

The Arvind logo is rendered in a red, serif font. The letters are bold and have a classic, slightly ornate appearance. The 'A' is particularly prominent with its wide base and sharp points. The 'V' is also well-defined with a clear dip. The 'I' and 'N' are simple but consistent in style. The 'D' has a rounded top and a solid base. The overall look is professional and established.

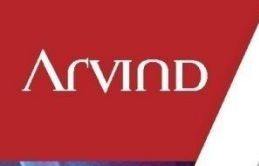
# ARVIND

Review Note  
Results – 2011-12

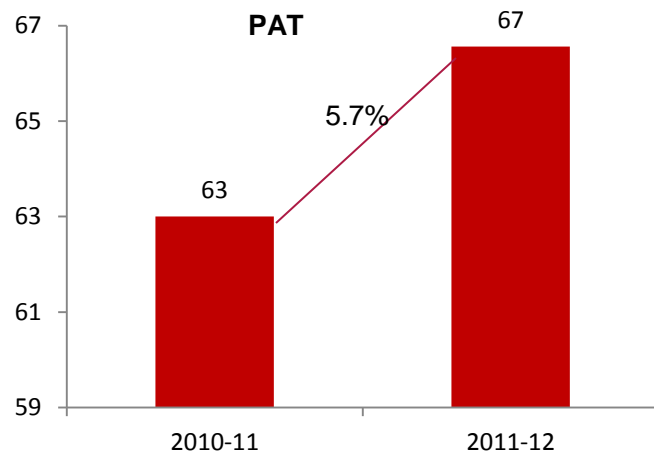
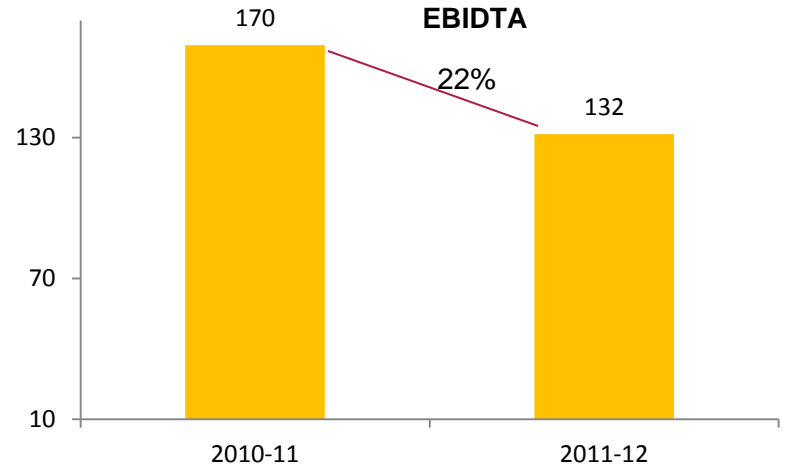
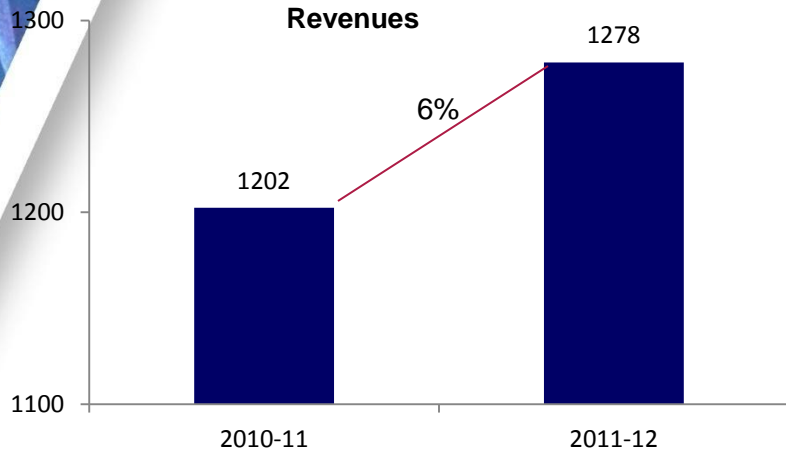
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# Financial Performance- Consolidated



# Highlights Q4 - 2011-12



# Financial Performance Q4 – 2011-12

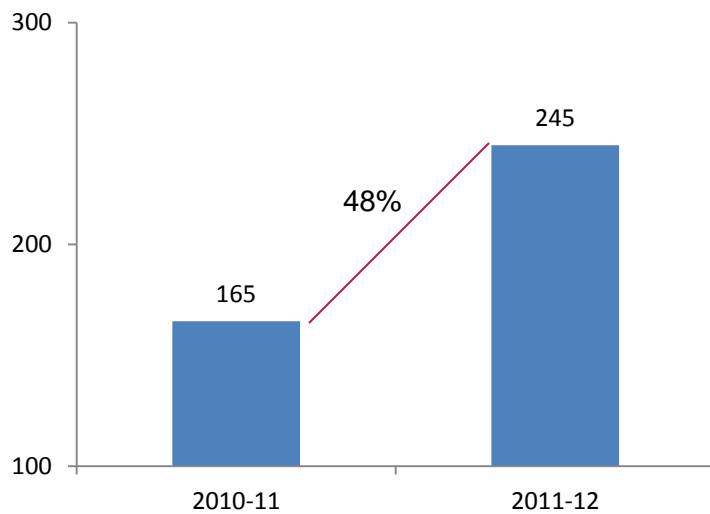
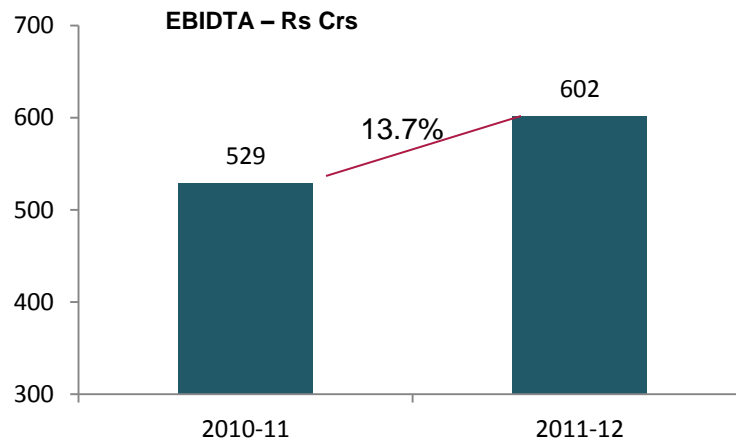
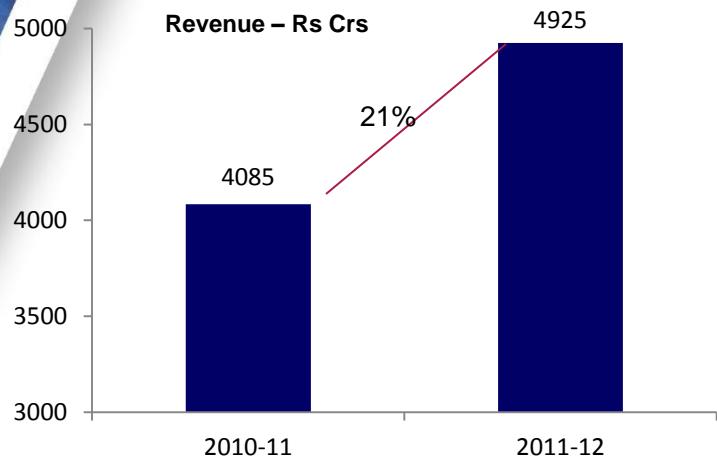
Rs crores

	Q4 Rs in Crs		Change
	2011-12	2010-11	
Revenue from operations	1278	1202	6%
RawMaterials	622	630	
Employees' Emoluments	116	109	
Others	412	378	
(Increase) / Decrease in Stoc	-4	-84	
EBIDTA	132	170	-22%
Margin	10.3%	14.1%	
Other Income	43	4	
Interest & Finance cost	66	66	
Cash Accruals	108	107	1%
Depreciation	41	40	
Profit Before Taxes	67	67	
Profit After Tax	67	64	
Net Profit	67	63	

- Revenue growth 6% as the volume in textile for Q4 in the current FY were lower compared to very buoyant Q4 of last year
- Brand & Retail business grew at 58%
- EBIDTA margin fell from 14% to 10% following
  - drop in textile margin from 15.8% to 13.4% as the company reduced its inventory valuation rates due to fall in cotton price and
  - Drop in brands & retail margin from 5.6% to 1.2% as company reduced sales prices in Q4 but sold higher cost inventory. (bought in earlier period when input costs were higher)
- Company believes that while textile margins will be restored in Q1, it will take one more quarter for brands & retail margin to get restored



# Highlights FY- 2011-12



# Financial Performance – 2011-12

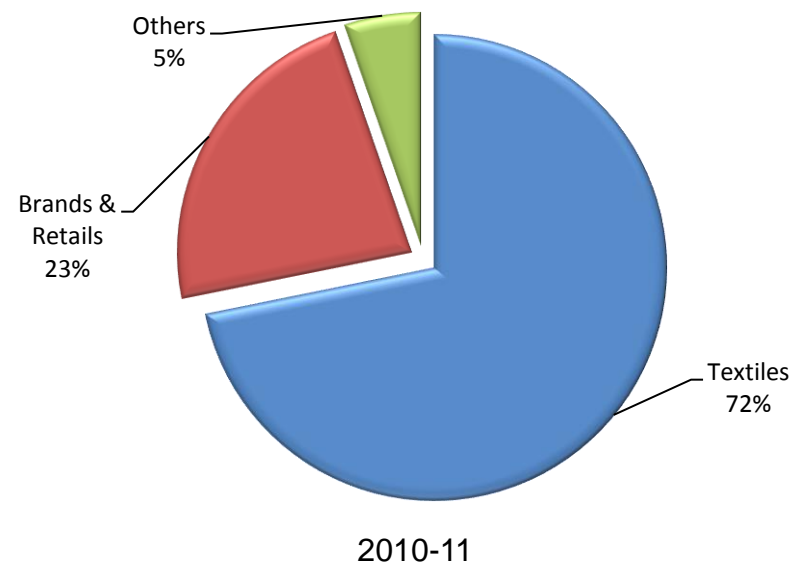
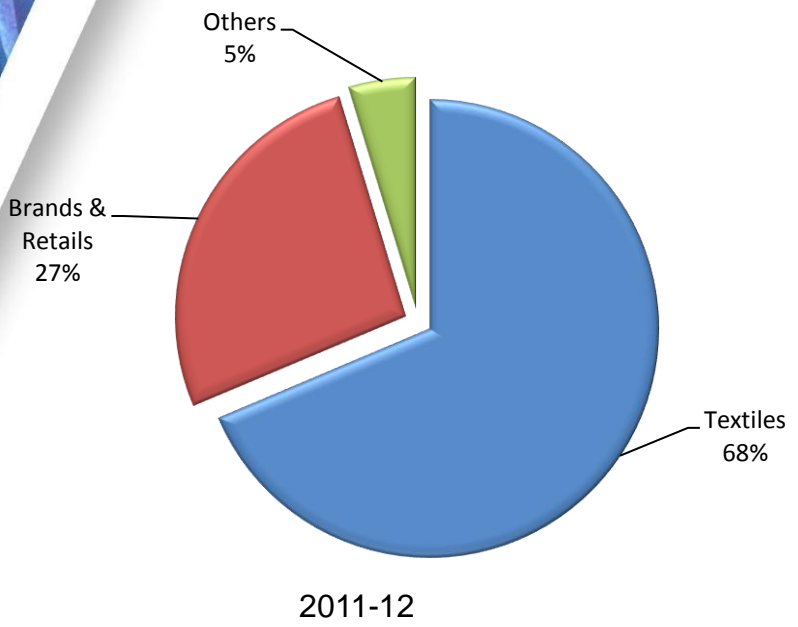
Rs crores

	Mar-31	2012	2011	Change
Revenues		4,925	4,085	21%
Raw Material Consumed		2,377	2,113	
Employees' Emoluments		451	395	
Others		1,528	1,268	
(Increase) / Decrease in Stock		-34	-221	
EBIDTA		602	529	14%
Margin		12.2%	13.0%	
Other Income		118	55	
Intrest & Finance Cost		309	236	
Cash Accruals		412	348	18%
Depreciation		161	172	
Profit Before Tax		250	176	42%
Profit After Tax		245	165	48%
Extra Ordinary Item (Net of Tax)		191	0	
Net Profit after Minority Interest		436	165	

- Revenue grew on account of 44 % growth in brands & retail business and significant increases in prices of fabrics caused by very high cotton prices
- EBIDTA margin growth @ 14% as margin in brands & retail business dropped as company reduced sales prices in Q4 but sold higher cost inventory. (bought in earlier period when input costs were higher)



# 2011-12- Revenue



Compared FY 2010-11

**Textile Business grew by 15%**

**Brands & Retail Business grew by 44%**

**Share of apparel & fabric retailing grew to 34% from 31%**

**Share of domestic revenue remained at 67%**



# 2011-12 Earnings

- EBIDTA grew by 13.7% to Rs.602 cr.

EBIDTA margin reduced by 74 basis points to 12.22% as compared to 12.96% on account of:

- Textile margin growth from 15.5% to 16.4%
  - Brands & Retail margin reduced from 7.2% to 5.1%
- 
- Profit After Tax grew to Rs. 245 crores up 48% compared to 2010-11



# Balance Sheet

Rs cr.

	As at	
	March 31, 2012	March 31, 2011
<i>Equity and Liabilities</i>		
Shareholders' funds		
Share Capital	258	254
Reserves and Surplus	1,774	1,440
Minority Interest	9	16
Non-current liabilities	855	932
Short Term Borrowings	1,175	1,069
Current liabilities	1,338	1,292
<b>Total</b>	<b>5,409</b>	<b>5,004</b>
<i>Assets</i>		
Non-current assets		
Fixed Assets	2,785	2,600
Non-current Investments	42	61
Long Term Loans and Advances	280	223
Other Non-current Assets	6	10
Current assets	2,297	2,109
<b>Total</b>	<b>5,409</b>	<b>5,004</b>

# Ratios

	2010-11	2011-12
EPS	6.50	9.48
Debt / Equity	1.31	1.03
Debt / EBIDTA	3.7	2.9
ROCE	10.6%	13.2%
ROE	8.4%	12.1%
Revenue Growth	25%	21%

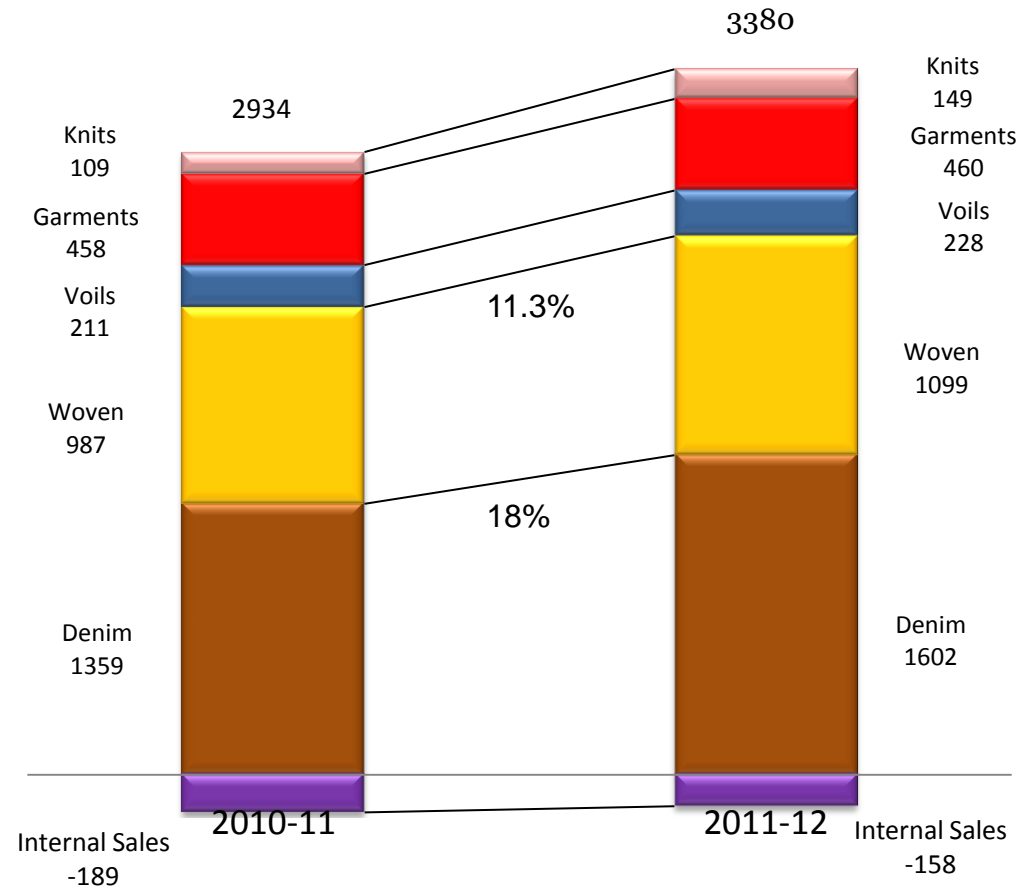
# Business Analysis



# Textiles Business- Revenue Mix

Rs crores

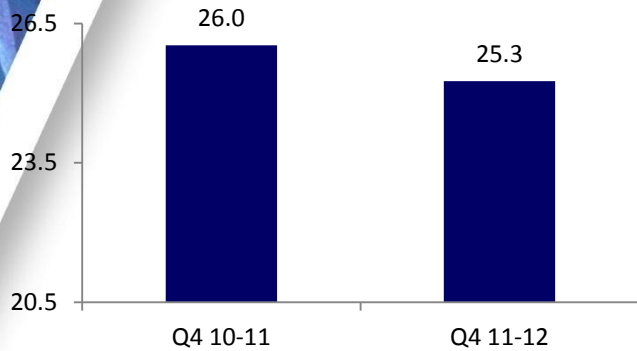
Textile revenue grew by 15% led by robust 18% growth in denim and 11.3% growth in shirting/khaki fabrics



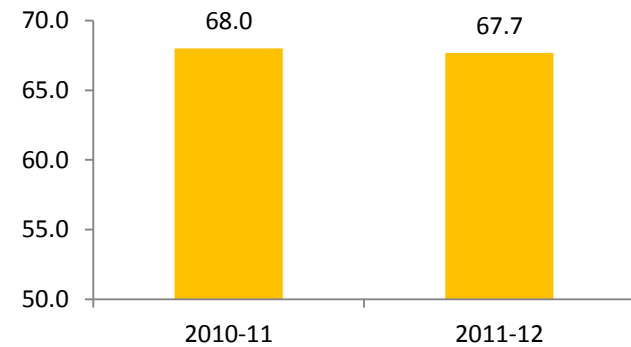
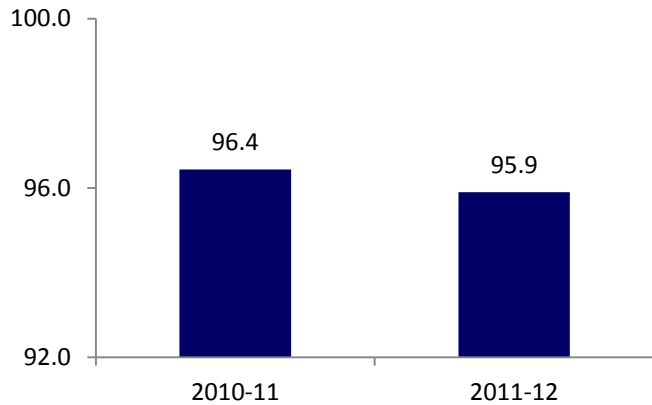
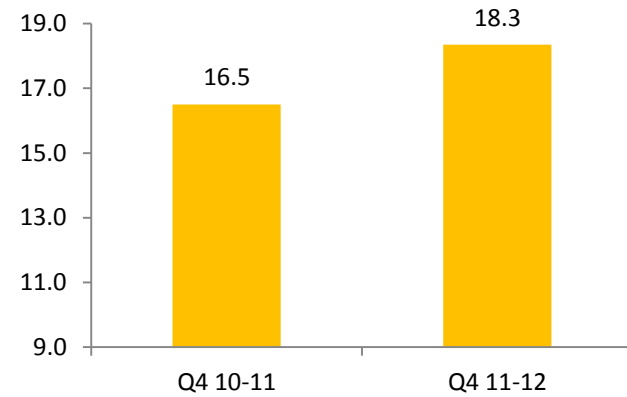


# Denim & shirting/khaki Volumes

### Denim



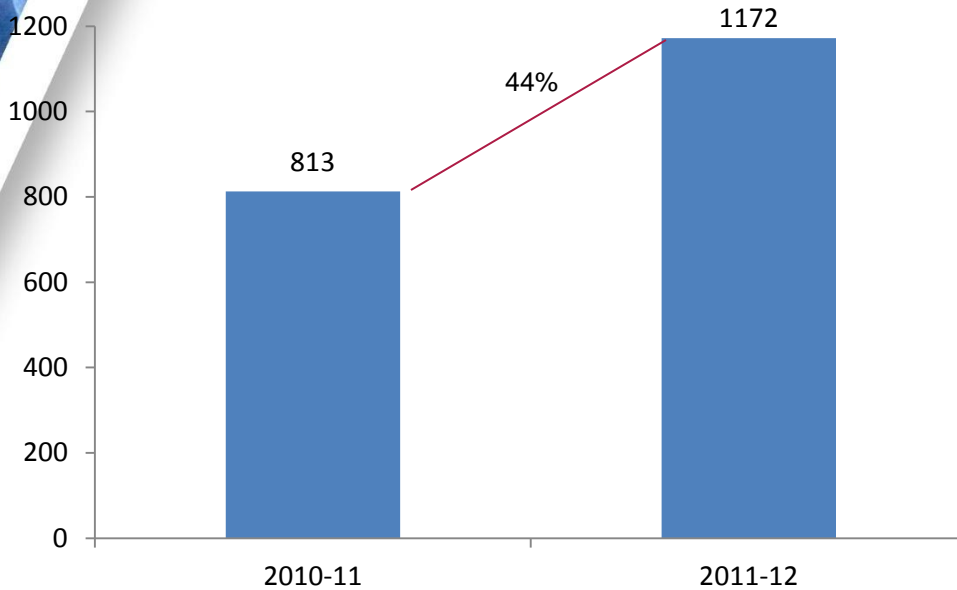
### Shirting & Khaki





# Brands & Retail Businesses- Revenue

Rs. crores



- Arvind Lifestyle brands & Arvind Retail Limited are subsidiaries operating in apparel Brands & Retail Businesses respectively
- Revenue growth achieved during the year ~44%

## Revenue Growth in current year has been exceptional

Following a 47 % revenue growth in 2010-11, the revenue grew by 44 % in the current FY

### Revenue 2011-12

	Revenue Rs Crs	% Growth
ALBL	658	59%
ARL	514	29%
<b>Total</b>	<b>1182</b>	<b>44%</b>

One of the key growth drivers was like to like growth.....

### Like to Like Growth

	% LTL
ALBL	18
ARL	6.8



## Brands & Retail Business- Distribution

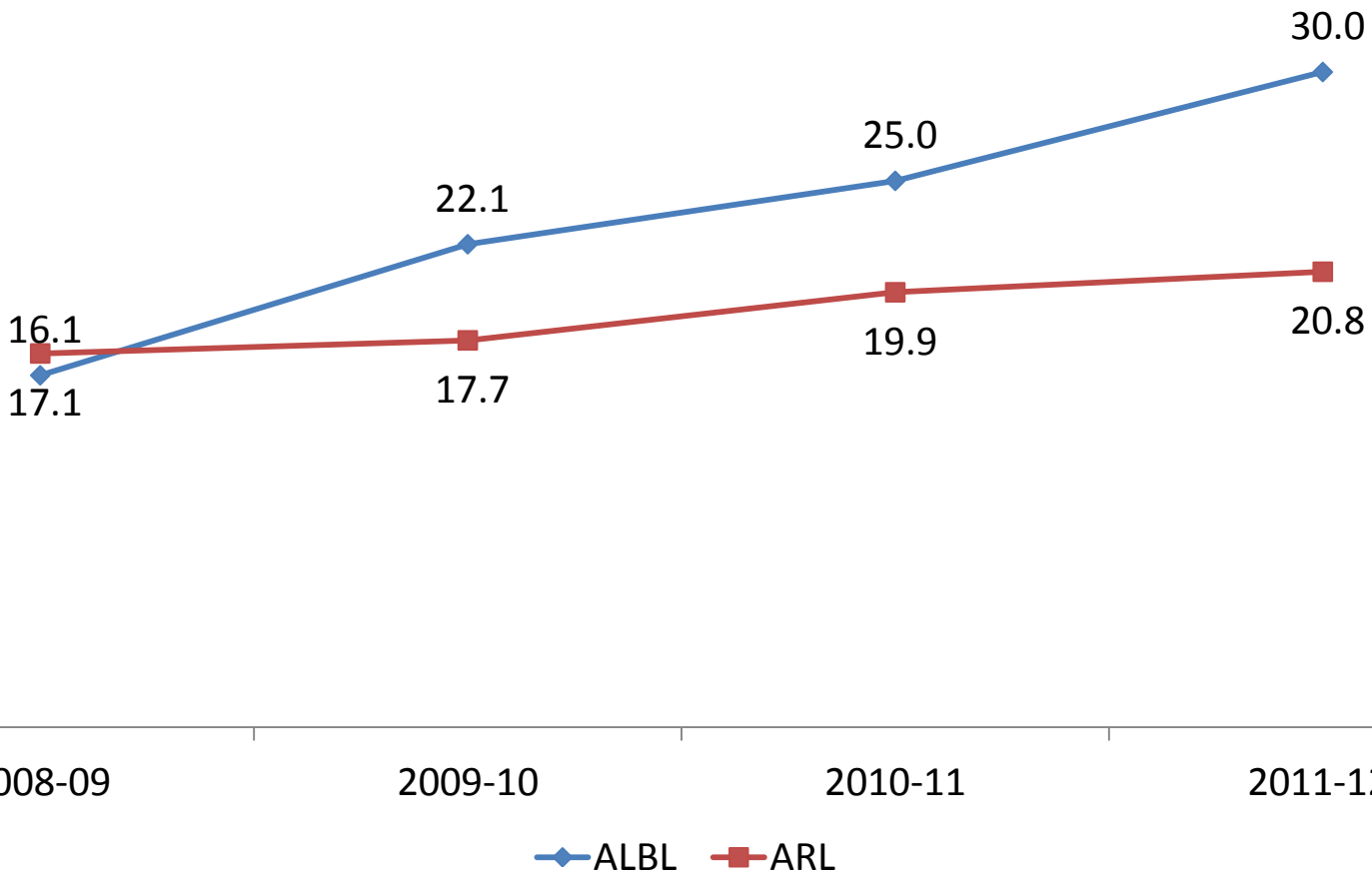
	2010-11		2011-12	
	Stores	Sq.ft	Stores	Sq.ft
<b>Brands</b>	<b>228</b>	<b>2,14,844</b>	<b>352</b>	<b>3,30,943</b>
<b>MM</b>	<b>200</b>	<b>6,17,154</b>	<b>216</b>	<b>6,91,770</b>
<b>Total</b>	<b>428</b>	<b>8,31,998</b>	<b>568</b>	<b>10,22,713</b>
<b>No of KA counters</b>	<b>248</b>		<b>327</b>	

- Sales Increase in Key Account Counters: grew to 101 cr- a growth of 39%



# Retail Productivity is on the Upswing

Figs: Rs Per Sq. Ft. Sales Per Day



Thank You

ARVIND

