



Arvind divests its stake in VF Arvind Brands

Date: 2nd November 2011

Arvind Limited announced that it has divested its minority stake of 40% in VF Arvind Brands Private Limited (VFABPL) to VF Mauritius for Rs. 257 crores.

VFABPL which is engaged in marketing products under the brands Lee and Wrangler was formed in September 2006 with 60:40 shareholding between VF Mauritius and Arvind. Arvind had invested Rs. 5.47crores in capital of the JV.

The divestment was done in terms of the joint venture agreement in which VF had right to acquire shares from Arvind at end of 5 years.

Commenting on the divestment, Mr. Jayesh Shah, Director & CFO said; "We had a rewarding association with VF. In the last financial year our share of revenue of the JV was approximately Rs. 120 crores which constituted slightly less than 3 % of our consolidated revenue. Arvind plans to utilise cash flow received from sale of the JV in reducing its debt".

Arvind is a leading player in apparel brands and retail space with 21 international and Indian brands which generate turnover of over Rs. 1200 crores this financial year and growing at over 40%. It also has a 50:50 joint venture with Tommy Hilfiger for India.

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