis, and reached 81% of previous year
  - Textile revenues were +20% vs Q2
- Overall EBITDA margin surpassed previous year levels,
  - Textiles margins were back to ~12.5% levels

### EBITDA margin (%)

Inr Cr	Q1	Q2	Q3
FY20	8.1%	10.0%	9.9%
FY21	-4.8%	9.4%	10.7%

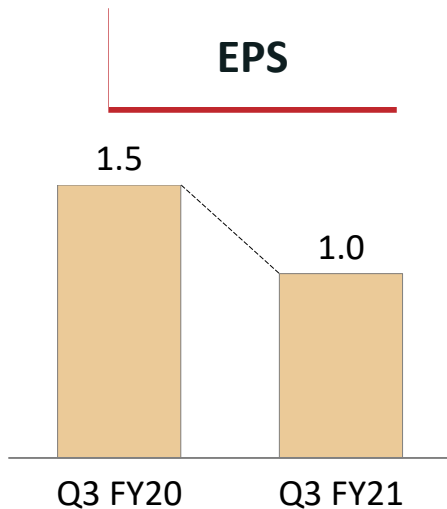
## Q3 FY21 Consolidated P&L

<i>All figures in INR Crs</i>	Q3 FY21	Q3 FY20	YoY Change
<b>Revenues from Operations</b>	<b>1,514</b>	<b>1,869</b>	<b>-19%</b>
<b>EBIDTA</b>	<b>162</b>	<b>185</b>	<b>-13%</b>
<b>Profit Before Tax</b>	<b>48</b>	<b>64</b>	<b>-24%</b>
<b>Profit After Tax</b>	<b>25</b>	<b>38</b>	
<b>Less : Exceptional Item</b>	<b>0</b>	<b>2</b>	
<b>Net Profit</b>	<b>25</b>	<b>36</b>	

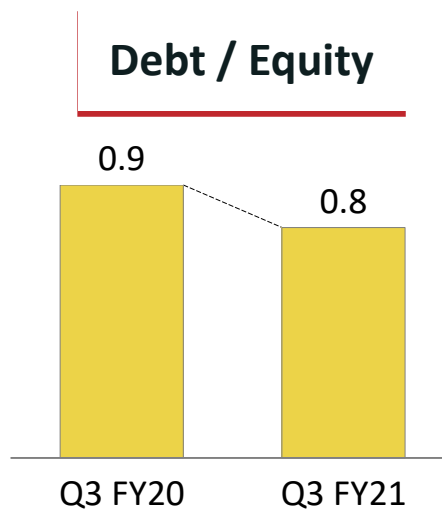
*EBIDTA for FY20 is after writing off Rs. 34 cr of MEIS due to retrospective withdrawal by the Central government*

## Key indicators – Q3 FY21 Vs Q3 FY20

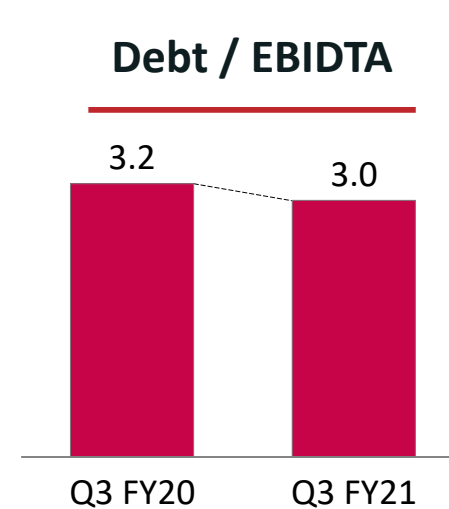
**EPS**



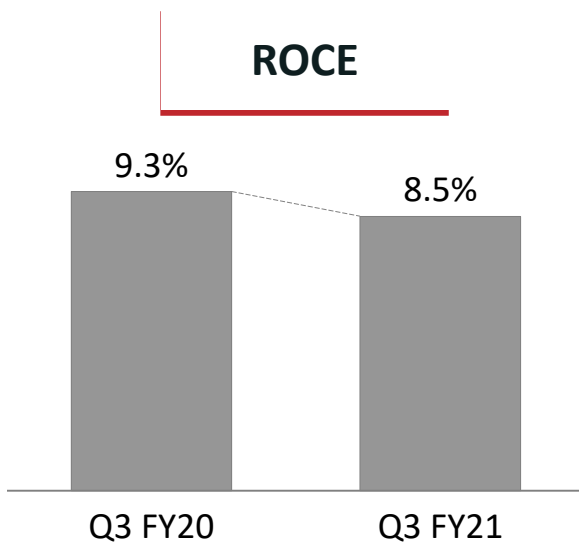
**Debt / Equity**



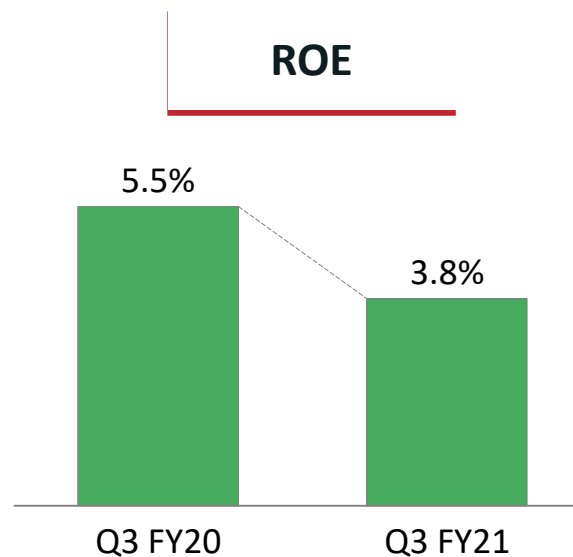
**Debt / EBIDTA**



**ROCE**



**ROE**

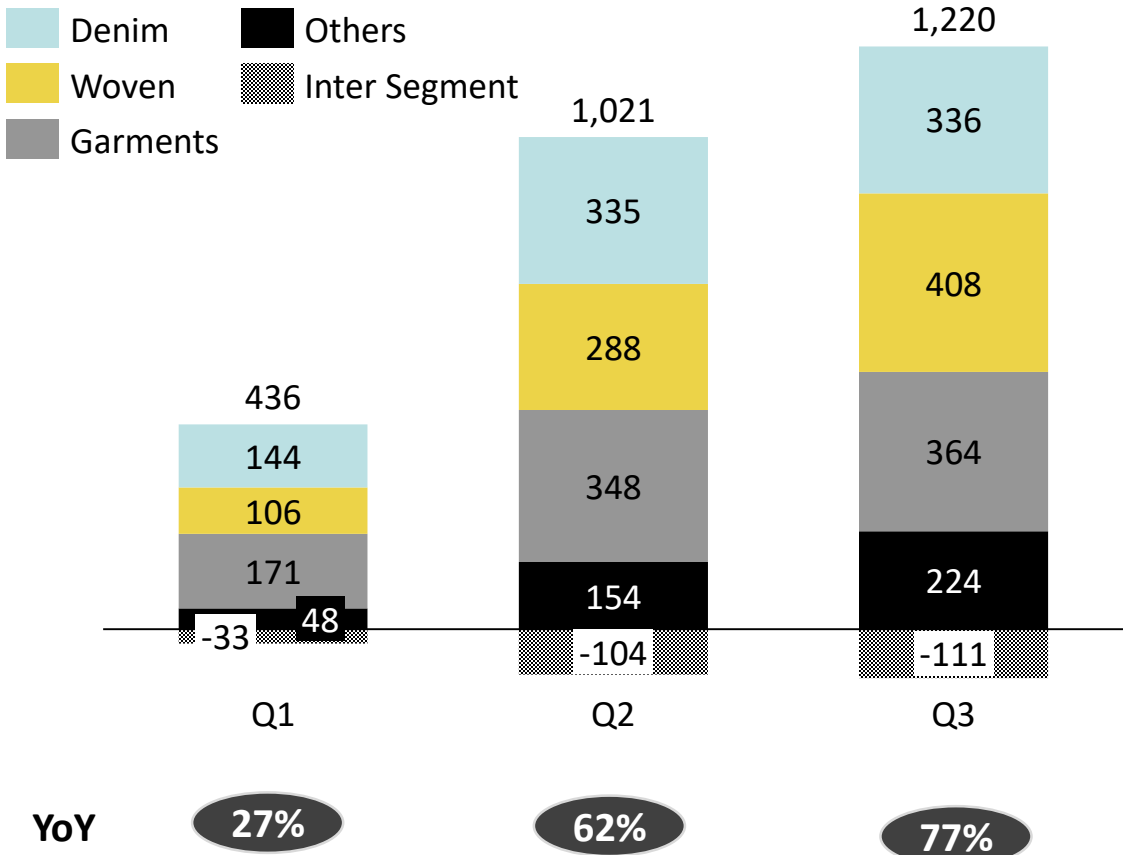


\* Net Debt is considered for Debt / EBIDTA

# Textile revenues for Q3 reached 77% of Q3 in FY20

- All components of Textiles business inched towards previous year Q3 revenues
  - Denim: 81%
  - Wovens: 66%
  - Garments: 89%
- Business mix in Wovens shifted towards lower price point products

Textile revenues (INR Crs)





## Denim volumes have recovered to 88% driven by exports; Domestic demand continued to improve across both segments

Denim volumes in Q3 were 88% of previous year

Denim	Export	Domestic	Total
Q1 (YOY)	57%	17%	34%
Q2 (YOY)	108%	54%	80%
Q3 (YOY)	103%	74%	88%
Q3 (Mn Mtrs)	10	8	18

- Average price realization: Rs 184/meter (Rs 188/m in last year)

Wovens volumes reached 77% of previous year

Woven	Export	Domestic	Total
Q1 (YOY)	28%	19%	21%
Q2 (YOY)	56%	60%	59%
Q3 (YOY)	62%	81%	77%
Q3 (Mn Mtrs)	5	22	27

- Average price realization: Rs 146/meter (Rs 167/m in last year)
- Realization remained steady in each segment as volumes skewed towards lower value products

## Garment volumes reached 90% of previous year volumes for second quarter

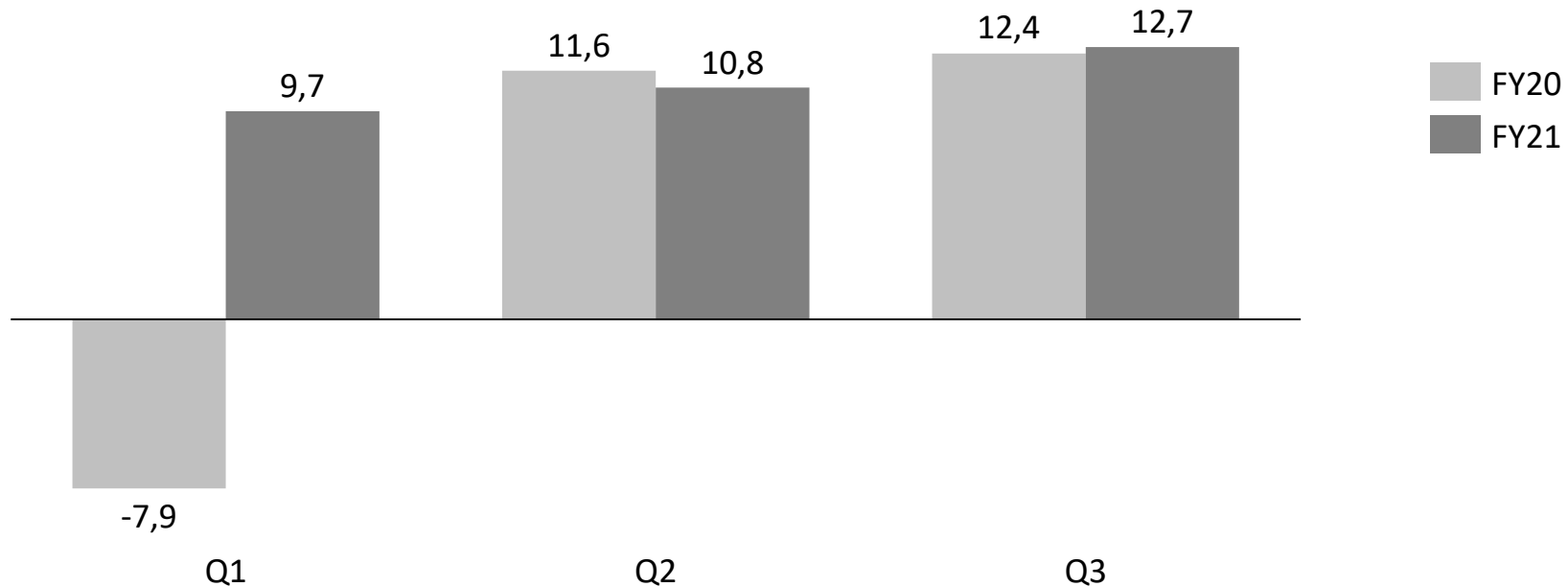
	Q1	Q2	Q3
<b>FY21</b>	3.73	8.37	9.58
<b>FY20</b>	9.91	10.30	10.62
<b>% YOY</b>	38%	81%	90%

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

\* Excludes Essentials and Suits

## EBITDA margins in Textiles have bounced back to 12+% levels

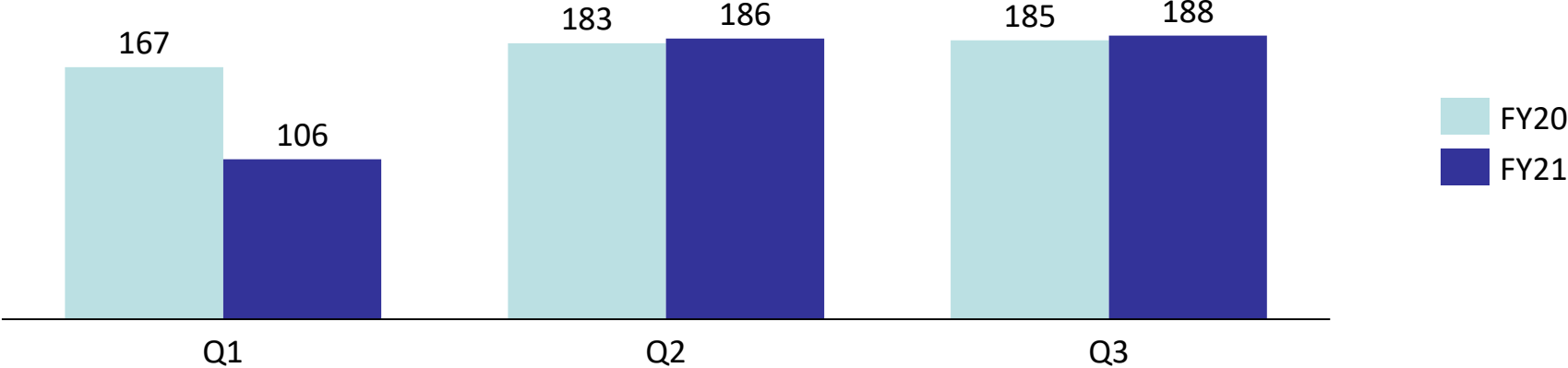
Textile EBITDA margins (%)



*Despite increased cost of cotton and other raw materials, Textiles business bounced back to 12%+ EBITDA levels – driven by proactive cost management and modest price increases*

# AMD delivered another robust performance in Q3

Revenues INR Crs



EBITDA margin



## Forward looking commentary

- Demand recovery
  - Domestic demand expected to continue its recovery momentum (esp relaxation on gathering)
  - Traction in key export markets in EU/UK/US will depend on how pandemic unfolds
- Cost push likely to keep pressure on margins, even after increased price realization
  - Cotton, yarn and other input prices likely to remain strong in coming months
    - Imposition of customer duty (11%) will keep Indian Cotton prices firm
  - Shipping costs and container availability unlikely to resolve soon
  - RoDTEP rates have not been announced
- Outlook for Q4
  - Revenues expected to sequentially improve by 12% over Q3
  - EBITDA margins in Textiles likely to be ~12.0% and AMD ~14%
  - Net Debt likely to further reduce by about 100 crores



Thank You!