

6<sup>th</sup> May, 2024

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

**Security Code: 500101**  
**Security ID: ARVIND**

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

**Symbol: ARVIND**

Dear Sir/Madam,

**Sub: Investor Presentation on Audited financial results for the financial year ended on 31<sup>st</sup> March, 2024**

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

Pursuant to Regulations 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Investor Presentation issued by the Company in respect of audited financial results for the financial year ended on 31<sup>st</sup> March, 2024.

You are requested to take the same on records.

Thanking you

**Yours faithfully,**  
**For Arvind Limited**

**Krunal Bhatt**  
**Company Secretary**

Encl.: As above

# Arvind Limited Q4 & FY24 Results

*Investor Review Note*

06<sup>th</sup> May 2024 | 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.

## Q4/ FY24 reflections – hits & misses

### What went right

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- + Textiles demand bottomed out and reviving since Q3; orderbook for Q1/Q2 reflects resumed buying
- + Integration of Textiles businesses completed, visible improvements in operational efficiency
- + Garment volumes started increasing in Q4; healthy orderbook assures continuing momentum in Q1/Q2
- + AMD registered all round improvement in volume, revenue, margins and returns; capacity expansions went live and new segments (Defense business) opened engines for future growth
- + Softening of RM prices and lag in price adjustments gave one time bottom-line gains around Q2
- + Arvind's sustainability credentials boosted through customer collaboration and launch of GIWICA CoE

### What could have gone better

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- Price deflation kept the revenue numbers muted across the board in H1
- Domestic retail businesses continued to remain under pressure
- Higher cotton inventory and increased domestic sales drove up Working Capital levels
- Industrial segment of AMD faced demand headwinds and deflation in raw material
- Demand for Woven & Garments remained muted in H1

# All round strong performance in Q4 FY24 – revenue growth, margin expansion, healthy returns and debt reduction

₹ Cr                      YoY                      Sequential

Revenues		
<b>2075</b>	<b>10%</b>	<b>10%</b>

EBITDA (Without other Income)		
<b>243</b>	<b>27%</b>	<b>12%</b>

PAT (Before exceptional items)		
<b>99</b>	<b>83</b>	<b>92</b>

Closing Net Debt		
<b>1250</b>	<b>1333</b> (30 <sup>th</sup> Sep 2023)	<b>1327</b> (31 <sup>st</sup> Mar 2023)

## YOY

- Top-line driven by volume growth
  - Textile revenue up 5% due to higher volumes in Denims, Knits and Garments
  - AMD grew by 21% backed by 17% volume growth
- EBITDA margins improved by 156 bps, driven by all round operational efficiency and operating leverage in AMD
- PAT grew by ~19% on account of higher margins
- Overall borrowing reduced by 6%
  - Long-term debt reduced to ₹399 Cr, (₹652 Cr at the start of FY24, ₹480 Cr on Sep 30<sup>th</sup> 2023)
  - Short Term borrowing increased due to working capital requirements

# On Full year basis FY24 delivered healthy performance, despite demand challenges in H1

₹ crs	YoY
<b>Revenues</b>	
<b>7738</b>	<b>-8%</b>
<b>EBITDA (Without other Income)</b>	
<b>845</b>	<b>6%</b>
<b>PAT (Before exceptional items)</b>	
<b>334</b>	<b>349</b>
<b>Closing Net Debt</b>	
<b>1250</b>	<b>1327</b> (31 <sup>st</sup> Mar 2023)

- FY2024 started on a weak note given high customer inventories and uncertain demand
- Lower RM and input costs drove down prices which reduced revenues (despite healthy volumes)
  - Textile revenues were lower by 14% on account of declined Fabric volumes
  - AMD revenues grew by 14%, while volume growth stood at 18%
- Consolidated operating EBIDTA margins improved by 138bps
  - Textile margins were higher by 126 bps driven by operational efficiency
  - AMD margin improved to 15.6% as against 13.2% on account of lower RM prices and operating leverage
- Overall debt reduced by ₹78 Cr during the year
  - LT debt saw reduction of ₹253 Cr and stood at ₹399 Cr at the year end

# Full year FY24 EBITDA margins improved; PAT reflects higher tax incidence

<i>All figures in INR Crs</i>	<b>FY24</b>	<b>FY23</b>	<b>YoY Change</b>
<b>Revenue from Operations</b>	<b>7,738</b>	<b>8,382</b>	<b>-8%</b>
<b>EBIDTA (Continuing Operations)</b>	<b>845</b>	<b>800</b>	<b>6%</b>
<i>EBIDTA %</i>	<i>10.9%</i>	<i>9.5%</i>	
Other Income	41	45	
Interest	159	164	
<b>Cash Accruals (Continuing Operations)</b>	<b>727</b>	<b>680</b>	<b>7%</b>
Depreciation	266	253	
<b>PBT</b>	<b>461</b>	<b>427</b>	<b>8%</b>
Tax	111	71	
Minority Interest	16	9	
Share in Profit of JV	0	1	
<b>PAT</b>	<b>334</b>	<b>349</b>	<b>-4%</b>
<i>PAT %</i>	<i>4.3%</i>	<i>4.2%</i>	
Exceptional Item	2	59	
Profit from Discontinuing Operations	0	-4	
<b>Net Profit</b>	<b>337</b>	<b>405</b>	<b>-17%</b>

- Tax rate for current FY - 24%
- There was a positive impact of tax in previous FY as we switched over to lower tax regime. (Rs. 39 cr). Ignoring that impact, tax rate for previous FY was 25.7%

## Margins increase across both segments led to ~15% ROCE in Q4

<i>In Inr Cr</i>	Q4 FY24				Q4 FY23			
Business	Revenue	EBIDTA	EBIDTA %	ROCE %	Revenue	EBIDTA	EBIDTA %	ROCE %
Textiles	1504	173	11.5%	15.0%	1431	135	9.5%	11.0%
Advanced Material	387	61	15.8%	32.0%	320	47	14.5%	28.9%
Others & Inter Segment	183	17			130	21		
<b>Total</b>	<b>2075</b>	<b>251</b>	<b>12.1%</b>	<b>14.8%</b>	<b>1881</b>	<b>203</b>	<b>10.8%</b>	<b>11.6%</b>

<i>In Inr Cr</i>	FY24				FY23			
Business	Revenue	EBIDTA	EBIDTA %	ROCE %	Revenue	EBIDTA	EBIDTA %	ROCE %
Textiles	5803	643	11.1%	13.6%	6716	660	9.8%	15.1%
Advanced Material	1428	222	15.6%	29.2%	1250	165	13.2%	24.7%
Others & Inter Segment	507	20			416	20		
<b>Total</b>	<b>7738</b>	<b>886</b>	<b>11.4%</b>	<b>12.5%</b>	<b>8382</b>	<b>845</b>	<b>10.1%</b>	<b>12.3%</b>

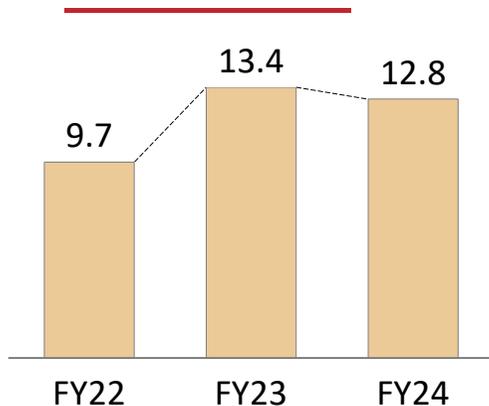
# Consolidated Balance sheet as on 31<sup>st</sup> Mar 2024

Particulars	31 <sup>st</sup> Mar 24	30 <sup>th</sup> Sep 23	31 <sup>st</sup> Mar 23
<b>Shareholders' Fund</b>	<b>3621</b>	<b>3426</b>	<b>3404</b>
Share Capital	262	262	262
Reserves & Surplus	3281	3100	3084
Minority Interest	78	64	59
<b>Borrowings</b>	<b>1325</b>	<b>1420</b>	<b>1404</b>
long Term Borrowings	263	279	378
Short Term Borrowings	926	940	751
Long Term Liability Maturing in one year	136	201	274
<b>Lease Liabilities (Current + Non Current)</b>	<b>123</b>	<b>124</b>	<b>114</b>
<b>Other Liabilities</b>	<b>2192</b>	<b>2097</b>	<b>1992</b>
<b>Total</b>	<b>7260</b>	<b>7067</b>	<b>6914</b>
<b>Assets</b>	<b>3788</b>	<b>3768</b>	<b>3797</b>
Fixed Assets	3440	3395	3417
ROU Assets	99	101	89
Non Current Investments	160	183	211
Long term Loans & Advances	0	1	1
Other Non Current Assets	89	89	78
<b>Cash and cash equivalents</b>	<b>76</b>	<b>88</b>	<b>77</b>
<b>Other Current Assets</b>	<b>3397</b>	<b>3212</b>	<b>3040</b>
<b>Total</b>	<b>7260</b>	<b>7067</b>	<b>6914</b>

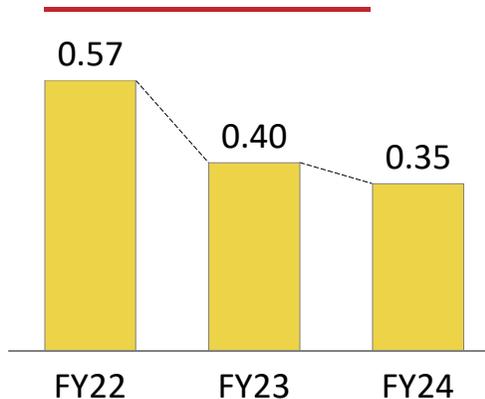
- Gross borrowings has decreased by ~ ₹78 Cr compared to March 2023.
- Long-term borrowings decreased by ₹253 crores during the year.
- Short-term borrowing increased due to working capital changes.

## All round improvement in FY24

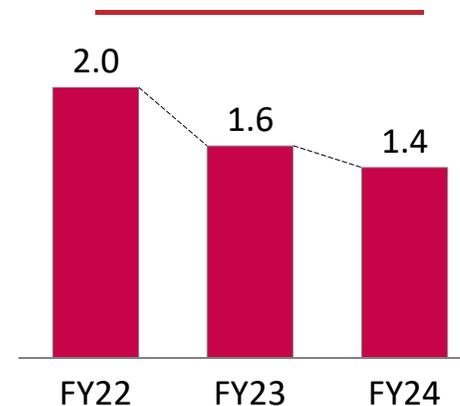
**EPS**



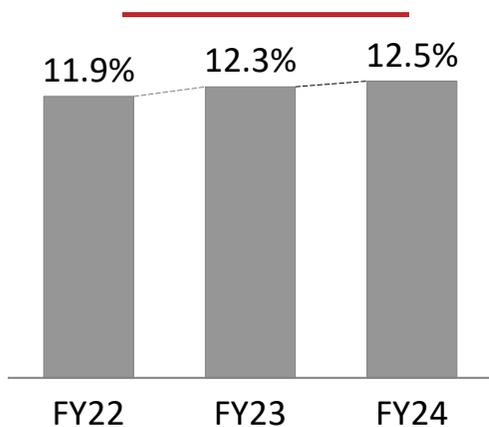
**Debt / Equity**



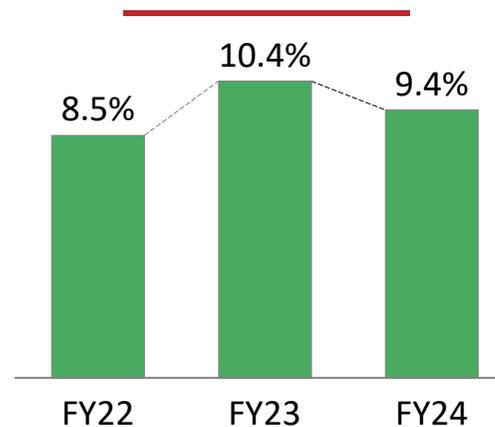
**Debt / EBITDA**



**ROCE**

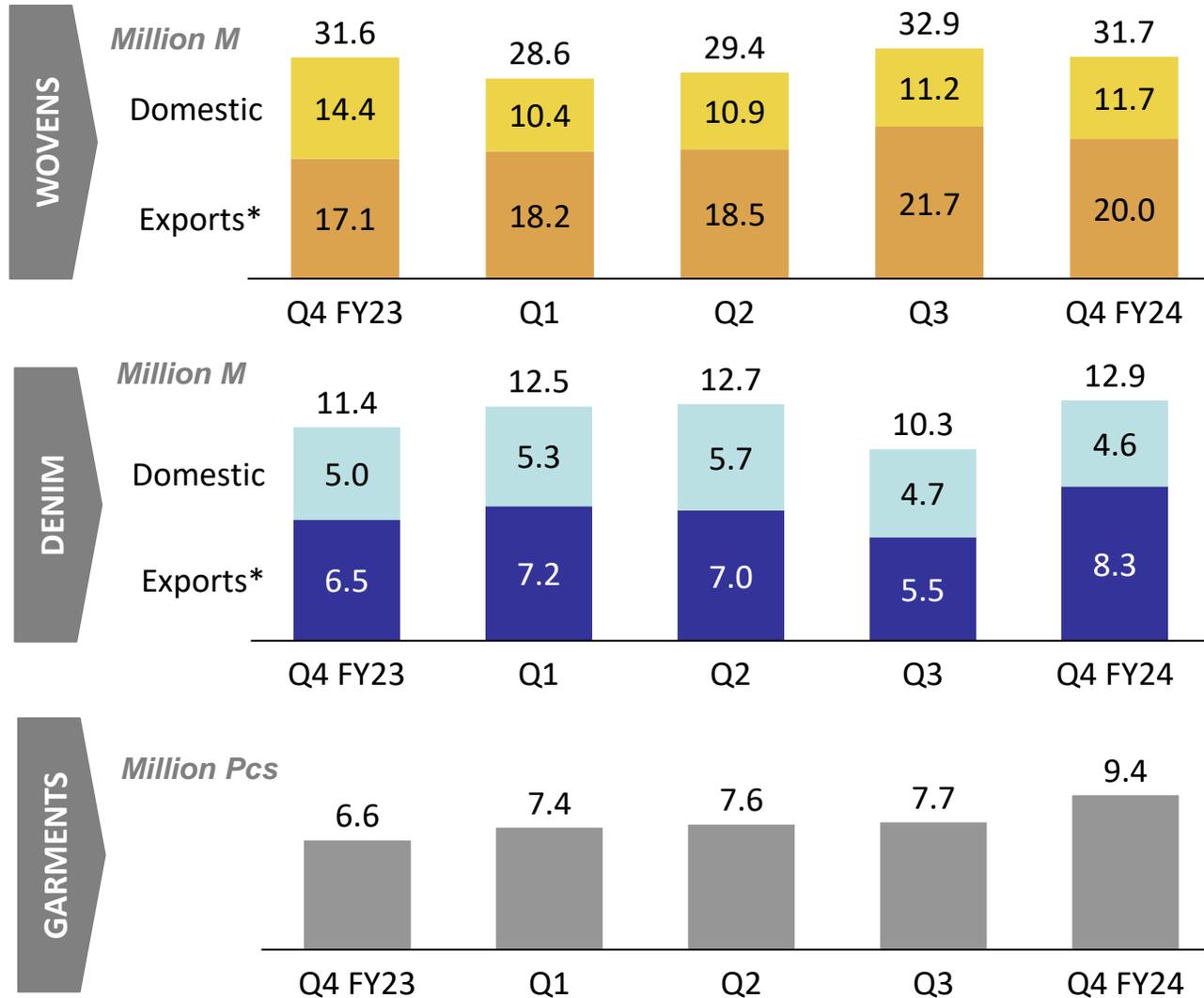


**ROE**



\*EPS is before exceptional items

## Volumes improved across all segments in Q4



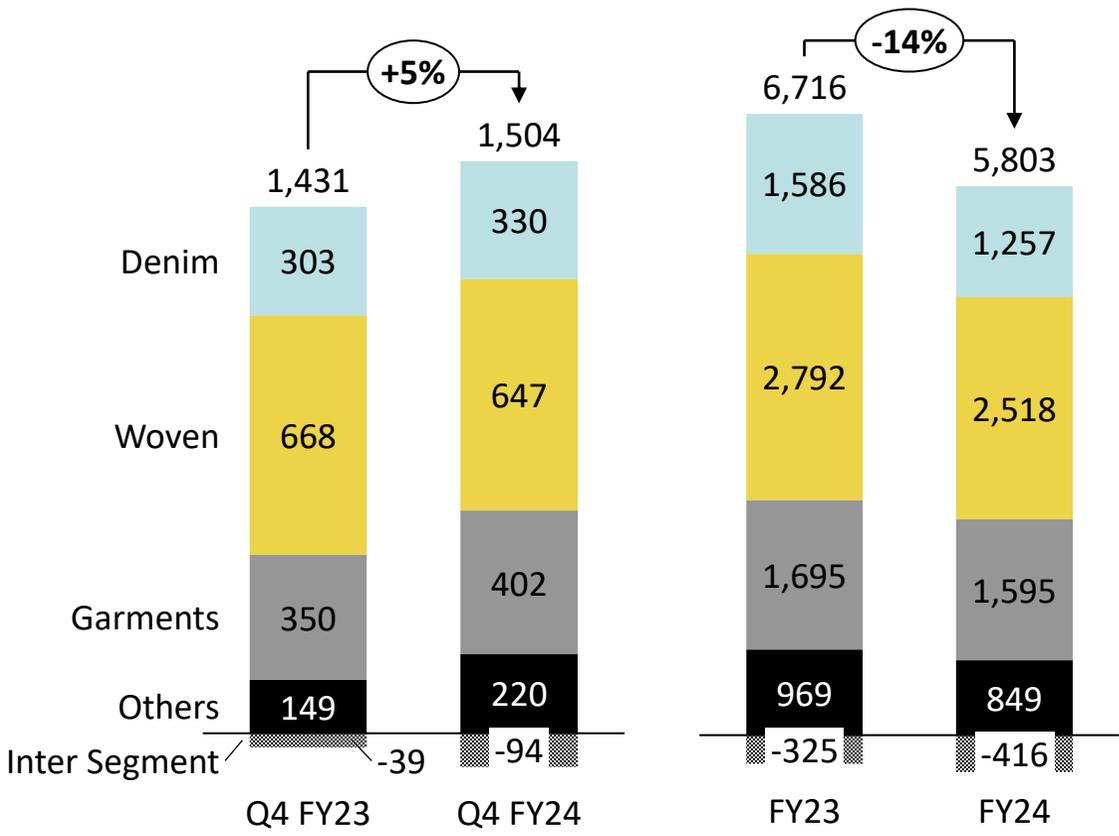
### Comparison for Q4 (YoY)

- Woven volumes are steady
- Denim Volumes recovered in Q4 while garments volume showed growth in Q4
- Current order book position continues to show healthy demand

\* Export volumes includes sales made to export customers and shipments made to their garment factories in India

# On a full year basis, Textile revenues de-grew in FY2024 due to raw material price deflation

Textile revenues (₹ Crs)



**Denim**

- Volume improved in Q4 with steady realization
- Full year impacted by both volumes and pricing

**Woven**

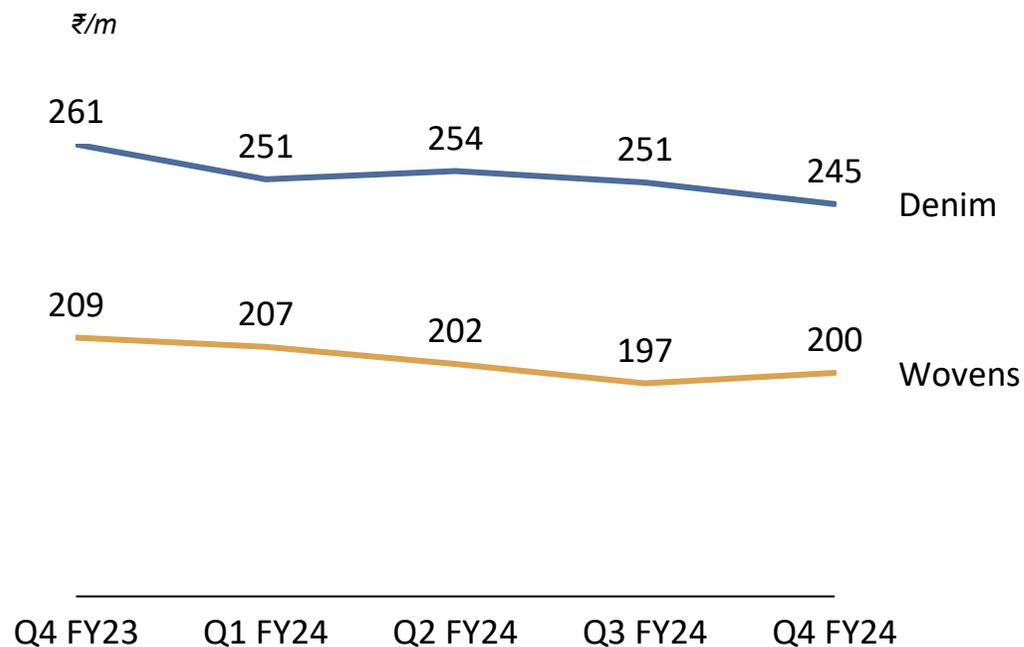
- FY24 volume remain steady at 123 Mn mtrs
- Lower RM costs drove down price realization

**Garments**

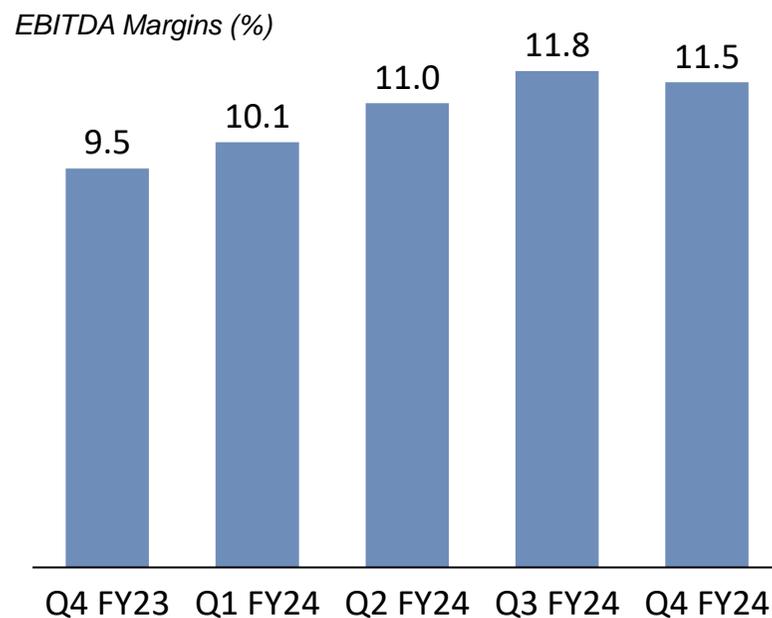
- Volumes steadily improved over 4 quarters and jumped to 9.4M pcs in Q4
- FY24 volumes stood flat at ~32 M pcs
- Revenue growth impacted by change in customer and product mix

# Sales realisation is steady while Textile margin continue to improve

**Fabric realisation are steady...**

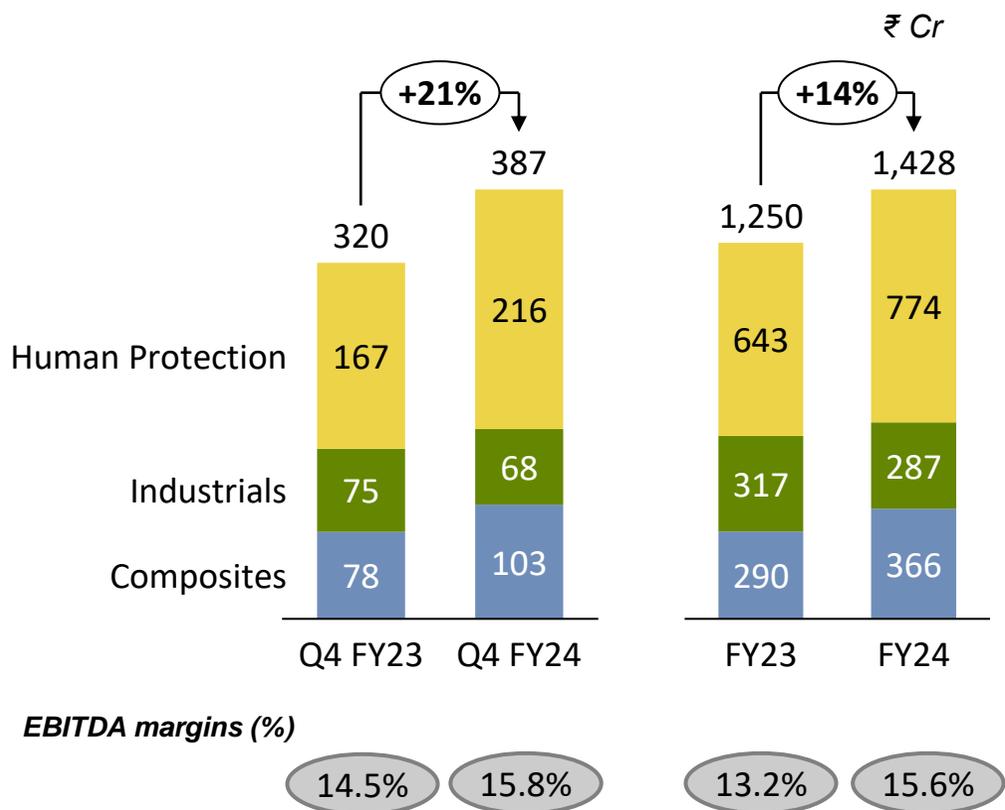


**... Textile margins continue to trend up**



# AMD sustained growth | 21% for Q4 and 14% on full year basis

## AMD performance summary



## Comments

- Q4 revenues were up 21% as impact of price adjustments tapered off; full year growth of 14% reflects lower input costs and prices earlier in the year
- Human Protection revenues driven by higher wallet shares in key accounts, increased traction in Middle East and healthy growth in Defense business
- Composites volumes jumped sharply driven by large global project orders
- Mass Transportation factory went live in Q4 FY24
- Industrials business had seen softer demand through Q3, now seeing bounce-back

# Proposal to transfer AMD to Arvind Advanced Materials Limited (AAML), a 100% subsidiary of Arvind Limited

## Rationale

Advanced Material business has tailwinds and is all set for growth with the base having been created

- This will require being ready for opportunities, both organic and inorganic
- Which will require capital as well as assimilating new businesses into our fold

Hence, we are creating this corporate structure to

- Create a focused entity housing the advanced material business
- Attract the right talent and align them to the prospects of this business
- Allow raising debt/equity as and when required
- Enable strategic partnerships / JVs

# Process, Consideration & Impact on Business

## Process

- The transfer AMD to AAML will be through NCLT scheme and be subject to approvals of regulatory authorities, creditors and shareholders. The process may take about 9 months.
- The Appointed Date for the transfer is April 1, 2024.

## Consideration

The division will be transferred at a Consideration of INR 90 Crs.

Arvind Limited will receive cash and equity as consideration.

## Impact on business and reported financials

There will be no impact on Business or Consolidated Financial results on account of this proposal

## Capital Employed : AMD & AAML

Particulars	AMD Div Standalone	AAML Consolidated
Net Fixed Assets	352	438
Net Current & Other Assets & Liabilities	213	212
<b>Capital Employed</b>	<b>565</b>	<b>650</b>

# Outlook for FY25 – uptick in revenue growth and margins

## Demand

With Inventory correction behind, and fresh order booking and onboarding of new customer, demand outlook is positive for FY25

## Costs

Cotton and other input cost is expected to remain range bound

## Revenue & Margin

- Overall revenues expected to clock double digit growth on full year basis powered by AMD and Garments
- EBITDA margins to be preserved, or show minor improvement

## Capex, Debt & ROCE

- Stepping up capital expenditure to ~₹400- ₹450 Cr for new projects including AMD and Garmenting
- Long term Debt to remain at similar levels



Thank You!