Arvind Limited
Press Release: Year ended 31st March, 2012

Arvind Revenue up 21% : Profit After Tax up 48%

Ahmedabad, May 9, 2012:

Arvind Limited, one of the largest integrated textile and branded apparel players recorded 21% growth in revenue and 48 % growth in Profit after tax for the full year ending 31st March 2012. Revenue for the year stood at Rs. 4925 crores as against Rs. 4085 crores for the previous year. Net Profit After tax from ordinary activity stood at Rs. 245 crores compared to Rs. 165 crores in the previous financial year. At the operating level, consolidated EBIDTA for the year ended 31st March 2012, increased by 14% at Rs.602 crores as against Rs. 529 crores for the previous year ended on 31st March 2011. The Board of Directors has recommended dividend of 10% for the year 2011-12.

The growth in Revenue is driven by 44 % growth in Brands & Retail business and significant increases in prices of fabrics caused by very high cotton prices. Textile business grew by 15%. Within Textiles, Denim grew by 18% and Wovens grew by 11%. However there was marginal drop in EBIDTA margin to 12.2% for the year as against 13% for the previous year as there was drop in operating margins in Brands & Retail business as Company had to absorb part of higher inventory cost.

The consolidated revenue for the quarter ended 31st March 2012, is up by 6% at Rs. 1278 crores as against Rs.1202 crores in the corresponding quarter of the previous year.

Commenting on the results as well as outlook of the Company, Mr. Jayesh Shah, Director & Chief Financial Officer said: "The Financial year 2011-12 was extremely challenging year for Arvind. The year was characterized by global slowdown, weak retail demand at home, high volatility in cotton prices and foreign exchange and higher interest cost. It is satisfying to note that in the backdrop of such a challenging environment, our Company has closed the financial year 2011-12 with 48% growth in Net Profit. The Board has recommended the dividend @ 10%. Hitherto Company was conserving cash for reduction of the debt. The broad-based portfolio of businesses has brought predictability in our earnings. Further, Company is likely to be cash surplus in coming few years after meeting all our growth requirements. This has led the Board to bring back Company on the dividend list after gap of six years."

For further information, please contact:
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