

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2007

[Rs.in Crores]

| Sr. No | Particulars | 3 Months Ended on | | | | |
|--------|--|---|---------------|---------------|--|--|
| | | 9 Months Ended 31.12.2006 (Unaudited) | | | Year Ended on 31.03.2007 (Audited) | Year Ended on 31.03.2006 (Audited) |
| | | (1) | (2) | (3) | (4) | (5) |
| 1 | Net Sales/Income from Operations | 1361.78 | 483.13 | 357.96 | 1844.91 | 1588.79 |
| 2 | Other Income | 8.19 | 8.06 | 6.00 | 16.25 | 22.52 |
| 3 | Total Expenditure : | | | | | |
| | (a) (Increase)/Decrease in Stock in Trade | (83.18) | (11.60) | (23.94) | (94.78) | 9.82 |
| | (b) Consumption of Raw Materials and Finish Goods Purchased | 496.39 | 156.82 | 122.01 | 653.21 | 504.70 |
| | (c) Staff Cost | 152.64 | 51.69 | 34.20 | 204.33 | 135.74 |
| | (d) Power & Fuel | 132.15 | 39.52 | 36.98 | 171.67 | 143.57 |
| | (e) Stores Consumption | 141.27 | 71.96 | 41.73 | 213.23 | 171.09 |
| | (f) Other Expenses | 284.67 | 107.50 | 55.33 | 392.17 | 219.48 |
| | | 1123.94 | 415.89 | 266.31 | 1539.83 | 1184.40 |
| 4 | Interest & Finance Cost | 117.21 | 40.73 | 33.00 | 157.94 | 129.98 |
| 5 | ForeignExchange (Gain)/Loss | 0.58 | (8.26) | 5.29 | (7.68) | 5.45 |
| 6 | Depreciation | 113.16 | 30.20 | 39.36 | 143.36 | 155.10 |
| 7 | Profit before Extra Ordinary Items (1+2-3-4-5-6) | 15.08 | 12.63 | 20.00 | 27.71 | 136.38 |
| 8 | Non Recurring/Extra Ordinary Items (Net) | 101.10 | (6.81) | 0.00 | 94.29 | 0.00 |
| 9 | Profit after Extra Ordinary Items (7+8) | 116.18 | 5.82 | 20.00 | 122.00 | 136.38 |
| 10 | Provision for Taxation - Current Tax | 10.83 | 0.78 | 1.67 | 11.61 | 11.40 |
| | - Deferred Tax | 0.00 | 0.00 | 8.02 | 0.00 | 8.27 |
| | - Fringe Benefit Tax | 2.02 | 0.42 | 0.24 | 2.44 | 0.95 |
| | - MAT Credit Entitlement | (10.83) | (0.78) | (11.40) | (11.61) | (11.40) |
| 11 | Net Profit (9-10) | 114.16 | 5.40 | 21.47 | 119.56 | 127.16 |
| 12 | Paid-up Equity Share Capital (Face Value Rs.10/- per share) | 209.38 | 209.38 | 209.38 | 209.38 | 209.38 |
| 13 | Reserves excluding revaluation reserves as per Balance Sheet | | | | 1106.93 | 1266.47 |
| 14 | Basic & Diluted Earning Per Share (Rs.)-(Not Annualised) | | | | | |
| | - Before Extra Ordinary Items | 0.50 | 0.54 | 0.98 | 1.04 | 5.98 |
| | - After Extra Ordinary Items | 5.32 | 0.22 | 0.98 | 5.54 | 5.98 |
| 15 | Aggregate of non-promoter Shareholding | | | | | |
| | - No. of Shares | 138395513 | 138395876 | 138849756 | 138395876 | 138849756 |
| | - Percentage of Shareholding | 66.10% | 66.10% | 66.32% | 66.10% | 66.32% |

Notes:

- The above results were reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 12th May,2007.
- Pursuant to the Composite Scheme of De-merger of Garment Business Division of Arvind Brands Limited (a wholly owned subsidiary company) and Amalgamation of Arvind Fashions Limited (a wholly owned subsidiary company) with retrospective effect from 1st April,2006 with Arvind Mills Limited sanctioned by the H'ble High Court of Gujarat, the results of the Company for the quarter and twelve months include figures of Demerged Division and amalgamated company for the same period respectively and hence not comparable with figures of previous quarter/year.
- Pursuant to the Composite Scheme of Arrangement Sanctioned by The H'ble High Court of Gujarat, the Company has utilised Share Premium to the extent of Rs. 275.52 Crores.
- The Company has, based on a valuation made by approved valuers, revalued the fixed assets of the Company as at 1st October, 2006 except the Garment Divisions acquired under the composite scheme. The net increase amounting to Rs. 24.52 crores has been credited to Revaluation Reserve.
- Non Recurring and Extra Ordinary items represent (a) Profit on Sale of Business of the Amalgamated Company amounting to Rs. 100.12 Crore (Net of Provisions) and (b) One time CENVAT reversal of Rs. 5.83 Crore due to availment of Zero Duty Option.
- There is a net deferred tax asset at the year end. However, on the basis of General Prudence, the Company has not recognised the same while preparing the accounts for the year under review.
- At the beginning of the quarter, no complaints from investors were pending. During the quarter 37 Complaints were received and all were disposed off. No complaint was lying unresolved at the end of the quarter.
- Figures of the previous quarter/period/year have been regrouped wherever necessary.

For The Arvind Mills Limited

Ahmedabad
12th May, 2007

Arvind N. Lalbhai
Chairman

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Rs. In Crores

| Sr No. | Particulars | 9 Months | 3 Months Ended on | | Year Ended | Year Ended |
|----------|---|------------------------------------|---------------------------|---------------------------|-------------------------------|-------------------------------|
| | | Ended 31.12.2006 (Unaudited) | 31.03.2007 (Unaudited) | 31.03.2006 (Unaudited) | on 31.03.2007 (Audited) | on 31.03.2006 (Audited) |
| 1 | Segment Revenue (Net Sales/ Income from Operations) | | | | | |
| | a. Textiles | 1086.49 | 399.36 | 355.22 | 1485.85 | 1582.07 |
| | b. Branded Garments | 261.23 | 85.90 | 0.00 | 347.13 | 0.00 |
| | c. Others | 14.06 | (2.13) | 2.74 | 11.93 | 6.73 |
| | Total | 1361.78 | 483.13 | 357.96 | 1844.91 | 1588.80 |
| | Less : Inter Segment Revenue | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| | Add : Other Unallocable Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Net Sales / Income from Operations | 1361.78 | 483.13 | 357.96 | 1844.91 | 1588.79 |
| 2 | Segment Results (Profit and (Loss) before interest & Tax) | | | | | |
| | a. Textiles | 129.43 | 48.69 | 61.11 | 178.12 | 272.65 |
| | b. Branded Garments | 4.86 | 5.14 | 0.00 | 10.00 | 0.00 |
| | c. Others | (1.16) | 0.14 | (1.06) | (1.02) | (2.25) |
| | Total | 133.13 | 53.97 | 60.05 | 187.10 | 270.40 |
| | Less : | | | | | |
| | a. Interest & Finance Charges (net) | 117.21 | 40.73 | 33.00 | 157.94 | 129.98 |
| | b. Foreign Exchange (Gain)/Loss | 0.58 | (8.26) | 5.29 | (7.68) | 5.45 |
| | c. Other unallocable expenditure net of un-allocable income | 0.26 | 8.87 | 1.76 | 9.13 | (1.41) |
| | Total Profit Before Tax | 15.08 | 12.63 | 20.00 | 27.71 | 136.38 |
| 3 | Capital Employed (Segment Assets - Segment Liabilities) | | | | | |
| | a. Textiles | 2363.17 | 2404.15 | 2528.08 | 2404.15 | 2528.08 |
| | b. Branded Garments | 149.91 | 138.88 | 0.00 | 138.88 | 0.00 |
| | c. Others | 9.02 | 9.20 | 12.45 | 9.20 | 12.45 |
| | d. Unallocable | 770.48 | 769.11 | 832.79 | 769.11 | 832.79 |
| | Total Capital Employed in Company | 3292.58 | 3321.34 | 3373.32 | 3321.34 | 3373.32 |

For The Arvind Mills Limited

Ahmedabad
12th May, 2007

Arvind N. Lalbhai
Chairman

Audited Consolidated Financial Results for the year ended 31st March, 2007

| Sr. No. | Particulars | Year ended on 31/03/07 (Audited) | Year ended on 31/03/06 (Audited) |
|---------|--|--------------------------------------|--------------------------------------|
| 1 | Net Sales / Income from Operations | 2182.22 | 2130.39 |
| 2 | Other Income | 19.37 | 33.15 |
| 3 | Total Expenditure | | |
| | a) (Increase)/Decrease in stock- in -trade | (100.52) | 12.12 |
| | b) Consumption of raw material and Finished Goods Purchased | 806.27 | 735.04 |
| | c) Power & Fuel | 210.16 | 180.75 |
| | d) Stores Consumption | 261.10 | 217.42 |
| | e) Staff Cost | 245.58 | 200.45 |
| | f) Other expenditure | 394.94 | 352.83 |
| | | 1817.53 | 1698.61 |
| 4 | Interest and Finance Cost (Net) | 171.23 | 171.77 |
| 5 | Gross Profit / Loss after Interest & Finance cost but before extra-ordinary items,depreciation and taxation(1+2-3-4) | 212.83 | 293.16 |
| 6 | Depreciation | 179.14 | 200.13 |
| 7 | Provision for Taxation - Current Tax | 12.24 | 11.56 |
| | - Deferred Tax | (0.05) | 8.31 |
| | - Fringe Benefit Tax | 2.73 | 2.15 |
| | - MAT Credit Entitlement | (11.61) | (11.40) |
| 8 | Net Profit after Tax (5-6-7) | 30.38 | 82.41 |
| 9 | Non Recurring/Extra Ordinary Items (Net) | 94.29 | 0.00 |
| 10 | Net Profit for the year (8+9) | 124.67 | 82.41 |
| 11 | Less : Share of Minority Interests | 3.33 | (3.41) |
| 12 | Net Profit (10-11) | 121.34 | 85.82 |
| 13 | Paid-up Equity Share Capital (Face Value Rs.10/- per share) | 209.38 | 209.38 |
| 14 | Reserves excluding Revaluation Reserves | 1041.05 | 1253.78 |
| 15 | Basic & Diluted Earning Per Share (Rs.)-(Not Annualised) | | |
| | - Before Extra Ordinary Items | 0.90 | 3.92 |
| | - After Extra Ordinary Items | 5.40 | 3.92 |
| | Aggregate of non promoter share holding | | |
| | - Number of Shares | 138395876 | 137735511 |
| | -Percentage of Shareholding | 66.10% | 65.78% |

Notes:

- Figures of the previous year have been regrouped wherever necessary.
- The accounts of Joint Venture Company VF Arvind Brands Private Limited have not been considered for consolidation as the same are under preparation being the first year of operation. There would be a consequential effect on the above consolidated results on account of the non inclusion.
- In Consolidating the accounts,the results of Life Style Fabrics Limited,Arvind Overseas (Mauritius) Limited and Arvind Spinning Limited (Mauritius) have been excluded as they have closed down their business operations & their accounts are not prepared on going concern basis.The accounts of Arvind Textile Mills Limited (Bangladesh) has not been considered as it has yet not commenced business operations.

For The Arvind Mills Limited

Ahmedabad
12th May, 2007

Arvind N. Lalbhai
Chairman