Placement Document
Not for circulation
Private and confidential
Serial No._____

FASHIONING POSSIBILITIES

ARVIND LIMITED

Corporate Identity Number: L17119GJ1931PLC000093
Registered Office: Naroda Road, Ahmedabad – 382 345, Gujarat, India
Tel.: +91 079 6826 8000
Email: investor@ arvind.in; **Website:** www.arvind.com
Contact Person: Pritesh Shah, Company Secretary and Compliance Officer

Our Company was originally incorporated as 'The Arvind Mills Limited', under the Indian Companies Act, VII of 1913, pursuant to a certificate of incorporation dated June 1, 1931, issued by the Registrar of Companies, Bombay and a certificate of commencement of business dated July 30, 1931, issued by the Registrar of Companies, Bombay. Thereafter, pursuant to Board resolution dated May 12, 2007 and Shareholders' resolution dated September 29, 2007, the name of our Company was changed to 'Arvind Limited' and a fresh certificate of incorporation dated April 15, 2008 was issued to our Company, under the Companies Act, 1956, by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. For further details, please see "***General Information***" and "***Organisational Structure of our Company***" on pages 218 and 162 respectively.

Issue of up to 99,00,990 equity shares of face value of ₹10 each (the "**Equity Shares**") at a price of ₹ 505.00 per Equity Share (the "**Issue Price**"), including a premium of ₹ 495.00 per Equity Share, aggregating to approximately ₹ 500.00 crores (the "**Issue**"). For further details, please see "***Summary of the Issue***" on page 30.

THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS"), SECTION 42 AND SECTION 62 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT, 2013"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED

OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBs (*AS DEFINED HEREINAFTER*) IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS, SECTION 42 AND SECTION 62 OF THE COMPANIES ACT, 2013, READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND OTHER RULES MADE THEREUNDER. THIS PLACEMENT DOCUMENT SHALL BE CIRCULATED TO ONLY SUCH ELIGIBLE QIBs WHOSE NAMES WERE RECORDED BY OUR COMPANY, PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION TO OFFER OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO ELIGIBLE QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN THE SEBI ICDR REGULATIONS.

YOU ARE NOT AUTHORIZED TO AND MAY NOT (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THE PRELIMINARY PLACEMENT DOCUMENT OR THIS PLACEMENT DOCUMENT, IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THE PRELIMINARY PLACEMENT DOCUMENT OR THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

INVESTMENT IN EQUITY SHARES INVOLVES A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "*RISK FACTORS*" BEGINNING ON PAGE 40 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONDUCT ITS OWN DUE DILIGENCE ON US AND THE EQUITY SHARES AND CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THE PRELIMINARY PLACEMENT DOCUMENT AND THIS PLACEMENT DOCUMENT. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THE PRELIMINARY PLACEMENT DOCUMENT AND/OR THIS PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORIZED FINANCIAL ADVISOR AND/OR LEGAL ADVISOR.

The Equity Shares of our Company are listed on National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**", and together with NSE, the "**Stock Exchanges**"). The closing price of the Equity Shares on NSE and BSE as on August 4, 2026, was ₹ 547.35 and ₹ 546.85 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI Listing Regulations**") for listing of the Equity Shares to be issued pursuant to this Issue, from NSE and BSE each dated August 3, 2026. Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

A copy of the Preliminary Placement Document and this Placement Document, which includes disclosures prescribed under Form PAS-4 *(as defined hereinafter)*, have been delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the RoC, within the stipulated period as required under the Companies Act, 2013 and PAS Rules (*defined hereinafter*). The Preliminary Placement Document and this Placement Document have not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchanges, the RoC or any other listing or regulatory authority and is intended only for use by Eligible QIBs (*defined hereinafter*). The Preliminary Placement Document and this Placement Document have not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and the Issue will not constitute a public offer in India or any other jurisdiction. The placement of Equity Shares proposed to be made pursuant to this Placement Document is meant solely for Eligible QIBs on a private placement basis and is not an offer to the public or to any other class of investors.

Invitations, offers and sales of the Equity Shares to be issued pursuant to this Issue shall only be made pursuant to the Preliminary Placement Document together with the Application Form, this Placement Document and the Confirmation of Allocation Note (*each as defined hereinafter*). For further details, please see "***Issue Procedure***" on page 172. The distribution of this Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs, to whom this Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and make no copies of this Placement Document or any documents referred to in this Placement Document. The information on the websites of our Company, our Subsidiaries and our Joint Ventures or any other website directly or indirectly linked to the websites of our Company, our Subsidiaries or our Joint Ventures, as applicable, or the websites of the Lead Manager (*as defined hereinafter*) or its affiliates, does not constitute nor form part of this Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites for their investment in this Issue.

OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE ISSUE.

The Equity Shares offered in this Issue have not been and will not be registered under the United States Securities Act of 1933, as amended ("U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in this Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and in accordance with the applicable laws of the jurisdictions where such offers and sales are made. For the selling restrictions in certain other jurisdictions, see "*Selling Restrictions*" on page 189. The Equity Shares purchased in the Issue are transferable only in accordance with the restrictions described in the sections "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 189 and 196, respectively.

This Placement Document is dated August 5, 2026

LEAD MANAGER

motilal oswal
Investment Banking

Motilal Oswal Investment Advisors Limited

TABLE OF CONTENTS

NOTICE TO INVESTORS 3
REPRESENTATIONS BY INVESTORS 6
OFFSHORE DERIVATIVE INSTRUMENTS 12
DISCLAIMER CLAUSE OF THE STOCK EXCHANGES 14
PRESENTATION OF FINANCIAL AND OTHER INFORMATION 15
INDUSTRY AND MARKET DATA 17
FORWARD-LOOKING STATEMENTS 18
ENFORCEMENT OF CIVIL LIABILITIES 20
EXCHANGE RATE INFORMATION 21
DEFINITIONS AND ABBREVIATIONS 22
SUMMARY OF THE ISSUE 30
SELECTED FINANCIAL INFORMATION 32
RELATED PARTY TRANSACTIONS 39
RISK FACTORS 40
MARKET PRICE INFORMATION 75
OBJECTS OF THE ISSUE AND USE OF ISSUE PROCEEDS 78
CAPITALISATION STATEMENT 84
CAPITAL STRUCTURE 85
DIVIDENDS 92
INDUSTRY OVERVIEW 93
OUR BUSINESS 138
BOARD OF DIRECTORS AND SENIOR MANAGEMENT 153
ORGANISATIONAL STRUCTURE OF OUR COMPANY 162
SHAREHOLDING PATTERN OF OUR COMPANY 164
ISSUE PROCEDURE 172
PLACEMENT 187
SELLING RESTRICTIONS 189
TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS 196
THE SECURITIES MARKET OF INDIA 197
DESCRIPTION OF THE EQUITY SHARES 202
TAXATION 204
LEGAL PROCEEDINGS AND OTHER INFORMATION 212
STATUTORY AUDITORS 217
GENERAL INFORMATION 218
FINANCIAL INFORMATION 220
DETAILS OF PROPOSED ALLOTTEES 221
DECLARATION 222
SAMPLE APPLICATION FORM 226

NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Placement Document and confirms that to the best of our knowledge and belief, having made all reasonable enquiries, this Placement Document contains all information with respect to our Company, our Subsidiaries, Associates and Joint Ventures and Equity Shares which our Company considers material in the context of the Issue. The statements contained in this Placement Document relating to our Company, our Subsidiaries, Associates and Joint Ventures and the Equity Shares are, in all material respects, true and accurate and are not misleading, and the opinions and intentions expressed in this Placement Document with regard to our Company, our Subsidiaries, Associates and Joint Ventures and Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to us. There are no other facts in relation to our Company, Subsidiaries, Associates, Joint Ventures or Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Placement Document is provided as of the date of this Placement Document and neither our Company nor the lead manager have any obligation to update such information to a later date. The information contained in the Preliminary Placement Document and this Placement Document has been provided by our Company and from other sources identified herein.

Motilal Oswal Investment Advisors Limited (the "**Lead Manager**" or "**LM**") has made reasonable enquiries but not separately verified all of the information contained in the Preliminary Placement Document and this Placement Document (financial, legal or otherwise). Accordingly, neither the LM nor any of its shareholders, employees, officers, directors, representatives, agents, associates, affiliates or counsel makes any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the LM or any of its shareholders, employees, officers, directors, representatives, agents, associates, affiliates or counsel as to the accuracy or completeness of the information contained in the Preliminary Placement Document and this Placement Document or any other information (financial, legal or otherwise) supplied in connection with us or the Issue or the distribution of the Preliminary Placement Document and this Placement Document. Each person who has received the Preliminary Placement Document and this Placement Document acknowledges that such person has neither relied on the LM nor any of its shareholders, employees, officers, directors, representatives, agents, associates, affiliates or counsel in connection with such person's investigation of accuracy of such information or such person's investment decision, and each such person must rely on its own examination of us and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

The Preliminary Placement Document and this Placement Document is being furnished on a confidential basis solely for the purpose of enabling prospective Eligible QIBs to consider subscribing for the particular securities described herein. The distribution of the Preliminary Placement Document and this Placement Document to any person other than the Eligible QIBs specified by the Lead Manager or its representatives, and those persons, if any, retained to advise such investor with respect thereto, is unauthorised, and any disclosure of its contents, is prohibited. Any reproduction or distribution of this Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and make no copies of this Placement Document or any offering material in connection with the Issue.

No person is authorised to give any information or to make any representation not contained in the Preliminary Placement Document and this Placement Document and any information or representation not so contained must not be relied upon as having been authorised by, or on behalf of our Company or the LM. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The Equity Shares have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including SEBI. No authority has passed on or endorsed the merits of this Issue or the accuracy or adequacy of the Preliminary Placement Document and this Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.

Subscribers of the Equity Shares offered in the Issue will be deemed to have made the representations, warranties, acknowledgements and agreements set forth in "*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 6, 189 and 196, respectively.

The distribution of this Placement Document and the issue of the Equity Shares may be restricted by applicable laws in certain jurisdictions. As such, this Placement Document does not constitute and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company or the Lead Manager that would permit an offering of the Equity Shares offered in the Issue or the distribution of this Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither the Preliminary Placement Document and this Placement Document nor any offering material in connection with the Equity Shares may be distributed or published in or from any jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such jurisdiction. In particular, the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where such offers and sales are made. For the selling restrictions in certain other jurisdictions, see "***Selling Restrictions***" on page 189. Also see, "***Transfer Restrictions and Purchaser Representations***" on page 196 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

In making an investment decision, the prospective investors must rely on their own examination of our Company, the Equity Shares and the terms of the Issue, including the merits and risks involved. Investors should not construe the contents of the Preliminary Placement Document and this Placement Document as legal, business, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the LM are making any representation to any investor, purchaser, offeree or subscriber of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or subscriber under applicable laws or regulations. Prospective investors should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of the Preliminary Placement Document and this Placement Document, you should consult an authorized financial advisor and/or legal advisor.

Each Bidder in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under Indian laws, including Chapter VI of the SEBI ICDR Regulations and Section 42, other applicable provisions of the Companies Act, 2013 and Rule 14 of the PAS Rules and is not prohibited by SEBI or any other statutory, regulatory or judicial authority from buying, selling or dealing in securities, including the Equity Shares or otherwise accessing the capital markets in India.

This Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents.

The information on our Company's website at www.arvind.com or any website directly or indirectly linked to our Company's website or the websites of the LM, its associates or affiliates, or the websites of the Stock Exchanges does not constitute or form part of the Preliminary Placement Document and this Placement Document. Prospective investors should not rely on any such information contained in, or available through, any such websites.

This Placement Document does not purport to contain all the information that any Eligible QIB may require. Further, this Placement Document has been prepared for information purposes to the Issue only and upon the express understanding that it will be used for the purposes set forth herein.

Neither our Company nor the Lead Manager undertake to update this Placement Document to reflect subsequent events after the date of this Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with the Company. Neither the delivery of this Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Company since the date hereof.

Our Company and the Lead Manager are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number

of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not ultimately result in triggering a tender offer under the SEBI Takeover Regulations and the Eligible QIB shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading Regulations and other applicable laws, rules, regulations, guidelines and circulars.

Our Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchanges and without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Equity Shares on the Stock Exchanges.

REPRESENTATIONS BY INVESTORS

All references to "you" and "your" in this section are to the prospective Bidders in the Issue. By Bidding for, and/or subscribing to, Equity Shares under the Issue, you are deemed to have made the representations, warranties, acknowledgements, and agreements set forth in the sections titled "***Notice to Investors***", "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 3, 189 and 196, respectively, and have represented, warranted, acknowledged and agreed to our Company and the LM, as follows:

1. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company or Subsidiaries or Associates or Joint Ventures which is not set forth in the Preliminary Placement Document and this Placement Document;

2. You are a "qualified institutional buyer" as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations (the "**QIB**") and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under the applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (*hereinafter defined*) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act 2013, to the extent applicable, and all other applicable laws; and (ii) undertake to comply with the SEBI ICDR Regulations and all other applicable laws, including any reporting obligations, requirements/ making necessary filings, if any, with appropriate regulatory authorities, including the RBI and Stock Exchanges, in connection with the Issue or otherwise accessing the capital markets;

3. You are eligible to invest in India and in the Equity Shares under applicable law, including the FEMA Rules, and any notifications, circulars or clarifications issued thereunder and have not been prohibited by the SEBI, the RBI or any other regulatory or statutory authority from buying, selling or dealing in securities or otherwise accessing capital markets in India. Further, you are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act, 2013;

4. You are aware that in terms of the FEMA Rules, and any notifications, circulars or clarifications issued thereunder, the total holding by each FPI, including its investor group (which means having common ownership of more than 50% or common control), shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable on our Company. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI, together with its investor group, increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in such breach or such other time as may be prescribed by SEBI and RBI from time to time. If, however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI will be re-classified as FDI, subject to the conditions as specified by the SEBI and the RBI in this regard and compliance by the Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations;

5. If you are a QIB and not a resident of India, (i) you are an Eligible FPI (and are not an individual, corporate body or a family office) having a valid and existing registration with SEBI under the applicable laws in India or (ii) multilateral or bilateral development financial institution and can participate in the Issue only under Schedule II of FEMA Rules, and you are eligible to invest in India under the applicable laws including any notifications, circulars or clarifications issued thereunder. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws. You have not been prohibited by SEBI, RBI or any other regulatory authority, from buying, selling or dealing in securities including to the Equity Shares or otherwise accessing the capital markets. You confirm that you are not a FVCI. Additionally, you are aware that, in terms of the SEBI FPI Regulations, you are not permitted to acquire 10% or more of the total post Issue paid-up equity capital on a fully diluted basis of our Company;

6. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;

7. You agree that our Company shall make necessary filings with the RoC (which shall include certain details, such as your name, address and number of Equity Shares Allotted), in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, or other provisions of the Companies Act, 2013, and you consent to such disclosure being made by us. You will provide the information as required under the Companies Act, 2013, the PAS Rules and the applicable provisions of the SEBI ICDR Regulations for record keeping by our Company, including your name, nationality, complete address, phone number, e-mail address, permanent account number and bank account details, and such other details as may be prescribed or otherwise required even after the closure of the Issue and the list of Eligible QIBs including the aforementioned details shall be filed with the RoC and SEBI, as may be required under the Companies Act and other applicable laws;

8. If you are Allotted the Equity Shares pursuant to the Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the Stock Exchanges and in accordance with any other resale restrictions applicable to you (additional restrictions apply if you are in certain jurisdictions outside India). You hereby make the representations, warranties, acknowledgements, undertakings and agreements in "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 189 and 196, respectively;

9. You are aware that the Preliminary Placement Document and this Placement Document has not been, and will not be, filed as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of prospective investors, other than Eligible QIBs. The Preliminary Placement Document and this Placement Document, which included or will include disclosures under Form PAS-4, have not been and will not be reviewed, verified or affirmed by RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority, and are intended only for use by the Eligible QIBs. The Preliminary Placement Document and this Placement Document has been and will be filed with the Stock Exchanges only for the purposes of their records and will be displayed on the websites of the Company and the Stock Exchanges;

10. You are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions which apply to you and you have the necessary capacity and that you have fully observed such laws and obtained all such governmental and other consents and authorisations, in each case which may be required thereunder and have complied with all necessary formalities, to enable you to commit to participation in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in the Preliminary Placement Document and this Placement Document), and will honour such obligations;

11. You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the "**Company's Presentations**") with regard to our Company, the Equity Shares or the Issue; or (ii) if you have participated in or attended any Company's Presentations: (a) you understand and acknowledge that the LM may not have knowledge of the statements that our Company or its agents may have made at such Company's Presentations and are therefore unable to determine whether the information provided to you at such Company's Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the LM have advised you not to rely in any way on any information that was provided to you at such Company's Presentations, and (b) confirm that you have not been provided any material information that was not publicly available;

12. None of our Company, the LM or any of its shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions you may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not and will not, up to the Allotment, be a client of the LM. Neither the LM nor any of its shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates have any duties or responsibilities to you for providing the protection afforded to their clients or for providing advice in relation to the Issue and are in no way acting in your fiduciary capacity;

13. You are aware that if you, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of Equity Shares Allotted to you to the Stock Exchanges, and the Stock Exchanges will make the same available on their website and you consent to such disclosures being made by our Company;

14. You acknowledge that all statements other than statements of historical facts included in this Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. You acknowledge that such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. You acknowledge that such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You shall not place undue reliance on forward-looking statements, which speak only as on the date of this Placement Document. None of our Company, the LM or any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Placement Document;

15. You have been provided a serially numbered copy of the Preliminary Placement Document and this Placement Document and have read them in their entirety, including, in particular, the section titled "***Risk Factors***" on page **40**;

16. You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public or any other category of investors other than Eligible QIBs and the Allotment shall be at the discretion of our Company, in consultation with the Lead Manager;

17. You are aware that in terms of the requirements of the Companies Act, 2013 upon Allocation, the Company has disclosed names and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document. However, disclosure of such details in relation to the proposed Allottees in this Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Lead Manager;

18. You are able to purchase the Equity Shares in accordance with the restrictions described in the section titled "***Selling Restrictions***" on page 189 and you hereby make the representations, warranties, acknowledgements, undertakings and agreements in the section titled "***Selling Restrictions***" on page 189;

19. In making your investment decision, you have (i) relied on your own examination of our Company, our Subsidiaries, Joint Ventures, and the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, the Equity Shares and the terms of the Issue based solely on the information contained in the Preliminary Placement Document and as this Placement Document, (iii) consulted your own independent advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws, (iv) relied solely on the information contained in the Preliminary Placement Document and this Placement Document and no other disclosure or representation by our Company or our Directors and affiliates, or any other party, (v) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (vi) relied upon your own investigation and resources in deciding to invest in the Issue;

20. You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You and any accounts for which you are subscribing the Equity Shares (i) acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment are each able to bear the economic risk of the investment in the Equity Shares, including a complete loss on the investment in the Equity Shares; (ii) will not look to our Company, the LM or any of its shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates for all or part of any such loss or losses that may be suffered; (iii) have no need for liquidity with respect to the investment in the Equity Shares; and (iv) are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resale or distribute and have no reason to

anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares acquired in the Issue;

21. Neither our Company or the LM nor any of its shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of the purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice and will not rely on our Company, the LM or any of its shareholders, employees, counsel, officers, directors, representatives, agents or affiliates when evaluating the tax consequences in relation to the Equity Shares (including but not limited to the Issue and the use of the proceeds from the sale of the Equity Shares). You waive and agree not to assert any claim against either our Company, the LM or its shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or the Issue or as a result of any tax audits by tax authorities, wherever situated;

22. That where you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire the Equity Shares for each managed account; and to make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;

23. You are not (a) a 'promoter' (as defined under the Companies Act and SEBI ICDR Regulations) of our Company and your Bid does not directly or indirectly represent the Promoter or Promoter Group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;

24. You have no rights under a shareholders' agreement or voting agreement, no veto rights or right to appoint any nominee director on our Board of Directors other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoters);

25. The Bid made by you would not result in triggering a tender offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**SEBI Takeover Regulations**") and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations;

26. You have no right to withdraw your Application or revise your Bid downwards after the Issue Closing Date (*as defined hereinafter*);

27. You are eligible to Bid for and hold Equity Shares so Allotted and together with any securities of our Company held by you prior to the Issue. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the Lead Manager. You further confirm that your aggregate holding upon the issue and Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;

28. To the best of your knowledge and belief, your aggregate holding together with other Bidders in the Issue that belong to the same group or that are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:

    - the expression 'belongs to the same group' shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary or holding company and any other Eligible QIB; and

    - 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations;

29. You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

30. You have made the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;

31. You are aware and understand that the LM has entered into a Placement Agreement with our Company, whereby the LM has, subject to the satisfaction of certain conditions set out therein, agreed to manage the Issue and use reasonable efforts to procure subscriptions for the Equity Shares on the terms and conditions set forth therein;

32. The contents of the Preliminary Placement Document and of this Placement Document are exclusively the responsibility of our Company and that neither the LM nor any person acting on its behalf has or shall have any liability for any information, representation or statement contained in the Preliminary Placement Document and this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in the Preliminary Placement Document and this Placement Document or otherwise. By participating in the Issue, you agree to the same and confirm that you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the LM or our Company or any other person and neither our Company or the LM nor any of its affiliates, including any view, statement, opinion or representation expressed in any document published or distributed by them will be liable for your decision to participate in the Issue based on any other information, representation, warranty or statement that you may have obtained or received;

33. The only information you are entitled to rely on, and on which you have relied, in committing yourself to acquire the Equity Shares is contained in the Preliminary Placement Document in this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares and that you have neither received nor relied on any other information given or representations, warranties or statements made by the LM or our Company and neither the LM nor our Company will be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion that you have obtained or received;

34. You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as fully paid and will rank *pari passu* in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared, made, or paid in respect of the Equity Shares after the date of Allotment of the Equity Shares, as applicable;

35. You are aware that the pre-Issue and post-Issue shareholding pattern of our Company, as required under the SEBI Listing Regulations, will be filed by our Company with the Stock Exchanges.

36. You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing and admission of the Equity Shares and for trading on BSE and NSE, were made and such approvals have been received from BSE and NSE each dated August 3, 2026, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final approvals for listing of the Equity Shares will be obtained in time or at all. Neither our Company nor the LM nor any of its shareholders, directors, officers, employees, counsels, representatives, agents, associates or affiliates shall be responsible for any delay or non-receipt of such final approvals or any loss arising from such delay or non-receipt;

37. You acknowledge that neither the Lead Manager nor any of its affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise;

38. You acknowledge that the Preliminary Placement Document and this Placement Document do not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

39. You are outside the United States, and you are purchasing the Equity Shares in an "offshore transaction" as defined in, and in reliance on Regulation S and in compliance with laws of all jurisdictions applicable to you and are not an affiliate of our Company's, or a person acting on behalf of an, affiliate. However, affiliates of the LM, which are Eligible FPIs, may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. For further details, please see "***Offshore Derivative Instruments***" on page 12;

40. You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of India, and the courts in Mumbai, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Preliminary Placement Document, this Placement Document and the Issue;

41. You acknowledge that our Company, the LM, its affiliates, directors, officers, employees and persons in control and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to the LM on its own behalf and on behalf of our Company and are irrevocable. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the LM;

42. You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, and Rule 6 of the FEMA Rules;

43. You agree to indemnify and hold our Company, the LM and its affiliates, directors, officers, employees and persons in control harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of your representations, warranties, acknowledgements and undertakings in the Preliminary Placement Document and this Placement Document including this section. You agree that the indemnity set forth in this section shall survive the resale of the Equity Shares by or on behalf of the managed accounts; and

44. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times, up to and including the Allotment, listing and trading of the Equity Shares in the Issue.

45. You agree that in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, we shall file the list of Eligible QIBs (to whom this Placement Document will be circulated) along with other particulars including your name, complete address, phone number, e-mail address, permanent account number and bank account details, including such other details as may be prescribed or otherwise required even after the closure of the Issue with the RoC and SEBI within 30 days of circulation of this Placement Document and other filings required under the Companies Act, 2013.

46. You agree that the terms and provisions of the foregoing acknowledgements, representations and agreements shall ensure the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by our Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted assigns and permitted transferees.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines, and approvals in terms of Regulation 21 of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (the "**SEBI FPI Regulations**"), FPIs, including the affiliates of the LM, who are registered as Category I FPIs may issue, subscribe, or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it in India, as its underlying, all such offshore derivative instruments are and herein referred to as "**P-Notes**") and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such P-Notes, provided that in the case of an entity that has an investment manager who is from a Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The abovementioned Category I FPIs may receive compensation from the purchasers of such instruments. You should ensure that any P-Notes issued by you have been issued in compliance with all applicable laws (including KYC norms and such other conditions as specified by SEBI from time to time). An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPI, and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. P-Notes have not been and are not being offered or sold pursuant to the Preliminary Placement Document and this Placement Document. This Placement Document does not contain any information concerning P- Notes or the issuer(s) of any P-Notes, including any information regarding any risk factors relating thereto.

For further details relating to investment limits of FPIs, please see the section titled "***Issue Procedure***" on page 172. P-Notes may be issued only in favour of those entities which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Pursuant to its circular dated June 10, 2016, the SEBI has introduced additional requirements applicable to P-Notes, including (i) KYC norms for issuers of P-Notes which require identification and verification of beneficial owners of entities subscribing to the P-Note holding more than a prescribed threshold; (ii) the requirement for issuers to file suspicious transaction reports with the Indian Financial Intelligence Unit; and (iii) the requirement for the issuer to report details of intermediate transfers in the monthly reports on P-Notes submitted to SEBI. An Eligible FPI shall also ensure that no further issue or transfer of any instrument referred to above is made by or on behalf of it to any person other than such entities regulated by appropriate foreign regulatory authorities.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or above of our post-Issue equity share capital on a fully diluted basis. The SEBI has, vide a circular dated November 5, 2019, as amended issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the above-mentioned restrictions shall also apply to subscribers of P-Notes. Two or more subscribers of P-Notes having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the P-Notes. In the event a prospective investor has investments as an FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Notes held in the underlying Indian company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 read with the Consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India, and the related amendments to the FEMA Rules, investments made by an entity of a country, which shares land border with India, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. These investment restrictions shall also apply to subscribers of P-Notes.

Affiliates of the LM which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on, or interests in, our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the LM do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection

with any P-Notes. Any P-Notes that may be issued are not securities of the LM and do not constitute any obligations of, or claims on, the LM. Affiliates of the LM which are FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures from the issuers of such P-Notes and the terms and conditions of any such P-Notes from the issuers of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Bidders are urged to consult with their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

Please also see the sections titled, "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 189 and 196, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of the Preliminary Placement Document and this Placement Document has been submitted to each of the Stock Exchanges.

The Stock Exchanges do not in any manner:

1) warrant, certify or endorse the correctness or completeness of the contents of the Preliminary Placement Document and this Placement Document; or

2) warrant that the Equity Shares issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or

3) take any responsibility for the financial or other soundness of our Company, its Promoters, its management or any scheme or project of our Company.

It should not for any reason be deemed or construed to mean that the Preliminary Placement Document and this Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares of our Company may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

In this Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to "you", "your", "offeree", "purchaser", "subscriber", "recipient", "investors", "prospective investors" and "potential investor" are to the Eligible QIBs in the Issue and references to the "Issuer", "Company", "our Company" refers to Arvind Limited and references to "we", "us" or "our" are to our Company, together with our Subsidiaries and Joint Ventures, on a consolidated basis.

Unless otherwise specified or the context otherwise requires, all references in this Placement Document to (i) the 'US' or 'U.S.' or the 'United States' or the 'USA' are to the United States of America and its territories and possessions; (ii) 'India' are to the Republic of India and its territories and possessions; and (iii) the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable.

Currency and units of presentation

In this Placement Document, references to 'INR', '₹', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of Republic of India, and 'USD', 'U.S. Dollars' and 'US$' are to the legal currency of the United States.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

In this Placement Document, references to "crore" represents "1,00,00,000". All the numbers in this Placement Document have been presented in crores or whole numbers, unless stated otherwise. The amounts in our Financial Statements included herein are presented in ₹ crores.

Certain figures contained in this Placement Document, including financial information, have been subject to rounding adjustments, including adjustments to round off information from our financial statements for certain periods to the nearest amount in absolute crores. All figures in decimals have been rounded off to the second decimal.

Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Page Numbers

Unless otherwise stated, all references to page numbers in this Placement Document are to page numbers of this Placement Document.

Financial and Other Information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise. The terms "Fiscal", "Financial Year", "FY", "Fiscals" or "Fiscal Year", refer to the 12-month period ending March 31 of that particular year. Unless stated otherwise, the financial data in this Placement Document is derived from the Financial Statements.

Our Company has published its Audited Consolidated Financial Statements, in compliance with the SEBI Listing Regulations and the Companies Act, as applicable.

This Placement Document includes the following:

a) audited consolidated financial statements of the Group for Fiscal 2024 read along with the notes thereto prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and the report issued thereon (the "**2024 Consolidated Financial Statements**");

b) audited consolidated financial statements of the Group for Fiscal 2025 read along with the notes thereto prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and the report issued thereon (the "**2025 Consolidated Financial Statements**");

c) audited consolidated financial statements of the Group for Fiscal 2026 read along with the notes thereto prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and the report issued thereon (the "**2026 Consolidated Financial Statements**", and together with 2024 Consolidated Financial Statements and 2025 Consolidated Financial Statements, the "**Consolidated Financial Statements**"); and

The Consolidated Financial Statements should be read along with their respective audit reports. Unless the context requires otherwise or indicates otherwise, the financial information as at and for the year ended March 31, 2026, 2025 and 2024 in this Placement Document is derived from our respective Audited Financial Statements.

Our Company prepares its financial statements in accordance with Ind AS, Companies Act, 2013 and other applicable statutory and/or regulatory requirements. Our Company publishes its financial statements in Indian Rupees. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including IFRS and US GAAP and the reconciliation of the financial information to other accounting principles has not been provided. No attempt has been made to explain those differences or quantify their impact on the financial data included in this Placement Document and investors should consult their own advisors regarding such differences and their impact on our Company's financial data. The degree to which the financial information included in this Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, 2013 the SEBI ICDR Regulations and practices on the financial disclosures presented in this Placement Document should accordingly be limited. Also see, "***Risk Factors – Certain non-GAAP financial measures relating to our operations and financial performance have been included in this Placement Document. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable***." on page 66.

Non-GAAP Financial Measures

Certain non-GAAP Measures and certain other statistical information relating to our operations and financial performance including EBITDA, EBITDA Margin, interest coverage ratio, PAT Margin, Return on Equity and Net Asset Value per Share have been included in this Placement Document. These Non-GAAP financial measures are not defined under Ind AS and are not presented in accordance with Ind AS. We compute and disclose such Non-GAAP financial measures relating to our financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. The presentation of these Non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial statements included in this Placement Document. Prospective investors should read this information in conjunction with the financial statements included in "***Financial Information***" starting on page 220.

Also see "***Risk Factors – Certain non-GAAP financial measures relating to our operations and financial performance have been included in this Placement Document. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable***" on page 66.

INDUSTRY AND MARKET DATA

Information regarding market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Placement Document consists of estimates based on data reports compiled by government bodies, professional organisations, industry publications, data from other external sources and knowledge of the markets in which we compete. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect.

Unless stated otherwise, the statistical information included in this Placement Document relating to the industry in which we operate has been reproduced from various trade, industry and government publications and websites more particularly described in the section titled "***Industry Overview***" on page 93.

The industry, market and economic data included in this Placement Document has been derived from the report titled "*Research Report on Textile Industry*" dated July 2026 (the "**CARE Report**") prepared by CARE Analytics and Advisory Private Limited ("**CARE**"). Our Company has commissioned and paid for the CARE Report pursuant to the engagement letter dated July 10, 2026 signed with CARE. CARE is not related in any manner to our Company or our Subsidiaries, Joint Ventures, Directors, Key Managerial Personnel and members of Senior Management.

This data in the CARE Report is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Accordingly, neither the accuracy nor completeness of information contained in the CARE Report is guaranteed. The opinions expressed are not recommendation to buy, sell or hold an instrument. Investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so we have relied on internally developed estimates. Similarly, while we believe its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the LM can assure Bidders as to their accuracy.

The extent to which the market and industry data used in this Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled "***Risk Factors - Industry information included in this Placement Document has been derived from the CARE Report, which was prepared by CARE and exclusively commissioned and paid for by our Company for the purposes of the Issue, and any reliance on information from the CARE Report for making an investment decision in the Issue is subject to inherent risks***." on page 66.

Further, the calculation of certain statistical and/or financial information/ ratios specified in the sections titled "***Our Business***", "***Risk Factors***", and otherwise in this Placement Document may vary from the manner such information is calculated under and for purposes of, and as specified in the CARE Report. Data from these sources may also not be comparable. Accordingly, investment decisions should not be based solely on such information.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "can", "could", "estimate", "expect", "intend", "likely", "may", "objective", "plan", "potential", "project", "pursue", "seek", "shall", "should", "will", "would", or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

The forward-looking statements appear in a number of places throughout this Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and Dividend Policy of our Company and the industry in which we operate. In addition, even if the result of operations, financial conditions, liquidity and Dividend Policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Placement Document that are not historical facts. These forward-looking statements contained in this Placement Document (whether made by us or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- We derived a significant portion of our revenue from the textile segment which contributed towards 76.83%, 74.13% and 75.00% of our total revenue from operations during the Fiscals 2026, 2025 and 2024, respectively. The textile segment is vulnerable to variations in demand and changes in consumer preferences, which could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

- Our revenue from operations of our textile segment are subject to seasonal fluctuations and lower income in a peak season may have a disproportionate effect on our results of operations.

- We have not entered into any long-term contracts with our suppliers from whom we procure raw materials consumed by us for our manufacturing process and failure by our suppliers to meet their obligations could adversely affect our business, results of operations, financial condition and cash flows.

- Increase in costs of raw materials or our inability to fully pass on costs to our customers, may impact our revenue from operations and profitability and may result in a materially adverse effect on our business, results of operations and financial condition.

- We have significant dependence on cotton as a raw material, which we procure through farmers, spinning units, ginning units and traders without formal or long-term arrangements, and any disruption in its availability or quality may adversely affect our business, results of operations, financial condition and cash flows.

- Some of the raw materials used in our production processes are natural resources and therefore we are subject to the seasonality and risk of depletion of such natural resources.

- Our Manufacturing Facilities are critical to our business operations. The unexpected shutdown or slowdown of operations at our Manufacturing Facilities due to lack of basic infrastructure such as fuel and electricity, or underutilization of our manufacturing capacities could have a material adverse effect

on our business, results of operations, profitability and margins, cash flows and financial condition.

- Our Manufacturing Facilities are primarily concentrated in Gujarat and Karnataka. Our business operations are majorly concentrated in a particular geographical region and any adverse developments affecting our operations in this region could have a significant impact on our revenue and results of operations.

- Our operations are human capital intensive and could be adversely affected by strikes or increased wage demands by our employees or any other kind of disputes with our employees.

- Our exports accounted for 45.99%, 40.95% and 41.11% of revenue from operations for Fiscal 2026, Fiscal 2025 and Fiscal 2024. Any changes in government regulations or policies affecting international trade may have an adverse effect on our business, results of operations and financial condition.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under the sections titled "***Risk Factors***", "***Industry Overview***", and "***Our Business***" on pages 40, 93 and 138, respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, any future gains, losses or impact on net income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The forward-looking statements contained in this Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as on the date of this Placement Document or the respective dates indicated in this Placement Document, and our Company and the LM undertake no obligation to update or revise any of the forward-looking statement contained herein to reflect any changes, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward-looking statements or otherwise. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements. In accordance with SEBI and Stock Exchange requirements, our Company and the LM will ensure that the eligible equity shareholders are informed of material developments until the time of the grant of listing and trading permissions by the Stock Exchanges.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company incorporated under the laws of India. All our Directors, Key Managerial Personnel and members of Senior Management are residents of India and all or a substantial portion of the assets of our Company and such persons are located in India. As a result, it may be difficult or may not be possible for prospective investors outside India to effect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India.

Recognition and enforcement of foreign judgments and execution of a foreign judgment is provided for under Section 13, 14 and Section 44A, respectively, of the Code of Civil Procedure, 1908, as amended (the "**Civil Procedure Code**"). Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. A foreign judgment which is conclusive under Section 13 of the Civil Procedure Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution. India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record, but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amount payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards (even if such an award is enforceable as a decree or judgement). The execution of a foreign decree under Section 44A of the Civil Procedure Code is also subject to the exception under Section 13 of the Civil Procedure Code as mentioned above.

Among other jurisdictions, the United Kingdom of Great Britain and Northern Ireland, Republic of Singapore, United Arab Emirates and Hong Kong have been declared by the Government to be reciprocating territories for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws, pursuant to the execution of such foreign judgment. We cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Our Company and the Lead Manager cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATE INFORMATION

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information, for or as of the end of the period indicated with respect to the exchange rates between the Rupee and the U.S. Dollar (in ₹ per US$) for the periods indicated. The exchange rates are based on the reference rates released by the RBI and Financial Benchmark India Private Limited ("**FBIL**"), which are available on the websites of RBI and FBIL. No representation is made that any Rupee amounts actually represent such amounts in U.S. dollar or could have been or could be converted into USD at the rates indicated, any other rates, or at all.

(₹ per USD)

	Period end[(1)]	**Average[(2)]**	**High[(3)]**	**Low[(4)]**
Financial Year[(5)]				
2026	94.65	88.31	94.65	83.86
2025	85.58	84.57	87.59	83.07
2024	83.37	82.29	83.40	81.65
Month ended[(5)]				
July 31, 2026	95.37	95.82	96.54	94.73
June 30, 2026	94.60	94.97	95.78	94.28
May 31, 2026	95.38	95.60	96.84	96.44
April 30, 2026	95.24	93.55	95.24	92.56
March 31, 2026	94.65	92.76	94.65	91.45
February 28, 2026	90.95	90.73	91.64	90.40

(Source: www.rbi.org.in and www.fbil.org.in, as applicable)

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods.

(2) Average of the official rate for each Working Day of the relevant period.

(3) Maximum of the official rate for each Working Day of the relevant period.

(4) Minimum of the official rate for each Working Day of the relevant period.

(5) If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed. The RBI reference rates are rounded off to two decimal places.

DEFINITIONS AND ABBREVIATIONS

This Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein.

The following list of certain capitalised terms used in this Placement Document is intended for the convenience of the reader/ prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Placement Document shall have the meaning as defined hereunder. Further any references to any agreement, document, statute, rules, guidelines, regulations or policies shall include amendments made thereto, from time to time.

*The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations framed thereunder. Notwithstanding the foregoing, terms used in the sections titled "**Industry Overview**", "**Taxation**", "**Legal Proceedings and Other Information** and "**Financial Information**" on pages 93, 204, 212 and 220, respectively, shall have the meaning given to such terms in such sections.*

General Terms

Term	Description
"Our Company" or "the Company" or "the Issuer"	Arvind Limited, a public limited company incorporated under the provisions of the Indian Companies Act, VII of 1913, and having its registered office at Naroda Road, Ahmedabad – 382 345, Gujarat, India
"We" or "our" or "us" or "the Group" or "our Group"	Unless the context otherwise indicates or implies, refers to our Company along with our Subsidiaries, Associates and Joint Ventures, on a consolidated basis. For the purposes of financial information, "we" or "us" or "our" or "group" would mean our Company and our Subsidiaries, Associates and Joint Ventures as at or during the relevant period/ fiscal

Company related terms

Term	Description
2024 Consolidated Financial Statements	The Consolidated Financial Statements comprising of Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including other comprehensive income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows as at March 31, 2024 have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
2025 Consolidated Financial Statements	The Consolidated Financial Statements comprising of Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including other comprehensive income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows as at March 31, 2025 have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
2026 Consolidated Financial Statements	The Consolidated Financial Statements comprising of Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including other comprehensive income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows as at March 31, 2026 have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
"Articles" or "Articles of Association" or "AoA"	The Articles of Association of our Company, as amended from time to time
Associates	The associates of our Company, namely, Purfi Arvind Manufacturing India Private Limited and Renew Green (GJ Eight) Private Limited
Audit Committee	The Audit Committee constituted by the Board of our Company, as disclosed in the section titled "***Board of Directors and Senior Management***" on page 153
"Auditors" or "Statutory Auditors"	The statutory auditors of our Company, Deloitte Haskins & Sells LLP Chartered Accountants

Term	Description
"Audited Financial Statements" or "Financial Statements"	Collectively, 2026 Consolidated Financial Statements, 2025 Consolidated Financial Statements, and 2024 Consolidated Financial Statements
"Board of Directors" or "Board"	The board of directors of our Company, including any duly constituted committee thereof, as the context may require
Chairman and Managing Director	The chairman of the Board of our Company, namely, Sanjaybhai Shrenikbhai Lalbhai
"Chief Financial Officer" or "CFO"	The chief financial officer of our Company, namely, Nigam Gautamkumar Shah
Committee of Directors	The Committee of Directors constituted by the Board of our Company as disclosed in the section titled "***Board of Directors and Senior Management***" on page 153
Corporate Social Responsibility Committee	The Corporate Social Responsibility Committee constituted by the Board of our Company, as disclosed in the section titled "***Board of Directors and Senior Management***" on page 153
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, namely, Pritesh Shah
Dalco-GFT	Dalco GF Technologies, LLC
Director(s)	The directors on the Board of our Company, as may be appointed from time to time
Dividend Policy	The dividend distribution policy of our Company
Equity Shares	The equity shares of face value of ₹10 each of our Company
ESOS 2021	AL - Employee Stock Option Scheme 2021
Finance Committee	The finance committee of our Board comprising Punit Sanjay Lalbhai, Jayesh Kantilal Shah and Nigam Gautamkumar Shah
Gross Proceeds	The gross proceeds of the Issue that will be available to our Company
Group Chief Financial Officer	The group chief financial officer of our Company, namely, Jayesh Kantilal Shah
Independent Director(s)	Independent directors who are currently on the Board of our Company, as disclosed in the section titled "***Board of Directors and Senior Management***" on page 153
Joint Venture(s)	The joint ventures of our Company, namely, Arya Omnitalk Radio Trunking Services Private Limited and Arudrama Developments Private Limited
"Key Managerial Personnel(s)" or "KMP(s)"	The key managerial personnel of our Company appointed in accordance with the provisions of the Companies Act, 2013 and the SEBI ICDR Regulations. For details, please see the section titled "***Board of Directors and Senior Management***" on page 153
"Material Subsidiary" or "AAML"	Arvind Advanced Materials Limited, as defined in terms of the SEBI Listing Regulations
Manufacturing Facility(ies)	The manufacturing facilities of our Company. For details, please see the section titled "***Our Business - Scaled platform with integrated manufacturing and R&D capabilities - Manufacturing Facilitates***" on page 144
"Manufacturing Facility 12" or "Naroda Manufacturing Facility"	Our manufacturing facility located at Asarwa village, Asarwa Taluka, Ahmedabad, Gujarat
"Manufacturing Facility 13" or "Santej Manufacturing Facility"	Our manufacturing facility located at Santej village, Kalol Taluka, Gandhinagar, Gujarat
"Memorandum" or "Memorandum of Association" or "MoA"	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee constituted by the Board of our Company as disclosed in the section titled "***Board of Directors and Senior Management***" on page 153
Preference Shares	The preference shares of face value of ₹100 each
Promoter(s)	Collectively, Sanjaybhai Shrenikbhai Lalbhai (individually and as a trustee of Discretionary Trust), Jayshreeben Sanjaybhai Lalbhai, Punit Sanjay Lalbhai and Aura Securities Private Limited.
"Promoter Group" or "members of the Promoter Group"	The individuals and entities forming part of our promoter group in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations
Registered Office	Naroda Road, Ahmedabad – 382 345, Gujarat, India
"Registrar of Companies" or "RoC"	The Registrar of Companies, Gujarat, Dadra and Nagar Haveli at Ahmedabad
Risk Management Committee	The Risk Management Committee constituted by the Board of our Company as disclosed in the section titled "***Board of Directors and Senior Management***" on page 153
Scheme of Arrangement	The scheme of arrangement dated May 6, 2024 pursuant to which our Company transferred advanced materials segment to our wholly owned Subsidiary, Arvind Advanced Materials Limited, which was approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, on August 7, 2025

Term	Description
"Senior Management" or "Senior Management Personnel" or "SMP"	The members of the senior management of our Company, as disclosed in the section titled "***Board of Directors and Senior Management***" on page 153, unless otherwise specified
Shareholder(s)	The holder(s) of Equity Shares of our Company, unless otherwise specified in the context thereof
Stakeholders' Relationship Committee	The Stakeholders' Relationship Committee constituted by the Board of our Company as disclosed in the section titled "***Board of Directors and Senior Management***" on page 153
Subsidiaries	The direct and step-down subsidiaries of our Company, namely: 1. Arvind Advanced Materials Limited 2. Arvind Advanced Materials US HoldCo. Inc. 3. Arvind Advanced Materials US TopCo. Inc. 4. Arvind Atelier (FZC) 5. Arvind Atelier UK Limited 6. Arvind Enterprises (FZC), U.A.E. 7. Arvind Envisol Limited 8. Arvind Envisol PLC 9. Arvind Foundation 10. Arvind Indigo Foundation 11. Arvind Lifestyle Apparel Manufacturing PLC 12. Arvind New Technologies Private Limited 13. Arvind OG Nonwovens Private Limited 14. Arvind PD Composites Private Limited 15. Arvind PD International FZ LLC 16. Arvind Premium Retail Limited 17. Arvind Smart Textiles Limited 18. Arvind Sports Fashion Private Limited 19. Arvind Technical Products Private Limited 20. Arvind Worldwide Inc. 21. Arya Omnitalk Wireless Solutions Private Limited 22. Dalco GFT Nonwovens LLC 23. Dalco GF Technologies LLC 24. Syntel Telecom Limited For details, please see *"**Organisational Structure of our Company**"* on page 162
Whole-time Director(s)	Whole-time directors as per the Companies Act, 2013 and the SEBI Listing Regulations, who are currently on the Board of our Company, as disclosed in the section titled "***Board of Directors and Senior Management***" on page 153

Issue related terms

Term	Description
"Allocated" or "Allocation"	The allocation of Equity Shares, by our Company in consultation with the LM, following the determination of the Issue Price to Eligible QIBs on the basis of the Application Forms submitted by them, in compliance with Chapter VI of the SEBI ICDR Regulations
"Allot" or "Allotment" or "Allotted"	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued pursuant to the Issue
"Application Amount" or "Bid Amount"	With respect to a Bidder means the aggregate amount paid by such Bidder at the time of submitting a Bid in the Issue, including any revision thereof. The bid amount was determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by a Bidder in the Issue on submission of the Application Form and paid by a Bidder in the Issue on the submission of the Application Form
"Application Form(s)" or "Application"	Serially numbered, specifically bid cum application form (including any revisions thereof) which has been submitted by the Eligible QIBs for registering a Bid in the Issue
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term "Bidding" shall be construed accordingly
"Bidder(s)" or "Investor(s)"	An Eligible QIB, who has made a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form
"Bidding Period" or "Issue Period"	The period between the Issue Opening Date and Issue Closing Date, inclusive of both dates, during which Bidders can submit their Bids including any revision and/or modifications thereof
"CAN" or "Confirmation of Allocation Note"	Note, advice or intimation confirming Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price, and requesting payment for the entire applicable Issue Price for all the Equity Shares Allocated to such Eligible QIBs

Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about August 5, 2026
"CARE" or "Industry Report Provider"	CARE Analytics and Advisory Private Limited
CARE Report	Report titled "*Research Report on Textile Industry*" dated July 2026 prepared and issued by CARE
Designated Date	The date of credit of Equity Shares to the Allottees' demat accounts pursuant to the Issue, as applicable to the relevant Allottees
Eligible FPIs	FPIs under FEMA, the SEBI FPI Regulations and any other applicable law, that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that were eligible to participate in the Issue and which were (a) not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or (b) restricted from participating in the Issue under the applicable laws. Further, FVCIs are not permitted to participate in the Issue. In addition, Eligible QIBs are QIBs who are outside the United States to whom Equity Shares are being offered in "offshore transactions", as defined in, and in reliance on Regulation S and applicable laws of the jurisdiction where those offers, and sales are made
Escrow Account	Special non-interest bearing, no-lien, current bank account titled "Arvind Limited Escrow Account for QIP", without any cheques or overdraft facilities, to be opened with the Escrow Bank, in accordance with the terms of the Escrow Agreement into which the Bid Amount has been deposited by Eligible QIBs and from which refunds, if any, shall be remitted to unsuccessful Bidders, as set out in the Application Form
Escrow Agreement	Agreement dated July 31, 2026 entered into by and amongst our Company, the Escrow Bank and the Lead Manager for collection of the Application Amounts and remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	State Bank of India
Floor Price	Floor price of ₹ 518.58 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company has offered a discount of ₹ 13.58 per Equity Share, being equivalent to a discount of 2.62% on the Floor Price in accordance with the approval of our Board dated July 3, 2026, our Shareholders dated August 2, 2026, and the Finance Committee dated August 5, 2026 and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended
Issue	Offer, issuance and allotment of up to 99,00,990 Equity Shares aggregating to approximately ₹ 500.00 crores to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Closing Date	August 5, 2026, the date after which our Company (or Lead Manager on behalf of our Company) ceased acceptance of Application Forms and the Application Amount
Issue Opening Date	August 3, 2026, the date on which our Company (or the Lead Manager on behalf of our Company) commenced acceptance of the Application Forms and the Application Amount
Issue Price	A price per Equity Share of ₹ 505.00, at a premium of ₹ 495.00 per Equity Share
Issue Size	The issue of up to 99,00,990 Equity Shares aggregating to approximately ₹ 500.00 crores
"Lead Manager" or "LM" or "Placement Agent"	Motilal Oswal Investment Advisors Limited
Monitoring Agency	CARE Ratings Limited
Monitoring Agency Agreement	Agreement dated July 31, 2026 entered into by and between our Company and the Monitoring Agency in relation to the responsibilities and obligations of the Monitoring Agency for monitoring the utilisation of the Issue Proceeds
Mutual Fund	A mutual fund registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue
Placement Agreement	Placement agreement dated August 3, 2026 entered into by and between our Company and the Lead Manager
Placement Document	This placement document dated August 5, 2026 in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules prescribed thereunder
Preliminary Placement Document	The Preliminary Placement Document dated August 3, 2026 along with the Application Form, issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules prescribed thereunder
"QIBs" or "Qualified Institutional Buyers"	Qualified institutional buyers, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations

QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with applicable rules
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all, or part of the Application Amount submitted by such Bidder pursuant to the Issue
Refund Intimation Letter	The letter from our Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts on the date of issuance of CAN
Relevant Date	August 3, 2026, which is the date of the meeting in which our Board decided to open the Issue
Stock Exchanges	Together, NSE and BSE
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Bid Amount (along with the Application Amount) and who have been Allocated Equity Shares in the Issue
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India

Technical and industry related terms and abbreviations

Term	Description
AAML Business	Advanced materials business segment housed within our wholly owned Subsidiary, AAML
Anti-static	A specialized material designed to prevent and dissipate electrostatic discharge
B2B	Business to business
BRSR	Business Responsibility and Sustainability Reporting
Carbon Fibers	A synthetic filament made of pure carbon atoms
CDP	Carbon Disclosure Project
Core Spun Lycra	A central stretchable Lycra (spandex) core wrapped in an outer layer of natural or synthetic staple fibers like cotton or polyester
Dubai Manufacturing Facility	Our manufacturing facility located at Z2S8-135, Shed No.08 - Zone 2 Al Hamra FZ, Al Hamra Industrial Free Zone RAK, United Arab Emirates
ECWS	Extreme cold weather suit
FR	Fire resistant
FR Polyester	A specialized synthetic material
FRP	Fibre reinforced polymer
GRI	Global Reporting Initiative
GWICA	Global water innovation centre for action
High Quality Cotton	Cotton containing extra-long staple fibers
Manufacturing Facilities	Collectively,
Meta Aramid	An advanced synthetic, heat-resistant, and flame-retardant aromatic polyamide fiber
Mod Acrylic	A synthetic, flame-resistant fiber made from modified acrylic polymers
Nylon 6	A semi-crystalline synthetic polymer made from a single monomer called caprolactam
Nylon 66	A plastic and fiber made from two chemical parts with six carbon atoms each, hexamethylenediamine and adipic acid
Para Aramid	A heat-resistant synthetic fiber
"Polybenzimidazole" or "PBI"	A high-performance, synthetic fiber known for exceptional thermal stability, non-flammability, and chemical resistance
"Polyphenylene Sulfide" or "PPS"	A semi-crystalline synthetic polymer extruded into industrial fibers and yarns
Polyester Super High Tenacity	A synthetic industrial filament
"Polytetrafluoroethylene" or "PTFE"	A synthetic fluoropolymer used to make fabrics
PTZ	Pan-tilt-zoom
PVC	Polyvinyl chloride
PVDF	Polyvinylidene fluoride
R&D	Research and development
TOG	Turn out gear
UNGC	United Nations Global Compact
USA Manufacturing Facility 1	Our manufacturing facility located at 2050 and 2160 Evergreen drive, NE, Conover, NC 28613
USA Manufacturing Facility 2	Our manufacturing facility located at 541 Buffalo-west Springs Highway Union, SC 29379
UV	Ultraviolet
ZDHC MRSL	Zero Discharge of Hazardous Chemicals Manufacturing Restricted Substances List

Conventional and general terms

Term	Description
"₹" or "Rs." or "Rupees" or "INR"	Indian Rupees
AGM	Annual general meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
"AS" or "Accounting Standards"	Accounting standards issued by the Institute of Chartered Accountants of India
AY	Assessment year
BSE	BSE Limited
CAGR	Compounded annual growth rate
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
Companies Act, 1913	Indian Companies Act, VII of 1913, along with the relevant rules, regulations, clarifications, and modifications framed thereunder
Companies Act, 1956	Companies Act, 1956, along with the relevant rules, regulations, clarifications, and modifications framed thereunder
"Companies Act" or "Companies Act, 2013"	Companies Act, 2013, as applicable, along with the relevant rules, regulations, clarifications, and modifications framed thereunder
Competition Act	Competition Act, 2002
"Consolidated FDI Policy" or "FDI Policy"	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any amendments or substitutions thereof, issued from time to time
CSR	Corporate Social Responsibility
CY	Calendar Year
Demat	Dematerialised
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's Identification
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India *(formerly known as Department of Industrial Policy and Promotion)*
EBITDA	Earnings before interest, taxes, depreciation, and amortisation. EBITDA is calculated as profit/ (loss) before tax for the year plus finance costs, depreciation and amortisation expenses.
EBITDA Margin	EBITDA margin is calculated as EBITDA for the year divided by Total Income for the period / year multiplied by 100.
EGM	Extraordinary general meeting
FBIL	Financial Benchmarks India Private Limited
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FEMA Regulations	The FEMA NDI Rules, the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 and the Foreign Exchange Management (Debt Instruments) Regulations, 2019, as applicable
"Financial Year" or "Fiscal" or "Fiscal Year" or "FY"	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations

Term	Description
GAAP	Generally Accepted Accounting Principles
GAAR	General anti-avoidance rules
Gazette	Official Gazette of India
GDP	Gross domestic product
"GoI" or "Government" or "Central Government"	Government of India
GST	Goods and services tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	International Financial Services Centre
Income Tax Act	The Income-tax Act, 1961
"Ind AS" or "Indian Accounting Standards"	Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
Indian Penal Code	The Indian Penal Code, 1860
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
IT	Information technology
IT Act	The Information Technology Act, 2000
KYC	Know Your Customer
MCA	Ministry of Corporate Affairs, Government of India
National Investment Fund	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the Government of India, published in the Gazette of India
NBFC	Non-Banking Financial Companies
NEFT	National Electronic Fund Transfer
NR	Non-resident
NRI	Person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016 or an overseas citizen of India cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue
ODI	Off-shore Derivatives Instruments
p.a.	Per annum
PAN	Permanent Account Number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014
PAT	Profit after tax. Profit for the year is calculated as net profit attributable to owners of the company and non-controlling interest for the year
PAT Margin	PAT margin (%) is calculated as PAT for the year divided by the Total Income for the year, multiplied by 100.
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real Time Gross Settlement
SAT	Securities Appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019

Term	Description
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations 1996
State Government	The government of a state in India
STT	Securities transaction tax
"Systemically Important NBFC" or "SI-NBFC"	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Total Income	Total income is calculated as revenue from operation and other income
U.S. Securities Act	United States Securities Act of 1933, as amended
"U.S." or "USA" or "United States"	The United States of America, its territories and possessions, any State of the United States and the District of Columbia
"USD" or "US$"	United States Dollars
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
"Wilful Defaulter or Fraudulent Borrower"	Wilful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Placement Document, including the sections titled "***Risk Factors***", "***Objects of the Issue and Use of Issue Proceeds***", "***Issue Procedure***" and "***Description of the Equity Shares***" on pages 40, 78, 172 and 202 respectively.

Issuer	Arvind Limited
Face value	₹10 per Equity Share.
Issue size	Issue of 99,00,990 Equity Shares at a premium of ₹ 495.00, aggregating to approximately ₹ 500.00 crores.[*] A minimum of 10% of the Issue size, i.e., at least 9,90,100 Equity Shares, were made available for Allocation to Mutual Funds only and the balance 89,10,890 Equity Shares were made available for Allocation to all QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation to Mutual Funds, such under-subscribed portion or part thereof may be Allotted to other Eligible QIBs. [*]*Subject to allotment of Equity Shares pursuant to the Issue.*
Date of Board Resolution authorising the Issue	July 3, 2026
Date of Shareholders' Resolution authorising the Issue	August 2, 2026
Floor Price	₹ 518.58 per Equity Share The Floor Price for the Issue has been calculated in accordance with Regulation 176 of Chapter VI of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. However, Our Company has offered a discount of ₹ 13.58 per Equity Share, being equivalent to a discount of 2.62% on the Floor Price in accordance with the approval of our Board through a resolution dated July 3, 2026, and the shareholders of our Company accorded through their special resolution passed through a postal ballot dated August 2, 2026 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Price	₹ 505.00 per Equity Share of the Company (including a premium of ₹ 495.00 per Equity Share)
Eligible investors	Eligible QIBs, to whom the Preliminary Placement Document and this Placement Document and the Application Form are delivered and who are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or who are eligible to bid and participate in the Issue. For further details, please see the sections titled "***Issue Procedure – Eligible Qualified Institutional Buyers***", "***Selling Restrictions***", and "***Transfer Restrictions and Purchaser Representations***" on pages 177, 189 and 196, respectively. The list of Eligible QIBs to whom the Preliminary Placement Document and this Placement Document and the Application Form have been delivered and determined by the LM in consultation with the Company, at their sole discretion.
Issued, subscribed and paid-up Equity Share capital prior to the Issue	26,21,40,540 Equity Shares have been issued and subscribed and 26,21,39,640 Equity Shares have been paid up[*] [*]*900 Equity Shares allotted to the shareholders were forfeited by the Board of Directors of the Company, at its meeting held on April 27, 2006, due to the non-payment of allotment money by the respective shareholders.*
Equity Shares issued and outstanding immediately after the Issue	27,20,41,530[*] Equity Shares have been issued and subscribed and 27,20,40,630 Equity Shares have been paid up[*] [*]*900 Equity Shares allotted to the shareholders were forfeited by the Board of Directors of the Company, at its meeting held on April 27, 2006, due to the non-payment of allotment money by the respective shareholders.*
Issue Procedure	The Issue is being made only to Eligible QIBs in reliance on Section 42 and Section 62 of the Companies Act, 2013, read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act, 2013, read with Chapter VI of the SEBI ICDR Regulations. For details, please see the section titled "***Issue Procedure***" on page 172.
Listing	Our Company has received in-principle approvals from BSE and NSE, each dated August 3, 2026, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue.

	Our Company shall make applications to each of the Stock Exchanges after Allotment to obtain final listing approval for the Equity Shares.
Trading	The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges. Our Company will make applications to each of the Stock Exchanges after Allotment and credit of Equity Shares to the beneficiary account with the depository participant to obtain final trading approval for the Equity Shares to be issued pursuant to this Issue.
Lock-up	See "***Placement – Lock-up***" on page 187 for a description of restrictions on our Company and Promoters in relation to Equity Shares.
Proposed Allottees	See "***Details of Proposed Allottees***" on page 221 for names of the proposed Allottees and the percentage of post-Issue capital that may be held by them in our Company.
Transferability restrictions	The Equity Shares being Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. Allotments made to VCFs, and AIFs in this Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. Additional restrictions may apply in certain other jurisdictions. For further details on transferability restrictions applicable on the Equity Shares offered pursuant to the Issue, please see the sections titled "***Issue Procedure***", "***Selling Restrictions***", and "***Transfer Restrictions and Purchaser Representations***" on pages 172, 189 and 196.
Objects of the Issue and Use of Issue Proceeds	The Gross Proceeds from the Issue aggregate to approximately ₹ 500.00 crores. Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions and the estimated expenses of the Issue of approximately ₹ 13.88 crores, shall be approximately ₹ 486.12 crores. For details, please see the section titled "***Objects of the Issue and Use of Issue Proceeds***" on page 78.
Risk factors	For details, please see the section titled "***Risk Factors***" on page 40 for a discussion of risks you should consider before deciding whether to subscribe for the Equity Shares.
Taxation	For details of statement of special tax benefits available to our Material Subsidiary and to shareholders of our Company under the applicable laws in India, please see the section titled "***Taxation***" on page 204.
Closing Date	The Allotment is expected to be made on or about August 5, 2026.
Status, ranking and dividends	The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and shall rank *pari passu* in all respects with the existing Equity Shares, including rights in respect of voting rights and dividends. Our Shareholders (as on record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, the SEBI Listing Regulations and other applicable laws and regulations. Our Shareholders may attend and vote in Shareholders' meetings on the basis of one vote for every Equity Share held. For details, please see the sections titled "***Description of the Equity Shares***" and "***Dividends***" on pages 202 and 92, respectively.
Voting Rights	See "***Description of the Equity Shares – Voting Rights***" on page 203.
Security Codes for the Equity Shares	ISIN: INE034A01011 BSE Code: 500101 NSE Symbol: ARVIND

SELECTED FINANCIAL INFORMATION

The following selected financial information of our Company is extracted from and should be read in conjunction with, the Audited Financial Statements, prepared in accordance with the applicable accounting standards and Companies Act, 2013.

[The remainder of this page has intentionally been left blank]

SUMMARY OF BALANCE SHEET

(₹ in crores, except as otherwise stated)

Particulars	As at and for the fiscal year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3,660.42	3,272.84	3,110.65
(b) Capital work-in-progress	119.35	407.36	116.82
(c) Investment Properties	115.78	123.49	187.55
(d) Goodwill	7.87	7.87	8.95
(e) Other Intangible Assets	20.68	14.42	15.56
(f) Intangible Assets Under Development	1.92	1.78	0.50
(g) Right of Use Assets	188.57	159.55	98.71
(h) Investments accounted for using the equity method	39.08	32.39	34.71
(i) Financial Assets			
(i) Investments	4.06	116.82	125.27
(ii) Loans	0.18	0.29	0.42
(iii) Other financial assets	61.68	46.77	36.70
(j) Deferred Tax Assets (net)	26.39	66.85	15.34
(k) Other Non-Current Assets	149.22	76.64	36.76
Total Non-Current Assets (A)	**4,395.20**	**4,327.07**	**3787.94**
Current Assets			
(a) Inventories	2,173.53	2,137.68	1985.99
(b) Financial Assets			
(i) Investments	225.40	0.87	7.13
(ii) Trade receivables	1,443.79	1,177.27	1,069.76
(iii) Cash and cash equivalents	88.00	56.44	57.32
(iv) Bank balance other than (iii) above	75.49	60.14	18.49
(v) Loans	0.19	1.21	3.62
(vi) Other financial assets	42.87	15.23	17.84
(c) Current Tax Assets (net)	54.14	6.92	19.82
(d) Other Current Assets	337.86	316.12	292.46
Total Current Assets (B)	**4,441.27**	**3,771.88**	**3,472.43**
TOTAL ASSETS (A) + (B)	**8,836.47**	**8,098.95**	**7,260.37**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	262.12	261.82	261.63
(b) Other Equity	3,782.07	3,524.28	3,281.12
Equity attributable to equity holders of the Parent	**4,044.19**	**3,786.10**	**3.542.75**
(c) Non-controlling interest	97.28	85.25	77.95
Total Equity (A)	**4,141.47**	**3,871.35**	**3,620.70**
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	277.16	292.30	263.35
(ii) Lease Liabilities	180.15	153.35	96.27
(iii) Other financial liabilities	0.35	0.36	0.35
(b) Long-Term Provisions	43.34	36.09	32.23
(c) Deferred Tax Liabilities (net)	97.68	125.03	68.16
(d) Government Grants	116.45	112.52	79.56
(e) Other Non Current Liabilities	86.76	0.21	0.05
Total Non-Current Liabilities (B)	**801.89**	**719.86**	**539.97**

Particulars	As at and for the fiscal year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	1,163.81	1,083.66	1,062.03
(ii) Lease Liabilities	38.40	32.92	26.34
(iii) Trade payables			
- Total Outstanding dues of Micro Enterprises and Small Enterprises	83.33	106.75	147.53
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,889.49	1,548.45	1,227.76
(iv) Other financial liabilities	346.40	318.22	224.60
(b) Short-Term Provisions	50.13	19.82	15.99
(c) Government Grants	12.90	12.75	12.86
(d) Current Tax Liabilities (net)	6.34	5.97	1.11
(e) Other Current Liabilities	302.31	379.20	381.48
Total Current Liabilities (C)	**3,893.11**	**3,507.74**	**3,099.70**
TOTAL EQUITY AND LIABILITIES (A) + (B) + (C)	**8,836.47**	**8,098.95**	**7,260.37**

SUMMARY OF STATEMENT OF PROFIT AND LOSS

(₹ in crores, except as otherwise stated)

Particulars	As at and for the fiscal year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
I. INCOME			
(a) Revenue from operations	9,303.19	8,328.81	7,737.75
(b) Other income	56.32	65.19	40.83
TOTAL INCOME	**9,359.51**	**8,394.00**	**7,778.58**
II. EXPENSES			
(a) Cost of materials consumed	4,295.06	3,730.02	3,475.78
(b) Purchase of stock-in-trade	194.94	387.50	236.68
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	4.54	(154.50)	(33.71)
(d) Project expenses	117.29	72.05	122.34
(e) Employee benefit expenses	1,202.51	1,056.34	963.57
(f) Finance costs	164.85	165.77	159.30
(g) Depreciation and amortisation expenses	290.33	258.71	265.82
(h) Other expenses	2,484.43	2,384.00	2,127.88
TOTAL EXPENSES	**8,753.95**	**7,899.89**	**7,317.66**
III. PROFIT BEFORE SHARE OF PROFIT/(LOSS) OF JOINT VENTURES AND ASSOCIATES, EXCEPTIONAL ITEMS AND TAX (I-II)	**605.56**	**494.11**	**460.92**
IV. Share of Profit/(Loss) of Joint Ventures and Associates accounted for using the Equity Method	6.75	(1.24)	(0.08)
V. PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (III+IV)	**612.31**	**492.87**	**460.84**
VI. Exceptional items (net of tax)	17.27	-	(2.46)
VII. PROFIT BEFORE TAX FOR THE YEAR (V-VI)	**595.04**	**492.87**	**463.30**
VIII. Tax expense			
(a) Current tax	154.90	121.90	129.31
(b) Short/(Excess) Provision of earlier years	8.98	(2.43)	3.94
(c) Deferred tax Charge/(Credit)	4.19	6.02	(22.58)
Total tax expense	**168.07**	**125.49**	**110.67**
IX. Profit for the year (VII-VIII)	**426.97**	**367.38**	**352.63**
X. Other Comprehensive Income/(Loss) (net of tax)			
A. Items that will not be reclassified to Profit and Loss			
(i) Equity Instruments through Other Comprehensive Income (FVOCI)	(0.96)	(3.94)	(21.87)

Particulars	As at and for the fiscal year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
(ii) Remeasurement gain/(loss) of defined benefit plans	(8.10)	(17.80)	6.40
(iii) Share of Other Comprehensive Income/(Loss) of Joint Ventures and Associate accounted for using Equity method	(0.14)	(0.10)	(0.03)
(iv) Income tax related to above items	2.10	4.34	3.40
Net Other Comprehensive Income/(Loss) not to be reclassified to profit or loss in subsequent periods	**(7.10)**	**(17.50)**	**(12.10)**
B. Items that will be reclassified to Profit and Loss			
(i) Effective portion of gain/(loss) on cash flow hedges	(85.23)	(2.26)	5.86
(ii) Exchange differences in translating the financial statements of a foreign operation	(0.28)	(5.71)	(1.81)
(iii) Income tax related to above items	22.66	0.58	(1.47)
Net Other Comprehensive Income/(Loss) that will be reclassified to profit or loss in subsequent periods	**(62.85)**	**(7.39)**	**2.58**
Total Other Comprehensive Income/(Loss) for the year (net of tax) (X) = (A+B)	**(69.95)**	**(24.89)**	**(9.52)**
XI. Total Comprehensive Income/(Loss) for the year (net of tax) (IX+X)	**357.02**	**342.49**	**343.11**
XII. Profit/(Loss) for the year attributable to:			
(i) Equity holders of the parent	413.94	353.49	336.61
(ii) Non-controlling interest	13.03	13.89	16.02
XIII. Other Comprehensive Income/(Loss) attributable to:			
(i) Equity holders of the parent	(69.47)	(24.01)	(9.14)
(ii) Non-controlling interest	(0.48)	(0.88)	(0.38)
XIV. Total Comprehensive Income/(Loss) attributable to: (XII+XIII)			
(i) Equity holders of the parent	344.47	329.48	327.47
(ii) Non-controlling interest	12.55	13.01	15.64
XV. Earning per Equity Share [nominal value per share ₹10]			
- Basic	15.80	13.51	12.87
- Diluted	15.79	13.49	12.86

SUMMARY OF STATEMENT OF CASH FLOW

(₹ in crores, except as otherwise stated)

Particulars	As at and for the fiscal year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
A. Cash Flow from Operating activities			
Profit after taxation	**426.97**	**367.38**	**352.63**
Adjustments to reconcile profit after tax to net cash flows:			
Share of (Profit)/Loss of Joint Ventures and Associates	(6.75)	1.24	0.08
Depreciation and Amortization expenses	290.33	258.71	265.82
Interest Income	(5.41)	(5.93)	(3.07)
Tax Expense	148.99	125.49	110.94
Finance Costs	164.85	165.77	159.30
Bad Debts Written Off	0.70	1.47	0.04
Dividend Income	-	(0.02)	-
Gain on Termination/Transfer of Leases	(0.64)	(3.18)	(0.67)
Allowances for doubtful receivables and expected credit loss	12.69	4.50	2.54
Allowance for doubtful advances	-	0.02	1.17
Sundry Advances Written off	0.02	2.50	6.94
Sundry Balances Written Off	2.13	0.78	1.42
Provision for Non-moving inventory	0.92	15.96	39.66
Foreign Exchange Loss/(Gain)	(13.18)	0.64	(2.53)
Gain on Investments measured at fair value through profit or loss	(0.61)	-	-
(Profit)/Loss on Sale of Property, plant and equipment, Investment properties and intangible assets	(4.44)	(15.51)	0.91
Profit on Sale of Investments	(0.17)	(1.12)	(0.80)
Excess Provision written back	(0.95)	(2.75)	(0.44)
Share based payment expense	5.98	5.95	2.51
Government grant income	(15.52)	(10.96)	(11.68)
Operating Cash Flow before Working Capital Changes	**1,005.91**	**910.94**	**924.77**
Adjustments for changes in working capital:			
(Increase) / Decrease in Inventories	(36.77)	(167.65)	(261.68)
(Increase) / Decrease in trade receivables	(260.55)	(111.89)	(104.82)
(Increase) / Decrease in other financial assets	(43.65)	3.64	2.38
(Increase) / Decrease in other assets	(21.91)	(35.97)	51.51
Increase / (Decrease) in trade payables	309.15	279.65	126.99
Increase / (Decrease) in other financial liabilities	33.63	(4.89)	9.17
Increase / (Decrease) in other liabilities	9.66	(13.26)	71.83
Increase / (Decrease) in provisions	29.58	(0.41)	10.13
Net Changes in Working Capital	**19.14**	**(50.78)**	**(94.49)**
Cash Generated from Operations	**1,025.05**	**860.16**	**830.28**
Direct Taxes Paid (Net)	(157.97)	(97.28)	(133.92)
Net Cash Flow from Operating Activities (A)	**867.08**	**762.88**	**696.36**
B. Cash Flow from Investing Activities			
Purchase of Property, plant and	(522.59)	(535.12)	(277.96)

equipment and intangible assets			
Proceeds from disposal of Property, plant and equipment, Investment properties and intangible assets	36.71	52.23	24.96
Dividend received from joint venture	-	0.99	1.51
Dividend received from others	-	0.02	-
Purchase of Investments	(120.08)	-	(33.23)
Proceeds from disposal of Investments	8.05	11.86	4.14
Payment for Conversion of Joint Venture to Subsidiary	-	-	(28.50)
Changes in other bank balances not considered as cash and cash equivalents	(15.49)	(41.51)	1.77
Loans Given	(1.18)	(3.50)	(7.47)
Loans Received back	2.31	6.04	33.50
Interest Received	5.40	5.46	4.43
Net Cash used in Investing Activities (B)	**(606.87)**	**(503.53)**	**(276.85)**
C. Cash Flow from Financing Activities			
Proceeds from Issue of Share Capital	7.36	2.07	0.24
Dividend Paid	(103.87)	(129.98)	(154.24)
Proceeds from long term Borrowings (including current maturities)	236.05	190.60	222.26
Repayment of long term Borrowings (including current maturities)	(199.18)	(196.18)	(476.71)
Proceeds/(Repayment) from Short term borrowings (net)	27.75	55.46	174.60
Proceeds on disposal of partial interest in as subsidiary that does not involve loss of control	2.61	-	-
Repayment towards lease liabilities	(51.71)	(44.21)	(34.22)
Interest Paid	(146.99)	(148.68)	(150.81)
Net Cash used in Financing Activities (C)	**(227.98)**	**(270.92)**	**(418.88)**
Net Increase/(Decrease) in cash and cash equivalents (A)+(B)+(C)	**32.23**	**(11.57)**	**0.63**
Cash and Cash equivalents at the beginning of the year	55.77	57.04	56.41
Add: Cash and Cash equivalents acquired due to consolidation	-	10.30	-
Cash and Cash equivalents at the end of the year	**88.00**	**55.77**	**57.04**

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, as per the requirements under Indian Accounting Standard (Ind AS) 24 – Related Party Disclosures, please see the section titled "***Financial Information***" on page 220.

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in the Preliminary Placement Document and this Placement Document*, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described in this section are those that we consider to be the most significant to our business, results of operations, cash flows and financial condition as of the date of this Placement Document. To obtain a more detailed understanding of our business and operations, please read this section in conjunction with sections titled, "**Industry Overview**", "**Our Business**", "**Financial Information**" and "**Legal Proceedings and Other Information**" on pages 93, 138, 220, and 212, respectively, as well as other financial and statistical information contained in this Placement Document.*

We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties are not the only risks relevant to us, or the Equity Shares or the industry and the segments in which we currently operate or propose to operate. In addition, the risks set out in this section are not exhaustive, if any or a combination of any of the following risks actually occur, or if any of the risks that are not currently known or are currently deemed to be not relevant or material now, actually occur or become material in the future, our business, prospects, results of operations and financial condition could suffer, the trading price of the Equity Shares could decline, and you may lose all, or part of your investment. If any or a combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. Furthermore, some events may be material collectively rather than individually and some risks may have an impact which is qualitative in nature but cannot be quantified. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved, and should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue.

*This Placement Document also contains forward-looking statements, which refer to future events that involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results to be materially different from those expressed or implied by the forward-looking statements. See "**Forward-Looking Statements**" beginning on page 18.*

Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial implication of any of the risks mentioned in this section. You should pay particular attention to the fact that we are incorporated under the laws of India and are subject to a legal and regulatory environment that may be different from that in other countries.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Consolidated Financial Statements, as applicable.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Research Report on Textile Industry" ("**CARE Report**") dated July, 2026 prepared and issued by CARE exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with this Issue. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar/ Fiscal, as applicable. For more information, see "**– Industry information included in this Placement Document has been derived from the CARE Report, which was prepared by CARE and exclusively commissioned and paid for by our Company for the purposes of the Issue, and any reliance on information from the CARE Report for making an investment decision in the Issue is subject to inherent risks**" on page 66.*

Unless the context otherwise requires, references to "our Company" or "the Company" are to Arvind Limited on a standalone basis, while references to "we", "us", "our" or "our Group" (including in the context of any financial or operational information) are to Arvind Limited, its Subsidiaries, Joint Ventures and Associates on a consolidated basis.

INTERNAL RISK FACTORS

1. We derived a significant portion of our revenue from the textile segment which contributed towards 76.83%, 74.13% and 75.00% of our total revenue from operations during the Fiscals 2026, 2025 and 2024, respectively. The textile segment is vulnerable to variations in demand and changes in consumer preferences, which could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

As on the date of this Placement Document, our operations comprise of three segments: (i) textiles; (ii) advanced materials business (the "**AAML Business**"); and (iii) others, including environmental solutions and telecommunications.

The table below sets out the revenues generated from sale of our three business segments and as a percentage of our revenue from operations for the Fiscals indicated:

Reportable Segment	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in crores)	% of total revenue from operations	Amount (₹ in crores)	% of total revenue from operations	Amount (₹ in crores)	% of total revenue from operations
Textiles	7,147.77	76.83	6,174.28	74.13	5,803.31	75.00
AAML Business	1,838.50	19.76	1,543.53	18.54	1,427.68	18.45
Others	753.58	8.10	738.06	8.86	593.21	7.67
Eliminations*	(436.66)	(4.69)	(127.06)	(1.53)	(86.45)	(1.12)
Total	**9,303.19**	**100.00**	**8,328.81**	**100.00**	**7,737.75**	**100.00**

**inter-segment transactions eliminated in the consolidated revenue from operation*

Although, we have a comprehensive product catalogue housed within our diverse business segments, further have been increasing the share of revenue from operations from our AAML Business over the past three Fiscals and while we aim to continue such growth in the future, our revenue from operations is primarily derived from our textile segment, reflecting our significant reliance on this segment. For further details on our product offerings and business segments, see "***Our Business – Overview***" on page 138 and for further details on our growth strategy, see "***Our Business – Our Growth Strategies – Scale our AAML business segment organically and through selective acquisitions***" on page 149.

Our high dependence on textile segment exposes us to risks related to fluctuations in demand, pricing pressures, and competitive dynamics within products for textile segment. The textile segment is also vulnerable to rapidly-changing customer preferences. Our results of operations are dependent on our ability to retain and attract customers by anticipating, gauging and responding to such changes in customer preferences, and design new apparels or modify our existing products in line with changes in fashion trends as well as customer demands and preferences. If we are unable to anticipate, gauge and respond to changing customer preferences or fashion trends, or if we are unable to adapt to such changes by modifying our existing products or launch new products on a timely basis, we may lose or fail to attract customers.

If there is any decline in demand for products within textile segment, it could have a material adverse effect on our business, financial condition, results of operations and cash flows. While we have not faced any material instances of reduction in the demand of our products in the textile segment during the Fiscals 2026, 2025 and 2024, there can be no assurance that such instances will not occur in the future.

2. Our revenue from operations of our textile segment are subject to seasonal fluctuations and lower income in a peak season may have a disproportionate effect on our results of operations.

Our revenue from operations from our textile segment has historically exhibited certain seasonal fluctuations driven by end-consumer demands, reflecting higher sales volumes and profit margins during the first six months of each Fiscal, in which we generally record higher sales. Lower than expected sales during certain quarters of the fiscal year or more pronounced seasonal variations in sales in the future could have a disproportionate impact on our operating results for the fiscal year or could strain our resources and significantly impair our cash flows. Further, as a result of the above, our quarter-on-quarter financial results may not be comparable or a meaningful indicator of our future performance.

Any slowdown in demand for the products offered in our textile segment during peak seasons or failure by us to accurately anticipate and prepare for such seasonal fluctuations could have an adverse effect on our business, financial condition and results of operations. While we have not faced any such slowdown in demand or failure to accurately anticipate for seasonal fluctuations, we cannot assure that we will not face this in the future.

3. ***We typically do not enter into any long-term contracts with our suppliers from whom we procure raw materials consumed by us for our manufacturing process and failure by our suppliers to meet their obligations could adversely affect our business, results of operations, financial condition and cash flows.***

Our business depends on the availability of reasonably priced, high-quality materials. Our primary materials comprise cotton, yarns made out of recycled and alternate natural fibres and dyes and chemicals, etc.

We are dependent on third parties for the supply of raw materials required in our production process, in an adequate quantity, in a timely manner and at reasonable prices. We typically do not enter into any long-term contracts with such suppliers, that are material in nature and instead undertake business with the suppliers on a purchase order basis. The lack of an exclusive formal arrangement with our suppliers exposes us to risks including delivery failure or component shortages owing to a lack of contractually agreed terms and conditions. While we have not faced any material issues with our suppliers in the past three Fiscals, in the event we are unable to maintain a consistent, high quality and cost-effective supply chain in the future, our business, prospects, financial condition, and operating results could be adversely affected.

The table below sets forth details of our cost of material consumed in each of the fiscal years indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in crore)	% of total expenses	Amount (₹ in crore)	% of total expenses	Amount (₹ in crore)	% of total expenses
Cost of materials consumed	4,295.06	49.06	3,730.02	47.22	3,475.78	47.50

In the absence of such long-term contracts, we cannot assure you that we will be able to continue to obtain adequate or continuous supplies of our raw materials, in a timely manner or at all, in the future. Any reductions or interruptions in the supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials at competitive prices or at all, may have an adverse effect on our ability to manufacture our products in a timely or cost effective manner.

If any of these suppliers were to cease operations or decide to discontinue our supply relationship, we would need to find alternatives, within a requisite time period. In addition, we may also be required to replace a supplier if the raw material being supplied by such supplier does not meet our safety, quality or performance standards. While there are other suppliers available in the market with respect to materials consumed by us, our inability to find suitable alternatives on a timely basis will have an impact on our business, results of operations and financial condition.

4. ***Increase in costs of raw materials or our inability to fully pass on costs to our customers, may impact our revenue from operations and profitability and may result in a materially adverse effect on our business, results of operations and financial condition.***

We depend on third parties for the supply of raw materials used in our production process and do not have exclusive arrangements with such suppliers. For further details see, "**– *We typically do not enter into any long-term contracts with our suppliers from whom we procure raw materials consumed by us for our manufacturing process and failure by our suppliers to meet their obligations could adversely affect our business, results of operations, financial condition and cash flows***" on page 42. We are therefore exposed to volatility in the prices of the raw materials due to a number of factors beyond our control, such as, crop yields, climatic conditions, pest infestations, changes in minimum support prices ("**MSPs**"), government procurement policies, trade and tariff-related policies affecting cotton import and export, regional labour unrest, and global demand-supply dynamics. Any adverse developments in these factors, or any disruption in logistics, regulatory interventions, or socio-political unrest within our sourcing regions, may lead to shortages, higher procurement costs, quality inconsistencies, or delays in supply.

Inflationary factors such as increase in the costs of raw materials used in our operations may adversely affect our business operations and our inability to pass fluctuations in raw material prices on to our customers and/or any gap in time to revise prices to pass on increased costs in the future could adversely affect our business, results of operations and financial condition.

5. We have significant dependence on cotton as a raw material, which we procure through farmers, spinning units, ginning units and traders without formal or long-term arrangements, and any disruption in its availability or quality may adversely affect our business, results of operations, financial condition and cash flows.

Cotton is our primary raw material. Timely availability of cotton, and the quality and price at which it is procured, are critical to our operations. The cost of cotton contributed towards our expenses for the periods indicated below:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in crore)	% of total expenses	Amount (₹ in crore)	% of total expenses	Amount (₹ in crore)	% of total expenses
Cotton	454.01	5.16	458.70	5.81	446.72	6.10

We procure our cotton requirements through: (i) raw cotton directly from farmers, which is ginned and converted into cotton bales for in-house processing or trading; (ii) yarns from spinning units and traders; and (iii) cotton bales from ginning units and traders. These sources are primarily located across Gujarat, Maharashtra, Madhya Pradesh, Karnataka and Telangana.

We do not have any formal arrangements or long-term agreements with farmers, spinning units, ginning units or traders for the supply of cotton, cotton bales or yarns, and our procurement is accordingly subject to spot market conditions and availability at the time of purchase. Due to lack of long-term arrangements, we may have limited ability to secure alternative sourcing arrangements on short notice if supply is constrained. For further details see, "– ***We have not entered into any long-term contracts with our suppliers from whom we procure raw materials consumed by us for our manufacturing process and failure by our suppliers to meet their obligations could adversely affect our business, results of operations, financial condition and cash flows***" on page 42.

6. Some of the raw materials used in our production processes are natural resources and therefore we are subject to the seasonality and risk of depletion of such natural resources.

Cotton is our primary raw material used in our production processes, which is a natural resource and is seasonal and depleting in nature.

As cotton is a seasonal crop, our utilization rates vary significantly throughout the year. As a result of these seasonal fluctuations, our sales and operational results for the textile business segment in different quarters within a single fiscal year vary and sales and operational results may not be relied upon as indicators of sales or operational results of other fiscal quarters or of our future performance. Our inability to manage seasonal variations effectively may have an adverse effect on our business and financial condition. Since our key raw materials used in the production of our products are natural resources, we are subject to the risk of shortage or non-availability of such raw materials due to various factors which are beyond our control.

We also do not have control over the day-to-day agricultural and environmental practices of the farmers from whom we source cotton. Although we have initiated engagement with farmers to build their capacity for sustainable agricultural practices and to scale the uptake of sustainable cotton, there can be no assurance that these initiatives will be effective or sufficient, or that all suppliers will comply with our expectations on a consistent basis.

While we maintain relationships with multiple farmers, traders and other suppliers and adopt procurement planning strategies, there can be no assurance that such measures will always be effective. We have not faced any instance in the last three Fiscals, where we were unable to procure adequate quantities of raw cotton, cotton bales or yarns, however, we cannot assure you that such a situation will not arise in the future. Any such disruption or adverse development in cotton availability could have a material adverse effect on our business, financial condition, results of operations and cash flows.

7. ***Our Manufacturing Facilities are critical to our business operations. The unexpected shutdown or slowdown of operations at our Manufacturing Facilities due to lack of basic infrastructure such as fuel and electricity, or underutilization of our manufacturing capacities could have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.***

Our business depends on the efficient and uninterrupted operation of our Manufacturing Facilities, which support our vertically integrated operations across our three business segments. As of the date of this Placement Document, we operate 20 Manufacturing Facilities, domestically and globally. Our manufacturing operations are dependent on the timely availability of raw materials, power, water, fuel, transportation, skilled personnel and other essential utilities and infrastructure.

Our operations may be disrupted by events beyond our control, including natural disasters, fires, floods, industrial accidents, equipment failures, utility interruptions, labour disputes, public health emergencies, transportation disruptions, cyber incidents affecting manufacturing systems, changes in governmental policies and other unforeseen events. In the event we face prolonged disruptions at our Manufacturing Facilities, we may not be able to achieve full capacity utilisation of our Manufacturing Facilities, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition.

Although we maintain preventive maintenance programmes, safety protocols, business continuity measures and insurance coverage to mitigate operational risks and except as disclosed in "– ***Our operations could be adversely affected by strikes or increased wage demands by our employees or any other kind of disputes with our employees***" on page 44, we have not experienced any material disruption to our manufacturing operations during the past three Fiscals. However, there can be no assurance that such measures will be adequate to prevent future disruptions. Any interruption, shutdown or slowdown at one or more of our Manufacturing Facilities could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

We require substantial power and fuel for our Manufacturing Facilities, and energy costs represent a significant portion of the production costs for our operations. The following tables set forth below our power and fuel expenses for the Fiscals indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in crore)	% of total expenses	Amount (₹ in crore)	% of total expenses	Amount (₹ in crore)	% of total expenses
Power and fuel	581.89	6.65	568.05	7.19	562.76	7.69

If power or fuel costs were to rise, or if their supply arrangements were disrupted, our profitability could decline.

We primarily source most of our electricity requirements for our Manufacturing Facilities from solar panels installed within the premise of our Manufacturing Facilities and state electricity grids. We also have diesel generating sets and natural gas generator sets for standby supply. If there is any malfunction in our solar panel or supply is not available for any reason, we will need to rely on diesel generating sets and natural gas generator sets, which may not be able to consistently meet our requirements. The cost of electricity from diesel generating sets and natural gas generator sets could be significantly higher, thereby adversely affecting our cost of production and profitability. Further, if for any reason such electricity is not available or we are unable to switch to alternate power source in a short time, we may need to shut down our plants until an adequate supply of electricity is restored. Interruptions of electricity supply can also result in production shutdowns, increased costs associated with restarting production, the loss of production in progress and delays in delivery schedules.

8. ***Our Manufacturing Facilities are primarily concentrated in Gujarat and Karnataka. Our business operations are majorly concentrated in a particular geographical region and any adverse developments affecting our operations in this region could have a significant impact on our revenue and results of operations.***

As on the date of this Placement Document, we operate through 20 Manufacturing Facilities, of which seven are located in Gujarat and seven are located in Karnataka, reflecting our significant reliance on these regions. For further details of our Manufacturing Facilities, see "***Our Business – Our Competitive***

Strengths – Scaled platform with integrated manufacturing and R&D capabilities" on page 144. While we have not experienced any material disruption to our manufacturing operations during the past three Fiscals linked to the location of the Company's manufacturing facilities that have materially and adversely affected business and operations of the Company, however, any such disruptions could adversely affect the Company's business, results of operations, financial condition and cash flows, we cannot assure you that no such instance will occur in the future that may adversely affect our business, results of operations and financial conditions.

However, due to the geographic concentration of our manufacturing operations, our operations are susceptible to local and regional factors, such as accidents, system failures, economic and weather conditions, natural disasters, demographic and population changes, political uncertainty and changes in regulations by state government, adverse changes in availability of key inputs including labour and power, the outbreak of infectious diseases and other unforeseen events and circumstances. We experienced temporary disruption of our business operations on account of the pandemic induced shutdown of our manufacturing facilities, pursuant to the directives issued by the local authorities. We resumed operations at our manufacturing facilities in a phased manner as per the Government of India and state government's directives after making arrangements to meet the government's requirements on sanitization, people movement and social distancing. Such disruptions could result in the damage or destruction of a significant portion of our manufacturing abilities, significant delays in the transport of our products and raw materials, adversely impact our ability to maintain capacity utilization levels and/or otherwise adversely affect our business, financial condition and results of operations. Further, such disruptions, damage or destruction of those facilities may severely affect our ability to meet our customers' demand and the loss of any one of our key customers or a significant reduction in demand from such customers could have an adverse effect on our business, results of operations and financial condition.

9. Our operations are human capital intensive and could be adversely affected by strikes or increased wage demands by our employees or any other kind of disputes with our employees.

Our operations are human capital intensive, and we are highly dependent on our skilled and unskilled personnel for our business operations. As of March 31, 2026, we had over 31,041 permanent employees and 14,923 contract labour. We may be subject to employee unrest, operational slowdowns and increased wage costs, which may adversely affect our business and results of operations.

Some of our employees at our Manufacturing Facility 14 are unionized as on the date of this Placement Document. Union organizing efforts or collective bargaining negotiations could lead to strikes by our employees, which could have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. Furthermore, in the event that all or part of our employees are represented by one or more labour union, we may face higher employee costs and increased risks of work stoppages, slowdowns and/or strikes, which could have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

In the past, we faced disruption in our manufacturing and sales operations, for instance during Fiscal 2025, we experienced a labour disruption at our Manufacturing Facility 14, which impacted production across two of our business segments, being, textiles and the AAML Business segment and resulted in an estimated revenue impact of approximately ₹ 200.00 crore and an EBITDA impact of approximately ₹ 60.00 crore. We cannot assure you that we will not experience similar disruptions in future due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. In the event our employee relationships deteriorate there could be an adverse impact on our operations. We are also subject to, and may continue to contest, regulatory claims alleging defaults in relation to employee wage payments and contributions. Any such actions could adversely affect our business, results of operations and financial condition.

We are also subject to a number of stringent labour laws that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. If labour laws become more stringent, it may become more difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

In addition, we engage with independent contractors who in turn engage on-site contract labour for performance of certain of our manufacturing operations in India. Although our Company does not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Further, while we have not encountered such instance in the past, we cannot assure that we will be able to renew the engagement with our independent contractors at commercially viable terms or at all.

10. Our exports accounted for 45.99%, 40.95% and 41.11% of revenue from operations for Fiscal 2026, Fiscal 2025 and Fiscal 2024. Any changes in government regulations or policies affecting international trade may have an adverse effect on our business, results of operations and financial condition.

Our exports to international markets accounted for 45.99%, 40.95% and 41.11% of revenue from operations for Fiscal 2026, 2025, and 2024, respectively. Our key overseas markets include United States, Europe and the United Kingdom. For further details, see "***Our Business – Overview***" on page 138.

Set out below is the geographic breakdown of our revenue from operations for the periods indicated:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025		For the year ended March 31, 2024	
	Amount (₹ in crores)	% of total revenue from operations	Amount (₹ in crores)	% of total revenue from operations	Amount (₹ in crores)	% of total revenue from operations
Domestic	5,024.95	54.01	4,918.22	59.05	4,557.02	58.89
Export	4,278.24	45.99	3,410.59	40.95	3,180.73	41.11
Total	**9,303.19**	**100.00**	**8,328.81**	**100.00**	**7,737.75**	**100.00**

Our key overseas markets also benefit from certain export incentive schemes, including the remission of duties and taxes on exported products ("**RoDTEP**") and rebate of state and central taxes and levies ("**RoSCTL**") schemes, the latter of which has been extended by the Government of India up to September 30, 2026. In particular, recent increases in tariffs imposed by the United States on imports from India and other countries have created pricing pressure in our export business, a portion of which we have absorbed in our sales prices; there can be no assurance that we will be able to continue to do so, or that further tariff increases, or the discontinuation of any applicable export incentive scheme, will not have a material adverse effect on our business, results of operations, financial condition and cash flows.

Our export business is subject to various risks inherent in international trade, including changes in or introduction of new import and export duties, tariffs, trade barriers, sanctions, customs and foreign trade regulations, foreign exchange control regulations, changes in tax regimes, as well as adverse changes in bilateral or multilateral trade agreements and policies in India or in the countries to which we export. In particular, recent and ongoing trade policy developments, including the imposition of tariffs by certain key export markets such as the United States, retaliatory measures, and heightened geopolitical tensions, may adversely affect demand for our products and make them less competitive in those markets. Any tightening of trade policies, imposition of additional duties or restrictions, withdrawal of export-related incentives, or geopolitical developments affecting cross-border trade could make our products less competitive, limit our access to certain markets or increase our compliance and transaction costs. Further, any delays or disruptions in cross-border logistics, changes in foreign exchange rates, or deterioration in macroeconomic or political conditions in our export markets may adversely affect demand for our products and our ability to realise payments in a timely manner. Any such events could adversely affect our business, results of operations and financial condition.

11. We are exposed to fluctuations in foreign currency exchange rates, which could adversely affect our business, financial condition, results of operations and cash flows.

We have foreign currency-denominated revenues, costs and borrowings, and are consequently exposed to fluctuations in foreign currency exchange rates. Our export revenues, which accounted for 45.99%, 40.95% and 41.11% of our revenue from operations in Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively, also see "– ***Our exports accounted for 45.99%, 40.95% and 41.11% of revenue from operations for Fiscal 2026, Fiscal 2025 and Fiscal 2024. Any changes in government regulations or policies affecting international trade may have an adverse effect on our business, results of operations***

and financial condition" on page 46, are largely denominated in foreign currencies, while a portion of our raw material imports and our external commercial borrowings ("**ECBs**") are also denominated in or linked to foreign currencies.

In addition, following the acquisition by our Subsidiary, AAML, of 60.63% of the equity share capital in Dalco GF Technologies, LLC ("**Dalco-GFT**") a non-wovens platform based in the United States of America, a portion of our consolidated revenue, assets and liabilities will be denominated in US Dollars. As a result, fluctuations in the exchange rate between the Indian Rupee and the US Dollar, or other relevant currencies, upon translation of the financial results of such Subsidiaries into our consolidated financial statements, may adversely affect our reported results of operations and financial condition, even where there is no change in the underlying business performance of such Subsidiaries.

While we use derivative financial instruments, including interest rate swaps, currency swaps, forwards and options, to hedge a portion of our foreign currency exposure, there can be no assurance that such hedging arrangements will be adequate or effective in mitigating the impact of currency fluctuations, or that we will be able to continue to hedge our exposure on commercially favorable terms, or at all. Although we did not experience losses due to any failure to hedge foreign exchange risks in the past three Fiscals, we cannot assure you that this will not occur in the future. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows. Any significant and sustained appreciation or depreciation of the Indian Rupee against relevant foreign currencies could adversely affect our business, financial condition, results of operations and cash flows.

12. We may be unable to fully utilise the anticipated benefits of the acquisitions undertaken by our Group and any future acquisition within our expected timeframe. Any failure to realize anticipated benefits in a timely manner could have an adverse effect on our business, results of operations, financial condition and cash flows.

We have undertaken certain acquisitions in the past three Fiscals:

(i) One of our wholly owned subsidiaries, AAML, has acquired 100.00% shareholding of Arvind Advanced Materials US TopCo Inc. with effect from May 5, 2026, pursuant to a board resolution dated April 25, 2026, for a sum equivalent to ₹551.19 crores.

(ii) One of our wholly owned step-down subsidiaries, Arvind Advanced Materials US Bidco LLC merged with Dalco-GFT, pursuant to an amendment and plan of merger dated May 6, 2026.

(iii) One of our Subsidiaries, Arvind Atelier FZC, acquired 100.00% shareholding of Arvind Atelier UK Limited pursuant to a stock transfer on July 3, 2026 for a sum equivalent to ₹0.02 crores.

For further details please see section *"**Organizational Structure**"* beginning on page 162.

However, acquisitions and mergers involve a significant number of risks, including, but not limited to, risks arising from change of control provisions in contracts of any acquired company or merged entity, local law factors and risks associated with restructuring operations. The successful implementation of acquisitions and mergers depends on a range of factors, including funding arrangements, cultural compatibility and integration. Potential difficulties that we may encounter as part of an acquisition or merger could include the following:

- our inability to turnaround or grow a business, which may also result in our inability to meet acquisition finance costs;
- underestimated costs associated with the acquisition and merger or over-valuation by us of the acquisitions;
- our failure to discover issues around an acquired or merged company's intellectual property, customer relationships, accounting practices or regulatory compliances;
- financial liabilities (including payment of arrears in remuneration and other labour welfare benefits) of the acquired or merged companies;

- potential unknown liabilities, legal contingencies and unforeseen increased expenses or delays associated with the acquisition or merger;
- delays in the integration of strategies, operations and services and increased costs of integration;
- attrition and differences in business backgrounds, corporate cultures and management philosophies that may delay successful integration;
- the possibility that the full benefits anticipated to result from the acquisition and the merger will not be realized;
- reallocation of our management's time from our existing business as a result of the acquisition and merger;
- litigation or other claims in connection with acquired companies, including claims from terminated employees, customers, former stockholders or other third parties;
- retaining key executives and other employees;
- challenges associated with creating and enforcing uniform standards, controls, procedures and policies;
- the disruption of, or the reduction in growth in, our ongoing businesses; and
- foreign exchange controls and other changes in regulatory environment.

If we are unable to successfully overcome the potential difficulties associated with the integration process and achieve our objectives following an acquisition or merger, the anticipated benefits and synergies of our recent or any future acquisitions or merger may not be realized fully, or at all, or may take longer to realize than expected. Additionally, no assurance can be given that any businesses acquired or entities merged will be profitable. Any failure to realize anticipated benefits in a timely manner could have an adverse effect on our business, results of operations, and financial condition

13. If we are unable to respond to changing customer preferences in a timely and effective manner, it could have an adverse effect on our business, results of operations and financial condition.

Our focus on product innovation based on customer requirements has been critical to our success and has helped us to develop an extensive range of products. As on the date of this Placement Document, we focus on product innovation and process optimization by considering factors such as functionality, safety and user comfort, which allows us to develop new and differentiated products and respond to evolving industry trends and our customers' preferences. We intend to further diversify our product portfolio by investing in technology, equipment and people with the aim of delivering high-quality, innovative and technology- driven products in response to customer requirements, thereby strengthening our relationships with our customers across a range of product categories.

The table below sets out the expenditure on research and development for the Fiscal Years set out below:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025		For the year ended March 31, 2024	
	Amount (₹ in crores)	% of total expenses	Amount (₹ in crores)	% of total expenses	Amount (₹ in crores)	% of total expenses
R&D expenditure	20.74	0.24	19.20	0.24	15.20	0.21

Our ability to maintain and enhance our competitive position depends, in part, on our capability to develop and commercialise products that meet the evolving requirements of our customers. Although we continuously undertake research and development activities and seek to align our product offerings with customer requirements, there can be no assurance that we will be able to acquire or develop the necessary technical knowledge, expertise or know-how through our in-house research and development initiatives to successfully develop products that meet such evolving requirements. Consequently, there can be no assurance that our investments in research and development will result in commercially successful products, increased customer orders or growth in our revenue from operations.

Our growth depends, in part, on our ability to respond effectively to technological advancements, evolving industry standards and changing customer preferences in a timely and cost-effective manner. If we are unable to successfully develop new or improved products, enhance our manufacturing processes, commercialise our research and development initiatives or otherwise adapt to changing market requirements, our business, financial condition, results of operations, cash flows and prospects could be materially and adversely affected.

14. We operate in a highly competitive business environment, both domestically and internationally. Our failure to compete effectively against existing or new competitors could have a material adverse effect on our business, financial condition, results of operations and cash flows.

The Indian textile industry is one of the most diverse and dynamic sectors of the country's economy, encompassing a broad spectrum of segments that reflect both its rich heritage and modern advancements. (*Source: CARE Report*) Together, these segments serve both domestic demand and international markets, blending tradition with technology and artisanry with commercial scale (*Source: CARE Report*).

We operate in a highly competitive and fragmented industry, both in India and globally, and compete with a large number of domestic and international textile and advanced materials manufacturers across our textiles and AAML Business segments.

In our textiles segment, we face competition from other integrated and specialised manufacturers of denim, woven fabrics, knits and garments, both in India and in other textile-manufacturing and exporting economies, including Bangladesh, China and other South and South-East Asian countries, several of which may benefit from lower labour or input costs, preferential trade access, or government incentives not available to us.

In our AAML Business, we compete with domestic and international manufacturers of technical textiles, personal protective equipment, composites and industrial fabrics, some of whom may have longer operating histories, greater financial resources, or more established relationships with global customers in these categories. For details on our competitors, see "***Industry Overview***" beginning on page 93.

We compete on the basis of product quality, price, technical capability, consistency of supply, our ability to meet customer specifications and certifications, and the timeliness of our deliveries. Our competitors may have substantially greater financial, manufacturing, research and marketing resources than we do, which may enable them to price their products more competitively, invest more heavily in capacity expansion or product development, or offer more favourable commercial terms to customers, thereby diverting business away from us.

We also face the risk that changes in trade policy, tariffs, or preferential trade agreements between India and other countries, or between our competitors' home countries and our key export markets, could alter the relative cost competitiveness of our products as against those of our competitors. For further details see, "– ***Our exports accounted for 45.99%, 40.95% and 41.11% of revenue from operations for Fiscal 2026, Fiscal 2025 and Fiscal 2024. Any changes in government regulations or policies affecting international trade may have an adverse effect on our business, results of operations and financial condition***" on page 46.

If we are unable to compete effectively on any of these bases, or to anticipate and respond to changes in the competitive landscape in either our textiles or AAML Business segments, our business, financial condition, results of operations and cash flows may be adversely affected.

15. Pricing pressure from our customers could adversely affect our margins, which could in turn have a material adverse effect on our results of operations, cash flows and financial condition.

We have in the past experienced and could continue to experience pressure from our customers to reduce the prices for our products. This is often driven by the competitive landscape, where manufacturers and suppliers compete for market share. In addition, price reductions may be a result of negotiations or factors that could be beyond our control. As our business is capital intensive, requiring us to maintain a large, fixed cost base, our profitability is dependent, in part, on our ability to spread fixed costs over higher sales volume. However, we may not be able to spread such fixed costs effectively as our customers generally negotiate for larger discounts in price as the volume of their orders increases. If we are unable to counterbalance customer-driven price reductions with improved operating efficiencies and other cost-

reduction initiatives, it could have an adverse effect on our EBITDA margin and our results of operations, cash flows and financial condition could be materially adversely affected.

The table below sets forth our revenue from operations, EBITDA, EBITDA margin, profit after tax, and PAT margin for the years indicated:

Particulars	Unit	Year ended March 31,		
		2026	2025	2024
Revenue from operations	₹ in crores	9,303.19	8,328.81	7,737.75
EBITDA*	₹ in crores	1,060.74	918.59	886.04
EBITDA margin	%	11.40	11.03	11.45
Profit after tax[#]	₹ in crores	426.97	367.38	352.63
PAT margin	%	4.59	4.41	4.56

Notes:
** EBITDA including other income*
[#] PAT is before non-controlling interest

Our profit for the year increased for Fiscal 2026 from Fiscal 2025, our EBITDA margin increased to 11.40% for Fiscal 2026 from 11.03% for Fiscal 2025 and our PAT margin increased to 4.59% for Fiscal 2026 from 4.41% for Fiscal 2025.

16. We do not have firm commitment agreements with majority of our business to business ("B2B") customers. If our B2B customers choose not to source their requirements from us, there may be a material adverse effect on our business, financial condition, cash flows and results of operations.

A majority of our arrangement with our B2B customers across our business verticals are based on undertaking work on an on-going purchase order basis, wherein the B2B customer issues an order on us for the desired quantity and pricing. Accordingly, there is no assurance that our B2B customers, including B2B customers with whom we have long standing relationships, will continue to source products from us.

In the absence of committed volumes or prices, our ability to predict demand for our products and therefore, accurately plan raw material supplies and production schedules is limited. The absence of long-term arrangements, or arrangements with firm commitments of quantities from our B2B customers and the possibility of rapid changes in demand for their products affect our ability to accurately estimate their future requirements.

Our B2B customers may also cancel, change or delay production quantities and schedules for a number of reasons beyond our control. Our B2B customers' expectations can also change rapidly, requiring us to take on additional commitments or risks and we cannot assure you that we will be able to meet such expectations while maintaining our margins and our ability to maintain business with such customers. While we have not encountered any loss of major B2B customers in the past three Fiscals, there can be no assurance that we would not lose any of our major customers in the future. Cancellations, reductions or delays by a significant B2B customer, or by a group of B2B customers, could have an adverse effect on our business, results of operations, financial condition and cash flows.

17. Our operations, including our Manufacturing Facilities located in India and globally, are subject to environmental, health and safety laws. Non-compliance with and changes in safety, health, labour and environmental laws and other applicable regulations, may adversely affect our business, financial condition, cash flow and results of operations.

Our manufacturing operations are subject to extensive environmental, health, safety, labour and other regulatory requirements in the jurisdictions in which we operate. As of the date of this Placement Document, we operate 20 Manufacturing Facilities across India and overseas. Consequently, we are required to comply with a diverse range of environmental laws, industrial safety regulations, labour laws, occupational health standards, product-specific requirements and other governmental regulations. Any failure to comply with applicable laws, permits, licences or regulatory requirements, or any delay in adapting to changes in such laws or standards, could result in penalties, fines, suspension of operations, cancellation or non-renewal of permits, increased compliance costs, reputational harm or other regulatory actions.

Our manufacturing operations involve the use of chemicals, dyes, fuels, boilers, heavy machinery and other industrial equipment, and generate wastewater, emissions and other waste streams that are subject to stringent environmental regulation, including in relation to effluent treatment, discharge standards, hazardous substance management, and restricted substance lists such as the manufacturing restricted substances list ("**MRSL**") and zero discharge of hazardous chemicals ("**ZDHC**") programme requirements. We may be held liable for contamination, environmental damage or occupational health and safety incidents arising from our operations, irrespective of fault in certain circumstances. Increasing regulatory focus on sustainability, climate change, emissions, wastewater discharge, chemical usage, waste management and responsible sourcing may also require us to incur significant capital expenditure and operating costs to upgrade our Manufacturing Facilities, manufacturing processes and compliance systems.

Further, our operations are exposed to occupational health and safety risks, including industrial accidents, fires, equipment failures, chemical spills, explosions and other unforeseen events that could result in injury to employees or third parties, damage to property or interruption of operations. Such incidents may expose us to civil or criminal liability, regulatory proceedings, compensation claims and reputational damage. In addition, many of our domestic and international customers require compliance with prescribed environmental, social and governance ("**ESG**"), sustainability and responsible sourcing standards as a condition to maintaining supplier relationships. Any failure to comply with such standards or maintain the certifications and approvals required by our customers could adversely affect our customer relationships and ability to secure new business.

Although we maintain environmental management systems, occupational health and safety policies, internal compliance procedures and sustainability initiatives across our operations and, during the past three Fiscals, we have not experienced any material adverse impact on our business arising from any material environmental, health or safety non-compliance or any material regulatory action in relation thereto, there can be no assurance that such events will not occur in the future. Any material non-compliance with applicable environmental, health, safety, labour or other regulatory requirements could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

18. We require certain approvals, licenses and permits, including material statutory clearances in the ordinary course of business. If we fail to obtain, maintain or renew the statutory and regulatory licenses, permits and approvals required for our business and operations, our business, results of operations, financial condition and cash flows may be adversely affected.

We are required to obtain and maintain certain statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business and for our Manufacturing Facilities.

While we have, in all material aspects, obtained the requisite approvals, licenses, registrations and permits necessary for our operations, we cannot assure you that in the future that there may be instances where we may have failed to apply for, delaying in applying for or not obtained certain approvals that may be applicable to us. If we fail to obtain the necessary approvals, licenses, registrations, or permissions on time, or at all, it could have a negative impact on our business, financial condition, results of operations, and cash flows.

While we have secured several of the material approvals necessary for our operations, we are still awaiting certain others and cannot guarantee that they will be granted on time or at all. Most of these approvals are issued for a limited period and need to be renewed periodically. There can be no assurance as to when such approval will be granted, if at all. Furthermore, we cannot guarantee that the requisite license will be granted in a timely manner, or at all, or that it will be granted without conditions or penalties for past non-compliance.

While we regularly monitor the validity of our licenses, approvals, and permits and apply for renewals as required, there is no assurance that such renewals will be approved in a timely manner. Additionally, some renewals may require inspections by the relevant authorities before the approvals or permits can be granted or renewed. Additionally, the licenses, approvals, and permits we hold are subject to various conditions, and we cannot guarantee that we will always be able to comply with them. Any non-compliance could result in the cancellation, revocation, or suspension of our key licenses, approvals, and permits, and may lead to operational shutdowns or other penalties imposed by the relevant authorities.

Further, there can be no assurance that we will be successful in our applications for obtaining or renewing such approvals, in a timely manner or at all. Any failure to renew, maintain or obtain the required licenses or approvals, consents or cancellation, suspension, or revocation of any of the licenses, approvals, consents and registrations may result in the interruption of our operations and may adversely affect our business, financial condition, cash flows and results of operations.

19. We are subject to stringent quality standards, customer specifications and regulatory requirements including environmental, social and governance standards. Any failure to maintain the quality of our products or comply with applicable quality, technical or sustainability standards could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

Our business depends on our ability to consistently manufacture and supply products that comply with stringent customer specifications, technical performance requirements, environmental, social and governance standards and applicable regulatory requirements. We manufacture a diversified portfolio of textile, apparel, technical textile, advanced materials and environmental solutions products for domestic and international customers across multiple end-use industries, including fashion and lifestyle, defence, industrial safety, workwear, filtration, mobility, infrastructure, wind energy and other technical applications.

Many of these products are required to meet detailed specifications relating to quality, performance, durability, composition, functionality, sustainability, packaging and delivery schedules. In particular, products supplied to customers in our AAML Business are often subject to extensive testing, qualification and approval processes before commercial supplies commence, particularly in our human protection vertical, including high-visibility workwear and other personal protective equipment, are required to comply with, and may be certified against, industry and international standards, such as, EN ISO 20471. These certifications are often a precondition to supplying customers in regulated end-markets, including government, industrial safety and institutional customers, and may need to be renewed periodically or upon changes to the underlying standards.

Our customers may reject products, suspend deliveries, require replacement of products, impose contractual penalties, terminate supply arrangements or discontinue us as an approved supplier if our products fail to satisfy applicable specifications, quality standards or contractual requirements. Failure to maintain consistent product quality may also require us to incur additional manufacturing, inspection, rework, replacement and logistics costs, result in delays in customer deliveries and adversely affect our relationships with existing customers and our ability to secure future business.

As of the date of this Placement Document, our quality management framework is supported by various certifications, accreditations and approvals applicable to our Company and Manufacturing Facilities, products and processes, including ISO 9001:2015 for our Manufacturing Facility 13, ISO 50001:2018 for our Manufacturing Facility 14 and ISO 14001:2015, for our Manufacturing Facility 13 and Manufacturing Facility 14, Global Organic Textile Standard (GOTS), Organic Content Standard (OCS), Recycled Claim Standard (RCS), Global Recycled Standard (GRS), Better Cotton Initiative, Regenagri Organic Certified (ROC), FSC, ZDHC, and such other quality, environmental, occupational health and safety, sustainability and product-specific certifications as may be applicable to our businesses. These certifications and accreditations are subject to periodic audits, inspections, renewals and continued compliance with prescribed standards and customer requirements. Failure to obtain, maintain or renew any such certifications or accreditations, or any non-compliance with the standards prescribed thereunder, could adversely affect our ability to continue supplying products to existing customers, qualify as an approved supplier for prospective customers, participate in customer qualification programmes, bid for new business or expand into new products or markets.

Although we maintain quality assurance procedures, testing protocols and manufacturing controls across our operations and, during the past three Fiscals, we have not experienced any material product recalls, material product liability claims, material cancellation of customer orders or material adverse business impact arising from any failure to comply with applicable quality standards, there can be no assurance that such events will not occur in the future. Any failure to maintain the quality of our products, comply with applicable customer specifications, regulatory requirements or industry standards, retain necessary certifications or satisfy customer qualification requirements could materially and adversely affect our reputation, customer relationships, business, financial condition, results of operations, cash flows and prospects.

20. Our Company may incur penalties or liabilities for non-compliance with certain provisions of the SEBI Listing Regulations

The Equity Shares of our Company are listed on BSE and NSE, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations. In the past, our Company failed to comply with the requirements of the SEBI Listing Regulations in a timely manner, including in relation to submission of certain periodic filings, corporate governance reports and other disclosures required under applicable regulations. Further, our Company is, and has in the past been, subject to notices, penalties, fines, warnings, observations and other regulatory actions or communications issued by the Stock Exchanges, depositories or other regulatory authorities in relation to non-compliance, delays in compliance, or procedural matters relating to dematerialisation requests, securities-related filings, or other administrative matters. We are also exposed to risks relating to proceedings, claims or notices from statutory tribunals, recovery forums or other regulatory bodies in relation to matters affecting our Company or involving parties with whom our Company has business relationships. Our Company endeavours to comply with obligations and reporting requirements under the SEBI Listing Regulations going forward, however, there may be non-disclosures or delayed or erroneous disclosures or any other non-compliance in the future and the same may result in Stock Exchanges, SEBI, depositories or other regulatory authorities imposing penalties, issuing warnings and show cause notices against us or taking actions as provided under the SEBI Act and rules and regulations made there under or other applicable laws. Any such adverse regulatory action, penalty, proceeding or development could affect our business reputation, divert management attention, and result in an adverse effect on our business, results of operations, financial conditions and cash flows.

21. Regulatory actions involving our Promoters or Directors may adversely affect the reputation of our Company and investor perception

One of our Promoters, namely, Aura Securities Private Limited, is subject to regulatory obligations and requirements prescribed by the RBI. In the past, the registration of Aura Securities Private Limited has been denied by the RBI as Aura Securities Private Limited did not fulfil conditions stipulated in sub-clause e of sub-section (4) of section 45-IA of the RBI Act for grant of the certificate of registration. Any cancellation or non-renewal of Aura Securities Private Limited's RBI registration or certificate of registration could have adverse implications on our Company. Further, certain of our Directors, may be or may have been subject to regulatory obligations and requirements prescribed by SEBI or other regulatory authorities in connection with their positions, past associations, shareholdings or roles in other companies or entities. Such Promoters or Directors may have been, or may in the future be, subject to regulatory actions, inquiries, investigations, show cause notices, penalties, fines, directions, restrictions, adverse observations or other proceedings by the RBI, SEBI or other regulatory authorities, whether in their personal capacity or in connection with their association with other companies or entities.

Although such matters may not directly relate to our operations, any adverse developments, regulatory actions, reputational concerns or proceedings in connection with any of our Promoters or Directors could adversely affect the reputation of our Company, investor confidence, and the market perception of our Company and the Equity Shares and could result in regulatory scrutiny, compliance requirements, operational disruptions or restrictions affecting our Company or its ability to retain or attract qualified directors.

22. We have substantial capital expenditure and working capital requirements and may require additional financing to meet those requirements, which could have a material adverse effect on our results of operations, cash flows and financial condition.

Our operations require us to continuously develop new products and enhance our manufacturing capabilities, which makes our business capital intensive. The following table sets forth our capital expenditure and working capital utilization for the periods indicated:

(in ₹ crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Capital expenditure	(485.88)	(482.89)	(253.00)
Working capital	19.14	(50.78)	(94.49)

The actual amount and timing of our future capital expenditure or working capital requirements may differ from estimates due to, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, customer preferences, weather related delays, technological changes, additional market developments and new opportunities in our relevant markets. We fund a portion of our capital expenditure needs through internal accruals. Our sources of additional financing, in the event that we need to draw on them to meet our working capital or capital expenditure needs, may include the incurrence of debt, the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt or issuance of debt securities or a combination of both, our interest and debt repayment obligations will increase, which could have a significant effect on our profitability and cash flows. If we do incur debt in the future, our interest and debt repayment obligations will increase, which may adversely affect our profitability and cash flows. The table below sets forth certain information on our finance costs and interest coverage ratio, as of and for the years indicated:

Particulars	For the financial years ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Profit Before Exceptional Items and Tax (A)	612.31	492.87	460.84
Exceptional Item before Tax (B)	(36.35)	-	2.73
Interest Expense (C)	164.85	165.77	159.30
Adjusted Profit (D= A+B+C)[(1)]	**740.81**	**658.64**	**622.87**
Interest Coverage Ratio (number of times) (on a consolidated basis) (D/C)	**4.49**	**3.97**	**3.91**

Notes:
[(1)] Adjusted Profit is profit before interest and tax

While we have the capacity to take on financial leverage, our ability to obtain external financing is subject to a variety of uncertainties, including our financial condition, results of operations, cash flows and liquidity of the domestic and international capital and lending markets. In addition, we may also become subject to restrictive covenants in our financing agreements, which could limit our ability to access cash flows from operations and undertake certain types of transactions.

23. Our business and growth strategy are significantly dependent on the performance of our self-owned outlets and franchise-owned stores. Any inability to effectively operate, expand, or manage these retail channels may adversely affect our business, results of operations, financial condition and cash flows.

Our retail business is operated through a network of Company-owned outlets and franchise-owned stores across various geographies. For further details, see "***Our Business – Overview***" on page 138. The success of these channels depends on several factors, including consumer demand, store productivity, location selection, occupancy costs, inventory management, customer experience, and the ability to maintain brand standards. The table below sets out the detail of the Company-owned and franchise owned outlets for the period indicated below:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Company-owned stores	11	10	3
Franchise-owned stores	155	151	141

Our self-owned outlets require significant capital expenditure and ongoing operating expenses, including lease rentals, employee costs, utilities, marketing expenses and inventory investments. If our stores fail to generate anticipated sales volumes or profitability, or if we are unable to achieve expected returns on our investments, our margins and profitability could be adversely affected. Further, increases in rental expenses, employee costs or other operating expenditures may negatively impact the financial performance of our retail operations. Our franchise-owned business exposes us to risks associated with the operational and financial capabilities of our franchise partners. Franchisees may fail to comply with our operational guidelines, maintain prescribed customer service and merchandising standards, or adequately manage their businesses. For instance, during Fiscal 2025, we terminated our franchise contracts with three of our franchise partners due to breach of terms of contract by them, while in Fiscal 2024, we terminated our franchise contract with one franchise partner due to breach of similar nature. Any such failure may adversely affect customer perception of our brands, result in reputational damage and reduce sales. In addition, the termination of franchise arrangements, disputes with franchise partners,

or our inability to attract and retain suitable franchisees may limit our ability to expand our retail footprint and adversely affect our revenues.

Our retail operations are also subject to risks arising from changes in consumer preferences, fashion trends, competitive pressures, economic slowdowns, inflation, adverse market conditions and the increasing penetration of e-commerce channels. Any reduction in consumer spending, decline in footfalls, or shift in purchasing behaviour may result in lower sales and inventory obsolescence. Rapid changes in fashion trends may render our existing inventory outdated or less desirable, requiring us to mark down prices, write off excess inventory or dispose of unsold stock at reduced margins. Failure to accurately forecast demand, manage inventory turnover or adapt our product offerings to evolving consumer preferences may lead to increased markdown costs, inventory write-offs and reduced profitability. If we are unable to efficiently manage and grow our network of self-owned outlets and franchise-owned stores, maintain store-level profitability, or ensure consistent execution of our brand strategy across such channels, our business, financial condition, cash flows and results of operations could be materially and adversely affected.

24. The discontinuance or non-availability of subsidies availed by us from the Government of India, may adversely affect our business, results of operations, financial condition and cash flows

As on the date of this Placement Document, we have availed the following incentives under various government schemes:

Entity	Scheme	Incentive/ reimbursement for
Arvind Advanced Materials Limited	PMVBRY - ELI	Employment Incentive
Arvind OG Nonwovens Private Limited	Gujarat Textile Policy 2012	SGST
Arvind OG Nonwovens Private Limited	Gujarat Textile Policy 2019	Interest and Power Subsidy
Arvind Smart Textiles Limited	Gujarat Garment and Apparel policy, 2017	Interest, Power and Wage Subsidy

The availability and continuation of these incentives are subject to compliance with the eligibility criteria, operational conditions and other requirements prescribed under the applicable schemes and approvals, including conditions relating to commencement and continuation of manufacturing operations, generation of sales from the unit and other prescribed requirements. Any failure to satisfy such conditions may result in suspension, reduction, cancellation or recovery of the incentives granted by the relevant authorities.

Any reduction, withdrawal or recovery of such incentives could increase the operating or financing costs and may adversely affect our business, financial condition and results of operations.

25. Our business depends, in part, on our ability to obtain, maintain, protect, commercialise and enforce our intellectual property rights, proprietary technologies and confidential know-how. Any failure to do so, or any claims alleging infringement of third-party intellectual property rights, could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

Our competitive position is supported by our intellectual property portfolio, proprietary technologies, trademarks, patents, proprietary manufacturing processes, technical know-how and research and development capabilities. We have developed and commercialised various proprietary products, technologies and manufacturing processes across our textile, and advanced materials business. In addition, we own and use various trademarks, patents, copyrights, designs associated with our products and brands and rely on confidential know-how, trade secrets and process innovations that are integral to our operations.

Our ability to compete effectively depends, in part, on our ability to obtain, maintain, renew, protect, commercialise and enforce our intellectual property rights. We cannot assure you that our existing or future patent applications will result in granted patents or that any patents granted will provide meaningful or adequate protection against competing technologies or products. Further, our patents, trademarks and other intellectual property rights may be challenged, opposed, invalidated, revoked, cancelled, circumvented, expire or otherwise fail to provide the protection anticipated by us. A significant portion of our competitive advantage also arises from proprietary manufacturing processes, technical expertise, product formulations, process improvements and confidential know-how that may not be protected through registered intellectual property rights. We rely on confidentiality agreements,

employment arrangements, contractual protections and internal controls to safeguard such proprietary information. However, these measures may not be adequate to prevent unauthorised disclosure, misuse, reverse engineering, theft or misappropriation of our confidential information by employees, consultants, customers, suppliers, business partners or other third parties. Any unauthorised disclosure or misuse of such proprietary information may diminish our competitive advantage and adversely affect our ability to develop, manufacture and commercialise our products.

Further, certain of our products, technologies and manufacturing processes have been or may be developed in collaboration with third parties, technology providers, research institutions or commercial partners. Such arrangements may involve licensing, ownership or usage restrictions, confidentiality obligations or other contractual rights. Any dispute relating to the ownership, validity, scope, licensing or use of intellectual property developed under such arrangements, or any termination or non-renewal of such arrangements, may adversely affect our ability to manufacture, market or commercialise the relevant products and technologies.

As we continue to expand our operations, including our international business, we may also face increased challenges in obtaining, maintaining and enforcing our intellectual property rights across multiple jurisdictions, where intellectual property laws and enforcement mechanisms may differ. Accordingly, we may not be able to prevent third parties from infringing, misappropriating or otherwise exploiting our intellectual property or proprietary technologies in all jurisdictions in which we operate or intend to operate. Although we have established policies and procedures to identify, protect and manage our intellectual property portfolio and, during past three Fiscals, we have not experienced any material disruption to our business arising from the loss of intellectual property rights or any material adverse determination in relation to our intellectual property portfolio, there can be no assurance that we will continue to successfully obtain, maintain, protect, enforce or commercialise our intellectual property rights or proprietary technologies, or that we will not become subject to material intellectual property disputes or infringement claims in the future. Any failure to adequately protect our intellectual property rights, preserve the confidentiality of our proprietary know-how, successfully commercialise our innovations or defend ourselves against third-party intellectual property claims could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

26. We are dependent on third-party logistics service providers for the transportation and delivery of our raw materials and finished products. Any disruption in logistics or failure of such service providers to perform their obligations could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

Our business depends on the timely procurement of raw materials and the efficient transportation and delivery of our finished products to domestic and international customers. We rely on third-party logistics service providers, including transporters, freight forwarders, shipping lines, customs brokers, warehousing operators and other logistics partners, for the movement of raw materials and finished goods. Accordingly, our ability to fulfil customer orders and maintain delivery schedules depends, in part, on the performance of such third parties.

The table below sets forth our freight, insurance and clearing charge during the three Fiscals:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025		For the year ended March 31, 2024	
	Amount (₹ in crores)	% of total expenses	Amount (₹ in crores)	% of total expenses	Amount (₹ in crores)	% of total expenses
Freight, insurance and clearing charge	196.11	2.24	172.44	2.18	113.82	1.56

Our logistics operations may be adversely affected by transportation delays, shortages of transportation capacity, port congestion, container shortages, shipping disruptions, labour unrest, strikes, customs delays, infrastructure constraints, adverse weather conditions, natural disasters, geopolitical events, pandemics, cyber incidents affecting logistics systems, fuel price volatility or other events beyond our control. In addition, products may be damaged, lost or delayed while in transit, which may result in increased costs, customer claims, delayed deliveries and loss of business.

Further, our arrangements with logistics service providers are generally non-exclusive and may be terminated or may not be renewed upon expiry. There can be no assurance that such service providers will continue to provide services on commercially acceptable terms or at all, or that suitable replacement

service providers will be available in a timely manner. Any inability to secure adequate logistics capacity, particularly during periods of high demand, may adversely affect our ability to meet customer delivery timelines and contractual commitments.

Although we maintain relationships with multiple logistics service providers and, during the past three Fiscals, we have not experienced any material disruption to our business arising from the failure of our logistics service providers to perform their obligations, there can be no assurance that such disruptions will not occur in the future. Any material disruption in the transportation or delivery of our raw materials or finished products could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

27. Our insurance coverage may not be adequate to protect us against potential losses or to satisfy potential claims, which may have an adverse effect on our business, financial condition, cash flows, results of operations and prospects.

Our operations are subject to various risks inherent in the manufacturing industry, including fire, floods, earthquakes, explosions, industrial accidents, equipment breakdown, machinery malfunction, cyber incidents, theft, product liability claims, transit losses, environmental incidents, employee injuries, terrorism, natural disasters and other unforeseen events. We maintain insurance policies which we believe are customary for our industry and operations, including property insurance, standard fire and special perils insurance, machinery breakdown insurance, marine transit insurance, electronic equipment insurance, commercial general liability insurance, directors' and officers' liability insurance, cyber security insurance and crime insurance, among others. There is no assurance that our insurance coverage will adequately cover all losses or liabilities that may arise from our operations.

The table below sets forth certain details of our insurance coverage as at the dates indicated below:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Insurance cover (₹ in crore) (A)	8,411.49	7,057.43	5,973.69
Total tangible assets at replacement cost (₹ in crore) (B)	8,411.49	7,057.43	5,973.69
Insurance coverage ratio (%) (C = A/B)	100.00	100.00	100.00

However, our insurance policies are subject to exclusions, deductibles, limits, conditions and exceptions and may not cover every type of loss or liability to which we may become exposed. Further, there can be no assurance that our insurance coverage will be adequate to compensate us for all losses incurred, that claims made by us will be accepted or settled in full or in a timely manner, or that we will be able to obtain or renew insurance coverage on commercially reasonable terms in the future. Any significant increase in insurance premiums or reduction in available insurance coverage could also increase our operating costs.

Although we review our insurance coverage periodically and during the past three Fiscals, we have not experienced any material adverse impact on our business arising from inadequate insurance coverage or the denial of any material insurance claim. However, there can be no assurance that our existing insurance coverage will continue to be adequate or that we will not suffer uninsured or underinsured losses in the future. To the extent that any loss is not covered by insurance, exceeds the limits of our insurance coverage or is subject to exclusions under our insurance policies, we may be required to bear such losses ourselves, which could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

[Remainder of the page intentionally left blank]

28. Our Company and our Subsidiaries are or may be involved in certain legal and regulatory proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, financial condition, cash flows and results of operations.

There are outstanding legal and regulatory proceedings involving our Company and our Subsidiaries which are pending at different levels of adjudication before various courts, tribunals and other authorities.

A summary of outstanding litigation proceedings involving our Company and our Subsidiaries is provided below:

Particulars	Criminal litigation	Material statutory or regulatory proceedings	Proceedings involving economic offences	Material civil litigations	Material tax litigations	Aggregate amount involved (in ₹ crores)^
By our Company	N.A.	N.A.	N.A.	1	N.A.	30.95
Against our Company	3	Nil	Nil	Nil	Nil	0.89
By our Subsidiaries	N.A.	N.A.	N.A.	Nil	N.A.	N.A.
Against our Subsidiaries	1	Nil	Nil	Nil	Nil	Nil

^to the extent quantifiable

Such proceedings could divert the management's time and attention and consume financial resources in their defense or prosecution. The amounts claimed in these proceedings have been disclosed to the extent that such amounts are ascertainable and quantifiable and include amounts claimed jointly and severally, as applicable. For further details, see "***Legal Proceedings and Other Information***" on page 212. We cannot assure you that these proceedings will be decided in our favour, or that no additional liability will arise out of these proceedings. Any adverse outcome in such proceedings, or any future litigation, could require us to incur significant costs or divert management attention, and could adversely affect our reputation, business, financial condition, results of operations and cash flows.

In addition, should any new developments arise, such as changes in Indian law or rulings against us by the regulators, appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and current liabilities. If we fail to successfully defend our claims or if our provisions prove to be inadequate, our business, results of operations, financial condition and cash flows could be adversely affected. Further we cannot provide assurance that these legal proceedings will be decided in favour of our Company, Subsidiaries, Directors, and Promoters, or that no further liability will arise out of these proceedings. Any decisions in such proceedings may have an adverse effect on our business, prospects, reputation, results of operations and financial condition. For details, see "***Legal Proceedings and Other Information***" on page 212.

29. Any delay in payment of statutory dues by us in future could result in the imposition of penalties, which could have an adverse effect on our financial condition, results of operation and cash flows.

We are required to pay certain statutory dues, including provident fund contributions and employee state insurance contributions under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees' State Insurance Act, 1948, respectively, professional taxes, gratuity and tax deducted at source. We are also required to pay additional statutory dues, including applicable goods and services and value added tax. While there have been no delays in the payment of statutory dues for last three Fiscals, however, we cannot assure you that there will be no delays/ defaults in the future.

30. Certain documents filed by us with the Registrar of Companies and certain corporate records and other documents, are not traceable and in respect of the unavailability of such forms and other records, we cannot assure you that such forms or records will be available at all or any time in the future

We are unable to trace copies of certain prescribed forms filed by us with the RoC, relating to certain allotments of equity shares of our Company in the past. These include the prescribed return of allotment (i.e., Form 2) filed by us with the RoC with respect to allotments made by our Company for the period

commencing from our incorporation until 2006 and the corollary board and shareholders' resolutions, as applicable.

We have therefore relied on the certificate dated August 3, 2026 issued by Hitesh Buch & Associates, Companies Secretaries, for certain details with respect to the history of the Equity Share capital of our Company, as disclosed in the section "***Capital Structure***" beginning on page 85. We cannot assure you that the filings were made in a timely manner and that we shall not be subject to any penalty imposed by the regulatory authorities in this respect.

31. Our brand is integral to our success. If we fail to effectively maintain, promote and enhance our brand, our business and competitive advantage may be harmed.

We believe that maintaining, promoting and enhancing our brand is critical to maintaining and expanding our business. Maintaining and enhancing our brands depends largely on our ability to continue to provide quality, well-designed, useful, reliable, and differentiated products, which we cannot assure you we will do successfully on a continuous basis. We believe the importance of brand recognition will increase as competition in our market increases. In addition to our ability to provide our products at competitive prices, the successful promotion of our brand will also depend on the effectiveness of our marketing efforts. We have incurred and expect to incur significant costs and expenses to market our brand, and we intend to continue such efforts.

The table below sets forth our advertisement and publicity expenses during the three Fiscals:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025		For the year ended March 31, 2024	
	Amount (₹ in crores)	% of total expenses	Amount (₹ in crores)	% of total expenses	Amount (₹ in crores)	% of total expenses
Advertisement and publicity expenses	52.13	0.60	50.31	0.64	43.68	0.60

We cannot assure you, however, that our sales and marketing expenses will lead to an increase in the number of customers and, or an increase in our revenue, or, such increase in revenue will be sufficient to offset the expenses incurred by us.

32. We have entered into, and will continue to enter into, related party transactions. We cannot assure you that we could not have achieved more favourable terms had such transactions not been entered into with related parties.

We have entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the future. For further information in our related party transactions during the past three Fiscals, see "***Financial Information***" on page 220.

The table below sets forth the total amount of our related party transactions in the ordinary course of business for years indicated:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025		For the year ended March 31, 2024	
	Amount (₹ in crore)	% of total revenue from operations	Amount (₹ in crore)	% of total revenue from operations	Amount (₹ in crore)	% of total revenue from operations
Related party transactions	202.68	2.18	215.45	2.59	221.21	2.86

While all such transactions have been conducted on an arm's length basis and in the ordinary course of business, we cannot assure you that we could not have obtained more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into additional related party transactions in the future subject to compliance with the Companies Act, SEBI Listing Regulations and other statutory requirements. Additionally, transactions with related parties could rise involve conflicts of interest and may require significant capital outlay and there can be no assurance that we will be able to make a return on these investments.

33. We are subject to restrictive covenants under our credit facilities that limit our operational flexibility.

The loan agreements entered into by us with banks contain specific covenants which require us to obtain the prior approval/ permission from the banks on the occurrence of certain events. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. For further details, see "– ***We have substantial capital expenditure and working capital requirements and may require additional financing to meet those requirements, which could have a material adverse effect on our results of operations, cash flows and financial condition***" on page 53. This may adversely impact our results of operations and cash flows.

34. Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business, financial conditions, cash flows and results of operations.

The cost and availability of capital depend on our credit ratings. The following table sets forth our details of credit rating as of the date of this Placement Document:

Fiscal	Entity name	Rating Agency	Instrument	Ratings
2026	Arvind Limited	CARE	Long term	AA-
			Long term /Short term	AA-/A1+
			Short term	A1+
			Commercial paper	A1+
	Arvind Advanced Materials Limited	India Rating	Long term	AA
			Short term	A1+
2025	Arvind Limited	CARE	Long term	AA-
			Long term /Short term	AA-/A1+
			Short term	A1+
			Commercial paper	A1+
	Arvind Envisol Limited	CARE	Long term	BBB+
			Long term /Short term	BBB+/A2
			Short term	A2
	Arvind OG Non Wovens Private Limited	CARE	Long term	BBB+
			Short term	A2
	Arvind Advanced Materials Limited	India Rating	Long term	AA
			Short term	A1+
	Arvind Limited	India Rating	Commercial paper	A1+
2024	Arvind Limited	CARE	Long term	AA-
			Long term /Short term	AA-/A1+
			Short term	A1+
			Commercial paper	A1+
	Arvind Limited	CARE	Long term	AA-
			Long term /Short term	AA-/A1+
			Short term	A1+
			Commercial paper	A1+
	Arvind Limited	CARE	Long term	AA-
			Long term /Short term	AA-/A1+
			Short term	A1+
			Commercial paper	A1+
			Long term /Short term	AA-/A1+
			Short term	A1+
			NCD	AA-
	Arvind Envisol Limited	CARE	Long term	BBB+
			Long term /Short term	BBB+/A2
			Short term	A2
			Long term /Short term	BBB+/A2
			Short term	A2
	Arvind OG Non Wovens Private Limited*	CARE	Long term	BBB+
			Short term	A2
			Short term	A2

**CARE Ratings for Arvind OG Non Wovens Private Limited (CARE BBB+; Stable / CARE A2) were reaffirmed and then withdrawn in December 2025, per CARE Ratings press release dated December 17, 2025.*

Credit ratings reflect the opinion of the rating agency on our management, track record, diversified clientele, increase in scale and operations and margins, medium term revenue visibility and operating cycle. Except, downgrading of the credit rating of Arvind Envisol Limited in Fiscal 2024, we have not experienced downgrading in our credit ratings received during the past three Fiscals, any downgrade in our credit ratings or our inability to obtain such credit rating in a timely manner or any non-availability of credit ratings, or poor ratings, could increase borrowing costs, will give the right to our lenders to review the facilities availed by us under our financing arrangements and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business, results of operations, financial condition and cash flows.

35. Certain manufacturing units and other properties on which our offices operate are not owned by us and are leased.

Certain of our Manufacturing Facilities outside India are situated on properties that are leased from other private parties and renewable as per the terms of the agreements entered into with such parties.

Any use of the leased properties pursuant to the lease agreements is required to be in compliance with the terms and conditions contained in such agreements. Any breach of the terms or non-renewal of the lease agreements may lead to disruptions and affect our business operations.

We cannot assure you that we will be able to renew our leases on commercially acceptable terms or at all. In the event that we are unable to renew our lease arrangement within time in the future, we may be required to vacate our current premises and make alternative arrangements for new manufacturing facilities. We may not be able to effectively relocate our Manufacturing Facilities and, even if we are able to relocate, there can be no assurance that we can resume the same level of operation or revenue contribution after such new location. If we are required to relocate our business operations or shut down our Manufacturing Facilities during this period, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, financial condition, cash flows and results of operations.

36. We have certain contingent liabilities, which if they materialize, may impact our business, financial condition, cash flows, results of operations and prospects.

Our contingent liabilities may become actual liabilities and if a significant portion of these liabilities materialize, it could impact our business, financial condition, cash flows, results of operations and prospects. Further, we cannot assure you that we will not incur similar or increased levels of contingent liabilities in the current Fiscal or in the future. As of March 31, 2026, our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, were as follows:

Particulars	As at and for the Fiscal ended March 31, 2026 (₹ in crore)
Claims against Group not acknowledged as debts	11.80
Disputed demands in respect of:	
- Excise and Customs duty	4.80
- Value added tax and Central sales tax	9.48
- Income tax	8.57
- Goods and Service Tax	8.31
- Service tax	1.95
Total contingent liabilities	**44.91**

If a significant portion of these liabilities materialise, it could have an adverse effect on our business, results of operations, financial condition and cash flows. For further information in our contingent liabilities as on March 31, 2026, see "***Financial Information***" on page 220.

[Remainder of the page intentionally left blank]

37. The financial statements of certain of our Subsidiaries, Associates and Joint Ventures are unaudited due to the size of the operations and/or local laws regulations.

Due to the size of the operations and/or local regulations, the annual accounts of the following entities are not required to be audited:

Entity name	Relationship with Issuer	Period for which the financials statements are not audited
Renew Green (GJ Eight) Private Limited	Associate	Fiscal 2026, Fiscal 2025 and Fiscal 2024
Adient Arvind Automotive Fabrics India Private Limited	Joint Venture	Fiscal 2026, Fiscal 2025 and Fiscal 2024
Arvind Niloy Exports Private Limited	Subsidiary	Fiscal 2026, Fiscal 2025 and Fiscal 2024
Purfi Arvind Manufacturing India Private Limited	Associate	Fiscal 2026 and Fiscal 2025
PVH Arvind Manufacturing PLC	Joint Venture	Fiscal 2026, Fiscal 2025 and Fiscal 2024
Arvind PD International FZ LLC	Subsidiary	Fiscal 2026
Arudrama Developments Private Limited	Joint Venture	Fiscal 2025 and Fiscal 2024
Arvind Township LLP	Subsidiary	Fiscal 2025 and Fiscal 2024
Arvind Indigo Foundation	Subsidiary	Fiscal 2025
Arvind Foundation	Subsidiary	Fiscal 2025
Arvind Worldwide Inc.	Subsidiary	Fiscal 2024
Arvind Textile Mills Limited	Subsidiary	Fiscal 2024

Accordingly, these financial statements have been prepared and certified by management for consolidation purposes. We cannot assure you that no discrepancies might be identified if a full statutory audit were conducted, which could require adjustments to our consolidated financial results.

38. We cannot assure you that the deployment of the Net Proceeds will take place as planned and as described in this Placement Document. Further, we cannot guarantee that we will achieve the intended results or outcomes from such deployment of Net Proceeds.

We intend to use the Net Proceeds for the purposes described in "***Objects of the Issue and Use of Proceeds***" on page 78. The objects of the Issue comprise (i) prepayment, in full or in part of certain outstanding borrowings availed by our Company and its Subsidiaries; and (ii) general corporate purposes. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environments, business conditions, economic conditions or other factors beyond our control. We propose to prepay certain borrowings availed by our Company and its subsidiaries which are in the nature of ECBs and subject to foreign currency fluctuations. While we use various derivative financial instruments such as interest rate swaps, currency swaps, forwards and options to mitigate the risk of changes in exchange rates, there can be no assurance that such hedging arrangements may be sufficient to manage fluctuations in foreign currency. Pending utilisation of the Net Proceeds, we intend to deposit such Net Proceeds in one or more scheduled commercial banks, as may be approved by our Board and in accordance with SEBI ICDR Regulations. Our inability to meet our obligations, including financial and other covenants, under our debt financing arrangements could adversely affect our business, financial condition, results of operations and cash flows.

39. Our funding requirements and proposed deployment of Net Proceeds are based on management estimates and have not been appraised by any bank or financial institution and our management will have broad discretion over the use of the Net Proceed.

We propose to use the net proceeds of the Offer for the purposes described in the section titled "***Objects of the Issue and Use of Proceeds***" beginning on page 78. Our proposed deployment of Net Proceeds has not been appraised by any bank or financial institution or any other independent agency and is based on management estimates. Accordingly, investors in Equity Shares will be relying on the judgment of our management regarding the application of Net Proceeds.

Due to the competitive nature of our business and the uncertainties inherent in it, there is no assurance that the Net Proceeds will be utilized as planned or within the proposed timeframe. The Company may have to revise its business plan and/or management estimates from time to time and consequently its funding requirements may also change. Such internal estimates may differ from the value that would have been determined by third party appraisals, which may require the Company to reschedule or

reallocate its expenditure, subject to applicable laws. In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to the Company, including internal accruals and additional equity and/or debt arrangements, and may have an adverse impact on its business, results of operations, financial condition and cash flows.

Further, there is a possibility the investments made in manufacturing equipment may not fully meet future industry or regulatory requirements. Changes in technology or increasing regulations and environmental standards may require additional capital expenditure or operational changes, which could negatively affect our production efficiency, costs, and competitiveness. In cases where the actual costs exceed estimates or if the Net Proceeds are insufficient, we may need to secure additional funding through internal resources, borrowings, or equity issuances, which may not be available on our favourable commercial terms or at all. Further, the use of the Net Proceeds may not necessarily lead to an increase in the value of your investment.

40. If we are unsuccessful in implementing our strategies, particularly our growth strategy, our business, financial condition, cash flows, results of operations and prospects may be adversely affected.

The success of our business depends on our ability to effectively implement our strategies, particularly our growth strategy. For details of our business strategies, see "***Our Business – Our Growth Strategies***" on page 149. Even if we have successfully executed our business strategies in the past, we cannot assure you that we will be able to execute our strategies on time and within the estimated budget, or that we will achieve the results we expect. Implementing our business strategies requires the sustained attention of our management and the investment of other resources, including continuous enhancement of our operational, financial and technology systems and controls.

Our growth strategy includes, among other things, growth through acquisitions, such as our Subsidiary AAML's recent acquisition of a majority stake in Dalco-GFT. The success of any such acquisition depends on our ability to effectively identify and evaluate acquisition targets, negotiate commercially favourable terms, and integrate the acquired business, including its operations, personnel, technology and financial systems, in a timely and cost-effective manner. Acquisitions of this nature involve numerous risks, including the diversion of management's attention and resources away from our existing operations, the possibility that we may not realise the anticipated synergies, cost savings or growth opportunities, the assumption of unknown or contingent liabilities, and the risk that regulatory approvals required in the relevant jurisdiction(s) may be delayed, conditional or not obtained at all.

We may also be unable to sustain our historical rate of growth in revenues and profits or maintain a similar rate of growth in the future, whether organically or through acquisitions. Failure to effectively manage our expansion, including the integration of acquired businesses, may lead to increased costs, reduced profitability, and could adversely affect our business, financial condition, cash flows, results of operations and prospects.

41. Any significant disruptions of information technology systems or breaches of data security could adversely affect our business, financial condition, cash flows and results of operations.

We depend on certain information technology ("**IT**") systems such as the enterprise resource planning (ERP) software in connection with our business operations. Any failure of our IT systems could result in business interruptions, including the loss of our customers, loss of reputation and weakening of our competitive position, and could have a material adverse effect on our business, financial condition, cash flows and results of operations. Our IT systems may be vulnerable to computer viruses, piracy, hacking or similar disruptive issues. Computer viruses or problems caused by third parties could lead to disruptions in our business activities. These systems may be potentially vulnerable to data security breaches, whether by employees or others, which may result in unauthorized persons getting access to sensitive data. In the event a data security breach leads to the loss of sensitive information and other trade secrets, our business operations could be compromised.

While we protect our computer systems from security breaches through firewalls and password encryption, any disruptions in our security systems could affect the security of information stored in our computer systems, which may in turn lead to leakage of confidential and/or sensitive data. Further, there can be no assurance that our existing insurance policies will be adequate to cover any such potential losses in the future in full or at all. While we have not faced any instances of IT breach or cyber-attack in the past three Fiscals, there can be no assurance that these instances will not occur in the future. The

occurrence of any such events could adversely affect our business or interrupt our operations. For further details, see "– ***Compliance with present and changing laws, rules and regulations and legal uncertainties in India may adversely affect our business and financial performance***" on page 67.

42. We will continue to be controlled by our Promoter after the completion of the Issue.

As of March 31, 2026, our Promoters hold 39.53% of our Equity Share capital. After this Issue, our Promoter will continue to exercise significant control or exert significant influence over our business policies and affairs and all matters requiring Shareholders' approval, including composition of our Board, the adoption of amendments to our constitutional documents, the approval of mergers, strategic acquisitions, joint ventures and the policies for dividends, lending, investments and capital expenditures. This control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company, even if it is in best interest of other shareholders. Accordingly, the interests of our Promoter in capacity of a shareholder of the Company may conflict with your interests and the interests of other shareholders of the Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

43. Our Promoters and certain of our Directors, Key Managerial Personnel and Senior Managerial Personnel hold Equity Shares in our Company and are therefore interested in our Company's performance in addition to their remuneration and reimbursement of expenses.

Our Promoters and certain of our Directors, Key Managerial Personnel and Senior Managerial Personnel are interested in our Company to the extent of their shareholding in our Company and the dividend entitlement received from our Company, in addition to the normal remuneration or benefits and reimbursement of expenses by our Company.

We cannot assure you that our Promoters or any other interested Director in the future, would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Promoters or any other interested Director in the future will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Promoters or any other interested Director in the future may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Promoters or any other interested Director in the future will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.

44. Our Subsidiaries have common pursuits with our Company as they are engaged in similar business or industry segments and may compete with us. There may be potential conflicts of interest if our Promoters or Directors get involved in any business activities that compete with or are in the same line of activity as our business operations.

Our Subsidiaries are engaged in a business similar to ours. Therefore, there may be a conflict of interest in allocating business opportunities between us and our Subsidiaries. While we will adopt necessary procedures and practices as permitted by law to address any instances of conflict of interest, we cannot assure you that there will not be any conflict of interest between our Company and our Subsidiaries in the future or if such conflict of interest will be resolved in an impartial manner. We have not entered into any non-compete agreements with our Subsidiaries and there can be no assurance that such entities will not compete with our existing business or any future business that we might undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business and financial performance.

Our Promoters and Directors may have interests in other entities or ventures engaged in similar business activities, which could result in conflicts of interest regarding the allocation of business opportunities, preferential treatment, or division of management attention and resources between our Company and such entities.

Our Company's growth and operational success are heavily reliant on the continued involvement of our Promoters and Directors, who are closely involved in strategy formulation, daily operations, and overall management. They have, over the years, cultivated strong relationships with customers, suppliers, and stakeholders, which constitute valuable intangible assets for our business. If our Promoters or Directors become unable or unwilling to continue in their present roles, we may not be able to replace them easily or at all, which could impair our ability to implement our strategy, maintain key stakeholder relationships, and execute our growth plans. Any conflicts of interest or loss of services of our Promoters or Directors could have a material adverse effect on our business, financial condition, results of operations, and prospects, and may adversely affect the trading price of our Equity Shares.

45. Our success depends substantially on our strong management, including our Promoters, Directors, Key Managerial Personnel and SMP, and on our operational workforce. Our inability to retain them or to recruit highly skilled technical personnel that are necessary for our business could adversely affect our business

Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and our SMP as well as our ability to attract and retain skilled personnel. Any loss of our Promoters, Directors, Key Managerial Personnel, SMP or our ability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations. For further details see, "***Board of Directors and Senior Management***" beginning on page 153. While we have not faced any material instances of difficulties in hiring and retaining our Key Managerial Personnel and SMP in the past three Fiscals, there can be no assurance that such instances will not occur in the future.

The continued operations and growth of our business is also dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. The departure of our Key Managerial Personnel or SMP to join competitors or establish competing entities could result in loss of customers, proprietary know-how, confidential business information, and competitive advantage, which may materially and adversely affect our business, results of operations, financial condition and prospects.

46. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report our financial risks.

Our success depends on our ability to effectively utilize our resources and maintain internal controls. We manage our internal compliance by monitoring and evaluating internal controls and taking reasonable steps to maintain appropriate procedures for relevant statutory and regulatory compliances. While there have been no instances of failure to maintain effective internal controls and compliance systems in the past three Fiscals, however, any such lapses in the future may lead to an adverse effect on our business, financial condition, cash flows and results of operations.

Inadequate internal controls could lead to environmental compliance violations, such as improper handling, storage, or disposal of plastic waste. This not only exposes the company to potential fines, legal liabilities, and cleanup costs but also damages our reputation in the market we operate. While there have been no material instances of environmental compliance violations due to ineffective internal controls and compliance systems in the past three Fiscals, we cannot assure you that such instances will not occur in the future.

Further, maintaining internal controls depends on careful diligence and compliance, and is therefore vulnerable to human errors or lapses in judgment. These mistakes can compromise the accuracy of our financial reporting, potentially diminish the investors' confidence and leading to a decline in the price of our Equity Shares. Further, if we fail to maintain effective internal controls, it could lead to errors in financial reporting, delays in detecting operational issues, or failure to comply with laws and regulations which could result in financial losses, and penalties from authorities.

47. Fraud, theft, employee negligence or similar incidents by our employees could adversely affect our reputation, results of operations and financial condition.

Although we closely monitor our employees, misconduct, including acts of theft and fraud, by employees or executives could bind us to transactions that exceed authorized limits or present unacceptable risks or

hiding unauthorized or unlawful activities from us, which may result in substantial financial losses and damage to our reputation and loss of business from our customers. Additionally, since we engage third-party service providers for certain operations, we also face risks of theft, embezzlement, or other forms of misuse by these parties.

48. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows and working capital and capital expenditure requirements.

Our Company has declared dividends on the Equity Shares in the past. However, any dividends to be declared and paid in the future are required to be recommended by our Board and approved by our shareholders, at their discretion, subject to the provisions of our Articles of Association and applicable law, including the Companies Act, 2013. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, profitability, and our working capital and capital expenditure requirements. For details of dividends declared by our Company in the past three Fiscals, see "***Dividends***" beginning on page 92.

49. Industry information included in this Placement Document has been derived from the CARE Report, which was prepared by CARE and exclusively commissioned and paid for by our Company for the purposes of the Issue, and any reliance on information from the CARE Report for making an investment decision in the Issue is subject to inherent risks.

We have availed the services of an independent third-party research agency, CARE, to prepare the report titled "*Research Report on Textile Industry*" dated July, 2026 (the "**CARE Report**"), for the purposes of inclusion of such information in this Placement Document pursuant to an engagement letter dated July 10, 2026. We have exclusively commissioned the CARE Report and paid for the services of CARE for the CARE Report for the purpose of confirming our understanding of the industry in connection with the Issue. We have no direct or indirect association with CARE other than as a consequence of such an engagement. The CARE Report is subject to various limitations and based upon certain assumptions that are subjective in nature. Further, there can be no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Placement Document. See "***Industry Overview***" on page 93.

50. Certain non-GAAP financial measures relating to our operations and financial performance have been included in the Preliminary Placement Document and this Placement Document. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.

Certain non-GAAP financial measures relating to our operations and financial performance have been included in the Preliminary Placement Document and this Placement Document. We compute and disclose such non-GAAP financial measures as we consider such information to be useful measures of our business and financial performance. These Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the periods or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, these are not standardised terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

[Remainder of the page intentionally left blank]

EXTERNAL RISK FACTORS

51. Compliance with present and changing laws, rules and regulations and legal uncertainties in India may adversely affect our business and financial performance.

The regulatory and policy environment in which we operate are evolving and are subject to change. The Government of India ("**GoI**") may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements. Any such implementation or amendment may result in us being non-compliant with such governing laws till the time we implement the requirements of such amended laws.

For instance, the GoI has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labor legislations. While the rules for implementation under these codes have been recently notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses.

The Government of India has also enacted the Digital Personal Data Protection Act, 2023 ("**Data Protection Act**") on personal data protection for implementing organizational and technical measures in processing personal data and lays down norms for cross-border transfer of personal data including ensuring the accountability of entities processing personal data. The Data Protection Act requires companies that collect and deal with high volumes of personal data to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and a data auditor to evaluate compliance with the Data Protection Act. In 2025, the Government of India notified the Digital Personal Data Protection Rules, 2025 ("**DPDP Rules, 2025**") on November 14, 2025, to put into effect the Digital Personal Data Protection Act, 2023. These Rules require companies to obtain clear, informed consent for collecting personal data, implement robust security and breach-reporting measures, and ensure the rights of individuals to access, correct, or delete their data. Significant Data Fiduciaries face additional obligations such as audits, impact assessments, and stricter safeguards, with compliance mandatory under a phased rollout. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations.

52. Purchases of retail apparel merchandise are generally discretionary, and economic conditions may cause a decline in consumer spending which could adversely affect our business and financial performance.

Our operations and performance depend significantly on worldwide economic conditions and their impact on levels of consumer spending, particularly in discretionary areas, such as apparel. Our business and financial performance, including our sales may be adversely affected by any future decrease in economic activity in the country that could potentially cause a decline in consumer spending. Consumers are generally more willing to make discretionary purchases, including purchases of fashion products, during periods in which favourable economic conditions prevail. A decrease in consumer discretionary spending may decrease the demand for our products. In addition, reduced consumer spending may cause us to lower prices, suffer significant product returns from our customers or drive us to offer additional products at promotional prices, any of which would have a negative impact on our profits. Our ability to meet customers' demands depends, in part, on our ability to obtain timely and adequate delivery of materials from our suppliers. An unfavourable global financial situation may materially adversely affect the ability of our suppliers to obtain financing for significant purchases and operations. If certain key suppliers were to become capacity constrained or insolvent as a result of a financial crisis, it could result

in a reduction or interruption in supplies or a significant increase in the price of supplies which in case is passed on to the consumers may adversely impact consumer spending and therefore our financial results. These and other economic factors could have a material adverse effect on demand for our products and on our financial condition, cash flows and operating results. In addition, as a result of decreased revenues and working capital, we may be required to seek additional financing which may not be available on acceptable terms or at all.

53. Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics and man-made disasters, including acts of war, terrorist attacks and other events such as political instability, including strikes, demonstrations, protests, marches or other types of civil disorder, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn adversely affect our business, financial condition, cash flows and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and the COVID-19. As a result, any future outbreak of a contagious disease could have an adverse effect on our business and the trading price of the Equity Shares.

54. Recent global economic conditions have been challenging and continue to affect the Indian market, which may adversely affect our business, financial condition, results of operations and prospects.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. It is not possible for us to predict the extent and duration of this volatility and adverse impact on the global or Indian securities markets, including any possible impact on our Equity Shares. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of our Equity Shares.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Furthermore, economic developments globally can have a significant impact on India. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. The sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia in connection with the Russia-Ukraine war) have also added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth. Any significant financial disruption could have a material adverse effect on our business, financial condition, cash flows and results of operation.

Such developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition, cash flows and results of operations and reduce the price of the Equity Shares.

55. Our businesses and activities may be regulated under competition laws in India, and any adverse application or interpretation of such laws could adversely affect our business, cash flows, results of operations and financial condition.

The Competition Act prohibits any anti-competition agreement or arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition ("**AAEC**") in India. Any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of consumers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India ("**CCI**"). Any breach of the provisions of the Competition Act may attract substantial monetary penalties. In addition to these thresholds, the Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") was notified on April 11, 2023, which amends the Competition Act and introduced a deal value threshold, wherein transactions with a deal value of ₹2,000 crore or more and having substantial business operations in India requires to be notified to the CCI even if asset or turnover based thresholds are not met. The Competition Amendment Act, inter alia, modifies the scope of certain factors used to determine appreciable adverse effect on competition ("**AAEC**"), reduces the overall time limit for the assessment of combinations by the CCI. If we pursue acquisitions in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, financial condition, results of operations, cash flows and prospects.

56. If inflation rises in India, increased costs may result in a decline in profits.

Inflation rates in India have been volatile in recent years, and such volatility may continue. India has experienced high inflation in the recent past. Increasing inflation in India could cause a rise in the costs of rent, wages, equipment costs and other expenses. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. If we are unable to increase our revenue sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, results of operations, financial condition and cash flows. Furthermore, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

57. We may be impacted by an adverse change in India's sovereign credit rating by an international rating agency.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for reasons beyond our control such as, upon a change of government tax or fiscal policy. This could have an adverse effect on our ability to fund our growth on favorable terms or at all, and consequently adversely affect our business and financial performance and the price of the Equity Shares.

RISKS RELATING TO THE EQUITY SHARES AND THE ISSUE

58. Your ability to acquire and sell Equity Shares offered in this Issue is restricted by the distribution, solicitation and transfer restrictions set forth in this Placement Document.

No actions have been taken to permit a public offering of the Equity Shares offered in this Issue in any jurisdiction. As such, your ability to acquire Equity Shares offered in the Offer is restricted by the distribution and solicitation restrictions set forth in this Placement Document. For details, see "***Selling Restrictions***" on page 189. Furthermore, the Equity Shares offered in the Issue are subject to restrictions on transferability and resale. For details, see "***Transfer Restrictions and Purchaser Representations***" on page 196. You are required to inform yourself about and observe these restrictions. Our Company, our representatives and our agents will not be obligated to recognise any acquisition, transfer or resale of the Equity Shares offered in the Issue made other than in compliance with applicable law.

59. An investor will not be able to sell any of the Equity Shares subscribed in this Issue other than on a recognised Indian stock exchange for a period of one year from the date of allotment of the Equity Shares.

The Equity Shares in this Issue are subject to restrictions on transfers. Pursuant to the SEBI ICDR Regulations, for a period of one year from the date of allotment of Equity Shares allotted pursuant to the Issue. Eligible Investors subscribing to the Equity Shares in the Issue may only sell their Equity Shares on the Stock Exchanges and may not enter into any off-market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. Furthermore, allotments made to FVCIs, VCFs and AIFs in this Issue are subject to the rules and regulations that are applicable to each of them, respectively including in relation to lock-in requirements. This may affect the liquidity of the Equity Shares purchased by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares purchased by investors.

60. The trading volume and market price of the Equity Shares may be volatile following the Issue, and you may not be able to sell your Equity Shares at or above the Issue Price.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control: actual or anticipated variations in our results of operations, including compared to expectations of securities analysts and investors and those of our competitors; changes in expectations as to our future financial performance, including financial estimates by analysts and investors; announcements about our earnings that are not in line with analyst expectations; announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments; complaints from our customers, shortages or interruptions in the availability of raw materials, or reports of incidents of tampering of raw materials; announcements by third parties or governmental entities of significant claims or proceedings against us; new laws and governmental regulations applicable to our industry; additions or departures of senior management; changes in our shareholder base; changes in our dividend policy; changes in accounting standards, policies, guidance, interpretations or principles; the public's reaction to our press releases, other public announcements, and filings with the regulator; adverse media reports about us or our industry; changes / volatility in exchange rates; changes in the regulatory and legal environment in which we operate; fluctuations in stock market prices and volume; and general economic and stock market conditions. Any of these factors listed above could result in large and sudden changes in the volume and trading price of the Equity Shares and adversely affect the price of the Equity Shares. The market price of the Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure you that you will be able to resell the Equity Shares at or above the Issue Price. Furthermore, the Issue Price includes a discount of ₹ 13.58 per Equity Share, being equivalent to a discount of 2.62% on the Floor Price in accordance with the SEBI ICDR Regulations, which was determined by our Company in consultation with the Lead Manager, and may not be necessarily indicative of the market price of the Equity Shares after this Issue is complete.

61. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares or dividend paid thereon.

Under current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any capital gain exceeding ₹125,000, realized on the sale of listed equity shares on a recognized stock exchange, held for more than

12 months immediately preceding the date of transfer, will be subject to long term capital gains in India, at the rate of 12.5% (plus applicable surcharge and cess). This beneficial rate is, among others, subject to payment of Securities Transaction Tax ("**STT**"). Further, any gain realized on the sale of equity shares in an Indian company held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Such gains will be subject to tax at the rate of 20% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates.

Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident read with the multilateral instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. No dividend distribution tax is required to be paid in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and, accordingly, such dividends would not be exempt in the hands of the Shareholders both for residents as well as non-residents and are subject to tax deduction at source. We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020, and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while, in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015%, and on a non-delivery basis is specified at 0.003% of the consideration amount. Additionally, the Government of India announced the Union Budget for the Fiscal 2027 on February 1, 2026, followed by the Finance Bill 2026 ("**Finance Bill**"). The Finance Bill has received the assent from the President of India on March 30, 2026, and has been enacted as the Finance Act, 2026 ("**Finance Act**") with effect from April 1, 2026. We have not fully determined the effects of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, results of operations, financial condition and cash flows.

Further, the Union Cabinet, Government of India has recently approved the Income Tax Act, 2025 which among others, amends the income tax regime and replace the Income Tax Act, 1961 with effect from April 1, 2026. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. There is no certainty on the impact of the Income Tax Act, 2025, on tax laws or other regulations, which may adversely affect our business, financial condition, cash flows, results of operations or on the industry in which we operate.

The investors are advised to consult their own tax advisors to understand their tax liability as per the laws prevailing on the date of disposal of Equity Shares. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in our Equity Shares. Unfavourable changes or interpretations of existing, or the promulgation of new laws, rules and regulations, governing our business and operations could result in us being deemed to be in contravention of such laws requiring us to apply for additional approvals.

62. Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding. Furthermore, any such further issuance of our securities and / or sale of Equity Shares by the Promoters or members of our Promoter Group may adversely affect the trading price of our Equity Shares.

We cannot assure you that we will not issue additional Equity Shares. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares may lead to the dilution of your shareholding in our Company.

Except for the customary lock-up on our Company's ability to issue equity or equity linked securities discussed in "***Placement***" on page 187, there is no restriction on our ability to issue Equity Shares or our major shareholders' ability to dispose-off their Equity Shares, and we cannot assure you that we will not issue Equity Shares or that any major shareholder will not dispose of, encumber, or pledge, its Equity Shares. Furthermore, any future equity issuances by us or sale of our Equity Shares by the Promoters or members of our Promoter Group or any of our other principal shareholders or any public perception regarding such issuance or sales may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

63. There may be less information available about companies listed on Indian securities markets than companies listed on securities markets in other countries.

There may be less publicly available information about Indian public companies, including our Company, than is regularly disclosed by public companies in other countries with more mature securities markets. There is a difference between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers, and other participants in those markets, and that of markets in other more developed economies. As a result, you may have access to less information about our business, results of operations and financial condition, and those of our competitors that are listed on the Stock Exchanges, on an ongoing basis, than you may in the case of companies subject to the reporting requirements of certain other countries.

64. Fluctuations in the exchange rate between the Indian Rupee and other currencies could have an adverse effect on the value of our Equity Shares in those currencies, independent of our operating results.

Our Equity Shares are quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will be paid in Indian Rupees. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for such sale, may reduce the net proceeds received by investors. The exchange rate between the Indian Rupee and other currencies (such as, the U.S. dollar, the Euro, the Pound Sterling and the Singapore dollar) has changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of our Equity Shares and returns from our Equity Shares in foreign currency terms, independent of our operating results. In addition, our Company's valuation could be harmed by a devaluation of the Rupee if investors in jurisdictions outside India analyse its value based on the relevant foreign currency equivalent of our Company's financial condition and results of operation.

65. Applicants to this Issue are not allowed to withdraw or revise downwards their Bids after the Bid/ Issue Closing Date.

In terms of Regulation 179 (1) of the SEBI ICDR Regulations, applicants to the Issue are not allowed to withdraw their Bids or revise their Bids downwards after the Bid/ Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the investors' demat account with the depository participant could take approximately seven days and up to ten days from the Bid/ Issue Closing Date.

However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in the business, results of operation or financial condition of the Company, or other events affecting the investor's decision to invest in the Equity Shares, would not arise between the Bid/ Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Bid/ Issue Closing Date could also adversely impact the market price of the Equity Shares. The investors shall not have the right to withdraw their Bids or revise their Bids downwards in the event of any such occurrence. We may complete the Allotment of the Equity Shares even if such events may limit the investor's ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

66. Our Equity Shares are quoted in Indian Rupees in India and investors may be subject to potential losses arising out of exchange rate risk on the Indian Rupee and risks associated with the conversion of Indian Rupee proceeds into foreign currency.

Investors are subject to currency fluctuation risk and convertibility risk since our Equity Shares are quoted in Indian Rupees on the Indian stock exchanges on which they are listed. Dividends on the Equity Shares will also be paid in Indian Rupees and subsequently may need to be converted into the relevant foreign currency for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, foreign investors that seek to sell Equity Shares will have to obtain approval from the RBI, unless the sale is made on a stock exchange or in connection with an offer made under regulations regarding takeovers. Any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders. The volatility of the Indian Rupee against other currencies may subject investors who convert funds into Indian Rupees to purchase our Equity Shares to currency fluctuation risks.

67. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their percentage ownership of the outstanding Equity Shares.

A company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless these rights have been waived adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution. If our Company offers to its shareholders rights to subscribe for additional Equity Shares or any right of any other nature, we will have discretion as to the procedure to be followed in making the rights available to our Company's shareholders or in disposing of the rights for the benefit of our Company's shareholders and making the net proceeds available to the shareholders. Our Company may choose not to offer the rights to our shareholders having an address outside India.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing.

If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

68. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, the Equity Shares at a particular point in time.

The price of the Equity Shares will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India, which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on the Company's circuit breaker is set by the stock exchanges based, amongst others, on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to, and do not, inform us of the percentage limit of the circuit breaker from time to time, and may change it without the Company's knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

69. Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade.

Subject to the relevant transfer restrictions, investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since

the Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Furthermore, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in the Equity Shares will commence in a timely manner.

70. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder of our Company than as a shareholder of an entity in another jurisdiction.

MARKET PRICE INFORMATION

As on the date of this Placement Document, 26,21,40,540 Equity Shares have been issued and 26,21,39,640 Equity Shares have been subscribed and paid up.* The face value of the Equity Shares is ₹10 per Equity Share. The Equity Shares have been listed on BSE and. The Equity Shares are listed and traded on BSE under the scrip code 500101 and symbol 'ARVIND' on BSE and on NSE.

**900 Equity Shares allotted to the shareholders were forfeited by the Board of Directors of the Company, at its meeting held on April 27, 2006, due to the non-payment of allotment money by the respective shareholders.*

On August 4, 2026 the closing price of the Equity Shares on NSE and BSE was ₹ 547.35 and ₹ 546.85 per Equity Share, respectively. Since the Equity Shares are available for trading on BSE and NSE, the market price and other information for each of BSE and NSE has been given separately.

1. The following tables set out the reported high, low and average of the closing prices of the Equity Shares on NSE and BSE and number of Equity Shares traded on the days on which such high and low prices were recorded and the total trading turnover for Fiscals 2026, 2025 and 2024.

BSE											
Fiscal	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹ in crores)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹ in crores)**	**Average price for the year (₹)**	**Equity Shares traded in Volume**	**Equity Shares traded in Turnover (₹ in crores)**
2026	398.70	May 14, 2025	38,917	1.54	279.90	Oct 10, 2025	33,640	0.95	334.50	70,93,520	2,416.27
2025	448.20	Dec 17, 2024	1,43,157	6.34	274.70	Apr 01, 2024	7,440	0.20	366.22	1,49,98,870	5,445.40
2024	315.70	Jan 31, 2024	53,160	1.66	87.68	Apr 03, 2023	70,059	0.61	191.05	2,57,17,247	4,536.13

(Source: www.bseindia.com)

NSE											
Fiscal	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹ in crores)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹ in crores)**	**Average price for the year (₹)**	**Equity Shares traded in Volume**	**Equity Shares traded in Turnover (₹ in crores)**
2026	399.00	May 14, 2025	6,88,265	27.29	279.60	Oct 10, 2025	5,25,576	14.77	334.52	11,76,54,687	40,194.42
2025	448.55	Dec 17, 2024	17,56,833	77.92	274.50	Apr 01, 2024	2,34,262	6.41	366.24	16,93,45,002	62,773.91
2024	315.00	Jan 31, 2024	16,05,547	50.17	87.60	Apr 03, 2023	7,56,705	6.63	191.08	36,15,71,897	64,233.62

(Source: www.nseindia.com)

Note:

1. High, low and average prices are based on the daily closing prices.

2. In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.

3. In the case of a year, average price for the year represents the average of the closing prices on each day of each year.

2. The following tables set forth the reported high, low and average of the closing prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months, as applicable:

BSE											
Month, year	High (₹)	Date of high	Number of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹in crores)	Low (₹)	Date of low	Number of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹in crores)	Average price for the month (₹)*	Equity Shares traded in the month	
										Volume	Turnover (₹ in crores)
July 2026											
June 2026	586.30	Jun 30, 2026	2,07,889	12.19	479.85	Jun 01, 2026	1,87,427	9.24	510.85	11,71,193	61.54
May 2026	491.60	May 26, 2026	29,129	1.43	389.60	May 06, 2026	20,048	0.78	454.14	19,04,074	86.02
April 2026	398.55	Apr 30, 2026	14,968	0.59	350.40	Apr 01, 2026	20,189	0.70	383.79	3,81,287	14.60
March 2026	365.40	Mar 18, 2026	41,182	1.49	331.30	Mar 09, 2026	21,325	0.71	347.71	3,74,020	13.02
February 2026	387.65	Feb 09, 2026	75,163	2.91	326.15	Feb 02, 2026	30,282	0.99	364.50	12,12,702	44.71

(Source: www.bseindia.com)

NSE											
Month, year	High (₹)	Date of high	Number of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹in crores)	Low (₹)	Date of low	Number of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹in crores)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹in crores)
July 2026											
June 2026	587.10	Jun 30, 2026	54,70,123	320.70	479.15	Jun 01, 2026	17,13,726	84.33	510.67	2,48,48,438	1,313.37
May 2026	491.85	May 26, 2026	8,54,420	42.07	389.70	May 06, 2026	2,77,855	10.85	454.15	3,14,44,301	1,422.16
April 2026	398.55	Apr 30, 2026	2,87,773	11.32	350.65	Apr 01, 2026	2,91,453	10.16	383.88	66,36,009	253.40
March 2026	365.20	Mar 18, 2026	5,88,966	21.68	331.40	Mar 09, 2026	2,10,511	6.98	347.68	75,68,078	263.53
February 2026	387.60	Feb 09, 2026	16,87,420	65.32	326.40	Feb 02, 2026	4,97,796	16.24	364.67	2,18,60,830	799.62

(Source: www.nseindia.com)

Note:

1. *High, low and average prices are based on the daily closing prices.*

2. *In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.*
3. *In the case of a month, average price for the month represents the average of the closing prices on each day of each month.*

- The following tables set forth the market price on the Stock Exchanges on July 2 2026 being the first working day following our Board of Directors for the Issue July 3 2026 for the approval of the Issue:

BSE					
Open	**High**	**Low**	**Close**	**Number of Equity Shares traded**	**Volume (₹ in crores)**
567.55	570.9	547.2	568.35	31,846	1.78

(Source: www.bseindia.com)

NSE					
Open	**High**	**Low**	**Close**	**Number of Equity Shares traded**	**Volume (₹in crores)**
560.35	571	546.7	568	8,90,766	49.79

(Source: www.nseindia.com)

OBJECTS OF THE ISSUE AND USE OF ISSUE PROCEEDS

The gross proceeds from the Issue aggregating to approximately ₹ 500.00 crores (the "**Gross Proceeds**"). Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions and the estimated expenses of the Issue of approximately ₹ 13.88 crores, shall be approximately ₹ 486.12 crores (the "**Net Proceeds**").

Objects of the Issue

Subject to compliance with applicable laws and regulations, as approved by our Board, our Company proposes to utilize the Net Proceeds for:

a) Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company and our material subsidiary, Arvind Advanced Materials Limited ("**Material Subsidiary**") through investment in such Material Subsidiary; and

b) General corporate purposes (together, the "**Objects**")

The main objects and objects necessary in furtherance to the main objects as set out in our Memorandum of Association and the memorandum of association of our Material Subsidiary whose loan is proposed to be repaid/prepaid from the Net Proceeds, enable us and the Material Subsidiary to undertake the existing business activities, respectively, and the activities proposed to be funded from the Net Proceeds. Pursuant to a resolution passed by the Finance Committee dated August 3, 2026 our Company has approved the utilisation of the Net Proceeds for the Objects, in accordance with the schedule of deployment and implementation, as set out below. In the event of a change in the final Issue size, the amounts shown in the table below against each of the use of proceeds specified therein shall be modified basis the final Issue size in this Placement Document.

Requirement of Funds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

(*₹ in crores*)

S. No.	Particulars	Amount which will be financed from Net Proceeds
1.	Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company and our Material Subsidiary through investment in such Material Subsidiary	400.00
2.	General corporate purposes [(1)]	86.12
	Total Net Proceeds	**486.12**

(1) The amount to be utilized for general corporate purposes shall not exceed 25% of the Issue Proceeds.

Proposed schedule of implementation and deployment of Net Proceeds

S. No.	Particulars	Amount to be funded from Net Proceeds (₹ in crores)	Tentative timelines for utilisation of Net Proceeds
			Fiscal 2027
1.	Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company and our Material Subsidiary through investment in such Material Subsidiary	400.00	400.00
2.	General corporate purposes*	86.12	86.12

**The amount to be utilized for general corporate purposes shall not exceed 25% of the Issue Proceeds.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plans, internal management estimates, prevailing market conditions, operating plans and the growth strategies of our Company and other commercial factors and other agreements entered into by our Company and Material Subsidiary, which are subject to change in the future. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. For details, see "***Risk Factors – Our funding requirements and proposed deployment of Net Proceeds are based on management estimates and have not been appraised by any bank or financial institution and our management will have broad discretion over the use of the Net Proceed***" on page 62.

We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management and obtaining necessary approvals/ consents, as applicable, in accordance with applicable law. This may entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the planned expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable law. Subject to applicable law, if the actual utilisation towards the Objects is lower than the proposed deployment, such balance will be utilised (in part or full) in subsequent periods, as determined by us, towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Issue Proceeds, in accordance with the applicable laws. In the event that estimated utilization out of the Net Proceeds in a Fiscal is not completely met, the same shall be utilized in the subsequent Fiscals or, if required, the amount scheduled for deployment in a specific Fiscal may be utilized in an earlier Fiscal, as may be decided by our Company, in accordance with applicable laws. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds.

In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls

Details of the Objects

1. Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company and our Material Subsidiary through investment in such Material Subsidiary

Our Company and our Material Subsidiary have entered into various financing arrangements, in the ordinary course of business, from various banks and financial institutions, including borrowings in the form of term loans and working capital facilities. As of June 30, 2026, our aggregating outstanding borrowings were ₹ 2,680 crores on a consolidated basis.

The borrowings to be prepaid and/or repaid, will be selected based on a range of various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to repay and/or pre-pay the borrowings and time taken to fulfil, or obtain waivers for the fulfilment of, such conditions, (iii) levy of any prepayment penalties and the quantum thereof, (iv) provisions of any laws, rules and regulations governing such borrowings, and (v) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

Further, the outstanding amounts under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Accordingly, we may utilise the Net Proceeds for part prepayment of any such facilities. Furthermore, pursuant to the terms of the borrowing arrangements, pre-payment of certain indebtedness may attract pre-payment charges as prescribed by the respective lender. Such pre-payment charges, as applicable, will also be funded out of the Net Proceeds and/or internal accruals.

We believe that such repayment and/or pre-payment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness and our guarantee obligations. Further, it will reduce our debt-servicing costs and improve our debt equity ratio and credit ratings, and enable utilisation of our accruals for further investment in our business growth and expansion. Additionally, we believe that the since our debt-equity ratio and credit ratings will improve, it will enable us to raise further capital at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

In addition, the improvement in the debt-to-equity ratio of our Company is intended to enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

The following tables provide details of outstanding borrowings availed of by our Company and Material Subsidiary which we propose to repay or pre-pay, in full or in part, from the Net Proceeds:

Sr. No.	Name of the lender	Nature of the borrowing	Date of sanction/offer letter/ renewal letter, if any	Principal sanctioned amount as on June 30, 2026 (₹ crore, except as otherwise mentioned)	Outstanding loan amount as at June 30, 2026 (₹ crore, except as otherwise mentioned)	Tenure of loan	Rate of interest (per annum in %)	Purpose for which disbursed loan amount was sanctioned and utilized	Prepayment Penalty
Arvind Limited									
Term loan									
1.	Bank of Baroda	Term loan	April 8, 2024	₹150.00	₹63.75	5 years	One month MCLR + Strategic premium 0.10%	General capital expenditure and strengthening of the Company's net working capital	NIL
2.	IndusInd Bank Limited	Term loan	June 26, 2023	₹100.00	₹65.00	5 years	RBI Repo Rate +175 bps i.e. 7.25%	Strengthening of the Company's net working capital	NIL
3.	HDFC Bank Limited	Term loan - I	August 9, 2023	₹150.00	₹49.15	4.25 years	6.58	Reimbursement of capital expenditure incurred by the Company	NIL
4.		Term loan - II	September 26, 2025	₹170.00	₹150.00	4.25 years	7.25	Reimbursement of capital expenditure incurred by the Company	NIL
	Total (A)			**₹570.00**	**₹327.90**				
Working capital facilities									
1.	State Bank of India	Working capital facility	September 23, 2025	₹883.81	₹600.00	Repayable on demand	6.85	Working capital requirements	Nil
2.	Bank of Baroda	Working capital facility - I	September 24, 2025	₹179.66	₹30.00	Repayable on demand	7.23	Working capital requirements	Nil
3.		Working capital facility - II	September 24, 2025	₹179.66	₹35.00	Repayable on demand	7.10	Working capital requirements	Nil
4.		Working capital facility - III	September 24, 2025	₹179.66	₹60.00	Repayable on demand	7.05	Working capital requirements	Nil
5.	RBL Bank Limited	Working capital facility - I	June 1, 2026	₹80.00	₹45.00	Repayable on demand	6.97	Working capital requirements	Nil

Sr. No.	Name of the lender	Nature of the borrowing	Date of sanction/offer letter/ renewal letter, if any	Principal sanctioned amount as on June 30, 2026 (₹ crore, except as otherwise mentioned)	Outstanding loan amount as at June 30, 2026 (₹ crore, except as otherwise mentioned)	Tenure of loan	Rate of interest (per annum in %)	Purpose for which disbursed loan amount was sanctioned and utilized	Prepayment Penalty
6.		Working capital facility - II	June 1, 2026	₹80.00	₹10.00	Repayable on demand	7.16	Working capital requirements	Nil
7.	IndusInd Bank Limited	Working capital facility	November 11, 2025	₹84.00	₹45.00	Repayable on demand	7.25	Working capital requirements	Nil
	Total (B)			**₹1,666.79**	**₹825.00**				
	Total (C) = (A) +(B)			**₹2,236.79**	**₹1,152.90**				
Arvind Advanced Materials Limited									
1.	HDFC Bank Limited	Term loan	October 27, 2025	₹100.00	₹100.00	5 years	7.50	Reimbursement of capital expenditure incurred by the Company	NIL
2.	Standard Chartered Bank[#]	Dollar denominated senior secured notes availed as external commercial borrowing	April 22, 2026	USD 60 million (₹567.98) [*]	USD 60 million (₹567.98) [*]	2 years	6.16	Funding the overseas acquisition of shares, including payment of the acquisition consideration and related transaction and overseas investment expenses.	External commercial borrowing: Repay the existing debt of the Material Subsidiary and for capital expenditure and other as may be prescribed by RBI
	Total (D)			**₹667.98**	**₹667.98**				
	Total (E) = (C) + (D			**₹2,904.77**	**₹1,820.88**				

As certified by Sorab S. Engineer & Co., Chartered Accountants, pursuant to certificate dated August 3, 2026

** USD 1 = ₹94.6626 (closing rate as of June 30, 2026) (Source: www.rbi.org.in)*

*[#] The facility availed by our Material Subsidiary is an external commercial borrowing ("**SCB ECB**"). As our Material Subsidiary is an eligible borrower engaged in the manufacturing sector, the SCB ECB carries a minimum average maturity period of one year, in terms of the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, as amended by the Foreign Exchange Management (Borrowing and Lending) (First Amendment) Regulations, 2026. Accordingly, repayment of the SCB ECB out of the proceeds of the Issue is scheduled upon completion of one (1) year from its drawdown date.*

The Independent Chartered Accountant, pursuant to its certificate dated August 3, 2026, has certified that the above-mentioned borrowings had been utilized for the purposes for which they were availed, as at June 30, 2026.

Our Company and the Material Subsidiary has obtained necessary consents, wherever required, from the lenders as per the requirements under the borrowing arrangements entered into with our lenders. Given the nature of the borrowings and the terms of repayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company and Material Subsidiary may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings prior to Allotment. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company and Material Subsidiary with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Further, our Company may also avail additional borrowings after the date of this Placement Document and/ or draw down further funds under existing loans from time to time. Further, we may be subject to the levy of pre-payment penalties or premiums, depending on the facility being repaid/ prepaid, the conditions specified in the relevant documents governing such credit facility and the amount outstanding/being pre-paid/ repaid, as applicable. Such pre-payment charges, as applicable, will also be funded out of the Net Proceeds and/or internal accruals.

2. General Corporate Purposes

The Net Proceeds will first be utilized towards the Objects as set out above and in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by NSE and circular no. 20221213-47 dated December 13, 2022, issued by BSE. Subject to this, our Company proposes to deploy the balance Net Proceeds aggregating to ₹ 86.12 million towards general corporate purposes, subject to such amount not exceeding 25% of the Issue Proceeds in accordance with the applicable law. The general corporate purposes for which our Company proposes to utilize the Net Proceeds include fulfilment of other financial commitments of Company or its subsidiaries, including payment of one or more debt financing agreements (other than in respect of the Objects as described above), investments in subsidiaries (other than in respect of the Objects as described above), other strategic initiatives, working capital requirements, business development activities, augmenting long-term cash resources, funding growth (organic or inorganic) opportunities, including acquisitions and meeting exigencies, meeting expenses, other expenditure considered expedient by our Company, as may be applicable and approved by our Board or a duly constituted committee thereof, from time to time.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board or a duly appointed committee thereof, subject to compliance with applicable laws, including necessary provisions of the Companies Act. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's Board or a duly appointed committee shall have the flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals

Monitoring of utilisation of funds

Pursuant to Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited, a credit rating agency registered with the SEBI, as the monitoring agency ("**Monitoring Agency**"), as the size of our Issue exceeds ₹100 crores. The Monitoring Agency shall submit its report to our Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till 100% of the proceeds of the Gross Proceeds have been utilised. The Board of Directors and the management of our Company will provide their comments on the findings of the Monitoring Agency as specified in Schedule XI. Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website and also submit the same to the Stock Exchanges. Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the proceeds of the Issue.

On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in the Preliminary Placement Document and this Placement Document and place it before the Audit Committee

and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds towards the purposes described in this section, our Company intends to deposit the Net Proceeds in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 or to temporarily invest the funds in creditworthy instruments, including money market / liquid / overnight mutual funds, as approved by the Board and/or a duly authorized committee of the Board, from time to time, and in accordance with applicable laws. Such investments would be in accordance with the investment policies as approved by our Board from time to time and applicable laws.

Other confirmations

Neither our Promoters nor our Directors will make any contribution either as part of the Issue or separately in furtherance of the Objects. Further, neither our Promoters nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel or members of Senior Management (including 'key managerial personnel' under the Companies Act) are not eligible to subscribe in the Issue.

In accordance with applicable laws, we undertake to not utilize the proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals for the Issue are received from each of the Stock Exchanges.

CAPITALISATION STATEMENT

The following table sets forth our capitalization and total borrowings, on a consolidated basis, as at March 31, 2026, which has been derived from our Consolidated Financial Statements as at and for Fiscal 2026 and as adjusted to give effect to the receipt of the Gross Proceeds of the Issue. This table should be read in conjunction with the sections titled "***Risk Factors***" and "***Financial Information***" on pages 40 and 220, respectively.

(in ₹ crores, unless otherwise stated)

Particulars*	Pre-Issue (as at March 31, 2026)	Post-Issue as adjusted**
1. Non-current borrowings (including current maturities of long-term debt):		
Secured	431.65	431.65
Unsecured	-	-
Total non-current borrowings	**431.65**	**431.65**
Less: Current Maturities	154.49	154.49
Non-current borrowings (A)	**277.16**	**277.16**
2. Current borrowings		
Secured	**912.91**	**912.91**
Unsecured	96.41	96.41
Total current borrowings	**1,009.32**	**1,009.32**
Add: Current Maturities	154.49	154.49
Current borrowings (B)	**1,163.81**	**1,163.81**
Total Debt (C = A+B)	**1,440.97**	**1,440.97**
3. Shareholders' funds:		
I. Equity Share capital	262.12	272.02
II. Other equity	3,782.07	4,272.17
Total Equity (D)	**4,044.19**	**4,544,19**
Total Capitalisation (C+D)	**5,485.16**	**5,985.16**
Non-current borrowings / Total Equity (A/D)	**0.07**	**0.06**
Total debt / Total equity (C/D)	**0.36**	**0.32**

* *These terms shall carry the meaning as per Schedule III to the Companies Act, 2013 (as amended)*

** *As adjusted to reflect the number of Equity Shares issued pursuant to the Issue and proceeds from the Issue. Adjustments do not include Issue related expenses or any other subsequent adjustments or movements post March 31, 2026.*

For details of the authorised, issued and subscribed capital and the paid-up capital of our Company, please see section titled "***Capital Structure***" beginning on page 85.

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Placement Document is set forth below:

(in ₹, except share data, and unless otherwise stated)

	Particulars	Aggregate value at face value (except for securities premium account)
A	**AUTHORISED SHARE CAPITAL**	
	57,45,00,000 Equity Shares of face value of ₹ 10 each	5,74,50,00,000
	1,00,00,000 Preference Shares of ₹ 100 each	1,00,00,00,000
	Total	**6,74,50,00,000**
B	**ISSUED SHARE CAPITAL BEFORE THE ISSUE**	
	26,21,40,540* Equity Shares of face value of ₹ 10 each	2,62,14,05,400
	SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE	
	26,21,39,640 Equity Shares of face value of ₹ 10 each	2,62,13,96,400
C	**PRESENT ISSUE IN TERMS OF THIS PLACEMENT DOCUMENT** (1)	
	Up to 99,00,990 Equity Shares of face value of ₹ 10 each at a premium of ₹ 495.00 aggregating to approximately ₹ 500.00 crores (2)	4,99,99,99,950
D	**ISSUED SHARE CAPITAL AFTER THE ISSUE**	
	27,20,41,530* Equity Shares of face value of ₹ 10 each(2)	2,72,04,15,300
	SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE	
	27,20,40,630 Equity Shares of face value of ₹ 10 each (2)	2,72,04,06,300
E	**SECURITIES PREMIUM ACCOUNT**	
	Prior to the Issue (as on the date of this Placement Document)	588,58,00,000
	After the Issue (3)	10,78,67,90,050

** 900 Equity Shares allotted to the shareholders were forfeited by the Board of Directors of the Company, at its meeting held on April 27, 2006, due to the non-payment of allotment money by the respective shareholders. Further, please see "**Risk Factors – Certain documents filed by us with the Registrar of Companies and certain corporate records and other documents, are not traceable and in respect of the unavailability of such forms and other records, we cannot assure you that such forms or records will be available at all or any time in the future**" on page 58*

(1) This Issue has been authorised and approved by our Board of Directors dated July 3, 2026, and by our Shareholders by way of a special resolution passed through a postal ballot dated August 2, 2026.

(2) Subject to Allotment of Equity Shares pursuant to the Issue.

(3) The securities premium account after the Issue is calculated on the basis of Gross Proceeds of the Issue not adjusted for the Issue related expenses.

Equity Share capital history of our Company

The history of the Equity Share capital of our Company is set forth below:

Date of allotment	Reason for/ nature of allotment	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Cumulative number of equity shares	Cumulative paid- up equity share capital (in ₹)
June 01, 1931*	Initial subscription to the Memorandum of Association	250	100	100.00	Cash	2,500	2,500
1931 - 1985*	Not ascertainable*	Not ascertainable*	100	Not ascertainable*	Not ascertainable*	3,00,000	3,00,00,000
May 27,1986*	The division of authorised share capital was altered and approved on May 27, 1986.					30,00,000	3,00,00,000
1986 - 1995*	Not ascertainable*	Not ascertainable*	10	Not ascertainable*	Not ascertainable*	1,36,41,820	13,64,18,200
February 28, 1995*	Allotment pursuant to conversion of fully convertible debentures	24,19,788	10	105.00	Cash	9,94,90,172	99,49,01,720

Date of allotment	Reason for/ nature of allotment	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Cumulative number of equity shares	Cumulative paid- up equity share capital (in ₹)
August 25, 1995*	Allotment pursuant to scheme of amalgamation of Asoka Mills Limited with our Company	3,68,263	10	–	Other than Cash	9,98,58,435	99,85,84,350
February 17, 1997*	Allotment pursuant to scheme of amalgamation of Rohit Mills Limited with our Company$	6,91,510	10	–	Other than Cash	10,05,49,945	1,00,54,99,450
December 22, 2001*	Rights issue	7,53,94,979	10	10.00	Cash	17,59,44,924	1,75,94,49,240
January 21, 2002*	Rights issue	17,480	10	10.00	Cash	17,59,62,404	1,75,96,24,040
October 8 2002*	Allotment pursuant to conversion of warrants	1,46,033	10	15.00	Cash	17,61,08,437	1,76,10,84,370
October 12, 2002*	Allotment pursuant to conversion of warrants	63,949	10	15.00	Cash	17,61,72,386	1,76,17,23,860
May 21, 2003*	Allotment pursuant to conversion of warrants	7,18,053	10	15.00	Cash	17,68,90,439	1,76,89,04,390
June 7, 2003*	Allotment pursuant to conversion of warrants	77,76,489	10	15.00	Cash	18,46,66,928	1,84,66,69,280
June 26, 2003*	Allotment pursuant to conversion of warrants	9,96,869	10	15.00	Cash	18,56,63,797	1,85,66,37,970
June 26, 2003*	Allotment pursuant to conversion of warrants	5,54,927	10	15.00	Cash	18,62,18,724	1,86,21,87,240
July 24, 2003*	Allotment pursuant to conversion of warrants	73,50,000	10	15.00	Cash	19,35,68,724	1,93,56,87,240
August 1, 2003*	Allotment pursuant to conversion of warrants	3,66,860	10	15.00	Cash	19,39,35,584	1,93,93,55,840
September 5, 2003*	Allotment pursuant to conversion of warrants	1,31,204	10	15.00	Cash	19,40,66,788	1,94,06,67,880
September 11, 2003*	Allotment pursuant to conversion of warrants	1,29,803	10	15.00	Cash	19,41,96,591	1,94,19,65,910
November 22, 2003*	Allotment pursuant to conversion of warrants	1,16,827	10	15.00	Cash	19,43,13,418	1,94,31,34,180

Date of allotment	Reason for/ nature of allotment	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Cumulative number of equity shares	Cumulative paid- up equity share capital (in ₹)
November 22, 2003*	Allotment pursuant to conversion of warrants	7,89,880	10	15.00	Cash	19,51,03,298	1,95,10,32,980
December 20, 2003*	Allotment pursuant to conversion of warrants	2,75,143	10	15.00	Cash	19,53,78,441	1,95,37,84,410
July 15, 2005*	Issuance in the form of global depository receipts#	1,35,00,000	10	120.00	Cash	20,88,78,441	2,08,87,84,410
August 4, 2005*	Issuance in the form of global depository receipts under green shoe option#	5,00,000	10	120.00	Cash	20,93,78,441	2,09,37,84,410
April 27, 2006*^	Forfeiture of Equity Shares	(900)	10	–	–	20,93,77,541	2,09,37,75,410
March 28, 2008	Allotment pursuant to conversion of warrants	96,00,000	10	52.00	Cash	21,89,77,541	2,18,97,75,410
June 29, 2009	Allotment pursuant to conversion of warrants	75,00,000	10	15.00	Cash	22,64,77,541	2,26,47,75,410
February 24, 2010	Allotment pursuant to conversion of warrants	55,00,000	10	15.00	Cash	23,19,77,541	2,31,97,75,410
September 27, 2010	Allotment pursuant to Arvind Limited - Employee Stock Exchange Scheme 2008 ("**ESOS 2008**")	18,02,500	10	14.65	Cash	23,37,80,041	2,33,78,00,410
September 27, 2010	Allotment pursuant to conversion of warrants	12,00,000	10	15.00	Cash	23,49,80,041	2,34,98,00,410
December 15, 2010	Allotment pursuant to ESOS 2008	5,70,000	10	14.65	Cash	23,55,50,041	2,35,55,00,410
December 15, 2010	Allotment pursuant to conversion of warrants	1,88,50,000	10	15.00	Cash	25,44,00,041	2,54,40,00,410
April 28, 2011	Allotment pursuant to ESOS 2008	1,60,000	10	14.65	Cash	25,45,60,041	2,54,56,00,410
November 29, 2011	Allotment pursuant to ESOS 2008	72,500	10	14.65	Cash	25,46,32,541	2,54,63,25,410
April 25, 2012	Scheme of Arrangement in the nature of	34,10,528	10	10.00	Cash	25,80,43,069	2,58,04,30,690

Date of allotment	Reason for/ nature of allotment	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Cumulative number of equity shares	Cumulative paid- up equity share capital (in ₹)
	demerger and transfer of investment division of Asman Investments Limited to our Company and amalgamation of Arvind Products Limited with our Company						
January 03, 2014	Allotment pursuant to ESOS 2008	1,33,320	10	73.70	Cash	25,81,76,389	2,58,17,63,890
June 20, 2014	Allotment pursuant to ESOS 2008	33,340	10	73.70	Cash	25,82,09,729	2,58,20,97,290
September 23, 2014	Allotment pursuant to ESOS 2008	33,340	10	73.50	Cash	25,82,43,069	2,58,24,30,690
September 14, 2016	Allotment pursuant to ESOS 2008	1,16,000	10	200.45	Cash	25,83,59,069	2,58,35,90,690
April 18, 2017	Allotment pursuant to ESOS 2008	1,58,000	10	200.45	Cash	25,85,17,069	2,58,51,70,690
October 17, 2017	Allotment pursuant to ESOS 2008	50,000	10	200.45	Cash	25,85,67,069	2,58,56,70,690
November 13, 2017	Allotment pursuant to ESOS 2008	50,000	10	200.45	Cash	25,86,17,069	2,58,61,70,690
June 22, 2019	Allotment pursuant to ESOS 2008	1,50,000	10	57.51	Cash	25,87,67,069	2,58,76,70,690
July 4, 2020	Allotment pursuant to ESOS 2008	1,57,000	10	10.00	Cash	25,89,24,069	2,58,92,40,690
September 04, 2021	Allotment pursuant to ESOS 2008	1,11,750	10	10.00	Cash	25,90,35,819	2,59,03,58,190
October 12, 2021	Allotment pursuant to ESOS 2008	13,00,000	10	35.55	Cash	26,03,35,819	2,60,33,58,190
November 09, 2021	Allotment pursuant to ESOS 2008	2,50,000	10	35.55	Cash	26,05,85,819	2,60,58,58,190
June 06, 2022	Allotment pursuant to ESOS 2008	2,50,000	10	35.55	Cash	26,08,35,819	2,60,83,58,190
August 06, 2022	Allotment pursuant to ESOS 2008	61,655	10	10.00	Cash	26,08,97,474	2,60,89,74,740
February 08, 2023	Allotment pursuant to ESOS 2008	1,50,000	10	35.55	Cash	26,10,47,474	2,61,04,74,740
February 08, 2023	Allotment pursuant to ESOS 2008	2,00,000	10	45.45	Cash	26,12,47,474	2,61,24,74,740

Date of allotment	Reason for/ nature of allotment	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Cumulative number of equity shares	Cumulative paid- up equity share capital (in ₹)
February 17, 2023	Allotment pursuant to ESOS 2008	2,50,000	10	35.55	Cash	26,14,97,474	2,61,49,74,740
August 10, 2023	Allotment pursuant to AL- Employee Stock Exchange Scheme, 2021 ("**ESOS 2021**")	1,08,000	10	10.00	Cash	26,16,05,474	2,61,60,54,740
February 01, 2024	Allotment pursuant to ESOS 2021	12,500	10	10.00	Cash	26,16,17,974	2,61,61,79,740
February 01, 2024	Allotment pursuant to ESOS 2021	12,500	10	92.35	Cash	26,16,30,474	2,61,63,04,740
August 05, 2024	Allotment pursuant to ESOS 2021	1,00,000	10	10.00	Cash	26,17,30,474	2,61,73,04,740
December 18, 2024	Allotment pursuant to ESOS 2021	37,500	10	169.80	Cash	26,17,67,974	2,61,76,79,740
February 21, 2025	Allotment pursuant to ESOS 2021	50,000	10	263.95	Cash	26,18,17,974	2,61,81,79,740
May 26, 2025	Allotment pursuant to ESOS 2021	1,33,333	10	263.95	Cash	26,19,51,307	2,61,95,13,070
August 08, 2025	Allotment pursuant to ESOS 2021	30,000	10	10.00	Cash	26,19,81,307	2,61,98,13,070
August 29, 2025	Allotment pursuant to ESOS 2021	1,33,333	10	263.95	Cash	26,21,14,640	2,62,11,46,400
May 11, 2026	Allotment pursuant to ESOS 2021	25,000	10	116.70	Cash	26,21,39,640	2,62,13,96,400

[*] *Certain corporate and secretarial records of our Company, including RoC filings, are not traceable by our Company, or with the RoC, despite conducting internal and external searches in relation to past allotments made by the Company. Accordingly, we have conducted a search at the RoC for these records and relied on a certificate dated August 3, 2026, prepared by Hitesh Buch & Associates, Companies Secretaries, to ascertain the information sought from the missing corporate records. For further details, see "**Risk Factors – Certain documents filed by us with the Registrar of Companies and certain corporate records and other documents, are not traceable and in respect of the unavailability of such forms and other records, we cannot assure you that such forms or records will be available at all or any time in the future**" on page 58.*

[^] *The Board of Directors of the Company, at its meeting held on April 27, 2006, forfeited 900 Equity Shares of ₹10 each due to the non-payment of allotment money by the respective shareholders.*

[$] *The ratio for the said allotment was change from 4:1 as passed by the Board at its meeting held on 30th November, 1996 to 4.5:1 pursuant to BIFR Order dated 8th October, 1996. This was taken on record through an allotment resolution passed by the Committee of Board at its meeting held on 17th February,1997.*

[#] *As of the date of this Placement Document, there are no holders of global depository receipt and global depository shares.*

Except as disclosed above in "***- Equity Share capital history of our Company***", our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of this Placement Document, including for consideration other than cash, or made any allotment of Equity Shares pursuant to a preferential issue, private placement or a rights issue.

Preference Share capital history of our Company

As on the date of this Placement Document, our Company has no outstanding Preference Shares.

Employee stock option schemes

Our Company has instituted employee stock option scheme "*AL – Employee Stock Option Scheme 2021*" ("**ESOS 2021**") pursuant to a resolution passed by our Board at its meeting held on May 26, 2021, and approved by our Shareholders in our Company's annual general meeting dated August 18, 2021.

The purpose of the ESOS 2021 is creation of wealth, retention of critical employees, and increase the performance of employees and retain the existing key employees which will ultimately contribute to the success of our Company. The details as to grants, exercise and lapse of options under ESOS 2021 as on the date of this Placement Document are as follows:

S. No.	Particulars	Number of employee stock options
1.	Maximum number of options under the scheme	1,00,00,000
2.	Total number of options granted	17,35,000
3.	Options vested	7,17,166
4.	Options unvested	10,17,834
5.	Exercise price per option	Fair value
6.	Options exercised/ Allotted	6,42,166
7.	Options pending for exercise	75,000
8.	Options lapsed or forfeited or cancelled	6,63,334
9.	Total number of options outstanding which may be granted under the scheme in future	89,28,334
10.	No. of Equity Shares to be allotted upon exercise of outstanding options as on the date of this Placement Document	89,28,334

As certified by Sorab S. Engineer & Co., Chartered Accountants, pursuant to certificate dated August 3, 2026

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made at the sole discretion of our Company in consultation with the LM to Eligible QIBs. The names of the proposed Allottees and the percentage of the post-Issue Equity Share capital that may be held by them, assuming that the Equity Shares are Allotted to them pursuant to the Issue, will be included in this Placement Document, in the section titled "***Details of Proposed Allottees***" on page 221.

Pre-Issue and post-Issue Equity Shareholding Pattern

The following table provides the pre-Issue shareholding pattern as on June 30, 2026 and the post-Issue shareholding pattern:

S. No.	Category	Pre-Issue (as on June 30, 2026)		Post-Issue**	
		Number of fully paid-up Equity Shares held	Percentage of shareholding (%)	Number of fully paid-up Equity Shares held	Percentage of shareholding (%)
A.	**Promoters' holding***				
1.	*Indian promoters*				
	Individual	26,365	0.01	26,365	0.01
	Bodies corporate	10,35,95,121	39.52	10,35,95,121	38.06
	Sub-total	**10,36,21,486**	**39.53**	**10,36,21,486**	**38.09**
2.	*Foreign promoters*	-	-	-	0.00
	Sub-total (A)	**10,36,21,486**	**39.53**	**10,36,21,486**	**38.09**
B	**Non-promoter holding**				
1.	*Institutional investors*	9,52,29,609	36.33	10,51,30,599	38.65
2.	*Central Government / State Government(s)*	230	Negligible	230	0.00
3.	*Non-Institutional investors*				
	Directors and relatives	1,75,299	0.07	1,75,299	0.06
	Key Managerial Personnel	Nil	Nil	Nil	0.00
	Resident Individuals	4,42,02,018	16.86	4,42,02,018	16.25
	Non-Resident Indians (NRIs)	29,92,632	1.14	29,92,632	1.10
	Foreign Companies	Nil	Nil	Nil	0.00
	Bodies Corporate	52,52,955	2.00	52,52,955	1.93

S. No.	Category	Pre-Issue (as on June 30, 2026)		Post-Issue**	
		Number of fully paid-up Equity Shares held	Percentage of shareholding (%)	Number of fully paid-up Equity Shares held	Percentage of shareholding (%)
	Any other including IEPF	1,06,65,411	4.07	1,06,65,411	3.92
	Sub-total (B)	**15,85,18,154**	**60.47**	**16,84,19,144**	**61.91**
	Grand Total (A+B)	**26,21,39,640**	**100.00**	**27,20,40,630**	**100.00**

* *Includes shareholding of the members of the promoter group.*

** *The post-Issue shareholding pattern of our Company reflects the shareholding of the institutional investors category on the basis of the Allocation made in the Issue and is updated in this Placement Document as filed with the Stock Exchanges.*

Other confirmations

1. Our Promoters, Directors, Key Managerial Personnel and members of Senior Management do not intend to participate in the Issue. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel and members of the Senior Management are not eligible to subscribe in the Issue.

2. There would be no change in control in our Company consequent to the Issue.

3. Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottees for a period of one year from the date of Allotment, except on the Stock Exchanges.

4. As on the date of this Placement Document, except the options pursuant to ESOS 2021, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares.

5. Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the notice to our Shareholders to pass special resolution for approving the Issue through postal ballot.

6. At any given time, there shall be only one denomination of the Equity Shares of our Company.

DIVIDENDS

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association, Dividend Policy, and the applicable laws, including Companies Act, 2013, together with applicable rules issued thereunder. Our Board may also, from time to time, declare interim dividends. For further information, see "***Description of the Equity Shares***" beginning on page 202.

The dividend distribution policy of our Company was approved and adopted by our Board on January 25, 2017 (the "**Dividend Policy**") in accordance with Regulation 43A of the SEBI Listing Regulations. In terms of the Dividend Policy, the dividend, if any, will depend on a number of internal and external factors, which include *inter alia* distributable surplus available, our Company's liquidity position and future cash flow needs, payout ratios of comparable companies, cost and availability of alternative sources of financing, stipulations/covenants of loan agreements and any other relevant factors that our Board may deem fit to consider before declaring dividend.

Except as disclosed below, our Company has not declared any dividend on the equity shares from April 1, 2026 till the date of this Placement Document and for the financial years ended Fiscals 2026, 2025 and 2024:

Period	Face Value of Equity Share (in ₹)	Dividend per Equity Share (in ₹)	Total amount of dividend (in ₹ crores)	Dividend rate (%)
From April 1, 2026, till the date of filing of this Placement Document	10	Nil	Nil	Nil
Fiscal 2026	10	4.50	117.96	45.0
Fiscal 2025	10	3.75	98.23	37.50
Fiscal 2024	10	4.75	124.27	47.50

The amounts paid as dividends in the past are not necessarily indicative of the dividend distribution policy of our Company or dividend amounts, if any, in the future. Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue. There is no guarantee that any dividends will be declared or paid in the future. For details of risks in relation to our capability to pay dividend, see "***Risk Factors – Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows and working capital and capital expenditure requirements***." on page 66.

The Equity Shares to be issued in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared in respect of the fiscal in which they have been Allotted. For further information, see "***Description of the Equity Shares***" and "***Taxation***" on pages 202 and 204, respectively.

Our Company does not have any issued or outstanding preference share capital as on the date of this Placement Document. Accordingly, no dividend has been declared or paid on any Preference Shares of our Company from April 1, 2026 till the date of this Placement Document and for the financial years ended Fiscals 2026, 2025 and 2024.

INDUSTRY OVERVIEW

Macroeconomic overview of Global and Indian Economy

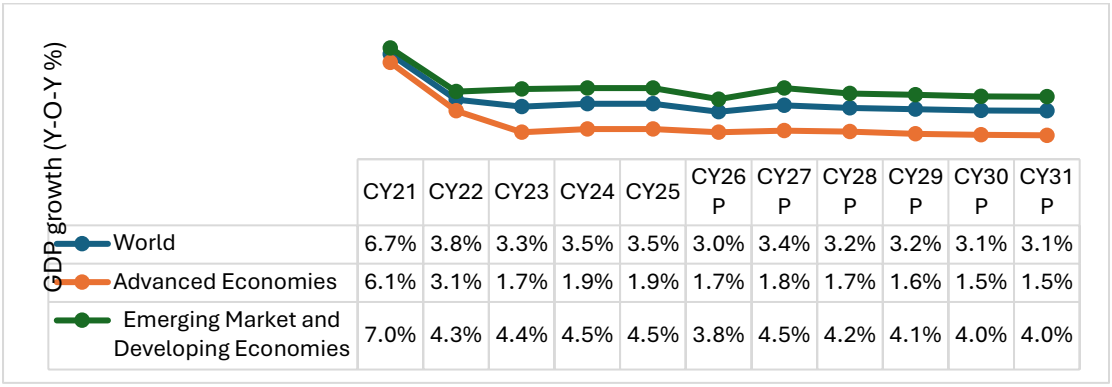
1.1 Global Economy

Global Economic Growth Expected to Sustain at ~3% in Near Term

Global economic growth is projected to moderate to around 3.0% in 2026, reflecting the impact of geopolitical tensions on energy and trade flows. The ongoing Middle East conflict poses downside risks, with prolonged disruptions potentially reducing growth further to 2.5%, or lower.

However, supportive factors such as continued investment momentum and policy support are helping offset some of these pressures.

Chart 1: Global Growth Outlook Projections (Real GDP, YoY change in %)



Source: IMF – World Economic Outlook, April 2026 and July 2026; Notes: P-Projection, E-Estimated

Table 1: GDP growth trend comparison - India v/s Other Economies (Real GDP, YoY change in %)

Real GDP (Y-o-Y change in %)											
	CY21	CY22	CY23	CY24	CY25	CY26P	CY27P	CY28P	CY29P	CY30P	CY31P
India	9.7	7.6	7.2	7.1	7.7	6.4	6.7	6.5	6.5	6.5	6.5
China	8.6	3.1	5.4	5.0	5.0	4.6	4.1	4.0	3.7	3.3	3.3
Indonesia	3.7	5.3	5.0	5.0	5.1	5.0	5.1	5.2	5.2	5.2	5.2
Saudi Arabia	6.5	12.0	0.5	2.6	4.6	1.7	5.5	3.6	3.5	3.5	3.6
Middle East and Central Asia	4.7	6.4	2.6	3.1	3.7	0.7	6.5	4.0	4.0	3.8	3.8
Latin America	7.5	4.3	2.3	2.4	2.4	2.4	2.7	2.9	2.9	2.7	2.6
Brazil	4.8	3.0	3.2	3.4	2.3	2.4	2.2	2.4	2.5	2.5	2.5
Euro Area	6.4	3.6	0.4	1.0	1.4	0.9	1.2	1.4	1.2	1.1	1.1
United States	6.2	2.5	2.9	2.8	2.1	2.3	2.2	2.1	1.9	1.8	1.8

Source: IMF- World Economic Outlook Database (April 2026, July 2026)
Note: E-Estimate, P- Projections E-Estimated; India's fiscal year (FY) aligns with the IMF's calendar year (CY). For instance, FY24 corresponds to CY23.

1.1.1. El-Nino and Economic Growth

The rainfall during the June–September 2026 monsoon season is projected at approximately 90% of the Long Period Average (LPA), indicating a below-normal monsoon. The anticipated emergence of El Niño conditions is expected to contribute to uneven rainfall distribution and deficient precipitation across certain regions, with a high probability of a moderate-to-strong El Niño event during the season.

El Niño could exert upward pressure on food inflation through its impact on agricultural output and perishable commodities. Erratic weather patterns, elevated temperatures, and heatwaves may adversely affect the production of fruits and vegetables, particularly key inflation-sensitive crops such as tomatoes, onions, and potatoes. Pulse production also remains vulnerable to rainfall deficiencies, potentially leading to supply-side pressures and higher prices.

Historically, deficient monsoons have had a direct impact on agricultural output and economic growth. However, the sensitivity of overall economic activity to rainfall deviations has moderated significantly over time due to structural changes in the economy. Agriculture's contribution to India's Gross Value Added (GVA) has declined from approximately 53% in FY1951 to around 17% in FY2026, reducing the economy's overall dependence on the sector.

States with lower irrigation coverage, higher dependence on rain-fed agriculture, and limited crop diversification are highly vulnerable to rainfall shocks. While the macroeconomic impact of El Niño is expected to remain manageable, its potential implications for agricultural production and food inflation warrant close monitoring. The progress of the monsoon, inflationary trends, and region-specific agricultural stress indicators will remain key factors to watch during the year.

1.2 Indian Economy

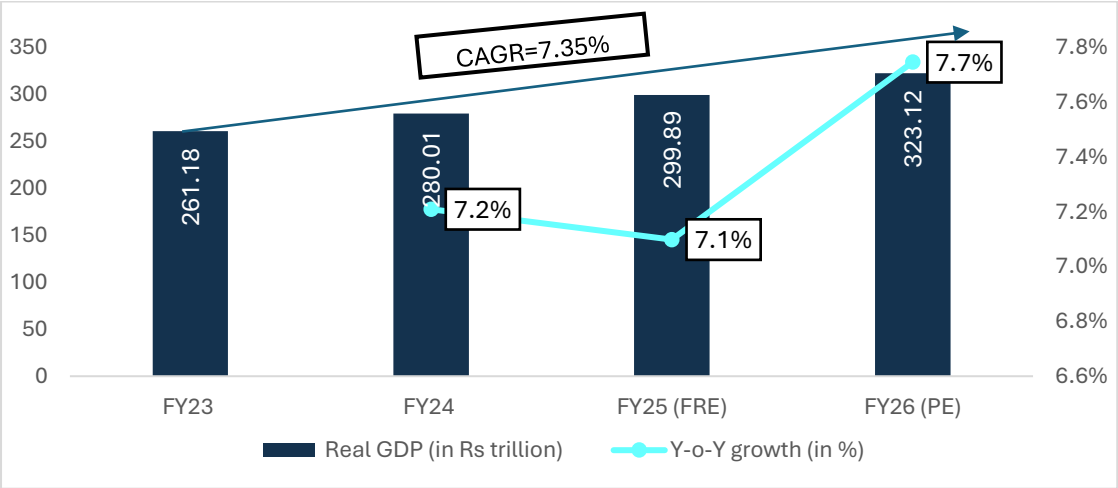
1.3 GDP Growth and Outlook

Resilience to External Shocks remains Critical for Near-Term Outlook

India's economy continues to show rapid growth. As per Provisional Estimates, GDP in FY26 is expected to have grown by 7.7%, supported by rising rural demand, better job opportunities and favourable business conditions.

For FY25, First Revised Estimates show a growth of 7.1% (Rs 299.89 trillion), led by robust performance in manufacturing, construction and financial services. Consumer spending rose by 7.7%, and government spending increased by 5.5%, both contributing to the overall growth. In FY23, the real GDP stood at Rs 261.18 trillion and registered YoY growth of 7.2% in FY24 (Rs 280.01 trillion).

Chart 2: Trend in Real Indian GDP growth rate



Source: MOSPI; Note: PE – Provisional Estimates, FRE- First Revised Estimates

GDP Growth Outlook

FY27 GDP Outlook: The Reserve Bank of India (RBI) projects real GDP growth at 6.6% for 2026–27, supported by sustained momentum in the services sector, strong reservoir levels aiding the agricultural sector, and private consumption expected to remain uplifted by discretionary spending.

However, elevated energy and other commodity prices, cost pressures, as well as the travel disruptions in the Strait of Hormuz are likely to affect the growth this year. However, the government is working towards minimising the impact of the supply chain disruptions towards critical sectors to ensure limited interruptions.

Table 2: RBI's GDP Growth Outlook (YoY %)

FY27P (Complete Year)	Q1FY27P	Q2FY27P	Q3FY27P	Q4FY27P

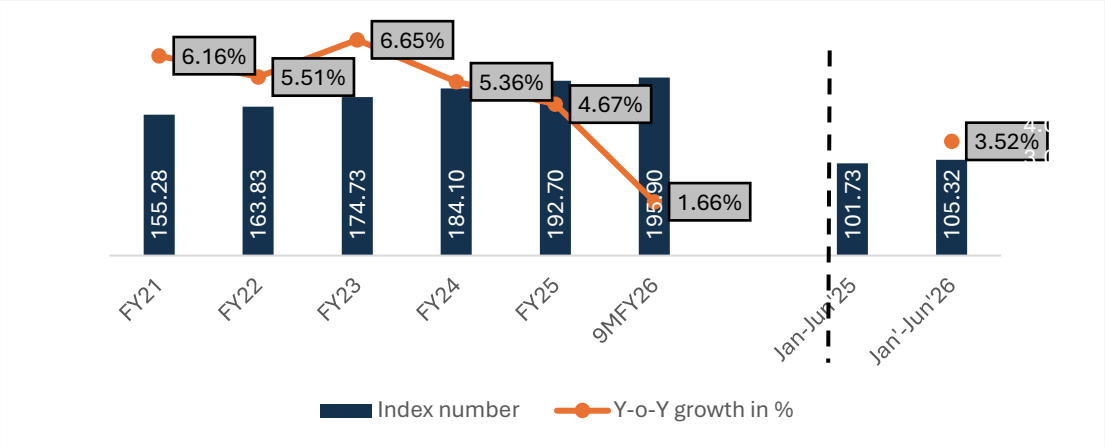
6.6%	6.6%	6.3%	6.5%	6.8%

Source: RBI; Note: P-Projected

1.3.1. Consumer Price Index

Between January and June 2026, the inflation averaged around 3.50% across the Consumer Price Index. By June 2026, inflation increased to 4.38% on a year-on-year basis, compared with 3.93% in June 2025. Within this, the rural inflation rate stood at 4.74%, while the urban inflation rate was comparatively lower at 3.92%. This indicates an overall modest inflationary trend, with rural areas experiencing relatively higher price pressures than urban regions.

Chart 3: Retail Price Inflation in terms of index and YoY Growth in % (Base: 2011-12=100, 2023-24=100)

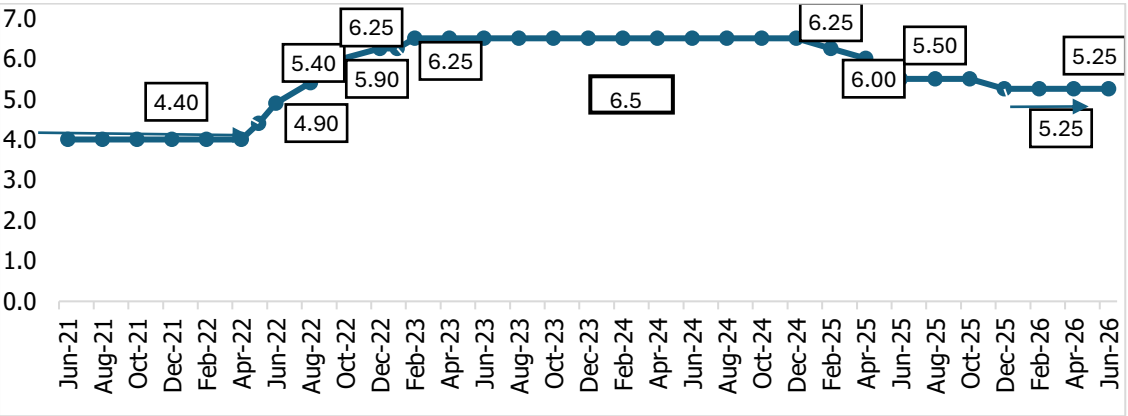


Source: MOSPI

The CPI is primarily factored in by the RBI while preparing their bi-monthly monetary policy. At the bi-monthly meeting held in June 2026, RBI projected inflation at 5.1% for FY27 with inflation during Q1FY27 at 4.2%, Q2FY27 at 5.1%, Q3FY27 at 5.9% and Q4FY27 at 5.4%.

Considering the current inflation situation, RBI has maintained the repo rate at 5.25% in the June 2026 meeting of the Monetary Policy Committee (MPC).

Chart 4: RBI historical Repo Rate



Source: RBI

RBI maintained a 'neutral' monetary policy stance, even as MPC noted an increase in geopolitical tensions. The growth is expected to be supported by robust private consumption and investment demand. RBI has adopted for a non-inflationary growth with the foundations of strong demand and supply with a good macroeconomic balance. With volatile trade conditions in view, the domestic growth and inflation curve requires the policies to be supportive.

The India Meteorological Department (IMD) expects a below normal monsoon, rains in most parts of the country, except in some areas of the northeast, southern peninsula, and northwest India which is likely to affect inflation levels.

The prices of petrol and diesel have increased marginally as the refineries have been absorbing the shocks by reducing the excise duty, despite high global crude oil prices. However, a further hike in prices remains monitorable due to high company losses. The rise in energy prices and weather disturbances affecting food prices are upside risks to inflation.

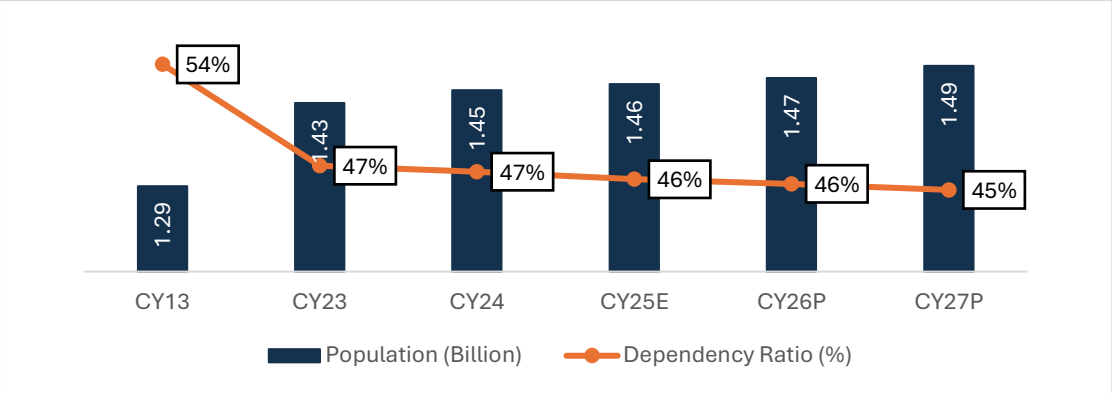
1.4 Overview of Key Demographic Parameters

1.4.1. Population growth and Urbanisation

The trajectory of economic growth and private consumption in India is driven by socio-economic factors such as demographics and urbanisation. According to the World Bank, India's population in CY22 surpassed 1.42 billion, slightly higher than China's population (1.41 billion) and became the most populous country in the world.

The Age Dependency Ratio, which is the ratio of dependents to the working age population has been on a declining trend. The ratio covers age 15 to 64 years, wherein dependents are population younger than 15 and older than 64. Declining dependency ratio indicates that the country has an improving share of working-age population generating income, which is a good sign for the economy. It was as high as 76% in 1983, which has reduced to 47% in CY23. However, this ratio is expected to rise again to 54% by CY36, driven by an increase in the elderly population as life expectancy improves.

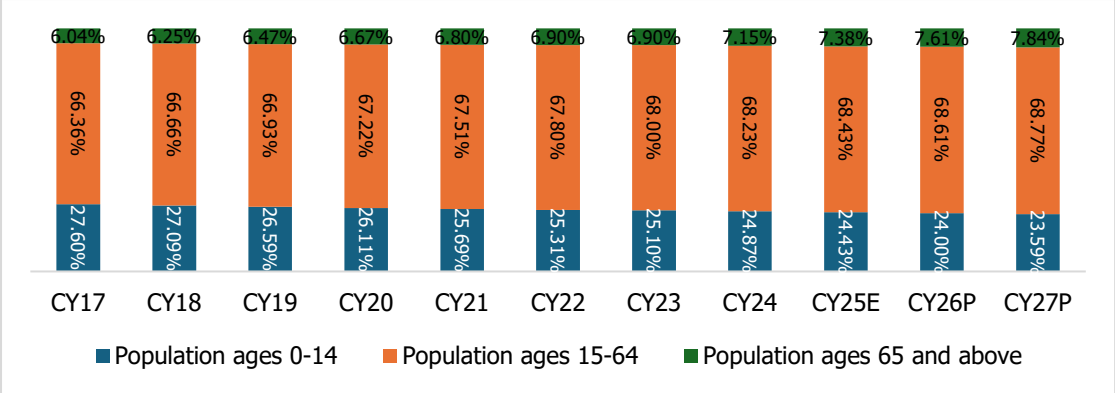
Chart 5:Trend in Population Growth vis-à-vis Dependency Ratio in India (in Billion)



Source: World Bank Database, MOSPI; Note; E- Estimated, P- Projected

Despite a projected rise in the dependency ratio to 54% by CY36, India's young and growing workforce, especially in newly urbanised towns, will continue to drive income growth and consumer demand. This presents strong opportunities for sectors like consumer electronics, transportation and railways. Rising employment, urbanisation, and government investment in rural development and digital infrastructure will further boost demand, while increased tech adoption supports long-term consumption growth across both urban and rural markets.

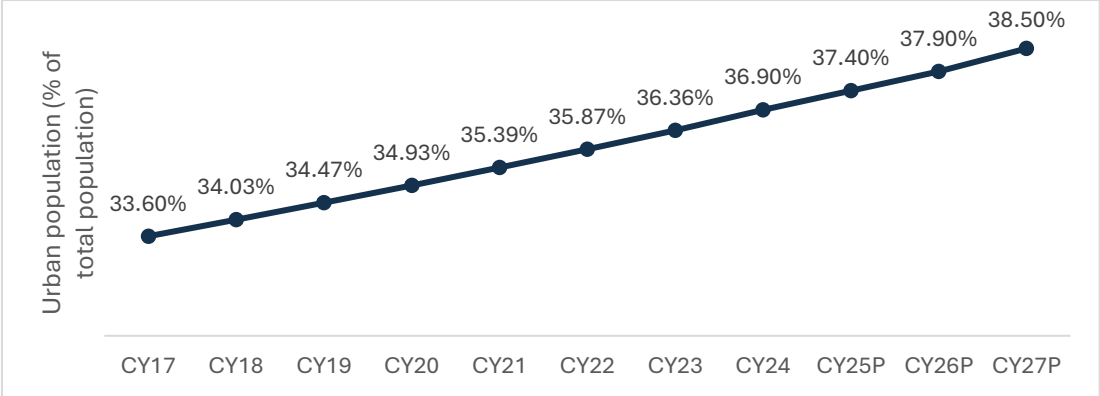
Chart 6: Age-wise Break-up of Indian Population (% of Working-age Population)



Source: World Bank Database; Note; E- Estimated, P- Projected

The urban population is significantly growing in India. The urban population in India is estimated to have increased from 413 million (32% of total population) in CY13 to 519.5 million (36.4% of total population) in the year CY23. India is undergoing a significant urban transformation, with the urban population projected to rise to 40% by CY36. This shift is driven by factors such as improved living standards, increased employment opportunities in urban areas and government initiatives aimed at urban development. This rapid urbanisation might necessitate substantial investments in infrastructure, housing and transportation.

Chart 7: Urbanisation Trend in India



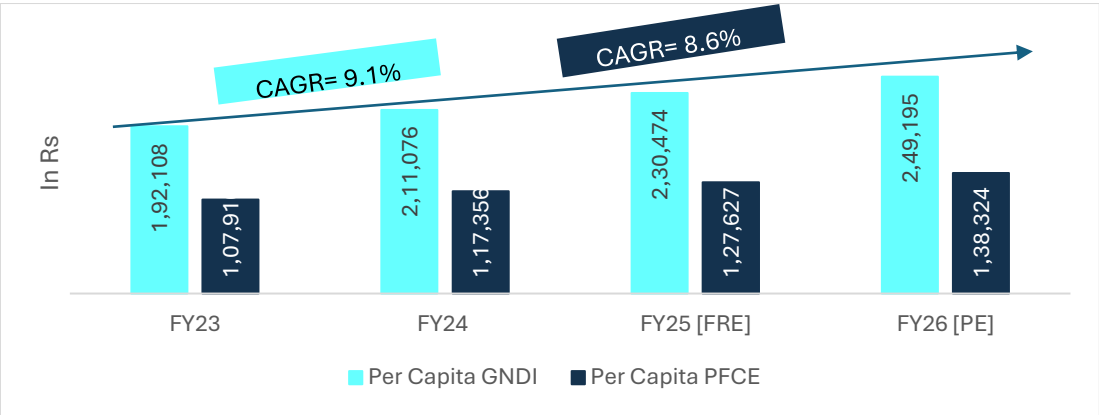
Source: World Bank Database; Note; E- Estimated, P- Projected

1.4.2. Increasing Disposable Income and Consumer Spending

Gross National Disposable Income (GNDI) is a measure of the income available to the nation for final consumption and gross savings. Between the period FY23 to FY26, per capita GNDI at current prices registered a CAGR of 9.1%. More disposable income drives more consumption, thereby driving economic growth.

With increase in disposable income, there has been a gradual change in consumer spending behaviour of the country. Per capita Private Final Consumption Expenditure (PFCE), which is measure of consumer spending, has also shown significant growth from FY23 to FY26 at a CAGR of 8.6%.

Chart 8: Trend of Per Capita GNDI and Per Capita PFCE (at Current Prices)

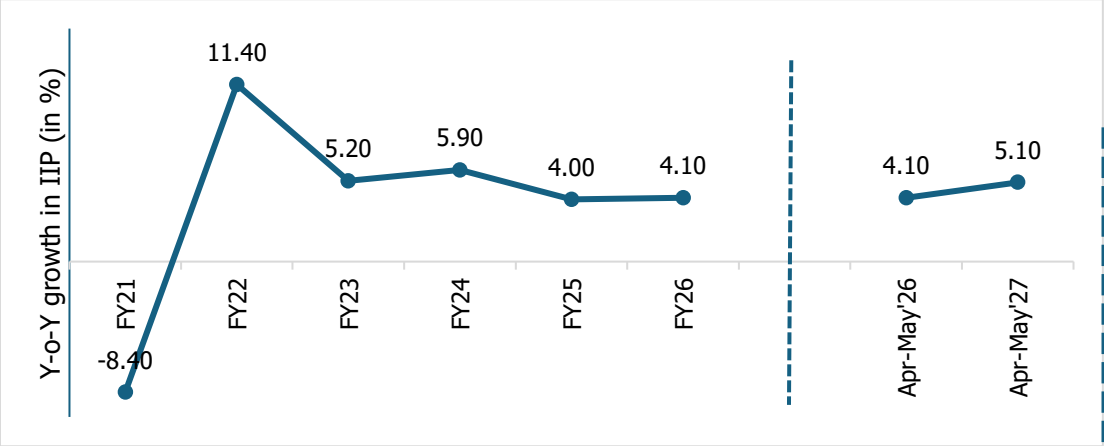


Source: MOSPI; Note: FRE – First Revised Estimates, PE- Provisional Estimates;
The trend for FY23-FY26 is based on new series base year 2022-23.

1.5 Industrial Growth

The Index of Industrial Production (IIP) in India grew by 4.1% year-on-year from April-May 2026, showing steady but moderate industrial momentum, supported by 5.5% growth in Manufacturing sector and strong growth of 9.9% in Electricity & Gas Supply sector.

Chart 9: YoY growth in IIP (in %)



Source: MOSPI

1.6 Concluding Remarks

From a macroeconomic standpoint, India remains one of the most resilient large economies in a challenging global environment. The IMF forecasts GDP growth for India at 6.4% in CY26, far outpacing the estimated CY26 global average of 3.0%. This performance reflects a combination of strong domestic fundamentals, policy stability and a sustained focus on capital formation. While the global economy continues to face uncertainty from geopolitical conflicts, commodity price volatility and rising public debt, India's diversified growth drivers, stable policy framework and expanding export ecosystem position it well to navigate these headwinds.

The key sectors with potential exposure to changes in US tariff policy include engineering goods, electronics, gems and jewellery, pharmaceuticals, textiles and automobiles/auto components, given their material export linkages to the US market.

As of July 2026, India–US trade negotiations are ongoing, and the final Bilateral Trade Agreement (BTA) has not yet been concluded. In February 2026, both countries announced a framework for an Interim Agreement aimed at promoting reciprocal and mutually beneficial trade. Under this framework, the United States proposed an 18% reciprocal tariff rate on Indian goods, while also indicating the possible removal of tariffs on sectors such as generic pharmaceuticals, gems and diamonds, aircraft parts and certain engineering products, subject to finalization of the agreement.

India continues to strengthen its position through diversification of trade partnerships and expansion of FTAs with the European Union, the United Kingdom, EFTA and other key economies. During FY26, India also signed the Comprehensive Economic Partnership Agreement (CEPA) with Oman and formally commenced negotiations for an FTA with the Gulf Cooperation Council (GCC), further strengthening its trade engagement with Middle Eastern economies. These initiatives, together with India's growing manufacturing capacity and deeper integration into global supply chains, are expected to enhance the country's competitiveness across sectors such as electronics, textiles, pharmaceuticals and auto components.

The US and Iran conflict remains ongoing and uncertainties around the same remains. The Iran conflict has led to an increase in prices of consumer products in India due to potential higher fuel, freight and input costs, which can make everyday goods like FMCG items, plastics and packaged foods more expensive. Disruptions in shipping and fertiliser supplies are also pushing up food prices, affecting imports of agricultural inputs and leading to costlier food products for consumers. Overall, delays in trade routes and rising logistics costs are reducing availability and increasing prices of imported consumer goods, especially from Gulf-linked supply chains. Overall, this is leading to supply shortages, rising costs, and production slowdowns in India's chemical and pharma sectors, with the impact likely to worsen if the conflict continues. Prolonged geopolitical tensions or conflict in the region could lead to sustained increases in crude oil and LPG prices, which may translate into higher input costs across industries and contribute to inflationary pressures in the Indian economy.

Domestically, a below-normal monsoon and potential El Niño conditions may contribute to higher food inflation, which could affect household spending and consumer sentiment, particularly in rural markets. Elevated prices of essential commodities may reduce discretionary spending; however, strong domestic demand, urban consumption, and rising income levels are expected to support overall growth in the consumer sector.

Policy momentum remains strong. The 56th meeting of the GST Council marked a major structural reform by proposing a simplified two-rate system of 5% and 18%, replacing the earlier four-slab framework, along with a 40% demerit rate for luxury and sin goods. This rationalisation aims to reduce compliance burdens, enhance efficiency, and stimulate private consumption. Together with recent revisions in personal income tax rates, these measures are projected to release savings exceeding Rs 2.5 lakh crore into the economy, supporting demand and easing inflationary pressures.

The Union Budget's allocation of Rs 12.20 lakh crore for capital expenditure in FY27 further reinforces the government's commitment to infrastructure-led growth. Public investment is expected to catalyse private sector activity, evidenced by rising project announcements and growing imports of capital goods. Improving rural demand, supported by healthy monsoon progress, favourable sowing conditions, and adequate reservoir levels, provides additional tailwinds for consumption and investment.

2. Overview of the Global Textile Industry

2.1 Overview

The global textile industry is prominently multifarious in connecting agriculture, manufacturing, design, and retail traditionally, while constant modernisation in technology and fashion trends keeps it renewed. The historic established hubs of this trade include countries like China, India, Bangladesh, Vietnam, and Türkiye, while Western nations often lead in high-end fashion design, textile innovation, and sustainable solutions. This global infrastructure and wide range of products contributes to large-scale employment, as well as significant trade volume to the global economy.

2.2 Key Sectors in the Global Textile Industry

Apparel Exports Contribute Significantly to India's Foreign Trade

The global textile industry is vast and diverse, comprising several key sectors that span the entire value chain from raw materials to finished products. The main sectors of the textile industry globally are:

Spinning Sector: The spinning sector is the foundation of the textile industry, responsible for converting raw fibres like cotton, wool, jute, and synthetic materials into yarn. India is one of the world's largest producers of cotton and cotton yarn. Spinning mills are highly mechanized and are concentrated in states

like Tamil Nadu, Maharashtra, and Gujarat. This sector supplies yarn to both domestic weavers and international buyers.

Weaving and Knitting Sector: This sector focuses on transforming yarn into fabric. Weaving is done using handlooms or power looms, while knitting is commonly used for stretchable or close-fitting fabrics. India's power loom sector is decentralized and prominent in towns like Bhiwandi (Maharashtra), Erode (Tamil Nadu), and Surat (Gujarat), producing a wide range of fabrics including cotton, polyester, and blends. Meanwhile, the handloom sector plays a crucial role in preserving traditional crafts and providing rural employment.

Textile Processing Sector: The textile processing sector plays a critical role in adding value to fabrics by transforming raw or greige textiles into finished products ready for use. Key processes include dyeing, printing, and finishing, each of which impart specific properties to the fabric.

- **Dyeing** involves imparting uniform colour to yarns, fabrics, or garments using a range of natural or synthetic dyes. Techniques such as reactive, vat, or disperse dyeing are selected depending on the fibre type and desired colourfastness.
- **Printing** allows for the creation of patterns and designs on fabrics, using methods such as screen printing, rotary printing, or digital printing. Advanced printing technologies enable high-precision designs with minimal waste.
- **Finishing** encompasses a variety of mechanical and chemical treatments to improve the texture, feel**,** strength, appearance, and functionality of textiles. Examples include softening, anti-shrink, water-repellent, flame-retardant, anti-pilling, and wrinkle-free finishes.

These processes stages enhance performance characteristics of textiles, making them suitable for diverse end-uses such as apparel, home textiles, technical textiles, and exports. For this, the processing units adopt a combination of chemical, thermal and mechanical treatments tailored to meet specific requirements of domestic and international buyers.

However, the sector faces significant sustainability challenges. Textile processing is water-intensive, generates large volumes of effluents, and uses chemicals that can be hazardous if not managed properly. To address these issues, there is a growing push to modernise the operations stage with eco-friendly technologies, such as low-liquor dyeing, digital printing, closed-loop water systems, enzymatic treatments, and energy-efficient finishing machines. Adoption of such practices would not only reduce environmental impact but also enhance compliance with international standards like OEKO-TEX and GOTS.

India Remains Amongst Top Exporters of Ready-made Garments in the Global Market

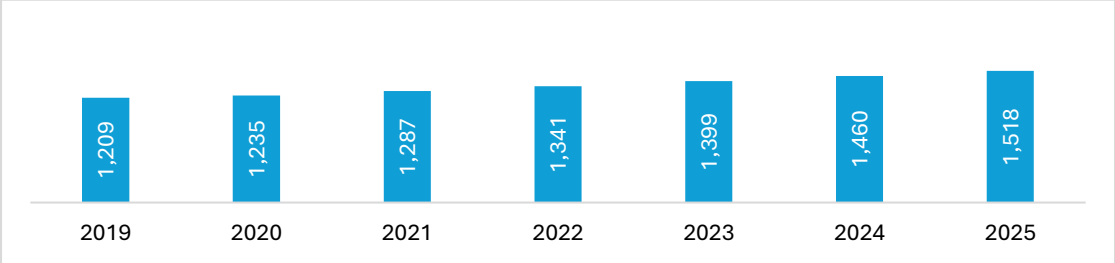
India is among the top global producers and exporters of ready-made garments (RMG), offering a wide portfolio of products such as shirts, trousers, dresses, suits, knitwear, denim and ethnic wear. The sector caters to a diverse range of buyers from high-street brands and global retailers to niche, premium segments supported by a strong raw material base, skilled workforce, and a competitive cost structure. The apparel sector plays a pivotal role in India's export economy, contributing around 12–13% of total export earnings and accounting for roughly 40% of India's total textile exports. While traditionally labour-driven, the sector has witnessed increasing adoption of automation and digitalisation, including computer-aided design (CAD), automated cutting, and real-time production monitoring. Export-oriented units are integrating lean manufacturing, supply-chain traceability, and Industry 4.0 technologies to improve productivity and ensure compliance with international standards. Investment in green manufacturing, energy-efficient machinery, and eco-friendly processing has also become a focus area as global buyers demand more sustainable sourcing.The home textiles and made-ups, majorly produced in cities like Karur and Panipat, are in high demand globally forming a significant part of India's textile exports.

2.3 Global Textile Industry Market Size

Global Textile Market Surpasses USD 1.5 Trillion Amid Sustained Demand from Fashion, Home Furnishing, and Technical Textiles Supports Industry Growth

The global textile industry has shown consistent growth over recent years, with its market size increasing steadily from USD 1,209 billion in 2019 to USD 1,518 billion in 2025. This upward trend reflects the rising demand for textiles across various segments, including fashion, home furnishings and technical applications.

Chart 10: Global Market Size of Textile Industry (USD Billion)



Source: Industry Sources

The growth of the global textile market is driven by factors such as expanding global population, the rise of fast fashion, and advancements in textile technology. Additionally, growing awareness around sustainable and functional textiles has further diversified market offerings, contributing to this continued expansion in value.

2.4 Emerging Opportunities in Global Textile Industry

Sustainable and Eco-Friendly Textiles: There is increasing demand for eco-friendly fibres such as organic cotton, hemp (fabric is a textile made from the fibres of the Cannabis sativa plant), and bamboo, as well as the adoption of sustainable dyeing and finishing techniques that minimize environmental impact. Thus, numerous brands are implementing waterless dyeing processes, using biodegradable materials, and transitioning to closed-loop production systems.

Opportunities through Renewable Energy and Water Efficiency: The global textile industry actively seeks to utilise renewable energy sources towards lowering its operational costs and enhancing sustainability credentials. Coupled with the effective operation of water treatment and effluent management systems, particularly in dyeing and finishing, textile manufacturers can reduce water consumption, recycle effluents, and minimize environmental impact. Additionally, this would support compliance with international standards like OEKO-TEX, GOTS, and Bluesign, making textile products more attractive in eco-conscious global markets. India is adopting renewable energy for textile manufacturing, supported by policies like the Perform, Achieve and Trade (PAT) scheme and state-level solar incentives.

Smart Textiles and Wearable Technology: Smart textiles are transforming fabrics into interactive, tech-enabled materials by integrating sensors, conductive fibres, and electronics into the cloth itself. These materials can monitor vital signs such as heart rate, temperature, or movement, making them highly valuable in healthcare, military, sportswear, and fashion-tech. With a high potential in technology-driven consumer markets, these fabrics are paving the way for intelligent apparel that enhances performance and personal health monitoring.

Technical and Functional Textiles: There is growing demand for high-performance textiles across industries such as automotive, medical, construction, and defence. These technical textiles are engineered with special features like fire resistance, moisture-wicking, and antimicrobial protection. Geotextiles are used in infrastructure **projects**, while medical textiles include surgical gowns and wound care materials. As industrialisation spreads in developing nations and safety standards become stricter worldwide, this segment offers enormous commercial potential.

Digital Printing and Customisation: Digital printing is revolutionising textile production by enabling on-demand, short-run, and highly customisable fabric printing with minimal waste. This technology allows brands to quickly respond to market trends, personalise products for individual customers, and reduce overproduction.

Recycling and Circular Economy: New technologies are enabling textile-to-textile recycling, while upcycled fashion and resale platforms are becoming mainstream. Brands are also investing in second-

hand and rental markets. These strategies not only support sustainability but also align with growing consumer demand for zero-waste and responsible fashion.

E-commerce and D2C Models: E-commerce is opening global markets through direct-to-consumer (D2C) models. Online platforms allow brands to reach customers without the need for physical stores, while tools like virtual try-ons and 3D product visualisation enhance the shopping experience.

Bio-Based and Alternative Fibres: Innovative fibres derived from biological sources like mushrooms, pineapple leaves, banana stems, and lab-grown spider silk are gaining attention as alternatives to synthetic and water-intensive materials. These are often biodegradable and sustainably produced, making them ideal for eco-conscious and luxury fashion markets.

2.5 Key Challenges for the Global Textile Industry

Geopolitical Tensions and Trade Uncertainty

The global textiles industry remains vulnerable to geopolitical conflicts, trade disputes, tariff changes, and disruptions in key shipping routes increasing supply chain uncertainty, raised logistics costs, and affected sourcing decisions.

Raw Material and Input Cost Volatility

The industry continues to face significant fluctuations in the prices of cotton, synthetic fibres, dyes, chemicals, and energy induced by factors like weather-related disruptions and volatility in crude oil prices , thereby challenging margin preservation.

Stringent Sustainability and Regulatory Requirements

Global brands and regulators are increasingly mandating compliance with environmental, social, and governance (ESG) standards. Meeting these evolving requirements necessitates continuous investment in sustainable technologies and certification, affecting production cost for export-oriented manufacturers.

Supply Chain Disruptions and Logistics Bottlenecks

The industry relies on dispersed supply chains, making it highly susceptible to disruptions arising from port congestion, container shortages, shipping route diversions, natural disasters, and geopolitical conflicts. Such disruptions increase transportation costs, extend lead times, delay order fulfilment, and reduce supply chain reliability.

Labour Shortages and Rising Production Costs

Textile manufacturing remains labour-intensive despite increasing automation. Rising wages, shortages of skilled workers, higher energy tariffs, and increasing compliance costs have significantly elevated production expenses across major manufacturing hubs. These cost pressures have reduced operating margins and compelled manufacturers to invest in automation, workforce upskilling, and productivity enhancement to remain globally competitive.

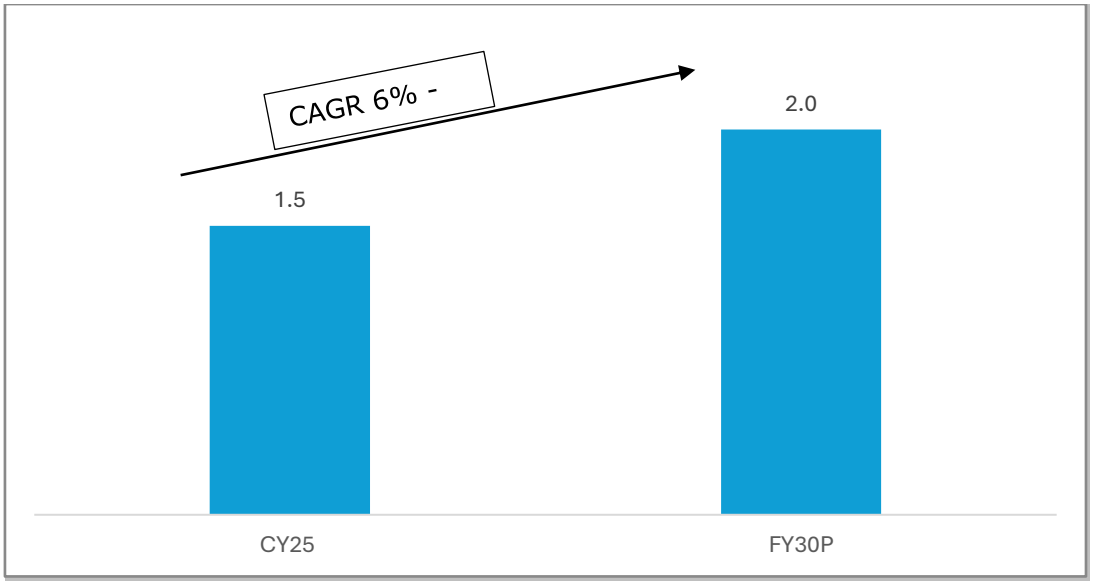
Intensifying Global Competition

The global textile market has become increasingly competitive as countries such as Bangladesh, Vietnam, Turkey and emerging manufacturing hubs continue to strengthen their export capabilities through favourable trade agreements, lower production costs, and improved manufacturing efficiency.

2.6 Future Outlook: Global textiles industry Eyes USD 2.0 trillion by CY30

The global textiles industry is projected to expand from approximately USD 1.5 trillion in CY25 to nearly USD 2.0 trillion by CY30, supported by favourable demographic trends, rising disposable incomes in emerging economies, rapid urbanisation, and sustained demand for apparel, home textiles and technical textiles.

Chart 11: Global Market Size of Textile Industry (USD Trillion)



The continued expansion of organised retail, e-commerce and fast-fashion platforms is expected to strengthen consumption, while increasing adoption of performance fabrics, functional textiles and sustainable materials is broadening the industry's growth beyond conventional apparel. While the industry is expected to face headwinds from factors like raw material price volatility, geopolitical tensions, and stringent sustainability regulations, manufacturers with diversified sourcing networks, integrated operations, technological capabilities and strong environmental credentials are expected to be better positioned to capitalise on emerging global opportunities and deliver long-term growth

3. Overview of the Indian Textile Industry

3.1 Overview

The Indian textile and apparel industry spans a vast, interconnected value chain constituting sourcing of raw materials, production of finished goods, and distribution. India as the world's second-largest producer of textiles and garments and the third-largest exporter, holds a significant position in the global market. The industry contributes around 13% of the total industrial production, 2.3% of the total GDP, and 12% of the total national exports, placing India among the top five global exporters across various textile segments.

Beyond manufacturing, the sector has strong linkages with allied domains. It supports agriculture by creating demand for cotton, wool, and jute, while contributing to rural livelihoods. The sector collaborates with designers to integrate traditional craftsmanship with contemporary aesthetics. Moreover, efficient logistics and e-commerce platforms expand market access, benefiting even small and rural enterprises. Moreover, with increasing emphasis on sustainability, ethical sourcing, and circular fashion, India is establishing itself not only as a major supplier but also as a global trendsetter in textiles.

3.2 Indian Textile Industry: Overview of the Value Chain

Upstream Stage (Sourcing): The upstream stage of the Indian textile industry constitutes sourcing of raw materials, such as natural fibres like cotton and wool or synthetic fibres like polyester and nylon.

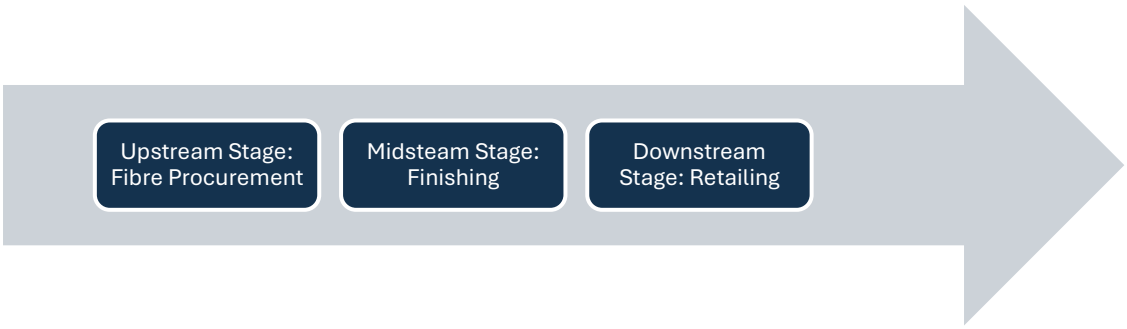
In India, cotton is sourced primarily from Maharashtra, Gujarat, Telangana, and Punjab. Jute is sourced mainly from the alluvial plains of West Bengal. Karnataka is India's largest producer of mulberry silk. Assam is known for its unique varieties like Muga and Eri silk, which are sourced from indigenous silkworms native to the region. Additionally, India imports synthetic fibres like polyester and viscose from China, South Korea, and Indonesia to support its growing man-made fibre industry. Additionally, Rajasthan's Bhilwara, widely recognised as the 'Textile City of India,' is a hub for fibre procurement and fabric manufacturing, particularly in cotton and synthetic textiles.

Midstream Stage (Operations): The second stage begins with the weaving and knitting stage, which transforms yarn into fabric. While weaving creates more structured fabrics, knitting allows for flexibility and stretching, with the chosen technique influencing the final product's application. Once the fabric is

formed, it undergoes dyeing **and** finishing. The finished fabric then moves to garment manufacturing, where it is cut, stitched, and assembled. In the weaving industry, within a time span of ten years, a total of 715 clusters across various States/UTs received financial assistance amounting to Rs 49,655.02 lakh, supporting widespread development in the weaving sector.

Surat (Gujarat) is India's largest centre for synthetic fabric weaving, especially polyester and georgette. Ludhiana (Punjab) is a hub for woollen and hosiery fabrics, while Tiruppur (Tamil Nadu) specialises in cotton knitwear and T-shirts. Bhiwandi (Maharashtra) is known for power loom-based fabric production. Fabric dyeing and finishing **units** are heavily concentrated in Surat, Jetpur (Gujarat), and Erode (Tamil Nadu). However, many of these processing hubs face environmental compliance issues, especially around wastewater management. In the garment manufacturing phase, Tiruppur leads in knitwear exports, while Bangalore (Karnataka) is a key hub for apparel manufacturing, particularly for export-oriented women's wear and fashion garments. Delhi-NCR, Noida, and Gurugram (Haryana) house many medium and large garment exporters, especially in ready-made garments (RMG).

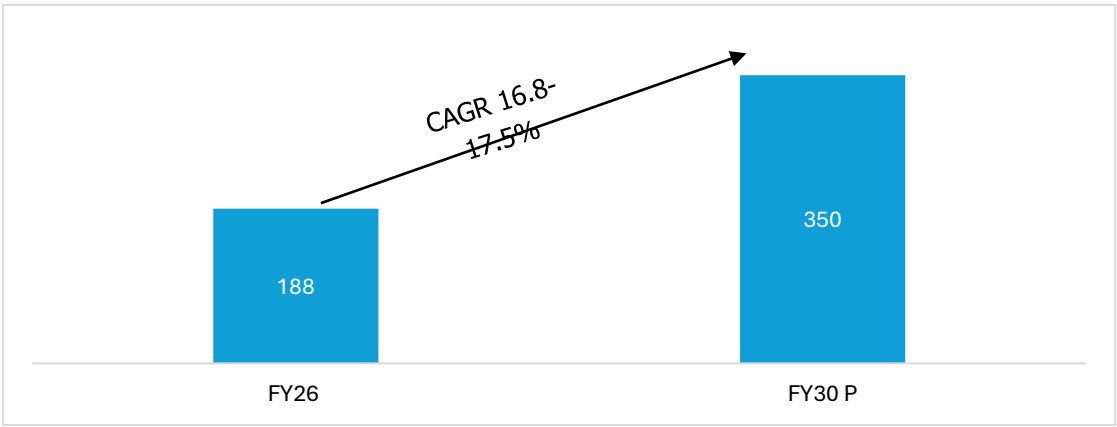
Downstream Stage (Retail): India's exports of textiles and apparel, including handicrafts, stood strong in 2025–26, despite fluctuations in global demand, variations in input costs and other trade-related challenges. India's exports of textiles and apparel, including handicrafts, recorded growth in more than 100 export destinations during **2025**–26 compared with the previous year. Moreover, sustainability is being supported at the promotion and market stage through standards, traceability, market support, public procurement, and awareness initiatives.



3.3 Market Size of the Indian Textile and Apparel Industry

Rising Consumption & Exports Backs Indian Textile Industry Projections at USD 350 Billion by FY30

Chart 12: Market Size of the Indian Textile and Apparel Industry (USD Billion)



Source: PIB, CareEdge Research
Note: P - Projected

The Indian textile and apparel industry is set to grow from USD 188 Billion in FY26 to USD 350 Billion in FY30, with a 16.8% CAGR driven by rising domestic and export demand. Domestically, rising disposable incomes and rapid urbanisation have led to increased consumption of fashion and home

textiles. The boom in online retail and e-commerce platforms has also expanded market access and visibility, particularly for small and medium textile enterprises.

On the global front, India has benefitted from shifting supply chains as countries seek alternatives to China, positioning India as a reliable sourcing destination. Government interventions such as the Production-Linked Incentive (PLI) scheme, the establishment of PM MITRA Parks, and support for technical and man-made fibres have further strengthened infrastructure and innovation capabilities. Sustainability trends, focus on organic cotton, and the increasing popularity of Indian handlooms and heritage textiles in international markets have also boosted the sector's appeal. Together, these factors have created a solid foundation for long-term, inclusive growth in industry.

3.4 Key Segments of the Indian Textile Industry

The Indian textile industry is one of the most diverse and dynamic sectors of the country's economy, encompassing a broad spectrum of segments that reflect both its rich heritage and modern advancements. From age-old natural fibres like cotton, wool, silk, and jute to innovative manufactured fibres and technical textiles, the industry spans the entire value chain including raw material sourcing, spinning, weaving, processing, and garment manufacturing. Each segment play a vital role in driving exports, generating employment, and contributing to India's global reputation as a leading textile and apparel hub. Together, these segments serve both domestic demand and international markets, blending tradition with technology and artisanry with commercial scale.

Natural Fibres Segment:

The Indian textile industry is historically grounded in natural fibres like cotton, wool, silk, and jute.

Cotton: India is the world's largest cotton producer, with established hubs in Gujarat, Maharashtra, and Tamil Nadu and Bhilwada India's cotton yarn exports stand at 25-35% of total production in FY2025. The primary driver for revenue growth in fiscal 2027 is expected to be steady but moderated demand for yarn exports, with China demand remaining volatile rather than a strong growth engine. China's share is structurally declining, with incremental growth increasingly coming from Bangladesh, Vietnam, and other emerging textile hubs as global supply chains diversify.
Wool: Wool segment is smaller yet significant for colder northern regions like Punjab and Himachal Pradesh. State-wise, Rajasthan remains a dominant contributor to national wool output, accounting for 47.53% of the total, followed by Jammu & Kashmir (23.06%), Gujarat (6.18%), Maharashtra (4.75%), and Himachal Pradesh (4.22%). In terms of year-on-year growth, Punjab leads at the annual growth rate of 22.04%, trailed by Tamil Nadu at 17.19% and Gujarat at 3.20%.
Silk: India is the second-largest global producer and consumer of silk, with raw silk output rising from 31,906 MT in 2017–18 to 41,121 MT in 2024-25, and mulberry cultivation expanding to 2,61,633 hectares in FY25. India also happens to be the only country producing all four natural silk types namely Mulberry, Tussar, Eri, and Muga. Karnataka leads in production, with regions like Banaras and Kanchipuram known for traditional handloom silk.
Jute: India ranks as the world's top jute producer, followed by Bangladesh and China, with cultivation mainly concentrated in West Bengal, Assam, and Bihar. However, production and domestic usage are on the decline due to costly procurement, limited raw material supply, and outdated equipment. Demand is further impacted by strong competition from synthetic alternatives and fibres like mesta.

Synthetic and Man-Made Fibres (MMF) Segment:

This segment includes polyester, viscose, nylon, acrylic, and other man-made fibres and filaments. These are widely used due to their durability, affordability, and versatility in sportswear, industrial textiles, home furnishing, and technical applications. The MMF sector is rapidly expanding, supported by changing urban lifestyles, innovation in fibre technology and global demand for performance fabrics. In FY26, the production of man-made fibres and fabrics is expected to grow steadily, driven by rising demand from the apparel sector and high cotton prices, which are pushing manufacturers toward more affordable synthetic alternatives. Meanwhile, the Cotton Corporation of India (CCI) has increased the Minimum Support Price for cotton, encouraging farmers to sell at government centres. This has limited private ginners' access to cotton and with CCI expected to release stocks only after June, domestic prices

may stay elevated. However, Indian cotton remains costlier than global rates, reducing its competitiveness in export markets.

3.5 Growth Drivers of the Indian Textile Industry

Abundant Raw Material Availability: India is one of the largest producers of cotton, jute, and silk in the world, providing a durable base for textile manufacturing. The wide availability of natural fibres, along with increasing production of man-made fibres, ensures a steady and cost-effective supply of raw materials, supporting both traditional and modern textile segments.

Large Skilled Workforce: The Indian textile industry benefits from a vast pool of skilled and semi-skilled labour. Millions of weavers, artisans, and factory workers are engaged across rural and urban areas, making it one of the largest employment-generating sectors in the country. This human resource strength supports mass production as **well** as intricate handcrafted products.

Rising Domestic Consumption: India's growing middle class, increasing disposable income, and urbanisation are fuelling a steady rise in domestic textile and apparel consumption. The demand for both ethnic and western **wear**, along with home textiles and lifestyle products, is expanding in metros, towns, and even rural areas.

Strong Export Potential: Indian textiles are in high demand globally due to their quality, variety, and competitive pricing. India exports textiles and apparel to over 100 countries, with key markets including the U.S., European **Union**, and the Middle East. Government initiatives like RoSCTL (Rebate of State and Central Taxes and Levies) and the PLI (Production Linked Incentive) scheme further boost export competitiveness.

Government Support and Policy Push: The Indian government has introduced several initiatives to strengthen the textile sector, such as the National Technical Textiles Mission, Integrated Textile Parks (SITP), and the PLI **scheme** for MMF and technical textiles. Subsidies, tax rebates, and infrastructure investments are also encouraging modernisation and attracting foreign investment.

Technological Advancements and Modernisation: The industry is rapidly adopting advanced machinery, automation, and sustainable technologies to improve productivity and meet global standards. Smart textiles, digital printing, and eco-friendly dyeing processes are gaining traction, helping Indian manufacturers stay competitive in the **international** market.

Growth of E-Commerce and Fashion Retail: Online shopping platforms and organised retail have revolutionised textile and apparel sales in India. E-commerce has made it easier for small brands, artisans, and **startups** to reach a wider audience, while global fashion trends are quickly influencing consumer choices through digital media.

Textile Weaving: India's weaving industry is underpinned by a diverse array of fibre inputs comprising man-made, natural, and specialty fibres, each contributing uniquely to the sector's scale of operations, structural **composition**, and level of technological advancement.

- Man-made fibres (MMF) are integral to industrial weaving. Widely used in the organised power loom and mill sectors, MMFs such as polyester and viscose are processed through automated systems, including high-speed shuttle-less looms like air-jet and rapier machines. Their uniformity and tensile strength make them ideal for mass production of blended fabrics, ready-made garments, furnishings, and technical textiles. MMFs enable high efficiency, cost-effectiveness, and scalability, positioning India competitively in global textile exports.

- Cotton remains the backbone of India's traditional and semi-mechanised weaving industry. It is processed in handloom and power loom units, with handlooms preserving artisanal techniques and power looms enabling higher productivity. Cotton's softness and breathability make it ideal for ethnic wear, casual clothing, and home textiles, giving it a unique dual role in both mass and artisanal markets.

- Jute plays vital roles. Jute is mainly woven for industrial uses like sacks and mats, supporting rural agro-industries and eco-friendly products. Silk drives the luxury and heritage segment, produced mainly on handlooms and jacquard looms in clusters such as Varanasi, Kanchipuram, and Assam, supporting artisanal livelihoods and cultural heritage.

- Consumer preferences in India are rapidly evolving due to urbanisation, rising incomes, and growing sustainability awareness. Domestic demand covers ethnic wear (sarees, kurtas) and functional fabrics (wrinkle-free, moisture-wicking). Regional tastes differ, with the South favouring fine cotton, the East silks, and the West colourful prints like Bandhani and Patola. Globally, Indian fabrics are sought after in the US, Europe, and the Middle East for shirting, home textiles, and eco-labelled products, pushing producers to meet international quality and ethical standards.

- Challenges include industry fragmentation, outdated technology in smaller units, and competition from imports. Government programs such as the National Handloom Development Programme, Power Tex India, and the PLI scheme aim to modernise infrastructure, enhance skills, and boost exports. The growth of e-commerce and rising consumer interest in handmade and sustainable textiles offer new opportunities. Balancing tradition with innovation and sustainability is key to the industry's future.

Textile Processing: The Indian textile processing segment is valued at USD 179 billion in 2025 and is poised to grow to USD 241 billion by 2030, driven by both natural and synthetic fibres. Natural textiles like cotton and silk lead the market while, synthetic fibres are the fastest-growing segment. Textile processing involves preparing fibres and fabrics for dyeing and finishing, and quality control during processing helps maintain consistent texture, strength and durability throughout production.

Competitive Strength of the Indian Textile Industry Across the Value Chain: India's textile industry enjoys a strong competitive advantage across the entire value chain from abundant raw material availability to a wide spectrum of finished goods and robust export capabilities. The country hosts over 3,376 spinning mills, numerous weaving mills and processing units, supported by a skilled workforce and a growing base of textile parks, including 7 planned PM MITRA mega parks. This extensive infrastructure enables the production of a broad range of products, from basic fabrics to high-end fashion, technical textiles, and handcrafted goods. Coupled with efficient port logistics, a competitive cost structure, supportive government policies, and adherence to international quality standards, India has positioned itself as a versatile and reliable global textile powerhouse.

3.6 Government Regulations Supporting the Sector

The Indian Government has been implementing various policy initiatives and schemes for supporting the development of the textile sector. The government initiatives focus on creating a conducive environment for textile manufacturing in the country . The Union Budget 2026-27 places Textiles at the centre of growth strategy with a focus on employment, exports, rural livelihoods and sustainable manufacturing.

Further, previously, the government announced various incentives/schemes towards increasing the global competitiveness of the Indian textile industry which includes the extension of Rebate of State and Central Taxes and Levies (RoSCTL), Remission of Duties and Taxes on Export Products (RoDTEP), Production Linked Incentive Scheme (PLI) and PM Mega Integrated Textile Region and Apparel (PM MITRA).

These schemes have given a boost to the capacity expansions by various textile players and form an integrated textiles value chain right from spinning, weaving, processing/dyeing, and printing of garments at one location leading to a reduction in operational and logistics costs of the players, thereby increasing margins. The Government has also signed FTAs with UK and UAE to boost apparel export. In addition to this, the RoDTEP scheme has also been launched supporting the garments and apparel exporters' margins by export incentives.

(a) Production Linked Incentive (PLI) Schemes

The Government of India has introduced the Product Linked Incentive (PLI) scheme in textile products to enhance India's manufacturing capabilities and enhance exports. The financial outlay of this scheme is Rs 10,683 crores, covering five years. The scheme has two parts:

Part-1) where minimum investment is Rs 300 crore and minimum turnover required to be achieved for incentive is Rs 600 crores.

Part-2) where minimum investment is of Rs 100 crore and minimum turnover required to be achieved for incentive is Rs 200 crores.

(b) Remission of Duties and Taxes on Exported Products (RODTEP)

The Remission of Duties and Taxes on Exported Products (RoDTEP) scheme was enforced to repeal and reduce taxes for exported products and thereby increase exports from the country. This scheme is available to eligible exporters at a notified rate as a percentage of Freight On Board (FOB) value. In addition to this, a rebate on certain export products will also be provided subject to a value cap per unit of the exported product. RoDTEP is implemented by Customs through a simplified IT System.

As of the latest update in October 2024, the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme encompasses 10,642 tariff lines at the 8-digit level. Majorly, the Employment Oriented Sectors like Marine, Agriculture, Leather, Gems & Jewellery etc. are covered under the Scheme. Other sectors like Automobile, Plastics, Electrical / Electronics, Machinery etc. also get support of this scheme. Moreover, entire value chain of textiles also gets covered through RoDTEP & RoSCTL. Amongst the various sectors, cotton-based textile products have received favourable rates under RoDTEP in the range of 3.8%-4.3% as compared to around 2% rate under MEIS although there is a cap on the maximum benefit available under RoDTEP. The Federation of Indian Export Organisations (FIEO) has appreciated the Government's move to extend the Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme until 31st March 2026, covering exports from Domestic Tariff Areas (DTAs), Advance Authorisation holders, Special Economic Zones (SEZs), and Export Oriented Units (EOUs). This move will continue to provide exporters with remission for unrefunded central, state, and local taxes and duties incurred during the production and distribution of export goods. The extension was made to provide policy continuity and help exporters remain competitive amid global trade challenges.

(c) Comprehensive Economic Partnership Agreement (CEPA) with UAE

The Comprehensive Economic Partnership Agreement (CEPA) agreement was signed between the two nations India and the United Arabs Emirates (UAE) on 18 February 2022. It is India's complete free trade agreement signed with any countries in a decade. CEPA was operationalised on 01 May 2022.

Overall, India is going to benefit from preferential market access provided by the UAE on over 97 % of its tariff lines which account for 99% of Indian exports to the UAE in value terms particularly from labour-intensive sectors such as Gems and Jewellery, Textiles, leather, footwear, sports goods, plastics, furniture, agricultural and wood products, engineering products, pharmaceuticals, medical devices, and Automobiles. As regards trade in services, Indian service providers will have enhanced access to around 111 sub-sectors from the 11 broad service sectors. CEPA is expected to increase the total value of bilateral trade in goods to over USD 100 billion and trade in services to over USD 15 billion within five years. In the coming years, this agreement will significantly increase export of apparels and textile products to UAE.

(d) Financing Subsidy Schemes

The Indian government actively supports the textile industry's growth and modernization through various financing subsidy schemes.

- **Pradhan Mantri MUDRA Yojana:** This broader scheme offers loans to micro-units across various sectors, including textiles. It provides loans under three categories (Shishu, Kishore, and Tarun) with varying loan amounts and interest rate subsidies.

- **Scheme for Capacity Building in Textile Sector (SAMARTH):** This scheme addresses the skilled manpower shortage in the textile industry by providing financial assistance for industry-relevant skill development programs through approved training partners. As of early 2026, over 4.8 lakh candidates have been registered on the SAMARTH portal. Till March 2025, around 3.82 lakh beneficiaries have been trained, out of which approximately 2.97 lakh candidates (~78%) have been successfully placed, indicating strong employment outcomes. The scheme has been extended up to March 2026, with an additional allocation of Rs 495 crore to train 3 lakh more individuals, reflecting the government's continued focus on enhancing workforce capabilities and supporting labour-intensive segments of the textile sector.

Impact of recent GST changes on pricing and demand across segments

Positive for Value Segment (≤ Rs 2,500); Post-GST, apparel priced below Rs 2,500 carry a reduced effective tax burden of 5% (earlier 12% for items priced between Rs 1,000 to Rs 2,500), allowing retailers to lower prices, benefiting consumers and boosting sales volumes Neutral-to-Negative for Mid/High Price Segments (over Rs 2,500).

Apparel priced above Rs 2,500 falls under the higher GST bracket of 18% (up from 12% earlier), prompting price-sensitive consumers to shift toward more affordable options - impacting demand for premium clothing. To remain competitive, retailers may strategically offer discounts or bundle products. Retailers may need to absorb part of the tax or offer discounts, squeezing margins.

(e) Other Schemes –

PM Mega Integrated Textile Region and Apparel (PM MITRA) Park

The Government has approved the setting up of 7 PM MITRA parks as announced in the Union Budget for 2021-22. This will include 7 Mega Integrated Textile Region and Apparel Parks which will be set up at Greenfield/Brown field sites located in different willing states. This project will develop 50% Area for pure Manufacturing Activity, 20% area for utilities, and 10% area for commercial development. With a total budget allocation of Rs 4,445 crore spread over the period from 2021–22 to 2027–28, the scheme aims to reduce logistics costs, attract greater foreign direct investment (FDI), and enhance India's competitiveness in global textile markets. As of now, seven PM MITRA Parks have been approved across key textile-producing states including Gujarat, Maharashtra, Madhya Pradesh, Tamil Nadu, Karnataka, Uttar Pradesh, and Telangana, laying the foundation for a more efficient and globally integrated textile industry.

Textile Cluster Development Scheme (TCDS)

The Ministry of Textiles has implemented the Textile Cluster Development Scheme (TCDS) from 2021-22 to 2025-26. The TCDS cluster development model offers several benefits, including cost-effective production, access to better technology, and a more competitive manufacturing environment. With a total budget of Rs 853 crores allocated to finalise ongoing projects; this scheme aims to revitalise the Indian textile industry. As of March 18, 2025, about 1.22 lakh employment opportunities have been generated under the scheme. During 2024-25, Rs 34.48 crore have been released.

Integrated Processing Development Scheme (IPDS)

The Ministry of Textiles has implemented the Integrated Processing Development Scheme (IPDS) to help the industry meet environmental standards. This program, initially launched during the 12th Five-Year Plan, is being extended with modifications from 2021-22 to 2025-26 to focus on building new and upgrading existing common effluent treatment plants (CETPs) in both processing clusters and new parks, especially in coastal zones. This ongoing initiative aims to address environmental challenges faced by the textile processing sector.

Bharat Tex 2026, Bharat Tex 2026 is India's flagship global textile event organised by the Bharat Tex Trade Federation (BTTF), an umbrella body of Textile Export Promotion Councils and industry associations, with the support of the Ministry of Textiles, Government of India. Held in July 2026 at Bharat Mandapam, New Delhi, the event showcases India's complete textile value chain and serves as a premier platform for global trade, investment, innovation, sustainability and international collaboration in the textile and apparel sector.

The Amended Technology Upgradation Fund Scheme (ATUFS) is a key initiative aimed at promoting modernisation and enhancing the competitiveness of India's MSME-driven textile sector. By supporting capital investments, the scheme encourages textile businesses to adopt advanced, energy-efficient, and globally competitive technologies. As of the 2025–26 Union Budget, the Amended Technology Upgradation Fund Scheme (ATUFS) has been allocated Rs 635 crore, marking a 48% increase from the revised estimate of Rs 390 crore in the previous fiscal year. This allocation aims to clear committed liabilities for Unique Identification Numbers (UIDs) generated up to March 31, 2022, as the scheme officially concluded on that date.

RIPS 2024: Empowering Rajasthan's Textile Industry: Under this scheme, textile enterprises can avail themselves of various incentives, including capital subsidies ranging from 13% to 28% over ten years, turnover-linked incentives between 1.2% and 2% for a decade, and investment subsidies with up to 75% reimbursement of state taxes for seven years. Additional benefits encompass 100% exemptions on electricity duty, stamp duty, conversion charges, and land tax, along with employment boosters offering an extra 10% to 15% on chosen asset creation incentives. The scheme also provides green incentives, freight subsidies, cluster incentives, and training and skilling support. Recognising textiles as a manufacturing thrust sector, RIPS 2024 offers a 10% thrust booster on top of the selected asset creation incentive. Furthermore, the policy allows for phased investments without loss of benefits and offers customised packages for large-scale investments exceeding Rs 500 crore, thereby positioning Rajasthan as a competitive and investor-friendly destination for textile manufacturing.

The Samarth Scheme (Scheme for Capacity Building in the Textile Sector): Implemented by the Ministry of **Textiles**, the scheme aims to train over ten lakh youth across the value chain, excluding spinning and weaving, with a strong focus on industry-led training modules. The programme ensures post-training placement assistance and alignment with the National Skill Qualification Framework (NSQF) to maintain uniform quality standards. By bridging the gap between manpower availability and industry requirements, the Samarth Scheme enhances employability, productivity, and quality output across both organised and traditional segments.

Together, these initiatives create an enabling ecosystem for the textile sector by promoting technology adoption, innovation, and human capital development, thereby reinforcing India's attractiveness as a preferred destination for foreign direct investment.

The National Technical Textile Mission (NTTM), launched in 2020 with an outlay of Rs 1,480 crore aims to position India as a global hub for textile manufacturing. It focuses on four main components: (i) research, innovation & development; (ii) promotion & market development; (iii) export promotion; (iv) education, training & skill development. The mission encourages the establishment of Centres of Excellence, collaboration with international institutions, and support for start-ups and MSMEs engaged in technical textile manufacturing. India's textile industry, a major contributor to employment and exports, continues to benefit from the government's proactive policy interventions. To address the demand–supply gap and ensure steady access to quality raw materials, the Government of India has extended the import duty exemption on raw cotton (HS 5201) till 31st December 2025. This move, aimed at stabilising input costs across the textile value chain from yarn to garments, supports both manufacturers and consumers. The decision is expected to strengthen India's global competitiveness while ensuring that farmers' interests remain protected under the Minimum Support Price (MSP) mechanism operated by the Cotton Corporation of India (CCI).

In another key step, the Directorate General of Foreign Trade (DGFT) has extended the Export Obligation (EO) period under the Advance Authorisation Scheme from 6 to 18 months for products covered under Quality Control Orders (QCOs) issued by the Department of Chemicals & Petrochemicals (DCPC) and the Ministry of Textiles. This extension provides critical relief to exporters of man-made fibre (MMF) and technical textiles, ensuring easier access to raw materials and enhancing ease of doing business. Around 18% of Advance Authorisations are issued to the textile sector, highlighting the importance of this facilitation for export growth and production continuity.

The Union Budget FY2026–27 provides a strong policy push to the textile sector through an Integrated Programme for the Textile Sector, focusing on fibre self-reliance, cluster modernisation, sustainability, artisan support and skill development. The Ministry of Textiles has been allocated approximately Rs 5,279 crore in FY2026–27, reflecting a significant increase in support for the sector. The budget continues funding for key initiatives such as PM MITRA Mega Textile Parks, Production Linked Incentive (PLI) Scheme for Textiles, National Technical Textiles Mission, Samarth skill development programme, and various schemes for handloom, handicrafts, silk, jute, and cotton sectors.

3.7 Composition of the Indian Textile Market by Product Segment

The Fabrics Segment: The fabrics segment is the largest component of the Indian textile market, accounting for approximately 50–60% of the industry's value. It includes woven, knitted, denim, processed, and technical fabrics and benefits from India's extensive weaving and processing capabilities.

The Yarn Segment: The yarn segment contributes around 18–22% of the market and comprises cotton, polyester, blended, and filament yarns. India is among the world's leading producers and exporters of yarn, supported by a strong spinning industry.

The Made-ups Segment: The made-ups segment accounts for approximately 12–18% of the market and includes home textiles such as bed linen, towels, curtains, and furnishings. Growth in exports and rising domestic demand continue to support this segment.

The Fibre Segment: The fibre segment represents around 8–12% of the market and includes cotton, polyester, viscose, wool, silk, and other fibres. Increasing adoption of man-made fibres and technical textiles is expected to drive future growth across the industry.

Technical Textiles Segment: Technical textiles, a rapidly growing and innovation-driven segment, refer to textile products used for applications beyond conventional clothing. These include automotive textiles (such as airbags and seat belts), medical textiles (like masks and PPE kits), agro textiles (e.g., crop covers), defence textiles and more. The industry continues to face challenges such as limited domestic availability of high-performance speciality fibres, dependence on imports for certain raw materials, and gaps in skilled manpower and product standardisation. To address these issues, the Government of India launched the National Technical Textiles Mission (NTTM) with an outlay of Rs 1,480 crore (2020–2026), focusing on R&D, market development, export promotion, and skill development. As of recent updates, over 150+ R&D projects have been approved, with several progressing toward commercialisation. Moreover, initiatives such as Grant for Internship Support in Technical Textiles (GIST) and Grant for Research & Entrepreneurship across Aspiring Innovators in Technical Textiles (GREAT) continue to strengthen industry-academia collaboration and startup participation.

Readymade Garments (RMG), Handlooms & Handicrafts: RMG industry in India is a non-capital-intensive industry, and is largely unorganised, with 60-70% of manufacturers belonging to the micro, small and medium enterprises (MSME). In FY 2024–25, India’s wearing apparel sector grew 6.2% (IIP index 116.7), driven by strong domestic demand, especially in North and West India. Textile and apparel exports, including handicrafts, showed resilience in FY26, with overall sector exports rising 2.1% to Rs 3,16,334.9 crore. Growth was driven by strong demand in key markets such as the UAE (up 22.3%), Japan (20.6%), Spain (15.5%), and Germany (9.9%). Lower inventories in the US and EU have increased apparel imports since mid-2024. The India-UK Free Trade Agreement offers preferential tariff access, enhancing export competitiveness, while ongoing EU trade talks may open further markets. These factors support sustained growth amid global shifts away from China sourcing.

3.8 Key Players Across the Indian Textile Value Chain

Fiber / Raw Material

Players in the fibre segment include Grasim Industries, JBF Industries, and Aditya Birla Group, supplying viscose, polyester, and cotton fibres to domestic and global markets.

Spinning

Spinning companies such as Vardhman Textiles, Arvind Limited, and Trident Group dominate yarn production, offering cotton, blended, and synthetic yarns for diverse applications.

Weaving / Fabric Manufacturing

Weaving players like Arvind Limited, Raymond, and Sutlej Textiles works in woven fabrics for apparel, shirting, and suiting segments.

Bleaching & Finishing / Processing

Processors including Welspun India, Bombay Dyeing, and JCT Limited further does some additions to fabrics through bleaching, dyeing, printing, and finishing to meet domestic and export standards.

Retailing / Apparel & Garments

Apparel and retail players such as Aditya Birla Fashion & Retail (Pantaloons), Raymond, and Arvind Brands work in the ready-made garments and branded apparel market in India.

3.9 SWOT Analysis of the Textile Industry

Strengths	Weaknesses
• Integrated textile value chain • Large skilled workforce • Strong cotton & fibre base • Rich handloom and khadi heritage • Government support (PLI, PM MITRA, SITP) • Large domestic and export market	• High cotton & MMF costs • Fragmented MSME-led industry • Outdated technology & low productivity • Limited FTAs and high compliance costs • Logistics and infrastructure gaps • Slow adoption of sustainable technologies
Opportunities	**Threats**
• China-plus-one sourcing shift • Growth in MMF & technical textiles • PM MITRA integrated parks • Rising demand for sustainable textiles • Potential FTAs and export expansion • Strong domestic consumption growth	• Competition from Bangladesh, Vietnam & China • Geopolitical and trade uncertainties • Stricter ESG and labour regulations • Climate risks affecting cotton • Raw material price volatility • Low resilience of MSMEs

3.10 The impact of the West Asia Conflict on the Indian Textile Exports

The ongoing geopolitical tensions in West Asia are expected to exert short-term pressure on India's textile exports, primarily through rising input costs and supply chain disruptions. Escalation in the region typically leads to higher crude oil prices, which directly impacts the cost of man-made fibres such as polyester, thereby increasing production costs for textile manufacturers. In addition, disruptions in key maritime trade routes such as the Red Sea and Suez Canal have resulted in higher freight rates, longer transit times and working capital constraints for exporters. These challenges are particularly significant for shipments to Europe, a key market for Indian textiles, where delays and cost escalations can affect order fulfilment and competitiveness.

However, the situation also presents potential medium-term opportunities for India. Global buyers are increasingly looking to diversify sourcing amid geopolitical uncertainties. Additionally, rising crude prices may reduce the cost competitiveness of synthetic textiles globally, potentially shifting demand towards cotton-based products where India has a strong advantage. While demand from certain West Asian markets may weaken in the near term, India's relatively stable manufacturing ecosystem and diversified export base position it well to capture incremental market share in global textile trade. Overall, the conflict is likely to create a mixed impact short-term disruptions offset by strategic opportunities over the medium term.

3.11 Recent Developments in the Textile Industry

Diversification of Export Markets Beyond and Trade Agreements Push: Recognising the risks of overdependence on a few key markets, India has accelerated efforts to diversify textile exports across regions such as Latin America, Africa, West Asia, and emerging European markets. This strategy is being supported by trade agreements such as the India–UAE Comprehensive Economic Partnership Agreement (CEPA) and the India Australia Economic Cooperation and Trade Agreement (ECTA). India has strengthened its position in global textile trade through recent Free Trade Agreements. The India–UK

FTA removes import tariffs on a wide range of textile and apparel products, improving India's competitiveness against countries such as Bangladesh and Vietnam. Industry participants expect these agreements to support export growth and attract higher sourcing volumes from global brands. Lastly, market diversification is helping reduce concentration risk, stabilise export demand, and improve resilience against geopolitical and economic disruptions.

Supply Chain Disruptions and Rising Logistics Costs: Ongoing geopolitical tensions in West Asia have led to disruptions in key shipping routes such as the Red Sea and Suez Canal. This has resulted in higher freight costs, longer transit times, and increased working capital requirements for exporters.

Shift Toward Value-Added Segments like MMF and Technical Textiles: The industry is also responding to tariff pressures by shifting its product mix toward higher-value and less price-sensitive segments such as MMF-based apparel, technical textiles, and niche speciality fabrics. These segments offer better margins, face comparatively lower competitive pressure from countries like Bangladesh and Vietnam and align more closely with global consumption trends particularly in performance wear, medical textiles, and industrial applications. By moving into advanced and diversified textile categories, Indian exporters aim to reduce dependence on low-value cotton garments and strengthen long-term competitiveness even in the presence of tariff challenges.

3.12 Outlook for the Indian Textile Industry

The Indian textile industry remains strongly positioned for significant growth through the latter 2020s, bolstered by rising global demand, shifting supply-chain strategies, sustainability momentum, rapid technology adoption and robust government support. With the domestic textile and apparel market valued at roughly USD 174 billion in FY2025 and projected to grow at a healthy pace to 2030, India is increasingly seen as a global hub for both volume manufacturing and value-added textile output.

Technological advancements are becoming more important than ever: beyond traditional mechanisation, there is growing interest in digitisation, automation, and even smart/technical textiles and recycling-ready processes all aligned with global trends for efficiency and sustainability. Government-backed initiatives such as the newly announced Tex-RAMPS (for research & innovation), and ongoing support under PM MITRA Parks Scheme, Scheme for Integrated Textile Parks (SITP) and Production Linked Incentive Scheme (PLI) continue to strengthen infrastructure, plug-and-play manufacturing ecosystems, and encourage investment in state-of-the-art technology.

Sustainability and ESG-compliance have become non-negotiable globally. Indian textile firms are gradually adopting eco-friendly practices from energy-efficient machinery to water conserving dyeing and waste-management to meet international buyer expectations. At the same time, there is an emerging opportunity in technical and MMF-based textiles, which help reduce dependency on unpredictable cotton yields.

On the trade front, The European Union (EU-27) remains a key export market for Indian textiles. In a significant development, the India–European Union Free Trade Agreement was concluded in January 2026, marking a major milestone in India’s trade integration with developed markets. The agreement is expected to provide preferential or zero-duty access to over 99% of Indian exports, including textiles and apparel, upon implementation. This will significantly enhance India’s competitiveness against countries such as Bangladesh and Vietnam, which currently benefit from duty-free access to the EU. While the agreement is yet to come into force, it represents a strong medium-term growth catalyst for India’s textile exports.

However, the industry faces certain near-term challenges. Volatility in raw material prices particularly cotton and crude-linked inputs continue to impact cost structures. Geopolitical disruptions in West Asia, affecting key shipping routes like the Red Sea, may lead to higher logistics costs and supply chain delays. Additionally, global economic uncertainties and fluctuating demand in major export markets could weigh on growth in the short term. Despite these headwinds, India’s diversified product base, policy support, and increasing integration into global value chains position the textile industry for sustained long-term growth and enhanced global competitiveness. The outlook for the textile industry remains cautiously optimistic.

4. Overview of the Indian Fabric Industry

4.1 Overview

Fabrics are an essential component of the textile industry, acting as the intermediary between raw material processing which is yarn and the production of final products, such as clothing, home furnishings, and industrial materials. The market size of clothing fabrics is estimated to have be around USD 30 billion in 2025, whereas the market size of non-clothing fabrics is estimated at USD 13 billion in 2025.

Manufacturers use three major ways to make fabrics: weaving, knitting, and non-woven processes. Weaving crosses two different sets of yarns at right angles, creating a fabric that is firm, stable, and long-lasting. Knitting interloop yarns to form fabrics that are flexible, stretchy, and soft. Non-woven processes bond or felt fibres directly, without using yarns. These fabrics are usually used for cost-effective, disposable, or specialised technical functions. One can group fabrics according to their method of construction and physical characteristics, such as strength, elasticity, and texture. Below is the division of fabrics in terms of type of construction and major physical factors:

Fabric Type	Examples	Production Method	Strength	Elasticity	Texture
Woven	Denim, Poplin, Twill	Interlacing of yarns	High	Low	Structured, crisp
Knitted	Jersey, Rib, Interlock	Interloping of yarns	Moderate	High	Soft, flexible
Non-Woven	Felt, Spun bond, Geotextile	Bonding of fibres	Varies	Limited to Moderate	Smooth or coarse

Fabrics are crucial to the textile industry, not only adding to the manufacture of everyday products but also to their functional performance and beauty. In fashion, the choice of fabric has a direct impact on the design, drape, and comfort of a garment. For instance, fabrics with moisture-wicking or stretch properties are greatly sought after in sportswear and activewear.

Within the home textiles segment, producers value fabrics that are durable, easy to maintain, and provide tactile comfort, particularly for items like upholstery, curtains, and bedding. Technical textiles, on the other hand, are specifically designed to fulfil specific performance requirements like fire retardancy, tensile strength, or thermal insulation based on their end uses.

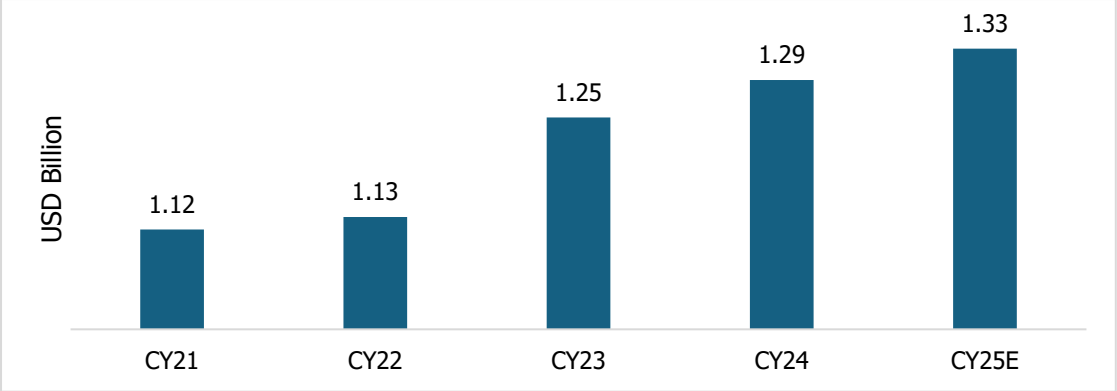
With the industry moving towards more sustainability, the need for eco-friendly materials keeps increasing. Biodegradable materials, recycled fibres, and intelligent textiles are revolutionizing the market by providing high performance while meeting environmental needs.

4.2 Denim Fabrics

Denim is a durable cotton-based twill fabric, traditionally woven using indigo-dyed warp yarns and undyed weft yarns, giving it its distinctive appearance and strength. Originally developed for workwear, denim has evolved into one of the world's most widely used apparel fabrics, finding applications across jeans, jackets, shirts, skirts, dresses and fashion accessories. The industry encompasses spinning, weaving, dyeing, finishing and garment manufacturing, with increasing focus on value-added products such as stretch, lightweight, recycled and performance denim.

The Indian denim fabric industry is an integral part of the country's textile and apparel value chain, supplying fabric for jeans, jackets, shirts, skirts and other casual wear garments. India is among the leading producers of denim fabric globally, supported by an integrated textile ecosystem spanning cotton cultivation, spinning, weaving, processing and garment manufacturing. The industry caters to both domestic apparel manufacturers and international brands, leveraging India's abundant cotton availability, competitive manufacturing costs and established export capabilities.

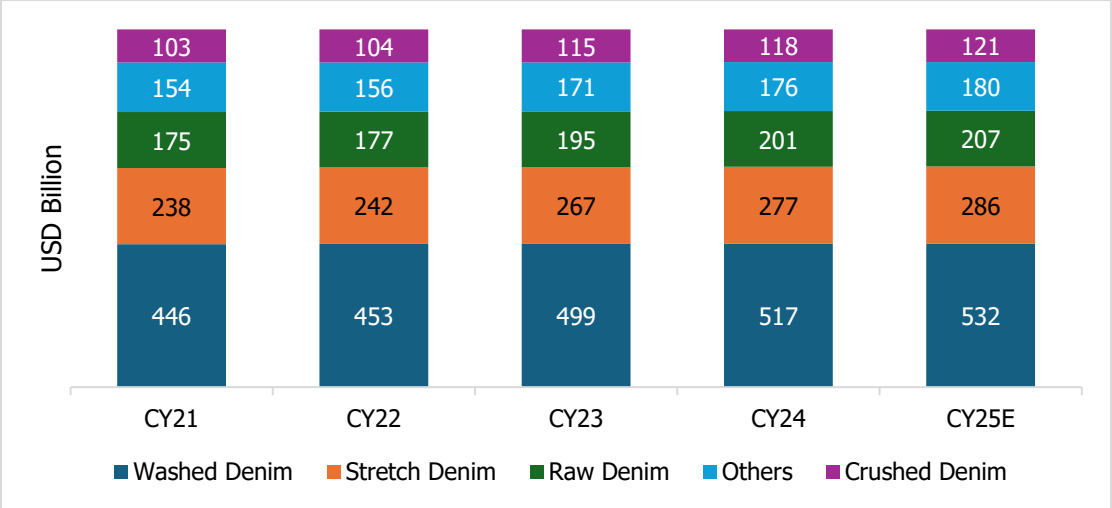
Chart 13: India’s Denim Fabrics Market Size is estimated to have crossed USD 1.33 billion in CY25



Source: EMIS, CareEdge Research

The India denim fabric market is estimated to have reached USD 1.3 billion in CY25E, driven by steady growth in domestic apparel consumption, expanding organised retail and e-commerce penetration, and rising disposable incomes. Demand has been further supported by denim's increasing popularity across lifestyle and fashion segments, while India's integrated textile value chain and strong manufacturing base, particularly in Gujarat, continue to strengthen its position as a key global denim supplier. Additionally, increasing adoption of sustainable manufacturing practices, including water-efficient processing, recycled fibres and ethical sourcing, has enhanced export competitiveness amid growing global demand for environmentally responsible textiles. Government initiatives supporting domestic manufacturing, value addition and export promotion are expected to further support the industry's long-term growth.

Chart 14: Washed Denim Fabrics has the Largest Market Share in Denim Fabrics

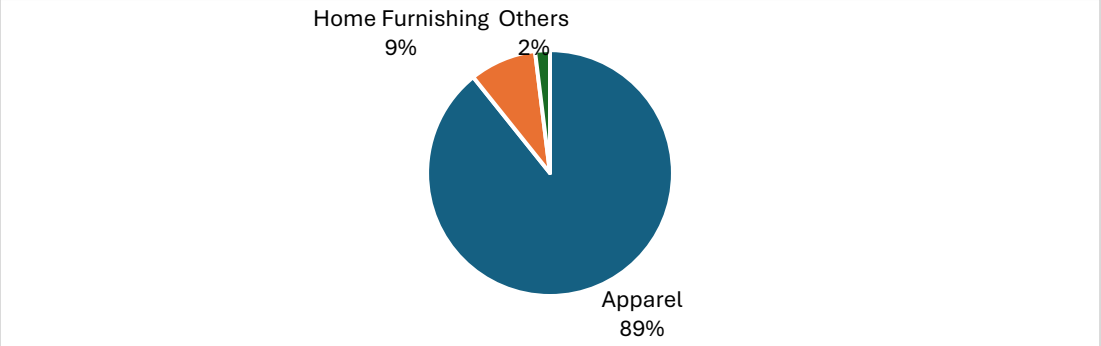


Source: EMIS, CareEdge Research

The Indian denim fabric market continues to be led by washed denim, which accounts for the largest share throughout the period. Its dominance is underpinned by strong consumer preference for soft, pre-finished and ready-to-wear denim garments, particularly in the mass and mid-premium apparel segments. As fashion trends increasingly favour comfort and convenience, apparel manufacturers continue to prioritise washed denim across domestic and export markets.

Stretch denim has emerged as the fastest-growing category, driven by increasing demand for comfort-focused apparel, athleisure-inspired fashion and body-fit silhouettes across men's, women's and youth segments. Meanwhile, raw denim, crushed denim and other specialised denim fabrics have witnessed steady growth, reflecting increasing product innovation, premiumisation and diversification. Manufacturers are expanding their portfolios with differentiated finishes and functional fabrics to cater to evolving consumer preferences and enhance value addition, particularly for export-oriented customers.

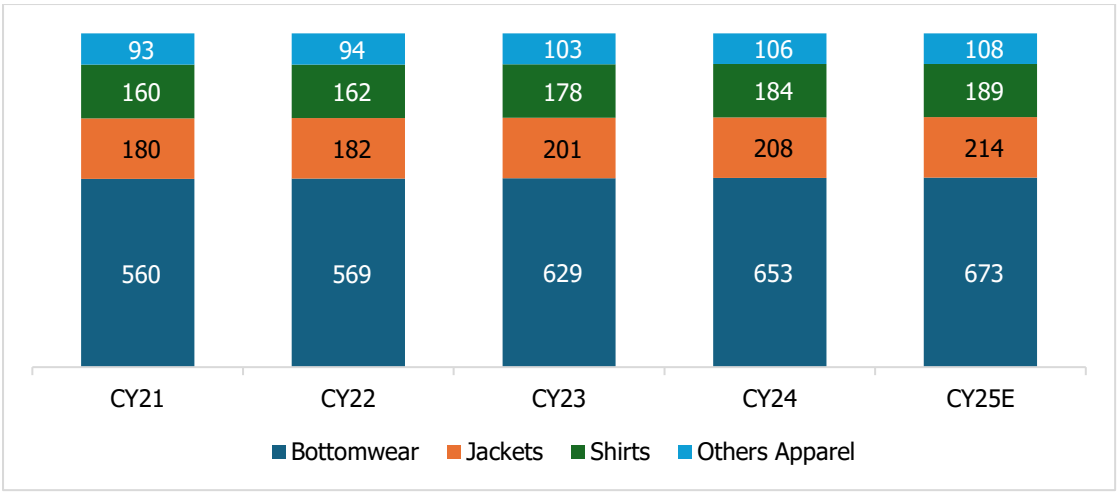
Chart 15: Apparel is the Biggest User of Denim Fabrics (CY25E)



Source: EMIS, CareEdge Research

Apparel remains the dominant application for denim fabrics, supported by sustained demand for casual wear, rising disposable incomes, increasing fashion consciousness and the continued expansion of organised retail and e-commerce. At the same time, home furnishings and other niche applications have registered gradual growth as manufacturers diversify product offerings and explore new end-use segments. This broadening application base reduces dependence on a single category while creating additional opportunities for value-added denim products.

Chart 16: Within Apparel – Bottomwear continues to Remain the Biggest User of Denim Fabrics



Source: EMIS, CareEdge Research

Within apparel, bottomwear continues to account for the second-largest share, reflecting the enduring popularity of denim jeans across consumer segments. The steady increase in demand highlights denim's position as a wardrobe staple in the Indian apparel market.Demand for jackets and shirts has also grown consistently, supported by changing fashion trends, greater product variety and the increasing adoption of denim across multiple apparel categories beyond traditional jeans.

4.3 End-user Industries for Fabrics

(1) Apparel and Fashion Industry

The Apparel and Fashion sector is a key industry where fabrics are central to the design, functionality, and comfort of clothing. Fabrics are chosen based on their texture, appearance, and performance, helping designers create garments that are both stylish and wearable. With advancements in fabric technology, modern materials now offer added features like moisture-wicking, UV protection, and antibacterial properties, meeting the changing needs of consumers.

Types of Fabrics in Apparel:

- **Woven Fabrics:** These are commonly used for structured garments such as trousers, blouses, and jackets. They are known for their durability, strength, and ability to resist creases.

- **Knitted Fabrics:** These fabrics provide stretch and comfort, making them ideal for casual wear, sportswear, and activewear, like t-shirts, leggings, and sweaters.

- **Non-woven Fabrics:** Though used less frequently in mainstream fashion, non-woven fabrics are often employed for accessories, linings, and support elements due to their lightweight and disposable nature.

(2) Home Textiles and Upholstery

The Home Textiles and Upholstery industry focuses on fabric products used in homes to provide comfort, function, and style. Fabrics for home use need to be both durable and attractive, suitable for items like curtains, bedding, and furniture. In addition to aesthetics, many modern home fabrics are designed to offer extra benefits, such as stain resistance, fire-retardant properties, and UV protection.

Common Fabric Types in Home Textiles:

- **Curtains and Drapes:** Heavy woven fabrics such as velvet are often used in curtains and drapes for their aesthetic appeal and ability to block light. Some are also designed for thermal insulation.

- **Bedding and Linens:** Soft and breathable materials like cotton and linen are used for bed sheets, pillowcases, and covers, valued for their comfort and ease of maintenance.

- **Upholstery:** Sturdy fabrics like canvas and chenille are used for covering furniture such as sofas and chairs, ensuring they are durable, easy to clean, and resistant to wear.

(3) Industrial and Technical Applications

In Industrial and Technical Applications, fabrics are specially engineered to serve critical roles in various sectors like construction, automotive, and healthcare. These fabrics are created for specific purposes such as protection, insulation, filtration, offering superior strength, durability and functionality. Unlike typical fabrics, industrial textiles are designed to meet the demanding conditions of specific industries.

Key Fabric Types in Industrial Use:

- **Protective Clothing:** Fabrics that are fire-resistant or offer protection against chemicals and heavy-duty wear are essential in industries like manufacturing, emergency services, and oil and gas. These fabrics ensure safety and comfort for workers in hazardous environments.

- **Geotextiles:** Woven and non-woven fabrics are used in civil engineering for applications such as soil stabilization, erosion prevention, and drainage in construction projects.

- **Filtration Fabrics:** Non-woven materials, such as spun-bond and melt-blown, are commonly used in filters for air and water purification systems, industrial machinery, and other filtration systems.

- **Automotive Textiles:** Fabrics in the automotive industry are used for components like seat covers, airbag linings, and soundproofing materials. These fabrics must meet strict safety standards for fire resistance, heat tolerance, and durability.

4.4 Way Forward

The Indian fabric industry is expected to witness sustained growth, supported by rising domestic textile and apparel consumption, expanding export opportunities and increasing demand for value-added and specialised fabrics. Growth in organised retail, e-commerce and technical textiles, coupled with the shift

of global sourcing towards diversified manufacturing destinations, is likely to strengthen demand for high-quality fabrics produced in India.

Investments in modern weaving, knitting, processing and digital manufacturing technologies are expected to improve productivity, product quality and cost competitiveness. Increasing adoption of sustainable production practices, including recycled fibres, resource-efficient processing and environmentally compliant manufacturing, will be critical to meeting evolving global buyer requirements. In addition, continued government support through schemes promoting technology upgradation, integrated textile parks, technical textiles and export competitiveness is expected to enhance the industry's global positioning and support long-term, sustainable growth.

5. Readymade Garment Industry

5.1 Overview of RMG

The Readymade Garments (RMG) or apparel industry is the major segment of the overall textiles industry in India. Indian textiles and apparel products have high global appeal due to their fine craftsmanship across the entire value chain from fibre, yarn, and fabric to apparel. India is the 6th largest exporter of Textiles & Apparel in the world. The Indian RMG exports currently accounts for around 42% of total textile in FY25 and clothing production in India as per the Ministry of Textiles.

The Index of Industrial Production (IIP) for India's wearing apparel sector declined year-on-year to an index level of 110.5 in FY26 from 116.7 in FY25, reflecting a contraction in production levels. The decline can be attributed to subdued export demand from key markets such as the US and Europe, amid continued macroeconomic uncertainties and ongoing inventory correction by global retailers. The textile and apparel industry contributes 2.3% to GDP, 13% to industrial production, and 12% to exports. The Ministry of Textiles reported a 2.1% increase in textile and apparel exports, including handicrafts, in FY26, compared to the previous year.

The overall manufacturing sector also showed positive momentum, with a 6.0% IIP growth in February 2026, indicating broader industrial recovery. Furthermore, moderating inflation especially in clothing and footwear, which generally ranges between 2%- 3% helped stabilize input costs and enhance production efficiency. These combined factors contributed to the sustained industrial growth in the wearing apparel segment during the fiscal year.

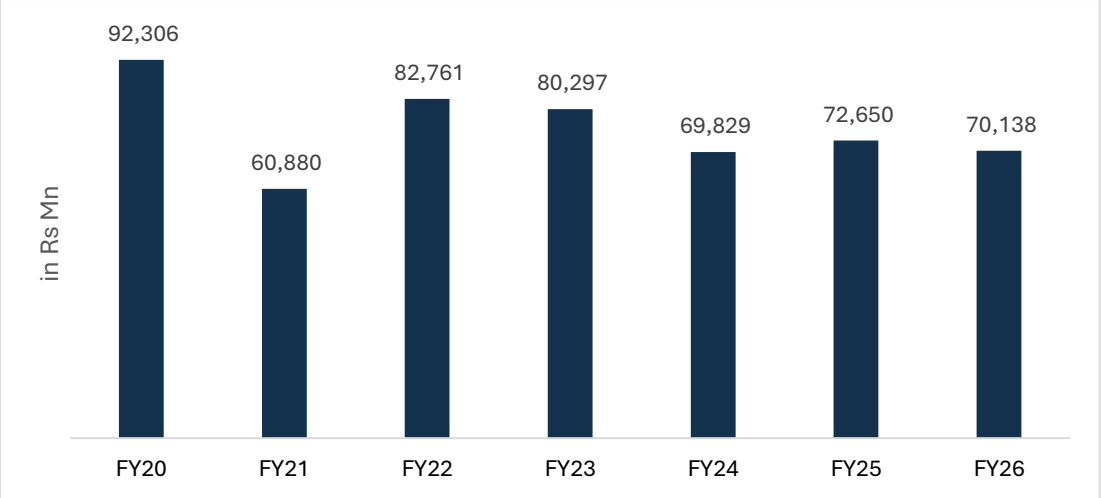
Table 3: Indicators for the RMG Industry

Indicators	FY25	FY26	Y-o-Y % Change	Mar-25	Mar-26	Y-o-Y % Change
IIP index of wearing apparel	116.7	110.5	-5.31%	144.8	123.6	-14.64%
WPI of manufacture of wearing apparel	153.4	156.3	1.89%	154.5	157.3	1.81%

Source: CMIE, CareEdge Research

5.2 Demand & Supply Trend Analysis for Readymade Industry

Chart 17: Trend in production of Readymade Industry

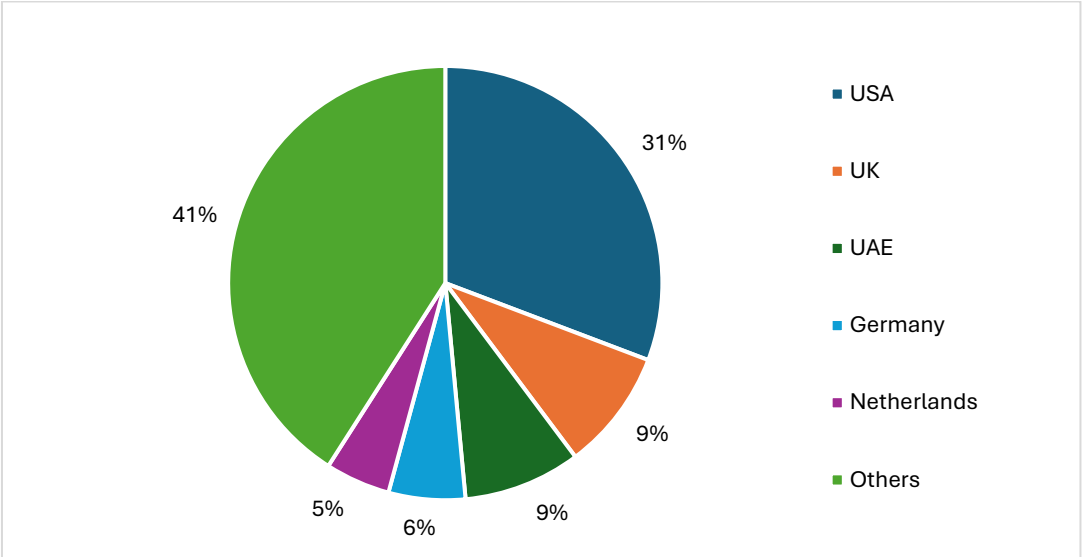


Source: CMIE, CareEdge Research

Production has fluctuated considerably from FY20to FY25, rising initially to Rs 92,306 million in FY20 and then dropping sharply to Rs 60,880 million in FY21 due to pandemic-related disruptions, labour shortages, and supply-chain constraints. Output recovered in FY22 to Rs 82,761 million but softened again through FY23 and FY24 as industries faced uneven raw material availability and subdued demand. FY25 shows a modest improvement to Rs 72,650 million, while the segment recorded a decline to Rs 70,138 million in FY26 compared to Rs 72,650 million in the corresponding period of the previous year, indicating relatively stable but subdued performance. The decline was primarily attributable to softening global demand conditions and inventory adjustments in key export markets such as the US and Europe, along with continued competitive pressures from other textile-exporting countries.

5.3 Trade in RMG Industry

Chart 18: Destination-wise RMG Exports from India 10MFY26



Source: CMIE, CareEdge Research
Others include Spain, France, Saudi Arabia, Italy, Australia, Poland, Canada, Sweden, Japan, etc.

In 10MFY26, India's readymade garments (RMG) exports remained diversified across regions, with the U.S. contributing about 31%, followed by the UK (9%), UAE (9%), Germany (6%), the Netherlands (5%), and other countries (41%). Exports to the U.S., the largest market, were supported by demand for competitively priced apparel and established sourcing relationships with global retailers. Demand in the UK and Germany was supported by retail market structures and sourcing diversification. Exports to the UAE were supported by its role as a trade and re-export hub for West Asia and Africa. The Netherlands functioned as an entry point into the European Union due to its logistics and distribution network. The

share of other markets reflects India's presence across regions such as Europe, the Middle East, Asia, and Australia, supported by efforts to expand export markets and strengthen trade linkages. Overall, the export mix indicates diversification across markets and continued participation in global apparel trade.

Bangladesh has restricted imports of Indian cotton yarn via land ports, allowing shipments only through seaports. In response, India will impose similar restrictions on ready-made garment imports from Bangladesh across all land ports, including LCS and ICP, requiring these goods to enter only via seaports. This reciprocal move aims to encourage Bangladesh to reconsider its restrictions, address trade imbalances, and protect Indian textile exporters by ensuring fair and consistent trade terms.

Table 4: Segment-wise RMG Exports from India (USD Mn)

Segment	FY21	FY22	FY23	FY24	FY25	FY21 to FY25 CAGR (in %)
Readymade Garments (RMG)	12,272	16,015	16,191	14,532	15,989	6.84%
Cotton Textiles	11,128	17,166	11,085	12,258	12,299	2.53%
Man-made Textile	4,180	6,294	5,412	5,081	5,295	6.09%
Carpets	1,491	1,790	1,366	1,395	1,541	0.83%
Jute Products	397	537	462	353	400	0.19%
Silk Products	76	109	95	119	162	20.83%
Wool & Woolen Textiles	109	166	205	192	160	10.07%
Handloom Products	233	269	183	140	142	-11.64%
Total Textiles & Readymade garments	**29,877**	**42,347**	**34,997**	**34,072**	**35,988**	**4.76%**
Handicrafts	1,708	2,088	1,689	1,802	1,767	0.85%
Total Textiles, Readymade garments including Handicrafts	**31,585**	**44,435**	**36,686**	**35,874**	**37,755**	**4.56%**

Source: PIB

During the period from FY21 to FY25, India's textile and readymade garments sector recorded growth, with overall exports registering a CAGR of 4.76%, supported by recovery in global demand following the pandemic and policy measures. Among the segments, readymade garments recorded a CAGR of 6.84%, supported by export demand and export incentive schemes such as the Remission of Duties and Taxes on Exported Products (RoDTEP). Man-made textiles recorded a CAGR of 6.09%, reflecting demand for synthetic fibres and policy focus on this segment. Cotton textiles recorded a CAGR of 2.53%, influenced by movements in domestic cotton prices linked to procurement mechanisms. Silk products recorded a CAGR of 20.83%, supported by demand, while wool and woollen textiles recorded a CAGR of 10.07%, supported by demand conditions. In contrast, handloom products recorded a negative CAGR of 11.64%, due to export demand conditions and competition from mechanised alternatives, despite policy support. Other segments, including carpets and jute products, recorded growth supported by export promotion measures. The handicrafts segment recorded a CAGR of 0.85% during the period from FY21 to FY25, indicating limited growth. The segment's performance was influenced by its dependence on discretionary consumer spending in key export markets such as the US and Europe, which experienced periods of demand moderation amid global economic conditions. Overall, the sector's performance reflects demand trends and policy support across segments.

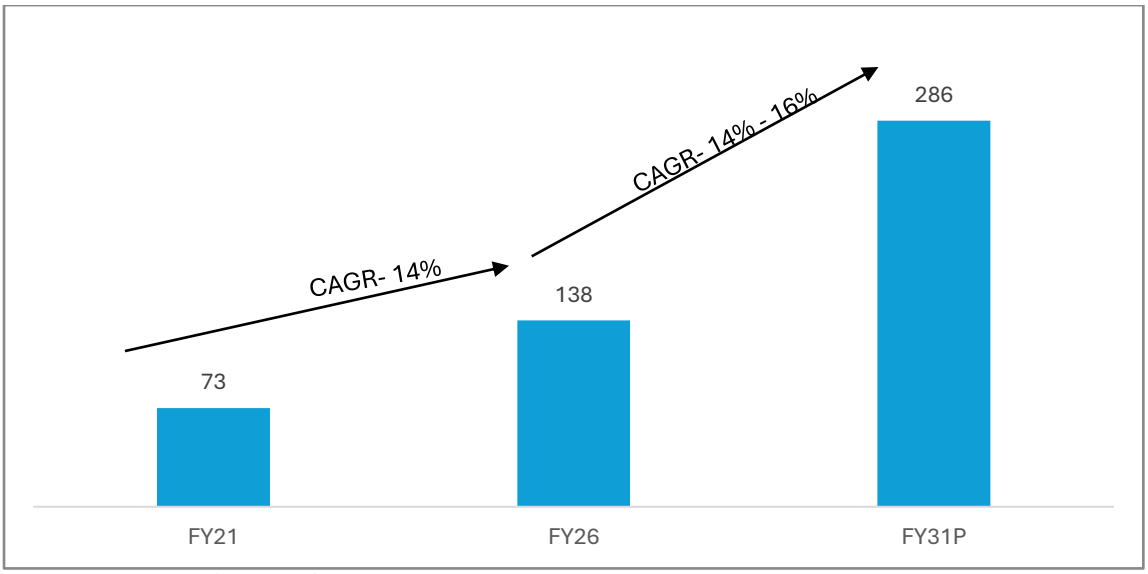
Exports to any market depend on factors such as price competitiveness, labour costs, productivity, quality standards, availability of raw materials, logistics efficiency, compliance with regulatory requirements, and tariffs in the destination market. Market access conditions, global demand, exchange rate movements, and trade agreements also influence export performance. Indian textile and apparel exports have recorded stability, supported by diversification of export destinations, expansion in manufacturing capacity, and trade facilitation and export promotion measures.

5.4 Indian Apparel Market

The Indian apparel market is one of the largest and fastest-growing segments of the country's textile and retail industry, supported by rising disposable incomes, rapid urbanization, favourable demographics, and increasing fashion consciousness among consumers. The market comprises a wide range of product categories, including casual wear, formal wear, ethnic wear, sportswear, innerwear, and premium

apparel, catering to diverse consumer preferences across urban and rural markets. The growing penetration of organized retail, expansion of e-commerce platforms, increasing adoption of omnichannel retailing, and rising demand for branded and premium apparel are transforming the industry landscape. Organized retail in India is expanding rapidly, and select players are achieving global scale. Additionally, India's strong textile manufacturing base, abundant raw material availability, and growing integration with global apparel supply chains have strengthened its position as a major apparel manufacturing and sourcing destination. Going forward, increasing consumer spending, premiumisation, expansion into Tier II and Tier III cities, and the global shift towards diversified sourcing are expected to support sustained growth in the Indian apparel market.

Chart 19: Indian Apparel Market size (USD Billion)

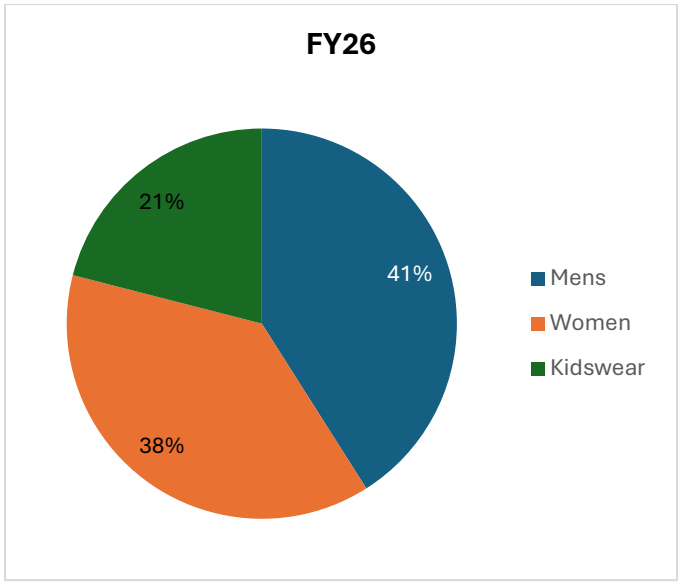


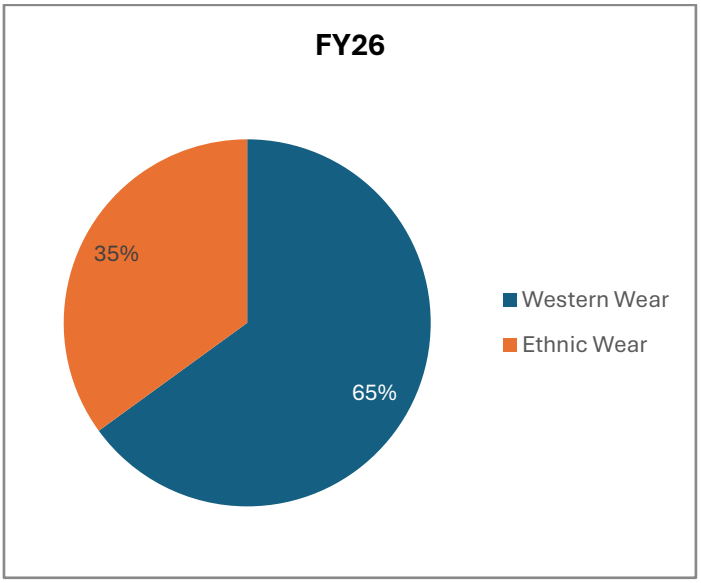
Source: IMARC, CareEdge Research
Note: Note: E denotes Estimated, P denotes Projected

The Indian apparel market was at USD 73 billion in FY21 and USD 138 billion in FY26 and further to USD 286 billion by FY31, reflecting robust growth over the forecast period. The market expansion is expected to be driven by rising per capita income, increasing discretionary consumer spending, rapid urbanization, and the growing preference for branded and premium apparel across both metropolitan and Tier II and Tier III cities. The continued expansion of organized retail, increasing penetration of e commerce platforms, favourable demographic trends, and improving digital connectivity are further supporting market growth. Additionally, the increasing participation of women in the workforce, evolving fashion trends, and growing demand for athleisure, casual wear, and ethnic apparel are expected to sustain long term demand, while India's emergence as a preferred global manufacturing and sourcing destination is likely to further strengthen the industry's growth prospects.

Domestic Market Segmentation

Chart 20: Segmentation by Consumer Segment **Chart 21: Segmentation by Product Category**





Source: IMARC, CareEdge Research

The apparel market is broadly segmented into men's wear, women's wear, and kids' wear, each catering to distinct consumer preferences and demand patterns. the men's wear segment accounted for the largest share of the domestic apparel market at 41%, driven by rising demand for casual wear, formal wear, athleisure, and premium apparel. The women's wear segment constituted 38% of the market, supported by increasing fashion consciousness, higher workforce participation, growing demand for ethnic and western wear, and rapid product innovation by apparel brands. The kids' wear segment accounted for the remaining 21%, benefiting from rising disposable incomes, increasing expenditure on children's clothing, expanding organized retail, and greater availability of branded products. Going forward, all three segments are expected to witness sustained growth, supported by favourable demographics, rising household incomes, increasing penetration of organized retail and e-commerce, and evolving consumer preferences towards branded and premium apparel.

The market is also segmented into western wear and ethnic wear, reflecting evolving consumer preferences and lifestyle trends. Western wear accounted for the largest share of the domestic apparel market at 65%, driven by increasing urbanization, changing fashion preferences, rising adoption of casual and athleisure clothing, and growing demand among the younger population. Ethnic wear constituted the remaining 35% of the market, supported by strong demand during festivals, weddings, and cultural occasions, along with increasing innovation in contemporary ethnic designs and the expansion of branded ethnic wear retailers.

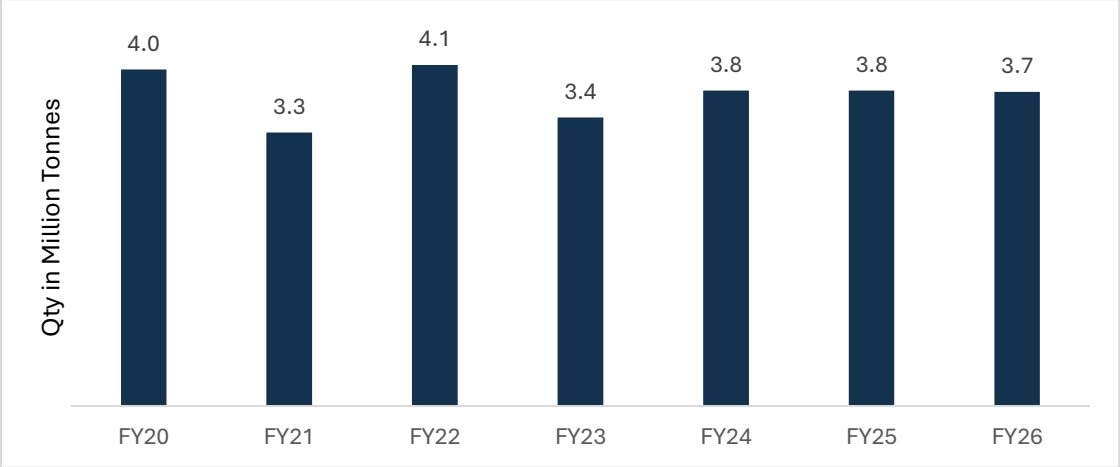
6. Cotton Yarn: Market Trends

6.1 Trend in the Cotton Yarn Production

India's cotton industry boasts a complete value chain, exporting everything from raw cotton to finished garments, a testament to its expertise in this crucial material. This robust export ecosystem significantly bolsters India's net foreign exchange earnings, solidifying cotton's position as a cornerstone of the nation's economic well-being. The Indian cotton industry has demonstrated remarkable resilience, bouncing back significantly after the disruptions caused by the pandemic. Cotton is a vital commercial crop in India, contributing about 24% to global cotton production and sustaining the livelihoods of millions of farmers and workers. It plays a crucial role in India's foreign exchange earnings through exports of raw cotton, intermediate products, and finished goods. India holds the largest cotton acreage in the world.

Several factors support continued growth in cotton yarn production. The "China Plus One" strategy, where businesses are diversifying their manufacturing bases away from China, has shifted some global demand towards India. Additionally, the government's supportive policies, including the Minimum Support Price (MSP) program, create a favourable environment for cotton farmers and producers. Accordingly, the Indian cotton industry has overcome challenges and is well-positioned for continued growth. Its strong domestic market, export potential, and supportive government policies provide a solid foundation for future growth.

Chart 22:Trend in Production of Cotton Yarn



Source: CMIE, CareEdge Research

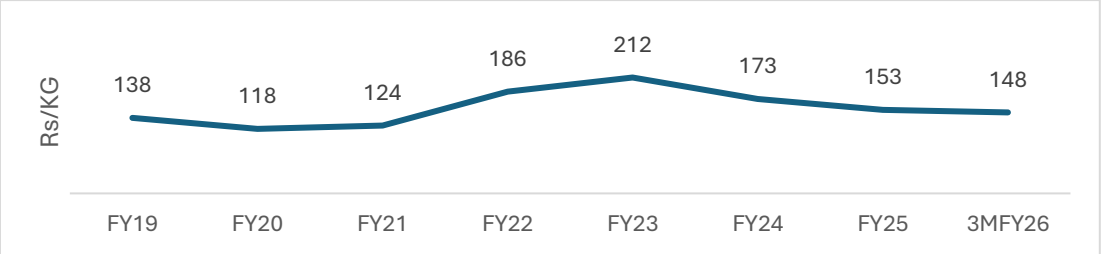
Cotton yarn production in India has shown moderate fluctuations over the past few years, reflecting both domestic and global textile-market dynamics. Production stood at 4.0 million tonnes in FY20 but declined to 3.3 million tonnes in FY21 due to pandemic-driven disruptions in demand and mill operations. Output recovered strongly in FY22 to 4.1 million tonnes, supported by improved export demand and normalised manufacturing activity. However, FY23 saw another dip to 3.4 million tonnes, largely because of high cotton prices and weakening global demand. In FY24, production improved to 3.8 million tonnes, a level that is broadly maintained in FY25, reflecting stabilising cotton availability and steady orders from both domestic and international buyers. Cotton yarn production remained stable at approximately 3.7 million tonnes during FY26, compared with 3.8 million tonnes in FY25, indicating a balanced demand-supply environment in the spinning segment. The stability in production can be attributed to steady domestic demand from downstream weaving and apparel sectors, along with adequate raw material availability supported by minimum support price (MSP) operations.

6.2 Trend in Cotton Prices

Indian cotton prices have seen significant fluctuations in recent years, influenced by global supply chain disruptions, demand variations, and input cost pressures. After a sharp rise due to supply constraints and strong export demand, prices started to ease with improved availability and stabilizing market conditions. This moderation in prices is providing some relief to textile manufacturers by lowering raw material

costs, potentially improving their margins. However, the softening trend may affect farmer earnings and needs to be balanced with supportive government policies. Overall, the cotton market is entering a more stable phase, though global dynamics and weather conditions will continue to play a crucial role.

Chart 23: India Average Cotton Prices



Source: Index Mundi, latest data available on website as on 21st April'26

Table 5: Cotton Season-wise Monthly average prices of a few popular varieties of lint cotton (in Rs per quintal)

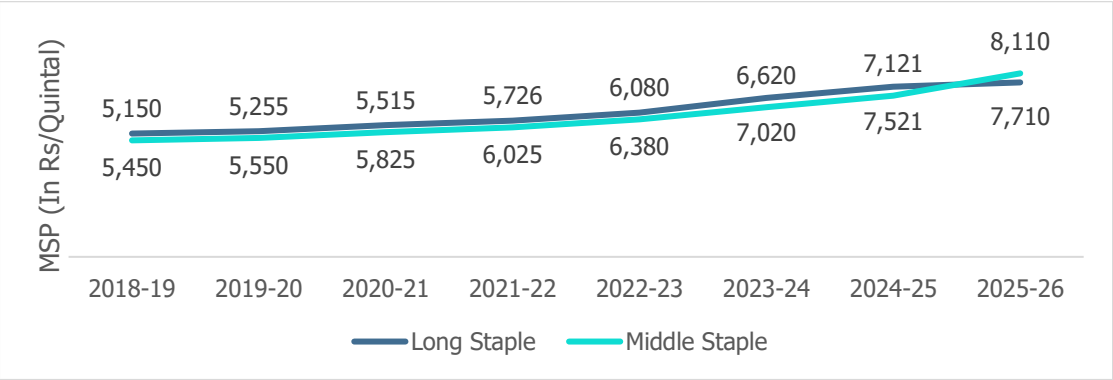
Product	Oct - March 2024-25	Oct - March 2025-26	y-o-y % change
S-6	15,223	15,151	-0.47%
J-34	14,855	13,893	-6.48%

Source: Office of Textile Commissioner, CareEdge Research

The Indian government sets a Minimum Support Price (MSP) for cotton to safeguard the income of cotton farmers. This MSP serves as a safety net, guaranteeing a minimum price for their produce in case market prices fall below this level. The MSP for cotton in India varies depending on the variety and staple length. The breakdown of the current MSP for the 2025-26 marketing season (October-September):

- Medium Staple Cotton: Rs 7,710 per quintal
- Long Staple Cotton: Rs 8,110 per quintal

Chart 24: Trend of Minimum Support Price on Cotton (in Rs /Quintal)



Source: Cotton Association of India, CareEdge Research

7. Overview of Technical Textile /Advance Material Industry in India

7.1 Overview

India's technical textile sector is emerging as a high-growth engine, driven by policy support, innovation, and expanding industrial applications

Technical textiles in India represent a fast-evolving and high-potential segment of the broader textile industry, characterised by products designed for functional performance rather than aesthetics. These textiles are widely used across sectors such as automotive, healthcare, infrastructure, agriculture, defence

and industrial applications, making them a critical enabler of industrial growth and modernisation. Over the past decade, India has emerged as one of the key growth markets for technical textiles, supported by rising industrialisation, infrastructure investments and increasing adoption of performance-oriented materials across end-user industries. Domestic opportunity starting to materialize as Indian companies and workforce mature.

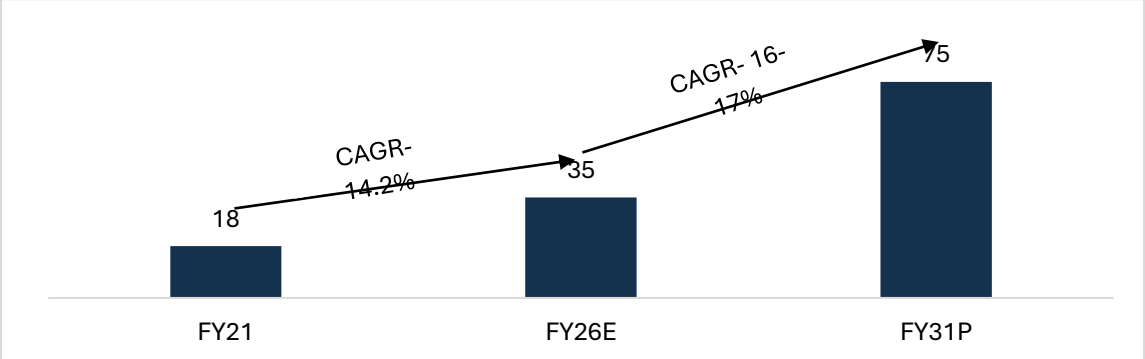
India currently accounts for a small but rapidly growing share of the global technical textiles market, with significant headroom for expansion compared to developed economies where penetration levels are much higher. The sector is broadly classified into multiple segments such as automotive, medical, infrastructure, agriculture, and protective textiles, each witnessing increasing adoption due to its functional advantages.

Among these segments, hygiene textiles constitute an important category within the technical textiles industry and comprise textile-based products designed to maintain hygiene, prevent contamination, and provide protection across healthcare, personal care, pharmaceutical, food processing, and industrial applications. The segment includes products such as baby diapers, adult incontinence products, sanitary napkins, wipes, disposable medical drapes, surgical gowns, face masks, shoe covers, disposable coveralls, and other hygiene-related protective products. Demand for hygiene textiles is primarily driven by increasing healthcare expenditure, rising awareness regarding personal hygiene and infection prevention, expanding healthcare infrastructure, and the growing adoption of disposable hygiene products. Additionally, government initiatives promoting public health, sanitation, healthcare infrastructure, and domestic manufacturing of medical textiles have further supported the development of the hygiene textiles segment. Going forward, increasing emphasis on product quality, regulatory compliance, sustainability, and innovation in disposable and biodegradable materials is expected to support the long-term growth of the hygiene textiles segment within the Indian technical textiles industry.

The Government of India has identified technical textiles as a priority growth area and has undertaken several initiatives to strengthen the ecosystem. The flagship National Technical Textiles Mission (NTTM) focuses on research & innovation, market development, export promotion and education & skill development. In addition, policies promoting domestic manufacturing, import substitution and quality standardisation are helping improve industry competitiveness. Furthermore, increasing alignment with global trends such as sustainability, advanced materials, and smart textiles is driving innovation within the Indian market. The sector is gradually moving up the value chain with growing investments in high-performance fibres, technical capabilities and specialised manufacturing processes. While challenges such as limited domestic availability of high-end raw materials and technology gaps persist, India's strong manufacturing base, policy support and expanding application base position the technical textiles segment as a key growth engine for the overall textile industry in the coming years.

7.2 Market Size of the Technical Textile /Advance Material Industry

Chart 25: Market Size of the Indian Technical Textile Industry (in USD billion)



Source: IMARC, CareEdge Research
Note: Note: E denotes Estimated, P denotes Projected

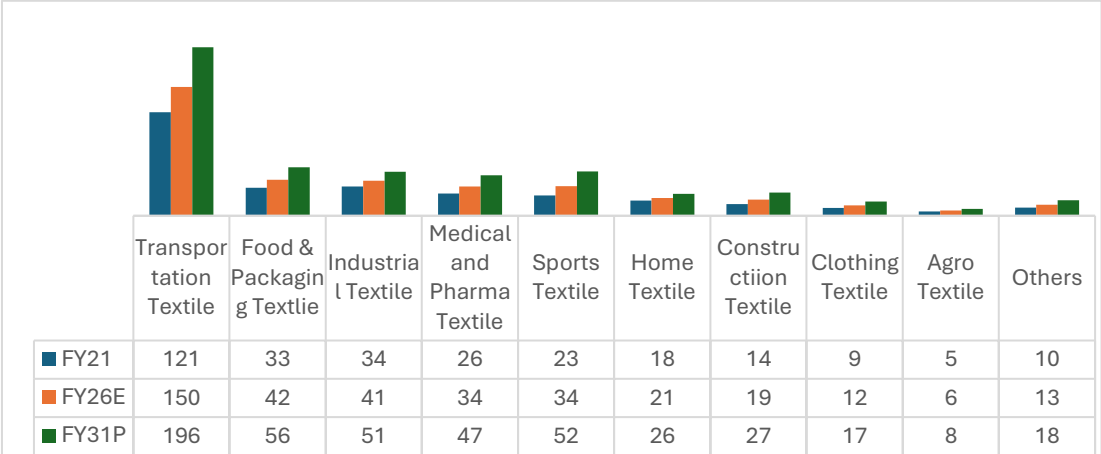
The Indian technical textile market demonstrates a strong upward growth trajectory, expanding from USD 18 billion in FY21 to USD 35 billion by FY26E and further projected to reach USD 75 billion by FY31. This indicates more than a fourfold increase over a decade, reflecting a significant scale-up of the sector.

During the FY21-FY26E period, growth is driven at a CAGR of 14.2%, supported by policy initiatives, increasing awareness and gradual adoption across industries such as healthcare, infrastructure and agriculture. This phase represents a foundation-building stage, where demand begins to diversify beyond traditional applications.

Between FY26-FY31 period, the CAGR is expected to be around 16.6%, indicating a transition into a high-growth phase. This acceleration is primarily driven by deeper penetration of technical textiles across sectors, rising industrial demand, and stronger integration into global supply chains.

7.3 Segmentation of the Indian Textiles Industry (By End-user Industries)

Chart 26: Segmentation of the Indian Technical Textiles Industry (by End-user Segment) (USD billion)



	Transportation Textile	Food & Packaging Textlie	Industrial Textile	Medical and Pharma Textile	Sports Textile	Home Textile	Construction Textile	Clothing Textile	Agro Textile	Others
FY21	121	33	34	26	23	18	14	9	5	10
FY26E	150	42	41	34	34	21	19	12	6	13
FY31P	196	56	51	47	52	26	27	17	8	18

Source: IMARC, CareEdge Research
Note: Note: E denotes Estimated, P denotes Projected

Among the end-user segments, transportation textiles remain the largest segment with a 40% market share, rising from, USD 121 billion in FY21 to an estimated USD 196 billion in FY26, showing a CAGR of 4.4% driven by automotive growth and safety requirements.

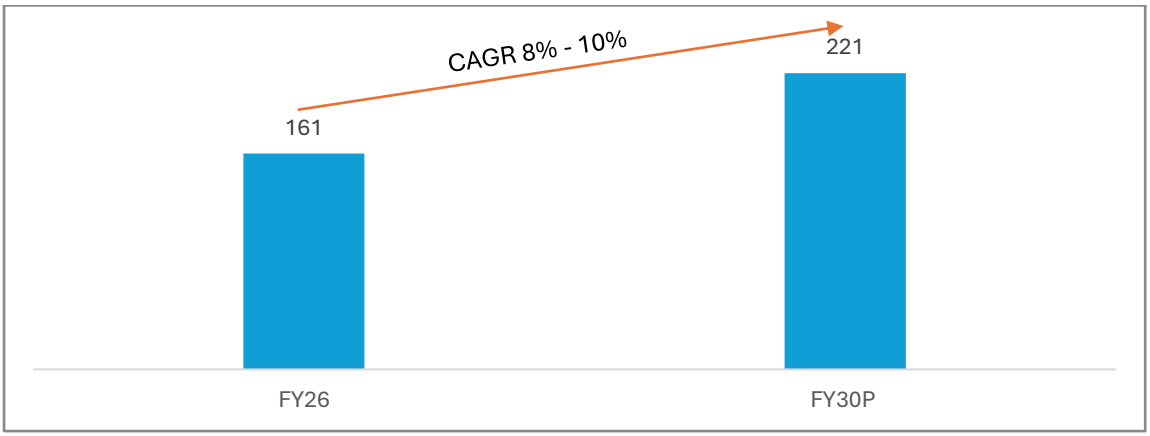
Food & packaging and industrial textiles show consistent gains with CAGR of 3% to 5% between FY21 to FY26, supported by logistics expansion and manufacturing activity. Medical textiles increase notably, estimated to have reached around USD 34 billion and are expected to show a CAGR of 6.6% between FY26 to FY31, indicating sustained healthcare demand.

Among faster-growing segments, sports textiles are estimated to show a CAGR of 7.9% between FY21 to FY26 and is further expected to be 8.5% between FY26 to FY31, while construction textiles grew at an estimated CAGR of 6.6% between FY21 to FY26 and is expected to show a CAGR of 7.3% between FY26 to FY31, benefitting from infrastructure development. In contrast, home and clothing textiles grew at a slower pace, suggesting relative maturity. Agro textiles remain small but stable, while others reflect gradual diversification into niche applications.

7.4 Domestic Carbon Fiber & Composites Market

The domestic carbon fiber and composites market is an emerging but rapidly expanding segment of India's advanced materials industry, driven by the increasing adoption of lightweight, high strength, and corrosion resistant materials across transportation, renewable energy, construction, defence, aerospace, electrical, and industrial applications. Carbon fiber composites offer superior strength to weight ratio, excellent fatigue resistance, and enhanced durability compared with conventional materials such as steel and aluminium, making them increasingly suitable for high performance applications. Although India's domestic carbon fiber manufacturing ecosystem is still at a nascent stage and the country remains largely dependent on imports for carbon fiber, downstream processing and composite component manufacturing capabilities have expanded significantly in recent years. Growing investments in electric vehicles, wind energy, railway modernisation, infrastructure development, and defence manufacturing, coupled with the Government's focus on domestic manufacturing under initiatives such as Make in India, are expected to support long term demand for advanced composite materials.

Chart 27: Carbon Fiber & Composites Market size in India (Rs billion)



Source: EMIS, CareEdge Research
Note: P denotes Projected

The domestic carbon fiber and composites market was valued at 161 Rs. billion in FY26 and is projected to reach 221 Rs. billion by FY30, registering a CAGR of approximately 8% to 10% during the forecast period. The market is witnessing steady growth driven by the increasing adoption of highperformance materials such as fibre reinforced polymers (FRP), glass reinforced polymers (GRP), and carbon fibre composites across aerospace and defence, automotive and electric vehicles, wind energy, industrial equipment, infrastructure, and emerging hydrogen storage applications due to their lightweight, high strength, and corrosion resistant properties. While India has established a strong downstream composite fabrication ecosystem, the country continues to rely on imports for high grade carbon fibre and precursor materials. To strengthen domestic manufacturing capabilities, the Government is promoting advanced materials through initiatives such as Make in India, Atmanirbhar Bharat, the National Technical Textiles Mission, and other manufacturing support measures. Going forward, increasing investments in defence modernisation, renewable energy, electric mobility, and infrastructure are expected to support market expansion, although high raw material costs, import dependence, technology gaps, and recycling challenges remain key constraints for the industry.

End User Industries carbon fiber and composites

The domestic carbon fiber and composites market caters to a diverse range of end user industries, with demand primarily driven by aerospace and defence, automotive and electric vehicles, wind energy, construction and infrastructure, railways, industrial equipment, electrical and electronics, marine, oil and gas, and sports and leisure. The aerospace and defence sector utilizes advanced composites for aircraft structures, radomes, ballistic protection, and lightweight defence equipment, while the automotive industry is increasingly adopting composite materials to reduce vehicle weight, improve fuel efficiency, and enhance electric vehicle range. In the renewable energy sector, composites are widely used in wind turbine blades due to their high strength and fatigue resistance. Infrastructure and construction applications include bridges, structural profiles, utility poles, pipelines, and corrosion resistant reinforcement materials, whereas industrial equipment manufacturers use composites for tanks, pressure vessels, ducts, and process equipment. Growing investments in transportation, clean energy, industrial infrastructure, and advanced manufacturing are expected to further diversify the application base and drive sustained demand for composite materials across multiple end user industries.

7.5 Key Growth Drivers

Key Growth Drivers Supporting Industry Growth in India

Strong domestic demand, policy support, and export potential are positioning technical textiles as a key growth engine in India

Strong **Government Support & Policy Push**

The Government of India, through initiatives such as the National Technical Textiles Mission (NTTM), has focused on strengthening research & development, promoting innovation, enhancing skill development, and expanding domestic manufacturing capabilities. In addition, schemes such as PLI and PM MITRA Parks are helping create integrated textile ecosystems and attracting investments across the value chain.

Infrastructure Development & Industrial Growth

Another key driver is the rapid expansion of infrastructure and industrial activity in India. Large-scale investments in highways, railways, urban development, and smart cities are increasing the use of geotextiles and construction textiles for applications such as soil stabilisation, drainage and erosion control. At the same time, industrial growth across sectors like cement, steel, power, and chemicals is driving demand for filtration fabrics, insulation materials and other industrial textile applications.

Rising Demand from Automotive & Healthcare Sectors

In the automotive sector, increased focus on safety, fuel efficiency and lightweight materials has led to higher usage of textile components such as airbags, seat belts, insulation materials and interior fabrics. The shift toward electric vehicles (EVs) and stricter safety regulations further support this trend. Similarly, the healthcare sector has witnessed strong growth, particularly after the pandemic, with rising demand for medical textiles such as PPE kits, surgical gowns, masks, hygiene products and specialised medical fabrics. India's growing healthcare infrastructure and increased awareness of hygiene standards continue to sustain demand in this segment.

Agriculture Modernisation & Agrotech Adoption

Agriculture modernisation is another important growth driver, as farmers increasingly adopt advanced techniques to improve productivity and resource efficiency. The use of agro textiles such as shade nets, mulch mats, crop covers and irrigation fabrics helps enhance crop yield, conserve water and protect crops from environmental stress. Government support for sustainable farming practices and increased awareness among farmers are encouraging wider adoption of these products, thereby expanding the agrotech segment.

Shift Toward High-Performance & Sustainable Materials

In addition, the global shift toward high-performance, durable and sustainable materials is driving the adoption of technical textiles across industries. These textiles are increasingly replacing traditional materials such as metals and plastics due to their advantages in terms of strength, flexibility and cost efficiency. At the same time, growing emphasis on sustainability and ESG compliance especially in developed markets has led to increased demand for eco-friendly, recyclable and energy-efficient textile solutions. This trend is encouraging Indian manufacturers to invest in advanced technologies and sustainable production processes.

Export Opportunities

India's textile exports have demonstrated resilience despite global volatility, registering 2.1% growth in FY26, reflecting stable demand across multiple markets. The technical textiles segment is witnessing strong export traction, with exports reaching Rs 24,733 crore in FY25 and maintaining a positive trade balance. Coupled with increasing investments in integrated textile infrastructure (e.g., PM MITRA parks) and growing capabilities in value-added and technical segments, these factors collectively position technical textiles as a key export-driven growth engine within India's textile industry over the medium to long term.

7.6 Challenges

India's textile sector must overcome fragmentation, technology gaps, and global competition to unlock its full potential

Despite its scale and integration, the Indian textile industry faces several structural and operational challenges that impact competitiveness and value realisation across the value chain.

Limited Value Addition in Downstream Segments

India has a strong position in fibre and yarn production, particularly cotton, but a significant share of output is exported at intermediate stages, with relatively lower conversion into high-value products such as finished garments and technical textiles. This limits overall value capture within the domestic value chain and reduces margins compared to global leaders.

Fragmented Industry Structure

A large portion of the industry operates in MSME clusters, accounting for nearly 80% of capacity, leading to inefficiencies in scale, quality consistency, and technology adoption. While this structure supports employment, it creates challenges in achieving global competitiveness and standardisation.

Technology Gaps in Processing and Advanced Manufacturing

The processing and finishing segment remains relatively underdeveloped, with limited adoption of modern technologies and compliance infrastructure. This affects product quality, export readiness, and the ability to produce high-performance textiles, particularly in technical segments.

Dependence on Cotton and Limited MMF Penetration

India's textile sector is heavily reliant on cotton, even though global demand is increasingly shifting toward man-made fibres (MMF). While India produces both fibre types, MMF capabilities are still comparatively underdeveloped**,** affecting competitiveness in global markets where synthetics dominate.

Infrastructure and Supply Chain Inefficiencies

Logistics, power supply, and fragmented production clusters create higher operational costs and longer lead times**.** To address this, the government is investing in integrated infrastructure such as PM MITRA parks, but gaps still remain.

Environmental and Compliance Challenges

Processing units face increasing pressure to meet environmental regulations related to water usage, chemical discharge, and emissions**,** which requires significant capital investment. This is particularly challenging for smaller players with limited financial capacity.

Skill Gaps and Labour Productivity Issues

Although the sector employs over 45 million people directly**,** skill levels and productivity remain uneven across segments. Limited access to advanced training and technology reduces efficiency, especially in high-value manufacturing segments.

Global Competition and Price Pressures

India faces strong competition from countries such as China, Vietnam, and Bangladesh, which offer better scale efficiency, integrated manufacturing and cost advantages**.** In particular, competitors are moving faster in MMF-based and technical textile segments.

Low Penetration of Technical Textiles

Technical textiles, though growing, still have relatively low penetration compared to developed markets**,** where **usage** levels range significantly higher. This indicates untapped potential but also highlights the need for faster adoption, awareness, and industry capability development.

7.7 Regulatory and Compliance Framework in the Industry

- **Bureau of Indian Standards (BIS) Certification**

  The Bureau of Indian Standards (BIS) serves as the primary regulatory authority responsible for establishing quality and performance standards for technical textile products in India. Technical textile manufacturers are required to comply with applicable Indian Standards relating to product quality, safety, durability, and performance characteristics. The government has increasingly expanded mandatory certification requirements across various technical textile categories, including

geotextiles, medical textiles, and industrial textiles, to improve product reliability and consumer safety.

- **Quality Control Orders (QCOs)**

  The Ministry of Textiles, in consultation with BIS, has introduced Quality Control Orders (QCOs) covering multiple technical textile product categories. These regulations mandate compliance with specified Indian Standards and require manufacturers to obtain BIS certification prior to selling covered products in the domestic market.

- **National Accreditation Board for Testing and Calibration Laboratories (NABL) Accredited Testing**

  National Accreditation Board for Testing and Calibration Laboratories (NABL) accreditation plays a critical role in supporting the technical textile industry's evolving regulatory and quality assurance requirements. As compliance obligations become more stringent under various BIS standards and Quality Control Orders, the importance of accredited testing laboratories has increased significantly. NABL accreditation certifies the technical competence and reliability of laboratories engaged in testing and calibration activities, ensuring that test results are accurate, consistent, and internationally recognised. Accredited laboratories provide essential support to manufacturers seeking BIS certification and regulatory approvals for technical textile products. The growing emphasis on product performance validation, quality control, and traceability is expected to drive further demand for NABL-accredited testing services. Furthermore, the expansion of accredited testing infrastructure supports faster product certification, reduces compliance bottlenecks, and facilitates the development and commercialization of innovative technical textile products.

- **Occupational Safety, Health and Working Conditions Code, 2020 (OSH Code)**

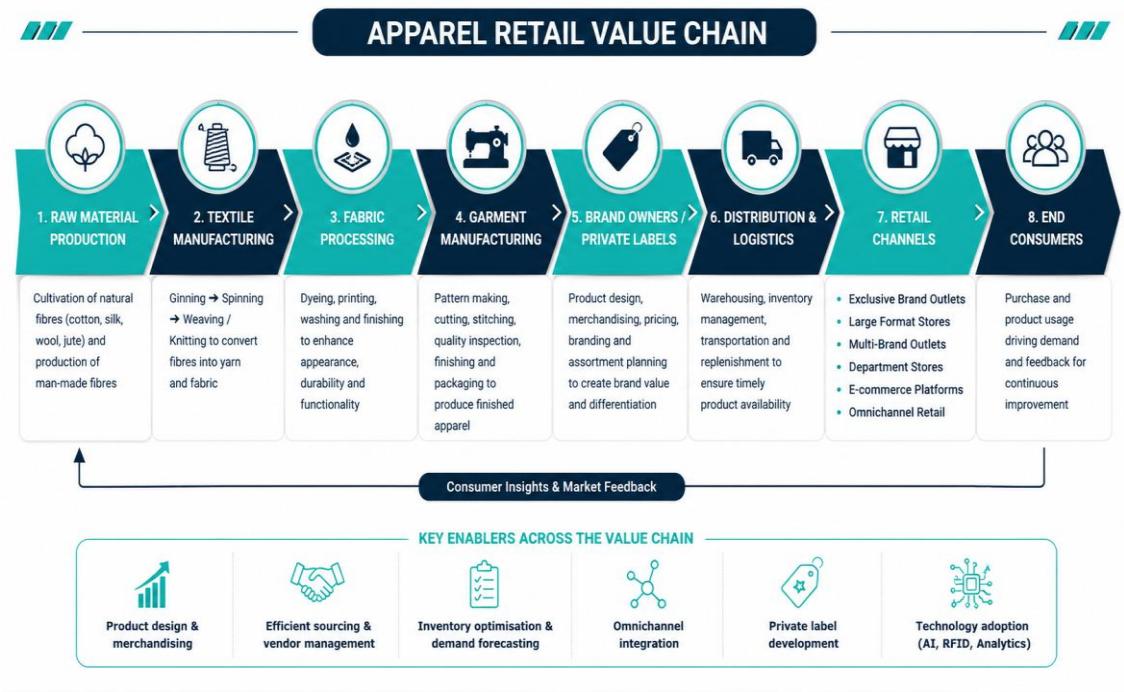
  The Occupational Safety, Health and Working Conditions (OSH) Code, 2020, introduced by the Government of India, establishes a comprehensive framework for ensuring workplace safety, health, and welfare across various industries, including manufacturing, construction, mining, oil & gas, transportation, pharmaceuticals, and logistics. The Code places greater responsibility on employers to provide a safe working environment and implement appropriate safety measures to protect workers from occupational hazards. Under the framework, employers are required to provide suitable personal protective equipment (PPE), protective clothing, safety footwear, and other safety gear based on the nature of workplace risks. The regulation also emphasises accident prevention, worker welfare, occupational health monitoring, and compliance with prescribed safety standards. As industries continue to focus on employee safety and regulatory compliance, demand for PPE products, protective clothing, technical textile-based safety solutions, and safety footwear is expected to witness sustained growth.

8. Overview of Apparel Retail Industry

8.1 Overview

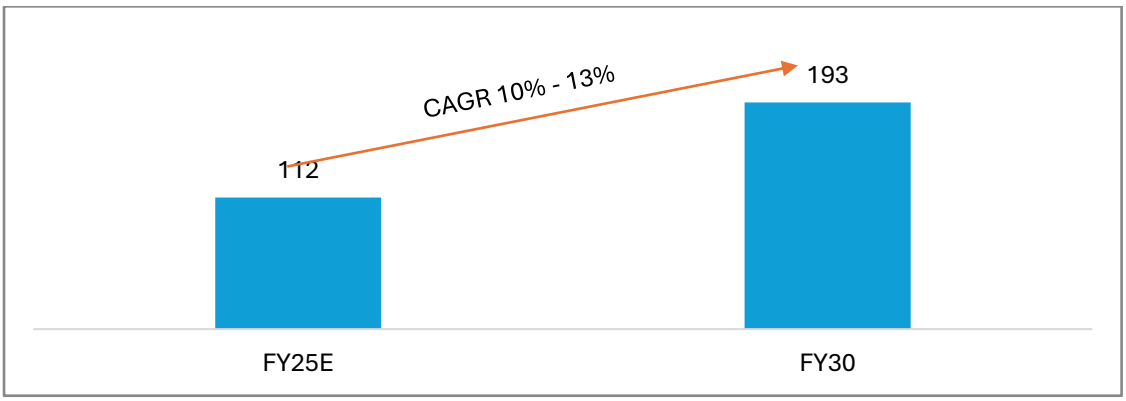
India's apparel retail market is among the largest globally, supported by a large consumer base, rising disposable incomes, increasing urbanisation, growing fashion awareness, and the expansion of organised retail. The market encompasses multiple segments, including men's wear, women's wear, children's wear, ethnic wear, western wear, sportswear, and value fashion, catering to diverse consumer preferences and price points. While the unorganised sector continues to account for a significant share of the market, organised retailers are steadily gaining ground through branded offerings, private labels, expanding store networks, and digital commerce.

The industry is closely integrated with the domestic textile manufacturing ecosystem, sourcing finished garments from manufacturers and distributing them through exclusive brand outlets, multi-brand outlets, department stores, and online marketplaces. Efficient sourcing, inventory management, and strong omnichannel capabilities have emerged as key competitive differentiators, enabling retailers to respond quickly to evolving consumer preferences and fast-changing fashion trends.



8.2 Market Size of the Apparel Retail Industry

Chart 28: Market Size of the Apparel Retail Industry (USD Billion)



Source: CareEdge Ratings
Note: P denotes Projected

India's apparel retail market is projected to grow from USD 112 billion in FY25E to USD193 billion by FY30, reflecting a healthy CAGR of 10–13%. Growth is expected to be driven by rising disposable incomes, increasing urbanisation, evolving consumer preferences, greater fashion consciousness, and the continued expansion of organised retail and digital commerce.

The organised retail segment is expected to outpace the overall market, supported by the expansion of branded retailers into Tier II and Tier III cities, increasing omnichannel adoption, and rising demand for branded apparel. Government initiatives, a growing middle-income population, and improving retail infrastructure are expected to further support market expansion, creating significant opportunities for organised retailers to strengthen their market presence and deepen penetration.

8.3 Key Growth Drivers

- **Value Fashion Led growth**

  As per CareEdge Research, India's value fashion market, estimated at Rs 3.5 lakh crore in FY24, is set to expand at a CAGR of 7%, reaching Rs 5.0 lakh crore by FY30. This growth is driven by rising brand consciousness and fashion awareness, particularly in Tier-II and Tier-III cities, where evolving

consumer preferences are reshaping the retail landscape. These regions are becoming key growth hubs, supported by improved infrastructure, greater digital access, and higher living standards. Consumers in these areas are now more aspirational and brand-aware, with growing purchasing power enabling them to explore the latest fashion trends. Value retailers are capitalising on this shift by offering stylish, high-quality apparel at competitive prices, positioning themselves as strong alternatives to local boutiques.

- **E-commerce is a Significant Driver of Organised Retail Growth**

  India's digital infrastructure is pivotal to this growth. With over 955 million internet users and e-commerce penetration in the apparel market expected to reach 25% by FY30 (up from ~22% currently), the digital fashion space is poised for significant expansion. The rise of brand-owned websites as a preferred sales channel is helping brands build direct relationships with consumers, gain valuable insights, and improve profitability.

- **Growth in Tier-II and Tier-III Cities**

  Approximately 23% of total apparel demand is expected to come from these cities, with significant demand in the value segment. Organised value retailers have led the transition of the Value Apparel segment in these cities from largely unorganised to somewhat organised.

- **Focus on Private Labels**

  Private labels are expected to account for a substantial portion of the retail industry by 2030. Largely all value retailers are private labels led with some national brands included to complete the retail offering. Investments in robust product design and development capabilities and a focus on private-label development across categories have been key factors enabling Value retailers to offer fashionable products at affordable prices and to improve margins.

8.4 Key Challenges

- **Intensifying Competition and Pricing Pressure**

  The apparel retail industry is characterised by intense competition from organised retailers, international brands, e-commerce platforms, and unorganised players. Frequent discounting, promotional campaigns, and price competition compress margins and make customer retention increasingly challenging, particularly in the value fashion segment.

- **Volatile Raw Material Costs and Supply Chain Risks**

  Fluctuations in the prices of cotton, man-made fibres, and other raw materials, along with rising labour, logistics, and energy costs, can significantly affect retailers' sourcing costs and profitability. Global supply chain disruptions, geopolitical tensions, and shipping delays further increase inventory and procurement risks.

- **Rapidly Changing Consumer Preferences and Fashion Cycles**

  Consumer demand is increasingly influenced by evolving fashion trends, social media, and seasonal preferences, resulting in shorter product life cycles. Retailers must accurately forecast demand and respond quickly to changing trends to minimise markdowns, excess inventory, and stock obsolescence.

- **Inventory Management and Working Capital Requirements**

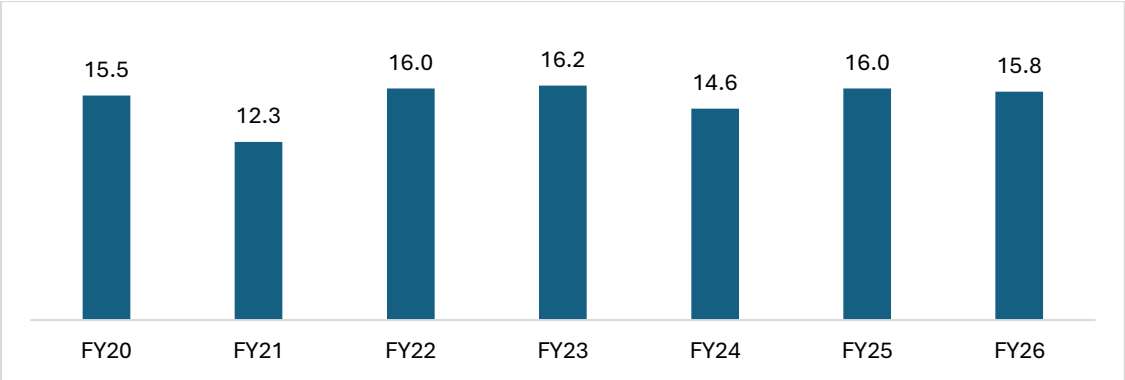
  Maintaining optimal inventory levels across multiple categories, sizes, and store formats remains a key operational challenge. Overstocking leads to higher markdowns and inventory carrying costs, while understocking results in lost sales and reduced customer satisfaction. Efficient inventory planning and working capital management are therefore critical to sustaining profitability.

- **Rising Digital Competition and Omnichannel Investments**

The rapid growth of e-commerce has increased customer expectations for seamless shopping experiences, fast delivery, and personalised services. Retailers must continuously invest in digital platforms, omnichannel capabilities, data analytics, and technology infrastructure to remain competitive, increasing capital expenditure and operating costs.

8.5 Export/Import Trends from India

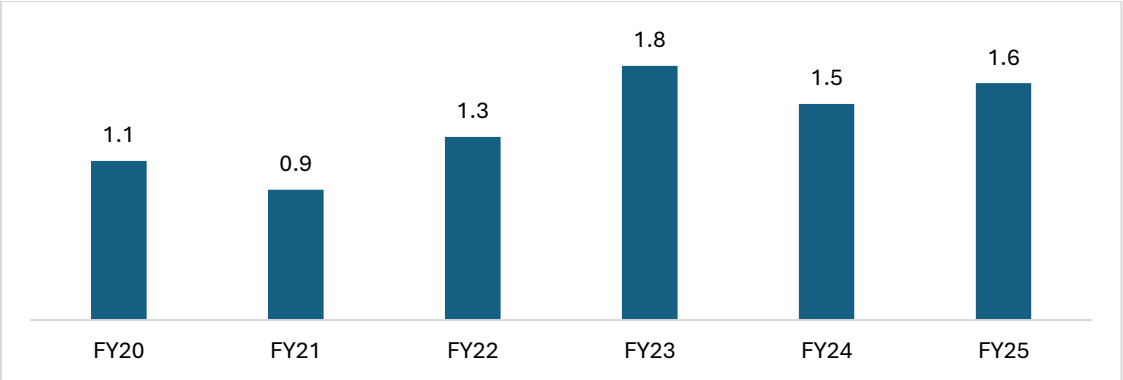
Chart 29: India's Apparel Exports Value (USD Billion)



Source: CITI, CareEdge Research

India's apparel exports have remained broadly resilient despite periodic disruptions in global demand and macroeconomic headwinds. Export performance was initially affected by the pandemic, followed by a strong recovery to USD 16.2 billion in FY23 as international retail demand normalised and global sourcing activities resumed. Exports subsequently moderated to USD 14.6 billion in FY24 amid subdued consumer demand, elevated retailer inventory levels, and persistent inflationary pressures across key markets such as the US and Europe amid geopolitical uncertainties. More recently, exports have rebounded as supply chains improved, sourcing diversified under the China-plus-one strategy, and India's competitiveness strengthened through favourable trade agreements, government export support measures, and increasing capabilities in value-added apparel manufacturing thereby, highlighting the sector's ability to withstand external demand fluctuations.

Chart 30: India's Apparel Imports Value (USD Billion)



Source: CITI, CareEdge Research

India's apparel imports have exhibited structural resilience despite periodic cyclical fluctuations. After declining in FY21 amid the pandemic-led disruptions, imports rebounded sharply to USD 1.8 billion in FY23, supported by inventory restocking, the normalisation of global supply chains, and a recovery in discretionary consumer spending. Although imports moderated to USD 1.5 billion in FY24, they increased to USD 1.6 billion in FY25, reflecting sustained demand for premium, luxury fashion-oriented, and specialised apparel segments that remain under-served by domestic manufacturers.

9. Overview of Communication & Mobility Solutions Industry

9.1 Overview

The Communication & Mobility Solutions industry plays a critical role in supporting real time operations by facilitating seamless voice and data communication, fleet management, asset tracking, command and control systems, and enterprise collaboration. Unlike conventional telecommunications, which primarily focuses on consumer connectivity, communication and mobility solutions are designed for mission critical environments where reliability, network availability, and secure communication are essential.

The industry serves a diverse range of end users, including manufacturing, transportation and logistics, mining, oil and gas, utilities, public safety, defence, healthcare, airports, ports, smart cities, and government agencies. Solutions offered within the industry include professional wireless communication systems, public and private radio networks, enterprise telephony, unified communication platforms, fleet and workforce management systems, Internet of Things (IoT) enabled asset tracking, video surveillance, command and control centres, and digital infrastructure solutions.

In India, the industry is witnessing robust growth supported by rapid digital transformation across industries, expansion of industrial automation, increasing investments in smart cities, and the deployment of advanced communication infrastructure. The rollout of 5G networks, growing adoption of private wireless networks, increasing digitalisation of manufacturing facilities, and rising investments in intelligent transportation systems are creating new opportunities for integrated communication and mobility solution providers. Enterprises are increasingly investing in secure, scalable, and high availability communication platforms to improve operational efficiency, workforce safety, business continuity, and customer experience.

9.2 Key Growth Drivers and Challenges

Growth Drivers

Rapid Digital Transformation Across Enterprises
Enterprises across manufacturing, logistics, utilities, healthcare, and government are increasingly adopting digital technologies to improve operational efficiency and business continuity. The growing implementation of enterprise communication platforms, cloud-based collaboration tools, IoT, and digital infrastructure is driving demand for integrated communication and mobility solutions.
Expansion of 5G and Private Wireless Networks
The commercial rollout of 5G services and increasing deployment of private LTE and private 5G networks are enabling faster, secure, and low latency communication for industrial applications. These technologies support real time monitoring, autonomous operations, connected devices, and mission critical communication across manufacturing plants, ports, airports, and mining operations.
Increasing Investments in Smart Infrastructure
Government initiatives such as Digital India, Smart Cities Mission, PM Gati Shakti, railway modernisation, and intelligent transportation systems are accelerating investments in digital communication infrastructure. Growing deployment of integrated command and control centres, public safety communication networks, and intelligent mobility solutions is creating long term growth opportunities for the industry.
Rising Adoption of Fleet and Asset Management Solutions
The rapid expansion of logistics, e-commerce, and transportation sectors is driving demand for fleet management, vehicle tracking, workforce mobility, and asset monitoring solutions. Enterprises are increasingly adopting GPS, IoT, telematics, and cloud-based mobility platforms to improve route optimisation, operational efficiency, fuel management, and asset utilisation.

Key Challenges

High Technology and Infrastructure Investment
Deployment of mission critical communication networks, digital infrastructure, and enterprise mobility platforms requires significant upfront investment in network equipment, software platforms, cybersecurity, and system integration. The high capital requirement may delay adoption, particularly among small and medium enterprises.
Rapid Technological Obsolescence
Continuous advancements in communication technologies, including 5G, cloud computing, artificial intelligence, IoT, and cybersecurity, require solution providers to regularly upgrade products and services. Maintaining technological competitiveness necessitates sustained investment in research, development, and workforce capabilities.
Cybersecurity and Data Privacy Risks
The increasing integration of connected devices, cloud platforms, and enterprise communication systems has heightened cybersecurity risks. Protecting mission critical networks from cyber threats, ensuring data privacy, and complying with evolving regulatory requirements remain significant challenges for industry participants.
Complex System Integration and Skilled Workforce Requirements

Communication and mobility solutions often require integration with existing enterprise IT systems, operational technologies, and legacy infrastructure. The complexity of implementation, interoperability issues, and shortage of skilled professionals in networking, cybersecurity, and digital technologies can increase project timelines and implementation costs.

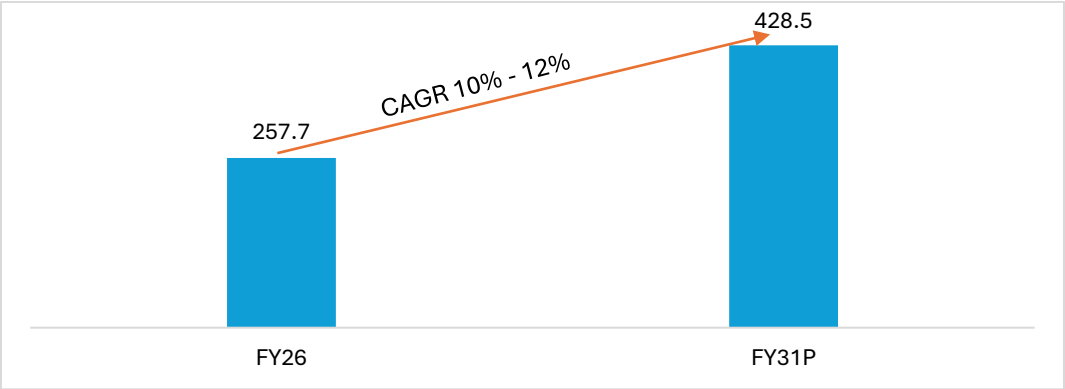
10. Overview of Environmental Solutions (Water Treatment) Industry

10.1 Overview

The Environmental Solutions (Water Treatment) industry comprises technologies, equipment, and engineering solutions designed to treat, recycle, and manage water and wastewater across industrial and municipal applications. The industry plays a critical role in ensuring sustainable water use by removing contaminants, enabling water reuse and ensuring compliance with environmental regulations. Water treatment solutions include water treatment plants (WTPs), effluent treatment plants (ETPs), sewage treatment plants (STPs), Zero Liquid Discharge (ZLD) systems, and advanced water recycling and reuse technologies.

In India, the industry is witnessing steady growth driven by increasing industrialisation, rapid urbanisation, rising freshwater scarcity, and stringent environmental regulations governing wastewater discharge. Water intensive industries such as textiles, chemicals, pharmaceuticals, food and beverages, power, and oil and gas are increasingly investing in advanced treatment systems to reduce freshwater consumption, improve operational efficiency, and comply with pollution control norms prescribed by the Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs). Additionally, the growing focus on sustainability, circular water management, and Environmental, Social and Governance (ESG) commitments is encouraging industries to adopt water recycling and Zero Liquid Discharge technologies. Supported by government initiatives aimed at improving water conservation and wastewater management, the environmental solutions industry is expected to witness sustained demand over the medium to long term.

Chart 31: Market Size of Water and Wastewater Management (Rs Billion)



Source: EMIS, CareEdge Research
Note: P denotes Projected

The Indian water and wastewater management market was estimated at Rs 257.7 billion in FY26 and is projected to reach Rs 428.5 billion by FY31, registering a CAGR of 10.7% during the forecast period. The industry's growth is expected to be supported by rising investments in water infrastructure, increasing industrial water demand, and the growing need for sustainable water resource management amid rapid urbanisation and industrialisation. As India's freshwater availability continues to decline on a per capita basis, industries and urban local bodies are increasingly adopting advanced water treatment, wastewater recycling, and reuse solutions to ensure long-term water security and regulatory compliance.

Industrial demand is expected to remain a key growth driver, particularly from water-intensive sectors such as textiles, chemicals, pharmaceuticals, food and beverages, power generation, and oil and gas. These industries are investing in effluent treatment plants (ETPs), sewage treatment plants (STPs), Zero Liquid Discharge (ZLD) systems, and advanced membrane-based technologies to reduce freshwater consumption, improve operational efficiency, and comply with increasingly stringent environmental

regulations prescribed by the Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs). Growing adoption of circular water management practices and increasing emphasis on wastewater reuse are also creating significant opportunities for technology providers.

Recent policy initiatives are further strengthening industry growth. The Government is increasingly promoting the reuse of treated wastewater for industrial, agricultural, and non-potable applications to reduce pressure on freshwater resources. At the same time, stricter enforcement of wastewater discharge norms, increasing adoption of Zero Liquid Discharge systems by water-intensive industries, and growing corporate focus on Environmental, Social and Governance (ESG) commitments are accelerating investments in advanced treatment technologies. Consequently, the Indian water and wastewater management industry is expected to witness sustained growth over the medium term, supported by favourable policy initiatives, expanding industrial capacity, increasing environmental awareness, and rising investments in sustainable water infrastructure.

10.2 Key Growth Drivers and Challenges



Challenges

High Capital and Operating Costs	• Installation of advanced water treatment systems, particularly membrane-based technologies and Zero Liquid Discharge plants, requires significant capital investment. In addition, high energy consumption, chemical usage, and maintenance costs increase the
Complex Regulatory Compliance	• Environmental regulations vary across states and industries, requiring companies to continuously upgrade treatment infrastructure to meet evolving discharge standards. Frequent changes in compliance requirements increase operational
Limited Adoption Among Small and	• Many small and medium enterprises face financial and technical constraints in implementing advanced water treatment solutions. Limited access to capital and lower awareness regarding long-term benefits often delay investments in wastewater treatment
Technical and Operational Challenges	• Industrial wastewater characteristics differ significantly across industries, requiring customized treatment technologies and skilled operation. Variations in wastewater quality, sludge management, and membrane fouling can affect treatment efficiency and increase operational downtime if not managed effectively.

OUR BUSINESS

*Some of the information in the following section, including information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the chapter "**Forward-Looking Statements**" beginning on page 18. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements.*

*For a discussion of the risks and uncertainties related to those statements and the section "**Risk Factors**" beginning on page 40, for a discussion of certain risks and analysis of factors that may affect our business, financial condition or results of operations or cash flows.*

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Consolidated Financial Statements, as applicable.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Research Report on Textile Industry" ("**CARE Report**") dated July 2026 prepared and issued by CARE exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with this Issue. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar/ Fiscal, as applicable. For more information, see "**Risk Factors – Industry information included in this Placement Document has been derived from the CARE Report, which was prepared by CARE and exclusively commissioned and paid for by our Company for the purposes of the Issue, and any reliance on information from the CARE Report for making an investment decision in the Issue is subject to inherent risks**" on page 66.*

Unless the context otherwise requires, references to "our Company" or "the Company" are to Arvind Limited on a standalone basis, while references to "we", "us", "our" or "our Group" (including in the context of any financial or operational information) are to Arvind Limited, its Subsidiaries, Joint Ventures and Associates on a consolidated basis.

OVERVIEW

Our Group is a diversified textile (including technical textile) to retail conglomerate, with a legacy spanning over 95 years, focusing on textiles, apparels, advanced materials, environmental and telecom solutions, backed by vertical integration in our textile and advanced material business segments. By leveraging our fibre to fashion capabilities, we combine scale, technology and innovation to serve global and domestic fashion and lifestyle brands, wholesalers and retailers, as well as industrial and defence customers, across our businesses.

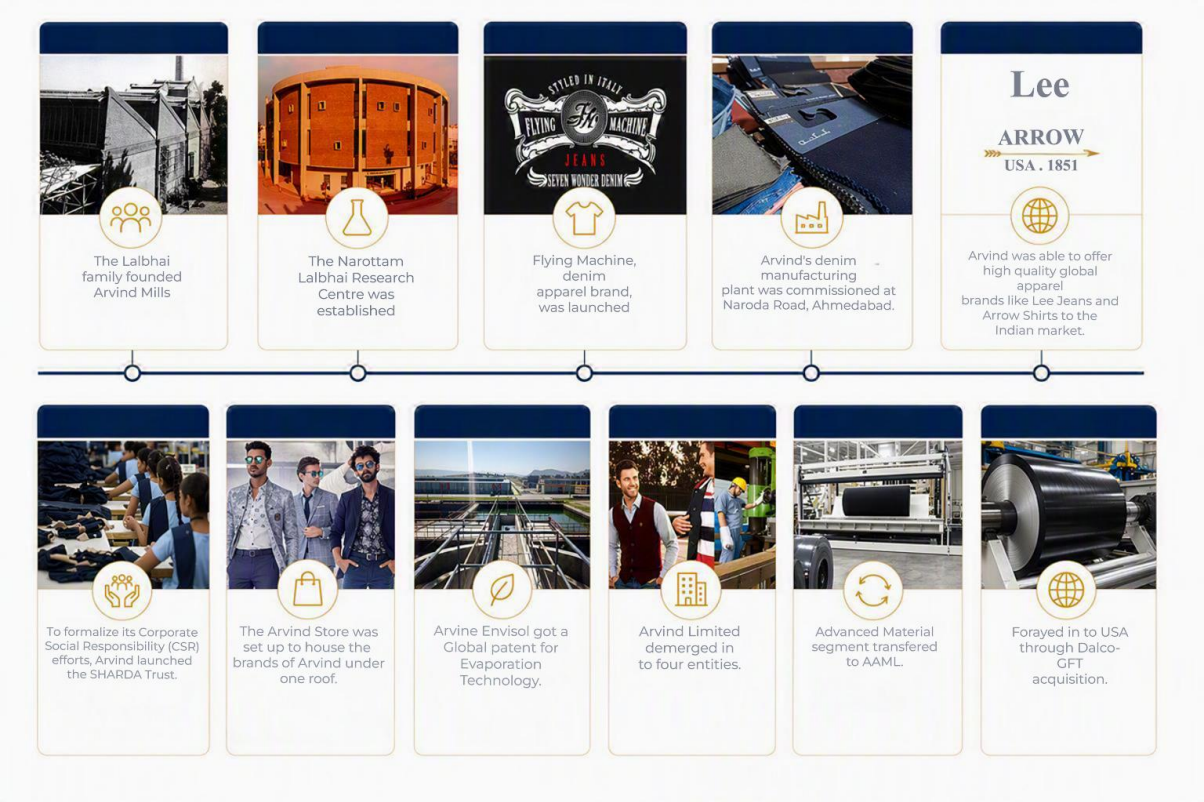
Our inception traces back to the pre-independence era when Lalbhai Dalpatbhai initiated the establishment of a textiles firm, which was formally incorporated as "*Arvind Mills Limited*" in 1931, we have instituted ourselves as an innovation driven organisation fostering technologically backed and sustainability focused initiatives to cater to our customers. With a key focus on adopting advanced technologies and innovation in the textile industry, we established the Narottam Lalbhai Research Centre in 1977. We acquired the denim brand "*Flying Machine*" in 1986, in continuation of which, we went on to commission our denim manufacturing plant in Ahmedabad in 1986.

Over the past two decades, we have pursued a strategy of forward integration and technological diversification, including through the organic development of our various business segments, for which, in 2008, we renamed from "*Arvind Mills Limited*" to "*Arvind Limited*". Since then, we have entered the technical textiles space by launching our advanced materials business segment. We have also ventured into the direct retail segment with the launch of our retail store in Hyderabad in 2010.

We have an established history of collaborating with global fashion labels and conglomerates to bring international brands to India, for instance, post the introduction of the New Economic Policy (NEP) of 1991 by the Government of India, we partnered with global conglomerates to bring "*Lee Jeans*" and "*Arrow Shirts*" to India in 1993.

Our Group undertook a corporate restructuring, demerging and publicly listing Arvind Smartspaces Limited in 2015 and Arvind Fashion Limited, and Anup Engineering Limited each in 2018.

In 2025, our Company transferred the advanced materials segment to our wholly owned Subsidiary, Arvind Advanced Materials Limited ("**AAML**"), pursuant to a scheme of arrangement effective from April 1, 2024 ("**Scheme of Arrangement**"), which was approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, on August 7, 2025. In May 2026, through AAML, we entered the United States technical textiles market by acquiring 60.63% of the equity share capital of Dalco GF Technologies, LLC ("**Dalco-GFT**"), a U.S.-based manufacturer of needle-punched non-woven products.



As on date of this Placement Document, our group operations comprise of three segments: (i) textiles; (ii) advanced materials business (the "**AAML Business**"); and (iii) others, including environmental solutions and telecommunications.

[Remainder of the page intentionally left blank]

Textiles, which includes two distinct business verticals, being fabric and garments, and further divided into the following sub-divisions:

- *Fabrics*

  - *Denim fabric*

    We are the pioneers in the Indian denim industry with presence since 1986 and manufacture denim fabric. As on date of this Placement Document, this business vertical combines large-scale manufacturing capabilities with advanced technologies enabling us to serve leading domestic and global apparel brands.

    We have an extensive portfolio of product offerings under this business division, including, traditional denim fabrics, premium stretch denims marketed under our flagship brand "BOOMERANG™" as well as hybrid fabrics, such as, khadi denim.

  - *Woven fabric*

    We design and manufacture versatile, complex woven fabrics with a vast spectrum of colours backed by our expertise in craftsmanship, patented technology, innovative concepts. We offer a wide portfolio of fabrics for formal and casual shirts, tops and dresses, trousers and jackets. Backed by our in-house capabilities, we have developed various proprietary fabrics and processes.

    We have adopted an advanced supercritical CO_2-based dyeing technology that replaces water with supercritical carbon dioxide in the dyeing process, significantly reducing water consumption and enhancing resource efficiency.

    We also collaborate with domestic and global players to develop new technologically driven and sustainable fabrics and processes. For instance, our Company through our vendors sells fabric developed from "*Altag Yarns*", a natural textile manufactured by upcycling agricultural residues.

  - *Knits fabric*

    Focusing on comfort and performance clothing, this business division offers fabric for ready-to-wear pieces and caters to the athleisure and performance sportswear market demand. This sub-division offers products in cotton and various blends in a wide range of prints.

  - *Other textiles*

    We manufacture voile fabrics through "*Ankur Textiles (a division of Arvind Limited)*" and market under brands, including, "*Chakori*", "*Tip-Top*" and "*Padmini*". Our offerings include voile fabrics produced indifferent blends, which find end use for women's ethnic ensembles.

    We also offer home textiles under the brand name "*Arvind Home Linens*", offering premium cotton, blends, and performance fibres across various products.

- *Garments*

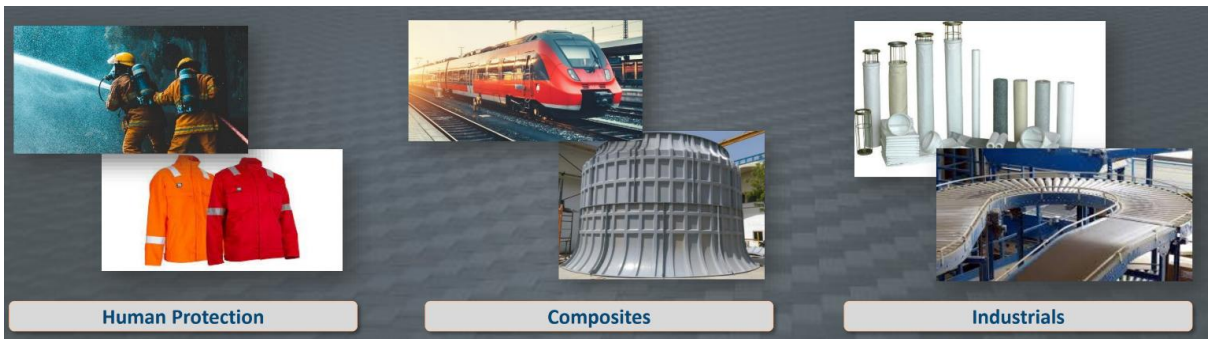
  This business vertical helps promote our "*Fibre-to-Fashion*" platform, enabling the Company to move up the value chain and offer end-to-end manufacturing solutions to leading global and domestic apparel brands. By combining fabric manufacturing capabilities with garment production, this business enhances value addition, strengthens customer partnerships and improves responsiveness to evolving market requirements. The division is supported by advanced manufacturing infrastructure, including automation and technology-enabled production processes, with a significant emphasis on operational excellence, innovation and sustainable manufacturing.

  We offer apparel solutions across jeans, shirts, knits and essentials across fashion cycles and consumer segments through an integrated, multi-location manufacturing setup.

- *Retail*

We also operate wholesale and retail businesses, including through Company-owned and franchise-operated "*The Arvind Store*" offering our brands, garments, fabrics as well as bespoke tailoring under one roof. The Arvind Store retails apparel and related products, including our Ready-to-Wear range under the "*Arvind*" brand, alongside other brands from within the Arvind group. As of June 30, 2026, we operate over 166 Arvind Stores, with our retail offering spanning a range of colours, fabrics and finishes across formal and casual wear categories.

AAML Business, housed within our wholly owned Subsidiary, AAML, offering technical and performance fabrics across three verticals:



- *Human protection*

Our human protection business vertical is focused on developing advanced material solutions that address critical safety and protection requirements across a wide range of industries. Built on decades of textile engineering expertise, the division combines innovative materials, specialised manufacturing capabilities, and deep application knowledge to deliver high-performance products designed for demanding environments. We manufacture technical yarns and sewing threads for various applications using high-performance fibres including Meta Aramid, Para Aramid , Mod Acrylic, Nylon 6 and 66, Polyester Super High Tenacity, FR Polyester, High Quality Cotton, Core Spun Lycra, PPS, PTFE, Carbon Fibres, Anti-static, PBI, amongst others. Arvind holds a portfolio of flame-resistant ("**FR**") yarns, fabrics, and blends, including "*Stellar Weave*", a proprietary fabric using a five-fibre blend and a specific fabric construction designed for FR performance.

We manufacture human protection solutions, including:

- *Fire/ flame retardant suits*, protecting people from flash fires and electric arc in hazardous working environments like oil rigs, coal mines and steel industries;
- *High visibility and industrial work wear*, high visibility range which helps the wearer with visibility in situations low-lighting conditions;
- *Arc flash*;
- *Molten metal splash protection gear*; and
- *Specialised personal protective equipment and defence uniforms*, such as turn out gear ("**TOG**") and extreme cold weather suit ("**ECWS**").

to safeguard personnel from occupational hazards.

- *Composites*

Our composites business vertical is focused on developing and manufacturing high-performance fibre reinforced polymer ("**FRP**") and advanced composite solutions for diverse industrial applications. These product offerings are operated by AAML and Arvind PD Composites.

This business vertical offers diversified portfolio of engineered composite products and solutions. We manufacture complex pultruded profiles, including fan blades and double-web beams. We have also designed and developed composite lattice towers for telecom networks operating in high-humidity environments. Our product offerings include:

- *Glass fabrics*, used in advanced composite applications across multiple industries. We manufacture glass fabrics using weaving and stitch fabric technology and house multi-axial, bi-axial, malliwat and dornier looms which are certified by Global Wind Energy equipment manufacturers and large industrial customers. We also produce fire protection fabrics composite solutions for rail and mass transportation applications;

- *Carbon fabrics*, including sport and recreation products, being, badminton racquets, tennis racquets, and hockey sticks. The carbon fabrics are created using both chemical and mechanical processes. Raw materials, known as precursors, are drawn into long strands and then heated to high temperatures in an anaerobic (oxygen-free) environment;

- *Building and construction solutions*, including gratings, handrails, wall panels, roofing systems, and other structural products;

- *Cooling tower components*, such as structural profiles, fan blades, fan stacks, and casing panels;

- *Renewable energy and utility solutions*, including composite materials and components supporting energy infrastructure applications;

- *Industrial infrastructure products*, including cable trays, ladders, bridges, walkways, and other corrosion-resistant solutions;

- *Telecommunication solutions*, comprising composite radomes and specialized communication infrastructure components; and

- *Mass transportation solutions*, including composite components and interior systems for modern trains and metro applications.

- <u>*Industrial*</u>

  This business vertical focuses on technical textiles domain, offering specialized solutions across filtration, belting and reinforcement fabrics, and coated fabrics. The business vertical caters primarily to industrial and process-driven sectors such as power, cement, chemicals, pharmaceuticals, iron and steel and infrastructure.

  Within the portfolio of this business vertical, we offer:

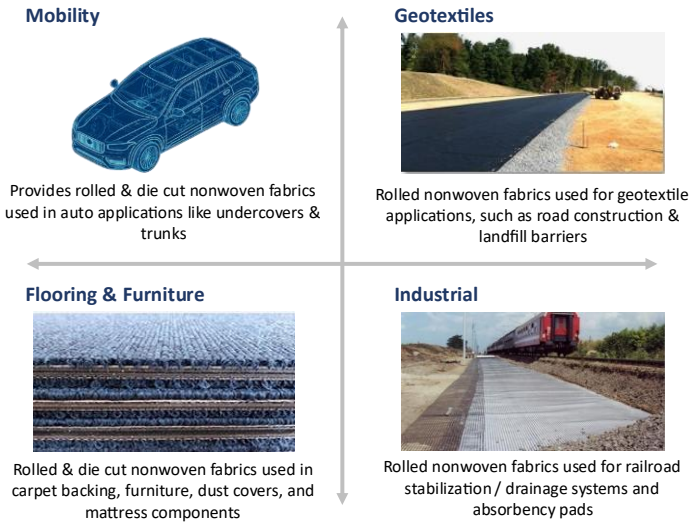
  - *Filtration solutions*;

  - *Belting and reinforcement fabrics*, including, high-strength materials critical for conveyor systems and material handling. We offer fabrics for reinforcements for various applications such as diaphragms, automotive hoses, and flexible tanks. Our fabrics are produced with fibres such as meta aramid, para aramid, amongst others;

  - *Coated fabric solutions*, including a comprehensive portfolio of coated fabrics including polyvinyl chloride ("**PVC**") and polyvinylidene fluoride ("**PVDF**"), and acrylic coatings for indoor, outdoor, and architectural applications. These products offer properties such as resistance to weather, and UV, catering to diverse end-use industries;

Pursuant to the acquisition of 60.63% of the equity share capital of Dalco-GFT in May. 2026, we have entered the U.S. market for needle-punched nonwoven technical textiles.

The integration of Dalco-GFT into the industrial business vertical strengthens our capabilities in nonwoven technical textiles. Dalco-GFT brings expertise in needle-punch nonwoven fabrics used across mobility, geotextiles, industrial, and flooring applications, while also enabling access to global markets and advanced manufacturing technologies.



Our operations under the AAML Business are driven by the following factors:

Science & Innovation

Our dedicated research teams drive continuous innovation by developing advanced materials and pioneering new applications. Through rigorous testing and research-led insights, we set new benchmarks for performance, durability, and efficiency

Integrated Manufacturing

Spanning the entire value chain—from raw material processing to finished solutions—our vertically integrated manufacturing model ensures superior quality control, operational agility, and the ability to scale efficiently to meet evolving market demands

Tailored Solutions

By collaborating closely with our partners, we design and engineer customised solutions that align with specific functional, aesthetic, and performance requirements, enabling differentiation and long-term value creation.

Others, which includes:

- *Water solution*

  Environmental solutions offered through our Subsidiary, Arvind Envisol Limited, which provides business to business ("**B2B**") industrial wastewater treatment, Zero Liquid Discharge systems and solid waste management solutions. As on date of this Placement Document, we maintain four global patents.

- *Telecom and communication*

  Our telecom, communication and digital solutions, through our Subsidiaries, Syntel Telecom Limited and Arya Omnitalk Wireless Solutions Private Limited, which offers telecommunication, connectivity and digital infrastructure solutions to businesses, across India. With a nationwide infrastructure footprint, the business serves enterprise, industrial, and government clients with mission-critical communication systems, enabling reliability, scalability, and operational efficiency.

  As on March 31, 2026, we provided a comprehensive solutions portfolio spanning enterprise communication, wireless services, and intelligent infrastructure, supported by proprietary platforms and global partnerships. This business vertical provides network infrastructure and security and surveillance offerings, including pan-tilt-zoom ("**PTZ**") cameras, 4G solar-powered remote cameras, and IP-based systems, alongside high-performance wireless solutions through strategic collaborations

The table below sets out our financial performance measures as at the dates and for the periods indicated below:

Particulars	Units	Fiscal 2026	Fiscal 2025	Fiscal 2024

Revenue from operations	₹ in crores	9,303.19	8,328.81	7,737.75
EBITDA*	₹ in crores	1,060.74	918.59	886.04
EBITDA margin	%	11.40	11.03	11.45
Profit after tax#	₹ in crores	426.97	367.38	352.63
Net debt@	₹ in crores	1,156.68	1,259.38	1,249.57
Total Equity	₹ in crores	4,044.19	3,786.10	3,542.75
Net debt to EBITDA	Times	1.09	1.37	1.41
Net debt to equity	Times	0.29	0.33	0.35

** EBITDA is profit before share of profit/(loss) of Joint Ventures and Associates, exceptional items and tax, finance costs and depreciation and amortisation expenses*

 # PAT is before non-controlling interest

@ Net Debt is long term borrowing and short term borrowing minus cash and cash equivalents, bank balance and short term investment in mutual funds

OUR COMPETITIVE STRENGTHS

Diversified portfolio of quality products with presence across the value chain of textiles and apparel

We operate an integrated textile platform spanning fabrics, including denim fabric, woven fabric, knits fabrics and other textiles and garments, which enables us to offer a diversified portfolio of products across multiple stages of the textile and apparel value chain. Our ability to manufacture both fabrics and garments also enables us to deepen customer engagement, improve speed-to-market and participate in a larger portion of the apparel value chain. Our presence across the value chain reduces dependence on any single product category.

We have a presence across the textile value chain, beginning from supporting farmers in the cultivation of sustainable cotton through responsible sourcing initiatives, and extending through ginning, spinning, fabric manufacturing and garmenting. This integrated approach provides us with enhanced visibility and control over the supply chain, enabling better quality assurance, traceability, and cost optimization across stages. We believe that this control over the entire value chain allows us to respond more effectively to evolving customer requirements on sustainability, compliance, and product innovation. Our end-to-end involvement across the value chain strengthens supplier relationships, improves operational agility, and positions us to capture value across multiple stages of the textile and apparel ecosystem

Additionally, our AAML Business segment, provides us with exposure to technical and performance textile applications across human protection, composites and industrials, catering to end-use applications across. Our diverse product range also offers tailored solutions that match the evolving needs of consumers, providing greater flexibility and choice and further strengthens our market proposition.

Our ability to offer a broad spectrum of products allows us to meet varied consumer requirements. Our established Manufacturing Facilities and R&D Facilities enable us to continue to expand our product portfolio and improve the operational efficiencies to maintain our competitive advantage.

Scaled platform with integrated manufacturing and R&D capabilities

Manufacturing Facilitates

As on date of this Placement Document, we operate 20 Manufacturing Facilities, domestically and globally.

The table below sets forth the details of the Manufacturing Facilities:

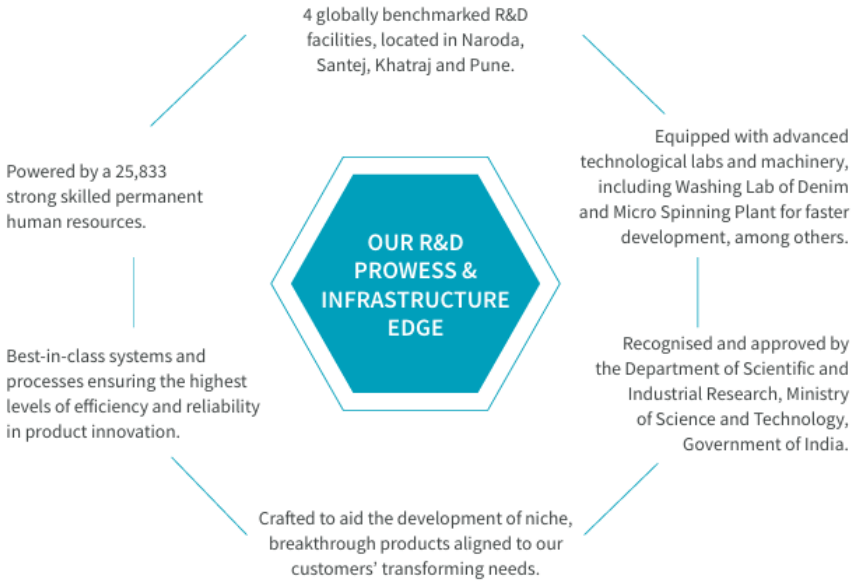
Particulars	Address	Owned/ leased/ leave and license	Name of the entity which owns/ has leased the property
Manufacturing Facility 1	Survey no. 24/6 and 24/8 situated at Kodihalli, Kasaba Hobli, Arasikere Taluk, Hasan District, Karnataka.	Leased	Arvind Limited
Manufacturing Facility 2	Survey no. 7/25, 7/23, situated at Kenchanakatte village, and 7/2 situated at Kirubanakallu, Chitradurga District, Karnataka.	Leased	Arvind Limited
Manufacturing Facility 3	Survey no. 63/9 situated at Dodda Thogur village, Begur Hobli, Bangalore, Karnataka.	Leased	Arvind Limited

Manufacturing Facility 4	Survey no. S-41, KIADB Apparel Park, SY# Parts of 18&80, situated at Arehalli Guddahalli, Kasaba Hobli, Doddaballapura, Karnataka.	Leased	Arvind Technical Products Private Limited
Manufacturing Facility 5	Survey nos. 26/2 and 27/2 situated at Kenchenahalli Village, Kengeri Hobli, Bangalore-560 059, Karnataka.	Leased	Arvind Limited
Manufacturing Facility 6	Plot no. 86 KL situated at Rajajinagar Industrial Suburb, 2nd Stage, Bangalore -560010, Karnataka.	Leased	Arvind Limited
Manufacturing Facility 7	Plot no. D-64 situated at Gokul Shirgaon Industrial Area, Tamgaon village, Karveer Taluka, Kolhapur, Maharashtra.	License	Arvind Cotspin Limited
Manufacturing Facility 8	Survey no. 33/1, situated at Pisoli, Kondhwa Pisoli Road, Pune 411060.	Leave and license	Arvind Limited (Telecom Division)
Manufacturing Facility 9	Survey nos. 253, 255 and 256, khata no. 8 situated at Malti/Rampur village, Ring Road, Ranchi- 834010, Jharkhand.	Leased	Arvind Smart Textiles Limited
Manufacturing Facility 10	Survey no. 1206, Sub plot no. 3, situated at Kamla Amrut Inditech Park, Indral -382715, Gujarat.	Leased	Arvind Advanced Materials Limited
Manufacturing Facility 11	Survey no. 504 situated at Mouje Matoda, Taluka Sanand, Ahmedabad, Gujarat	Leased	Arvind Smart Textiles Limited
Manufacturing Facility 12	Facility located at Bommasandra Industrial Area, Bommasandra village, Attibele Hobli, Aneka Taluk, Bangalore, Karnataka.	Owned	Arvind Limited
Manufacturing Facility 13	Facility located at Asarwa village, Asarwa Taluka, Ahmedabad, Gujarat.	Owned	Arvind Mills Limited
Manufacturing Facility 14	Facility located at Santej village, Kalol Taluka, Gandhinagar, Gujarat.	Owned	Arvind Limited
Manufacturing Facility 15	Facility located at Raj-Hirpur, Maninagar Taluka, Ahmedabad, Gujarat	Owned	Arvind Limited
Manufacturing Facility 16	Facility located at Kharanti village, Dholka Taluka, Ahmedabad, Gujarat.	Owned	Arvind OG Nonwovens Private Limited
Manufacturing Facility 17	Facility located at Bhoyan Moti village, Kalol Taluka, Gandhinagar, Gujarat.	Owned	Arvind Limited
Manufacturing Facility 18	Facility located at 2050 and 2160 Evergreen drive, NE, Conover, Catawba Country, NC 28613	Leased	Dalco GFT Nonwovens, LLC.
Manufacturing Facility 19	Facility located at 215 and S 44-194 (Industrial Park Rd.),541 Buffalo-west Springs Highway Union, SC 29379	Leased	Global Felt Technologies, LLC
Manufacturing Facility 20	Shed No.08 - Zone 2 Al Hamra FZ//Z2S8-133, 134, 135, 136, Al Hamra Industrial Free Zone, United Arab Emirates	Leased	Arvind PD International FZ-LLC

[Remainder of the page intentionally left blank]

R&D facilitates

We operate a diversified manufacturing base supported by dedicated research and development infrastructure.



Our ability to integrate new technologies into our manufacturing operations has helped in promoting operational and cost efficiencies across the business value chain. Our vertical integration provides us with greater control over product development, quality, timelines and manufacturing flexibility.

Long-standing customer relationships across global brands and technical end-markets

We have developed relationships with a diversified customer base across our textiles and AAML Business segments. Our presence across our textiles and AAML Business segments enables us to serve a diversified customer base while balancing cyclical and non-cyclical demand drivers.

In our textiles segment, we serve global and domestic fashion and lifestyle brands, wholesalers and retailers through our fabric and garmenting capabilities. Our integrated fabric-to-garment capabilities, product development capabilities, quality systems and ability to meet delivery timelines support repeat business with customers.

Our AAML Business segment finds application in various end-use industries such as, industrial safety and mobility. Our customer relationships in this segment are supported by technical product requirements, qualification processes and performance standards, which we believe support deeper engagement and enhanced pricing discipline. This diversification beyond traditional textile businesses strengthens our overall business offerings and provides exposure to higher-margin product categories and creates a scalable platform for long-term growth across specialised and performance-driven end-markets.

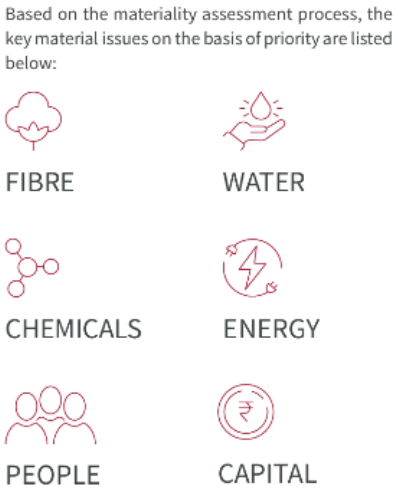
Set out below is the geographic breakdown of our revenue from operations for the periods indicated:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025		For the year ended March 31, 2024	
	Amount (₹ in crores)	% of total revenue from operations	Amount (₹ in crores)	% of total revenue from operations	Amount (₹ in crores)	% of total revenue from operations
Domestic	5,024.95	54.01	4,918.22	59.05	4,557.02	58.89
Export	4,278.24	45.99	3,410.59	40.95	3,180.73	41.11
Total	**9,303.19**	**100.00**	**8,328.81**	**100.00**	**7,737.75**	**100.00**

Sustainability, innovation and technology-led differentiation

Innovation and sustainability are the key driving factors of our organisation. We embed ecological and social stewardship into every facet of our operations, aligning our actions with global frameworks and the expectations of our partners, customers, communities, investors and other stakeholders.

Our sustainability framework is formed to have a holistic approach covering natural resources, climate impact, circularity, and social responsibility and is aligned with global standards, such as Global Reporting Initiative ("**GRI**"), Business Responsibility and Sustainability Reporting ("**BRSR**") and United Nations Global Compact ("**UNGC**"). Our substantiality efforts are governed by a Board level ESG Committee, ensuring accountability and long-term strategic alignment.



We have introduced various sustainability initiatives across the value chain to build a circular textile eco-system, such as:

- *Circular economy and sustainable product innovation*

  With an emphasis on the integration of sustainability into the entire product lifecycle, we enter into strategic partnerships to develop sustainability solutions, for instance, our partnership with an Oklahoma based sustainable technology company, in 2022 to foster textile waste recycling and scale circular solutions as well as our collaboration with global conglomerates in 2025, to set up a commercial-scale supercritical CO_2 dyeing machine.

- *Sustainable raw materials and responsible sourcing*

  Our robust supply chain framework focuses on transparency, traceability, supplier engagement, risk mitigation, and ESG integration to build value-driven partnerships. A significant portion of cotton used by the company is sourced from sustainable sources, including Better Cotton, organic cotton, and regenerative cotton, reflecting its commitment to reducing environmental footprint at the source.

  We work closely with a large network of farmers, supporting them through training, capacity building, and financial incentives to adopt sustainable agricultural practices. These initiatives help improve soil health, water efficiency, and farmer livelihoods, while ensuring long-term supply chain resilience.

- *Climate change and energy transition*

  We have adopted a multi-pronged strategy focused on reducing emissions, improving energy efficiency, and transitioning towards cleaner energy sources, such as, solar, wind, and hybrid energy systems.

  During Fiscal 2026, our near-term, long-term, and Net Zero GHG reduction targets have been formally validated and approved by the SBTi, confirming alignment with the pathway under the Paris Agreement.

- *Water stewardship and resource efficiency*

  Given the water-intensive nature of textile manufacturing, we have implemented various practices to reduce freshwater dependency and improve water recycling, such as, introducing the global water innovation centre for action ("**GWICA**"), an open-source repository of knowledge at our Manufacturing Facility 14 in 2024 and have equipped our major manufacturing facilities with initiatives like Zero Liquid Discharge plants to minimise water use and optimise energy consumption.

- *Chemical management and waste reduction*

  We have implemented a lifecycle-based chemical management framework, covering procurement, usage, and disposal, while ensuring compliance with global safety standards. As on the date of this Placement Document, over 98.00% of chemicals used by us are compliant with ZDHC MRSL standards.

  We also adopt an integrated multiple recycling and recovery systems, including:

- Textile waste recycling through garneting processes; and

- Reuse of spinning waste in yarn production.

  Our sustainability performance has also received external recognition, our S&P Global ESG score improved to 73 in Fiscal 2026, ranking us sixth globally on this metric in the Textiles, Apparel and Luxury Goods category. We also hold an "B-" rating for water security from Carbon Disclosure Project ("**CDP**").

Robust and improving financial risk profile

We have demonstrated an improving financial profile over the last three fiscals, supported by revenue growth, margin stability, free cash generation and reduction in leverage. Our consolidated revenue from operations increased to ₹ 9,303.19 crores in Fiscal 2026 from ₹ 8,328.81 crores in Fiscal 2025 and from ₹ 7,737.75 crores in Fiscal 2024, representing a CAGR of approximately 9.65%. Our EBITDA increased to ₹1060.74 crores in Fiscal 2026 from ₹ 918.59 crores in Fiscal 2025 and ₹ 886.04 crores in Fiscal 2024, representing a CAGR of approximately 9.42%.

Our profit after tax before non-controlling interest increased to ₹ 426.97 crores in Fiscal 2026 from ₹ 367.38 crores in Fiscal 2025 and ₹ 352.63 crores in Fiscal 2024, representing a CAGR of approximately 10.04%.

We have also strengthened our balance sheet. Our net debt reduced to ₹1,156.68 crores as of March 31, 2026, from ₹1259.38 crores as of March 31, 2025. We have maintained an AA- credit rating from CARE during the past three Fiscals for long term loans.

Our key performance indicators for the periods set out are as follows:

Particulars	Units	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from operations	₹ in crores	9,303.19	8,328.81	7,737.75
EBITDA*	₹ in crores	1,060.74	918.59	886.04
EBITDA margin	%	11.40	11.03	11.45
Profit after tax#	₹ in crores	426.97	367.38	352.63
Net debt@	₹ in crores	1,156.68	1,259.38	1,249.57
Net debt to EBITDA	Times	1.09	1.37	1.41
Net debt to equity	Times	0.29	0.33	0.35

**EBITDA = Profit before Share of Profit/(Loss) of Joint Ventures and Associates, Exceptional Items and tax + Finance Costs + Depreciation and amortisation expenses*
#PAT is before non-controlling interest
@Net Debt = Long term borrowing + Short term borrowing – Cash & Cash Equivalents – Bank Balance – Short Term investments

Experienced promoter group and professional management team

We are led by our Promoters and Directors supported by an able and experienced senior management team. Our experienced and diverse board and management teams have been instrumental in the growth of our Company and have the expertise and vision to scale up our business. For details of our management teams please refer to the chapter titled "***Board of Directors and Senior Management***" beginning on page 153.

We are also supported by a workforce of 31,041 permanent employees as of March 31, 2026. We place an emphasis on training and upskilling our workforce, ensuring that our employees are well-versed in the latest advancements in the manufacturing processes and technologies.



By providing comprehensive training programs, we enhance operational efficiency, maintain high-quality standards, and foster a culture of continuous improvement. This investment in our people not only boosts productivity but also positions us to deliver quality products to our customers.

OUR GROWTH STRATEGIES

Scale our AAML Business segment organically and through selective acquisitions

Over the past decade, India has emerged as one of the key growth markets for technical textiles, supported by rising industrialisation, infrastructure investments and increasing adoption of performance-oriented materials across end-user industries. (*Source: CARE Report*) Domestic opportunity starting to materialize as Indian companies and workforce mature. (*Source: CARE Report*)

We intend to continue scaling our AAML Business segment, which we believe is a key driver of our future growth and margin profile. Our AAML Business segment operates across human protection, composites and industrials, and caters to applications across defence, industrial safety, workwear, filtration, mobility, infrastructure, wind energy and other technical end-use segments. We believe these end-markets require specialised product development, performance consistency, customer approvals and technical capabilities, which create entry barriers and support long-term customer relationships.

The table below sets out our consolidated segmental revenue from operations for the years mentioned below:

Reportable Segments	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in crores)	% of total revenue from operations	Amount (₹ in crores)	% of total revenue from operations	Amount (₹ in crores)	% of total revenue from operations
Textile	7,147.77	76.83	6,174.28	74.13	5,803.31	75.00
AAML Business	1,838.50	19.76	1,543.53	18.54	1,427.68	18.45
Others	753.58	8.10	738.06	8.86	593.21	7.67
Eliminations*	(436.66)	(4.69)	(127.06)	(1.53)	(86.45)	(1.12)
Total	**9,303.19**	**100.00**	**8,328.81**	**100.00**	**7,737.75**	**100.00**

**Inter-segment transactions eliminated in the consolidated revenue from operation*

In May 2026, through AAML, we entered the United States technical textiles market by acquiring 60.63% of the equity share capital of Dalco-GFT, a U.S.-based needle-punched nonwoven manufacturer. This acquisition is expected to expand our access to technical non-woven applications, including automotive, geotextiles, industrial and flooring-related applications, and strengthen our ability to serve customers across international markets.

Our experience in executing and integrating acquisitions in the past, positions us to continuously evaluate and pursue growth opportunities in line with prevailing industry consolidation trends.

Deepen forward integration and scale our garmenting business

We intend to continue deepening our forward integration across the textile value chain, with a particular focus on scaling our garmenting business, which we believe helps in fostering deeper partnerships and market penetration. Our integrated fabric-to-garment capabilities enable us to participate across multiple stages of the textile and apparel value chain, from fabric development and manufacturing to garmenting.

We believe this model supports product development, quality control, manufacturing flexibility, speed-to-market and deeper customer engagement.

As our garmenting division continues to grow at a faster pace relative to our fabric business, we are increasingly focusing on enhancing the conversion of fabrics into garments within our integrated platform. This strategy is expected to result in higher internal utilisation of our fabric production, thereby improving realisation per unit of output and strengthening overall margin profile.

These expansions are aligned with the increasing demand for quality-driven garment demand in domestic and global markets. The Readymade Garments (RMG) or apparel industry is the major segment of the overall textiles industry in India. (*Source: CARE Report*) Indian textiles and apparel products have high global appeal due to their fine craftsmanship across the entire value chain from fibre, yarn, and fabric to apparel. (*Source: CARE Report*) India is the 6th largest exporter of Textiles & Apparel in the world. (*Source: CARE Report*) The Indian RMG exports currently accounts for around 42% of total textile in FY25 and clothing production in India as per the Ministry of Textiles. (*Source: CARE Report*)

We intend to grow this business by expanding capacity in a disciplined manner, improving productivity, increasing automation, enhancing our product and customer mix and increasing the proportion of fabric converted into garments within our integrated platform. We continue to focus on further integrating our operations to benefit from economies of scale and to improve operating margins. We are focused on adopting the best practices and standards across our Manufacturing Facilities, drawing on our management's expertise and experience.

Expand and diversify our global customer base and geographic footprint

We intend to continue strengthening and diversifying our customer relationships across our textiles and AMD segments.

In our textiles segment, we intend to leverage our fabric-to-garment capabilities to retain and grow our share of business with existing customers and to acquire new customers. We believe our manufacturing scale, product development capabilities and sustainability credentials position us to deepen our relationships with such customers. We intend to expand our global presence by opening an office in United Kingdom for targeting customer base in Europe and United Kingdom markets.

In our AAML Business segment, we intend to deepen customer engagement in technical and performance-led applications, where customer qualification cycles, application-specific requirements and performance standards can support longer-term relationships. We intend to target growth opportunities across industrial, defence, mobility, infrastructure, human protection and other technical end-use sectors. We also intend to expand our presence across international markets through customer-facing, design and product development initiatives, and through our recent entry into the United States technical textiles market through AAML.

Our diversified customer and geographic footprint are expected to help us reduce dependence on any single customer, product category or market.

[Remainder of the page intentionally left blank]

Strengthen sustainability, innovation and technology-led differentiation

We intend to continue investing in sustainability, innovation and technology across our businesses. In the past, we have undertaken expenditure as indicated in the table below, primarily towards enhancing our R&D capabilities:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025		For the year ended March 31, 2024	
	Amount (₹ in crores)	% of total expenses	Amount (₹ in crores)	% of total expenses	Amount (₹ in crores)	% of total expenses
R&D expenditure	20.74	0.24	19.20	0.24	15.20	0.21

We believe these areas are increasingly important to global customers and can support our competitiveness, customer retention and long-term business resilience.

We also intend to continue pursuing innovation-led initiatives in product development, process improvement, traceability, automation and digital manufacturing, such as deoiling and peaching in our knits business vertical. We believe that our sustainability and technology initiatives can support operating efficiency, improve resource utilisation and strengthen our positioning with global customers seeking sustainable and technically differentiated textile and advanced materials products.

We will also continue to evaluate capital-efficient opportunities that are complementary to our existing capabilities and customer relationships, such as collaborating with domestic and global cross-industry platforms.

Improve operating efficiency, capital productivity and balance sheet strength

We intend to maintain our disciplined approach to capital allocation while funding growth across our business segments. Our focus will remain on improving utilisation, productivity, operating efficiency, working capital discipline and return ratios. We are investing approximately ₹ 450.00 crores to ₹ 500.00 crores in Fiscal 2027, largely funded through internal accruals, to build capacity ahead of demand.

In our efforts to improve operational efficiencies, we have made a concerted shift towards integrating automation, digitization, and Industry 4.0 technologies across our operations, transforming our manufacturing processes, supply chain, and decision-making systems into a more agile, efficient, and data-driven ecosystem. This includes the use of automated material handling systems, including overhead conveyors that streamline garment movement across production stages. We have also adopted of digitally connected workstations enabling real-time monitoring of each process step leading to improved line balancing and workflow efficiency and reduced dependencies on manual movement and handling inefficiencies.



Between Fiscal 2026 and Fiscal 2024, our net debt to EBITDA improved to 1.09x from 1.41x, and our net debt to equity improved to 0.29x from 0.35x. Our net debt reduced to ₹1,156.68 crores as of March 31, 2026, from ₹1,259.38 crores as of March 31, 2025.

We intend to continue funding capital expenditure in a calibrated manner, supported by internal accruals, free cash generation and working capital discipline. We will continue to evaluate capital expenditure based on expected returns, customer visibility, capacity utilisation and strategic relevance, while seeking to preserve our credit profile and balance sheet flexibility.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The composition of the Board is governed by the provisions of the Companies Act, 2013, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles. In accordance with our Articles of Association, our Company shall not have less than three Directors and more than 15 Directors, provided that our Company may appoint more than 15 Directors upon passing a special resolution. As of the date of this Placement Document, our Company has ten Directors, of which one is our Chairman and Managing Director, two are Executive Directors, one is a Director and Group Chief Financial Officer, one is an Executive Director and Chief Financial Officer and five are Independent Directors (including two women Independent Directors).

Pursuant to the provisions of the Companies Act, 2013, at least two-thirds of the total number of Directors, excluding the independent directors, are liable to retire by rotation, with one-third of such number retiring at each annual general meeting. In accordance with the Articles of Association of our Company, if the number of Directors retiring is not three or a multiple of three, then the number nearest to one-third are liable to retire by rotation. The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in the office from the last appointment.

The following table sets forth details regarding our Board as of the date of this Placement Document:

Name, Address, Occupation, Nationality, Term and DIN	Age (in years)	Designation
Sanjaybhai Shrenikbhai Lalbhai ***Address***: 01, Lalbhai Kasturbhai Sheth No Bungalow, Near Terapanth Bhavan, Shahibaug, Ahmedabad 380 004, Gujarat, India ***Occupation***: Industrialist ***Nationality***: Indian ***Current term***: For a period of five years from April 1, 2022 and liable to retire by rotation ***DIN***: 00008329 ***Date of Birth***: April 10, 1954	72	Chairman and Managing Director
Punit Sanjay Lalbhai ***Address***: Lalbaug, Shahibaug, Ahmedabad 380 004, Gujarat, India ***Occupation***: Industrialist ***Nationality***: Indian ***Current term***: For a period of five years from August 1, 2022 and liable to retire by rotation ***DIN***: 05125502 ***Date of Birth***: March 12, 1982	44	Executive Director
Kulin Sanjay Lalbhai ***Address***: Lalbaug, Shahibaug, Near Underbridge Shahibaug, Ahmedabad 380 004, Gujarat, India ***Occupation***: Business ***Nationality***: Indian ***Current term***: For a period of five years from August 1, 2022 and liable to retire by rotation	40	Executive Director

DIN: 05206878 ***Date of Birth***: August 13, 1985		
Jayesh Kantilal Shah ***Address***: 26, Amaltas Bunglows, Bodakdev Road, Ahmedabad 380 054, Gujarat, India ***Occupation***: Service ***Nationality***: Indian ***Current term***: For a period of five years with effect from October 01, 2024 and liable to retire by rotation ***DIN***: 00008349 ***Date of Birth***: May 25, 1960	66	Director and Group Chief Financial Officer
Nigam Gautamkumar Shah ***Address***: C4, Tranquil, Opp. Landmark Hotel, Iscon Ambali Road, Rambaug Lane, Opposite Ashok Vatika, Ambali, Ahmedabad 380 058, Gujarat, India ***Occupation***: Service ***Nationality***: Indian ***Current term***: For a period of five years with effect from April 03, 2026 and liable to retire by rotation ***DIN***: 10056383 ***Date of Birth***: May 29, 1980	46	Executive Director and Chief Financial Officer
Ismet Tehmesp Khambatta ***Address***: 11, Rambaug, Behind Karnavati Club, S.G. Highway, Bopal, Daskroi, Ahmedabad – 380 058, Gujarat, India ***Occupation***: Business ***Nationality***: Indian ***Current term***: For a period of five years with effect from August 01, 2022 ***DIN***: 00030325 ***Date of Birth***: November 16, 1959	66	Independent Director
Reena Pravin Bhagwati ***Address***: 1, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad 380 006, Gujarat, India ***Occupation***: Business ***Nationality***: Indian ***Current term***: For a period of four years with effect from August 01, 2024 ***DIN***: 00096280 ***Date of Birth***: August 26, 1966	59	Independent Director
Nagesh Dinkar Pinge	67	Independent Director

Address: B-403, Rajkamal CHS, Subhash Road, Vile Parle East, Near Vile Parle Mahila Sangh School, Vile Parle (East), Mumbai 400 057, Maharashtra, India ***Occupation***: Chartered Accountant/Independent Director ***Nationality***: Indian ***Current term***: For a period of four years with effect from June 21, 2024 ***DIN***: 00062900 ***Date of Birth***: October 01, 1958		
Nilesh Bansilal Mehta ***Address***: A/3802, 25 South, Yadav Patil Lane, Off Veer Savarkar Road, Opposite Siddhi Vinayak Temple, Prabhadevi, Mumbai 400 025, Maharashtra, India ***Occupation***: Self employed ***Nationality***: Indian ***Current term***: For a period of five years with effect from May 12, 2024 ***DIN***: 00199071 ***Date of Birth***: April 24, 1962	64	Independent Director
Gokul Mrugesh Jaykrishna ***Address***: River Ranch, Next to APS School, Bhat, Gandhinagar – 382 428, Gujarat, India ***Occupation***: Business ***Nationality***: Indian ***Current term***: For a period of five years with effect from September 8, 2025 ***DIN***: 00671652 ***Date of Birth***: October 24, 1968	57	Independent Director

Biography of our Directors

Sanjaybhai Shrenikbhai Lalbhai is the Chairman and Managing Director of our Company. He has been associated with our Company since January 1, 1990.

Punit Sanjay Lalbhai is the Executive Director of our Company. He has been associated with our Company since July 26, 2012.

Kulin Sanjay Lalbhai is the Executive Director of our Company. He has been associated with our Company since July 26, 2012.

Jayesh Kantilal Shah is the Director and Group Chief Financial Officer of our Company. He has been associated with our Company since October 1, 2008.

Nigam Gautamkumar Shah is the Executive Director and Chief Financial Officer of our Company. He has been associated with our Company since February 1, 2024.

Ismet Tehmesp Khambatta is an Independent Director of our Company. She has been associated with our Company since August 01, 2022.

Reena Pravin Bhagwati is an Independent Director of our Company. She has been associated with our Company since August 01, 2024.

Nagesh Dinkar Pinge is an Independent Director of our Company. He has been associated with our Company since June 21, 2024.

Nilesh Bansilal Mehta is an Independent Director of our Company. He has been associated with our Company since May 12, 2024.

Gokul Mrugesh Jaykrishna is an Independent Director of our Company. He has been associated with our Company since September 08, 2025.

Relationship with other Directors, Key Managerial Personnel or Senior Management

Except as disclosed below, none of our Directors and Key Managerial Personnel or Senior Management are related to each other:

- Sanjaybhai Shrenikbhai Lalbhai is the father of Punit Sanjay Lalbhai and Kulin Sanjay Lalbhai; and
- Punit Sanjay Lalbhai and Kulin Sanjay Lalbhai are brothers.

Borrowing powers of our Board

Pursuant to resolution passed by our Shareholders on July 30, 2014 in accordance with provisions of Section 180(1)(c) and all other applicable provisions of the Companies Act and our Articles of Association, our Board of Directors is authorised to borrow any sums of money from time to time, in excess of the aggregate of paid-up capital of our Company and its free reserves (apart from the reserves set apart for any specific purpose), provided that the total amount up to which the monies may be borrowed by our Board and outstanding at any time shall not exceed the sum of ₹ 5,000.00 crores.

Interests of our Directors

Our Directors may be deemed to be interested to the extent of remuneration (including sitting fees, if any) and reimbursement of expenses, if any, payable to them by our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares. Our Directors may also be regarded as interested in the Equity Shares held by or that may be subscribed by and allotted to the companies, firms and trust, in which they are interested as promoters, directors, members, partners or trustees.

Our Directors may be deemed to be interested in the contracts or arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners.

Except Sanjaybhai Shrenikbhai Lalbhai and Punit Sanjay Lalbhai who are also Promoters of our Company, none of our Directors have any interest in the promotion or formation of our Company.

Other than as disclosed in this Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors are interested. Further, our Company has neither availed of any loans from, nor extended any loans to the Directors which are currently outstanding.

Shareholding of Directors

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Except as disclosed below, none of our Directors hold Equity Shares in our Company as of the date of this Placement Document:

S. No.	Name	Designation	Number of Equity Shares	Percentage of shareholding (%)	Number of employee stock options held under ESOS 2021
1.	Sanjaybhai Shrenikbhai Lalbhai	Chairman and Managing Director	170	Negligible	Nil
2.	Punit Sanjay Lalbhai	Executive Director	3,714	Negligible	Nil
3.	Jayesh Kantilal Shah	Director and Group Chief Financial Officer	147,600	0.05	Nil
4.	Nigam Gautamkumar Shah	Executive Director and Chief Financial Officer	27,500	0.01	1,42,500
5.	Reena Pravin Bhagwati	Independent Director	94,000	0.03	Nil

Remuneration of our Directors

A. Executive Directors

The following table set forth the details of remuneration paid by our Company to the Executive Directors of our Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 and from April 1, 2026 till the date of this Placement Document:

(₹ in crores)

Name	Designation	From April 1, 2026 till the date of this Placement Document	As of and for the financial years ended		
			March 31, 2026	March 31, 2025	March 31, 2024
Sanjaybhai Shrenikbhai Lalbhai	Chairman and Managing Director	0.85	8.26	8.31	8.08
Punit Sanjay Lalbhai	Executive Director	0.75	6.76	6.09	5.51
Kulin Sanjay Lalbhai	Executive Director	0.75	6.70	6.03	5.44
Jayesh Kantilal Shah	Director and Group Chief Financial Officer	0.68	3.47	4.47	5.74
Nigam Gautamkumar Shah[#]	Executive Director and Chief Financial Officer	0.92	NA	NA	NA

[#] *Prior to his appointment as an Executive Director with effect from April 3, 2026, Nigam Gautamkumar Shah received remuneration in Fiscal 2026, Fiscal 2025 and Fiscal 2024 solely in his capacity as the Chief Financial Officer of the Company. Accordingly, the remuneration disclosed for such periods does not includes remuneration paid to him as Chief Financial Officer.*

B. Independent Directors

Our Independent Directors are entitled to receive sitting fees for attending the Board and Committee meetings. Pursuant to the board resolution dated May 18, 2023 passed by our Board of Directors, our Independent Directors are entitled to sitting fees of ₹ 50,000 for attending each meeting of our Board and ₹ 20,000 for each meeting of the Committee of Directors attended by such Independent Director. Our Independent Directors are entitled to receive commission in accordance with the Companies Act, 2013 not exceeding ₹50,00,000 which shall be apportioned amongst the Independent Directors. The chairman of our Audit Committee is entitled to receive commission of up to ₹12,00,000 within the approved limits.

The following table set forth the details of commission and sitting fees paid by our Company to the Independent Directors of our Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 and from April 1, 2026 till the date of this Placement Document:

(₹ in crores)

Name	Designation	From April 1, 2026 till the date of this Placement Document	As of and for the financial years ended		
			March 31, 2026	March 31, 2025	March 31, 2024
Ismet Tehmesp Khambatta	Independent Director	0.01	0.11	0.10	0.09
Reena Pravin Bhagwati	Independent Director	0.02	0.11	0.07	N.A[*]
Nagesh Dinkar Pinge	Independent Director	0.01	0.16	0.12	N.A[*]

Nilesh Bansilal Mehta	Independent Director	0.02	0.12	0.09	N.A*
Gokul Mrugesh Jaykrishna	Independent Director	0.01	0.04	N.A*	N.A*

* *Independent Directors were not appointed during the aforesaid period.*

Prohibition by SEBI or other governmental authorities

Neither our Company nor our Directors are debarred from accessing capital markets under any order or direction made by SEBI or any other governmental authority.

None of the Directors of the companies with which they are or were associated as promoters, directors or persons in control have been debarred from accessing the capital market under any order or direction passed by SEBI or any other governmental authority.

Key Managerial Personnel

In addition to Sanjaybhai Shrenikbhai Lalbhai, Punit Sanjay Lalbhai, Kulin Sanjay Lalbhai, Jayesh Kantilal Shah and Nigam Gautamkumar Shah whose details have been provided under the section titled "*Brief biographies of Directors*" above, the details of our other Key Managerial Personnel as on the date of this Placement Document, are as follows:

Pritesh Shah is the Company Secretary and Compliance Officer of our Company. He was appointed as a Company Secretary since April 03, 2026.

Senior Management

The details of our Senior Management, other than the Key Managerial Personnel whose details are provided in "*— Brief Profiles of our Key Managerial Personnel*" above, as on the date of this Placement Document are as follows:

Gurpreet Singh Bhatia is the Chief Executive Officer (Arvind Advanced Materials Limited) of our Company. He has been associated with our Company since December 14, 2024.

Jagdish Gajanand Dalal is the Chief Executive Officer - Corporate Affairs of our Company. He has been associated with our Company since November 1, 1998.

Rachna Sharad Mehra is the Chief Human Resource Officer of our Company. She has been associated with our Company since April 1, 2023.

The Key Managerial Personnel and members of Senior Management are permanent employees of our Company.

Shareholding of Key Managerial Personnel and members of Senior Management

Except as disclosed below and in "– *Shareholding of Directors*" earlier in this section, none of our Key Managerial Personnel and members of Senior Management hold any Equity Shares of our Company as on the date of this Placement Document.

S. No	Name	Number of Equity Shares	Percentage of shareholding (%)
1	Jagdish Gajanand Dalal*	1,00,000	0.03

* *Shareholding represents the aggregate of Equity Shares held by. Jagdish Gajanand Dalal individually and by his Hindu Undivided Family (HUF).*

Interests of Key Managerial Personnel and members of Senior Management

None of our Key Managerial Personnel and members of Senior Management have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them in the ordinary course of business and to the extent of the Equity Shares, if any, held by them, directly or indirectly, in our Company or stock options, if any, granted to them and any dividend payable to them and other distributions in respect of such Equity Shares.

Our Company has not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Placement Document in which any of the Key Managerial Personnel and members of Senior Management other than the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements or arrangements which are proposed to be made with them.

Corporate Governance

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance, including constitution of our Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of our Board's supervisory role from the executive management team and constitution of our Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company's executive management provides our Board detailed reports on its performance periodically.

Committees of our Board of Directors

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

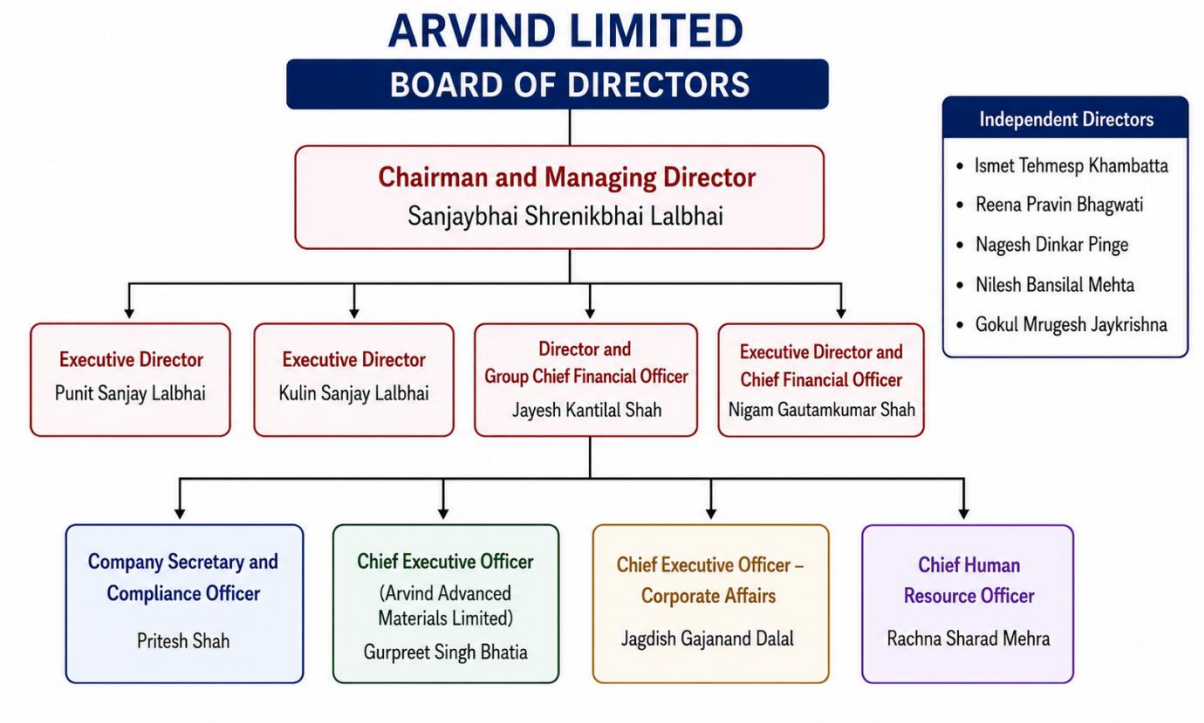
The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Risk Management Committee; and (v) Corporate Social Responsibility Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Placement Document:

Committee	Members	Designation
Audit Committee	Nagesh Dinkar Pinge	Chairman
	Nilesh Bansilal Mehta	Member
	Reena Pravin Bhagwati	Member
	Gokul Mrugesh Jaykrishna	Member
Nomination and Remuneration Committee	Nilesh Bansilal Mehta	Chairman
	Ismet Tehmesp Khambatta	Member
	Reena Pravin Bhagwati	Member
	Gokul Mrugesh Jaykrishna	Member
Stakeholders' Relationship Committee	Ismet Tehmesp Khambatta	Chairperson
	Sanjaybhai Shrenikbhai Lalbhai	Member
	Jayesh Kantilal Shah	Member
Risk Management Committee	Nagesh Dinkar Pinge	Chairman
	Jayesh Kantilal Shah	Member
	Nilesh Bansilal Mehta	Member
	Punit Sanjay Lalbhai	Member
Corporate Social Responsibility Committee	Punit Sanjay Lalbhai	Chairman
	Sanjaybhai Shrenikbhai Lalbhai	Member
	Jayesh Kantilal Shah	Member
	Ismet Tehmesp Khambatta	Member

[The remainder of this page has intentionally been left blank]

MANAGEMENT ORGANIZATION CHART



[The remainder of this page has intentionally been left blank]

Other Confirmations

None of our Directors, Key Managerial Personnel or members of Senior Management have any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

Neither our Company nor our Directors have ever been identified as Wilful Defaulter or Fraudulent Borrowers, as defined under the SEBI ICDR Regulations, by any bank or financial institution or consortium thereof.

None of our Directors have been declared as Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of the Directors, Key Managerial Personnel or members of Senior Management of our Company intend to subscribe to the Issue.

No change in control in our Company will occur consequent to the Issue.

Policy on disclosures and internal procedure for prevention of insider trading

Our Company has adopted a code of conduct for prevention of insider trading (the "**Insider Code**") with a view to regulate trading in securities by the directors and employees of our Company. The Insider Code requires pre-clearance for dealing in our Company's shares and prohibits the purchase or sale of our Company's shares by the directors and employees while in possession of unpublished price sensitive information in relation to our Company or its securities. Our Company has appointed Nigam Gautamkumar Shah, our Executive Director and Chief Financial Officer as the Compliance Officer to ensure compliance with the Insider Code by all the directors and employees likely to have access to unpublished price sensitive information.

Related Party Transactions

For details in relation to the related party transactions entered into by our Company during Fiscals 2026, 2025 and 2024, see "***Related Party Transactions***" and "***Financial Information***" on pages 39 and 220, respectively.

ORGANISATIONAL STRUCTURE OF OUR COMPANY

Corporate History

Our Company was originally incorporated as 'The Arvind Mills Limited', under the Indian Companies Act, VII of 1913, pursuant to a certificate of incorporation dated June 01, 1931, issued by the Registrar of Companies, Bombay and a certificate of commencement of business dated July 30, 1931, issued by the Registrar of Companies, Bombay. Thereafter, pursuant to Board resolution dated May 12, 2007 and Shareholders' resolution dated September 29, 2007, the name of our Company was changed to 'Arvind Limited' and a fresh certificate of incorporation dated April 15, 2008 was issued to our Company, under the Companies Act, 1956, by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

The CIN of our Company is L17119GJ1931PLC000093.

The LEI of our Company is 335800W8K4QFXZ2IUW51.

Our Registered Office is located at Naroda Road, Ahmedabad – 382 345 Gujarat, India

Our Equity Shares are listed on both BSE and NSE.

Our Subsidiaries

As of the date of this Placement Document, following are the Subsidiaries of our Company:

S. No.	Name	Registered address
1.	Arvind Advanced Materials Limited	Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India
2.	Arvind Advanced Materials US HoldCo. Inc.	300 Creek View Road Suite 209, in the City of Newark, County of New Castle 19711, Delaware
3.	Arvind Advanced Materials US TopCo. Inc.	300 Creek View Road Suite 209, in the City of Newark, County of New Castle 19711, Delaware
4.	Arvind Atelier (FZC)	Saif Suite X2-05 SAIF Zone, Sharjah United Arab Emirates
5.	Arvind Atelier UK Limited	Quadrant House, Floor 6, 4 Thomas More Square, London, United Kingdom, E1W 1YW
6.	Arvind Enterprises (FZC)	Saif Office, Q1-06-099/B, P.O. Box 513672, Sharjah, UAE
7.	Arvind Envisol Limited	Arvind Mill Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India
8.	Arvind Envisol PLC	Addis Ababa Bole subcity, Woreda 05, House number 392/A, Ethiopia
9.	Arvind Foundation	Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India
10.	Arvind Indigo Foundation	C/o Arvind Limited, Final Plot No. 10, Arvind Limited Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India
11.	Arvind Lifestyle Apparel Manufacturing PLC	Shed No. 5, Woreda 11, Bole City, Addis Ababa, Ethiopia
12.	Arvind New Technologies Private Limited	C/o Arvind Limited, Arvind Limited Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India
13.	Arvind OG Nonwovens Private Limited	Final Plot No. 10, Arvind Limited Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India
14.	Arvind PD Composites Private Limited	Arvind Mill Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India
15.	Arvind PD International FZ LLC	Z2S8-133, 134, 135 & 136, Al Jazeera Al Hamra Industrial, Ras Al Khaimah, United Arab Emirates
16.	Arvind Premium Retail Limited	Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India
17.	Arvind Smart Textiles Limited	Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India
18.	Arvind Sports Fashion Private Limited	Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India
19.	Arvind Technical Products Private Limited	Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India
20.	Arvind Worldwide Inc.	P.O. Box 61337, Jebel Ali Free Zone (JAFZA), Dubai, UAE
21.	Arya Omnitalk Wireless Solutions Private Limited	Arvind Mills Ltd, Naroda Road, Ahmedabad, Gujarat, India, 380025

S. No.	Name	Registered address
22.	Dalco GFT Nonwovens LLC	2050 Evergreen Drive, N.E., Conover, Catawba County, North Carolina, 28613, USA
23.	Dalco GF Technologies LLC	2050 Evergreen Drive Northeast, Conover, NC 28613, USA
24.	Syntel Telecom Limited	Arvind Mill Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India

Holding Company

As on the date of this Placement Document, our Company does not have a holding company.

Associate Company

As on the date of this Placement Document, our Company has two associate companies, Purfi Arvind Manufacturing India Private Limited and Renew Green (GJ Eight) Private Limited. The registered office of our Associate Companies is located at Arvind Limited Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India and 138, Ansal Chambers-II, Bhikaji Cama Place, South Delhi- 110066, India, respectively.

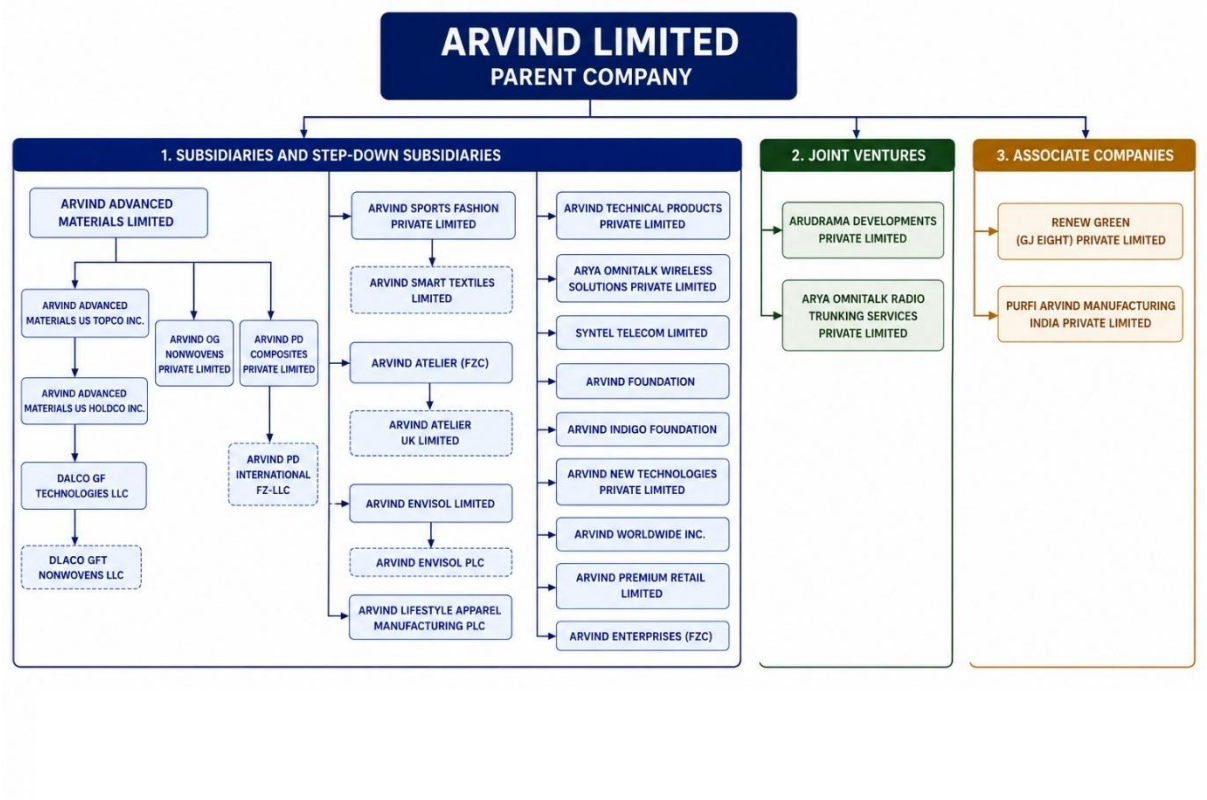
Joint Ventures

As on the date of this Placement Document, our Company has two joint ventures, namely, Arya Omnitalk Radio Trunking Services Private Limited and Arudrama Developments Private Limited. The registered offices of our joint ventures are located at Survey No. 170, Sade Satra Nali, Aqua Lounge, 2nd Floor, Left Wing (B Wing), Suzlon One Earth Campus, Hadapsar, Pune – 410 028, Maharashtra, India, and No. 2C-807, 1st Block, HRBR Layout, Banaswadi, Bangalore, Banaswadi, Bangalore, Bangalore North, Karnataka - 560043, India respectively.

For further details, see "***Definitions and Abbreviations***" and "***Financial Information***" on pages 22 and 220, respectively.

Organizational Structure of our Company

The organizational structure of our Company is as follows:



SHAREHOLDING PATTERN OF OUR COMPANY

Shareholding pattern of our Company, as on June 30, 2026, is set forth below.

The following table sets forth the details regarding the equity shareholding pattern of our Company as on June 30, 2026:

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged		Non-Disposal Undertaking		Other encumbrances , if any		Total Number of Shares encumbered		Number of equity shares held in dematerialize d form
								No of Voting Rights			Total as a % of (A+B+C)				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)		
								Class eg: X	Class eg: Y	Total																
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)=(VII +X)	(XII)= (VII)+(X) As a % of (A+B+C2)	(XIII)		(XIV)		(XV)		(XVI)		(XVII)=(XIV+XV+ XVI)		(XVIII)
(A)	Promoter & Promoter Group	23	10,36,21,486			10,36,21,486	39.53%	10,36,21,486		10,36,21,486	39.53 %		10,36,21,486	39.44%			75,00,000	7.24 %					75,00,000	7.24%	10,36,21,486
(B)	Public	1,80,989	15,85,18,154			15,85,18,154	60.47%	15,85,18,154		15,85,18,154	60.47 %	6,07,500	15,91,25,654	60.56%											15,74,51,327
(C)	Non Promoter - Non Public																								
(C1)	Shares underlying DRs																								
(C2)	Shares Held By Employee Trusts																								
	Total	1,81,012	26,21,39,640			26,21,39,640	100.00%	26,21,39,640		26,21,39,640	100.00 %	6,07,500	26,27,47,140	100.00%			75,00,000	2.86 %					75,00,000	2.86%	26,10,72,813

(A) The following table sets forth the details regarding the equity shareholding pattern of our Promoters and Promoter Group as on June 30, 2026:

Category	Category of shareholder	Shareholder type	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities, No. of Warrants and ESOP etc.	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged		Non-Disposal Undertaking		Other encumbrances, if any		Total Number of Shares encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of (A+B + C)				No. (a)	No. (a)		As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
									Class eg: X	Class eg: Y	Total															
(I)	(II)		(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)=(VII+X)	(XII)= (VII)+(X) As a % of (A+B+C2)	(XIII)		(XIV)		(XV)		(XVI)		(XVII)=(XIV+XV + XVI)		(XVIII)
(1)	Indian																									
(a)	Individuals/Hindu undivided Family		9	26365			26365	0.01%	26365		26365	0.01%		26365	0.01%		0	0.00%				0	0.00%	26365
	Sanjaybhai Shrenikbhai Lalbhai	Promoter	1	170			170	0.00%	170		170	0.00%		170	0.00%		0	0.00%				0	0.00%	170
	Jayshreeben Sanjaybhai Lalbhai	Promoter	1	345			345	0.00%	345		345	0.00%		345	0.00%		0	0.00%				0	0.00%	345
	Punit Sanjaybhai Lalbhai	Promoter	1	3714			3714	0.00%	3714		3714	0.00%		3714	0.00%		0	0.00%				0	0.00%	3714
	Swati S Lalbhai	Promoter Group	1	9712			9712	0.00%	9712		9712	0.00%		9712	0.00%		0	0.00%				0	0.00%	9712
	Sunil Siddharth Lalbhai	Promoter Group	1	5437			5437	0.00%	5437		5437	0.00%		5437	0.00%		0	0.00%				0	0.00%	5437
	Taral S Lalbhai	Promoter Group	1	4074			4074	0.00%	4074		4074	0.00%		4074	0.00%		0	0.00%				0	0.00%	4074
	Astha Lalbhai	Promoter Group	1	1925			1925	0.00%	1925		1925	0.00%		1925	0.00%		0	0.00%				0	0.00%	1925
	Vimlaben S Lalbhai	Promoter Group	1	970			970	0.00%	970		970	0.00%		970	0.00%		0	0.00%				0	0.00%	970
	Sunil Siddharth	Promoter Group	1	18			18	0.00%	18		18	0.00%		18	0.00%		0	0.00%				0	0.00%	18
	Kalpana Shripal Morakhia	Promoter Group	0	0			0	0.00%	0		0	0		0	0.00%		0	0.00%				0	0.00%	0
	Kulin S Lalbhai	Promoter Group	0	0			0	0.00%	0		0	0		0	0.00%		0	0.00%				0	0.00%	0
	Poorva Punitbhai Lalbhai	Promoter Group	0	0			0	0.00%	0		0	0		0	0.00%		0	0.00%				0	0.00%	0
	Jaina Kulin Lalbhai	Promoter Group	0	0			0	0.00%	0		0	0		0	0.00%		0	0.00%				0	0.00%	0
	Ishaan Punit Lalbhai	Promoter Group	0	0			0	0.00%	0		0	0		0	0.00%		0	0.00%				0	0.00%	0
	Ruhani Punit Lalbhai	Promoter Group	0	0			0	0.00%	0		0	0		0	0.00%		0	0.00%				0	0.00%	0
	Ananyaa Kulin Lalbhai	Promoter Group	0	0			0	0.00%	0		0	0		0	0.00%		0	0.00%				0	0.00%	0

Category	Category of shareholder	Shareholder type	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities, No. of Warrants and ESOP etc.	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged		Non-Disposal Undertaking		Other encumbrances, if any		Total Number of Shares encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of (A+B + C)				No. (a)	No. (a)		As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
									Class eg: X	Class eg: Y	Total															
(b)	Central Government/ State Government(s)																									
(c)	Financial Institutions/ Banks																									
(d)	Any Other (specify)		14	103595121			103595121	39.52%	103595121		103595121	39.52%		103595121	39.43%		7500000	7.24%					7500000	7.24%	103595121
	Aura Securities Private Limited	Promoter	1	89730590			89730590	34.23%	89730590		89730590	34.23%		89730590	34.15%		7500000	8.36%					7500000	8.36%	89730590
	Aura Business Ventures LLP	Promoter Group	1	6960988			6960988	2.66%	6960988		6960988	2.66%		6960988	2.65%		0	0.00%					0	0.00%	6960988
	Atul Limited	Promoter Group	1	4127471			4127471	1.57%	4127471		4127471	1.57%		4127471	1.57%		0	0.00%					0	0.00%	4127471
	Aagam Holdings Private Limited	Promoter Group	1	1876258			1876258	0.72%	1876258		1876258	0.72%		1876258	0.71%		0	0.00%					0	0.00%	1876258
	Lalbhai Realty Finance Private Limited	Promoter Group	1	455000			455000	0.17%	455000		455000	0.17%		455000	0.17%		0	0.00%					0	0.00%	455000
	Akshita Holdings Private Limited	Promoter Group	1	150000			150000	0.06%	150000		150000	0.06%		150000	0.06%		0	0.00%					0	0.00%	150000
	Anusandhan Investments Limited	Promoter Group	1	115000			115000	0.04%	115000		115000	0.04%		115000	0.04%		0	0.00%					0	0.00%	115000
	Aayojan Resources Private Ltd	Promoter Group	1	96000			96000	0.04%	96000		96000	0.04%		96000	0.04%		0	0.00%					0	0.00%	96000
	Adhinami Investments Private Limited	Promoter Group	1	78500			78500	0.03%	78500		78500	0.03%		78500	0.03%		0	0.00%					0	0.00%	78500
	Aura Business Enterprise Pvt Ltd	Promoter Group	1	100			100	0.00%	100		100	0.00%		100	0.00%		0	0.00%					0	0.00%	100
	Aura Merchandise Private Limited	Promoter Group	1	100			100	0.00%	100		100	0.00%		100	0.00%		0	0.00%					0	0.00%	100
	Aura Securities Pvt Ltd	Promoter Group	1	100			100	0.00%	100		100	0.00%		100	0.00%		0	0.00%					0	0.00%	100
	Arvind Fashions Limited	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%					0	0.00%	0
	The Anup Engineering Limited (Formerly known as Anveshan Heavy Engineering Limited)	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%					0	0.00%	0

Category	Category of shareholder	Shareholder type	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities, No. of Warrants and ESOP etc.	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged		Non-Disposal Undertaking		Other encumbrances, if any		Total Number of Shares encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of (A+B + C)				No. (a)	No. (a)		As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
									Class eg: X	Class eg: Y	Total															
	Arvind SmartSpaces Limited	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%				0	0.00%	0	
	Advait Merchandise Private Limited (Formerly known as Advait Merchandise Limited)	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%				0	0.00%	0	
	Anukul Investments Private Limited	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%				0	0.00%	0	
	Amplus Capital Advisors Pvt. Ltd.	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%				0	0.00%	0	
	Kastur Bhai Lalbhai Museum (India) Private Limited (formerly known as Shruti Trade Link Pvt Ltd)	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%				0	0.00%	0	
	Aagam Agencies Private Limited (Formerly known as Adhigam Investments Pvt. Ltd.)	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%				0	0.00%	0	
	Amal Limited	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%				0	0.00%	0	
	Atul Finserv Limited (Formerly known as Ameer Trading Corporation Limited)	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%				0	0.00%	0	
	Anchor Adhesives Private Limited	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%				0	0.00%	0	
	Atul Bioscience Limited	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%				0	0.00%	0	
	Rudolf Atul Chemicals Limited	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%				0	0.00%	0	
	Style Audit LLP	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%				0	0.00%	0	
	J P Trunkshow LLP	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%				0	0.00%	0	

Category	Category of shareholder	Shareholder type	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities, No. of Warrants and ESOP etc.	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged		Non-Disposal Undertaking		Other encumbrances, if any		Total Number of Shares encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of (A+B + C)				No. (a)	No. (a)		As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
									Class eg: X	Class eg: Y	Total															
	Aura Weaving Private Limited	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%					0	0.00%	0
	Adhvesh Weaving Private Limited	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%					0	0.00%	0
	Aroh Enterprise Private Limited (Formerly known as White Ocean Smartspace Private Limited)	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%					0	0.00%	0
	Swati Siddharth Lalbhai (Trustee of Siddharth Family Trust)	Promoter Group	1	3620			3620	0.00%	3620		3620	0.00%		3620	0.00%		0	0.00%					0	0.00%	3620
	Sanjaybhai Shrenikbhai Lalbhai (As a Reprentative trustee of Discretionary Trust)	Promoter	1	1394			1394	0.00%	1394		1394	0.00%		1394	0.00%		0	0.00%					0	0.00%	1394
	JP Style Venture LLP	Promoter Group	0	0			0	0.00%	0		0	0.00%		0	0.00%		0	0.00%					0	0.00%	0
	Sub-Total (A)(1)		23	103621486			103621486	39.53%	103621486		103621486	39.53%		103621486	39.44%		7500000	7.24%					7500000	7.24%	103621486
(2)	Foreign																								
(a)	Individuals (NonResident Individuals/ Foreign Individuals)																								
(b)	Government																								
(c)	Institutions																								
(d)	Foreign Portfolio Investor																								
(e)	Any Other (specify)																								
	Sub-Total (A)(2)																								
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		23	103621486			103621486	39.53%	103621486		103621486	39.53%		103621486	39.44%		7500000	7.24%					7500000	7.24%	103621486

(B) The following table sets forth the details regarding the equity shareholding of the members of the public as on June 30, 2026:

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)				No. (a)	As a % of total Shares held (b)	
								Class eg: X	Class eg: y	Total							
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)=(VII+X)	(XII)= (VII)+(X) As a % of (A+B+C2)	(XIII)		(XVIII)
(1)	Institutions (Domestic)																
(a)	Mutual Funds	22	50470278			50470278	19.25%	50470278		50470278	19.25%		50470278	19.21%			50468928
	Quant Mutual Fund - Quant Small Cap Fund	1	14805881			14805881	5.65%	14805881		14805881	5.65%		14805881	5.65%			14805881
	Bandhan Small Cap Fund	1	9716997			9716997	3.71%	9716997		9716997	3.71%		9716997	3.70%			9716997
	Hdfc Mutual Fund - Hdfc Mid-Cap Fund	1	8480021			8480021	3.23%	8480021		8480021	3.23%		8480021	3.23%			8480021
	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Small Cap Fund	1	5479473			5479473	2.09%	5479473		5479473	2.09%		5479473	2.09%			5479473
	Jm Financial Mutual Fund - Jm Flexicap Fund	1	3513621			3513621	1.34%	3513621		3513621	1.34%		3513621	1.34%			3513621
(b)	Venture Capital Funds	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(c)	Alternate Investment Funds	7	1108427			1108427	0.42%	1108427		1108427	0.42%		1108427	0.42%			1108427
(d)	Banks	14	100078			100078	0.04%	100078		100078	0.04%		100078	0.04%			98558
(e)	Insurance Companies	3	431870			431870	0.16%	431870		431870	0.16%		431870	0.16%			431870
(f)	Provident Funds/ Pension Funds	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(g)	Asset reconstruction companies	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(h)	Sovereign Wealth Funds	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(i)	NBFCs registered with RBI	4	30218			30218	0.01%	30218		30218	0.01%		30218	0.01%			30218
(j)	Other Financial Institutions	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(k)	Any Other (specify)	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
	Sub-Total (B)(1)	50	52140871			52140871	19.89%	52140871		52140871	19.89%		52140871	19.84%			52138001
(2)	Institutions (Foreign)																
(a)	Foreign Direct Investment	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(b)	Foreign Venture Capital Investors	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(c)	Sovereign Wealth Funds	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(d)	Foreign Portfolio Investors Category I	140	39445880			39445880	15.05%	39445880		39445880	15.05%		39445880	15.01%			39445880
	State Of Wisconsin Investment Board - Alliance Bernstein L.P.	1	3200488			3200488	1.22%	3200488		3200488	1.22%		3200488	1.22%			3200488
	Acadian Emerging Markets Small Cap Equity Fund, Llc	1	2684773			2684773	1.02%	2684773		2684773	1.02%		2684773	1.02%			2684773
(e)	Foreign Portfolio Investors Category II	15	3638635			3638635	1.39%	3638635		3638635	1.39%		3638635	1.38%			3638635
(f)	Overseas Depositories (holding DRs) (balancing figure)	0	0			0	0.00%	0		0	0.00%		0	0.00%			0

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)				No. (a)	As a % of total Shares held (b)	
								Class eg: X	Class eg: y	Total							
(g)	Any Other (specify)	3	4223			4223	0.00%	4223		4223	0.00%		4223	0.00%			863
	The Hongkong And Shanghai Banking Corp.Ltd.	1	863			863	0.00%	863		863	0.00%		863	0.00%			863
	Sub-Total (B)(2)	158	43088738			43088738	16.44%	43088738		43088738	16.44%		43088738	16.40%			43085378
(3)	Central Government / State Government(s)	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(a)	Central Government / President of India	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(b)	State Government / Governor	2	230			230	0.00%	230		230	0.00%		230	0.00%			230
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
	Sub-Total (B)(3)	2	230			230	0.00%	230		230	0.00%		230	0.00%			230
(4)	Non-institutions																
(a)	Associate companies / Subsidiaries	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(b)	Directors and their relatives (excluding independent directors and nominee directors)	3	175299			175299	0.07%	175299		175299	0.07%	142500	317799	0.12%			175299
(c)	Key Managerial Personnel	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(d)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(f)	Investor Education and Protection Fund (IEPF)	1	1682613			1682613	0.64%	1682613		1682613	0.64%		1682613	0.64%			1682613
(g)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	172919	34176720			34176720	13.04%	34176720		34176720	13.04%		34176720	13.01%			33237980
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	129	10025298			10025298	3.82%	10025298		10025298	3.82%	465000	10490298	3.99%			10025298
(i)	Non Resident Indians (NRIs)	4107	2992632			2992632	1.14%	2992632		2992632	1.14%		2992632	1.14%			2875890
(j)	Foreign Nationals	1	100			100	0.00%	100		100	0.00%		100	0.00%			100
(k)	Foreign Companies	0	0			0	0.00%	0		0	0.00%		0	0.00%			0
(l)	Bodies Corporate	780	5252955			5252955	2.00%	5252955		5252955	2.00%		5252955	2.00%			5252833
(m)	Any Other (specify)	2839	8982698			8982698	3.43%	8982698		8982698	3.43%		8982698	3.42%			8977705
	Trusts	7	4172340			4172340	1.59%	4172340		4172340	1.59%		4172340	1.59%			4172340
	Unclaimed or Suspense or Escrow Account	1	944			944	0.00%	944		944	0.00%		944	0.00%			944
	LLP	87	607737			607737	0.23%	607737		607737	0.23%		607737	0.23%			607737
	HUF	2686	2513526			2513526	0.96%	2513526		2513526	0.96%		2513526	0.96%			2508533
	Clearing Members	57	1685251			1685251	0.64%	1685251		1685251	0.64%		1685251	0.64%			1685251
	Overseas Corporate Bodies	1	2900			2900	0.00%	2900		2900	0.00%		2900	0.00%			2900

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)				No. (a)	As a % of total Shares held (b)	
								Class eg: X	Class eg: y	Total							
	Aml Employee Welfare Trust	1	4152317			4152317	1.58%	4152317		4152317	1.58%		4152317	1.58%			4152317
	Sub-Total (B)(4)	180779	63288315			63288315	24.14%	63288315		63288315	24.14%	607500	63895815	24.32%			62227718
	(B)=(B)(1)+(B)(2)+(B)(3)+(B)(4)	180989	158518154			158518154	60.47%	158518154		158518154	60.47%	607500	159125654	60.56%			157451327

(A) The following table sets forth the details of our non-promoter, non-public shareholders as on June 30, 2026:

Category	Category of shareholder	Nos. of shareholder s	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)				No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total							
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)=(VII+X)	(XII)= (VII)+(X) As a % of (A+B+C2)	(XIII)		(XVIII)
(1)	Custodian/DR Holder - Name of DR Holders (If Available)																
(2)	Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021																
	Total NonPromoter- Non Public Shareholding (C)= (C)(1)+(C)(2)																
	Total (A+B+C2)	181012	262139640			262139640	100.00%	262139640	0	262139640	100.00%	607500	262747140	100.00%			261072813
	Total (A+B+C)	181012	262139640			262139640	100.00%	262139640		262139640	100.00%	607500	262747140	100.00%			261072813

The following table sets forth the details of disclosure made by the trading members holding 1% or more of the total number of shares of our Company as on June 30, 2026:

Sl. No.	Name of the Trading Member	Name of the Beneficial Owner	No. of shares held	% of total no. of shares	Date of reporting by the Trading Member
1.	NIL	NIL	NIL	NIL	NIL

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the bidding application, payment of Application Amount, Allocation and Allotment of the Equity Shares to be issued pursuant to the Issue. The procedure followed in the Issue may differ from the one mentioned below, and Bidders are assumed to have apprised themselves of the same from our Company or the LM.

Our Company, the LM and its directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Bidders are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Bidders are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations and other applicable laws.

*Bidders were advised to inform themselves of any restrictions or limitations that were applicable to them and were required to consult their respective advisers in this regard. Bidders that applied in the Issue had confirmed and were deemed to have represented to our Company, the LM and its directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the LM and its directors, officers, agents, advisors, shareholders, employees, counsels, affiliates, and representatives accept no responsibility or liability for advising any Bidder on whether such Bidder is eligible to acquire the Equity Shares. For further details, please see the sections titled "**Selling Restrictions**" and "**Transfer Restrictions and Purchaser Representations**" on pages 189 and 196, respectively.*

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBS ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

The Preliminary Placement Document and this Placement Document has not been, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue has been made to Eligible QIBs in accordance with Chapter VI of the SEBI ICDR Regulations, Section 42 and Section 62 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules thereunder, to the extent applicable, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, to the extent applicable, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs, provided, inter alia that:

- a special resolution approving the Issue has been passed by our Shareholders. Such special resolution must *inter alia* specify (i) that the allotment of the Equity Shares is proposed to be made pursuant to the qualified institutions placement; and (ii) the relevant date for the qualified institutions placement;

- the explanatory statement to the notice to the Shareholders for convening the general meeting must disclose, amongst others, the particulars of the Issue including the date of passing the board resolution, the kind of securities being offered and the price at which they are offered, amount which our Company intends to raise by way of such securities and the material terms of raising such securities, proposed Issue schedule, the purpose or objects of the Issue, the contribution made by the Promoters or Directors either as part of the Issue or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the Issue or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of such issuer, which are proposed to be allotted through the Issue, are listed on a recognized stock exchange in India that has nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to our Shareholders for convening the meeting to pass the above-mentioned special resolution, except for Equity Shares allotted during the preceding one year from the date of the Preliminary

Placement Document and this Placement Document. For details, please see the section titled "***Capital Structure***" on page 85;

- issuance and allotment of Equity Shares shall be done in dematerialised form only;
- invitation to apply in the Issue must be made through a private placement offer-cum-application form (i.e., this Placement Document) and an Application Form serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;
- our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue;
- our Company shall have completed allotments with respect to any earlier offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;
- our Promoter or Directors are not Fugitive Economic Offenders as defined under Section 12 of the Fugitive Economic Offenders Act, 2018;
- the Promoter or Directors are not declared as 'wilful defaulter' or 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016;
- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum- application (i.e., the Preliminary Placement Document and an Application Form), our Company has prepared and recorded a list of Eligible QIBs to whom the Issue is made. The Issue has been made only to such Eligible QIBs whose names were recorded by our Company prior to the invitation to subscribe;
- our Company acknowledges that the offering of securities by issue of public advertisements or utilization of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited;
- At least 10% of the Equity Shares issued to Eligible QIBs were made available for Allocation to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remained unsubscribed, it may be allotted to other Eligible QIBs; and
- The Issuer shall not issue or allot partly paid-up shares.

Bidders were not allowed to withdraw or revise their Bids downwards after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares offered under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the stock exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The "Relevant Date" referred to above means the date of the meeting in which the Board decides to open the Issue and "stock exchange" means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with Regulation 176(1) of the SEBI ICDR Regulations and the resolutions of our Board dated July 3, 2026 and the Shareholders of our Company through a postal ballot dated August 2, 2026, Our Company has offered a discount of ₹ 13.58 per Equity Share, being equivalent to a discount of 2.62% on the Floor Price at the time of determination of Issue Price.

In accordance with Regulation 172(1)(a) of the SEBI ICDR Regulations, the Equity Shares will be Allotted within 365 days from the date of the Shareholders' resolution approving the Issue and within 60 days from the date of receipt of Bid Amount from the Successful Bidders failing which our Company shall refund the Bid Amount in accordance with applicable laws. For details of refund of Bid Amount, please see section titled "***Issue Procedure – Refunds***" on page 185.

The subscription to the Equity Shares offered pursuant to the Issue must be made by Eligible QIBs on the basis of the Preliminary Placement Document and this Placement Document that contains all material information

required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under the PAS Rules and Form PAS-4. The Preliminary Placement Document and this Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with the Issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of the Preliminary Placement Document and this Placement Document addressed to you, you may not rely on the Preliminary Placement Document or this Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

This Issue was authorized and approved by our Board of Directors by way of resolution dated July 3, 2026, and by our Shareholders by way of a special resolution passed through a postal ballot dated August 2, 2026.

The minimum number of Allottees for each qualified institutions placement shall not be less than:

- two, where the issue size is less than or equal to ₹ 250 crore; and
- five, where the issue size is greater than ₹ 250 crore.

No single Allottee shall be Allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", please see "***– Bid Process – Application Form***" on page 179.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange. In addition, purchasers of the Equity Shares Allotted pursuant to the Issue shall comply with the resale restrictions set forth in the sections titled, "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 189 and 196, respectively.

We have applied for, and received, the in-principle approvals from the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges, each dated August 3, 2026. We have filed a copy of the Preliminary Placement Document and this Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules, to the extent applicable.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the Equity Shares offered in this Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdictions where such offers and sales are made. For the selling restrictions in certain other jurisdiction, see "*Selling Restrictions*" on page 189. The Equity Shares sold in the Issue are transferable only in accordance with the restrictions set forth under the sections "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 189 and 196, respectively.

Issue Procedure

1. On the Issue Opening Date, our Company in consultation with the LM had circulated serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, in electronic form, to identified Eligible QIBs and the Application Form was specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain complete records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to the extent applicable, to whom this Placement Document and the serially numbered Application Form were dispatched. Our Company will make the requisite filings with the RoC within the stipulated time periods as required under the Companies Act, 2013 and the PAS Rules, if and to the extent applicable. The list of Eligible QIBs to whom the Preliminary Placement Document, Application Form and this Placement Document is delivered has been determined by our Company, in consultation with the LM, at their sole discretion.

2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which included the details of the bank account wherein the Bid Amount was deposited, was addressed to a particular Eligible QIB, no invitation to make an offer to subscribe was deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer was deemed to have been made to such person and any application that did not comply with this requirement was treated as invalid.

3. Eligible QIBs were required to submit the Application Form, including any revisions thereof along with the Bid Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter (as applicable) and/or any other documents mentioned in the Application Form, during the Issue Period to the LM. The Application Form was required to signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB could submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount had been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and could not be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount was required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. In case Bids were made on behalf of the Eligible QIB and the Application Form was unsigned, it was assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB was authorised to do so.

4. Bidders were required to indicate the following in the Application Form:

   - it has agreed to certain other representations as set forth in the Application Form and the Preliminary Placement Document;
   - full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details (if applicable), contact number and bank account details;
   - number of Equity Shares Bid for;
   - price at which they were agreeable to subscribe for the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;
   - details of the depository / beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited;
   - Equity Shares held by the Eligible QIBs in our Company prior to the Issue; and
   - representations that (a) it is outside the United States acquiring the Equity Shares in an "offshore transaction" as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdiction where such offers and sales are made, and (b) it has agreed to certain other representations set forth in "***Representations by Investors***" on page 6 and "***Transfer Restrictions and Purchaser Representations***" on page 196 and certain other representations made in the Application Form.

***Note**: Eligible FPIs were required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodians of Mutual Funds were specifically required to state the names of the concerned schemes for which the Bids were made. In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund were not required to be treated as multiple Bids provided that the Bids clearly indicated the scheme for which the Bid were made. Application by various schemes or funds of a Mutual Fund were treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them did not exceed the investment limits or maximum number of Equity Shares that could be held by them under applicable laws.*

5. Eligible QIBs were required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of "*Arvind Limited Escrow Account for QIP"* with the Escrow Bank, within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares was required to be made from the bank accounts of the relevant Bidders and our Company has kept a record of the bank account from where such payment has been received. No payment was made in the Issue by the Bidders in cash. Bid Amount payable on Equity Shares to be held by joint holders was be paid from the bank account of the person whose name appears first in the Application Form. Pending Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever is later, Bid Amount received for subscription of the Equity Shares was kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event (a) any Bidder is not Allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Application Amount was in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or the Application Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "***Issue Procedure – Refunds***" on page 185.

6. Once a duly completed Application Form was submitted by a Bidder, whether signed or not, and the Bid Amount was transferred to the Escrow Account, such Application Form constituted an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount was required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date was be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. The Bids made by asset management companies or custodians of Mutual Funds specifically stated the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund was not to be treated as multiple Bids provided that the Bids clearly indicated the scheme for which the Bid was been made. Application by various schemes or funds of a Mutual Fund were treated as one application from the Mutual Fund. Bidders were advised to ensure that any single Bid from them did not exceed the investment limits or maximum number of Equity Shares that could be held by them under applicable laws.

8. Upon receipt of the duly completed Application Form and the Application Amount in the Escrow Account, after the Issue Closing Date, our Company , in consultation with the Lead Manager determined the final terms, including the Issue Price and number of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the Lead Manager sent the serially numbered CAN to the Eligible QIBs who will be Allocated the Equity Shares. The dispatch of a CAN, and this Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price, refund details in case of partial refunds and the aggregate amount received towards the Equity Shares Allocated. In case of Bids being made on behalf of the Eligible QIB where the Application Form was unsigned, it shall be assumed that the person submitting the Application

Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB was authorised to do so. Please note that the Allocation will be at the absolute discretion of our Company in consultation with the Lead Manager. The Bidder acknowledges that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose the names of proposed allottees and the percentage of their post-Issue shareholding in this Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.

9. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the LM, on our behalf, sent this serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

10. Upon dispatch of this serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. We will inform the Stock Exchanges of the details of the Allotment.

11. After passing the resolution for Allotment, and prior to crediting the Equity Shares allotted pursuant to the Issue into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as indicated in their respective Application Form, our Company shall submit relevant documents to the Stock Exchanges for listing approval in respect of the Equity Shares Allotted pursuant to the Issue.

12. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

13. Our Company shall then apply for the final trading permissions/ approvals from the Stock Exchanges.

14. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant accounts of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final listing and trading approvals from the Stock Exchanges.

15. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Successful Bidders to whom the Equity Shares have been Allotted. Our Company and the LM shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

16. In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for, through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted, in the form and manner set out in "***Issue Procedure — Refunds***" on page 185.

Eligible Qualified Institutional Buyers

Only Eligible QIBs were eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules or a non-resident multilateral or bilateral development financial institution eligible to invest in India under applicable law, were considered as Eligible QIBs. FVCIs were not permitted to participate in the Issue (not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations). Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- a mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor registered with the Board;
- foreign portfolio investor other than individuals, corporate bodies and family offices;
- a public financial institution;

- a scheduled commercial bank;
- a multilateral and bilateral development financial institution;
- a state industrial development corporation;
- an insurance company registered with the Insurance Regulatory and Development Authority of India;
- a provident fund with minimum corpus of twenty-five crore rupees;
- a pension fund with minimum corpus of twenty-five crore rupees registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- systemically important non-banking financial companies; and
- accredited investors as defined in clause (ab) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, for the limited purpose of their investment in Angel Funds registered with the Board, under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.

Eligible FPIs were permitted to participate through the portfolio investment scheme under Schedule II of FEMA Rules in this Issue. Eligible FPIs were permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard. FVCIs were not permitted to participate in this Issue. Other eligible Non-Resident QIBs participated in the Issue under schedule I of the FEMA Rules, subject to other conditions mentioned in the FEMA Rules.

In terms of the SEBI FPI Regulations, the offer of Equity Shares to a single FPI, including an investor group (which means having common ownership of more than 50% or common control), is not permitted to be 10% or more of the post-Issue Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding by each FPI or investor group shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company is not 10% or more of the post-Issue paid-up capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company on a fully diluted basis. In case the holding of an FPI including its investor group increases to 10% or more of the total post-Issue paid-up Equity Share capital of our Company on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the aforementioned prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per the procedure specified by SEBI, and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (ii) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (iii) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable.

Two or more subscribers of ODIs having a common beneficial owner wereconsidered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company. Pursuant to the SEBI circular dated April 5, 2018 and bearing reference no. IMD/FPIC/CIR/P/2018/61,

our Company has appointed Central Depository Services Limited as the designated depository to monitor the level of FPI/ NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit, a red flag shall be activated. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

As per the SEBI Master Circular on FPIs, these investment restrictions shall also apply to subscribers of P-Notes. Two or more subscribers of P-Notes having a common beneficial owner were considered together as a single subscriber of the P-Notes. In the event an investor has investments as a FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Eligible FPIs were permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, please refer to the sections titled "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 189 and 196, respectively.

Restriction on Allotment

Our Company has, in consultation with the LM, determined Allocation to the Eligible FPIs and such Bids which are above the Eligible FPI Limit, were liable to be rejected, at the sole discretion of our Company. Please note that this is subject to the extent of Foreign Portfolio Investment in our Company on the date of Allocation of Equity Shares.

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being, Promoter or any person related to, the Promoters. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the Promoters:

- rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on our Board.

Provided, however, that an Eligible QIB, which does not hold any Equity Shares in our Company and has acquired the aforesaid rights in the capacity of a lender, shall not be deemed to be related to the Promoters.

Our Company and the LM and any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, advisors or affiliates are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of the Preliminary Placement Document and this Placement Document. Eligible QIBs were advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs were advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that could be held by them under applicable law or regulation or as specified in the Preliminary Placement Document and this Placement Document. Eligible QIBs were required to satisfy themselves that any requisite compliance pursuant to this Allotment such as public disclosures under applicable laws is complied with. Further, Eligible QIBs were required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Note: *Affiliates or associates of the LM who are Eligible QIBs may participate in the Issue in compliance with applicable laws.*

Bid Process

Application Form

Eligible QIBs could only use the serially numbered Application Forms (which are specifically addressed to them) supplied by our Company and/or the LM in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document and this Placement Document. The Application Form was required to be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB could submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period, and in such case, it was assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB was authorised to do so.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Placement Document, the Eligible QIB was deemed to have made the following representations, warranties, acknowledgements and undertakings given or made under "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 3, 6, 189 and 196, respectively:

1. The Bidder confirmed that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. The Bidder confirmed that it is not a promoter of our Company as defined under the SEBI ICDR Regulations and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter or Promoter Group or persons related to the Promoters;

3. The Eligible QIB confirmed and consented to its name and percentage of post-Issue shareholding (assuming full subscription in the Issue) will be included as a 'proposed allottee' in the Issue in this Placement Document;

4. The Eligible QIB confirmed that it has no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender which shall not be deemed to be a person related to the Promoters;

5. The Bidder acknowledged that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

6. The Bidder confirmed that if the Equity Shares are Allotted through the Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the floor of the Stock Exchanges;

7. The Bidder confirmed that the QIB is eligible to Bid for and hold the Equity Shares so Allotted and together with any Equity Shares held by the QIB prior to the Issue. The Bidder further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any regulations applicable to the QIB;

8. The Bidder confirmed that the Application would not result in triggering a tender offer under the SEBI Takeover Regulations;

9. The Bidder confirmed that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI or a non-resident multilateral or bilateral development financial institution;

10. The Bidder agreed that it will make payment of its Bid Amount, along with submission of the Application Form within the Issue Period. The Bidder agrees that once a duly filled Application Form is submitted

by itself, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date;

11. The Bidder agreed that although the Bid Amount is required to be paid by it, along with the Application Form within the Issue Period in terms of provisions of the Companies Act, 2013 and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the LM. The Bidder further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

12. The Bidder consented to and acknowledged that in terms of the requirements of the Companies Act, 2013 upon Allocation, our Company will be required to disclose their names as "proposed Allottees" and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document and consents of such disclosure, if any Equity Shares are Allocated to it. However, the Bidder further acknowledges and agrees, disclosure of such details in relation to the proposed Allottees in this Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the discretion of our Company, in consultation with the LM;

13. The Bidder confirmed that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue size. For the purposes of this representation:

    a. The expression "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other QIB ; and

    b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations.

14. The Eligible QIB confirmed that:

    a. If it is outside the United States and subscribing to the Equity Shares in an "offshore transaction" as defined in and in reliance upon Regulation S and the applicable laws of the jurisdictions where those offers and sales are made, and is not our affiliate or a person acting on behalf of such an affiliate; and

    b. It has agreed to the other representations set forth in the sections titled, "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 189 and 196, respectively, and the other representations made in the Application Form.

15. The Bidder acknowledged that no Allotment shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price;

16. The Bidder confirmed that it shall not undertake any trade in the Equity Shares credited into the beneficiary account maintained with the Depository Participant by the QIBs until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

17. The Bidder acknowledged, represented and agreed that in the event its total interest in the paid-up share capital of our Company or voting rights in our Company, whether direct or indirect, beneficial or otherwise (any such interest, your "**Holding**"), when aggregated together with any existing Holding and/or Holding of any of the persons acting in concert, results in Holding of 5% or more of the total paid-up share capital of, or voting rights in, our Company a disclosure of the aggregate shareholding and voting rights will have to be made under the SEBI Takeover Regulations. In case such Eligible QIB is an existing shareholder who, together with persons acting in concert, holds 5% or more of the underlying paid up share capital of, or voting rights in our Company a disclosure will have to be made under the SEBI Takeover Regulations in the event of a change of 2% or more in the existing Holding of the Eligible QIB and persons acting in concert;

18. The Eligible FPI, confirmed that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations; and

19. The Bidder has read and understood, and by making a Bid for the Equity Shares through the Application Forms and pursuant to the terms of this Placement Document, will be deemed to have made the representations, warranties and agreements made under "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 3, 6, 189 and 196, respectively.

    Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the FDI Policy, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route. However, pursuant to Press Note No. 2 (2026 Series), investments resulting in beneficial ownership of less than 10% and not conferring control are permitted under the automatic route. Eligible QIBs confirms that no government approval is required under the FEMA Rules, as mandated under the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

ELIGIBLE QIBS WERE REQUIRED TO PROVIDE THEIR NAME, COMPLETE ADDRESS, EMAIL ID, PHONE NUMBER, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN/ PAN ALLOTMENT LETTER (IF APPLICABLE), DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS WERE REQUIRD TO ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR DEPOSITORY / BENEFICIARY ACCOUNT IS HELD.

IF SO, REQUIRED BY THE LM, THE ELIGIBLE QIBS SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WERE ALSO REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO THE LM TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO, REQUIRED BY THE LM, THE ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY OR STOCK EXCHANGE IN THIS REGARD, INCLUDING AFTER ISSUE CLOSING DATE, THE ELIGIBLE QIBS SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account were to be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Bid Amount pursuant to the Application Form by a Bidder was deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and became a binding contract on a Successful Bidder upon issuance of the CAN and this Placement Document (when dispatched) by our Company or by the LM in favour of the Successful Bidder.

Submission of Application Form

All Application Forms were required to be duly completed with information including the name of the Bidder, the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter (if applicable). The Bid Amount was deposited in the Escrow Account as is specified in the Application Form and the Application Form was submitted to the LM either through electronic form or through physical delivery at either of the following addresses:

Name of the LM	Address	Contact Person	Email / Website	Contact Number
Motilal Oswal Investment Advisors Limited	Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai – 400 025, Maharashtra, India.	Subodh Mallya / Sankita Ajinkya	arvind.qip@motilaloswal.com Website:www.motilaloswal.com	+91 22 7193 4380

The LM was not required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

Bidders Bidding in the Issue paid the entire Bid Amount along with the submission of the Application Form, within the Issue Period.

Payment of Bid Amount

Our Company had opened the Escrow Account in the name of "Arvind Limited Escrow Account for QIP" with the Escrow Bank, in terms of the arrangement among our Company, the LM and the Escrow Bank. Each Bidder was required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bidding Period and submitted by it in accordance with the applicable laws. Bidders could make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments were to be made only through electronic fund transfer. Payments made through cash or cheques or demand draft were liable to be rejected. Further, if the payment was not made favouring the Escrow Account within the Issue Period stipulated in the Application Form, the Application Form was liable to be cancelled and rejected.

Pending Allotment, our Company undertakes to utilise the amount deposited in "Arvind Limited Escrow Account for QIP" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount was in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or the Application Amount has been arrived at using an indicative price higher than the Issue Price, or any Bidder lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "***Issue Procedure – Refunds***" on page 185.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price could not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on each of the Stock Exchange during the two weeks preceding the Relevant Date. However, a discount of not more than 5% of the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by the Board pursuant to resolution dated July 3, 2026, and the resolution of our Shareholders through a postal ballot dated August 2, 2026, was offered by our Company in accordance with the provisions of the SEBI ICDR Regulations. Our Company has offered a discount of ₹ 13.58 per Equity Share, being equivalent to a discount of 2.62% on the Floor Price in accordance with the provisions of the SEBI ICDR Regulations.

The "Relevant Date" referred to above was the date of the meeting in which the Board decides to open the Issue and "stock exchange" means any of the recognized stock exchanges in India on which the Equity Shares of our Company of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date.

After finalization of the Issue Price, our Company updated the Preliminary Placement Document with the Issue details and filed the same with the Stock Exchanges as this Placement Document. Our Company, in consultation with the LM, determined the Issue Price, which was at or above the Floor Price.

Build-up of the Book

The Eligible QIBs submitted their Bids (including any revision thereof) through the Application Forms within the Issue Period to the LM. Such Bids could not be withdrawn or revised downwards after the Issue Closing Date. The book was to be maintained by the LM.

Method of Allocation

Our Company determined the Allocation in consultation with the LM on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company, in consultation with the LM, have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY, IN CONSULTATION WITH THE LM, IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE LM, AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE. NEITHER OUR COMPANY NOR THE LM ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

Confirmation of Allocation Note (CAN)

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the LM, in their sole and absolute discretion, decided the Successful Bidders to whom the serially numbered CAN has be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allocated to them was be notified to such Successful Bidders. Additionally, the CAN included the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder and details of amount to be refunded, if any.

The Successful Bidders were also sent this serially numbered Placement Document (which included the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and this Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. Subsequently, our Board (or a duly authorised committee thereof) will approve the Allotment of the Equity Shares to the Allottees in consultation with the LM.

Successful Bidders were advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB was deemed to have made the representations and warranties as specified in "***Notice to Investors***" on page 3 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of this Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the respective CANs.

2. In accordance with the SEBI ICDR Regulations, the Equity Shares will be issued, and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories

Act. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.

4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall submit the necessary documents with the Stock Exchanges for listing and trading approvals in relation to the Issue and post receipt of the listing and trading approvals from the Stock Exchanges,our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.

5. Following the credit of Equity Shares into the Successful Bidders' beneficiary accounts with the Depository Participants, our Company will apply for the final listing and trading approvals from the Stock Exchanges.

6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and our Company files the return of Allotment in connection with the Issue with the RoC within the prescribed timelines under the Companies Act, 2013.

7. After finalization of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and filed it with the Stock Exchanges as this Placement Document, including the details of names of the proposed Allottees, belonging in the same group or under common control in the Issue, and the percentage of their post-Issue shareholding in our Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, the Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with this Placement Document. Further, as required in terms of the PAS Rules, names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company will be disclosed in this Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or the Application Amount paid by a Bidder is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to such Bidder and the Issue Price, or a Bidder lowers or withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted (as set out in the Application Form) in the manner set out in the Refund Intimation Letter. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue or on cancellation of the Issue within the timelines prescribed under the applicable laws, our Company shall repay the Bid Amount within 15 days from expiry of 60 days, failing which our Company shall repay that money with interest at the rate of 12% p.a. from the expiry of 60th day.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to the Issue are received by our Company and our Company files the return of Allotment in connection with the Issue with the RoC. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form was submitted as soon as practicable.

Permanent Account Number or PAN

Each Bidder was required to mention its PAN allotted under the Income Tax Act. A copy of PAN card was required to be submitted with the Application Form. However, this requirement may not have applied to certain Bidders who are exempted from the requirement of obtaining a PAN under the IT Act. Further, the Application Forms without this information was considered incomplete and liable to be rejected. It was to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form was liable to be rejected on this ground.

Bank account details

Each Bidder was required to mention the details of the bank account from which the payment of Bid Amount was made along with confirmation that such payment was made from such account.

Right to Reject Applications

Our Company, in consultation with the LM, rejected Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the LM in relation to the rejection of Bids is final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder, as set out in the Application Form. For details see "***Issue Procedure – Refunds***" on page 185.

Equity Shares in dematerialised form with the Depositories

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode). Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013, the Depositories Act and other applicable laws. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

The Bidders who applied for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either of the Depositories prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with the Depositories. The Stock Exchanges have electronic connectivity with the Depositories. The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all Allottees in the respective demat segment of the Stock Exchanges. Our Company and the LM will not be responsible or liable for the delay in the credit of the Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on part of the Bidder.

PLACEMENT

No assurance can be given as to the liquidity or sustainability of the trading market for the Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

Placement Agreement

The LM has entered into the Placement Agreement with our Company, pursuant to which the LM has agreed, subject to certain conditions, to manage the Issue and to act as Placement Agent in connection with the Issue and procure subscription, on a reasonable efforts basis, for Equity Shares to be placed with the Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013, read with Rule 14 of the PAS Rules, to the extent applicable and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

The Placement Agreement contains customary representations and warranties, as well as indemnity from our Company; and the Issue is subject to the satisfaction of certain conditions and subject to the termination of the Placement Agreement in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares post the Issue.

the Preliminary Placement Document and this Placement Document have not been and will not be filed as a prospectus with the Registrar of Companies, and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdictions where such offers and sales are made. For further information, see the sections titled "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 189 and 196, respectively.

Relationship with the Lead Manager

In connection with the Issue, the Lead Manager (or its affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares or in secondary market transactions. As a result of such transactions, the Lead Manager may hold long or short positions in the Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Lead Manager may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. See "***Offshore Derivative Instruments***" and "***Representations by Investors***" on pages 12 and 6, respectively.

From time to time, the Lead Manager and its affiliates and associates may have engaged in or engage in transactions with and perform services for our Company or its affiliates in the ordinary course of business including but not limited to in commercial banking, investment banking and other banking transactions with our Company, its affiliates or shareholders, for which they have received compensation and may in the future receive compensation.

Lock-up

Our Company agrees, subject to the exceptions set out below, not to: (a) issue, offer, lend, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for Equity Share; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership

of Equity Shares; or (c) publicly announce any intention to enter into any transaction described in (a) or (b) above, whether any such transaction described in (a) or (b) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, for a period from the date hereof up to 90 days after the Closing Date without the prior written consent of the LM, however, the foregoing restriction shall not be applicable to the (i) the issuance of the Issue Shares pursuant to the Issue; (ii) issuance of Equity Shares pursuant to conversion of ESOPs; and (iii) any transaction required by law or an order of a court of law or a statutory authority.

SELLING RESTRICTIONS

General

Except for in India, no action has been taken or will be taken by our Company or the LM that would permit the offering of the Equity Shares in the Issue to occur in any jurisdiction, or the possession, circulation or distribution of this Placement Document or any other material relating to the Issue in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and none of this Placement Document, any offering materials and any advertisements in connection with the offering of the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

Therefore, persons who may come into possession of this Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions.

Each purchaser of the Equity Shares in this Issue will be deemed to have made representations, warranties, acknowledgments and agreements as described in this section and under "***Notice to Investors***", "***Representations by Investors***" and "***Transfer Restrictions and Purchaser Representations***" on pages 3, 6 and 196, respectively.

Republic of India

The Issue will be made only to Eligible QIBs in compliance with the SEBI ICDR Regulations, Section 42 and 62 of the Companies Act, 2013, read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

This Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public or any other class of investors other than Eligible QIBs. The Preliminary Placement Document and this Placement Document has not been and will not be filed as a prospectus with the RoC, or an advertisement and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

Australia

This Placement Document is not a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) ("**Corporations Act**") and has not been lodged with the Australian Securities and Investments Commission and it does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act.

No offer will be made under this Placement Document to investors to whom disclosure is required to be made under Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to represent and warrant that it is either a "sophisticated investor" or a "professional investor" and that not it is not a "retail client" within the meaning of those terms in the Corporations Act.

The Equity Shares acquired in the Issue in Australia must not be offered for sale in Australia in the period of 12 months after the date of the Allotment, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under Section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to undertake to our Company that it will not, for a period of 12 months from the date of purchase of the Equity Shares, offer, transfer, assign or otherwise alienate those Equity Shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act.

No financial product advice is provided in this Placement Document and nothing in this Placement Document should be taken to constitute a recommendation or statement of opinion that is intended to influence a person or persons in making a decision to invest in the Equity Shares offered in the Issue.

This Placement Document does not take into account the objectives, financial situation or needs of any particular person. Before acting on the information contained in this Placement Document, or making a decision to invest in the Equity Shares offered in the Issue, investors should seek professional advice as to whether investing in the Equity Shares is appropriate in light of their own circumstances.

None of the Lead Manager or any of its affiliates is the holder of an Australian Financial Services Licence.

British Virgin Islands

This Placement Document is not an offer to sell, or a solicitation or invitation to make offers to purchase or subscribe for, the Equity Shares offered in the Issue in the British Virgin Islands (the "**BVI**"). This Placement Document may not be sent or distributed to persons in the BVI and the Equity Shares offered in the Issue are not available to, and no invitation or offer to subscribe, purchase or otherwise acquire the Equity Shares may be made to, persons in the BVI. However, the Equity Shares may be offered and sold to business companies incorporated in the BVI pursuant to the BVI Business Companies Act, international limited partnerships formed in the BVI pursuant to the Limited Partnership Act 1996 and limited partnerships formed in the BVI pursuant to the Limited Partnership Act, 2017 provided that any such offering and sale is made outside the BVI.

Cayman Islands

No offer or invitation to subscribe for the Equity Shares offered in the Issue may be made to the public in the Cayman Islands.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), an offer to the public of any Equity Shares in the Issue may not be made in that Relevant State, except if the Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the "**Prospectus Regulation**"):

- to any legal entity that is a qualified investor, as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the Lead Manager for any such offer;
- or in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the Lead Manager of a prospectus pursuant to Article 3 of the Prospectus Regulation.

For the purposes of this section, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Except for each person who is not a qualified investor and who has notified the Lead Manager of such fact in writing and has received the consent of the Lead Manager in writing to subscribe for or purchase Equity Shares in the Issue, each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a "qualified investor" as defined in the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the Lead Manager has been obtained to each such proposed offer or resale.

Our Company, the Lead Manager and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Hong Kong

This Placement Document has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, this Placement Document has not been, and will not be, registered as a "prospectus" in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) ("**CO**") nor has it been authorised by the Securities and Futures Commission ("**SFC**") in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) ("**SFO**"). Recipients are advised to exercise caution in relation to the Issue. If recipients are in any doubt about any of the contents of this Placement Document, they should obtain independent professional advice.

This Placement Document does not constitute an offer or invitation to the public in Hong Kong to acquire any Equity Shares nor an advertisement of the Equity Shares in Hong Kong. This Placement Document must not be issued, circulated or distributed in Hong Kong other than:

(a) to "professional investors" within the meaning of the SFO and any rules made under that ordinance ("**Professional Investors**"); or
(b) in other circumstances which do not result in this Placement Document being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors.

Any offer of the Equity Shares will be personal to the person to whom relevant offer documents are delivered, and a subscription for the Equity Shares will only be accepted from such person. No person who has received a copy of this Placement Document may issue, circulate or distribute this Placement Document in Hong Kong or make or give a copy of this Placement Document to any other person. No person allotted Equity Shares may sell, or offer to sell, such Equity Shares to the public in Hong Kong within six months following the date of issue of such Equity Shares.

Kuwait

This Placement Document has not been licensed for the offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of securities in the State of Kuwait ("**Kuwait Securities Laws**"). Therefore, in accordance with the Kuwait Securities Laws, no private or public offering of the Equity Shares is or will be made in the State of Kuwait, no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the Equity Shares offered in the Issue may be made to the public in Mauritius without, amongst other things, the prior approval of the Mauritius Financial Services Commission. This Placement Document has not been approved or registered by the Mauritius Financial Services Commission. Accordingly, this Placement Document does not constitute a public offering. This Placement Document is for the exclusive use of the person to whom it has been given by the Lead Manager and is a private concern between the sender and the recipient.

Oman

This Placement Document does not constitute an offer to sell or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman. This Placement Document is strictly private and confidential and is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of the Sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient.

This Placement Document has not been approved by the Capital Market Authority of Oman (the "**CMA**") or any other regulatory body or authority in the Sultanate of Oman ("**Oman**"), nor has the Lead Manager received

authorisation, licensing or approval from the CMA or any other regulatory authority in Oman, to market, offer, sell, or distribute the Equity Shares in Oman.

No marketing, offering, selling or distribution of any Equity Shares has been or will be made from within Oman and no subscription for any Equity Shares may or will be consummated within Oman. The Lead Manager is not a company licensed by the CMA to provide investment advisory, brokerage, or portfolio management services in Oman, nor a bank licensed by the Central Bank of Oman to provide investment banking services in Oman. The Lead Manager does not advise persons or entities resident or based in Oman as to the appropriateness of investing in or purchasing or selling securities or other financial products.

The Equity Shares offered in the Issue have not and will not be listed on any stock exchange in the Sultanate of Oman.

Nothing contained in this Placement Document is intended to constitute Omani investment, legal, tax, accounting or other professional advice. This Placement Document is for your information only, and nothing herein is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice on the basis of your situation.

Qatar (excluding the Qatar Financial Centre)

This Placement Document does not, and is not intended to, constitute an invitation or an offer of Equity Shares in the State of Qatar and accordingly should not be construed as such. The Equity Shares offered in the Issue have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of the Equity Shares in the State of Qatar.

By receiving this Placement Document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, or any other authority or agency in the State of Qatar; (b) our Company and the Lead Manager are not authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Issue has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Our Company and the Lead Manager are not, by distributing this Placement Document, advising individuals resident in the State of Qatar as to the appropriateness of purchasing Equity Shares in the Issue. Nothing contained in this Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Qatar Financial Centre

This Placement Document does not, and is not intended to, constitute an invitation or offer of Equity Shares from or within the Qatar Financial Centre ("**QFC**"), and accordingly should not be construed as such. This Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licenced by or registered with any licensing authorities within the QFC.

Singapore

This Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore ("**MAS**") under the Securities and Futures Act 2001 of Singapore, as amended ("**SFA**"). Accordingly, the Equity Shares offered in the Issue may not be offered or sold, or made the subject of an invitation for subscription or purchase nor may this Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Equity Shares be circulated or distributed, whether directly or indirectly, in Singapore other than (i) to an "institutional investor" within the meaning of Section 4A of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the

conditions specified in Section 275, of the SFA, or (iii) other pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor (as defined in Section 4A of the SFA) or to a relevant person defined in Section 275(2) of the SFA; (2) for a trust, to any person pursuant to an offer that is made on terms that such rights or interest in that trust are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets (3) for a corporation, where that transfer arises from an offer referred to in Section 275(1A) of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), our Company has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA) that the Equity Shares are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

South Korea (Republic of Korea)

No securities registration statement in relation to the Solicitations (as defined under Financial Investment Services and Capital Markets Act of the Republic of Korea ("**South Korea**") (the "**FISCMA**")) of the Equity Shares offered in the Issue in South Korea has been or will be filed pursuant to the FISCMA. The Solicitations shall only be made (i) to certain professionals as prescribed in the FISCMA and the enforcement decree promulgated thereunder ("**Professional Investors**") and (ii) to no more than 49 persons (excluding any Professional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue.

Furthermore, the Equity Shares may not be offered, sold, transferred or delivered for reoffering or resale, directly or indirectly, in South Korea or to, or for the account or benefit of, any resident (as defined under the Foreign Exchange Transactions Act of South Korea and the decree, rules and regulations promulgated thereunder) thereof for a period of one year from the date of the issuance of the Equity Shares, except as otherwise permitted under applicable South Korean laws and regulations.

Switzerland

The offering of the Equity Shares offered in the Issue in Switzerland is exempt from the requirement to prepare and publish a prospectus under the Swiss Financial Services Act ("**FinSA**") because such offering in Switzerland is directed only at investors classified as "professional clients" within the meaning of the FinSA and the Equity Shares offered in the Issue will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This document does not constitute a prospectus pursuant to the FinSA, and no such prospectus has been or will be prepared for or in connection with the Issue.

No key information document under article 58 of the FinSA or article 59(2) of the FinSA in respect of the Issue has been prepared and published. Accordingly, the Equity Shares offered in the Issue may not be offered to "private clients" within the meaning of the FinSA in Switzerland.

Each person in Switzerland who acquires Equity Shares in the Issue shall be deemed to have represented to our Company and the Lead Manager that it is a "professional client" within the meaning of the FinSA and that it has not opted-in to be treated as a "private client" on the basis of article 5(5) of the FinSA.

This document is not intended to constitute an advertising document within the meaning of article 68 of the FinSA and article 95 of the Swiss Federal Financial Services Ordinance.

The Equity Shares do not constitute a participation in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes and are not licensed by the Swiss Financial Market

Supervisory Authority ("**FINMA**") thereunder. Accordingly, neither the Equity Shares nor the Shareholders benefit from protection under the Swiss Federal Act on Collective Investment Schemes or supervision by FINMA.

United Arab Emirates (excluding the Dubai International Financial Centre)

No offering, marketing, promotion, advertising or distribution (collectively, "**Promotion"**) of this Placement Document or the Equity Shares offered in the Issue may be made in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including the SCA Board of Directors' Decision No. (13/R.M) of 2021 (the "**Rulebook**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made only to Professional Investors (as such term is defined in the Rulebook); or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE.

The Promotion of this Placement Document and the Equity Shares offered in the Issue has not been and will not be approved by the SCA and, as such, this Placement Document does not constitute an offer to the general public in the UAE to acquire any Equity Shares offered in the Issue. Except where the Promotion of this Placement Document and the Equity Shares offered in the Issue is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE, the Promotion of this Placement Document and the Equity Shares offered in the Issue in the UAE is being made only to Professional Investors (as such term is defined in the Rulebook).

None of the SCA, the Central Bank of the United Arab Emirates or any other regulatory authority in the UAE has reviewed or approved the contents of this Placement Document and nor does any such entity accept any liability for the contents of this Placement Document.

Dubai International Financial Centre

The Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an "Exempt Offer" in accordance with the Markets Rules (MKT) (the "**Markets Rules**") adopted by the Dubai Financial Services Authority (the "**DFSA**"); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. This Placement Document must not be delivered to, or relied on by, any other person. The DFSA has not approved this Placement Document nor taken steps to verify the information set out in it and has no responsibility for it. Capitalised terms not otherwise defined in this Placement Document have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered in the Issue should conduct their own due diligence on the Equity Shares. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser.

United Kingdom

The Equity Shares offered in the Issue have not been and will not be admitted to trading on London Stock Exchange plc's main market. As such, no Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom except that the Equity Shares may be offered to the public in the United Kingdom at any time:

(1) to any "qualified investor" as defined in paragraph 15 of Schedule 1 of the POATR;

(2) to fewer than 150 persons (other than "qualified investors" as defined in paragraph 15 of Schedule 1 of the POATR), subject to obtaining the prior consent of the Lead Manager for any such offer; or

(3) in any other circumstances falling within Part 1 of Schedule 1 of the POATR.

The expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication to any person which presents sufficient information on: (a) the Equity Shares to be offered; and (b) the terms on which they are to be offered, to enable an investor to decide to buy or subscribe for the Equity Shares and the expression "POATR" means the Public Offers and Admissions to Trading Regulations 2024. This Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial

Promotion Order (all such persons together being referred to as "relevant persons"). This Placement Document is directed only at relevant persons. Other persons should not act on this Placement Document or any of its contents. The Preliminary Placement Document and this Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

United States

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S. To help ensure compliance with Regulation S, each purchaser of Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgements and agreements set forth in "***Transfer Restrictions and Purchasers Representations***" on page 196. The Equity Shares purchased in the Issue are transferable only in accordance with the restrictions described in "***Transfer Restrictions and Purchasers Representations***" on page 196.

Until the expiry of 40 days after the commencement of the Issue, an offer or sale of Equity Shares offered in the Issue within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the U.S. Securities Act.

TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS

Due to the following restrictions, investors are advised to consult legal counsel prior to purchasing Equity Shares in the Issue or making any resale, pledge or transfer of Equity Shares purchased in the Issue.

Pursuant to Chapter VI of the SEBI ICDR Regulations, purchasers are not permitted to sell the Equity Shares Allotted pursuant to the Issue, for a period of one year from the date of Allotment, except on the Stock Exchanges. Allotments made to Eligible QIBs in the Issue (including to FPIs, VCFs, and AIFs) are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements.

The Equity Shares Allotted in the Issue are also subject to the resale restrictions in "***Selling Restrictions***" beginning on page 189 and the following resale restrictions.

United States

Each purchaser of the Equity Shares offered in the Issue shall be deemed to have represented, warranted and acknowledged to and agreed with our Company and the Lead Manager as follows:

- It understands that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and are being offered and sold to it in reliance on Regulation S.
- It was outside the United States at the time the offer of the Equity Shares offered in the Issue was made to it and it was outside the United States when its buy order for the Equity Shares offered in the Issue was originated.
- It did not purchase the Equity Shares offered in the Issue as a result of any "directed selling efforts" (as defined in Regulation S).
- It is buying the Equity Shares offered in the Issue for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares offered in the Issue, it agrees that it will not offer, sell, pledge or otherwise transfer the Equity Shares offered in the Issue except in transactions complying with Rule 903 or Rule 904 of Regulation S or an available exemption from registration under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.
- Where it is subscribing to the Equity Shares offered in the Issue as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein.
- Where it is subscribing to the Equity Shares offered in the Issue for one or more managed accounts, it represents and warrants that it was authorised in writing by each such managed account to subscribe to the Equity Shares offered in the Issue for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.
- It agrees to indemnify and hold our Company and the Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Issue.
- It acknowledges that our Company, the Lead Manager and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Our Company, our representatives and our agents will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares made other than in compliance with the restrictions set forth herein.

.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the respective websites of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the LM or any of their respective affiliates or advisors. Investors are advised to consult their legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of the Equity Shares.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in India in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018, as amended (the "**SCR (SECC) Regulations**"), which regulate *inter alia* the recognition, ownership and governance of stock exchanges and clearing corporations in India together with providing for minimum net-worth requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, protect the interest of investors in securities, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by listed companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1957, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 8, 2005, BSE was incorporated as a company under the Companies Act, 1956 and became a corporate entity on August 19, 2005. BSE was listed on NSE with effect from February 3, 2017.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013, PAS Rules, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations, as well as pursuant to the listing agreements entered into by our Company with the Stock Exchanges. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing

Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

Delisting of equity shares from the stock exchanges, whether by way of a compulsory or a voluntary delisting, is governed by the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended (the "**Delisting Regulations**"). The Delisting Regulations were significantly amended in September 2024 to introduce a fixed price delisting. Following a compulsory delisting of equity shares, a company, its whole-time directors, its promoters, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares for a period of 10 years from the date of such delisting. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

All listed companies (except exempted public sector undertakings) are required to maintain a minimum public shareholding of 25%. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such fall in the manner specified by SEBI. However, every listed public sector company whose public shareholding falls below 25% at any time on or after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such fall, in the manner specified by SEBI. Furthermore, the Securities Contracts (Regulation) Amendment Rules, 2026, introduced tiered compliance timelines based on post-issue market capitalisation for companies with large equity bases. For companies with market capitalisation above ₹10,000 crores but not exceeding ₹50,000 crores, if public shareholding is less than 15% on the date of listing, the MPS of 15% is to be achieved within three years and 25% within five years from the date of listing. For companies with market capitalisation exceeding ₹50,000 crores, if public shareholding is less than 15% on the date of listing, the MPS of 15% is to be achieved within five years and 25% within ten years from the date of listing. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements. Our Company is in compliance with this minimum public shareholding requirement.

Disclosures under the Companies Act, 2013 and securities regulations

Under the Companies Act, 2013 a public offering of securities in India must be made by means of a prospectus, which must contain information specified in the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI ICDR Regulations. The prospectus must be filed with the relevant registrar of companies having jurisdiction over the place where a company's registered office is situated. A company's directors and promoters shall be subject to civil and criminal liability for misrepresentation in a prospectus. The Companies Act, 2013 also sets forth procedures for the acceptance of subscriptions and payment of commission rates for the sale of securities. Pursuant to the provisions of the SEBI Act, SEBI has issued detailed guidelines concerning disclosures by public companies and to further investor protection. The SEBI ICDR Regulations permit companies to price their domestic issues of securities in consultation with the lead merchant banker or through the book building process.

Public limited companies are required under the Companies Act, 2013 and other applicable guidelines, to prepare, file with the RoC, and circulate to their shareholders, audited annual accounts which comply with the disclosure requirements under the Companies Act, 2013, and other regulations governing their manner of presentation and which include sections pertaining to corporate governance, related party transactions and the management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations. Accordingly, companies are required to publish unaudited financial results (subject to a limited review by the company's auditors) on a quarterly basis and are required to inform stock exchanges immediately regarding any unpublished price sensitive information.

SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

Insider Trading Regulations

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (the "**SEBI Insider Trading Regulations**") have been notified by SEBI to amongst other things, prohibit and penalize insider trading in India and impose certain restrictions on the communication of information by listed companies. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information (the "**UPSI**").

The SEBI Insider Trading Regulations also impose certain restrictions on the communication of UPSI relating to a company or securities listed or proposed to be listed. In terms of the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. It also provides disclosure obligations for promoters, employees and directors, with regard to their shareholding in the company, and the changes therein. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations define the term "unpublished price sensitive information" means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following (i) financial results; (ii) dividends; (iii) change in capital structure; (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business, award or termination of order/contracts not in the normal course of business and such other transactions; (v) changes in key managerial personnel ,other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor; (vi) change in rating(s), other than ESG rating(s); (vii) fund raising proposed to be undertaken; (viii) agreements, by whatever name called, which may impact the management or control of the company; (ix) fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad; (x) resolution plan/ restructuring or one-time settlement in relation to loans/borrowings from banks/financial institutions; (xi) admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016; (xii) initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report; (xiii) action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company; (xiv) outcome of any litigation(s) or dispute(s) which may have an impact on the company; (xv) giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business; (xvi) granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities (including fiduciaries and intermediaries) that are required to handle UPSI in the course of business operations to establish (i) an internal code of practices and procedures for fair disclosure of UPSI; (ii) an internal code to regulate, monitor and report trading by designated persons and immediate relatives of designated persons; and (iii) a policy for procedures to be adopted by a company in case of any leak of UPSI. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations.

The board of directors of all listed companies are required to formulate and publish on the company's official website a code of practices and procedures for fair disclosure of UPSI along with a code of conduct to regulate, monitor and report trading by its designated persons and their immediate relatives towards achieving compliance with the SEBI Insider Trading Regulations. On July 17, 2020, SEBI amended the SEBI Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure maintenance of a structured digital database containing the nature of UPSI, the names of such persons who have shared the information and the names of such persons with whom information is shared under the SEBI Insider Trading Regulations along with the permanent account number or any other identifier authorised by law where the permanent account number is not available. Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2025 which came into effect on June 10, 2025, listed entities are permitted to record any UPSI received from outside the listed entity in the structured digital database within two

calendar days of such receipt. Further, the trading window need not be closed for UPSI that does not originate from inside the listed entity

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a coordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of BSE or the NIFTY 50 of NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of up to 20% movements either up or down, for all scrips in the compulsory rolling settlement. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges, in accordance with SEBI guidelines and circulars, that are required to be paid by the stockbrokers.

Settlement

The stock exchanges in India operate on a trading day plus one, or T+1 rolling settlement system. At the end of the T+1 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Tuesday. Additionally, SEBI has introduced the beta version of T+0 rolling settlement cycle on optional basis in addition to the existing T+1 settlement cycle for a limited set of 25 scrips and with a limited number of brokers. Subsequently, the beta version of the T+0 rolling settlement cycle was extended to the top 500 scrips by market capitalization as of December 31, 2024, in addition to the initial set of 25 scrips to which this settlement cycle had already been applied.

Trading Hours

Trading on both BSE and NSE normally occurs from Monday through Friday between 9:15 a.m. IST and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9.00 a.m. IST to 9.15 a.m. IST that has been introduced). BSE and NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Internet-Based Securities Trading and Security Trading using Wireless Technology Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. This permits clients throughout the country to trade using brokers' internet trading systems. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated under applicable law. NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of NSE.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading (the "**BOLT**") facility in 1995. This totally automated screen based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform, BOLT Plus.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time / price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Depositories

The Depositories Act, 1996 as amended provides a legal framework for the establishment of depositories to record ownership details and effect transfers in electronic book-entry form. Further, SEBI has framed the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners.

Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**") will apply to any acquisition of the company's shares/voting rights/control. The Takeover Regulations prescribe certain thresholds or trigger points in the shareholding that a person or entity (along with persons acting in concert with such person or entity) has in the listed Indian company, which give rise to certain obligations on the part of the acquirer. Acquisition of shares or voting rights up to a certain threshold prescribed under the Takeover Regulations mandate specific disclosure requirements, while acquisitions (direct or indirect, along with persons acting in concert with such acquirer) crossing particular thresholds may result in the acquirer having to make an open offer for the shares of the target company. The Takeover Regulations also provide for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

The Takeover Regulations also provide certain general exemptions which exempt certain acquisitions from the obligation to make an open offer. The Takeover Regulations were amended on August 13, 2021 exempting (a) persons, together with persons acting in concert with him, holding shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company; and (b) promoter of the target company, together with persons acting in concert with him, from making continual disclosures in relation to aggregate shareholding and voting rights in the target company. These relaxations have been given on account of implementation of the System Driven Disclosures ("**SDD**").

Buy-back

A company may buy-back its shares subject to compliance with the requirements of Section 68 of the Companies Act, 2013, as amended and the SEBI (Buy-back of Securities) Regulations 2018, as amended. Under Section 68 of the Companies Act, 2013, as amended, a company may buy-back its shares out of its free reserves or securities premium account or the proceeds of the issue of any shares or other specified securities, other than proceeds of an earlier issue of the same kind of shares or same kind of other specified securities.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

The above information is given for the benefit of investors in the Issue. Our Company, and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Placement Document. Investors are advised to make their independent investigations and ensure that they are eligible to subscribe to, purchase or otherwise acquire the Equity Shares they Bid for under Indian laws or regulations.

DESCRIPTION OF THE EQUITY SHARES

The following is the information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act, 2013. Bidders are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share capital

The authorized share capital of our Company is ₹ 6,74,50,00,000 divided into 57,45,00,000 Equity Shares of face value of ₹10 each and 1,00,00,000 Preference Shares of ₹100 each. As on the date of this Placement Document, 26,21,40,540 Equity Shares have been issued and 26,21,39,640 Equity Shares have been subscribed and paid up.[*] For further details please see the section "***Capital Structure***" on page 85.

[*]*900 Equity Shares allotted to the shareholders were forfeited by the Board of Directors of the Company, at its meeting held on April 27, 2006, due to the non-payment of allotment money by the respective shareholders.*

Dividends

Our Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but our Company may declare a smaller dividend in general meeting.

No dividend shall be paid otherwise than out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Companies Act. No dividend shall carry interest against our Company.

Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in our Company, dividends may be declared and paid according to the amounts of the shares.

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

Alteration of share capital

Our Company in a general meeting or through postal ballot may, subject to the provisions of the Companies Act, from time to time:

(i) consolidate and divide all or any of our share capital into shares of larger amount than our existing shares;

(ii) sub-divide our existing shares or any of them into Shares of smaller amount than is fixed by the memorandum so, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

(iii) convert all or any of our fully paid-up shares into stock, and reconvert that stock into fully paid- up shares of any denomination;

(iv) cancel any Shares which at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of our share capital by the amount of the shares so cancelled.

General meetings of shareholders

In addition to any other meetings, the AGM of our Company shall be held within such intervals as are specified in the Companies Act and subject to the provisions of the Companies Act, during such business hours and places as may be determined by our Board under the provisions of the Companies Act or the rules made thereunder. Any

other general meeting of our Company shall be called as extra-ordinary general meeting.

Save as permitted under Section 101 of the Companies Act, a general meeting of our Company may be called by giving prior notice as may be prescribed either in writing or through electronic mode. Notice of every meeting shall be given to the members and such other person or persons as required under and in accordance with Section 101 of the Companies Act and it shall be served in the manner authorized by Sections 20 and 101 of the Companies Act and the rules made under the Act.

Voting rights

(i) Save as hereinafter provided, on a show of hands every member present in person and being a holder of Equity Shares shall have 1 (one) vote and such other person present, as the Companies Act or rules thereof may prescribe from time to time being a holder of the Equity Shares or not, shall have 1 (one) vote.

(ii) Save as hereinafter provided, on a poll the voting rights of a holder of Equity Shares shall be as specified in Section 47 of the Companies Act.

(iii) The voting rights of every member holding preference shares, if any, shall upon a show of hands or upon a poll be subjected to the provisions, limitations and restrictions laid down in Section 47 of the Companies Act. Provided that no body corporate shall vote by proxy so long as resolution of its board under the provisions of Section 113 of the Companies Act is in force and the person named in such resolution is present at the general meeting at which the vote by proxy is tendered.

(iv) A member may exercise his vote if permitted by the Companies Act and the rules at a meeting or by postal ballot or by electronic means in accordance with the Section 108 of the Companies Act read with the Companies (Management and Administration) Rules, 2014 and shall vote only once.

Transfer of shares

The instrument of transfer shall be in writing and all the provisions of Section 56 of the Companies Act and the Companies (Share Capital and Debentures) Rules, 2014, shall be duly complied with in respect of all transfers of shares and the registration thereof.

Buy-Back

Our Company may buy back its own Equity Shares or other specified securities subject to the provisions of the Companies Act, 2013 and any related SEBI guidelines issued in connection therewith.

Winding Up

Subject to the provisions of the Companies Act, the Insolvency and Bankruptcy Code, 2016 and other laws as applicable, if our Company shall be wound up and the assets available for distribution among members as such shall not be sufficient to repay the whole of the paid-up capital, such assets shall be distributed so that as nearly as may be and the losses shall be borne by the members in proportion to the capital paid-up at the commencement of the winding-up, on the shares held by them respectively. And if in a winding-up assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding-up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding-up, paid-up or which ought to have been paid-up on the shares held by them, respectively. But this article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions. Preference shareholders shall have prior rights to repayment of capital and dividends due.

Subject to the provisions of the Companies Act, the Insolvency and Bankruptcy Code, 2016 and other laws as applicable, if our Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution divide among the contributories, in specie or kind, any part of the assets of our Company and may, with the like sanction, vest any part of the assets of our Company in trustees upon such trusts for the benefits of the contributories, or any of them, as the liquidators with the like sanction, shall think fit.

.

TAXATION

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ARVIND LIMITED ("THE COMPANY" or "ARVIND"), ARVIND ADVANCED MATERIALS LIMITED ("MATERIAL SUBSIDIARY" or "AAML") AND ITS RESPECTIVE SHAREHOLDERS UNDER THE DIRECT AND INDIRECT TAX LAWS IN INDIA

August 3, 2026

To
The Board of Directors
Arvind Limited
Naroda Road,
Ahmedabad 382345
Gujarat, India

Dear Sirs,

Sub: Statement of possible Special Tax Benefits available to Arvind Limited (The "Company" or "Arvind"), Arvind Advanced Materials Limited ("Material Subsidiary" or "AAML") and its respective equity shareholders under the direct and indirect tax laws in India.

We refer to the proposed qualified institutions placement of equity shares (the "**Offer**") of Arvind Limited (the **"Company"**). We enclose herewith the statement (the "**Annexure**") showing the current position of special tax benefits available to the Company, its Material Subsidiary and to its respective shareholders as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 2025 and Income Tax Rules 2026, as amended by the Finance Act, 2026, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "**GST Act**"), the Customs Act, 1962 ("**Customs Act**"), the Customs Tariff Act, 1975 ("**Tariff Act**") and the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023) including the rules, regulations, circulars and notifications issued in connection with above mentioned laws (collectively the "**Taxation Laws**"), as presently in force and applicable to the tax year 2026-27 for inclusion in the Preliminary Placement Document ("**PPD**") and Placement Document ("**PD**", together with PPD, the "**Issue Documents**") as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**").

Several of these tax benefits are dependent on the Company, its Material Subsidiary and/or its respective shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, the ability of the Company, its Material Subsidiary and/or its respective shareholders to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions which are based on the business imperatives, the Company, its Material Subsidiary or their respective shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Offer particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

We do not express any opinion or provide any assurance whether:

- The Company, its Material Subsidiary and/or its respective shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met; and
- The revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company, its Material Subsidiary and its respective shareholders in the Issue Documents for the Offer which the Company intends to submit to the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the "**Stock Exchanges**") the Registrar of Companies, Gujarat, Dadra and Nagar Haveli at Ahmedabad and any other regulatory or statutory authority, as applicable.

LIMITATIONS

Our views expressed in the enclosed Annexure are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiary and the existing provisions of taxation laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors and third parties who may or may not invest in the Offer relying on the statement. This statement has been prepared solely in connection with the proposed Offer of the Company under the ICDR Regulations.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117365W/W100018)

Hardik Sutaria
(Membership No. 116642)
UDIN: 26116642UGXQSG9943

Place: Ahmedabad
Date: August 3, 2026

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ARVIND LIMITED ("THE COMPANY" or "ARVIND"), ARVIND ADVANCED MATERIALS LIMITED ("MATERIAL SUBSIDIARY" or "AAML") AND ITS RESPECTIVE SHAREHOLDERS

The information provided below sets out the possible special direct and indirect tax benefits available to Arvind Limited ("The Company"), its Material Subsidiary and their respective shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the current Taxation Laws presently in force in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant Taxation Laws. Hence, the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business / commercial imperatives a shareholder faces, may or may not choose to fulfill.

The statement below covers only relevant benefits under the Taxation Laws and does not cover benefits under any other law.

The statement outlined below is based on the provisions of the Income Tax Act, 2025 presently in force in India as amended by the Finance Act, 2026 applicable for Financial Year ("FY") ending 31 March 2027 relevant to the Tax Year ("TY") 2026-27.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL IN THEIR PARTICULAR SITUATION.

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIARY AND THEIR RESPECTIVE SHAREHOLDERS

I. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS MATERIAL SUBSIDIARY UNDER THE INCOME TAX ACT, 2025 ("2025 Act")

1. Lower corporate tax rate under section 200 of the 2025 Act:

As per section 200 of the 2025 Act [corresponding to Section 115BAA of the Income Tax Act, 1961 ('the 1961 Act')], a domestic company has an option to pay income tax in respect of its total income at a concessional tax rate of 22% (plus surcharge of 10% and cess) provided the company does not avail of specified exemptions/ incentives/ deductions or set-off of specified losses/ unabsorbed depreciation etc., in the prescribed manner and complies with the other conditions specified in section 200 of the 2025 Act.

In case a company opts for section 200 of the 2025 Act, the provisions of Minimum Alternate Tax ("MAT") under section 206 of the 2025 Act [corresponding to Section 115JB of the 1961 Act], would not be applicable.

The option needs to be exercised in the prescribed manner on or before the due date of filing the income tax return. The option once exercised cannot be subsequently withdrawn for the same or any other tax year and therefore, shall apply to subsequent TYs. Further, if the conditions mentioned in section 200 of the 2025 Act are not satisfied in any TY, the option exercised shall become invalid in respect of such TY and subsequent TYs, and the other provisions of the 2025 Act shall apply as if the option under section 200 had not been exercised.

We understand that the Company and its Material Subsidiary have opted for the lower tax regime under Section 115BAA of the 1961 Act. Accordingly, for tax year 2026-27, the Company and its Material Subsidiary shall be governed by the corresponding provisions of Section 200 of the 2025 Act and MAT provisions under section 206 of the 2025 Act will not be applicable to the Company and its Material Subsidiary. Further, any accumulated MAT credit from earlier years would not be available for set-off, as the benefit for utilisation of MAT credit is available only to companies opting for the lower tax regime on or after 1 April 2026.

2. Deduction in respect of employment of new employees under section 146 of the 2025 Act

As per section 146 of the 2025 Act [corresponding to Section 80JJAA of the 1961 Act], while computing income under the head business and profession in case of an assessee to whom section 63 of the 2025 Act [corresponding to Section 44AB of the 1961 Act] (i.e., tax audit) applies, a deduction of an amount equal to 30% of certain additional employee cost incurred in the course of such business in the TY, shall be allowed for three consecutive TYs beginning from the tax year in which the employment is provided. The Company may be entitled to claim such deduction subject to fulfilment of conditions specified under section 146 of the 2025 Act. Further, where the Company wishes to claim such possible tax benefit, it shall obtain necessary certification from a Chartered Accountant on fulfillment of the conditions under the extant provisions of the 2025 Act.

3. Deduction in respect of inter-corporate dividends section 148 of the 2025 Act.

With respect to a shareholder which is a domestic company as defined in section 2(42) of the 2025 Act [corresponding to Section 2(22A) of the 1961 Act], section 148 of the 2025 Act [corresponding to Section 80M of the 1961 Act], inter alia provides that where the gross total income of a domestic company in any TY includes any income by way of dividends from any other domestic company or a foreign company or a business trust, such domestic company shall be allowed a deduction of an amount equal to so much of the income by way of dividends received from the person mentioned from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it at least one month before the due date for filing the return of income under section 263(1) of the 2025 Act [corresponding to Section 139(1) of the 1961 Act].

The Company may be entitled to claim such deduction subject to fulfilment of conditions specified under section 148 of the 2025 Act.

II. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

Below is a summary of the special direct tax benefits available to the shareholders of the Company:

As per section 393(1), Table No.1, Sl. No. 7 of the 2025 Act [corresponding to Section 194 of the 1961 Act], the Company is required to deduct tax at source at the rate of 10% before making any distribution or payment of dividend, from the amount of dividend paid to resident shareholders.

Further, as discussed above, subject to fulfillment of conditions, deduction shall be available under section 148 of the 2025 Act to domestic corporate shareholders in respect of inter-corporate dividends.

Section 393(2), Table No.2, Sl. No. 17 of the 2025 Act [corresponding to Section 195 of the 1961 Act] would be applicable for taxability of non-resident shareholders in respect of receipt of dividend income in India as per rates applicable.

Section 2(101) of the 2025 Act [corresponding to Section 2(42A) of the 1961 Act], provides that securities listed in a recognized stock exchange in India that are held for not more than 12 months immediately preceding the date of its transfer, shall constitute short-term capital assets.

As per Section 196 of the 2025 Act [corresponding to Section 111A of the 1961 Act], short term capital gains arising from the transfer of an equity share in a company transacted through a recognized stock exchange and chargeable to Securities Transaction Tax ('STT') shall be taxed at 20% (plus applicable surcharge and cess) subject to fulfilment of prescribed conditions under the 2025 Act.

Further, as per Section 198 of the 2025 Act [corresponding to Section 112A of the 1961 Act], long-term capital gains exceeding INR 1,25,000 arising from the transfer of equity shares in a company transacted through a recognized stock exchange on which STT has been paid on acquisition (except in certain situations) and on transfer, shall be chargeable to tax at the rate of 12.5% (plus applicable surcharge and

cess) without applying the benefit under Section 72(2) and Section 72(6) of the 2025 Act [corresponding to the first and second provisos to Section 48 of the 1961 Act].

The condition of STT shall not apply to a transfer undertaken on a recognized stock exchange located in any IFSC and where the consideration for such transaction is received or receivable in foreign currency.

Section 202 of the 2025 Act [corresponding to Section 115BAC of the 1961 Act], provides that Individuals, HUF, Association of Persons (other than a co-operative society), Body of Individuals and Artificial Juridical Person may be taxed on its total income at different slab rates. The income would however have to be computed without claiming prescribed deductions or exemptions.

Notes:

- This statement does not discuss any tax consequences arising in a country outside India pursuant to an investment in the shares of the Company and its Material Subsidiary. The shareholders in the country outside India are advised to consult their own professional advisors regarding the possible tax consequences that apply to them in such country outside India.

- In respect of non-resident shareholders, the taxation and tax rates discussed above may be further subject to any benefit available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile. Applicability of DTAA benefit shall be subject to furnishing of relevant documents/declarations viz. tax residency certificate, Form 41 as per Income Tax Rules, 2026 ("2026 Rules") [Form 10F as per Income Tax Rules, 1962 ("1962 Rules")], etc. by the non-resident shareholders.

- Surcharge is to be levied on domestic companies at the rate of 7% where the income exceeds INR 1 Crore but does not exceed INR 10 crores and at the rate of 12% where the income exceeds INR 10 crores. Health and Education cess @ 4% on the tax and surcharge is payable by all category of taxpayers.

- No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which is subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

- The above Statement of tax benefits sets out the provisions of Indian tax laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

- This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Offer.

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIARY AND THEIR RESPECTIVE SHAREHOLDERS

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962, the Customs Tariff Act, 1975 and the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023) (collectively referred to as "Indirect tax") including industrial policy and schemes introduced by Central Government or State Government.

I. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS MATERIAL SUBSIDIARY

A. Exemption from levy of GST in case of supply of goods

Under the Goods and Services Tax (GST) legislation, an absolute exemption from payment of GST has been granted to duty credit scrips by way of Notification No. 2/2017 – Central Tax (Rate) dated June 28, 2017 (applicable upto September 21, 2025) and Notification No. 10/2025 – Central Tax (Rate) dated September

17, 2025 (applicable from September 22, 2025). In this regard, Arvind and AAML are availing exemption on the sale of duty credit scrips.

B. No levy of GST in case of sale of completed building

We understand that Arvind is inter-alia engaged in construction and sale of building post obtaining occupancy certificate. As per the Goods and Services Tax (GST) legislation, in order to levy tax on a specific transaction, the same should be regarded as 'supply'. Further, a list of supplies is prescribed under Schedule III which are neither treated as supply of goods nor a supply of service. One of the supplies is sale of land and sale of building after issuance of completion certificate or first occupancy, whichever is earlier. This means that no GST would be levied on such transactions.

C. Benefit of zero-rated supply under GST

Under the GST legislation, the following supplies are regarded as zero-rated supplies:

(a) export of goods or services

(b) supply of goods or services for authorised operations to a Special Economic Zone (SEZ) developer or unit

In cases where zero-rated supplies are made under a Bond or Letter of Undertaking (LUT) without payment of IGST, the supplier is entitled to claim a refund of the accumulated unutilized input tax credit (ITC) on goods and services used for such exports. Alternatively, when the zero-rated supplies are made on payment of IGST, the refund can be claimed for the amount of IGST paid on such supplies.

Arvind and AAML are availing the benefits of zero-rated supplies i.e. on exports and supplies made to SEZ unit / developer.

D. Refund of tax in case of deemed exports

Under the GST law, deemed exports refer to supplies of goods that are notified by the Government as deemed exports under Section 147 of the CGST Act, 2017, wherein the goods do not leave India and payment for such supplies is received in Indian Rupees or convertible foreign exchange. Tax is payable on such supplies, and the refund of the tax paid may be claimed either by the supplier of the deemed export goods or by the recipient, subject to specified conditions.

Arvind is the holder of Advance Authorization and is procuring goods which are supplied as deemed exports against the said authorization. In respect of such supplies, Arvind is claiming refund of the GST paid thereon as the recipient of the deemed export goods.

E. Scheme of Remission of Duties and Taxes on Exported Products (RoDTEP)

The RoDTEP scheme has been operationalized for exports with effect from January 01, 2021. The Scheme provides a mechanism for reimbursement of taxes, duties and levies to the exporting units, which are currently not being reimbursed through any other mechanism at the Central, State and Local level, but which are incurred in the process of manufacture and distribution of exported products. The exporters of eligible items under the Scheme are issued e-scrips as refund which are transferable in nature and can be used for payment of basic customs duty.

Further, Appendix 4R of the Foreign Trade Policy 2023 notifies a list of products which are eligible for benefit under RoDTEP scheme at the prescribed rate on FOB value of exported goods.

Arvind and AAML are availing the benefits under the RoDTEP scheme on export of goods.

F. Scheme of Rebate of State and Central Taxes and Levies (RoSCTL)

The RoSCTL scheme was introduced by the Ministry of Textiles, Government of India, with the objective of rebating the embedded State and Central taxes and levies. The Scheme is implemented by the Department of Revenue and is applicable on export of apparel / garments falling under Chapter 61 and 62 and made-up

articles falling under Chapter 63. The exporters of eligible items under the Scheme are issued e-scrips as rebate which are transferable in nature and can be used for payment of basic customs duty.

Further, Notification No. 14/26/2016-IT (Vol.II), dated March 08, 2019, provides a list of products which are eligible for benefit under RoSCTL scheme at the prescribed rate on FOB value of exported goods or upto 1.5 times the market price of the said goods, whichever is less.

Arvind and AAML are availing the benefits under the RoSCTL scheme on export of goods.

G. Duty Drawback Scheme

Duty Drawback is a scheme administered by CBIC in order to promote exports. Section 75 of the Customs Act, 1962, provides for duty drawback i.e. a refund of customs duties paid on imported materials used in the manufacture or processing of goods that are later exported from India. The rate of drawback is expressed as a percentage of the free-on-board (FOB) value or the rate per unit quantity of the export goods, as the case may be.

Further, Notification No. 77/2023 – Customs (N.T.) dated October 20, 2023, prescribes the list of products along with applicable rates of drawback.

Arvind and AAML are availing the benefits under the duty drawback scheme on export of goods.

H. Advance Authorization Scheme

Advance Authorization is a duty exemption scheme governed by the Foreign Trade Policy (FTP) and administered by the Directorate General of Foreign Trade (DGFT). It permits duty-free import of inputs that are physically incorporated into a final export product. An Advance Authorization license holder is required to achieve a prescribed minimum value addition and fulfil the export obligation mentioned in the authorization within a prescribed time period.

Imports under Advance Authorization are exempted from payment of basic customs duty, additional customs duty, countervailing duty, anti-dumping duty, safeguard duty, IGST and compensation cess, wherever applicable.

Arvind and AAML are availing the benefits of advance authorization scheme in respect of import of inputs made by them.

I. Export Promotion Capital Goods (EPCG) Scheme

The EPCG Scheme facilitates import of capital goods for pre-production, production and post-production at zero customs duty. Further, IGST and compensation cess, wherever applicable, is also exempted. An EPCG license holder is required to fulfil export obligation equivalent to 6 times of duties, taxes and cess saved on capital goods, within a period of 6 years from date of issue of authorization.

Arvind and AAML are availing the benefits under EPCG scheme in respect of import of capital goods made by them.

II. SPECIAL INDIRECT TAX BENEFITS FOR THE SHAREHOLDERS

There are no special indirect tax benefits available to the shareholders of the Company and its Material Subsidiary.

Notes:

- These special tax benefits are dependent on the Company, its Material Subsidiary or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, the ability of the Company, its Material Subsidiary or their respective shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company, its Material Subsidiary or their respective shareholders may or may not choose to fulfil.

- The special tax benefits discussed in the Statement are not exhaustive and are only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for a professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications.

- The above views are basis the provisions of Taxation Laws, their interpretation and applicability as on date, which may be subject to change from time to time and that department may take a view contrary to that indicated above.

LEGAL PROCEEDINGS AND OTHER INFORMATION

We are involved in various legal proceedings from time to time, mostly arising in the ordinary course of business. These legal proceedings are primarily in the nature of, amongst others, tax disputes, criminal proceedings and civil proceedings, which are pending before various adjudicating forums. These legal proceedings may have been initiated by us or by other parties against us and are pending at different levels of adjudication before various courts and tribunals. We assess each such legal proceeding filed by or against us and monitor the legal position on an ongoing basis.

As on the date of this Placement Document except as disclosed below, there is no outstanding legal proceeding which has been considered material in accordance with our Company's policy for determination of materiality of events or information framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by our Board of Directors pursuant to its resolution dated May 15, 2025, in relation to disclosure of material events framed in accordance with Regulation 30 of the SEBI Listing Regulations.

*Additionally, for the purpose of identification of litigation, pursuant to the terms of the policy approved by the Finance Committee of the Board in its meeting held on August 3, 2026, ("**Materiality Policy**") solely for the purpose of this Issue, this section of this Placement Document also discloses (i) all outstanding criminal proceedings (including first information reports) involving liability on the part of our Company and/or our Subsidiaries, (ii) all material violations of the statutory regulations by our Company and/or our Subsidiaries; (iii) economic offences where proceedings have been initiated against our Company and/or our Subsidiaries; (iv) all outstanding civil proceedings (which includes cases filed by or against) involving our Company and / or our Subsidiaries, which involve an amount equivalent to or above ₹ 19.12 crores, i.e., 5 % of the average of absolute value of profit or loss after tax as per the last three audited consolidated financial statements of our Company for the financial years ended March 31, 2026, March 31, 2025, and March 31, 2024 ("**Materiality Threshold**"); (v) all outstanding claims related to direct and indirect tax matters (including show cause notices) exceeding the Materiality Threshold involving our Company and / or our Subsidiaries which are disclosed in a consolidated manner, giving the number of cases and total amount demanded; and (vi) all other outstanding proceedings (which includes cases filed by and against) involving our Company and our Subsidiaries, wherein a monetary liability is not determinable or quantifiable, or which does not exceed the Materiality Threshold, which if results in an adverse outcome would have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company.*

Further, as on the date of this Placement Document other than disclosed hereinbelow: (i) there are no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the three years immediately preceding the date of this Placement Document involving our Company and / or our Subsidiaries, and any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the three years immediately preceding the date of this Placement Document involving our Company and / or our Subsidiaries; (ii) there are no acts of material fraud committed against our Company in the three years from the date of this Placement Document, and if so, action taken by our Company; (iii) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and / or our Subsidiaries and their future operations; (iv) there are no defaults by our Company (on a consolidated basis) in repayment of (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon; (v) there are no defaults in annual filing of our Company under the Companies Act, 2013 or the rules made thereunder; (vi) there are no litigations or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoters of our Company during the three years immediately preceding the date of this Placement Document and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action and (vii) there are no reservations, qualifications or adverse remarks of the auditors in their respective reports on the audited financial statements in the five financial years immediately preceding the date of this Placement Document and their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remark.

It is clarified that for the purposes of the above, any pre-litigation notices received by our Company and/or our Subsidiaries from third parties (excluding statutory/ regulatory/ governmental authorities) shall not, unless otherwise decided by our Board of Directors, be considered as material litigation proceedings till such time that our Company and/or our Subsidiaries, are impleaded as parties in any such litigation proceedings before any

court, arbitral tribunal or governmental authority, quasi-judicial or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

Capitalized terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section, and disclosure pertaining to each matter.

I. Summary of the outstanding material legal proceedings involving our Company and our Subsidiaries

Summary of outstanding litigation and legal proceedings, wherever quantifiable for the pending matters which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company, as included in this Placement Document as per the Materiality Policy is as follows:

Particulars	Criminal litigation	Material statutory or regulatory proceedings	Proceedings involving economic offences	Material civil litigations	Material tax litigations	Aggregate amount involved (in ₹ crores)^
By our Company	N.A.	N.A.	N.A.	1	N.A.	30.95
Against our Company	3	Nil	Nil	Nil	Nil	0.89
By our Subsidiaries	N.A.	N.A.	N.A.	Nil	N.A.	N.A.
Against our Subsidiaries	1	Nil	Nil	Nil	Nil	Nil

^ *to the extent quantifiable.*

As on the date of this Placement Document, except as stated below, there are no other outstanding material legal proceedings against our Company or our Subsidiaries:

Litigation involving our Company

Outstanding criminal proceedings involving liability on part of our Company

1. A criminal complaint dated January 2, 2001 ("**Complaint**") was filed by the Inspector, Bajar Samiti, Kalol before the Judicial Magistrate First Class, Kalol ("**JMFC**"), against our Company and another (collectively, the "**Petitioners**"), in relation to the alleged non-payment of market fees amounting to ₹ 13,75,392 for the period from April 1999 to March 2000 pursuant to demand notice dated August 31, 2000 under the Gujarat Agricultural Produce Market Act, 1963 read with Gujarat Agricultural Market Rules, 1965 ("**Demand Notice**"). Our Company challenged the Demand Notice before the High Court of Gujarat at Ahmedabad ("**Court**") by filing a special civil application. Pursuant to an order dated July 17, 2007, the Court remanded the matter to the Agricultural Produce Market Committee for fresh adjudication. Thereafter, the Petitioners filed a special criminal application seeking the quashing of the Complaint. The Court vide an order dated December 19, 2016, granted an ad interim stay of the further proceedings in respect of the Complaint. The matter is currently pending.

2. A criminal complaint dated January 2, 2001 ("**Complaint**") was filed by the Inspector, Bajar Samiti, Kalol before the Judicial Magistrate First Class, Kalol ("**JMFC**"), against our Company and another (collectively, the "**Petitioners**"), in relation to the alleged non-payment of market fees aggregating ₹ 75,02,996 for the period from April 1997 to March 2000 pursuant to demand notices dated September 15, 1998, September 20, 1999 and September 24, 2000 under the Gujarat Agricultural Produce Market Act, 1963 read with Gujarat Agricultural Market Rules, 1965 ("**Demand Notices**"). Our Company challenged the Demand Notices before the High Court of Gujarat at Ahmedabad ("**Court**") by filing a special civil application. Pursuant to an order dated July 17, 2007, the Court remanded the matter to the Agricultural Produce Market Committee for fresh adjudication. Thereafter, the Petitioners filed a special criminal application seeking the quashing of the Complaint. The Court vide an order dated December 19, 2016, granted an ad interim stay of the further proceedings in respect of the Complaint. The matter is currently pending.

3. A criminal complaint ("**Complaint**") dated June 18, 2011, was filed by the Government Labour Officer-cum-Director (Regulation & Abolition) under the Contract Labour (Regulation and Abolition) Act, 1970 ("**CLRA Act**") against our Company and Naishadhbhai Indrakant Parikh (collectively the "**Petitioners**"), before the Metropolitan Magistrate, Ahmedabad, alleging contravention of Rule 80(4) of the Contract Labour

(Regulation and Abolition) Rules, 1971, relating to non-production of prescribed registers/records, punishable under Section 24 of the CLRA Act. Thereafter, Naishadhbhai Indrakant Parikh filed a miscellaneous criminal application dated April 9, 2018, before the High Court of Gujarat at Ahmedabad ("**Court**") seeking quashing of the Complaint. The Court granted an ad interim stay of the further proceedings in respect of the Complaint. The matter is currently pending.

All material violations of the statutory regulations by our Company

As on the date of this Placement Document, there are no material violations of the statutory regulations by our Company.

Economic offences where proceedings have been initiated against our Company

As on the date of this Placement Document, there are no economic offences where proceedings have been initiated against our Company.

Outstanding civil proceedings involving our Company exceeding the Materiality Threshold

Material civil proceedings initiated against our Company

As on the date of this Placement Document, there are no material civil proceedings initiated against our Company.

Material civil proceedings initiated by our Company

Our Company with another (collectively, the "**Plaintiffs**"), filed a writ petition before the Karnataka High Court at Dharwad ("**Court**") against the Municipal Commissioner, City Municipal Council, Koppal and others ("**Defendants**"), challenging the common order dated September 25, 2023 ("**Impugned Order**"), passed in a commercial suit originally instituted before the Senior Civil Judge, Koppal and subsequently transferred to the Court of the 4th Additional District & Sessions Judge, Ballari and thereafter to the Principal District & Sessions Judge, Koppal ("**Trial Court**"). The dispute arises out of a sewage treatment project awarded to the Plaintiffs for providing a sewerage collection system and constructing a sewage treatment plant. The Plaintiffs have alleged wrongful termination of the contract, non-payment of dues, and unjust encashment of bank guarantees, resulting in substantial financial losses, and have accordingly sought recovery of approximately ₹ 30.95 crore from the Defendants. During the pendency of the suit, the Defendants were permitted to file a delayed counterclaim seeking recovery of approximately ₹ 16.70 crore, alleging non-performance and abandonment of the work by the Plaintiffs. Upon receipt of the counterclaim documents, the Plaintiffs sought permission to file their objections and rejoinder. However, by way of the Impugned Order, the Trial Court dismissed the Plaintiffs' applications seeking reopening of the stage for filing objections. Aggrieved by the Impugned Order, the Plaintiffs have filed the present writ petition seeking, inter alia, to set aside the Impugned Order and grant consequential procedural reliefs. The matter is currently pending.

Outstanding claims related to direct and indirect tax matters exceeding the Materiality Threshold

As on the date of this Placement Document, there are no material tax proceedings involving our Company.

Litigation involving our Subsidiaries

Outstanding criminal proceedings involving liability on part of our Subsidiaries

A complaint dated February 10, 2022 ("**Complaint**") was filed by the Deputy Director, Industrial Health and Safety, District Khandwa, Madhya Pradesh, in his capacity as Inspector under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 ("**BOCW Act**"), against our Subsidiary, Arvind Envisol Limited and others, including Mahalakshmi Construction Company and National Newsprint and Paper Mills Limited ("**NEPA**") (collectively, the "**Petitioners**"), in connection with a workplace accident that occurred on June 12, 2021 at the NEPA Burhanpur project site, resulting in the death of a worker employed by a sub-contractor. The Complaint alleges violations of safety provisions under the Madhya Pradesh Building and Other Construction Workers Rules, 2002, punishable under Section 47 of the BOCW Act. Pursuant to the Complaint, the Chief Judicial Magistrate, Burhanpur, by order dated February 10, 2022, took cognizance of the alleged offence and issued summons. Aggrieved by the Complaint and the summons issued, the Petitioners filed a writ petition before the High Court of Madhya Pradesh at Jabalpur seeking quashing of the Complaint. The

matter is currently pending.

All material violations of the statutory regulations by our Subsidiaries

As on the date of this Placement Document, there are no material violations of the statutory regulations by our Subsidiaries.

Economic offences where proceedings have been initiated against our Subsidiaries

As on the date of this Placement Document, there are no economic offences where proceedings have been initiated against our Subsidiaries.

Outstanding civil proceedings involving our Company exceeding the Materiality Threshold

Material civil matters initiated against our Subsidiaries

As on the date of this Placement Document, there are no material civil litigation proceedings initiated against our Subsidiaries.

Material civil matters initiated by our Subsidiaries

As on the date of this Placement Document, there are no material civil litigation proceedings initiated by our Subsidiaries.

Outstanding claims related to direct and indirect tax matters exceeding the Materiality Threshold

As on the date of this Placement Document, there are no material tax litigation proceedings involving our Subsidiaries.

II. Inquiries, inspections, or investigations under the Companies Act 2013 or any previous company law in the three years immediately preceding the date of this Placement Document involving our Company and / or our Subsidiaries, and any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the three years immediately preceding the date of this Placement Document involving our Company and / or our Subsidiaries

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in relation to our Company and its Subsidiaries in the three years immediately preceding the date of this Placement Document. Also, there have been no prosecutions filed (whether pending or not), fines imposed, or compounding of offences under the Companies Act, 2013 in the three years immediately preceding the date of this Placement Document, involving our Company and/ or our Subsidiaries.

III. Details of acts of material fraud committed against our Company in the three years from the date of this Placement Document, and if so, the action taken by the Company

There have been no material fraud committed against our Company in the three years immediately preceding the date of this Placement Document.

IV. Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and / or our Subsidiaries and its future operations

As on the date of this Placement Document, there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and / or our Subsidiaries and its future operations.

V. Details of default, (on a consolidated basis) in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution

There are no reported defaults (on a consolidated basis) in the repayment of (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial

institution.

VI. Details of defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder

As on the date of this Placement Document, our Company has not defaulted in any annual filing under the Companies Act, 2013, as amended, or the rules made thereunder.

VII. Details of any litigation or legal action pending or taken by any ministry or department of the government or a statutory authority against our Promoters during the three years immediately preceding the date of this Placement Document and any direction issued by any such ministry or department or statutory authority upon conclusion of such litigation or legal action

There is no litigation or legal action pending or taken by any ministry or department of the government or a statutory authority against our Promoters during the three years immediately preceding the date of this Placement Document and no direction has been issued by any such ministry of department or statutory authority upon conclusion of such litigation or legal action.

VIII. ***Summary of reservations, qualifications or adverse remarks of the auditors in their respective reports on the audited consolidated financial statements in the five Fiscals immediately preceding the date of this Placement Document and their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks.***

There are no reservations, qualifications or adverse remarks of auditors in their respective reports of the audited consolidated financial statements of our Company for the five Fiscals immediately preceding the date of this Placement Document and their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remark.

IX. Other confirmations

None of our Company, Promoters or Directors have been declared as a Wilful Defaulter or a Fraudulent Borrower.

STATUTORY AUDITORS

Our Company's Statutory Auditors, namely, Deloitte Haskins & Sells LLP, having firm registration number 117365W/W100018 are the independent auditors with respect to our Company, as required by the Companies Act, 2013 and in accordance with the guidelines prescribed by the ICAI, and have been re-appointed as the Statutory Auditors of our Company pursuant to the approval of the Shareholders of our Company at the 91st annual general meeting held on September 6, 2022, for a period of five years from the date of the 91st annual general meeting i.e., September 6, 2022 till the conclusion of the 96th annual general meeting to be held in the year 2027.

Our Statutory Auditors have audited the Audited Financial Statements, included in this Placement Document.

The peer review certificate of our Statutory Auditors is valid till July 31, 2027.

GENERAL INFORMATION

- Our Company was originally incorporated as 'The Arvind Mills Limited', under the Indian Companies Act, VII of 1913, pursuant to a certificate of incorporation dated June 01, 1931, issued by the Registrar of Companies, Bombay and a certificate of commencement of business dated July 30, 1931, issued by the Registrar of Companies, Bombay. Thereafter, pursuant to Board resolution dated May 12, 2007 and Shareholders' resolution dated September 29, 2007, the name of our Company was changed to 'Arvind Limited' and a fresh certificate of incorporation dated April 15, 2008 was issued to our Company, under the Companies Act, 1956, by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

- Our Registered Office is located at Naroda Road, Ahmedabad – 382 345 Gujarat, India. The website of our Company is www.arvind.com.

- The CIN of our Company is L17119GJ1931PLC000093. The LEI of our Company is 335800W8K4QFXZ2IUW51.

- The Equity Shares of our Company are listed on BSE and NSE.

- The authorised share capital of our Company is ₹ 6,74,50,00,000 divided into 57,45,00,000 Equity Shares of face value of ₹10 each and 1,00,00,000 Preference Shares of ₹100 each.

- The Issue was authorised and approved by our Board pursuant to the resolution dated July 3, 2026, and by our Shareholders pursuant to the special resolution through a postal ballot dated August 2, 2026.

- Our Company has received in-principle approvals to list the Equity Shares to be issued pursuant to the Issue from BSE and NSE, each dated August 3, 2026, under Regulation 28(1) of the SEBI Listing Regulations. We will apply to the respective Stock Exchanges for the final listing and trading approvals of the Equity Shares on the Stock Exchanges after Allotment of the Equity Shares in the Issue.

- In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited, for monitoring the utilisation of the Gross Proceeds. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations. Our Company shall, in compliance with requirements of the SEBI Listing Regulations, within 45 days from the end of each quarter, place the report of the Monitoring Agency before the audit committee, upload it on our website and also submit the same to the Stock Exchanges.

- Copies of our Memorandum of Association and Articles of Association will be available for inspection between 9:30 am to 5:30 pm on any weekday (except Saturdays and public holidays) at our Registered Office.

- Our Company has made necessary intimations and obtained necessary consents, approvals and authorisations as may be required in connection with the Issue.

- There has been no material change in the financial or trading position of our Company since March 31, 2026, the date of the 2026 Consolidated Financial Statements prepared in accordance with applicable accounting standards included in this Placement Document, except as disclosed herein.

- There have been no defaults in the annual filings of our Company under the Companies Act, 2013 or the rules made thereunder.

- Except as disclosed in this Placement Document, there are no material litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, please see "***Legal Proceedings and Other Information***" on page 212.

- As on the date of this Placement Document, Deloitte Haskins & Sells LLP, having firm registration number 117366W/W100018 is the Statutory Auditor of our Company.

- Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR.

- The Floor Price is ₹ 518.58 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations, as certified by Sorab S. Engineer & Co., Chartered Accountants, pursuant to their certificate dated August 3, 2026. Our Company has offered a discount of ₹ 13.58 per Equity Share, being equivalent to a discount of 2.62% on the Floor Price accordance with the approval of our Shareholders through special resolution passed by way of postal ballot on August 2, 2026, and Regulation 176(1) of the SEBI ICDR Regulations.

- Our Company and the Lead Manager accept no responsibility for statements made otherwise than in the Preliminary Placement Document and this Placement Document and anyone placing reliance on any other source of information, including our website, would be doing so at their own risk.

- Details of the Company Secretary and Compliance Officer of our Company:

  Pritesh Shah
  Company Secretary and Compliance Officer
  Address: Naroda Road, Ahmedabad – 382 345, Gujarat, India
  Telephone: +91 79 6826 8000
  E-mail: investor@ arvind.in

FINANCIAL INFORMATION

Set down below is a summary of the financial position of our Company for the last three Financial Years:

(₹ in crores, except as otherwise stated)

S. No.	Particulars	As at and for the fiscal year ended		
		March 31, 2026	March 31, 2025	March 31, 2024
1.	Total Income	9,359.51	8,394.00	7,778.58
2.	Profit before tax	595.04	492.87	463.30
3.	Profit for the year	426.97	367.38	352.63
4.	Equity share capital	262.12	261.82	261.63
5.	Other equity	3,782.07	3,524.28	3,281.12
6.	Non-controlling interests	97.28	85.25	77.95
7.	Total Equity	4,141.47	3,871.35	3,620.70
8.	Basic earning per equity share (in ₹)	15.80	13.51	12.87
9.	Diluted earning per equity share (in ₹)	15.79	13.49	12.86
10.	Return on equity (%)*	10.31%	9.49%	9.74%
11.	Net Asset Value per Share (in ₹)**	155.05	142.89	133.81

**Reconciliation of Return on equity (%)*
***Reconciliation of Net Asset Value per Share (in ₹)*

The following table reconciles Return on equity (%) for the Fiscal Years presented:

(₹ in crores, except as otherwise stated)

Particulars	As at and for the fiscal year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Profit for the year (A)	426.97	367.38	352.63
Total Equity (B)	4,141.47	3,871.35	3,620.70
Return on equity (%) (A/B)	10.31%	9.49%	9.74%

The following table reconciles Net Asset Value per Share (in ₹) for the Fiscal Years presented:

(₹ in crores, except as otherwise stated)

Particulars	As at and for the fiscal year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Equity share capital (A)	262.12	261.82	261.63
General Reserve (B)	62.23	62.23	62.24
Securities Premium (C)	588.58	578.15	574.41
Retained Earnings (D)	3,151.13	2,839.00	2,602.68
Reserves (E = B+C+D)	3,801.94	3,479.38	3,239.33
Net Worth (F = A+E)	4,064.06	3,741.2	3,500.96
Number of Shares O/s (G)	262,114,640	261,817,974	261,630,474
Net Asset Value per Share (in ₹) (F/G)	155.05	142.89	133.81

Changes in Accounting Policies

There have been no changes in our accounting policies during Fiscals 2026, 2025 and 2024. For cash flow statements of our Company for the Fiscals 2026, 2025 and 2024, see "***Selected Financial Information***" on page 32.

Financial Information

We have included the following in this Placement Document:

(₹ in crores, except as otherwise stated)

S. No.	Financial Statements	Page No.
1.	Consolidated Financial Statements as at and for the Financial Year ended March 31, 2026.	F-1
2.	Consolidated Financial Statements as at and for the Financial Year ended March 31, 2025.	F-82
3.	Consolidated Financial Statements as at and for the Financial Year ended March 31, 2024.	F-169

Deloitte
Haskins & Sells LLP

Chartered Accountants
19th floor, Shapath-V
S.G. Highway
Ahmedabad-380 015
Gujarat, India

Tel: +91 79 6682 7300
Fax: +91 79 6682 7400

INDEPENDENT AUDITOR'S REPORT

To The Members of Arvind Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Arvind Limited (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group") which includes the Group's share of profit / loss in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of subsidiaries and joint ventures referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, their consolidated profit and their consolidated other comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Directors' report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and joint ventures audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and joint ventures, is traced from their financial statements audited by the other auditors.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated cash flows and consolidated changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.



The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the, entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of 19 subsidiaries, whose financial statements reflect total assets of Rs.1582.36 crores as at March 31, 2026, total revenues of Rs. 1386.79 crores and net cash inflows amounting to Rs. 48.08 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 7.74 crores for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of 2 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors.



Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

(b) We did not audit the financial information of 2 subsidiaries whose financial statements reflect total assets of Rs. 3.45 crores as at March 31, 2026, total revenues of Rs. Nil and net cash inflows amounting to Rs. 0.39 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 0.99 crores for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of 2 associates and 2 joint ventures, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the, subsidiaries and joint ventures referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group, its associates and joint ventures including relevant records so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on March 31, 2026 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and joint venture companies incorporated in India, none of the directors of the Group companies and joint venture companies incorporated in India is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent company, subsidiary companies and joint venture companies incorporated in India to whom internal financial control over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies and joint venture companies incorporated in India, the remuneration paid by the Parent , its subsidiary companies and joint venture companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and joint ventures - Refer Note 30 and 47 to the consolidated financial statements.

ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 15 (C) to the consolidated financial statements.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, and joint venture companies incorporated in India.

iv) (a) The respective Managements of the Parent and its subsidiaries and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, as disclosed in the note 45 (F) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries and joint ventures to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiaries and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, as disclosed in the note 45 (G) to the financial statements, no funds have been received by the Parent or any of such subsidiaries and joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries and joint ventures shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 50(B) to the consolidated financial statements, the Board of Directors of the Parent and its subsidiary have proposed final dividend for the year which is subject to the approval of the members of the Parent Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and based on the other auditor's reports of its subsidiary companies and joint venture company incorporated in India whose financial statements have been audited under the Act, the Parent, its subsidiary companies, and joint venture company incorporated in India have used accounting software systems for maintaining their respective books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Parent and above referred subsidiary companies, and joint venture company incorporated in India as per the statutory requirements for record retention.



2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

H. S. Sutaria

Hardik Sutaria
Partner
(Membership No. 116642)
UDIN:26116642KEDJHC5045

Place: Ahmedabad
Date: May 15, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of Arvind Limited (hereinafter referred to as "Parent") and its subsidiary companies and its joint ventures, which are companies incorporated in India, as of that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's management and Board of Directors of the Parent, its subsidiary companies and its joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on "the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its joint ventures, which are companies incorporated in India.



Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and its joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 19 subsidiary companies and 2 joint ventures, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

H. S. Sutaria

Hardik Sutaria
Partner
(Membership No. 116642)
UDIN:26116642KEDJHC5045

Place: Ahmedabad
Date: May 15, 2026

Arvind Limited
CIN : L17119GJ1931PLC000093

Consolidated Balance Sheet as at March 31, 2026

(₹ in Crores)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	5	3,660.42	3,272.84
(b) Capital work-in-progress	5 (a)	119.35	407.36
(c) Investment Properties	6	115.78	123.49
(d) Goodwill	7	7.87	7.87
(e) Other Intangible Assets	7	20.68	14.42
(f) Intangible Assets Under Development	7 (a)	1.92	1.78
(g) Right of Use Assets	38	188.57	159.55
(h) Investments accounted for using the equity method	7 (b)	39.08	32.39
(i) Financial Assets			
(i) Investments	8 (a)	4.06	116.82
(ii) Loans	8 (c)	0.18	0.29
(iii) Other financial assets	8 (f)	61.68	46.77
(j) Deferred Tax Assets (net)	29	26.39	66.85
(k) Other Non-Current Assets	9	149.22	76.64
Total Non-Current Assets (A)		**4,395.20**	**4,327.07**
Current Assets			
(a) Inventories	10	2,173.53	2,137.68
(b) Financial Assets			
(i) Investments	8 (a)	225.40	0.87
(ii) Trade receivables	8 (b)	1,443.79	1,177.27
(iii) Cash and cash equivalents	8 (d)	88.00	56.44
(iv) Bank balance other than (iii) above	8 (e)	75.49	60.14
(v) Loans	8 (c)	0.19	1.21
(vi) Other financial assets	8 (f)	42.87	15.23
(c) Current Tax Assets (net)	11	54.14	6.92
(d) Other Current Assets	9	337.86	316.12
Total Current Assets (B)		**4,441.27**	**3,771.88**
TOTAL ASSETS (A) + (B)		**8,836.47**	**8,098.95**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	262.12	261.82
(b) Other Equity	14	3,782.07	3,524.28
Equity attributable to equity holders of the Parent		4,044.19	3,786.10
(c) Non-controlling interest		97.28	85.25
Total Equity (A)		**4,141.47**	**3,871.35**
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15 (a)	277.16	292.30
(ii) Lease Liabilities	38	180.15	153.35
(iii) Other financial liabilities	15 (c)	0.35	0.36
(b) Long-Term Provisions	16	43.34	36.09
(c) Deferred Tax Liabilities (net)	29	97.68	125.03
(d) Government Grants	17	116.45	112.52
(e) Other Non Current Liabilities	18	86.76	0.21
Total Non-Current Liabilities (B)		**801.89**	**719.86**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15 (a)	1,163.81	1,083.66
(ii) Lease Liabilities	38	38.40	32.92
(iii) Trade payables			
- Total Outstanding dues of Micro Enterprises and Small Enterprises	15 (b)	83.33	106.75
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	15 (b)	1,889.49	1,548.45
(iv) Other financial liabilities	15 (c)	346.40	318.22
(b) Short-Term Provisions	16	50.13	19.82
(c) Government Grants	17	12.90	12.75
(d) Current Tax Liabilities (net)	12	6.34	5.97
(e) Other Current Liabilities	18	302.31	379.20
Total Current Liabilities (C)		**3,893.11**	**3,507.74**
TOTAL EQUITY AND LIABILITIES (A) + (B) + (C)		**8,836.47**	**8,098.95**
See accompanying notes forming part of the consolidated financial statements			

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Hardik Sutaria
Partner
Place: Ahmedabad
Date: May 15, 2026

For and on behalf of the board of directors of Arvind Limited

Sanjay S. Lalbhai
Chairman
DIN: 00008329

Jayesh K. Shah
Whole-time Director &
Group Chief Financial Officer
DIN: 00008349

Nigam Shah
Executive Director &
Chief Financial Officer
DIN: 10056383

Pritesh Shah
Company Secretary

Place: Ahmedabad
Date: May 15, 2026

Arvind Limited
CIN : L17119GJ1931PLC000093

Consolidated Statement of Profit and Loss for the year ended March 31, 2026

(₹ in Crores)

	Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
I.	**INCOME**			
	(a) Revenue from operations	19	9,303.19	8,328.81
	(b) Other income	20	56.32	65.19
	TOTAL INCOME		**9,359.51**	**8,394.00**
II.	**EXPENSES**			
	(a) Cost of materials consumed	21	4,295.06	3,730.02
	(b) Purchase of stock-in-trade	22	194.94	387.50
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	4.54	(154.50)
	(d) Project expenses		117.29	72.05
	(e) Employee benefit expenses	24	1,202.51	1,056.34
	(f) Finance costs	25	164.85	165.77
	(g) Depreciation and amortisation expenses	26	290.33	258.71
	(h) Other expenses	27	2,484.43	2,384.00
	TOTAL EXPENSES		**8,753.95**	**7,899.89**
III.	**PROFIT BEFORE SHARE OF PROFIT/(LOSS) OF JOINT VENTURES AND ASSOCIATES, EXCEPTIONAL ITEMS AND TAX (I-II)**		**605.56**	**494.11**
IV.	Share of Profit/(Loss) of Joint Ventures and Associates accounted for using the Equity Method		6.75	(1.24)
V.	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (III+IV)**		**612.31**	**492.87**
VI.	Exceptional items (net of tax)	28	17.27	-
VII.	**PROFIT BEFORE TAX (V-VI)**		**595.04**	**492.87**
VIII.	**Tax expense**	29		
	(a) Current tax		154.90	121.90
	(b) Short/(Excess) Provision of earlier years		8.98	(2.43)
	(c) Deferred tax Charge/(Credit)		4.19	6.02
	Total tax expense		**168.07**	**125.49**
IX.	**Profit for the year (VII-VIII)**		**426.97**	**367.38**
X.	**Other Comprehensive Income/(Loss) (net of tax)**			
A.	**Items that will not be reclassified to Profit and Loss**			
	(i) Equity Instruments through Other Comprehensive Income (FVOCI)		(0.96)	(3.94)
	(ii) Remeasurement gain/(loss) of defined benefit plans		(8.10)	(17.80)
	(iii) Share of Other Comprehensive Income/(Loss) of Joint Ventures and Associate accounted for using Equity method		(0.14)	(0.10)
	(iv) Income tax related to above items		2.10	4.34
	Net Other Comprehensive Income/(Loss) not to be reclassified to profit or loss in subsequent periods		**(7.10)**	**(17.50)**
B.	**Items that will be reclassified to Profit and Loss**			
	(i) Effective portion of gain/(loss) on cash flow hedges		(85.23)	(2.26)
	(ii) Exchange differences in translating the financial statements of a foreign operation		(0.28)	(5.71)
	(iii) Income tax related to item (i) above		22.66	0.58
	Net Other Comprehensive Income/(Loss) that may be reclassified to profit or loss in subsequent periods		**(62.85)**	**(7.39)**
	Total Other Comprehensive Income/(Loss) for the year (net of tax) (X) = (A+B)		**(69.95)**	**(24.89)**
XI.	**Total Comprehensive Income/(Loss) for the year (net of tax) (IX+X)**		**357.02**	**342.49**
XII.	**Profit/(Loss) for the year attributable to:**			
	(i) Equity holders of the parent		413.94	353.49
	(ii) Non-controlling interest		13.03	13.89
			426.97	**367.38**
XIII	**Other Comprehensive Income/(Loss) attributable to:**			
	(i) Equity holders of the parent		(69.47)	(24.01)
	(ii) Non-controlling interest		(0.48)	(0.88)
			(69.95)	**(24.89)**
XIV.	**Total Comprehensive Income/(Loss) attributable to: (XII+XIII)**			
	(i) Equity holders of the parent		344.47	329.48
	(ii) Non-controlling interest		12.55	13.01
			357.02	**342.49**
XV.	**Earning per Equity Share [nominal value per share ₹10]**	36		
	- Basic		15.80	13.51
	- Diluted		15.79	13.49
	See accompanying notes forming part of the consolidated financial statements			

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

H. S. Sutaria

Hardik Sutaria
Partner
Place: Ahmedabad
Date: May 15, 2026

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the board of directors of Arvind Limited

Sanjay S. Lalbhai
Chairman
DIN: 00008329

Jayesh K. Shah
Whole-time Director &
Group Chief Financial Officer
DIN: 00008349

Nigam Shah
Executive Director &
Chief Financial Officer
DIN: 10056383

Pritesh Shah
Company Secretary

Place: Ahmedabad
Date: May 15, 2026

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Consolidated Statement of Cash Flows for the year ended March 31, 2026

(₹ in Crores)

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
A Cash Flow from Operating activities				
Profit After taxation		**426.97**		**367.38**
Adjustments to reconcile profit after tax to net cash flows:				
Share of (Profit)/Loss of Joint Ventures and Associates	(6.75)		1.24	
Depreciation and Amortization expenses	290.33		258.71	
Interest Income	(5.41)		(5.93)	
Tax Expense	148.99		125.49	
Finance Costs	164.85		165.77	
Bad Debts Written Off	0.70		1.47	
Dividend Income	-		(0.02)	
Gain on Termination/Transfer of Leases	(0.64)		(3.18)	
Allowances for doubtful receivables and expected credit loss	12.69		4.50	
Allowance for doubtful advances	-		0.02	
Sundry Advances written off	0.02		2.50	
Sundry Balances Written Off	2.13		0.78	
Provision for Non moving inventory	0.92		15.96	
Foreign Exchange Loss/(Gain)	(13.18)		0.64	
Gain on Investments measured at fair value through profit or loss	(0.61)		-	
(Profit)/Loss on Sale of Property, plant and equipment, Investment properties and intangible assets	(4.44)		(15.51)	
Profit on Sale of Investments	(0.17)		(1.12)	
Excess Provision Written Back	(0.95)		(2.75)	
Share based payment expense	5.98		5.95	
Government grant income	(15.52)		(10.96)	
		578.94		**543.56**
Operating Profit before Working Capital Changes		**1,005.91**		**910.94**
Adjustments for Changes in Working Capital:				
(Increase) / Decrease in Inventories	(36.77)		(167.65)	
(Increase) / Decrease in trade receivables	(260.55)		(111.89)	
(Increase) / Decrease in other financial assets	(43.65)		3.64	
(Increase) / Decrease in other assets	(21.91)		(35.97)	
Increase / (Decrease) in trade payables	309.15		279.65	
Increase / (Decrease) in other financial liabilities	33.63		(4.89)	
Increase / (Decrease) in other liabilities	9.66		(13.26)	
Increase / (Decrease) in provisions	29.58		(0.41)	
Net Changes in Working Capital		**19.14**		**(50.78)**
Cash Generated from Operations		**1,025.05**		**860.16**
Direct Taxes paid (Net of Tax refund)		(157.97)		(97.28)
Net Cash Flow from Operating Activities (A)		**867.08**		**762.88**
B Cash Flow from Investing Activities				
Purchase of Property, plant and equipment and intangible assets	(522.59)		(535.12)	
Proceeds from disposal of Property, plant and equipment, Investment properties and intangible assets	36.71		52.23	
Dividend received from joint venture	-		0.99	
Dividend received from others	-		0.02	
Purchase of Investments	(120.08)		-	
Proceeds from disposal of Investments	8.05		11.86	
Changes in other bank balances not considered as cash and cash equivalents	(15.49)		(41.51)	
Loans Given	(1.18)		(3.50)	
Loans Recceived back	2.31		6.04	
Interest Received	5.40		5.46	
Net cash used in Investing Activities (B)		**(606.87)**		**(503.53)**
C Cash Flow from Financing Activities				
Proceeds from Issue of Share Capital	7.36		2.07	
Dividend Paid	(103.87)		(129.98)	
Proceeds from long term Borrowings (including current maturities)	236.05		190.60	
Repayment of long term Borrowings (including current maturities)	(199.18)		(196.18)	
Proceeds/(Repayment) from Short term borrowings (net)	27.75		55.46	
Proceeds on disposal of partial interest in as subsidiary that does not involve loss of control	2.61		-	
Repayment towards lease liabilities	(51.71)		(44.21)	
Interest Paid	(146.99)		(148.68)	
Net Cash used in Financing Activities (C)		**(227.98)**		**(270.92)**
Net Increase/(Decrease) in cash & cash equivalents (A)+(B)+(C)		**32.23**		**(11.57)**
Cash & Cash equivalents at the beginning of the year		55.77		57.04
Add : Cash and Cash equivalents acquired due to consolidation		-		10.30
Cash & Cash equivalents at the end of the year		88.00		55.77

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Consolidated Statement of Cash Flows for the year ended March 31, 2026

(₹ in Crores)

Reconciliation of cash and cash equivalents

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Cash and cash equivalents :		
Cash on Hand	0.08	0.20
Balances with Banks	87.92	56.24
Cash and cash equivalents as per Balance Sheet (Refer Note 8 (d))	**88.00**	**56.44**
Book Overdrafts (Refer Note 15 (c))	-	(0.67)
Cash and cash equivalents as per cash flow statement	**88.00**	**55.77**

See the accompanying notes to the consolidated financial statements.

Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2015 (as amended)

Particulars of liabilities arising from financing activity	Note No.	As at March 31, 2025	Net cash flows	Non Cash Changes		As at March 31, 2026
				Other changes *	Impact due to IndAS 116	
Borrowings :						
Long term borrowings	15 (a)	394.39	36.87	0.39	-	431.65
Short term borrowings	15 (a)	981.57	27.75	-	-	1,009.32
Interest accrued on borrowings	15 (c)	4.83	(4.83)	5.13	-	5.13
Lease Liabilities	38	186.27	(51.71)	-	83.99	218.55
Total		**1,567.06**	**8.08**	**5.52**	**83.99**	**1,664.65**

* The same relates to amount charged in statement of profit and loss accounts.

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

H.S. Sutaria

Hardik Sutaria
Partner
Place: Ahmedabad
Date: May 15, 2026

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the board of directors of Arvind Limited

Sanjay S. Lalbhai
Chairman
DIN: 00008329

Jayesh K. Shah
Whole-time Director &
Group Chief Financial Officer
DIN: 00008349

Nigam Shah
Executive Director &
Chief Financial Officer
DIN: 10056383
Place: Ahmedabad
Date: May 15, 2026

Pritesh Shah
Company Secretary

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Consolidated Statement of changes in equity for the year ended March 31, 2026

A. Equity share capital

(₹ in Crores)

Particulars	Balance at the beginning of the reporting year	Changes in Equity Shares during the year	Balance at the end of the reporting year
For the year ended March 31, 2025	261.63	0.19	261.82
For the year ended March 31, 2026	261.82	0.30	262.12

B. Other equity

Particulars	Attributable to the owners of the Company												Non-controlling interest (B)	Total (A + B)
		Reserves and Surplus								Items of Other Comprehensive Income				
	Share Application Money Pending Allotment	Capital Reserve	Capital Reserve on Consolidation	Share based payment reserve	Amalgamation Reserve	Capital Redemption Reserve	Securities premium	General Reserve	Retained Earnings	Effective portion of gain or loss on cash flow hedges	Foreign Currency Translation Reserve	Net gain / (loss) on FVOCI equity instruments	Total Other Equity (A)	
Balance as at April 1, 2024	-	41.93	1.50	2.56	34.54	69.50	574.41	62.24	2,602.68	(1.94)	(85.05)	(21.25)	3,281.12	77.95	3,359.07
Profit for the year	-	-		-	-	-	-	-	353.49	-	-	-	353.49	13.89	367.38
Other comprehensive income for the year	-	-		-	-	-	-	-	(12.54)	(1.68)	(5.71)	(4.08)	(24.01)	(0.88)	(24.89)
Total Comprehensive income for the year	-	-	-	-	-	-	-	-	340.95	(1.68)	(5.71)	(4.08)	329.48	13.01	342.49
Adjustment due to Consolidation	-	-	-	-	-	-	-	-	30.12	-	-	-	30.12	-	30.12
Add / (Less) : Dividend Paid during the year	-	-	-	-	-	-	-	-	(124.27)	-	-	-	(124.27)	(5.71)	(129.98)
Add / (Less) : Transfer from share based payment reserve	-	-	-	-	-	-	1.86	-	-	-	-	-	1.86	-	1.86
Add: Issue of Shares under Employee Stock Option Scheme	-	-	-	5.95	-	-	1.88	-	-	-	-	-	7.83	-	7.83
Add / (Less) : Transfer to Retained Earnings	-	-	-	(0.20)	-	-	-	(0.01)	(10.48)	-	-	10.69	-	-	-
Add / (Less) : Transfer to securities premium	-	-	-	(1.86)	-	-	-	-	-	-	-	-	(1.86)	-	(1.86)
Balance as at March 31, 2025	-	41.93	1.50	6.45	34.54	69.50	578.15	62.23	2,839.00	(3.62)	(90.76)	(14.64)	3,524.28	85.25	3,609.53
Balance as at April 1, 2025	-	41.93	1.50	6.45	34.54	69.50	578.15	62.23	2,839.00	(3.62)	(90.76)	(14.64)	3,524.28	85.25	3,609.53
Profit for the year	-	-	-	-	-	-	-	-	413.94	-	-	-	413.94	13.03	426.97
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(5.66)	(62.57)	(0.28)	(0.96)	(69.47)	(0.48)	(69.95)
Total Comprehensive income for the year	-	-	-	-	-	-	-	-	408.28	(62.57)	(0.28)	(0.96)	344.47	12.55	357.02
Adjustment due to Consolidation	-	-	-	-	-	-	-	-	1.17	-	(0.15)	-	1.02	-	1.02
Movement between Non-Controling Interest and Equity holders of the parent	-	-	-	-	-	-	-	-	0.55	-	-	-	0.55	2.06	2.61
Add / (Less) : Dividend Paid during the year	-	-	-	-	-	-	-	-	(98.23)	-	-	-	(98.23)	(5.64)	(103.87)
Add: Issue of Shares under Employee Stock Option Scheme (Refer note 37)	-	-	-	5.98	-	-	6.77	-	-	-	-	-	12.75	-	12.75
Add / (Less) : Transfer to Retained Earnings	-	-	-	(0.80)	-	-	-	-	0.36	-	-	0.44	-	-	-
Add / (Less) : Addition during the year	0.29	-	-	-	-	-	-	-	-	-	-	-	0.29	-	0.29
Add / (Less) : Transfer from share based payment reserve	-	-	-	(6.72)	-	-	3.66	-	-	-	-	-	(3.06)	3.06	-
Balance as at March 31, 2026	0.29	41.93	1.50	4.91	34.54	69.50	588.58	62.23	3,151.13	(66.19)	(91.19)	(15.16)	3,782.07	97.28	3,879.35

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

H.S. Sutaria

Hardik Sutaria
Partner

Place: Ahmedabad
Date: May 15, 2026

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the board of directors of
Arvind Limited

Sanjay S. Lalbhai
Chairman

DIN: 00008329

Jayesh K. Shah
Whole-time Director &
Group Chief Financial Officer
DIN: 00008349

Nigam Shah
Executive Director &
Chief Financial Officer
DIN: 10056383

Pritesh Shah
Company Secretary

Place: Ahmedabad
Date: May 15, 2026

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

1. Corporate Information

Arvind Limited ("the Group" or "the Company" or "the Parent Company") is one of India's leading vertically integrated textile companies with the presence of almost eight decades in this industry. It is among the largest denim manufacturers in the world. It also manufactures a range of cotton shirting, denim, knits and bottom weights (Khakis) fabrics and Jeans and Shirts Garments. Arvind Limited also has the presence in Telecom business directly and through subsidiaries and joint venture companies. Also the Group has made foray into Technical Textiles on its own and in joint venture with leading global players. The Company through its subsidiary is also engaged in manufacturing and fabrication of process equipment as well as in water treatment business.

Arvind Limited together with its consolidated subsidiaries is hereinafter referred to as "the Group".

The Group's financial statements have been considered and approved by the Board of Directors at their meeting held on May 15, 2026.

2. Statement of Compliance and Basis of Preparation:

The Consolidated Financial Statements have been prepared on a historical cost convention on the accrual basis except for the certain financial assets and liabilities measured at fair value, the provisions of the Companies Act, 2013 to the extent notified ("the Act").

Accounting policies were consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standards requires a change in the accounting policy hitherto in use.

These Consolidated Financial Statements comprising of Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including other comprehensive income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows as at March 31, 2026 have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Rounding of amounts

The Consolidated Financial Statements are presented in Indian Rupee ("INR") and all values are rounded to the nearest crore as per the requirement of Schedule III, except when otherwise indicated. Figures less than ₹ 50,000, which are required to be shown separately, have been shown actual in brackets.

Principles of Consolidation and equity accounting

The consolidated financial statements incorporate the financial statements of Arvind Limited and its subsidiaries, being the entities that it controls. Control is evidenced where the Group has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group.

For non-wholly owned subsidiaries, a share of the profit / loss for the financial year and net assets is attributed to the non-controlling interests as shown in the consolidated statement of profit and loss and consolidated balance sheet.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interests and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income

in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed off. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

All intra-group assets and liabilities, equity, income, expenses including unrealized gain /loss and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Joint Ventures and Associate

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An associate is an entity over which the company has significant influence.

The Group's investments in joint ventures and associate are accounted for using the equity method.

Equity Method

Under equity method, the investment in a joint ventures and associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint ventures and associate since the acquisition date. Goodwill relating to the joint venture and associate is included in the carrying amount of the investment and is not tested for impairment individually.

The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the joint ventures and associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint ventures and associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint ventures and associate are eliminated to the extent of the interest in the joint ventures and associate.

The aggregate of the Group's share of profit or loss of joint ventures and associate is shown on the face of the Consolidated Statement of Profit and Loss.

The financial statements of the joint ventures and associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint ventures and associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint ventures and associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

the recoverable amount of the joint ventures and associate and its carrying value, and then recognises the loss as 'Share of profit of a joint ventures' and 'associate 'in the Consolidated Statement of Profit and Loss.

Upon loss of joint control over the joint venture or loss of significant influence over associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the retained investment and proceeds from disposal is recognised in the statement of profit and loss.

3. Summary of Material Accounting Policies

3.1. Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Group's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

3.2. Use of estimates and judgements

The estimates and judgements used in the preparation of the consolidated financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

Following are significant estimate (for details refer note 4.1)

- Useful life of Property, plant and equipment and Intangible Assets
- Defined benefit plans

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

3.3. Foreign currencies

The Group's functional and presentation currency is Indian Rupee. Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rate are recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a

foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

For the purpose of consolidation, the assets and liabilities of the Company's foreign operations are translated to Indian rupees at the exchange rate prevailing on the balance sheet date, and the income and expenses at the average rate of exchange for the respective months. Exchange differences arising are recognized as foreign currency translation reserve under equity.

3.4. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Consolidated Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and for non-recurring measurement, such as asset held for sale.

3.5. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

De-recognition
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit and Loss when the asset is de-recognised.

Depreciation
Depreciation on property, plant and equipment is provided so as to write off the cost of assets less residual values over their useful lives of the assets, using the straight line method as prescribed under Part C of Schedule II to the Companies Act 2013 except for Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments which are depreciated as per schedule II of the companies act, 2013), Leasehold Improvements, Furniture and fixtures, Vehicles and Office Equipments.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation on Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments) and Leasehold Improvements, is provided on straight-line basis over the useful lives of the assets as estimated by management based on the technical assessment of the assets, nature of assets, the estimated usage of assets, the operating condition of the assets, maintenance supports and anticipated technological changes required in the assets. The management estimates the useful lives as follows:

Particulars	Useful Life
Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments)	10 to 35 Years
Leasehold Improvements	Over the period of agreement

The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II to the Act.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

3.6. Leases
The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right of use assets are also subject to impairment.

ii) Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are fixed payments. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor
Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.10. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as Investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

An investment property is derecognised on disposal or on permanently withdrawal from use or when no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in consolidated Statement of Profit and Loss when the asset is derecognised.

Transfers are made to (or from) investment property only when there is a change in use. Transfers between investment property, owner-occupied property and inventories are at carrying amount of the property transferred.

Depreciation on Investment property is provided on the straight line method over useful lives of the assets as prescribed under Part C of Schedule II to the Act.

3.11. Intangible Assets

Intangible Assets that the Group controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination at fair value on the date of acquisition/grant
- for separately acquired assets, at cost comprising the purchase price (including non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Revenue expenditure pertaining to research is charged to Consolidated Statement of Profit and Loss. Development costs of products are charged to Consolidated Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in Consolidated Statement of Profit and Loss in the period in which expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in Consolidated Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in Consolidated Statement of Profit and Loss when the asset is derecognised.

Amortisation
Software is amortized over management estimate of its useful life of 5 years or License Period whichever is lower and Patent/Knowhow is amortized over its useful validity period. Website is amortized over 5 years.

3.12. Inventories

Inventories of Raw material, Work-in-progress, Finished goods and Stock-in-trade are valued at the lower of cost and net realisable value. However, Raw material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials and accessories:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- **Finished goods and work in progress**: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- **Traded goods:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

All other inventories of stores, consumables, project material at site are valued at cost. The stock of waste is valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.13. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Group. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These budgets and forecast

calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognised in Consolidated Statement of Profit and Loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in Consolidated Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

3.14. Revenue Recognition

Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated base on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Revenue from sale of products is recognised when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract. It includes revenue from real estate development of residential unit (recognised at the point in time, when the control of the asset is transferred to the customer).

Rendering of services
Revenue from services are recognized based on the services rendered in accordance with the terms of contracts on the basis of work performed.

Construction contract
Revenue in respect of projects for Construction of Plants and Systems, is recognised based on satisfaction of performance obligation over the period of time on the basis of percentage of completion method. Percentage of completion is determined by the proportion that contract costs incurred for work done till date bears to the estimated total contract cost. Contract revenue earned in excess of billing has been reflected under the head "Other Current Assets" and billing in excess of contract revenue has been reflected under the head "Other Current Liabilities" in the balance sheet. Full provision is made for any loss in the year in which it is first foreseen and cost incurred towards future contract activity is classified as project work in progress. Determination of revenues under the percentage of completion method necessarily involves making estimates by the Group, some of which are of a technical nature, relating to the percentage of completion, costs to completion, expected revenue from the contract and the foreseeable losses to completion.

Export Incentive
Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

3.15. Financial instruments – initial recognition and subsequent measurement

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments. For recognition and measurement of financial assets and financial liabilities, refer policy as mentioned below:

Initial recognition of financial assets and financial liabilities:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Profit or loss on sale of Investments

Profit or Loss on sale of investments are recorded on transfer of title from the Company, and is determined as the difference between the sale price and carrying value of investment and other incidental expenses.

Interest Income

Interest income from debt instruments are recorded using the effective interest rate (EIR) and accrued on timely basis. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Subsequent measurement of financial assets:

For purposes of subsequent measurement, financial assets are classified in four categories:

(a) Financial assets at amortised cost

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

(c) Equity instruments

(a) Financial assets at amortised cost:

A financial asset is measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

(b) Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

(c) Equity instruments:

All equity investments in scope of Ind-AS 109 other than Investment in subsidiaries, Joint Ventures and Associates are measured at fair value. Equity instruments which are held for trading, are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity Investment in subsidiaries, Joint Ventures and Associates are measured at cost as per Ind AS 27 - Separate Financial Statements.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Impairment of financial assets
The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses (ECL) are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECL are measured at an amount equal to the 12 months ECL, unless there has been significant increase in credit risk from initial recognition in which case these are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in Statement of Profit and Loss.

Derecognition of financial assets
Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership.

Concurrently, if the asset is one that is measured at:
(a) amortised cost, the gain or loss is recognised in Consolidated Statement of Profit and Loss;
(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to Consolidated Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Reclassification
When and only when the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

Financial liabilities and equity instruments

Classification as debt or equity
Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.Gains or losses on liabilities held for trading are recognised in the profit or loss.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit or Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of direct issue costs.

Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Offsetting Financial Instruments
Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Derivatives and Hedge Accounting
Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in Consolidated Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item.

The Group complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Group documents the relationship between the hedge instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which can be a cash flow hedge.

(i) Cash flow hedges
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion is recognised in Consolidated Statement of Profit and Loss.

Amounts previously recognised and accumulated in other comprehensive income are reclassified to profit or loss when the hedged item affects Consolidated Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains / losses are transferred from equity (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains/losses recognised in other comprehensive income and accumulated in equity at that time remains in equity and is reclassified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity is recognised immediately in Consolidated Statement of Profit and Loss.

3.16. Cash and cash equivalent
Cash and cash equivalent in the balance sheet includes cash on hand, at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

For the purpose of the cash flows statement, cash and cash equivalents includes cash, short-term deposits, as defined above, other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value adjusted for outstanding bank overdrafts as they are considered an integral part of the Group's cash management. Bank Overdrafts are shown within Borrowings in current liabilities in the balance sheet.

3.17. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in Statement of Profit or Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

3.18. Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognised in Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.19. Employee Benefits

(a) Short Term Employee Benefits
All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

(b) Post-Employment Benefits
(i) Defined contribution plan
The Group's approved provident fund scheme, superannuation fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Group has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan
The employee's gratuity fund scheme, provident fund and Compensatory Pension Scheme are Company's defined benefit plans.

Gratuity fund scheme and Compensatory Pension Scheme

The present value of the obligation under Defined benefit schemes is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on the net basis.

(c) Other long term employment benefits
The employee's long term compensated absences are Group's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on the net basis.

(d) Termination Benefits
Termination benefits such as compensation under voluntary retirement scheme are recognised in the year in which termination benefits become payable.

3.20. Share-based payments
Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Equity-settled transactions
The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. Consolidated Statement of Profit and Loss

expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.21. Earnings per share (EPS)
Basic EPS is computed by dividing the net profit / loss for the year attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is computed by dividing the net profit / loss attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year adjusted for the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3.22. Dividend
The Group recognises a liability (including tax thereon) to make cash or non-cash distributions to equity shareholders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in Consolidated Statement of Profit and Loss.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

3.23. Provisions and Contingencies

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When the Group expects some or all of a provision to be reimbursed from third parties, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Consolidated Financial Statements.

Contingent assets are not recognised but disclosed in the Consolidated financial statements when an inflow of economic benefits is probable.

3.24. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.25. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

4. Critical accounting estimates and assumptions

The preparation of the Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.1. Estimates and assumption

(a) Useful life of Property, plant and equipment and Intangible Assets

Property, plant and equipment represent a significant proportion of the asset base of the Group. The depreciation and amortisation charge with respect to such assets is derived based on the estimated useful life of the asset and its residual value. The useful life and residual value of an asset is reviewed at the end of each reporting period. (refer note 3.6 and 3.11)

(b) Defined benefit plans

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in Consolidated Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the Consolidated Financial Statements. (refer note 34)

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(₹ in Crores)

Note 5 : Property, plant and equipment

Particulars	Freehold land	Leasehold land	Buildings	Plant & machinery	Furniture & fixture	Vehicles	Leasehold improvements	Office equipment	Computer, server & network	Total
Gross Carrying Amount										
As at April 1, 2024	**984.85**	**182.67**	**668.15**	**2,653.62**	**93.21**	**78.48**	**44.96**	**40.80**	**61.58**	**4,808.32**
Additions	6.47	-	26.97	256.03	9.65	28.22	1.10	3.59	9.12	**341.15**
Transfer from Investment Properties (Refer note 6)	60.63	-	-	-	-	-	-	-	-	**60.63**
Transfer to Investment Properties (Refer note 6)	0.11	-	9.72	-	-	-	-	-	-	**9.83**
Transfer from Stock in Trade	0.71	-	-	-	-	-	-	-	-	**0.71**
Adjustment due to Consolidation	-	-	-	-	13.12	1.76	-	0.01	0.70	**15.59**
Foreign Currency Translation Reserve	-	-	(2.25)	(29.91)	(1.95)	(0.48)	0.01	(0.08)	(1.08)	**(35.74)**
Deductions	0.71	-	0.65	39.71	1.68	16.61	0.10	0.33	0.58	**60.37**
As at March 31, 2025	**1,051.84**	**182.67**	**682.50**	**2,840.03**	**112.35**	**91.37**	**45.97**	**43.99**	**69.74**	**5,120.46**
Additions	5.39	-	49.67	520.88	29.05	25.37	11.46	5.89	8.21	**655.92**
Transfer to/(from)	0.01	(0.01)	-	(0.02)	-	-	-	0.02	-	-
Foreign Currency Translation Reserve	-	-	(0.04)	(1.97)	(0.10)	(0.03)	0.02	-	(0.06)	**(2.18)**
Deductions	-	-	0.21	24.55	0.26	13.59	-	0.24	5.38	**44.23**
As at March 31, 2026	**1,057.24**	**182.66**	**731.92**	**3,334.37**	**141.04**	**103.12**	**57.45**	**49.66**	**72.51**	**5,729.97**
Accumulated Depreciation and Impairment										
As at April 1, 2024	-	-	**220.91**	**1,272.61**	**62.26**	**28.07**	**34.13**	**33.41**	**46.28**	**1,697.67**
Depreciation for the year	-	-	28.08	164.95	7.45	9.10	1.71	1.81	6.39	**219.49**
Adjustment due to Consolidation	-	-	-	-	-	0.69	-	-	0.24	**0.93**
Transfer to Investment Property	-	-	1.26	-	-	-	-	-	-	**1.26**
Foreign Currency Translation Reserve	-	-	(1.82)	(24.26)	(0.90)	(0.35)	0.20	(0.07)	(0.81)	**(28.01)**
Deductions	-	-	0.13	32.38	1.44	6.37	0.08	0.28	0.52	**41.20**
As at March 31, 2025	-	-	**245.78**	**1,380.92**	**67.37**	**31.14**	**35.96**	**34.87**	**51.58**	**1,847.62**
Depreciation for the year	-	-	28.13	187.54	7.66	10.26	2.89	2.35	7.28	**246.11**
Transfer to/(from)	-	-	-	(0.02)	-	-	-	0.02	-	-
Foreign Currency Translation Reserve	-	-	0.01	(1.37)	(0.54)	-	(0.17)	0.01	-	**(2.06)**
Deductions	-	-	0.01	11.96	0.03	4.93	-	0.21	4.98	**22.12**
As at March 31, 2026	-	-	**273.91**	**1,555.15**	**74.46**	**36.47**	**38.68**	**37.00**	**53.88**	**2,069.55**
Net Carrying Amount										
As at March 31, 2026	**1,057.24**	**182.66**	**458.01**	**1,779.22**	**66.58**	**66.65**	**18.77**	**12.66**	**18.63**	**3,660.42**
As at March 31, 2025	1,051.84	182.67	436.72	1,459.11	44.98	60.23	10.01	9.12	18.16	3,272.84

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Notes :

1. Buildings includes ₹ 0.61 crores (Previous year ₹ 0.61 crores) in respect of ownership flats in Co-Operative Housing Society and ₹ 500/- (Previous year ₹ 500/-) in respect of shares held in Co-Operative Housing Society.

2. For Properties Pledge as security - Refer note 15 (a).

3. Since the lease term for the leasehold lands are indefinite with no specified end date, the Group has determined that the leases do not qualify under Ind AS 116. Accordingly, no right-of-use asset has been recognized in the financial statements for the land leases.

Note 5 (a) : Ageing of Capital Work-in-progress

Particulars	< 1 year	>1 year but < 2 years	>2 year but < 3 years	more than 3 years	Total
As at March 31, 2026					
Project in Progress	107.98	11.33	0.04	-	119.35
	107.98	**11.33**	**0.04**	**-**	**119.35**
As at March 31, 2025					
Project in Progress	378.60	28.76	-	-	407.36
	378.60	**28.76**	**-**	**-**	**407.36**

As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on latest approved plan.
There are no temporarily suspended projects.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 6 : Investment Properties

Particulars	Land	Building	Total
Gross Carrying Amount			
As at April 1, 2024	**186.67**	**0.97**	**187.64**
Additions	6.30	-	6.30
Transfer from Property, plant and equipment (Refer Note 5)	0.11	9.72	9.83
Transfer to Property, Plant and Equipment (Refer Note 5)	60.63	-	60.63
Deduction	18.27	-	18.27
As at March 31, 2025	**114.18**	**10.69**	**124.87**
Additions	2.54	-	2.54
Deduction	10.08	-	10.08
As at March 31, 2026	**106.64**	**10.69**	**117.33**
Accumulated Depreciation			
As at April 1, 2024	**-**	**0.09**	**0.09**
Depreciation for the year	-	0.03	0.03
Transfer from Property, Plant and Equipment (Refer Note 5)	-	1.26	1.26
As at March 31, 2025	**-**	**1.38**	**1.38**
Depreciation for the year	-	0.17	0.17
As at March 31, 2026	**-**	**1.55**	**1.55**
Net Carrying Amount			
As at March 31, 2026	**106.64**	**9.14**	**115.78**
As at March 31, 2025	114.18	9.31	123.49

Notes :

(1) Information regarding income and expenditure of Investment properties

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Rent income	0.89	0.36
Less: Direct operating expenses (including repairs and maintenance)	0.01	0.02
Profit arising from investment properties before depreciation	**0.88**	**0.34**
Less : Depreciation	0.17	-
Profit arising from investment properties	**0.71**	**0.34**

(2) Fair value

Fair value of the Investment properties are as under.

Particulars	As at March 31, 2026	As at March 31, 2025
Land	195.12	213.74
Building	18.74	19.98
Total	**213.86**	**233.72**

The best evidence of fair value is current prices in an active market for similar properties. Group's investment properties are at a location where active market is available for similar kind of properties. Hence, fair value is ascertained on the basis of market rates prevailing for similar properties in those locations determined by an independent registered valuer.

(3) For Properties pledged as security, refer note 15 (a)

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(₹ in Crores)

Note 7 : Intangible assets

Particulars	Computer Software	Patent & Technical knowhow	Brand Value & Licence Brands	Distribution Network	Total	Goodwill on Consolidation	Total Goodwill
Gross Carrying Amount							
As at April 1, 2024	**95.51**	**39.84**	**0.55**	**22.51**	**158.41**	**8.95**	**8.95**
Additions	3.08	0.17	-	-	**3.25**	-	-
Adjustment due to Consolidation	0.04	-	-	-	**0.04**	-	-
Deductions	0.31	3.98	-	-	**4.29**	-	-
As at March 31, 2025	**98.32**	**36.03**	**0.55**	**22.51**	**157.41**	**8.95**	**8.95**
Additions	4.71	6.72	-	-	**11.43**	-	-
Transfer	0.07	(0.07)	-	-	**-**	-	-
Deductions	-	0.18	-	-	**0.18**	-	-
As at March 31, 2026	**103.10**	**42.50**	**0.55**	**22.51**	**168.66**	**8.95**	**8.95**
Accumulated Depreciation							
As at April 1, 2024	**90.50**	**39.01**	**0.55**	**12.79**	**142.85**	-	-
Amortisation for the Year	1.73	0.19	-	2.49	**4.41**	1.08	**1.08**
Adjustment due to Consolidation	0.01	-	-	-	**0.01**	-	-
Deductions	0.30	3.98	-	-	**4.28**	-	-
As at March 31, 2025	**91.94**	**35.22**	**0.55**	**15.28**	**142.99**	**1.08**	**1.08**
Amortisation for the Year	2.41	0.21	-	2.47	**5.09**	-	-
Deductions	-	0.10	-	-	**0.10**	-	-
As at March 31, 2026	**94.35**	**35.33**	**0.55**	**17.75**	**147.98**	**1.08**	**1.08**
Net Carrying Amount							
As at March 31, 2026	**8.75**	**7.17**	**-**	**4.76**	**20.68**	**7.87**	**7.87**
As at March 31, 2025	6.38	0.81	-	7.23	14.42	7.87	7.87

Notes :

1. For Properties pledged as security, refer note 15 (a)

Note 7 (a) : Ageing of Intangible assets under development

Particulars	< 1 year	>1 year but < 2 years	>2 year but < 3 years	more than 3 years	Total
As at March 31, 2026					
Project in Progress	1.22	0.70	-	-	1.92
	1.22	**0.70**	**-**	**-**	**1.92**
As at March 31, 2025					
Project in Progress	1.70	0.08	-	-	1.78
	1.70	**0.08**	**-**	**-**	**1.78**

As on the date of the balance sheet, there are no Intangible Assets Under Development whose completion is overdue or has exceeded the cost, based on latest approved plan.

There are no temporarily suspended projects.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(₹ in Crores)

Note 7 (b) : Investments accounted for using the equity method

Particulars	Face Value per Share (in ₹ unless otherwise stated)	No. of Shares/unit		Amount	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
I. Joint Ventures - measured using equity method (unquoted)					
Adient Arvind Automotive Fabrics India Private Limited	10	-	81,42,750	-	8.14
Less: Provision for Impairment				-	(8.14)
				-	-
PVH Arvind Manufacturing PLC	1000 ETB	-	84,166	-	25.10
Less: Provision for Impairment				-	(25.10)
				-	-
Arya Omnitalk Radio Trunking Services Private Limited	10	10,05,000	10,05,000	5.03	5.46
Arudrama Development Private Limited	100	50,000	50,000	10.00	1.97
			Total (I)	**15.03**	**7.43**
II. Associates - measured using equity method (unquoted)					
Renew Green (GJ Eight) Private Limited	10	2,73,28,000	2,73,28,000	23.96	24.95
Purfi Arvind Manufacturing Private Limited*	10	10,038	10,000	0.09	0.01
			Total (II)	**24.05**	**24.96**
Total Investments accounted for using the equity method			**Total (I)+(II)**	**39.08**	**32.39**

* The Parent company partnered with Purfi Global LLC to form Purfi Arvind Manufacturing Private Limited, focused on converting textile waste into high-quality reusable fibers using advanced rejuvenation technology. The investment is accounted for using the equity method in accordance with Ind AS 28.

The aggregate summarised financial information in respect of the Group's immaterial associates and joint ventures that are accounted for using the equity method is set forth below:

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Joint Ventures accounted for using equity method		
Group's share of net profit/(loss)	7.74	0.04
Group's share of other comprehensive income/(loss)	(0.14)	(0.10)
Group's share of total comprenhensive income/(loss)	**7.60**	**(0.06)**
Associates accounted for using equity method		
Group's share of net profit/(loss)	(0.99)	(1.28)
Group's share of other comprehensive income/(loss)	-	-
Group's share of total comprenhensive income/(loss)	**(0.99)**	**(1.28)**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(₹ in Crores)

Note 8 : Financial assets

8 (a) Investments

Particulars	Face Value per Share (in ₹ unless otherwise stated)	No. of Shares/unit		Amount	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Non-current					
(a) Investment in equity shares (fully paid up):					
I. Subsidiaries - measured at cost (unquoted) :					
Arvind Worldwide(M) Inc. [1]	100 USD	54,840	54,840	0.01	0.01
Less: Provision for Impairment				(0.01)	(0.01)
				-	-
Arvind Spinning Limited (Shares without par value) [1]		8,24,099	8,24,099	0.08	0.08
Less: Provision for Impairment				(0.08)	(0.08)
				-	-
Arvind Overseas (M) Inc. [1]	100 Mau	23,85,171	23,85,171	0.24	0.24
Less: Provision for Impairment				(0.24)	(0.24)
				-	-
			Total (I)	**-**	**-**
II. Others - Fair value through Other Comprehensive Income:					
Unquoted					
Shiprocket Limited (previously known as Shiprocket Private Limited, previously known as Bigfoot Retail Solutions Private Limited) (refer note 40) [4]	10	-	37,044	-	104.60
Multiple Private Equity Fund II LLP		11,120	37,232	4.04	12.20
Gujarat Cloth Dealers Co-operative Shops and Warehouses Society Limited [2]	100	10	10	(₹ 1,000/-)	(₹ 1,000/-)
			Total (II)	**4.04**	**116.80**
Total Equity Investments ((I) + (II)			**Total (a)**	**4.04**	**116.80**
(b) Investment in debentures - measured at amortised cost (Unquoted): [3]					
9.00% Optionally Convertible Debentures of Arya Omnitalk Radio Trunking Services Private Limited	10	2500	2500	0.02	0.02
			Total (b)	**0.02**	**0.02**
(c) Investment in government securities - measured at amortised cost (Unquoted) :					
National Saving Certificates (Lodged with Sales Tax and Government Authorities)				(₹ 23,000/-)	(₹ 23,000/-)
			Total (c)	**(₹ 23,000/-)**	**(₹ 23,000/-)**
Total Non-Current Investments (A)=(a)+(b)+(c)				**4.06**	**116.82**
Current					
(a) Unquoted Investments (fully paid)					
- Fair value through Other Comprehensive Income					
Shiprocket Limited (previously known as Shiprocket Private Limited, previously known as Bigfoot Retail Solutions Private Limited) (refer note 40) [4]	10	98,53,704	-	104.60	-
(b) Investment in Mutual Fund					
HDFC Low Duration Fund - Growth (refer note 40)		-	1,24,011	-	0.70
SBI Saving Fund - Growth (refer nore 40)		2,59,33,748	-	120.62	-
Invesco India Money Market Fund - Growth (refer note 40)		575	575	0.18	0.17
Total Current Investments (B)=(a)+(b)				**225.40**	**0.87**
Total (A)+(B)				**229.46**	**117.69**
Aggregate carrying amount of unquoted investments				108.66	116.82
Aggregate carrying amount of quoted investments and market value thereof				120.80	0.87
Aggregate amount of impairment in value of investment				0.33	0.33

[1] Not considered for the purpose of consolidation for the financial year 2025-26 and 2024-25 respectively being defunct status.

[2] The management has assessed that fair value of the investments approximate to their carrying value.

[3] Investment in Debenture is convertible at issuer's option.

[4] During the year, Shiprocket Limited issued bonus shares in the ratio of 1:266. Consequently, the number of equity shares outstanding increased from 37,044 shares to 9,853,704 shares

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

8 (b) Trade receivables - Current

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good	1,452.85	1,181.90
Unsecured, considered doubtful	50.76	45.91
Less : Allowance for doubtful receivables and expected credit loss	(59.82)	(50.54)
Total Trade receivables	**1,443.79**	**1,177.27**
Receivables from Directors or from firm / Private company where director is interested	-	(₹ 26,100/-)

For amount receivable from related parties, refer note 35.

Trade receivables are non-interest bearing and are generally on terms of 7 to 180 days.

Trade Receivables are given as security for borrowings as disclosed under note 15(a).

Allowance for doubtful receivables and expected credit loss

The Group has provided allowance for doubtful receivables based on the lifetime expected credit loss model using provision matrix. Movement in allowance for doubtful debt are as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance as per last financial year	**50.54**	**57.32**
Add : Allowance for doubtful receivables and expected credit loss (Refer note 27)	12.69	4.50
Less : Write off of bad receivables and other adjustment (net of recovery)	(3.41)	(11.28)
Balance at the end of the year	**59.82**	**50.54**

Ageing of Trade Receivables from due date of payments as at March 31, 2026 and March 31, 2025 are as follows:

Particulars	Not Due	< 6 months	>6 months but < 1 year	>1 year but < 2 years	>2 year but < 3 years	More than 3 years	Total
Year ended March 31, 2026							
(i) Undisputed Trade Receivables - Considered Good	975.96	430.50	30.36	11.01	2.94	2.08	**1,452.85**
(ii) Undisputed Trade Receivables - Considered doubtful	0.72	3.65	2.61	4.62	-	39.16	**50.76**
	976.68	**434.15**	**32.97**	**15.63**	**2.94**	**41.24**	**1,503.61**
Less : Allowances for doubtful receivables and expected credit loss							59.82
Total							**1,443.79**
Year ended March 31, 2025							
(i) Undisputed Trade Receivables - Considered Good	833.84	318.09	21.65	5.89	1.25	1.18	**1,181.90**
(ii) Undisputed Trade Receivables - Considered doubtful	0.54	0.34	1.87	2.83	0.47	39.86	**45.91**
	834.38	**318.43**	**23.52**	**8.72**	**1.72**	**41.04**	**1,227.81**
Less : Allowances for doubtful receivables and expected credit loss							50.54
Total							**1,177.27**

8 (c) Loans

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good unless otherwise stated		
Non-current		
Loans to employees	0.18	0.29
Total Non-current Loans (A)	**0.18**	**0.29**
Current		
Loans to		
- Related parties (Refer note 35)	-	0.99
- Employees	0.19	0.22
	0.19	**1.21**
Considered Doubtful		
Loans to related parties (Refer note 35)	5.23	5.23
Less : Allowance for doubtful loan	(5.23)	(5.23)
	-	-
Total Current Loans (B)	**0.19**	**1.21**
Total Loans (A)+(B)	**0.37**	**1.50**

Loans to Directors or to firm / Private company where director is interested (Refer note 35 for further details)

Loans to Related Parties that are repayable on Demand

Type of Borrower	Year ended March 31, 2026		Year ended March 31, 2025	
	Loan Outstanding	Loan Outstanding (%)	Loan Outstanding	Loan Outstanding (%)
Related Parties (Refer note 35)	-	0.00%	0.99	66.00%

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

8 (d) Cash and cash equivalent

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	0.08	0.20
Balance with Banks		
In Current accounts and debit balance in cash credit accounts	83.92	47.70
In Deposits with original maturity of less than three months	2.94	5.79
In Savings account	1.06	2.75
Total cash and cash equivalents	**88.00**	**56.44**

Total cash and cash equivalents includes ₹ 1.08 crores (March 31, 2025 ₹ 3.48 crores) pertaining to Arvind foundation and Arvind Indigo foundation held for specified purpose.

8 (e) Other bank balance

Particulars	As at March 31, 2026	As at March 31, 2025
Unpaid dividend accounts (Refer note 15(c))	2.38	2.52
Deposits with original maturity of more than three months *	73.11	57.62
Total other bank balances	**75.49**	**60.14**

* Deposits amounting ₹ 58.98 crores (March 31, 2025 ₹ 36.12 crores) under lien with bank as Security for Guarantee Facility given by the Bankers.

Total other bank balance includes ₹ 14.13 crores (March 31, 2025 ₹ 21.50 crores) pertaining to Arvind foundation held for specified purpose.

8 (f) Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good unless otherwise stated		
Non-current		
Security deposits	42.15	37.80
Share Application Money	-	1.49
Less : Provision for doubtful share application money	-	(1.49)
	-	-
Bank deposits with maturity of more than 12 months	19.53	8.97
Total Other Non-current Financial Asset (A)	**61.68**	**46.77**
Current		
Security deposits	13.55	12.54
Interest Accrued on financial assets measured at amortised cost	0.63	0.62
Foreign Currency Derivative Contracts (Cash flow hedge)	0.01	1.12
Other non-trade receivables	28.68	0.95
Total Other Current Financial Asset (B)	**42.87**	**15.23**
Total (A)+(B)	**104.55**	**62.00**

Other current financial assets are given as security for borrowings as disclosed under note 15(a).

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 9 : Other assets

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Capital advances	145.66	73.11
Prepaid expense	3.56	3.53
Advances to suppliers - Doubtful	2.34	0.62
Less : Provision for doubtful advances	(2.34)	(0.62)
	-	-
Total Other Non-current Asset (A)	**149.22**	**76.64**
Current		
Advance to suppliers		
Considered Good	84.36	77.58
Advances to suppliers - Doubtful	0.20	0.11
Less : Provision for doubtful advances	(0.20)	(0.11)
	84.36	77.58
Balance with Government Authorities (Refer note (i) below)	160.40	163.77
Export incentive receivable	30.38	15.88
Prepaid expense	43.68	38.44
Income Receivable	16.94	15.49
Pre-paid Gratuity (Refer note 34)	-	0.12
Other Current Asset	2.10	4.84
Total Other Current Asset (B)	**337.86**	**316.12**
Total (A) + (B)	**487.08**	**392.76**
Advance to Directors or to firm / Private company where director is interested (Refer note 35 for further details)	(₹ 60,867/-)	(₹ 32,450/-)

For amount receivable from related parties, refer note 35.

(i) Balance with Government Authorities mainly consists of input credit availed.

Other current assets are given as security for borrowings as disclosed under note 15(a).

Note 10 : Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials		
Raw materials and components	590.10	569.77
Raw materials in transit	9.60	11.19
Fuel	11.68	7.53
Land plots and materials at site	238.85	246.25
Stores and spares	91.33	77.11
Work-in-progress	634.90	627.80
Finished goods	518.80	471.49
Waste	0.26	1.21
Stock-in-trade		
Stock-in-trade	63.83	114.43
Stock-in-trade in transit	7.60	4.32
Land Held as Stock-in-trade	6.58	6.58
Total	**2,173.53**	**2,137.68**

Inventory write downs are accounted, considering the nature of inventory, ageing and net realisable value for ₹ 93.42 Crores (March 31, 2025 ₹ 92.50 Crores). The changes of write down in inventory amounts to ₹ 0.92 crores (March 31, 2025 ₹ 15.96 crores) are recognised as an expense in the Statement of Profit and Loss.

Inventories are hypothecated as security for borrowings as disclosed under note 15(a).

Note 11 : Current Tax Assets (Net)

Particulars	As at March 31, 2026	As at March 31, 2025
Tax Paid in Advance (Net of Provision)	54.14	6.92
Total	**54.14**	**6.92**

Note 12 : Current Tax Liability (Net)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for taxation (Net of Advance Tax)	6.34	5.97
Total	**6.34**	**5.97**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Note 13 : Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Authorised share capital				
Equity shares of ₹ 10 each	57,45,00,000	574.50	57,45,00,000	574.50
Preference shares of ₹ 100 each	1,00,00,000	100.00	1,00,00,000	100.00
Issued, subscribed and paid-up share capital				
Equity shares of ₹ 10 each	26,21,14,640	262.12	26,18,17,974	261.82
Add : forfeited shares	900	(₹ 4,500/-)	900	(₹ 4,500/-)
Total	**26,21,15,540**	**262.12**	**26,18,18,874**	**261.82**

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Outstanding at the beginning of the year	26,18,17,974	261.82	26,16,30,474	261.63
Add : Shares allotted pursuant to exercise of Employee Stock Option Scheme (Refer note 37)	2,96,666	0.30	1,87,500	0.19
Outstanding at the end of the year	**26,21,14,640**	**262.12**	**26,18,17,974**	**261.82**

(ii) Rights, Preferences and Restrictions attached to equity shares:

The Company has one class of shares having par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of shareholder holding more than 5% Shares in the Company:

Name of the Shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Aura Securities Private Limited	8,97,30,590	34.23	8,97,30,590	34.27
Quant Mutual Fund (Small Cap and Manufacturing Fund)	1,48,05,881	5.64	1,48,30,168	5.66

(iv) Details of shareholding of promoters in the Compan

Name of the Promoter	As at March 31, 2026			As at March 31, 2025		
	No. of shares	% of shareholding	% change during the year	No. of shares	% of shareholding	% change during the year
Sanjaybhai Shrenikbhai Lalbhai	170	0.00%	0.00%	170	0.00%	0.00%
Jayshreeben Sanjaybhai Lalbhai	345	0.00%	0.00%	345	0.00%	0.00%
Punit Sanjaybhai	3,714	0.00%	0.00%	3,714	0.00%	0.00%
Swati S Lalbhai	9,712	0.00%	0.00%	9,712	0.00%	0.00%
Sunil Siddharth Lalbhai	5,437	0.00%	0.00%	5,437	0.00%	0.00%
Vimla S Lalbhai	970	0.00%	0.00%	970	0.00%	0.00%
Taral S Lalbhai	4,074	0.00%	0.00%	4,074	0.00%	0.00%
Astha Lalbhai	1,925	0.00%	0.00%	1,925	0.00%	0.00%
Sunil Siddharth HUF	18	0.00%	0.00%	18	0.00%	0.00%
Kalpana Shripal Morakhia	-	0.00%	(100.00%)	12	0.00%	0.00%
Aura Securities Private Limited	8,97,30,590	34.23%	0.00%	8,97,30,590	34.27%	(4.27%)
Aura Business Ventures LLP	69,60,988	2.66%	0.00%	69,60,988	2.66%	0.00%
Atul Limited	41,27,471	1.57%	0.00%	41,27,471	1.58%	0.00%
Aagam Holdings Private Limited	18,76,258	0.72%	0.00%	18,76,258	0.72%	0.00%
Lalbhai Realty Finance Private Limited	4,55,000	0.17%	0.00%	4,55,000	0.17%	0.00%
Akshita Holdings Private Limited	1,50,000	0.06%	0.00%	1,50,000	0.06%	0.00%
Anusandhan Investments Limited	1,15,000	0.04%	0.00%	1,15,000	0.04%	0.00%
Aayojan Resources Private Limited	96,000	0.04%	0.00%	96,000	0.04%	0.00%
Adhinami Investments Private Limited	78,500	0.03%	0.00%	78,500	0.03%	0.00%
Aura Business Enterprise Private Limited	100	0.00%	0.00%	100	0.00%	0.00%
Aura Merchandise Private Limited	100	0.00%	0.00%	100	0.00%	0.00%
Aura Securities Private Limited (As a partner of the Partnership Firm i.e. Aura Venture)	100	0.00%	0.00%	100	0.00%	0.00%
Swati S Lalbhai (As a Trustee of Siddharth Family Trust)	3,620	0.00%	0.00%	3,620	0.00%	0.00%
Sanjaybhai Shrenikbhai Lalbhai (As a Reprentative trustee of Discretionary Trust)	1,394	0.00%	0.00%	1,394	0.00%	0.00%
Total	**10,36,21,486**	**39.52%**		**10,36,21,498**	**39.57%**	

(v) Shares reserved for issue under options and contracts:
Refer note 37 for details of shares to be issued under employee stock option Scheme (ESOS 2021).

(vi) In the period of five years immediately preceding March 31, 2026:
i) The Company has not allotted any equity shares as fully paid up without payment being received in cash.
ii) The Company has not allotted any equity shares by way of bonus issue.
iii) The Company has not bought back any equity shares.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(₹ in Crores)

Note 14 : Other Equity

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Share Application Money Pending Allotment		
Balance at the beginning of the year	-	-
Add: Additions during the year	0.29	-
Balance at the end of the year	**0.29**	**-**
(b) Capital reserve		
Balance at the beginning of the year	**41.93**	**41.93**
Balance at the end of the year	**41.93**	**41.93**
(c) Capital reserve arise on Consolidation of subsidiary		
Balance at the beginning of the year	**1.50**	**1.50**
Balance at the end of the year	**1.50**	**1.50**
(d) General reserve		
Balance at the beginning of the year	**62.23**	**62.24**
Less : Transfer to Retained Earnings	-	(0.01)
Balance at the end of the year	**62.23**	**62.23**
(e) Amalgamation reserve		
Balance at the beginning of the year	**34.54**	**34.54**
Balance at the end of the year	**34.54**	**34.54**
(f) Securities premium account		
Balance at the beginning of the year	**578.15**	**574.41**
Add: Received during the year	6.77	1.88
Add: Transfer from share based payment reserve	3.66	1.86
Balance at the end of the year	**588.58**	**578.15**
(g) Capital redemption reserve		
Balance at the beginning of the year	**69.50**	**69.50**
Balance at the end of the year	**69.50**	**69.50**
(h) Share based payment reserve (Refer note 37)		
Balance at the beginning of the year	**6.45**	**2.56**
Add: Addition during the year	5.98	5.95
Less: Transfer to General Reserve	-	(0.20)
Less: Transfer to Retained Earnings	(0.80)	-
Less: Transfer to Securities Premium Account	(6.72)	(1.86)
Balance at the end of the year	**4.91**	**6.45**
(i) Retained earnings		
Balance at the beginning of the year	**2,839.00**	**2,602.68**
Add: Profit for the year	413.94	353.49
Add/(Less): Other comprehensive income/(loss) arising from remeasurement of defined benefit obligation (net of tax)	(5.66)	(12.54)
Less: Movement between Non-Controling Interest and Equity holders of the parent	0.55	-
Add: Adjustment on Consolidation	1.17	30.12
Less: Transfer from Equity Instruments through Other Comprehensive Income	0.36	(10.48)
Less : Dividend Paid during the year	(98.23)	(124.27)
Balance at the end of the year	**3,151.13**	**2,839.00**
Items of Other comprehensive income		
(i) Equity Instruments through OCI (net of tax)		
Balance at the beginning of the year	**(14.64)**	**(21.25)**
Add: Transfer to Retained Earnings	0.44	10.69
Less: Loss during the year	(0.96)	(4.08)
Balance at the end of the year	**(15.16)**	**(14.64)**
(ii) Foreign Currency Translation Reserve		
Balance at the beginning of the year	**(90.76)**	**(85.05)**
Add: Adjustment on Consolidation	(0.15)	-
Less: Addition during the year	(0.28)	(5.71)
Balance at the end of the year	**(91.19)**	**(90.76)**
(iii) Cash Flow hedge reserve		
Balance at the beginning of the year	**(3.62)**	**(1.94)**
Add/(Less) : Addition during the year	(85.23)	(2.26)
Add/(Less) : Tax impact on additions	22.66	0.58
Balance at the end of the year	**(66.19)**	**(3.62)**
Total other equity	**3,782.07**	**3,524.28**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

The description of the nature and purpose of each reserve within equity is as follows :

(a) Capital reserve
Capital Reserve includes forfeiture of application money received on issue of share warrants and Capital Reserves on amalgamation/Business Combinations.

(b) Capital reserve arise on Consolidation of subsidiary
Gain on purchase, i.e. excess of fair value of net assets acquired over the fair value of consideration in a business combination or on acquisition of interest in subsidiary is recognised as capital reserve on consolidation.

(c) General reserve
General Reserve is a free reserve created by the Group by transfer from Retained earnings for appropriation purposes.

(d) Amalgamation reserve
The reserve was created pursuant to scheme of amalgamation in earlier years. Amalgamation Reserve is a reserve which arose pursuant to the scheme of amalgamation.

(e) Securities premium account
Securities premium reserve is created due to premium on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act.

(f) Capital redemption reserve
Capital Redemption Reserve is created for redemption of preference shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the preference shares redeemed. Capital Redemption Reserve may be applied by the Group in paying up unissued shares of the Group to be issued to shareholders of the Group as fully paid bonus shares.

(g) Share based payment reserve
This reserve relates to share options granted by the Group to its employee stock option scheme. Further information about share-based payments to employees is set out in note 37.

(h) Retained earnings
Retained earnings includes ₹ 30.82 crores (March 31, 2025 ₹ 30.06 crores) pertaining to Arvind foundation and Arvind Indigo foundation held for specified purpose.

(i) Equity Instruments through OCI
The Group has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

(j) Foreign currency translation reserve
Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

(k) Cash Flow hedge reserve
The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on the changes of the fair value of the designated portion of the hedging instruments that are recognised and accumulated under the cash flow hedge reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

Note 15 : Financial liabilities

15 (a) Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
A. Long-term Borrowings (at amortised cost)		
(ai) Term loan (Secured)		
- from Banks	277.16	292.30
Total long-term borrowings (A)	**277.16**	**292.30**
B. Short-term Borrowings (at amortised cost)		
(bi) Working Capital Loans		
- from Banks (Secured)	912.91	979.28
- from Banks (Unsecured)	94.12	-
(bii) Current maturity of long term borrowings		
Term loan (Secured)		
- from Banks	154.49	101.71
Term loan (Unsecured)		
- from Banks	-	0.38
(biii) Intercorporate Deposits		
- From Others	2.29	2.29
Total short-term borrowings (B)	**1,163.81**	**1,083.66**
Total borrowings (A) +(B)	**1,440.97**	**1,375.96**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Notes :

Nature of security:

Term loan of ₹ 431.65 Crores

(i) Loans amounting to ₹ 67.36 Crores (March 31, 2025 ₹ 147.54 Crores) are secured by (a) exclusive charge on Immovable properties of Ankur division; (b) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (c) Secured by second pari passu charge on all the Company's Current Assets and all the current assets aquired by the Company at any time in future.

(ii) Loans amounting to ₹ 215.98 Crores (March 31, 2025 ₹ 84.22 Crores) are secured by (a) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Naroda and Santej Plant; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (b) Secured by second pari passu charge on all the Company's Current Assets and all the current assets aquired by the Company at any time in future.

(iii) Loans amounting to ₹ 69.88 Crores (March 31, 2025 ₹ 86.04 Crores) are secured by (a) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (b) Secured by second pari passu charge on all the Company's Current Assets and all the current assets aquired by the Company at any time in future.

(iv) Loans amounting to ₹ Nil Crores (March 31, 2025 ₹ 24.98 Crores) are secured by (a) exclusive charge on some of the Immovable properties at Asarwa; (b) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage.

(v) Loans amounting to ₹ Nil Crores (March 31, 2025 ₹ 4.55 Crores) are secured by first pari passu charge over the entire land, building and fixed assets of the subsidiary company and by second pari passu charge over the inventory, receivables and other current assets of the subsidiary company.

(vi) Loans amounting to ₹ 15.70 Crores (March 31, 2025 ₹ Nil Crores) are secured by first pari passu charge over the entire land, building and fixed assets of the subsidiary company and by second pari passu charge over the inventory, receivables and other current assets of the subsidiary company.

(vii) Loans amounting to ₹ 61.42 Crores (March 31, 2025 ₹ 41.79 Crores) are secured by (i) First pari passu charge by way of hypothecation over all the movable fixed assets of the subsidiary company, both present and future (ii) Second pari passu charge by way of hypothecation over all the current assets of the subsidiary company, both present and future (iii) Unconditional & irrevocable corporate guarantee of Parent.

(viii) Loans amounting to ₹ Nil Crores (March 31, 2025 ₹ 4.89 Crores) are secured by (i) first pari passu charge over the entire moveable fixed assets of the subsidiary company and current assets of the subsidiary company (ii) Unconditional & irrevocable corporate guarantee of Parent.

(ix) Loans of ₹ 1.31 Crores (March 31, 2025 ₹ Nil Crores) are secured by hypothecation of related vehicles.

Rate of Interest and Terms of Repayment

Particulars	₹ in Crores	Range of Interest (%)	Terms of Repayment from Balance sheet date
Term Loan from Banks			
(I) Secured Rupee Loan	430.34	6.73% to 9.30%	Repayable in quarterly instalments ranging between 2 to 67.
(II) Secured Vehicle Loan	1.31	8.62% to 8.90%	Monthly payment of Equated Monthly Instalments beginning from the month subsequent to taking the loans.

Nature of Security

Working Capital and Other Facilities from Banks

(a) Secured by first pari passu charge on all the Company's Current Assets presently relating to the Manufacturing Locations and all the Current Assets acquired by the Company at any time after the execution of and during the continuance of the Indenture of Mortgage.

(b) Secured by a second pari passu charge over all the Immovable and movable Properties relating to Textile Plants, Movable Properties pertaining to garment division at Bangalore and all the movable and immovable properties aquired by the Company at any time in future after execution of and during the continuance of the Indenture of Mortgage.

Rate of Interest

i. Working Capital Loans from banks carry interest rates ranging from 6.30% to 8.30% per annum.

ii. Other Borrowings carry interest rates upto 9% per annum.

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

15 (b) Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Acceptances*	574.88	502.04
Other trade payables		
- Total Outstanding dues of Micro Enterprises and Small Enterprises	83.33	106.75
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,314.61	1,046.41
Total	**1,972.82**	**1,655.20**

For amount payable to related parties, refer note 35.

*Acceptances represent arrangements under which operational suppliers of goods and services are initially paid by banks, while the Group continues to recognize the corresponding liability until it is settled with the banks. Such settlements are typically made within 150 days.

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2026. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
- Principal amount due to micro and small enterprise	83.12	106.56
- Interest due on above	0.21	0.19
(ii) Interest paid by the Group in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv)The amount of interest accrued and remaining unpaid at the end of each accounting year	0.21	0.19
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	0.21	0.19

Ageing of Trade Payables from due date of payments as at March 31, 2026 and March 31, 2025 are as follows:

Particulars	Not Due	< 1 year	>1 year but < 2 years	>2 year but < 3 years	More than 3 years	Total
Year ended March 31, 2026						
(i) Micro Enterprises and Small Enterprises	72.62	10.55	0.07	0.09	-	83.33
(ii) Other then Micro Enterprises and Small Enterprises	1,557.47	314.46	7.72	2.84	7.00	1,889.49
	1,630.09	**325.01**	**7.79**	**2.93**	**7.00**	**1,972.82**
Year ended March 31, 2025						
(i) Micro Enterprises and Small Enterprises	92.53	14.21	0.01	-	-	106.75
(ii) Other then Micro Enterprises and Small Enterprises	1,356.06	179.18	4.77	2.74	5.70	1,548.45
	1,448.59	**193.39**	**4.78**	**2.74**	**5.70**	**1,655.20**

15 (c) Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Security Deposits	0.35	0.36
Total Other Non-current financial liabilities (A)	**0.35**	**0.36**
Current		
Interest accrued but not due on financial liabilities	5.13	4.83
Payable to employees	192.66	166.23
Deposits from customers and others	14.52	8.29
Payable in Respect of Capital Goods	40.63	127.73
Foreign Currency Derivative Contracts	88.34	3.59
Unpaid dividends (Refer note 8 (e))	2.38	2.52
Book overdraft	-	0.67
Other Payables	2.74	4.36
Total Other Current financial liabilities (B)	**346.40**	**318.22**
Total (A)+(B)	**346.75**	**318.58**

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 16 : Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Long-term		
Provision for employee benefits		
Provision for leave encashment	30.82	30.21
Provision for Gratuity (Refer note 34)	11.39	4.70
Provision for compensatory pension (Refer note 34)*	1.13	1.18
Total Long-term provisions (A)	**43.34**	**36.09**
Short-term		
Provision for employee benefits		
Provision for leave encashment	15.55	14.51
Provision for Gratuity (Refer note 34)	34.20	4.93
Provision for compensatory pension (Refer note 34)*	0.38	0.38
Total Short-term provisions (B)	**50.13**	**19.82**
Total (A)+(B)	**93.47**	**55.91**

* Including ₹ 0.04 Crores (March 31, 2025 : ₹ 0.08 Crores) pertaining to employees for which the liability of the Company is crystalised.

Note 17 : Government grants

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Deferred Government Grants	116.45	112.52
Total Non-current government grants (A)	**116.45**	**112.52**
Current		
Deferred Government Grants	12.90	12.75
Total Current government grants (B)	**12.90**	**12.75**
Total (A)+(B)	**129.35**	**125.27**

Government grants

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance as per last financial year	**125.27**	**92.42**
Received during the year	19.60	43.81
Released to statement of profit and loss (net) (Refer note 20)	(15.52)	(10.96)
Balance at the end of the year	**129.35**	**125.27**

The Government Grant majorly includes benefit received under Export Promotion Capital Goods ("EPCG") scheme of Department General of Foreign Trade India (DGFT). It will be recognised as income in the statement of profit and loss over the useful life of the related assets in proportion in which depreciation is charged.

Note 18 : Other liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Income received in advance	0.21	0.21
Advance from customers	86.55	-
Total Other Non-current liabilities (A)	**86.76**	**0.21**
Current		
Advance from customers	227.72	312.17
Statutory dues	33.93	28.12
Other liabilities	40.66	38.91
Total Other current liabilities (B)	**302.31**	**379.20**
Total (A)+(B)	**389.07**	**379.41**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 19 : Revenue from operations

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Sale of products	8,703.43	7,837.32
Sale of services	256.55	179.09
Other Operating income :		
Waste sale	103.33	90.35
Gain on forward contracts	(18.97)	(9.23)
Export incentives	228.46	177.77
Gain on foreign exchange fluctuations	27.29	47.31
Others	3.10	6.20
Total	**9,303.19**	**8,328.81**

Disaggregation of Revenue from contracts with customers

Revenue based on Geography

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Domestic	5,024.95	4,918.22
Export	4,278.24	3,410.59
Revenue from Operations	**9,303.19**	**8,328.81**

Revenue based on business segment

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Textile	6,823.14	6,146.83
Advanced Material	1,822.46	1,536.39
Others	657.59	645.59
Revenue from Operations	**9,303.19**	**8,328.81**

Reconciliation of revenue from operation with contract price

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contract with customers as per the contract price	9,183.08	8,207.75
Less : Adjustment made to contract price on account of:		
a) Discounts and Rebates	223.04	191.30
b) Customer loyalty programme	0.06	0.04
Total Revenue from contract with customers	**8,959.98**	**8,016.41**
Other Operating income	343.21	312.40
Revenue from Operations	**9,303.19**	**8,328.81**

Contract balances

The following table provides information about contract assets and contract liabilities from contracts with customers:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Trade Receivables - Contract Assets	1,443.79	1,177.27
Advances from Customers - Contract Liabilities (Refer note 18)	314.27	312.17

The company has applied practical expedient as given in Ind AS 115 for not disclosing the remaining performance obligation for contracts that have original expected duration of one year or lesser.

Revenue recognised in relation to contract liabilities

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue recognised that was included in the contract liability balance at the beginning of the period	128.32	155.55

Note 20 : Other income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income on financial assets measured at amortized cost	5.41	5.93
Dividend income	-	0.02
Government grants (Refer note 17)	15.52	10.96
Rent income	0.89	0.36
Profit on sale of Property, Plant and Equipment and Investment Properties	6.68	16.08
Profit on sale of Investment (Net)	0.17	1.12
Exchange difference on Borrowing and others	0.01	0.14
Scrap income	13.31	13.30
Gain on Investments measured at fair value through profit or loss	0.61	-
Miscellaneous income	13.72	17.28
Total	**56.32**	**65.19**

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(₹ in Crores)

Note 21 : Cost of raw materials and accessories consumed

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Inventories at the beginning of the year	580.96	594.85
Add : Purchases during the year	4,313.80	3,716.13
	4,894.76	4,310.98
Less : Inventories at the end of the year	599.70	580.96
Total	**4,295.06**	**3,730.02**

Note 22 : Purchases of stock-in-trade

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Purchase of stock-in-trade	194.94	387.50
Total	**194.94**	**387.50**

Note 23 : Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Inventories at the end of the year		
Finished goods	518.80	471.49
Stock-in-trade	63.83	114.43
Work-in-Progress	634.90	627.80
Project work-in-progress	245.43	252.83
Waste	0.26	1.21
(A)	**1,463.22**	**1,467.76**
Inventories at the beginning of the year		
Finished goods	471.49	424.53
Stock-in-trade	114.43	68.60
Work-in-Progress	627.80	516.47
Project work-in-progress	252.83	302.65
Waste	1.21	1.01
(B)	**1,467.76**	**1,313.26**
Total (Increase) / Decrease in Inventories (B-A)	**4.54**	**(154.50)**

Note 24 : Employee benefits expense

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages, gratuity, bonus and commission	1,085.43	950.03
Contribution to provident and other funds (Refer note 34)	84.88	78.11
Welfare and training expenses	26.22	22.25
Share based payment to employees (Refer note 37)	5.98	5.95
Total	**1,202.51**	**1,056.34**

Note 25 : Finance costs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense on Financial Liabilities		
- Loans and Other Credit Facilities	147.56	148.75
- Lease Liability (Refer note 38)	17.17	16.48
- others	0.09	0.09
Other borrowing cost	0.03	0.45
Total	**164.85**	**165.77**

Note 26 : Depreciation and amortization expense

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on Property, plant and equipment (Refer note 5)	246.11	219.49
Depreciation on Investment properties (Refer note 6)	0.17	0.03
Amortisation of Intangible assets (Refer note 7)	5.09	5.49
Amortisation of right of use assets (Refer note 38)	38.96	33.70
Total	**290.33**	**258.71**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(₹ in Crores)

Note 27 : Other expenses

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Power and fuel	581.89	568.05
Stores consumed	596.41	589.09
Processing charges	191.08	173.37
Miscellaneous Labour charges	192.05	182.48
Rent	17.06	22.85
Insurance	20.48	18.19
Printing, stationery and communication	20.58	26.00
Commission, Brokerage and discount	34.62	38.68
Rates and taxes	56.91	18.71
Repairs :		
To Building	4.89	6.44
To Machineries (including spares consumption)	152.41	141.70
To others	9.54	15.15
Freight, insurance and clearing charge	196.11	172.44
Advertisement and publicity	52.13	50.31
Software Expenses	3.35	7.36
Legal and Professional charges	93.89	58.87
Conveyance and Travelling expense	51.44	52.10
Director's sitting fees	0.17	0.18
Allowance for doubtful receivables and expected credit loss (Refer note 8 (b))	12.69	4.50
Allowances for doubtful advances	-	0.02
Bad debt written off	0.70	1.47
Sundry Advances written off	0.02	2.50
Sundry Balances Written Off	2.13	0.78
Auditor's remuneration	2.48	2.19
Bank charges	54.85	42.61
Corporate Social Responsibility expenses	12.12	9.02
Loss on sale of Property, plant and equipment	2.24	0.57
Foreign exchange fluctuations	1.71	8.68
Miscellaneous expenses (Refer note (i) below)	120.48	169.69
Total	**2,484.43**	**2,384.00**

(i) The Group made a political contribution of ₹ Nil crores for the year ended March 31, 2026 (March 31, 2025 ₹ 10 crores to the Prudent Electoral Trust), which is included under Miscellaneous Expenses.

Note 28 : Exceptional items

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a) Statutory impact of new Labour Codes (Refer note 48)	31.47	-
(b) Expenditure for Business Acquisition (Refer note 50(a))	4.88	-
	36.35	-
Tax Impact on above	(9.14)	-
Tax arises on write off / sale of Investments	(9.94)	-
Total	**17.27**	-

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 29 : Income tax

The major component of income tax expense for the years ended March 31, 2026 and March 31, 2025 are as follows:

Particulars	Year ended	
	March 31, 2026	March 31, 2025
Statement of Profit and Loss		
- Current income tax	154.90	121.90
- Short/(Excess) provision related to earlier years	8.98	(2.43)
- Deferred tax Charge/(Credit)	4.19	6.02
	168.07	**125.49**
Tax Expenses on Exceptional Items (Refer note 28)		
- Current income tax	(9.55)	-
- Deferred tax Charge/(Credit)	(9.53)	-
	(19.08)	**-**
Income tax expense in the statement of profit and loss	**148.99**	**125.49**
Statement of Other comprehensive income (OCI)		
Current income tax	(2.41)	(4.26)
Deferred tax charge/(credit)	(22.35)	(0.66)
Income tax expense/(Credit) recognised in OCI	**(24.76)**	**(4.92)**

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2026 and March 31, 2025.

A. Current tax

Particulars	Year ended	
	March 31, 2026	March 31, 2025
Accounting profit before tax	595.04	492.87
Less : Tax on Exceptional Items	19.08	-
	575.96	492.87
Tax Rate	**25.168%**	**25.168%**
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	144.96	124.05
Adjustment		
Utilisation of Capital Loss	(2.69)	9.68
Exempt income	1.44	1.71
On account of revaluation of tax base of non-depreciable assets (due to indexation benefit)	-	11.22
Expenditure not deductible for tax/not liable to tax	0.25	(8.80)
Accelerated depreciation for tax purposes	-	(2.25)
Difference in tax rates for certain entities of the group	0.33	0.51
Non-recognition of deferred tax assets/(liabilities) due to absence of probable certainty of reversal in future	11.33	(3.22)
On account of reversal of long term capital loss	-	10.96
Change in deferred tax balance due to change in income tax rate*	-	29.35
Recognition of deferred tax asset on previously unrecognized tax losses	-	(44.23)
Short/(Excess) provision related to earlier years	8.98	(2.43)
On account of write off / sale of Investments	(9.94)	-
Other adjustments	(5.67)	(1.06)
Total income tax expense	**148.99**	**125.49**
Effective tax rate	25.04%	25.46%

* Pursuant to the amendments in the Finance (No. 2) Act 2024, long term capital gains tax rate was changed from 20% plus surcharge and cess (with indexation) to 12.5% plus surcharge and cess (without indexation). In accordance with the said amendments, the deferred tax assets has been reduced by ₹ 29.35 crores as a cumulative one time impact while computing the profit after tax for the year ended March 31, 2025.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 29 : Income tax

B. Deferred tax

Significant components of Deferred tax (assets) and liabilities recognized in the financial statements of the Group are as follows :

Particulars	Balance Sheet as at		Adjustment Due to Consolidation		Statement of Profit and Loss and OCI for the year ended on		Balance Sheet as at	
	March 31, 2025	March 31, 2024	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Accelerated depreciation for tax purposes	(170.41)	(166.91)	-	-	(3.82)	(3.50)	(174.23)	(170.41)
Impact of fair valuation of Land	(15.44)	(6.38)	-	-	0.99	(9.06)	(14.45)	(15.44)
Provision for doubtful debt	1.57	2.96	-	-	0.68	(1.39)	2.25	1.57
Expenditure allowable on payment basis	18.97	17.71	-	-	4.58	1.26	23.55	18.97
Expenditure allowable over the period (Section 35D / 35DD)	(0.08)	(0.02)	-	-	-	(0.06)	(0.08)	(0.08)
Unused long-term capital loss	8.86	50.18	-	-	2.87	(41.32)	11.73	8.86
Unused losses available for offsetting against future taxable income	44.78	(1.86)	(40.80)	-	(3.98)	46.64	-	44.78
Deferred tax on unrealised profit	3.54	3.54	-	-	-	-	3.54	3.54
Deferred Government Grants	18.78	19.11	-	-	4.14	(0.33)	22.92	18.78
Mark to market provision on derivative contracts	(0.59)	0.01	-	-	21.86	(0.60)	21.27	(0.59)
Others	31.84	28.84	-	-	0.37	3.00	32.21	31.84
Deferred tax (expense)/income					**27.69**	**(5.36)**		
Net deferred tax assets/(liabilities)	**(58.18)**	**(52.82)**	**(40.80)**	**-**			**(71.29)**	**(58.18)**

Deferred Tax reflected in the Balance Sheet as follows

Particulars	March 31, 2026	March 31, 2025
Deferred tax assets (Net)	26.39	66.85
Deferred tax liabilities (Net)	(97.68)	(125.03)
Net deferred tax assets/(liabilities)	**(71.29)**	**(58.18)**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Hence, deferred tax assets and liabilities which can not be offset, are presented separately as Deferred Tax Assets and Deferred Tax Liabilities. Details of the same are as under:

The Group has unused tax capital losses amounting to ₹ 131.89 crores as at March 31, 2026 (March 31, 2025: ₹ 111.85 crores). Out of the same, tax credits on losses of ₹ 49.87 crores have not been recognised on the basis that recovery is not probable in the foreseeable future. Unrecognised tax capital losses will expire by March 31,2034, if unutilised, based on the year of origination.

No liability has been recognised on the undistributed earnings of the subsidiaries because management controls the distributions of the earnings of the subsidiaries to the holding company and it has no intention to distribute the earnings of the subsidiaries.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 30 : Contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Contingent liabilities not provided for		
(i) Claims against Group not acknowledged as debts	11.80	9.72
(ii) Disputed demands in respect of		
Excise and Customs duty	4.80	4.77
Value added tax and Central sales tax	9.48	9.48
Income tax	8.57	4.18
Goods and Service Tax	8.31	10.74
Service tax	1.95	7.94

The claims which are not acknowledged as debt are related to factory labour which are pending before Labour Court, Industrial Court and High Court.

Above disputed demand includes show cause notices received from various indirect tax department for various matters and in response of the same Group has preferred appeals on these matters and the same are pending with various adjudicating authorities.

The management expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Group's financial statements.

The Parent Company has received various demands / show cause notices from income tax authorities aggregating to ₹ 5.75 crores. As the Parent Company had opted for new tax regime under section 115BAA of the Act in FY 2022-23, the Parent Company has written off MAT credit u/s. 115JAA of the Act amounting to ₹ 27.06 crore, which can be offset against above demands. If the above referred issues settles against the Parent Company, there will not be any actual tax outflow or impact on profit and loss of the Parent Company. Hence, no contingent liability is considered on these matters.

Note 31 : Capital commitments and other commitments

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Capital commitments		
Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances)	318.10	134.20
(b) Other commitments		
Export obligations against the import licenses taken for import of capital goods under the Export Promotion Capital Goods Scheme which is to be fulfilled over the period of next six years. If the Company is unable to meet these obligations, its liability would be ₹ 69.33 crores (March 31, 2025: ₹ 74.86 crores) which will reduce in proportion to actual exports. The Company is reasonably certain to meet its export obligations and expects no outflow, hence it does not anticipate a loss with respect to these obligations and accordingly has not made any provision in its financial statements.	416.02	449.12

Note 32 : Foreign Exchange Derivatives and Exposures not hedged

The Group holds derivative financial instruments such as foreign currency forward, options and swap contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank.

All derivative financial instruments are recognized as assets or liabilities on the balance sheet and measured at fair value. The accounting for changes in the fair value of a derivative instrument depends on the intended use of the derivative and the resulting designation.

The fair values of all derivatives are separately recorded in the balance sheet within current and non-current assets and liabilities depending upon the maturity of the derivatives.

The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

Cash Flow Hedges

The Group also enters into forward exchange contracts for hedging highly probable forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognized in equity until the hedged transaction occurs, at which time, the respective gain or losses are reclassified to the statements of profit or loss. These hedges have been effective for the year ended March 31, 2026 and March 31, 2025.

The Group uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

The cash flow hedges are taken out by the Group during the year for hedging the foreign exchange rate of highly probable forecast transactions.
The cash flows related to above are expected to occur during the year ended March 31, 2026 and consequently may impact the statement of profit or loss for that year depending upon the change in the foreign exchange rates movements.
A details of derivative contracts outstanding as at reporting date are as follows:

A. Foreign Exchange Derivatives

Nature of instrument	Currency	As at March 31, 2026				As at March 31, 2025			
		Average Exchange Rate (in equivalent ₹)	Amount in Foreign currency (In Millions)	Nominal Amount (₹ in Crores)	MTM Value (₹ in Crores)	Average Exchange Rate (in equivalent ₹)	Amount in Foreign currency (In Millions)	Nominal Amount (₹ in Crores)	MTM Value (₹ in Crores)
Cash Flow Hedges (Routed through OCI)									
Forward Sales Contracts									
Maturing less than 3 months	USD	92.24	46.65	430.31	(20.99)	85.84	19.81	170.05	0.04
Maturing between 3 to 6 months	USD	91.00	44.46	404.57	(21.97)	85.55	18.75	160.41	(1.29)
Maturing between 6 to 9 months	USD	91.04	22.59	205.67	(12.09)	86.10	4.00	34.44	(0.19)
Maturing between 9 to 12 months	USD	91.27	16.44	150.04	(9.10)	-	-	-	-
Total	**USD**		**130.14**	**1,190.59**	**(64.15)**		**42.56**	**364.90**	**(1.44)**
Maturing less than 3 months	**EUR**	109.13	0.74	8.07	(₹ 42,412/-)	-	-	-	-
Total	**EUR**		**0.74**	**8.07**	**(₹ 42,412/-)**		**-**	**-**	**-**
Option contracts									
Maturing less than 3 months	USD	-	-	-	(6.91)	-	-	-	0.04
Maturing between 3 to 6 months	USD	-	-	-	(4.96)	-	-	-	(0.15)
Maturing between 6 to 9 months	USD	-	-	-	(5.57)	-	-	-	(0.35)
Maturing between 9 to 12 months	USD	-	-	-	(6.10)	-	-	-	(0.57)
Total	**USD**		-	-	**(23.54)**		-	-	**(1.03)**
Other Hedges (Routed through Profit and Loss)									
Forward Purchase Contracts									
Maturing less than 3 months	EUR	109.13	0.45	4.86	(₹ 27,723/-)	-	-	-	-
Total	**EUR**		**0.45**	**4.86**	**(₹ 27,723/-)**		**-**	**-**	**-**

All derivative contracts stated above are for the purpose of hedging the underlying foreign currency exposure.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

B. Exposure Not Hedged

Nature of exposure	Currency	As at March 31, 2026		As at March 31, 2025	
		FC In Mn	₹ in Crores	FC In Mn	₹ in Crores
Receivables	USD	64.81	614.09	45.64	390.15
	EUR	3.42	37.30	2.51	23.13
	AUD	-	-	0.03	0.17
	GBP	0.30	3.61	0.37	4.13
Cash & Cash Equivalent	USD	0.13	1.23	0.95	8.13
	GBP	0.01	0.09	(GBP 7,283)	0.08
	BDT	1.04	0.08	8.40	0.59
Payable to creditors	USD	18.70	177.29	8.65	73.93
	EUR	1.24	13.51	0.64	5.90
	JPY	15.72	0.93	4.27	0.25
	GBP	0.13	1.59	0.06	0.68
	AUD	0.05	0.30	(AUD 7,944)	0.04
	CHF	0.03	0.38	0.02	0.21
	HKD	(₹ 3 945)	(₹ 47 755)	(HKD 3,945)	(₹ 43,347)
	CAD	0.02	0.11	-	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 33 : Segment Reporting

Identification of Segments:
The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group.

Operating Segments:
(a) **Textiles :** Fabrics, Garments and Fabric Retail.
(b) **Advanced Material :** Human Protection fabric & garments, Industrial Products, Advance Composites and Automotive fabrics.
(c) **Others :** EPABX and One to Many Radio, Water Treatment, Developing of Residential Units, Construction contracts and Others.

Segment revenue and results:
Revenue and expenses directly attributable to segments are reported under each reportable segment. The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income). Unallocated expenditure consists of common expenditure incurred for all the segments and expenses incurred at corporate level.

Segment assets and Liabilities:
Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventories and other operating assets. Segment liabilities primarily includes trade payable and other liabilities excluding borrowings.
Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Inter Segment transfer:
Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. The Group's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments.

Geographical segment
Geographical segment is considered based on sales within India and rest of the world.

Summarised segment information for the years ended March 31, 2026 and March 31, 2025 are as follows:

Particulars	For the Year ended/As at March 31, 2026				
	Textiles	Advanced Material	Others	Eliminations	Total
REVENUE					
External Revenue	6,823.14	1,822.46	657.59	-	9,303.19
Inter segment Revenue	324.63	16.04	95.99	(436.66)	-
Enterprise revenue	**7,147.77**	**1,838.50**	**753.58**	**(436.66)**	**9,303.19**
RESULT					
Segment Result Before Finance cost	494.92	250.66	32.11	-	777.69
Less: Finance Cost					(164.85)
Less: Unallocable expenses (net of income)					(17.80)
Less: Tax Expenses					(168.07)
Net profit/(loss) after tax	**494.92**	**250.66**	**32.11**	**-**	**426.97**
Segment Assets	5,790.17	1,692.37	1,171.72	(1,211.44)	7,442.82
Unallocated Assets					1,378.60
Investments in Joint Ventures					15.05
Total Assets	**5,790.17**	**1,692.37**	**1,171.72**	**(1,211.44)**	**8,836.47**
Segment Liabilities	2,504.85	521.43	548.15	(491.27)	3,083.16
Unallocated Liabilities					170.87
Total Liabilities*	**2,504.85**	**521.43**	**548.15**	**(491.27)**	**3,254.03**
Depreciation and amortisation expense	228.44	34.74	13.02	-	276.20
Unallocated Depreciation and amortisation expense					14.13
Total Depreciation and amortisation expense	**228.44**	**34.74**	**13.02**	**-**	**290.33**
Capital Expenditure	288.89	99.55	39.39	-	427.83
Unallocated Capital Expenditure					102.02
Total Capital Expenditure (Refer note (a))	**288.89**	**99.55**	**39.39**	**-**	**529.85**
Material non-cash items other than Depreciation and amortisation	(20.31)	18.46	11.14	-	9.29
Unallocated Material non-cash items other than Depreciation and amortisation					(6.50)
Total Material non-cash items other than Depreciation and amortisation	**(20.31)**	**18.46**	**11.14**		**2.79**

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(₹ in Crores)

Particulars	For the Year ended/As at March 31, 2025				
	Textiles	Advanced Material	Others	Eliminations	Total
REVENUE					
External Revenue	6,146.83	1,536.39	645.59	-	8,328.81
Inter segment Revenue	27.45	7.14	92.47	(127.06)	-
Enterprise revenue	**6,174.28**	**1,543.53**	**738.06**	**(127.06)**	**8,328.81**
RESULT					
Segment Result Before Finance cost	440.01	208.81	28.97	-	677.79
Less: Finance Cost					(165.77)
Less: Unallocable expenses (net of income)					(19.15)
Add: Tax Credit					(125.49)
Net profit/(loss) after tax	**440.01**	**208.81**	**28.97**	**-**	**367.38**
Segment Assets	5,381.94	1,327.89	1,083.39	(816.02)	6,977.20
Unallocated Assets					1,114.30
Investments in Joint Ventures					7.45
Total Assets	**5,381.94**	**1,327.89**	**1,083.39**	**(816.02)**	**8,098.95**
Segment Liabilities	1,910.31	358.36	525.71	(137.13)	2,657.25
Unallocated Liabilities					194.39
Total Liabilities*	**1,910.31**	**358.36**	**525.71**	**(137.13)**	**2,851.64**
Depreciation and amortisation expense	203.26	30.15	11.21	-	244.62
Unallocated Depreciation and amortisation expense					14.09
Total Depreciation and amortisation expense	**203.26**	**30.15**	**11.21**	**-**	**258.71**
Capital Expenditure	607.38	93.56	22.01	-	722.95
Unallocated Capital Expenditure					61.86
Total Capital Expenditure (Refer note (a))	**607.38**	**93.56**	**22.01**	**-**	**784.81**
Material non-cash items other than Depreciation and amortisation	28.29	(4.63)	1.47	-	25.13
Unallocated Material non-cash items other than Depreciation and amortisation					0.75
Total Material non-cash items other than Depreciation and amortisation	**28.29**	**(4.63)**	**1.47**	**-**	**25.88**

* Above segment liability does not include borrowings.

(a) Capital expenditure consists of additions to property, plant and equipment, intangible assets, investment properties, capital work in-progress and Right of Use assets.

(b)

Particulars	Year ended/as at	
	March 31, 2026	March 31, 2025
Segment Revenue*		
(a) In India	5,024.95	4,918.22
(b) Rest of the world	4,278.24	3,410.59
Total	**9,303.19**	**8,328.81**
Carrying Cost of Segment Non Current Assets@		
(a) In India	4,296.05	4,091.22
(b) Rest of the world	6.84	5.12
Total	**4,302.89**	**4,096.34**

* Based on location of Customers
@ Other than financial assets and deferred tax assets.

(c) Information about major customers:
Considering the nature of business of group in which it operates, the group deals with various customers including multiple geographic. No single customer has accounted for more than 10% of the group's total revenue for the years ended March 31, 2026 and 2025.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 34 : Disclosure pursuant to Employee benefits

A. Defined contribution plans:
Amount of ₹ 84.88 Crores (March 31, 2025: ₹ 78.11 Crores) is recognised as expenses and included in note no. 24 "Employee benefit expense"

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(i) Contribution to Provident Fund [note (a)]	46.38	39.38
(ii) Contribution to Pension Fund [note (a)]	22.00	23.29
(iii) Contribution to Employees' State Insurance [note (b)]	14.54	13.49
(iv) Contribution to National Pension Scheme	1.96	1.95
Total	**84.88**	**78.11**

Note
(a) Employees of the Group receive benefits from a provident fund, which is a defined contribution plan.The eligible employees and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the employees' salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The remaining portion is contributed to the government-administered pension fund. The Group has no further obligation to the plan beyond its monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

(b) The Group's Employee State Insurance Fund, for all eligible employees, is administered by ESIC Corporation. The Group is required to contribute specified amount to ESIC Corporation and has no further obligations to the same beyond its contribution.

B. Defined benefit plans:
The Group has following post employment benefit plans which are in the nature of defined benefit plans:

(a) Gratuity
The Group provides for gratuity for employees in India as per the Code on Social Securities, 2020, Employees who are in continuous service for a period of five years are eligible for gratuity benefits. However, fixed-term employees are eligible for gratuity upon completion of one year of continuous service.

The amount of gratuity payable on retirement/separation is
(i) Last drawn wage salary per month computed proportionately for 15 days (30 days for the employees joined before March 31, 2000 with the grade of M2 and above at the time of retirement/termination from the date they are in Grade M2 and above) salary multiplied for the number of years of service with maximum of Rs. 20,00,000; or
(ii) Last drawn basic salary per month computed proportionately for 15 days (30 days for the employees joined before March 31, 2000 with the grade of M2 and above at the time of retirement/termination from the date they are in Grade M2 and above) salary multiplied for the number of years of service without any maximum limit

Whichever is higher.
It is capped at 20 months basic salary for the employees joined before March 31,2000 and are in the Grade M2 and above at the time of retirement/termination.

(b) Compensatory Pension Scheme
The Parent Company operates a post retirement pension scheme, which is discretionary in nature for certain cadres of employees who have joined before June 30, 1983 and who have rendered not less than 31 years of service before their retirement. The plan is unfunded. Employees do not contribute to the plan.

Liabilities with regard to the Compensatory Pension Scheme are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The Parent Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(₹ in Crores)

Changes in defined benefit obligation and plan assets as at March 31, 2026:

Particulars	As at April 1, 2025	Charged to statement of profit and loss				Employer's contribution	Transfer In/(Out)	Benefit paid	Remeasurement gains/(losses) in other comprehensive income					As at March 31, 2026
		Service cost	Net interest expense/ (income)	Past Sercie Cost	Sub-total included in statement of profit and loss (note 24)				Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from changes in Experience adjustments	Sub-total included in OCI	
Gratuity - Funded														
Defined benefit obligation	144.47	13.47	9.79	23.44	46.70	-	0.66	(22.83)	-	(0.14)	(2.29)	5.42	2.99	171.99
Fair value of plan assets	(141.42)	-	(9.00)	-	(9.00)	(1.59)	(0.66)	7.10	6.60	-	-	-	6.60	(138.97)
Benefit liability/(asset)-Funded (A)	**3.05**	**13.47**	**0.79**	**23.44**	**37.70**	**(1.59)**	**-**	**(15.73)**	**6.60**	**(0.14)**	**(2.29)**	**5.42**	**9.59**	**33.02**
Gratuity - Non Funded														
Defined benefit obligation	6.46	2.15	0.52	1.77	4.44	-	4.26	(1.24)	-	(0.04)	(0.07)	(1.24)	(1.35)	12.57
Benefit liability/(asset)-Non Funded (B)	**6.46**	**2.15**	**0.52**	**1.77**	**4.44**	**-**	**4.26**	**(1.24)**	**-**	**(0.04)**	**(0.07)**	**(1.24)**	**(1.35)**	**12.57**
Net Benefit liability/(asset) (A+B)	**9.51**	**15.62**	**1.31**	**25.21**	**42.14**	**(1.59)**	**4.26**	**(16.97)**	**6.60**	**(0.18)**	**(2.36)**	**4.18**	**8.24**	**45.59**
Compensatory Pension Scheme														
Defined benefit obligation	1.48	0.03	0.10	-	0.13	-	-	-	-	-	(₹ 12,613/-)	(0.14)	(0.14)	1.47
Net Benefit liability/(asset)	**1.48**	**0.03**	**0.10**	**-**	**0.13**	**-**	**-**	**-**	**-**	**-**	**-**	**(0.14)**	**(0.14)**	**1.47**
Total benefit liability/(asset)	**10.99**	**15.65**	**1.41**	**25.21**	**42.27**	**(1.59)**	**4.26**	**(16.97)**	**6.60**	**(0.18)**	**(2.36)**	**4.04**	**8.10**	**47.06**

Changes in defined benefit obligation and plan assets as at March 31, 2025:

Particulars	As at April 1, 2024	Charged to statement of profit and loss				Employer's contribution	Transfer In/(Out)	Benefit paid	Remeasurement gains/(losses) in other comprehensive income					As at March 31, 2025
		Service cost	Net interest expense/ (income)	Past Service Cost	Sub-total included in statement of profit and loss (note 24)				Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from changes in Experience adjustments	Sub-total included in OCI	
Gratuity - Funded														
Defined benefit obligation	130.61	8.55	9.27	-	17.82	-	(0.35)	(22.18)	-	-	4.96	13.61	18.57	144.47
Fair value of plan assets	(138.11)	-	(9.79)	-	(9.79)	(1.22)	-	9.32	(1.62)	-	-	-	(1.62)	(141.42)
Benefit liability/(asset)-Funded (A)	**(7.50)**	**8.55**	**(0.52)**	**-**	**8.03**	**(1.22)**	**(0.35)**	**(12.86)**	**(1.62)**	**-**	**4.96**	**13.61**	**16.95**	**3.05**
Gratuity - Non Funded														
Defined benefit obligation	4.30	1.46	0.30	-	1.76	-	0.27	(0.84)	-	-	0.06	0.91	0.97	6.46
Benefit liability/(asset)-Non Funded (B)	**4.30**	**1.46**	**0.30**	**-**	**1.76**	**-**	**0.27**	**(0.84)**	**-**	**-**	**0.06**	**0.91**	**0.97**	**6.46**
Net Benefit liability/(asset) (A+B)	**(3.20)**	**10.01**	**(0.22)**	**-**	**9.79**	**(1.22)**	**(0.08)**	**(13.70)**	**(1.62)**	**-**	**5.02**	**14.52**	**17.92**	**9.51**
Compensatory Pension Scheme														
Defined benefit obligation	1.47	0.03	0.10	-	0.13	-	-	-	-	-	0.02	(0.14)	(0.12)	1.48
Net Benefit liability/(asset)	**1.47**	**0.03**	**0.10**	**-**	**0.13**	**-**	**-**	**-**	**-**	**-**	**0.02**	**(0.14)**	**(0.12)**	**1.48**
Total benefit liability/(asset)	**(1.73)**	**10.04**	**(0.12)**	**-**	**9.92**	**(1.22)**	**(0.08)**	**(13.70)**	**(1.62)**	**-**	**5.04**	**14.38**	**17.80**	**10.99**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	As at March 31, 2026 (%) of total plan assets	As at March 31, 2025 (%) of total plan assets
Portfolio with Insurance Companies	100.00%	100.00%
(%) of total plan assets	**100%**	**100%**

The principal assumptions used in determining above defined benefit obligations for the Group's plans are shown below:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	5.72%-7.15%	6.54%-7.16%
Future salary increase	6.00%-10.00%	6.00%-11.00%
Expected rate of return on plan assets	6.54%-7.15%	6.54%-7.16%
Attrition rate		
- For service 4 years and below	18% - 45%	15% - 45%
- For service 5 years to 10 years	5% - 40%	15% - 40%
- For service above 11 years	5% - 40%	10% - 40%
Mortality rate during employment	Indian assured lives Mortality 2012-14 (Urban)	Indian assured lives Mortality 2012-14 (Urban)

A quantitative sensitivity analysis for significant assumption is as shown below for the defined benefit plan:

Particulars	Sensitivity level	Increase / (decrease) in defined benefit obligation (Impact)	
		Year ended March 31, 2026	Year ended March 31, 2025
Gratuity			
Discount rate	1% increase	(8.99)	(6.42)
	1% decrease	10.09	7.16
Salary increase	1% increase	7.89	7.11
	1% decrease	(10.39)	(5.75)
Attrition rate	1% increase	0.04	(0.09)
	1% decrease	(0.07)	0.08
Compensatory Pension Scheme			
Discount rate	1% increase	(0.02)	(0.02)
	1% decrease	0.03	0.03

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Maturity analysis (Expected undiscounted future benefit payments for the defined benefit plan)

Particulars	As at March 31, 2026	As at March 31, 2025
Gratuity		
Within the next 12 months	36.64	34.93
Between 2 to 5 years	75.06	64.98
From 6 to 10 years	67.40	53.24
From 11 years and above	104.98	73.41
Compensatory Pension Scheme		
Within the next 12 months	0.38	0.34
Between 2 to 5 years	1.35	1.36

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at March 31, 2026 In Years	As at March 31, 2025 In Years
Gratuity	7	5
Compensatory Pension Scheme	2	2

The Group expects to make a contribution of ₹ 40.53 crores (Previous year - ₹ 12 crores) to the defined benefit plans during the next financial year.

C. Other Long term employee benefit plans:

Leave encashment

The Group has a policy on leave encashment which are both accumulating and non-accumulating in nature. The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

The Group has recognised following as expenses and included in note no. 24 "Employee benefit expense".

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Leave Encashment	15.02	19.00
Total	**15.02**	**19.00**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Note 35 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures

(a) Name of Related Parties and Nature of Relationship :

(I)	**Subsidiary Companies**	
1	Arvind Worldwide (M) Inc. *	
2	Arvind Overseas (M) Inc. *	
3	Arvind Spinning Limited *	
(II)	**Joint Ventures and Associates**	
	Joint Ventures	
1	Arya Omnitalk Radio Trunking Services Private Limited	
2	Adient Arvind Automotive Fabrics India Private Limited	up to August 20, 2025
3	Arudrama Developers Private Limited	
4	PVH Arvind Manufacturing PLC, Ethiopia	up to September 23, 2024
	Associates	
5	Renew Green (GJ Eight) Private Limited	
6	Purfi Arvind Manufacturing India Private Limited	w.e.f. December 5, 2024
(III)	**Key Management Personnel**	
1	Mr. Sanjay S. Lalbhai	Chairman
2	Mr. Jayesh K. Shah	Whole-time Director & Group Chief Financial Officer
3	Mr. Punit S. Lalbhai	Vice Chairman
4	Mr. Kulin S. Lalbhai	Vice Chairman
5	Mr. Susheel Kaul	Managing Director (up to March 9, 2026)
6	Mr. Nigam Shah	Chief Financial Officer (up to April 2, 2026) Executive Director & Chief Financial Officer (w.e.f April 3, 2026)
7	Mr. Bakul Harshadrai Dholakia	Non-Executive Director (up to July 31, 2024)
8	Mr. Dileep Chinubhai Choksi	Non-Executive Director (up to May 12, 2024)
9	Mr. Nilesh Bansilal Mehta	Non-Executive Director (w.e.f May 12, 2024)
10	Ms. Reena Pravin Bhagwati	Non-Executive Director (w.e.f August 1, 2024)
11	Mr. Nagesh Dinkar Pinge	Non-Executive Director (w.e.f Jun 21, 2024)
12	Mr. Arpit Kantilal Patel	Non-Executive Director (up to May 21, 2024)
13	Ms. Ismet Tehmesp Khambatta	Non-Executive Director
14	Mr. Gokul Mrugesh Jaykrishna	Non-Executive Director (w.e.f September 8, 2025)
(IV)	**Entity over which Key Management personnel and their relatives have control/joint control/significant influence**	
1	Arvind Smartspaces Limited	
2	The Anup Engineering Limited	
3	Arvind Fashions Limited	
4	Arvind Lifestyle Brands Limited	
5	PVH Arvind Fashion Private Limited	
6	Arvind Youth Brands Private Limited	
7	White Ocean Business Ventures LLP	
8	Blue Craft Business Ventures Llp	
9	Aura Business Ventures LLP	
10	Aura Securities Private Limited	
11	Anukul Investment Private Limited	
12	Aura Business Enterprise Private Limited	
13	Jayesh K Shah Huf	
14	Bhagwati Spherocast Private Limited	
15	Aagam Holding Private Limited	
16	Adhinami Investment Private Limited	
17	Akshita Holding Private Limited	
18	Anusandhan Investment Private Limited	
19	Aura Merchandise Private Limited	
20	Ayogan Resources Private Limited	
21	Lalbhai realty finance private limited	
(V)	**Trusts and Others**	
1	Arvind Mills Employees' Provident Fund	
2	The Arvind Mills Employee's Gratuity Fund	
3	Lalbhai Group of Companies Officers' Superannuation Fund	

* Not considered for the purpose of consolidation for the financial year 2024-25 and 2023-24 respectively being defunct status.
The names and the nature of relationships is disclosed only when the transactions are entered into by the Group with the related parties during the existence of the related party relationship.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(₹ in Crores)

(b) Transactions and Balances :

Particulars	Subsidiaries		Joint Ventures and Associates		Key Management Personnel and their Relatives*		Trusts		Entity over which Key Management personnel and their relatives have control/joint control /significant influence		Total	
	Year ended/As at		Year ended/As at		Year ended/As at		Year ended/As at		Year ended/As at		Year ended/As at	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
(I) Transactions during the year												
Purchase of Goods	-	-	-	-	-	-	-	-	19.51	21.77	**19.51**	**21.77**
Purchase of Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	0.14	**-**	**0.14**
Sales of Goods	-	-	0.01	-	-	-	-	-	3.59	21.20	**3.60**	**21.20**
Sale of Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	2.05	**-**	**2.05**
Expenses Recovered	-	-	1.55	2.15	-	-	-	-	32.90	20.57	**34.45**	**22.72**
Rent Income	-	-	-	-	-	-	-	-	0.83	0.22	**0.83**	**0.22**
Services Rendered	-	-	-	-	-	-	-	-	0.01	-	**0.01**	**-**
Remuneration	-	-	-	-	33.44	36.17	-	-	-	-	**33.44**	**36.17**
Sitting Fees paid to Non-Executive Directors	-	-	-	-	0.17	0.18	-	-	-	-	**0.17**	**0.18**
Comission to Non-Executive Directors	-	-	-	-	0.37	0.40	-	-	-	-	**0.37**	**0.40**
Services Received	-	-	39.30	38.22	-	-	-	-	3.53	7.75	**42.83**	**45.97**
Rent Expenses	-	-	0.21	-	-	-	-	-	-	-	**0.21**	**-**
Dividend Income	-	-	-	0.99	-	-	-	-	-	-	**-**	**0.99**
Dividend paid	-	-	-	-	0.21	0.21	-	-	37.42	43.70	**37.63**	**43.91**
Interest Expense	-	-	0.05	0.05	-	-	-	-	-	-	**0.05**	**0.05**
Interest Income	-	-	-	0.01	-	-	-	-	-	-	**-**	**0.01**
Contribution Received for CSR activities	-	-	-	-	-	-	-	-	5.47	3.67	**5.47**	**3.67**
Loan Taken	-	-	10.34	5.53	-	-	-	-	-	-	**10.34**	**5.53**
Repayment of Loan	-	-	10.34	6.33	-	-	-	-	-	-	**10.34**	**6.33**
Loan Given	-	-	1.18	2.56	-	-	-	-	-	-	**1.18**	**2.56**
Receipt towards Loan Given	-	-	2.17	1.57	-	-	-	-	-	-	**2.17**	**1.57**
Investment made	-	-	0.08	0.01	-	-	-	-	-	-	**0.08**	**0.01**
(II) Balances as at year end												
Trade Receivable	-	-	0.49	0.50	-	-	-	-	24.89	14.62	**25.38**	**15.12**
Investments	0.33	0.33	39.08	65.64	-	-	-	-	-	-	**39.41**	**65.97**
Provision for Impairment of Investment	(0.33)	(0.33)	-	(33.25)	-	-	-	-	-	-	**(0.33)**	**(33.58)**
Share Application Money	-	-	-	1.49	-	-	-	-	-	-	**-**	**1.49**
Provision for Impairment of Share Application Money	-	-	-	(1.49)	-	-	-	-	-	-	**-**	**(1.49)**
Other Current Assets	-	-	0.04	-	-	-	-	-	4.13	0.81	**4.17**	**0.81**
Other Non Current Assets	-	-	0.50	0.50	-	-	-	-	-	-	**0.50**	**0.50**
Loan Given	5.23	5.23	-	0.99	-	-	-	-	-	-	**5.23**	**6.22**
Allowance for Doubtful Loan	(5.23)	(5.23)	-	-	-	-	-	-	-	-	**(5.23)**	**(5.23)**
Trade Payables	-	-	3.27	2.63	0.37	0.36	-	-	104.95	60.39	**108.59**	**63.38**
Other Current Liabilities	-	-	-	-	-	-	-	-	(₹ 19,440/-)		**(₹ 19,440/-)**	**-**
Short Term Provision	-	-	-	-	-	-	28.50	1.28	-		**28.50**	**1.28**

*The transaction with the relative of a Key Managerial Personnel pertains solely to the payment of dividends.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS
ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

(c) Loans

List of Related Parties	Purpose	Balance as at March 31, 2026	Balance as at March 31, 2025
Arvind Worldwide (M) Inc.	General Business Purpose	5.23	5.23
Arya Omnitalk Radio Trunking Services Private Limited	General Business Purpose	-	0.99
Less : Allowance for doubtful loan		(5.23)	(5.23)
Total		**-**	**0.99**

List of Related Parties	Purpose	Maximum Outstanding During 2025-26	Maximum Outstanding During 2024-25
Loans			
Arvind Worldwide (M) Inc.	General Business Purpose	5.23	5.23
Arya Omnitalk Radio Trunking Services Private Limited	General Business Purpose	1.62	0.99

Loans given to the related party carries interest rate of 7.00%

(d) Transactions with key management personnel

The remuneration of key management personnel during the year was as follows :

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Short-term employee benefits	31.05	32.60
Share based payment	1.50	3.20
Post employment benefits	0.68	0.22
Other long-term employment benefits	0.15	0.16
Others - Contribution towards Provident Fund	0.60	0.57
Total compensation paid to key management personnel	**33.98**	**36.75**

(e) Transactions/balances with related party having value equal to / exceeding 1% of total income is considered as material and have been disclosed separately, unless already presented in note 35.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(₹ In Crores)

Note 36 : Earnings per share

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
Earing per share (Basic and Diluted)			
Profit attributable to owners of the Company	₹ in Crores	413.94	353.49
Weighted average number of Equity Shares for Basic EPS (a)	No.	26,20,27,919	26,17,11,981
Effect of potential Ordinary shares on outstanding Employee Stock Options (b)	No.	1,51,764	2,90,846
Weighted average number of Ordinary shares in computing diluted earnings per share (a) + (b)	No.	**26,21,79,683**	**26,20,02,827**
Nominal value of equity shares	₹	10	10
Basic earning per share	₹	15.80	13.51
Diluted earning per share	₹	15.79	13.49

Note 37 : Share based payments
Arvind Limited (AL)

A. The Company has instituted "AL – Employee Stock Option Scheme 2021 (ESOS 2021)", pursuant to the approval of the shareholders of the company at their extra ordinary general meeting held on October 23, 2007 and annual general meeting held on August 18, 2021 respectively. Under both the schemes, the Company has granted options convertible into equal number of equity shares of the face value of ₹ 10 each to its certain employees. The following table sets forth the particulars of the options outstanding as on March 31, 2026 under ESOS 2021:

Scheme	ESOS 2021							
Date of grant	March 22, 2022	August 8, 2022	August 8, 2022	October 27, 2023	January 10, 2024	June 13, 2024	May 15, 2025	November 25, 2025
Vesting Date	Step vesting in 4 tranches from March 31, 2023 to March 31, 2026	Step vesting in 3 tranches from March 31, 2024 to March 31, 2026	Step vesting in 3 tranches from March 31, 2024 to March 31, 2026	Step vesting in 3 tranches from Oct 31, 2024 to Oct 31, 2026	Step vesting in 3 tranches from May 31, 2025 to May 31, 2027	Step vesting in 3 tranches from June 30, 2025 to June 30, 2027	Step vesting in 3 tranches from May 31, 2027 to May 31, 2029	Step vesting in 3 tranches from November 30, 2027 to November 30, 2029
Number of options granted	50,000	50,000	50,000	1,50,000	5,50,000	1,20,000	75,000	1,50,000
Number of options outstanding	50,000	37,500	37,500	1,12,500	1,00,000	90,000	75,000	1,50,000
Exercise price per option	₹ 116.70	₹ 10.00	₹ 92.35	₹ 169.80	₹ 263.95	₹ 10.00	₹ 399.00	₹ 347.90
Fair Value of option on Grant date	₹ 49.72	₹ 87.47	₹ 34.10	₹ 56.63	₹ 96.79	₹ 360.48	₹ 124.81	₹ 115.79
Vesting period	Over a period of 1 to 4 years from the date of grant							
Vesting requirements	On continued employment with the company and fulfilment of performance parameters.							
Exercise period	3 years from the date of vesting							
Method of settlement	Through allotment of one equity share for each option granted.							

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ In Crores)

B. Movement in Stock Options during the year :

The following reconciles the share option outstanding at the beginning and at the end of the year :

Particulars	Year Ended March 31, 2026		Year Ended March 31, 2025	
	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
ESOS 2021				
Outstanding at the beginning of the year	9,07,500	185.55	10,25,000	188.86
Vested during the year	3,34,166	219.73	2,00,000	83.52
Granted during the year	2,25,000	381.97	1,20,000	10.00
Lapsed/Forfeited during the year	1,33,334	263.95	50,000	116.70
Exercised during the year	2,96,666	238.27	1,87,500	109.68
Expired during the year	50,000	128.70	-	-
Outstanding at the end of the year	6,52,500	211.77	9,07,500	185.55
Exercisable at the end of the year	1,25,000	77.39	1,37,500	87.24

C. Share Options Exercised during the year:

Option Series	No. of Options	Exercise Date	Weighted Average Share Price at Exercise Date
Options exercised during the year	1,33,333	May 26, 2025	381.75
	10,000	July 14,2025	339.13
	10,000	July 14,2025	339.13
	1,33,333	August 29, 2025	305.60
	10,000	August 05, 2025	316.88
	25,000	March 10, 2026	334.70

D. Share Options Outstanding at the end of the year:

ESOS 2021 - The share options outstanding at the end of the year had a weighted average exercise price of ₹ 222.39 per share.

E. Significant Assumptions of Valuation on New Grant:

Weighted Average Information:

	ESOS 2021
(i) Share price (₹)	359.50
(ii) Exercise price (₹)	347.90
(iii) Expected volatility	38.84%
(iv) Risk-free interest rate	5.83%
(v) Any other inputs to the model	None
(vi) Method used and the assumptions made to incorporate effects of expected early exercise	Binomial Option Pricing Model
(vii) How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility	The volatility of the Company's stock price on stock exchanges over the expected life of the options has been considered.
(viii) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.	None

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS *
ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ In Crores)

Arvind Advanced Materials Limited (AAML)

A. The Company has instituted Employee Stock Option Scheme 2024 (AAML-ESOS 2024) , pursuant to the approval of the shareholders of the company at their Board meeting held on December 9, 2024. Under the scheme, the Company has granted options convertible into equal number of equity shares of the face value of ₹ 10 each to its certain employees. The following table sets forth the particulars of the options outstanding as on March 31, 2025 under ESOS 2024:

Scheme	AAML-ESOS Scheme 2024
Date of grant	January 1, 2025
Vesting Date	Step vesting in 3 tranches from January 1, 2025 to January 1, 2028
Number of options granted	50,000
Number of options outstanding	NIL
Exercise price per option	₹ 10.00
Fair Value of option on Grant date	₹ 6.99
Vesting period	Over a period of 1 to 3 years from the date of grant
Vesting requirements	On continued employment with the company and fulfilment of performance parameters.
Exercise period	3 years from the date of vesting
Method of settlement	Through allotment of one equity share for each option granted.

B. Movement in Stock Options during the year :

The following reconciles the share option outstanding at the beginning and at the end of the year :

Particulars	**Year Ended March 31, 2026**		**Year Ended March 31, 2025**	
	No. of Options	**Weighted Average Exercise Price**	**No. of Options**	**Weighted Average Exercise Price**
ESOS 2021				
Outstanding at the beginning of the year	50,000	10.00	-	-
Vested during the year	-	-	-	-
Granted during the year	-	-	50,000	10.00
Lapsed/Forfeited during the year	50,000	10.00	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	-	-	50,000	10.00
Exercisable at the end of the year	-	-	-	-

C. Share Options Exercised during the year:

Option Series	**No. of**	**Exercise**	**Weighted Average Share Price**
Options exercised during the year	-	-	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ In Crores)

D. Share Options Outstanding at the end of the year:

AAML ESOS 2024 - The share options outstanding at the end of the year had a weighted average exercise price of ₹ 10 per share.

E. Significant Assumptions of Valuation on New Grant:

Weighted Average Information:

	AAML ESOS-2024
(i) Share price (₹)	10.00
(ii) Exercise price (₹)	10.00
(iii) Expected volatility	33.33%
(iv) Risk-free interest rate	6.73%
(v) Any other inputs to the model	None
(vi) Method used and the assumptions made to incorporate effects of expected early exercise	Binomial Option Pricing Model
(vii) How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility	The volatility of the comparable Company's stock price on stock exchanges over the expected life of the options has been considered.
(viii) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.	None

Arvind Envisol Limited (AEL)

A. The Company has instituted Employee Stock Option Scheme 2024 (AEL-ESOS 2024) , pursuant to the approval of the shareholders of the company at their Board meeting held on December 19, 2024. Under the scheme, the Company has granted options convertible into equal number of equity shares of the face value of ₹ 10 each to its certain employees. The following table sets forth the particulars of the options outstanding as on March 31, 2026 under ESOS 2024:

Scheme	AEL-ESOS Scheme 2024
Date of grant	December 19, 2024
Vesting Date	Vesting on December 31, 2025 in Single tranche
Number of options granted	6,495
Number of options outstanding	NIL
Exercise price per option	₹ 10.00
Fair Value of option on Grant date	₹ 3,858.22
Vesting period	Over a period of 1 to 3 years from the date of grant
Vesting requirements	On continued employment with the company and fulfilment of performance parameters.
Exercise period	3 years from the date of vesting
Method of settlement	Through allotment of one equity share for each option granted.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ In Crores)

B. Movement in Stock Options during the year :

The following reconciles the share option outstanding at the beginning and at the end of the year :

Particulars	Year Ended March 31, 2026		Year Ended March 31, 2025	
	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
ESOS 2021				
Outstanding at the beginning of the year	6,495	10.00	-	-
Vested during the year	6,495	10.00	-	-
Granted during the year	-	-	6,495	10.00
Lapsed/Forfeited during the year	-	-	-	-
Exercised during the year	6,495	10.00	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	-	-	6,495	10.00
Exercisable at the end of the year	-	-	-	-

C. Share Options Exercised during the year:

Option Series	No. of	Exercise	Weighted Average Share Price
Options exercised during the year	6,495	January 23, 2026	₹ 3848.89

D. Share Options Outstanding at the end of the year:

AEL ESOS 2024 - The share options outstanding at the end of the year had a weighted average exercise price of ₹ 10 per share.

E. Significant Assumptions of Valuation on New Grant:

Weighted Average Information:

	AEL ESOS-2024
(i) Share price (₹)	3858.22
(ii) Exercise price (₹)	10.00
(iii) Expected volatility	39.42%
(iv) Risk-free interest rate	6.73%
(v) Any other inputs to the model	None
(vi) Method used and the assumptions made to incorporate effects of expected early exercise	Binomial Option Pricing Model
(vii) How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility	The volatility of the comparable Company's stock price on stock exchanges over the expected life of the options has been considered.
(viii) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.	None

Expense arising from share- based payment transactions

Total expenses arising from share- based payment transactions recognised in profit or loss as part of employee benefit expense were as follows :

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Share Based Payment to Employees	5.98	5.95

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 38 : Lease

A. The Group has taken land, factory buildings, godowns, offices, plant and machinaries and other facilities on lease.

Disclosures as per Ind AS 116 - Leases are as follows:

B. The changes in the carrying value of ROU assets for the year ended on March 31, 2026 are as follows :

Particulars	Land and Building
Balance at the beginning of the year	**159.55**
Additions during the year	72.23
Deletions/cancellation/modification during the year	(4.25)
Amortisation (Refer note 26)	(38.96)
Balance at the end of the year	**188.57**

The changes in the carrying value of ROU assets for the year ended on March 31, 2025 are as follows :

Particulars	Land and Building
Balance at the beginning of the year	**98.71**
Additions during the year	102.66
Deletions/cancellation/modification during the year	(8.12)
Amortisation (Refer note 26)	(33.70)
Balance at the end of the year	**159.55**

The aggregate amortisation expense on ROU assets is included under depreciation expense in the Statement of Profit and Loss.

C. The movement in lease liabilities are as follows :

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the year	**186.27**	**122.61**
Additions during the year	71.68	102.66
Deletions/cancellation/modification during the year	(4.86)	(11.27)
Finance cost accrued during the year (Refer note 25 and 38F)	17.17	16.48
Payment of lease labilities	(51.71)	(44.21)
Balance at the end of the year	**218.55**	**186.27**

The break-up of current and non-current lease liabilities is as under :

Particulars	As at March 31, 2026	As at March 31, 2025
Current	38.40	32.92
Non Current	180.15	153.35
Total	**218.55**	**186.27**

D. The details of contractual maturities of lease liabilities on discounted basis are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	38.40	32.92
One to five years	105.71	96.48
More than five years	74.44	56.87
Total	**218.55**	**186.27**

E. The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

F. The amount recognised in the statement of profit or loss are as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Amortisation of right of use assets (Refer note 26)	38.96	33.70
Interest expense on lease liabilities (Refer note 25)	17.17	16.48
Rent expense - short-term lease and leases of low value assets (Refer note 27)	17.06	22.85
Total	**73.19**	**73.03**

Note 39 : Disclosure in respect of Construction Contracts

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Amount of Contract Revenue recognized	178.58	195.10
Recognized and included in the financial statements as amounts due:		
-from customers under construction contracts	2.48	0.65
to customers under construction contracts	15.27	7.63
	(12.79)	(6.98)
Amount of Advance Received from Customers	237.78	265.57

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS *

ARVIND LIMITED * NARODA ROAD 380025 * AHMEDABAD

(₹ in Crores)

Note 40 : Fair value measurements

(a) Financial Instruments by category

(i) Financial assets by category

Particulars	Notes	As at March 31, 2026					As at March 31, 2025				
		Fair value through Profit and Loss (FVTPL)	Fair value through Other Comprehensive Income (FVTOCI)	Fair value (Derivative Instruments)	Amortised cost	Total	Fair value through Profit and Loss (FVTPL)	Fair value through Other Comprehensive Income (FVTOCI)	Fair value (Derivative Instruments)	Amortised cost	Total
Investments	8 (a)										
- Equity shares		-	104.60	-	-	**104.60**	-	104.60	-	-	**104.60**
- Debentures		-	-	-	0.02	**0.02**	-	-	-	0.02	**0.02**
- Government securities		-	-	-	(₹ 23,000/-)	**(₹ 23,000/-)**	-	-	-	(₹ 23,000/-)	**(₹ 23,000/-)**
- Limited liability partnership		-	-	-	-	**-**	-	-	-	-	**-**
- Others		120.80	4.04	-	-	**124.84**	0.87	12.20	-	-	**13.07**
Trade receivables	8 (b)	-	-	-	1,443.79	**1,443.79**	-	-	-	1,177.27	**1,177.27**
Loans	8 (c)	-	-	-	0.37	**0.37**	-	-	-	1.50	**1.50**
Cash and cash equivalents	8 (d)	-	-	-	88.00	**88.00**	-	-	-	56.44	**56.44**
Other Bank balance	8 (e)	-	-	-	75.49	**75.49**	-	-	-	60.14	**60.14**
Other financial assets	8 (f)	-	-	0.01	104.54	**104.55**	-		1.12	60.88	**62.00**
Total Financial assets		**120.80**	**108.64**	**0.01**	**1,712.21**	**1,941.66**	**0.87**	**116.80**	**1.12**	**1,356.25**	**1,475.04**

(ii) Financial liabilities by category

Particulars	Notes	As at March 31, 2026			As at March 31, 2025		
		Fair value (Derivative Instruments)	Amortised cost	Total	Fair value (Derivative Instruments)	Amortised cost	Total
Borrowings	15 (a)	-	1,440.97	**1,440.97**	-	1,375.96	**1,375.96**
Lease Liabilities	38	-	218.55	**218.55**	-	186.27	**186.27**
Trade payables	15 (b)	-	1,972.82	**1,972.82**	-	1,655.20	**1,655.20**
Other financial liabilities	15 (c)	88.34	258.41	**346.75**	3.59	314.99	**318.58**
Total Financial Liabilities		**88.34**	**3,890.75**	**3,979.09**	**3.59**	**3,532.42**	**3,536.01**

For Financial instruments risk management objectives and policies, refer note 42.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 41 : Fair value disclosures for financial assets and financial liabilities

(a) Set out below is a comparison, by class, of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Notes	Carrying amount		Fair value	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Financial assets					
Investments measured at fair value through OCI	8 (a)	108.64	116.80	108.64	116.80
Investments measured at fair value through Profit and Loss	8 (a)	120.80	0.87	120.80	0.87
Investments measured at amortised cost	8 (a)	0.02	0.02	0.02	0.02
Total		**229.46**	**117.69**	**229.46**	**117.69**
Financial liabilities					
Borrowings at amortised Cost	15 (a)	1,440.97	1,375.96	1,440.97	1,375.96
Total		**1,440.97**	**1,375.96**	**1,440.97**	**1,375.96**

The management assessed that the fair values of cash and cash equivalents, other bank balances, loans, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

The fair value of borrowings and other financial liabilities is calculated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

For financial assets and financial liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities as at March 31, 2026 and March 31, 2025.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2026 and March 31, 2025

Particulars	Notes	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2026					
Assets measured at fair value					
Fair value through Other Comprehensive Income					
Investment in Equity shares	8 (a)	104.60	-	-	104.60
Investment in Others	8 (a)	4.04	-	4.04	-
Fair value through Profit and Loss					
Investment in Others	8 (a)	120.80	120.80	-	-
Fair value (Derivative Instruments)					
Foreign Currency Derivative Contracts (Cash flow hedge)	8 (f)	0.01	-	0.01	-
As at March 31, 2025					
Assets measured at fair value					
Fair value through Other Comprehensive Income					
Investment in Equity shares	8 (a)	104.60	-	-	104.60
Investment in Others	8 (a)	12.20	-	12.20	-
Fair value through Profit and Loss					
Investment in Others	8 (a)	0.87	0.87	-	-
Fair value (Derivative Instruments)					
Foreign Currency Derivative Contracts (Cash flow hedge)	8 (f)	1.12	-	1.12	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Quantitative disclosures fair value measurement hierarchy for financial liabilities as at March 31, 2026 and March 31, 2025

Particulars	Notes	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2026					
Fair value (Derivative Instruments)					
Foreign Currency Derivative Contracts (Cash flow hedge)	15 (c)	88.34	-	88.34	-
As at March 31, 2025					
Fair value (Derivative Instruments)					
Foreign Currency Derivative Contracts (Cash flow hedge)	15 (c)	3.59	-	3.59	-

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments in active markets measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

For the valuation, income approach is applied and the Weighted Average Cost of Capital and Growth Rate has been considered as a significant unobservable input and the movement is due to change in fair value.

There are no transfer between level 1, 2 and 3 during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 42 : Financial instruments risk management objectives and policies

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's risk management is carried out by a Treasury department under policies approved by the Board of directors. The Group's treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk.

(a) Market risk

Market risk refers to the possibility that changes in the market rates may have impact on the Group's profits or the value of its holding of financial instruments. The Group is exposed to market risks on account of foreign exchange rates, interest rates, underlying equity prices, liquidity and other market changes.

Future specific market movements cannot be normally predicted with reasonable accuracy.

(a1) Interest rate risk

Interest rate risk refers to the possibility that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rate.

The Group is exposed to interest rate risk on short-term and long-term floating rate instruments. The Group's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Group are principally denominated in Indian Rupees and US dollars with mix of fixed and floating rates of interest. These exposures are reviewed by appropriate levels of management at regular interval.

As at March 31, 2026, None of the Group's Borrowings are at fixed rate of interest (March 31, 2025 : None).

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings as follows:

Particulars	Effect on profit before tax	
	March 31, 2026	March 31, 2025
Increase in 50 basis points	(7.19)	(6.86)
Decrease in 50 basis points	7.19	6.86

(a2) Foreign currency risk

The Group's foreign currency risk arises from its foreign operations, investments in foreign subsidiaries, foreign currency transactions and foreign currency borrowings. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Group. The major foreign currency exposures for the Group are denominated in USD and EURO.

Since a significant part of the Group's revenue is in foreign currency and major part of the costs are in Indian Rupees, any movement in currency rates would have impact on the Group's performance. Exposures on foreign currency sales are managed through the Group's hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Group strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance. The Group may use forward contracts, foreign exchange options or currency swaps towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate. These foreign exchange contracts, carried at fair value, may have varying maturities varying depending upon the primary host contract requirements and risk management strategy of the Group. Hedge effectiveness is assessed on a regular basis.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Foreign currency sensitivity

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure in USD, EURO and GBP with a simultaneous parallel foreign exchange rates shift in the currencies by 2% against the functional currency of the respective entities. The Group's exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in Currency rate	Effect on profit before tax		
		in USD rate	in EURO rate	in GBP rate
March 31, 2026	+2%	8.76	0.48	0.04
	-2%	(8.76)	(0.48)	(0.04)
March 31, 2025	+2%	6.49	0.34	0.07
	-2%	(6.49)	(0.34)	(0.07)

The movement in the pre-tax effect is a result of a change in the fair value of financial instruments not designated in a hedge relationship. Although the financial instruments have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables, investments and derivative financial instruments.

The Group is exposed to credit risk from its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, financial guarantees and derivative financial instruments.

All trade receivables are subject to credit risk exposure. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non-performance by any of the Group's counterparties. The Group does not have significant concentration of credit risk related to trade receivables. No single third party customer contributes to more than 10% of outstanding accounts receivable as of March 31, 2026 and March 31, 2025.

Trade receivables are non-interest bearing and are generally on 7 days to 180 days credit term.

With respect to derivatives, the Group's forex management policy lays down guidelines with respect to exposure per counter party i.e. with banks with high credit rating, processes in terms of control and continuous monitoring. The fair value of the derivatives are credit adjusted at the period end.

(c) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time, or at a reasonable price. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity. The Group closely monitors its liquidity position and deploys a robust cash management system.

During the year, the Group has been regular in repayment of principal and interest on borrowings on or before due dates. The Group did not have defaults of principal and interest as on reporting date.

The Group requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Particulars	Notes	< 1 year	>1 year but < 3 years	>3 year but < 5 years	more than 5 years	Total
Year ended March 31, 2026						
Interest bearing borrowings*	15 (a)	1,197.11	268.39	45.17	-	1,510.67
Lease Liabilities	38	53.28	89.59	60.63	86.82	290.32
Trade payables	15 (b)	1,972.82	-	-	-	1,972.82
Other financial liabilities#	15 (c)	346.75	-	-	-	346.75
		3,569.96	**357.98**	**105.80**	**86.82**	**4,120.56**
Year ended March 31, 2025						
Interest bearing borrowings*	15 (a)	1,112.66	233.16	99.23	-	1,445.05
Lease Liabilities	38	49.63	80.22	50.72	71.47	252.04
Trade payables	15 (b)	1,655.20	-	-	-	1,655.20
Other financial liabilities#	15 (c)	318.58	-	-	-	318.58
		3,136.07	**313.38**	**149.95**	**71.47**	**3,670.87**

* Includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenor of the borrowings.

Other financial liabilities includes interest accrued but not due and interest accrued and due of ₹ 5.13 Crores (March 31, 2025 : ₹ 4.83 Crores).

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 43 : Capital management:

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements to optimise return to our shareholders through continuing growth. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance). The Group is not subject to any externally imposed capital requirements.

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Interest bearing loans and borrowings (note 15)	1,440.97	1,375.96
(b) Less: cash and bank balance (including other bank balance and book overdraft)	(163.49)	(115.91)
(c) Net debt (a) - (b)	**1,277.48**	**1,260.05**
(d) Equity share capital (note 13)	262.12	261.82
(e) Other equity (note 14)	3,782.07	3,524.28
(f) Total capital (d) + (e)	**4,044.19**	**3,786.10**
(g) Total Capital and net debt (c) + (f)	**5,321.67**	**5,046.15**
(h) Gearing ratio (c)/(g)	**24.01%**	**24.97%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of long term borrowing in the current period except one covenant from one of Bank. The Group has obtained letter from the lender before the date of adoption of financial statements for not accelerating the payment of this loan within one year from the balance sheet date subject to regularisation of the breach by end of March 31, 2027. Accordingly, the management has considered the classification of loan based upon the original repayment schedule.

No changes were made in the objectives, policies or processes for managing capital during the current period.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Note 44 : Interest in Other Entities

Sr. No.	Name of Entities	Country of Incorporation	Remarks	Activities	Proportion of Ownership of Interest	
					As at March 31, 2026	As at March 31, 2025
	Subsidiaries					
	- Indian Subsidiaries					
1	Arvind Envisol Limited	India		Engineering	97%	100%
2	Syntel Telecom Limited	India		Telecom	100%	100%
3	Arya Omnitalk Wireless Solutions Private Limited	India		Telecom	50.06%	50.06%
4	Arvind PD Composites Private Limited	India	(a)	Technical Textile	51%	51%
5	Arvind OG Nonwovens Private Limited	India	(a)	Technical Textile	76.72%	76.72%
6	Arvind Sports Fashion Private Limited	India		Garments	90%	90%
7	Arvind Premium Retail Limited	India		Garments	51%	51%
8	Arvind Advanced Materials Limited (Previously known as Arvind Polymer Textiles Limited)	India		Technical Textile	100%	100%
9	Arvind Smart Textiles Limited	India	(b)	Textiles	90%	90%
10	Arvind Foundation	India	(i)	CSR Activity	100%	100%
11	Arvind Indigo Foundation	India	(i)	CSR Activity	100%	100%
12	Arvind Technical Products Private Limited	India		Textiles	100%	100%
13	Arvind New Technologies Private Limited (w.e.f. April 9, 2025)	India		Textiles	100%	0%
	- Foreign Subsidiaries					
14	Arvind Worldwide Inc.	USA		Textiles	100%	100%
15	Arvind Worldwide (M) Inc.	Mauritius	(f)	Textiles	100%	100%
16	Arvind Niloy Exports Private Limited (up to July 15, 2025)	Bangladesh		Textiles	0%	70%
17	Arvind Overseas (Mauritius) Limited	Mauritius	(f)	Textiles	100%	100%
18	Arvind Spinning Limited	Mauritius	(f)	Textiles	100%	100%
19	Arvind Lifestyle Apparel Manufacturing PLC	Ethiopia	(e)	Garments	80.12%	99.11%
20	Arvind Envisol PLC	Ethiopia	(g)	Engineering	97%	100%
21	Arvind Enterprise FZC	U.A.E	(e)	Textiles	73.13%	73.13%
22	Arvind PD International FZ LLC (w.e.f. March 2, 2026)	U.A.E	(h)	Technical Textile	51.00%	0.00%
	- Limited Liability Partnerships					
23	Maruti and Ornet Infrabuild LLP	India	(e)	Construction	99.90%	99.90%
24	Arvind Township LLP (Previously known as Arvind and Smart Value Homes LLP (w.e.f. April 1, 2023)	India	(e)	Real Estate	99.90%	99.90%
25	Syntel Enkay Converged Technologies LLP (previously known as Enkay Converged Technologies LLP)	India	(c)	Telecom	100%	100%
	- Joint Ventures and Associates					
26	Arya Omnitalk Radio Trunking Services Private Limited	India		Telecom	49.94%	49.94%
27	Arudrama Developments Private Limited	India		Construction	50%	50%
28	Adient Arvind Automotive Fabrics India Private Limited (up to August 20, 2025)	India		Technical Textile	0.00%	49.50%
29	PVH Arvind Manufacturing PLC (up to September 23, 2024)	Ethiopia	(d)	Textiles	0%	25%
30	Renew Green (GJ Eight) Private Limited (w.e.f. January 26, 2023)	India		Energy	31.20%	31.20%
31	Purfi Arvind Manufacturing India Private Limited (w.e.f. December 5, 2024)	India		Textile	10.00%	10.00%

(a) Held by Arvind Advanced Materials Limited (fromerly known as Arvind Polymer Textiles Limited).
(b) Held by Arvind Sports Fashion Private Limited.
(c) Jointly held by Arvind Limited and Syntel Telecom Limited.
(d) Jointly held by Arvind Limited and Arvind Enterprise (FZC).
(e) Jointly held by Arvind Limited and Arvind Sports Fashion Private Limited.
(f) Not considered for the purpose of consolidation for the financial year 2025-26 and 2024-25 respectively being defunct status.
(g) Jointly held by Arvind Limited and Arvind Envisol Limited.
(h) Held by Arvind PD Composites Private Limited

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Non-controlling interests (NCI):
Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance sheet **(₹ in Crores)**

Particulars	Arvind PD Composites Private Limited		Arya Omnitalk Wireless Solutions Private Limited	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Current assets	111.30	85.62	169.30	151.69
Non-current assets	49.28	43.14	33.37	23.53
Total Assets (I)	**160.58**	**128.76**	**202.67**	**175.22**
Current liabilities	43.28	39.06	90.10	75.88
Non-current liabilities	20.44	5.74	21.58	11.32
Total Liabilities (II)	**63.72**	**44.80**	**111.68**	**87.20**
Net Assets (I-II)	**96.86**	**83.96**	**90.99**	**88.02**
Accumulated NCI	**47.75**	**42.05**	**45.45**	**43.96**

Summarised statement of profit and loss

Particulars	Arvind PD Composites Private Limited		Arya Omnitalk Wireless Solutions Private Limited	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Revenue	118.83	80.52	244.08	194.53
Profit for the year	15.28	11.87	12.15	13.55
Total Comprehensive Income for the year	15.27	11.83	11.96	13.29
Profit allocated to NCI	**7.48**	**5.82**	**5.97**	**6.77**
Dividends paid to NCI	**1.16**	**2.21**	**4.49**	**3.50**

Summarised Statement of Cash Flows

Particulars	Arvind PD Composites Private Limited		Arya Omnitalk Wireless Solutions Private Limited	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Cash flows from/(used in) operating activities	(11.46)	38.73	8.12	1.02
Cash flows from/(used in) investing activities	12.65	(34.40)	2.33	4.14
Cash flows from/(used in) financing activities	10.14	(7.19)	(9.35)	(7.20)
Net increase/ (decrease) in cash and cash equivalents	**11.33**	**(2.86)**	**1.10**	**(2.04)**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Note 45 : Additional Regulatory Disclosures As Per Schedule III Of Companies Act, 2013

A. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

B. The Group has Fund-based and Non-fund-based limits of Working Capital from Banks and Financial institutions. For the said facility, the revised submissions made by the Group to its lead bankers based on closure of books of accounts at the year end, the revised quarterly returns or statements comprising stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Group with such banks or financial institutions are in agreement with the unaudited books of account of the Group of the respective quarters and no material discrepancies have been observed.

C. The Group has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

D. The Group has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Company Act, 1956.

E. The Group has compiled with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

F. The Group has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;

i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

G. The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall;

i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries) or

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

H. The Group does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

I. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

J. The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

K. There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

L. The borrowings obtained by the Group from banks have been applied for the purposes for which such loans were was taken.

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(₹ in Crores)

Note 46 : Additional information pursuant to Schedule III of Companies Act 2013

Name of Entities	For the financial year ending on / as at March 31, 2026							
	Net Assets i.e. Total Assets minus Total Labilities		Share in Profit or (loss)		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated Profit	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent :								
Arvind Limited	73.38%	3,039.05	59.04%	252.08	82.63%	(57.80)	54.42%	194.28
Subsidiaries :								
- Indian								
Syntel Telecom Limited	0.26%	10.63	0.00%	(0.02)	-	-	(0.01%)	(0.02)
Arvind Envisol Limited	2.93%	121.20	6.11%	26.10	(0.17%)	0.12	7.34%	26.22
Arvind PD Composites Private Limited	2.34%	96.86	3.58%	15.28	0.01%	(0.01)	4.28%	15.27
Arvind OG Nonwovens Private Limited	1.39%	57.62	1.89%	8.08	(0.01%)	0.01	2.27%	8.09
Arvind Sports Fashion Private Limited	(2.83%)	(117.03)	(2.86%)	(12.23)	-	-	(3.43%)	(12.23)
Arvind Premium Retail Limited	(0.38%)	(15.58)	(0.28%)	(1.20)	-	-	(0.34%)	(1.20)
Arvind Advanced Materials Limited (Previously known as Arvind Polymer Textiles Limited)	20.09%	831.82	34.59%	147.70	12.72%	(8.90)	38.88%	138.80
Arvind Smart Textiles Limited	3.55%	146.82	(0.32%)	(1.38)	3.93%	(2.75)	(1.16%)	(4.13)
Arya Omnitalk Wireless Solutions Private Limited	2.20%	90.99	2.85%	12.15	0.27%	(0.19)	3.35%	11.96
Arvind Technical Products Private Limited	1.87%	77.27	(5.48%)	(23.40)	0.03%	(0.02)	(6.56%)	(23.42)
Arvind Foundation	0.45%	18.83	0.15%	0.64	-	-	0.18%	0.64
Arvind Indigo Foundation	0.29%	12.01	0.03%	0.12	-	-	0.03%	0.12
Arvind New Technologies Private Limited	0.00%	0.01	-	-	-	-	-	-
- Foreign								
Arvind Worldwide Inc.	0.21%	8.63	0.11%	0.49	(1.19%)	0.83	0.37%	1.32
Arvind Lifestyle Apparel Manufacturing PLC	0.30%	12.28	(0.90%)	(3.85)	1.67%	(1.17)	(1.41%)	(5.02)
Arvind Envisol PLC	(0.42%)	(17.50)	(0.45%)	(1.91)	(1.96%)	1.37	(0.15%)	(0.54)
Arvind Enterprise FZC	(0.12%)	(4.94)	(0.51%)	(2.16)	0.54%	(0.38)	(0.71%)	(2.54)
Arvind PD International FZ LLC	0.01%	0.37	-	(0.01)	(0.01%)	0.01	-	-
- LLP								
Maruti and Ornet Infrabuild LLP	(0.00%)	(0.02)	0.00%	0.02	-	-	0.01%	0.02
Arvind Township LLP (Previously known as Arvind and Smart Value Homes LLP)	0.52%	21.56	(0.37%)	(1.56)	-	-	(0.44%)	(1.56)
Syntel Enkay Converged Technologies LLP (previously known as Enkay Converged Technologies LLP)	0.01%	0.62	1.06%	4.51	-	-	1.26%	4.51
Sub Total		**4,391.50**		**419.45**		**(68.88)**		**350.57**
Less: Adjustment arising out of consolidation	(9.34%)	(386.39)	(2.87%)	(12.26)	0.64%	(0.45)	(3.55%)	(12.71)
Total	**96.71%**	**4,005.11**	**95.37%**	**407.19**	**99.11%**	**(69.33)**	**94.63%**	**337.86**
Add: Non Controlling Interest in Subsidiaries	2.35%	97.28	3.05%	13.03	0.69%	(0.48)	3.52%	12.55
Add: Joint Ventures and Associates (Investment as per Equity method)								
Arya Omnitalk Radio Trunking Services Private Limited	0.12%	5.03	(0.07%)	(0.29)	0.20%	(0.14)	(0.12%)	(0.43)
Arudrama Developments Private Limited	0.24%	10.00	1.88%	8.03	-	-	2.25%	8.03
Purfi Arvind Manufacturing India Private Limited	0.00%	0.09	-	-	-	-	-	-
Renew Green (GJ Eight) Private Limited	0.58%	23.96	(0.23%)	(0.99)	-	-	(0.28%)	(0.99)
Grand Total	**100%**	**4,141.47**	**100%**	**426.97**	**100%**	**(69.95)**	**100%**	**357.02**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(₹ in Crores)

Note 46 : Additional information pursuant to Schedule III of Companies Act 2013

Name of Entities	For the financial year ending on / as at March 31, 2025							
	Net Assets i.e. Total Assets minus Total Labilities		Share in Profit or (loss)		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated Profit	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent :								
Arvind Limited	92.64%	3,586.37	65.40%	240.28	53.64%	(13.35)	66.26%	226.93
Subsidiaries :								
- Indian								
Syntel Telecom Limited	0.28%	10.65	0.04%	0.16	-	-	0.05%	0.16
Arvind Envisol Limited	2.39%	92.59	3.22%	11.84	0.12%	(0.03)	3.45%	11.81
Arvind PD Composites Private Limited	2.17%	83.96	3.23%	11.87	0.12%	(0.03)	3.46%	11.84
Arvind OG Nonwovens Private Limited	1.28%	49.53	1.35%	4.97	0.04%	(0.01)	1.45%	4.96
Arvind Sports Fashion Private Limited	(2.71%)	(104.80)	(3.86%)	(14.17)	-	-	(4.14%)	(14.17)
Arvind Premium Retail Limited	(0.37%)	(14.38)	(0.32%)	(1.17)	-	-	(0.34%)	(1.17)
Arvind Advanced Materials Limited (Previously known as Arvind Polymer Textiles Limited)	1.84%	71.26	10.92%	40.10	0.40%	(0.10)	11.68%	40.00
Arvind Smart Textiles Limited	3.90%	150.95	8.87%	32.59	21.33%	(5.31)	7.97%	27.28
Arya Omnitalk Wireless Solutions Private Limited	2.27%	88.02	3.69%	13.55	1.04%	(0.26)	3.88%	13.29
Arvind Technical Products Private Limited	2.60%	100.68	(0.22%)	(0.80)	-	-	(0.23%)	(0.80)
Arvind Foundation	0.47%	18.19	0.12%	0.44	-	-	0.13%	0.44
Arvind Indigo Foundation	0.31%	11.88	(0.14%)	(0.50)	-	-	(0.15%)	(0.50)
- Foreign								
Arvind Worldwide Inc.	0.19%	7.31	0.19%	0.71	(0.68%)	0.17	0.26%	0.88
Arvind Niloy Exports Private Limited	(0.03%)	(0.97)	-	-	(0.32%)	0.08	0.02%	0.08
Arvind Lifestyle Apparel Manufacturing PLC	0.45%	17.31	(2.12%)	(7.80)	99.56%	(24.78)	(9.51%)	(32.58)
Arvind Envisol PLC	(0.44%)	(16.96)	(2.09%)	(7.69)	(73.76%)	18.36	3.12%	10.67
Arvind Enterprise FZC	(0.06%)	(2.40)	(1.26%)	(4.63)	-	-	(1.35%)	(4.63)
- LLP								
Maruti and Ornet Infrabuild LLP	-	-	0.01%	0.03	-	-	0.01%	0.03
Arvind Township LLP (Previously known as Arvind and Smart Value Homes LLP)	0.60%	23.11	(0.45%)	(1.65)	-	-	(0.48%)	(1.65)
Syntel Enkay Converged Technologies LLP (previously known as Enkay Converged Technologies LLP)	(0.10%)	(3.89)	1.60%	5.87	-	-	1.71%	5.87
Sub Total		**4,168.41**		**324.00**		**(25.26)**		**298.74**
Less: Adjustment arising out of consolidation	(10.71%)	(414.70)	8.38%	30.73	(5.42%)	1.35	9.33%	32.08
Total	**96.97%**	**3,753.71**	**96.56%**	**354.73**	**96.06%**	**(23.91)**	**96.58%**	**330.82**
Add: Non Controlling Interest in Subsidiaries	2.20%	85.25	3.78%	13.89	3.54%	(0.88)	3.80%	13.01
Add: Joint Ventures and Associates (Investment as per Equity method)								
Arya Omnitalk Radio Trunking Services Private Limited	0.14%	5.46	0.03%	0.12	0.40%	(0.10)	0.01%	0.02
Arudrama Developments Private Limited	0.05%	1.97	(0.02%)	(0.08)	-	-	(0.02%)	(0.08)
Purfi Arvind Manufacturing India Private Limited	0.00%	0.01						
Renew Green (GJ Eight) Private Limited	0.64%	24.95	(0.35%)	(1.28)	-	-	(0.37%)	(1.28)
Grand Total	**100%**	**3,871.35**	**100%**	**367.38**	**100%**	**(24.89)**	**100%**	**342.49**

Note 47 : Group's Share in Commitments and Contingent Liability in respect of Joint Ventures and Associates

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Group's Share in Commitments	-	-
2	Group's Share in Contingent Liability	-	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

Note 48 : Code on Social Security, 2020

The Government of India, vide Notification dated November 21, 2025, has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as "the Labour Codes"), which consolidate and replace existing multiple labour legislations. In accordance with Ind AS 19 — Employee benefits, changes to employee benefit plans resulting from the new labour codes are treated as plan amendments, requiring immediate recognition of past service cost as expense in the statement of profit and loss. This approach is consistent with the guidance issued by the Institute of Chartered Accountants of India. In view of this, the Group has evaluated the impact and recognised past service costs amounting to ₹ 31.47 Crores which has been included under "Exceptional Items" in the consolidated financial statements for the year ended March 31, 2026. The Group continues to monitor developments on the rules to be notified by regulatory authorities, including clarifications/ additional guidance from authorities and will continue to assess the accounting implications basis such developments/guidance.

Note 49 : Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards and amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year, the MCA has amended the Ind AS as below:

A. For the year ended 31st March, 2026, MCA has notified following Amendment to Ind AS, applicable to the Group w.e.f. 1st April, 2025. Based on its assessment, the Group does not expect these amendments to have a material impact on its consolidated financial statements.

Ind AS 1- Presentation of Financial Statements:
The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants.
Ind AS 7- Statement of Cash Flows:
The amendments requires to inform users of the Financial Statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates.
Ind AS 107- Financial Instruments Disclosures:
The amendments to add supplier finance arrangements as a factor that may cause concentration of liquidity risk.

Ind AS 12- Income Taxes:
The amendments to the Pillar Two Model Rules introduce a temporary mandatory exemption from deferred tax accounting for top-up taxes and require companies to disclose their use of this exemption. This relief takes effect immediately and applies retrospectively. In addition, the amendments mandate new disclosures to compensate for any potential loss of information resulting from the exemption.
Ind AS 21 - The Effects of Changes in Foreign Exchange Rates:
The amendments provide guidance on determining exchangeability between currencies and estimating spot rates when a currency is not exchangeable.

B. The following amendments to existing standards have been notified by the Ministry of Corporate Affairs but are not yet effective and have not been early adopted by the Group:

Amendment to Ind AS 1 - 'Presentation of Financial Statements'- Classification of Liabilities as current or non-current and non-current liabilities with covenants. The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below: a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach. b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment. c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements. The Group does not expect this amendment to have an impact on its operations or financial statements.

C. Other amendments

There are no other standards, amendments or interpretations issued by the Institute of Chartered Accountants of India ("ICAI") or notified by the MCA which, in the opinion of management, are expected to have a significant impact on the standalone financial statements of the Group.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Note 50 : Events Occurring After the Reporting Period

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements.

(a) Subsequent to the closure of the reporting period, on May 6, 2026, Arvind Advanced Materials Limited ("AAML"), a subsidiary of the Parent Company, subscribed to 100% of the paid-up equity shares of Arvind Advanced Materials US TopCo Inc. ("TopCo") for a total consideration of USD 58 Mn. As at the date of acquisition, TopCo held 100% of the equity share capital of Arvind Advanced Materials US HoldCo Inc. ("HoldCo"), which in turn held 100% membership interest in Arvind Advanced Materials US BidCo LLC ("BidCo LLC"). All the above entities are incorporated in the State of Delaware, United States of America.

Further, on May 6, 2026, BidCo LLC acquired a 60.635% stake in Dalco GF Technologies, LLC ("Dalco-GFT"), Delaware, USA for a total consideration of USD 85.42 Mn.

Subsequently, on May 7, 2026, BidCo LLC was merged with and into Dalco-GFT. Following this merger, Dalco-GFT continues as the surviving entity and has become a step-down subsidiary of the Parent Company.

(b) The Board of Directors recommended a final dividend of ₹ 4.50 per equity share of face value of ₹ 10 each, for the financial year ended March 31, 2026, subject to approval of shareholders in the ensuing Annual General Meeting.

For and on behalf of the board of directors of
Arvind Limited

Sanjay S. Lalbhai	**Jayesh K. Shah**	**Nigam Shah**	**Pritesh Shah**
Chairman	Whole-time Director & Group Chief Financial Officer	Executive Director & Chief Financial Officer	Company Secretary
DIN: 00008329	DIN: 00008349	DIN: 10056383	

Place: Ahmedabad
Date: May 15, 2026

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Deloitte
Haskins & Sells LLP

Chartered Accountants
19th Floor, Shapath-V
S.G. Highway
Ahmedabad - 380 015
Gujarat, India

Tel: +91 79 6682 7300
Fax: +91 79 6682 7400

INDEPENDENT AUDITOR'S REPORT

To The Members of Arvind Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Arvind Limited** (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group") which includes the Group's share of loss in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries and joint venture referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Directors' report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and joint venture audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and joint venture, is traced from their financial statements audited by the other auditors.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates and joint ventures in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of 16 subsidiaries, whose financial statements reflect total assets of Rs. 1546.40 crores as at March 31, 2025, total revenues of Rs. 1312.97 crores and net cash outflows of Rs. 8.18 crores for the year ended March 31, 2025 as considered in the Consolidated Financial Statements. The consolidated financial statements also include the Group's share of net profit of Rs. 0.12 crores for the year ended March 31, 2025 as considered in the Consolidated Financial Statements, in respect of 1 Joint Venture, whose financial statements have not been audited by us. These financial statements has been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and Joint Venture, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and Joint Venture based solely on the reports of the other auditors.



Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

(b) We did not audit the financial information of 4 subsidiaries, whose financial information reflects total assets of Rs. 44.49 crores as at March 31, 2025, total revenues of Rs. 0.00 crores and net cash inflows of Rs. 3.45 crores for the year ended on that date, as considered in the Consolidated Financial Statements. The consolidated financial statements also include the Group's share of net loss of Rs. 1.36 crores for the year ended March 31, 2025, respectively as considered in the Consolidated Financial Statements, in respect of 3 Joint Ventures and 2 Associates, whose financial information has not been audited. This financial information has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries, joint venture referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group, and joint venture including relevant records so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on March 31, 2025 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, and joint venture company incorporated in India, none of the directors of the Group companies and joint venture company incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies, and joint venture company incorporated in India to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies and joint venture company incorporated in India, the remuneration paid by the Parent and such subsidiary companies and joint venture company to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and joint venture - Refer Note 30 and 48 to the consolidated financial statements;

ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 32 to the consolidated financial statements;

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its subsidiary companies, and joint venture company incorporated in India.

iv) (a) The respective Managements of the Parent and its subsidiaries and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 49(F) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent



or any of such subsidiaries and joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiaries and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 49(G) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries and joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent and its subsidiaries and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 52 to the consolidated financial statements, the Board of Directors of the Parent, has proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination which included test checks and based on the other auditor's reports of its subsidiary companies and joint venture company incorporated in India whose financial statements have been audited under the Act, the Parent, its subsidiary companies and joint venture company incorporated in India have used accounting software systems for maintaining their respective books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being

tampered with. Additionally, the audit trail has been preserved by the Parent and above referred subsidiary companies and joint venture company incorporated in India as per the statutory requirements for record retention.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements.

   Further, in respect of the following companies included in the consolidated financial statements, whose audit under section 143 of the Act has not yet been completed, the CARO report as applicable in respect of those companies are not available and consequently have not been provided to us as on the date of this audit report:

Name of the company	CIN	Nature of relationship
Arvind Foundation	U85300GJ2015NPL084020	Wholly owned subsidiary
Arvind Indigo Foundation	U92419GJ2021NPL121870	Wholly owned subsidiary
Adient Arvind Automotive Fabrics India Private Limited	U74999GJ2018PTC101015	Joint Venture
Arudrama Developments Private Limited	U45201KA1995PTC017371	Joint Venture
Renew Green (GJ Eight) Private Limited	U40106DL2022PTC391979	Associate
Purfi Arvind Manufacturing Private Limited	U13111GJ2024PTC156108	Associate

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

H. S. Sutaria

Hardik Sutaria
Partner
(Membership No. 116642)
UDIN: 25116642BMLMWP4443

Place: Ahmedabad
Date: May 15, 2025

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of Arvind Limited (hereinafter referred to as the "Parent") and its subsidiary companies and joint venture, which are companies incorporated in India, as of that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's management and Board of Directors of the Parent, its subsidiary companies and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on "the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, and its joint venture, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its joint ventures, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 10 subsidiary companies, and 1 joint venture, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

H. S. Sutaria

Hardik Sutaria
Partner
(Membership No. 116642)
UDIN: 25116642BMLMWP4443

Place: Ahmedabad
Date: May 15, 2025

Arvind Limited

CIN : L17119GJ1931PLC000093

Consolidated Balance Sheet as at March 31, 2025

(₹ in Crores)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	5	3,272.84	3,110.65
(b) Capital work-in-progress	5 (a)	407.36	116.82
(c) Investment Properties	6	123.49	187.55
(d) Goodwill	7	7.87	8.95
(e) Other Intangible Assets	7	14.42	15.56
(f) Intangible Assets Under Development	7 (a)	1.78	0.50
(g) Right of Use Assets	38	159.55	98.71
(h) Investments accounted for using the equity method	7 (b)	32.39	34.71
(i) Financial Assets			
(i) Investments	8 (a)	116.82	125.27
(ii) Loans	8 (c)	0.29	0.42
(iii) Other financial assets	8 (f)	46.77	36.70
(j) Deferred Tax Assets (net)	29	66.85	15.34
(k) Other Non-Current Assets	9	76.64	36.76
Total Non-Current Assets (A)		**4,327.07**	**3,787.94**
Current Assets			
(a) Inventories	10	2,137.68	1,985.99
(b) Financial Assets			
(i) Investments	8 (a)	0.87	7.13
(ii) Trade receivables	8 (b)	1,177.27	1,069.76
(iii) Cash and cash equivalents	8 (d)	56.44	57.32
(iv) Bank balance other than (iii) above	8 (e)	60.14	18.49
(v) Loans	8 (c)	1.21	3.62
(vi) Other financial assets	8 (f)	15.23	17.84
(c) Current Tax Assets (net)	11	6.92	19.82
(d) Other Current Assets	9	316.12	292.46
Total Current Assets (B)		**3,771.88**	**3,472.43**
TOTAL ASSETS (A) + (B)		**8,098.95**	**7,260.37**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	261.82	261.63
(b) Other Equity	14	3,524.28	3,281.12
Equity attributable to equity holders of the Parent		3,786.10	3,542.75
(c) Non-controlling interest		85.25	77.95
Total Equity (A)		**3,871.35**	**3,620.70**
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15 (a)	292.30	263.35
(ii) Lease Liabilities	38	153.35	96.27
(iii) Other financial liabilities	15 (c)	0.36	0.35
(b) Long-Term Provisions	16	36.09	32.23
(c) Deferred Tax Liabilities (net)	29	125.03	68.16
(d) Government Grants	17	112.52	79.56
(e) Other Non Current Liabilities	18	0.21	0.05
Total Non-Current Liabilities (B)		**719.86**	**539.97**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15 (a)	1,083.66	1,062.03
(ii) Lease Liabilities	38	32.92	26.34
(iii) Trade payables			
- Total Outstanding dues of Micro Enterprises and Small Enterprises	15 (b)	106.75	147.53
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	15 (b)	1,548.45	1,227.76
(iv) Other financial liabilities	15 (c)	318.22	224.60
(b) Short-Term Provisions	16	19.82	15.99
(c) Government Grants	17	12.75	12.86
(d) Current Tax Liabilities (net)	12	5.97	1.11
(e) Other Current Liabilities	18	379.20	381.48
Total Current Liabilities (C)		**3,507.74**	**3,099.70**
TOTAL EQUITY AND LIABILITIES (A) + (B) + (C)		**8,098.95**	**7,260.37**
See accompanying notes forming part of the consolidated financial statements			

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Hardik Sutaria
Partner
Place: Ahmedabad
Date: May 15, 2025

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the board of directors of Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial Officer
DIN: 00008349

Nigam Shah
Chief Financial Officer

Krunal Bhatt
Company Secretary

Place: Ahmedabad
Date: May 15, 2025

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Consolidated Statement of Profit and Loss for the year ended March 31, 2025

(₹ in Crores)

	Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
I.	**INCOME**			
	(a) Revenue from operations	19	8,328.81	7,737.75
	(b) Other income	20	65.19	40.83
	TOTAL INCOME		**8,394.00**	**7,778.58**
II.	**EXPENSES**			
	(a) Cost of materials consumed	21	3,730.02	3,475.78
	(b) Purchase of stock-in-trade	22	387.50	236.68
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(154.50)	(33.71)
	(d) Project expenses		72.05	122.34
	(e) Employee benefit expenses	24	1,056.34	963.57
	(f) Finance costs	25	165.77	159.30
	(g) Depreciation and amortisation expenses	26	258.71	265.82
	(h) Other expenses	27	2,384.00	2,127.88
	TOTAL EXPENSES		**7,899.89**	**7,317.66**
III.	**PROFIT BEFORE SHARE OF PROFIT/(LOSS) OF JOINT VENTURES AND ASSOCIATES, EXCEPTIONAL ITEMS AND TAX (I-II)**		**494.11**	**460.92**
IV.	Share of Profit/(Loss) of Joint Ventures and Associates accounted for using the Equity Method		(1.24)	(0.08)
V.	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (III+IV)**		**492.87**	**460.84**
VI.	Exceptional items (net of tax)	28	-	(2.46)
VII.	**PROFIT BEFORE TAX (V-VI)**		**492.87**	**463.30**
VIII.	**Tax expense**	29		
	(a) Current tax		121.90	129.31
	(b) Short/(Excess) Provision of earlier years		(2.43)	3.94
	(c) Deferred tax Charge/(Credit)		6.02	(22.58)
	Total tax expense		**125.49**	**110.67**
IX.	**Profit for the year (VII-VIII)**		**367.38**	**352.63**
X.	**Other Comprehensive Income/(Loss) (net of tax)**			
A.	**Items that will not be reclassified to Profit and Loss**			
	(i) Equity Instruments through Other Comprehensive Income (FVOCI)		(3.94)	(21.87)
	(ii) Remeasurement gain/(loss) of defined benefit plans		(17.80)	6.40
	(iii) Share of Other Comprehensive Income/(Loss) of Joint Ventures and Associate accounted for using Equity method		(0.10)	(0.03)
	(iv) Income tax related to above items		4.34	3.40
	Net Other Comprehensive Income/(Loss) not to be reclassified to profit or loss in subsequent periods		**(17.50)**	**(12.10)**
B.	**Items that will be reclassified to Profit and Loss**			
	(i) Effective portion of gain/(loss) on cash flow hedges		(2.26)	5.86
	(ii) Exchange differences in translating the financial statements of a foreign operation		(5.71)	(1.81)
	(iii) Income tax related to above items		0.58	(1.47)
	Net Other Comprehensive Income/(Loss) that may be reclassified to profit or loss in subsequent periods		**(7.39)**	**2.58**
	Total Other Comprehensive Income/(Loss) for the year (net of tax) (X) = (A+B)		**(24.89)**	**(9.52)**
XI.	**Total Comprehensive Income/(Loss) for the year (net of tax) (IX+X)**		**342.49**	**343.11**
XII.	**Profit/(Loss) for the year attributable to:**			
	(i) Equity holders of the parent		353.49	336.61
	(ii) Non-controlling interest		13.89	16.02
			367.38	**352.63**
XIII	**Other Comprehensive Income/(Loss) attributable to:**			
	(i) Equity holders of the parent		(24.01)	(9.14)
	(ii) Non-controlling interest		(0.88)	(0.38)
			(24.89)	**(9.52)**
XIV.	**Total Comprehensive Income/(Loss) attributable to: (XII+XIII)**			
	(i) Equity holders of the parent		329.48	327.47
	(ii) Non-controlling interest		13.01	15.64
			342.49	**343.11**
XV.	**Earning per Equity Share [nominal value per share ₹10]**	36		
	- Basic		13.51	12.87
	- Diluted		13.49	12.86

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

H. S. Sutaria

Hardik Sutaria
Partner
Place: Ahmedabad
Date: May 15, 2025

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the board of directors of Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial Officer
DIN: 00008349

Nigam Shah
Chief Financial Officer

Krunal Bhatt
Company Secretary

Place: Ahmedabad
Date: May 15, 2025

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited

CIN : L17119GJ1931PLC000093

Consolidated Statement of Cash Flows for the year ended March 31, 2025

(₹ in Crores)

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
A Cash Flow from Operating activities				
Profit After taxation		**367.38**		**352.63**
Adjustments to reconcile profit after tax to net cash flows:				
Share of (Profit)/Loss of Joint Ventures and Associates	1.24		0.08	
Depreciation and Amortization expenses	258.71		265.82	
Interest Income	(5.93)		(3.07)	
Tax Expense	125.49		110.94	
Finance Costs	165.77		159.30	
Bad Debts Written Off	1.47		0.04	
Dividend Income	(0.02)		-	
Gain on Termination/Transfer of Leases	(3.18)		(0.67)	
Allowances for doubtful receivables and expected credit loss	4.50		2.54	
Allowance for doubtful advances	0.02		1.17	
Sundry Advances written off	2.50		6.94	
Sundry Balances Written Off	0.78		1.42	
Provision for Non moving inventory	15.96		39.66	
Foreign Exchange Loss/(Gain)	0.64		(2.53)	
(Profit)/Loss on Sale of Property, plant and equipment, Investment properties and intangible assets	(15.51)		0.91	
Profit on Sale of Investments	(1.12)		(0.80)	
Excess Provision Written Back	(2.75)		(0.44)	
Share based payment expense	5.95		2.51	
Government grant income	(10.96)		(11.68)	
		543.56		**572.14**
Operating Profit before Working Capital Changes		**910.94**		**924.77**
Adjustments for Changes in Working Capital:				
(Increase) / Decrease in Inventories	(167.65)		(261.68)	
(Increase) / Decrease in trade receivables	(111.89)		(104.82)	
(Increase) / Decrease in other financial assets	3.64		2.38	
(Increase) / Decrease in other assets	(35.97)		51.51	
Increase / (Decrease) in trade payables	279.65		126.99	
Increase / (Decrease) in other financial liabilities	(4.89)		9.17	
Increase / (Decrease) in other liabilities	(13.26)		71.83	
Increase / (Decrease) in provisions	(0.41)		10.13	
Net Changes in Working Capital		**(50.78)**		**(94.49)**
Cash Generated from Operations		**860.16**		**830.28**
Direct Taxes paid (Net of Tax refund)		(97.28)		(133.92)
Net Cash Flow from Operating Activities (A)		**762.88**		**696.36**
B Cash Flow from Investing Activities				
Purchase of Property, plant and equipment and intangible assets	(535.12)		(277.96)	
Proceeds from disposal of Property, plant and equipment, Investment properties and intangible assets	52.23		24.96	
Dividend received from joint venture	0.99		1.51	
Dividend received from others	0.02		-	
Purchase of Investments	-		(33.23)	
Proceeds from disposal of Investments	11.86		4.14	
Payment for Conversion of Joint Venture to Subsidiary	-		(28.50)	
Changes in other bank balances not considered as cash and cash equivalents	(41.51)		1.77	
Loans Given	(3.50)		(7.47)	
Loans Recceived back	6.04		33.50	
Interest Received	5.46		4.43	
Net cash used in Investing Activities (B)		**(503.53)**		**(276.85)**
C Cash Flow from Financing Activities				
Proceeds from Issue of Share Capital	2.07		0.24	
Dividend Paid	(129.98)		(154.24)	
Proceeds from long term Borrowings (including current maturities)	190.60		222.26	
Repayment of long term Borrowings (including current maturities)	(196.18)		(476.71)	
Proceeds/(Repayment) from Short term borrowings (net)	55.46		174.60	
Repayment towards lease liabilities	(44.21)		(34.22)	
Interest Paid	(148.68)		(150.81)	
Net Cash used in Financing Activities (C)		**(270.92)**		**(418.88)**
Net Increase/(Decrease) in cash & cash equivalents (A)+(B)+(C)		**(11.57)**		**0.63**
Cash & Cash equivalents at the beginning of the year		57.04		56.41
Add : Cash and Cash equivalents acquired due to consolidation		10.30		-
Cash & Cash equivalents at the end of the year		55.77		57.04

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited

CIN : L17119GJ1931PLC000093

Consolidated Statement of Cash Flows for the year ended March 31, 2025

(₹ in Crores)

Reconciliation of cash and cash equivalents

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash and cash equivalents :		
Cash on Hand	0.20	0.17
Balances with Banks	56.24	57.15
Cash and cash equivalents as per Balance Sheet (Refer Note 8 (d))	**56.44**	**57.32**
Book Overdrafts (Refer Note 15 (c))	(0.67)	(0.28)
Cash and cash equivalents as per cash flow statement	**55.77**	**57.04**

See the accompanying notes to the consolidated financial statements.

Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2015 (as amended)

Particulars of liabilities arising from financing activity	Note No.	As at March 31, 2024	Net cash flows	Non Cash Changes		As at March 31, 2025
				Other changes *	Impact due to IndAS 116	
Borrowings :						
Long term borrowings	15 (a)	399.27	(5.58)	0.70	-	394.39
Short term borrowings	15 (a)	926.11	55.46	-	-	981.57
Interest accrued on borrowings	15 (c)	4.92	(4.92)	4.83	-	4.83
Lease Liabilities	38	122.61	(44.21)	-	107.87	186.27
Total		**1,452.91**	**0.75**	**5.53**	**107.87**	**1,567.06**

* The same relates to amount charged in statement of profit and loss accounts.

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Hardik Sutaria
Partner
Place: Ahmedabad
Date: May 15, 2025

For and on behalf of the board of directors of Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial Officer
DIN: 00008349

Nigam Shah
Chief Financial Officer

Krunal Bhatt
Company Secretary

Place: Ahmedabad
Date: May 15, 2025

Arvind Limited
CIN : L17119GJ1931PLC000093

Consolidated Statement of changes in equity for the year ended March 31, 2025

A. Equity share capital

(₹ in Crores)

Particulars	Balance at the beginning of the reporting year	Changes in Equity Shares during the year	Balance at the end of the reporting year
For the year ended March 31, 2024	261.50	0.13	261.63
For the year ended March 31, 2025	261.63	0.19	261.82

B. Other equity

Particulars	Attributable to the owners of the Company												Non-controlling interest (B)	Total (A + B)
	Reserves and Surplus								Items of Other Comprehensive Income			Total Other Equity (A)		
	Capital Reserve	Capital Reserve on Consolidation	Share based payment reserve	Amalgamation Reserve	Capital Redemption Reserve	Securities premium	General Reserve	Retained Earnings	Effective portion of gain or loss on cash flow hedges	Foreign Currency Translation Reserve	Net gain / (loss) on FVOCI equity instruments			
Balance as at April 1, 2023	**17.16**	**1.50**	**1.14**	**34.54**	**69.50**	**573.21**	**62.24**	**2,413.79**	**(6.33)**	**(83.24)**	**0.62**	**3,084.13**	**58.63**	**3,142.76**
Profit for the year	-		-	-	-	-	-	336.61	-	-	-	**336.61**	16.02	**352.63**
Other comprehensive income for the year	-		-	-	-	-	-	10.15	4.39	(1.81)	(21.87)	**(9.14)**	(0.38)	**(9.52)**
Total Comprehensive income for the year	**-**	-	-	-	-	-	-	**346.76**	**4.39**	**(1.81)**	**(21.87)**	**327.47**	**15.64**	**343.11**
Adjustment due to Business Combination (Refer note 46)	24.77	-	-	-	-	-	-	-	-	-	-	**24.77**	-	**24.77**
Movement between Non-Controling Interest and Equity holders of the parent	-	-	-	-	-	-	-	(7.51)	-	-	-	**(7.51)**	7.56	**0.05**
Add / (Less) : Dividend Paid during the year	-	-	-	-	-	-	-	(150.36)	-	-	-	**(150.36)**	(3.88)	**(154.24)**
Add / (Less) : Transfer from share based payment reserve	-	-	-	-	-	1.09	-	-	-	-	-	**1.09**	-	**1.09**
Add: Issue of Shares under Employee Stock Option Scheme	-	-	2.51	-	-	0.11	-	-	-	-	-	**2.62**	-	**2.62**
Add / (Less) : Transfer to securities premium	-	-	(1.09)	-	-	-	-	-	-	-	-	**(1.09)**	-	**(1.09)**
Balance as at March 31, 2024	**41.93**	**1.50**	**2.56**	**34.54**	**69.50**	**574.41**	**62.24**	**2,602.68**	**(1.94)**	**(85.05)**	**(21.25)**	**3,281.12**	**77.95**	**3,359.07**
Balance as at April 1, 2024	**41.93**	**1.50**	**2.56**	**34.54**	**69.50**	**574.41**	**62.24**	**2,602.68**	**(1.94)**	**(85.05)**	**(21.25)**	**3,281.12**	**77.95**	**3,359.07**
Profit for the year	-	-	-	-	-	-	-	353.49	-	-	-	**353.49**	13.89	**367.38**
Other comprehensive income for the year	-	-	-	-	-	-	-	(12.54)	(1.68)	(5.71)	(4.08)	**(24.01)**	(0.88)	**(24.89)**
Total Comprehensive income for the year	**-**	-	-	-	-	-	-	**340.95**	**(1.68)**	**(5.71)**	**(4.08)**	**329.48**	**13.01**	**342.49**
Adjustment due to Consolidation	-	-	-	-	-	-	-	30.12	-	-	-	**30.12**	-	**30.12**
Add / (Less) : Dividend Paid during the year	-	-	-	-	-	-	-	(124.27)	-	-	-	**(124.27)**	(5.71)	**(129.98)**
Add / (Less) : Transfer from share based payment reserve	-	-	-	-	-	1.86	-	-	-	-	-	**1.86**	-	**1.86**
Add: Issue of Shares under Employee Stock Option Scheme (Refer note 37)	-	-	5.95	-	-	1.88	-	-	-	-	-	**7.83**	-	**7.83**
Add / (Less) : Transfer to Retained Earnings	-	-	(0.20)	-	-	-	(0.01)	(10.48)	-	-	10.69	-	-	-
Add / (Less) : Transfer to securities premium	-	-	(1.86)	-	-	-	-	-	-	-	-	**(1.86)**	-	**(1.86)**
Balance as at March 31, 2025	**41.93**	**1.50**	**6.45**	**34.54**	**69.50**	**578.15**	**62.23**	**2,839.00**	**(3.62)**	**(90.76)**	**(14.64)**	**3,524.28**	**85.25**	**3,609.53**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Hardik Sutaria
Partner
Place: Ahmedabad
Date: May 15, 2025

For and on behalf of the board of directors of
Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial Officer
DIN: 00008349

Nigam Shah
Chief Financial Officer

Krunal Bhatt
Company Secretary

Place: Ahmedabad
Date: May 15, 2025

1. Corporate Information

Arvind Limited ("the Group" or "the Company" or "the Parent Company") is one of India's leading vertically integrated textile companies with the presence of almost eight decades in this industry. It is among the largest denim manufacturers in the world. It also manufactures a range of cotton shirting, denim, knits and bottom weights (Khakis) fabrics and Jeans and Shirts Garments. Arvind Limited also has the presence in Telecom business directly and through subsidiaries and joint venture companies. Also the Group has made foray into Technical Textiles on its own and in joint venture with leading global players. The Company through its subsidiary is also engaged in manufacturing and fabrication of process equipment as well as in water treatment business.

Arvind Limited together with its consolidated subsidiaries is hereinafter referred to as "the Group".

The Group's financial statements have been considered and approved by the Board of Directors at their meeting held on May 15, 2025.

2. Statement of Compliance and Basis of Preparation:

The Consolidated Financial Statements have been prepared on a historical cost convention on the accrual basis except for the certain financial assets and liabilities measured at fair value, the provisions of the Companies Act, 2013 to the extent notified ("the Act").

Accounting policies were consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standards requires a change in the accounting policy hitherto in use.

These Consolidated Financial Statements comprising of Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including other comprehensive income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows as at March 31, 2025 have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Rounding of amounts

The Consolidated Financial Statements are presented in Indian Rupee ("INR") and all values are rounded to the nearest crore as per the requirement of Schedule III, except when otherwise indicated. Figures less than ₹ 50,000, which are required to be shown separately, have been shown actual in brackets.

Principles of Consolidation and equity accounting

The consolidated financial statements incorporate the financial statements of Arvind Limited and its subsidiaries, being the entities that it controls. Control is evidenced where the Group has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group.

For non-wholly owned subsidiaries, a share of the profit / loss for the financial year and net assets is attributed to the non-controlling interests as shown in the consolidated statement of profit and loss and consolidated balance sheet.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed off. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

All intra-group assets and liabilities, equity, income, expenses including unrealized gain /loss and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Joint Ventures and Associate

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An associate is an entity over which the company has significant influence.

The Group's investments in joint ventures and associate are accounted for using the equity method.

Equity Method

Under equity method, the investment in a joint ventures and associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint ventures and associate since the acquisition date. Goodwill relating to the joint venture and associate is included in the carrying amount of the investment and is not tested for impairment individually.

The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the joint ventures and associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint ventures and associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint ventures and associate are eliminated to the extent of the interest in the joint ventures and associate.

The aggregate of the Group's share of profit or loss of joint ventures and associate is shown on the face of the Consolidated Statement of Profit and Loss.

The financial statements of the joint ventures and associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint ventures and associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint ventures and associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint ventures and associate and its carrying value, and then recognises the loss as 'Share of profit of a joint ventures' and 'associate 'in the Consolidated Statement of Profit and Loss.

Upon loss of joint control over the joint venture or loss of significant influence over associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the retained investment and proceeds from disposal is recognised in the statement of profit and loss.

3. Summary of Material Accounting Policies

3.1. Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Group's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

3.2. Use of estimates and judgements

The estimates and judgements used in the preparation of the consolidated financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

Following are significant estimate (for details refer note 4.1)

- Taxes
- Useful life of Property, plant and equipment and Intangible Assets
- Provisions and contingencies
- Defined benefit plans

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

3.3. Non-current assets held for sale/ distribution to owners and discontinued operations

The Group classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised, A gain or loss previously not recognised by the date of sale of the non-current assets is recognised on the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

A discontinued operation qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale

  Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in Consolidated Statement of Profit and Loss.

3.4. Foreign currencies

The Group's functional and presentation currency is Indian Rupee. Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rate are recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

For the purpose of consolidation, the assets and liabilities of the Company's foreign operations are translated to Indian rupees at the exchange rate prevailing on the balance sheet date, and the income and expenses at the average rate of exchange for the respective months. Exchange differences arising are recognized as foreign currency translation reserve under equity.

3.5. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Consolidated Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and for non-recurring measurement, such as asset held for sale.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided upon annually by the management after discussion with and approval by the Group's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Property, plant and equipment & Intangible assets measured at fair value on the date of transition
- Investment properties





- Financial instruments (Including those carried at amortised cost)

3.6. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The Group adjusts exchange differences arising on translation difference / settlement of long-term foreign currency monetary items outstanding as at March 31, 2016, pertaining to the acquisition of a depreciable asset, to the cost of asset and depreciates the same over the remaining life of the asset.

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit and Loss when the asset is de-recognised.

Depreciation

The carrying value of the property, plant and equipment as on April 1, 2014 are depreciated over remaining useful life of the assets based on independent technical evaluation carried out by external valuer.

Depreciation on property, plant and equipment is provided so as to write off the cost of assets less residual values over their useful lives of the assets, using the straight line method as prescribed under Part C of Schedule II to the Companies Act 2013 except for Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments which are depreciated as per schedule II of the companies act, 2013), Leasehold Improvements, Furniture and fixtures, Vehicles and Office Equipments.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation on Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments) and Leasehold Improvements, are provided on straight-line basis over the useful lives of the assets as estimated by management based on the technical assessment of the assets, nature of assets, the estimated usage of assets, the operating condition of the assets, maintenance supports and anticipated technological changes required in the assets. The management estimates the useful lives as follows:

Particulars	Useful Life
Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments)	10 to 35 Years
Leasehold Improvements	Over the period of agreement

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II to the Act.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

3.7. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right of use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are fixed payments. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.8. Borrowing cost

Borrowing cost includes interest expense as per Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the year. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

All other borrowing costs are expensed in the period in which they occur.

3.10. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as Investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

An investment property is derecognised on disposal or on permanently withdrawal from use or when no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in consolidated Statement of Profit and Loss when the asset is derecognised.

Transfers are made to (or from) investment property only when there is a change in use. Transfers between investment property, owner-occupied property and inventories are at carrying amount of the property transferred.

Depreciation on Investment property is provided on the straight line method over useful lives of the assets as prescribed under Part C of Schedule II to the Act.

3.11. Intangible Assets

Intangible Assets that the Group controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination at fair value on the date of acquisition/grant
- for separately acquired assets, at cost comprising the purchase price (including non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Revenue expenditure pertaining to research is charged to Consolidated Statement of Profit and Loss. Development costs of products are charged to Consolidated Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in Consolidated Statement of Profit and Loss in the period in which expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in Consolidated Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in Consolidated Statement of Profit and Loss when the asset is derecognised.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Amortisation
Software is amortized over management estimate of its useful life of 5 years or License Period whichever is lower and Patent/Knowhow is amortized over its useful validity period. Website is amortized over 5 years.

Research and development costs for Website Design
Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in Consolidated Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

3.12. Inventories

Inventories of Raw material, Work-in-progress, Finished goods and Stock-in-trade are valued at the lower of cost and net realisable value. However, Raw material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials and accessories:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- **Finished goods and work in progress**: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- **Traded goods:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

All other inventories of stores, consumables, project material at site are valued at cost. The stock of waste is valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.13. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Group. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These budgets and forecast

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognised in Consolidated Statement of Profit and Loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in Consolidated Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

3.14. Revenue Recognition

Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated base on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Revenue from sale of products is recognised when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract. It includes revenue from real estate development of residential unit (recognised at the point in time, when the control of the asset is transferred to the customer).

Rendering of services
Revenue from services are recognized based on the services rendered in accordance with the terms of contracts on the basis of work performed.

Construction contract
Revenue in respect of projects for Construction of Plants and Systems, is recognised based on satisfaction of performance obligation over the period of time on the basis of percentage of completion method. Percentage of completion is determined by the proportion that contract costs incurred for work done till date bears to the estimated total contract cost. Contract revenue earned in excess of billing has been reflected under the head "Other Current Assets" and billing in excess of contract revenue has been reflected under the head "Other Current Liabilities" in the balance sheet. Full provision is made for any loss in the year in which it is first foreseen and cost incurred towards future contract activity is classified as project work in progress. Determination of revenues under the percentage of completion method necessarily involves making estimates by the Group, some of which are of a technical nature, relating to the percentage of completion, costs to completion, expected revenue from the contract and the foreseeable losses to completion.

Export Incentive
Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Interest Income
Interest income from debt instruments are recorded using the effective interest rate (EIR) and accrued on timely basis. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

3.15. Financial instruments – initial recognition and subsequent measurement
Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments. For recognition and measurement of financial assets and financial liabilities, refer policy as mentioned below:

Initial recognition of financial assets and financial liabilities:
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent measurement of financial assets:
For purposes of subsequent measurement, financial assets are classified in four categories:
(a) Financial assets at amortised cost
(b) Financial assets at fair value through other comprehensive income (FVTOCI)
(c) Financial assets at fair value through profit or loss (FVTPL)
(d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(a) Financial assets at amortised cost:
A financial asset is measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

(b) Financial assets at fair value through other comprehensive income
A financial asset is measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

(c) Financial assets at fair value through profit or loss
Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable of financial assets at fair value through profit or loss are immediately recognised in the statement of profit and loss.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

The Group may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

(d) Equity instruments:

All equity investments in scope of Ind-AS 109 other than Investment in subsidiaries, Joint Ventures and Associates are measured at fair value. Equity instruments which are held for trading, are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity Investment in subsidiaries, Joint Ventures and Associates are measured at cost as per Ind AS 27 - Separate Financial Statements.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Impairment of financial assets

The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses (ECL) are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECL are measured at an amount equal to the 12 months ECL, unless there has been significant increase in credit risk from initial recognition in which case these are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in Statement of Profit and Loss.

Derecognition of financial assets

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership.

Concomitantly, if the asset is one that is measured at:
(a) amortised cost, the gain or loss is recognised in Consolidated Statement of Profit and Loss;
(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to Consolidated Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Reclassification

When and only when the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

Financial liabilities and equity instruments

Classification as debt or equity
Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit or Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of direct issue costs.

Financial guarantee contracts
A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Offsetting Financial Instruments
Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Derivatives and Hedge Accounting
Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in Consolidated Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item.

The Group complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Group documents the relationship between the hedge instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which can be a fair value hedge or a cash flow hedge.

(i) Fair value hedges
Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in Consolidated Statement of Profit and Loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

(ii) Cash flow hedges
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion is recognised in Consolidated Statement of Profit and Loss.

Amounts previously recognised and accumulated in other comprehensive income are reclassified to profit or loss when the hedged item affects Consolidated Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains / losses are transferred from equity (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains/losses recognised in other comprehensive income and accumulated in equity at that time remains in equity and is reclassified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity is recognised immediately in Consolidated Statement of Profit and Loss.

3.16. Cash and cash equivalent
Cash and cash equivalent in the balance sheet includes cash on hand, at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the cash flows statement, cash and cash equivalents includes cash, short-term deposits, as defined above, other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value adjusted for outstanding bank overdrafts as they are considered an integral part of the Group's cash management. Bank Overdrafts are shown within Borrowings in current liabilities in the balance sheet.

3.17. Government Grants
Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in Statement of Profit or Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED * NARODA ROAD 380025 * AHMEDABAD

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments.

3.18. Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognised in Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Deferred tax is recognised in Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.19. Employee Benefits

(a) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

(b) Post-Employment Benefits

(i) Defined contribution plan

The Group's approved provident fund scheme, superannuation fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Group has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's gratuity fund scheme, provident fund and Compensatory Pension Scheme are Company's defined benefit plans.

Gratuity fund scheme and Compensatory Pension Scheme

The present value of the obligation under Defined benefit schemes is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on the net basis.

(c) Other long term employment benefits

The employee's long term compensated absences are Group's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on the net basis.

(d) Termination Benefits

Termination benefits such as compensation under voluntary retirement scheme are recognised in the year in which termination benefits become payable.

3.20. Share-based payments

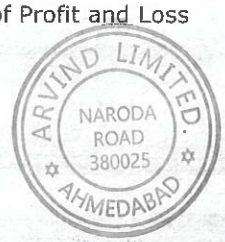
Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. Consolidated Statement of Profit and Loss





expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.21. Earnings per share (EPS)

Basic EPS is computed by dividing the net profit / loss for the year attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is computed by dividing the net profit / loss attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year adjusted for the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3.22. Dividend

The Group recognises a liability (including tax thereon) to make cash or non-cash distributions to equity shareholders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in Consolidated Statement of Profit and Loss.

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED * NARODA ROAD 380025 * AHMEDABAD

3.23. Provisions and Contingencies

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When the Group expects some or all of a provision to be reimbursed from third parties, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Consolidated Financial Statements.

Contingent assets are not recognised but disclosed in the Consolidated financial statements when an inflow of economic benefits is probable.

3.24. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

3.25. Research and Development

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands and customer lists are not recognised as intangible assets.

4. Critical accounting estimates and assumptions

The preparation of the Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.1. Estimates and assumption

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the Consolidated Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Taxes

The Group has ₹ 44.78 crores (March 31, 2024: ₹ (1.86) crores) of unused tax losses available which is carried forward for set off against taxable income in future years. The Group believes that if sufficient future taxable income available to utilise against which the unused tax losses can be utilised. On this

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

basis, the Group has determined that it has recognised deferred tax assets on the carried forward tax losses.

Further details on taxes are disclosed in note 29.

(b) Useful life of Property, plant and equipment and Intangible Assets

As described in Note 3.6 and 3.11 of the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

(c) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Group has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are

not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the Consolidated Financial Statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer note 16 and 30).

(d) Defined benefit plans

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in Consolidated Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the Consolidated Financial Statements.

Further details about defined benefit obligations are provided in note 34.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(₹ in Crores)

Note 5 : Property, plant and equipment

Particulars	Freehold land	Leasehold land	Buildings	Plant & machinery	Furniture & fixture	Vehicles	Leasehold improvements	Office equipment	Computer, server & network	Total
Gross Carrying Amount										
As at April 1, 2023	**993.83**	**182.66**	**641.18**	**2,514.98**	**89.90**	**67.79**	**44.82**	**37.34**	**56.44**	**4,628.94**
Additions	19.84	0.01	27.71	168.11	3.80	21.55	0.15	3.31	6.75	**251.23**
Transfer to Investment Properties (Refer note 6)	20.56	-	-	-	-	-	-	-	-	**20.56**
Adjustment due to Business combination (Refer note 46)	-	-	-	-	0.07	0.01	-	0.15	0.04	**0.27**
Foreign Currency Translation Reserve	-	-	(0.07)	(2.02)	(0.16)	(0.03)	-	0.05	(0.07)	**(2.30)**
Deductions	8.26	-	0.67	27.45	0.40	10.84	0.01	0.05	1.58	**49.26**
As at March 31, 2024	**984.85**	**182.67**	**668.15**	**2,653.62**	**93.21**	**78.48**	**44.96**	**40.80**	**61.58**	**4,808.32**
Additions	6.47	-	26.97	256.03	9.65	28.22	1.10	3.59	9.12	**341.15**
Transfer from Investment Properties	60.63	-	-	-	-	-	-	-	-	**60.63**
Transfer to Investment Properties (Refer note 6)	0.11	-	9.72	-	-	-	-	-	-	**9.83**
Transfer from Stock in Trade	0.71	-	-	-	-	-	-	-	-	**0.71**
Adjustment due to Consolidation	-	-	-	-	13.12	1.76	-	0.01	0.70	**15.59**
Foreign Currency Translation Reserve	-	-	(2.25)	(29.91)	(1.95)	(0.48)	0.01	(0.08)	(1.08)	**(35.74)**
Deductions	0.71	-	0.65	39.71	1.68	16.61	0.10	0.33	0.58	**60.37**
As at March 31, 2025	**1,051.84**	**182.67**	**682.50**	**2,840.03**	**112.35**	**91.37**	**45.97**	**43.99**	**69.74**	**5,120.46**
Accumulated Depreciation and Impairment										
As at April 1, 2023	**-**	**-**	**194.13**	**1,111.07**	**55.13**	**25.42**	**32.39**	**31.02**	**42.44**	**1,491.60**
Depreciation for the year	-	-	26.95	180.19	7.53	7.60	1.76	2.29	5.21	**231.53**
Adjustment due to Business combination (Refer note 46)	-	-	-	-	0.06	0.01	-	0.12	0.03	**0.22**
Foreign Currency Translation Reserve	-	-	(0.04)	(1.12)	(0.11)	(0.02)	-	0.03	(0.05)	**(1.31)**
Deductions	-	-	0.13	17.53	0.35	4.94	0.02	0.05	1.35	**24.37**
As at March 31, 2024	**-**	**-**	**220.91**	**1,272.61**	**62.26**	**28.07**	**34.13**	**33.41**	**46.28**	**1,697.67**
Depreciation for the year	-	-	28.08	164.95	7.45	9.10	1.71	1.81	6.39	**219.49**
Adjustment due to Consolidation	-	-	-	-	-	0.69	-	-	0.24	**0.93**
Transfer to Investment Property	-	-	1.26	-	-	-	-	-	-	**1.26**
Foreign Currency Translation Reserve	-	-	(1.82)	(24.26)	(0.90)	(0.35)	0.20	(0.07)	(0.81)	**(28.01)**
Deductions	-	-	0.13	32.38	1.44	6.37	0.08	0.28	0.52	**41.20**
As at March 31, 2025	**-**		**245.78**	**1,380.92**	**67.37**	**31.14**	**35.96**	**34.87**	**51.58**	**1,847.62**
Net Carrying Amount										
As at March 31, 2025	**1,051.84**	**182.67**	**436.72**	**1,459.11**	**44.98**	**60.23**	**10.01**	**9.12**	**18.16**	**3,272.84**
As at March 31, 2024	984.85	182.67	447.24	1,381.01	30.95	50.41	10.83	7.39	15.30	3,110.65

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD
DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

(₹ in Crores)

Notes :

1. Buildings includes ₹ 0.61 crores (Previous year ₹ 0.81 crores) in respect of ownership flats in Co-Operative Housing Society and ₹ 500/- (Previous year ₹ 500/-) in respect of shares held in Co-Operative Housing Society.
2. For Properties Pledge as security - Refer note 15 (a).
3. Since the lease term is indefinite with no specified end date, the Group has determined that the lease does not qualify under Ind AS 116. Accordingly, no right-of-use asset has been recognized in the financial statements for the land lease, and it has been classified under this schedule.

Note 5 (a) : Ageing of Capital Work-in-progress

Particulars	< 1 year	>1 year but < 2 years	>2 year but < 3 years	more than 3 years	Total
As at March 31, 2025					
Project in Progress	378.60	28.76	-	-	407.36
	378.60	**28.76**	**-**	**-**	**407.36**
As at March 31, 2024					
Project in Progress	115.17	1.65	-	-	116.82
	115.17	**1.65**	**-**	**-**	**116.82**

As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on latest approved plan.
There are no temporarily suspended projects.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 6 : Investment Properties

Particulars	Land	Building	Total
Gross Carrying Amount			
As at April 1, 2023	**167.07**	**0.98**	**168.05**
Transfer from Property, plant and equipment (Refer Note 5)	20.56	-	20.56
Deduction	0.96	0.01	0.97
As at March 31, 2024	**186.67**	**0.97**	**187.64**
Additions	6.30	-	6.30
Transfer from Property, plant and equipment (Refer Note 5)	0.11	9.72	9.83
Transfer to Property, Plant and Equipment (Refer Note 5)	60.63	-	60.63
Deduction	18.27	-	18.27
As at March 31, 2025	**114.18**	**10.69**	**124.87**
Accumulated Depreciation			
As at April 1, 2023	**-**	**0.07**	**0.07**
Depreciation for the year	-	0.02	**0.02**
As at March 31, 2024	**-**	**0.09**	**0.09**
Depreciation for the year	-	0.03	**0.03**
Transfer from Property, Plant and Equipment (Refer Note 5)	-	1.26	1.26
As at March 31, 2025	**-**	**1.38**	**1.38**
Net Carrying Amount			
As at March 31, 2025	**114.18**	**9.31**	**123.49**
As at March 31, 2024	186.67	0.88	187.55

Notes :

(1) Information regarding income and expenditure of Investment properties

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rental income derived from Investment properties	0.36	0.36
Less: Direct operating expenses (including repairs and maintenance)	0.02	0.04
Profit arising from investment properties before depreciation	**0.34**	**0.32**
Less : Depreciation	0.03	0.02
Profit arising from investment properties	**0.31**	**0.30**

(2) Fair value

Fair value of the Investment properties are as under.

Particulars	As at March 31, 2025	As at March 31, 2024
Land	213.74	382.92
Building	19.98	1.89
Total	**233.72**	**384.81**

The best evidence of fair value is current prices in an active market for similar properties. Group's investment properties are at a location where active market is available for similar kind of properties. Hence, fair value is ascertained on the basis of market rates prevailing for similar properties in those locations determined by an independent registered valuer.

(3) For Properties pledged as security, refer note 15 (a)

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(₹ in Crores)

Note 7 : Intangible assets

Particulars	Computer Software	Patent & Technical knowhow	Brand Value & Licence Brands	Distribution Network	Total	Goodwill on Consolidation	Total Goodwill
Gross Carrying Amount							
As at April 1, 2023	**92.77**	**39.71**	**0.55**	**22.51**	**155.54**	**8.95**	**8.95**
Additions	3.06	0.13	-	-	**3.19**	-	-
Deductions	0.32	-	-	-	**0.32**	-	-
As at March 31, 2024	**95.51**	**39.84**	**0.55**	**22.51**	**158.41**	**8.95**	**8.95**
Additions	3.08	0.17	-	-	**3.25**	-	-
Adjustment due to Consolidation	0.04	-	-	-	**0.04**	-	-
Deductions	0.31	3.98	-	-	**4.29**	-	-
As at March 31, 2025	**98.32**	**36.03**	**0.55**	**22.51**	**157.41**	**8.95**	**8.95**
Accumulated Depreciation							
As at April 1, 2023	**82.85**	**38.84**	**0.55**	**10.30**	**132.54**	-	-
Amortisation for the Year	7.95	0.17	-	2.49	**10.61**	-	-
Deductions	0.30	-	-	-	**0.30**	-	-
As at March 31, 2024	**90.50**	**39.01**	**0.55**	**12.79**	**142.85**	-	-
Amortisation for the Year	1.73	0.19	-	2.49	**4.41**	1.08	**1.08**
Adjustment due to Consolidation	0.01	-	-	-	**0.01**	-	-
Deductions	0.30	3.98	-	-	**4.28**	-	-
As at March 31, 2025	**91.94**	**35.22**	**0.55**	**15.28**	**142.99**	**1.08**	**1.08**
Net Carrying Amount							
As at March 31, 2025	**6.38**	**0.81**	**-**	**7.23**	**14.42**	**7.87**	**7.87**
As at March 31, 2024	5.01	0.83	-	9.72	15.56	8.95	8.95

Notes :

1. For Properties pledged as security, refer note 15 (a)

Note 7 (a) : Ageing of Intangible assets under development

Particulars	< 1 year	>1 year but < 2 years	>2 year but < 3 years	more than 3 years	Total
As at March 31, 2025					
Project in Progress	1.70	0.08	-	-	1.78
	1.70	**0.08**	**-**	**-**	**1.78**
As at March 31, 2024					
Project in Progress	0.30	0.20	-	-	0.50
	0.30	**0.20**	**-**	**-**	**0.50**

As on the date of the balance sheet, there are no Intangible Assets Under Development whose completion is overdue or has exceeded the cost, based on latest approved plan.

There are no temporarily suspended projects.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(₹ in Crores)

Note 7 (b) : Investments accounted for using the equity method

Particulars	Face Value per Share (in ₹ unless otherwise stated)	No. of Shares/unit		Amount	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
I. Joint Ventures - measured using equity method (unquoted)					
Adient Arvind Automotive Fabrics India Private Limited	10	81,42,750	81,42,750	8.14	8.14
Less: Provision for Impairment				(8.14)	(8.14)
				-	-
PVH Arvind Manufacturing PLC	1000 ETB	84,166	84,166	25.10	25.10
Less: Provision for Impairment				(25.10)	(25.10)
				-	-
Arya Omnitalk Radio Trunking Services Private Limited	10	10,05,000	10,05,000	5.46	6.43
Arudrama Development Private Limited	100	50,000	50,000	1.97	2.05
			Total (I)	**7.43**	**8.48**
II. Associates - measured using equity method (unquoted)					
Renew Green (GJ Eight) Private Limited	10	2,04,96,000	2,04,96,000	24.95	26.23
Purfi Arvind Manufacturing Private Limited*	10	10,000	-	0.01	-
			Total (II)	**24.96**	**26.23**
Total Investments accounted for using the equity method			**Total (I)+(II)**	**32.39**	**34.71**

* The Parent company partnered with Purfi Global LLC to form Purfi Arvind Manufacturing Private Limited, focused on converting textile waste into high-quality reusable fibers using advanced rejuvenation technology. The investment is accounted for using the equity method in accordance with Ind AS 28.

The aggregate summarised financial information in respect of the Group's immaterial associates and joint ventures that are accounted for using the equity method is set forth below:

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Joint Ventures accounted for using equity method		
Group's share of net profit/(loss)	0.04	0.70
Group's share of other comprehensive income/(loss)	(0.10)	(0.03)
Group's share of total comprenhensive income/(loss)	**(0.06)**	**0.67**
Associates accounted for using equity method		
Group's share of net profit/(loss)	(1.28)	(0.78)
Group's share of other comprehensive income/(loss)	-	-
Group's share of total comprenhensive income/(loss)	**(1.28)**	**(0.78)**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(₹ in Crores)

Note 8 : Financial assets

8 (a) Investments

Particulars	Face Value per Share (in ₹ unless otherwise stated)	No. of Shares/unit		Amount	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
(a) Investment in equity shares (fully paid up):					
I. Subsidiaries - measured at cost (unquoted) :					
Arvind Foundation **	10	10,000	10,000	-	0.01
Arvind Indigo Foundation **	10	10,000	10,000	-	0.01
Arvind Worldwide(M) Inc.***	100 USD	54,840	54,840	0.01	0.01
Less: Provision for Impairment				(0.01)	(0.01)
				-	-
Arvind Spinning Limited (Shares without par value) ***		8,24,099	8,24,099	0.08	0.08
Less: Provision for Impairment				(0.08)	(0.08)
				-	-
Arvind Overseas (M) Inc.***	100 Mau	23,85,171	23,85,171	0.24	0.24
Less: Provision for Impairment				(0.24)	(0.24)
				-	-
			Total (I)	**-**	**0.02**
II. Others - Fair value through Other Comprehensive Income:					
Unquoted					
Shiprocket Limited (previously known as Shiprocket Private Limited, previously known as Bigfoot Retail Solutions Private Limited)	10	37,044	37,044	104.60	103.72
Multiple Private Equity Fund II LLP		37,232	71,268	12.20	21.51
Gujarat Cloth Dealers Co-operative Shops and Warehouses Society Limited*	100	10	10	(₹ 1,000/-)	(₹ 1,000/-)
			Total (II)	**116.80**	**125.23**
Total Equity Investments ((I) + (II)			**Total (a)**	**116.80**	**125.25**
(b) Investment in debentures - measured at amortised cost (Unquoted):**					
9.00% Optionally Convertible Debentures of Arya Omnitalk Radio Trunking Services Private Limited	10	2500	2500	0.02	0.02
			Total (b)	**0.02**	**0.02**
(c) Investment in government securities - measured at amortised cost (Unquoted) :					
National Saving Certificates (Lodged with Sales Tax and Government Authorities)				(₹ 23,000/-)	(₹ 23,000/-)
			Total (c)	**(₹ 23,000/-)**	**(₹ 23,000/-)**
Total Non-Current Investments (A)=(a)+(b)+(c)				**116.82**	**125.27**
Investment in Mutual Funds (quoted)					
- Fair value through Profit and Loss					
HDFC Low Duration Fund - Growth		1,24,011	10,13,998	0.70	5.34
Invesco India Money Market Fund - Growth		575	4,412	0.17	1.79
Total Current Investments (B)				**0.87**	**7.13**
Total Investments (A)+(B)				**117.69**	**132.40**

Aggregate carrying amount of unquoted investments	116.82	125.27
Aggregate carrying amount of quoted investments and market value thereof	0.87	7.13
Aggregate amount of impairment in value of investment	0.33	0.33

* The management has assessed that fair value of the investments approximate to their carrying value.

**During the current year, the ICAI issued an Expert Advisory Committee (EAC) opinion stating that Section 8 companies should also be consolidated, where applicable. Accordingly, the Group has included the Section 8 companies (Arvind Foundation and Arvind Indigo Foundation) in its consolidated financial statements.

*** Not considered for the purpose of consolidation for the financial year 2024-25 and 2023-24 respectively being defunct status.

**** Investment in Debenture is convertible at issuer's option.

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

8 (b) Trade receivables - Current

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good	1,181.90	1,072.21
Unsecured, considered doubtful	45.91	54.87
Less : Allowance for doubtful receivables and expected credit loss	(50.54)	(57.32)
Total Trade receivables	**1,177.27**	**1,069.76**
Receivables from Directors or from firm / Private company where director is interested	(₹ 26,100/-)	7.37

For amount receivable from related parties, refer note 35.

Trade receivables are non-interest bearing and are generally on terms of 7 to 180 days.

Trade Receivables are given as security for borrowings as disclosed under note 15(a).

Allowance for doubtful receivables and expected credit loss

The Group has provided allowance for doubtful receivables based on the lifetime expected credit loss model using provision matrix. Movement in allowance for doubtful debt are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Balance as per last financial year	**57.32**	**58.89**
Add : Allowance for doubtful receivables and expected credit loss (Refer note 27)	4.50	2.54
Less : Reversal of allowance for doubtful receivables (Refer note 28)	-	(2.73)
Less : Write off of bad receivables and other adjustment (net of recovery)	(11.28)	(1.38)
Balance at the end of the year	**50.54**	**57.32**

Ageing of Trade Receivables from due date of payments as at March 31, 2025 and March 31, 2024 are as follows:

Particulars	Not Due	< 6 months	>6 months but < 1 year	>1 year but < 2 years	>2 year but < 3 years	More than 3 years	Total
Year ended March 31, 2025							
(i) Undisputed Trade Receivables - Considered Good	833.84	318.09	21.65	5.89	1.25	1.18	**1,181.90**
(ii) Undisputed Trade Receivables - Considered doubtful	0.54	0.34	1.87	2.83	0.47	39.86	**45.91**
	834.38	**318.43**	**23.52**	**8.72**	**1.72**	**41.04**	**1,227.81**
Less : Allowances for doubtful receivables and expected credit loss							50.54
Total							**1,177.27**
Year ended March 31, 2024							
(i) Undisputed Trade Receivables - Considered Good	696.40	357.48	10.34	5.27	2.31	0.41	**1,072.21**
(ii) Undisputed Trade Receivables - Considered doubtful	-	0.35	1.77	5.73	1.77	45.25	**54.87**
	696.40	**357.83**	**12.11**	**11.00**	**4.08**	**45.66**	**1,127.08**
Less : Allowances for doubtful receivables and expected credit loss							57.32
Total							**1,069.76**

8 (c) Loans

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good unless otherwise stated		
Non-current		
Loans to employees	0.29	0.42
Total Non-current Loans (A)	**0.29**	**0.42**
Current		
Loans to		
- Related parties (Refer note 35)	0.99	-
- Employees	0.22	0.18
- Others	-	3.44
	1.21	**3.62**
Considered Doubtful		
Loans to related parties (Refer note 35)	5.23	5.23
Less : Allowance for doubtful loan	(5.23)	(5.23)
	-	-
Total Current Loans (B)	**1.21**	**3.62**
Total Loans (A)+(B)	**1.50**	**4.04**

Loans to Directors or to firm / Private company where director is interested (Refer note 35 for further details)

Loans to Related Parties that are repayable on Demand

Type of Borrower	Year ended March 31, 2025		Year ended March 31, 2024	
	Loan Outstanding	Loan Outstanding (%)	Loan Outstanding	Loan Outstanding (%)
Related Parties (Refer note 35)	0.99	66.00%	-	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

8 (d) Cash and cash equivalent

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.20	0.17
Balance with Banks		
In Current accounts and debit balance in cash credit accounts	47.70	57.15
In Deposits with original maturity of less than three months	5.79	-
In Savings account	2.75	-
Total cash and cash equivalents	**56.44**	**57.32**

Total cash and cash equivalents includes ₹ 3.48 crores as at March 31, 2025 pertaining to Arvind foundation and Arvind Indigo foundation held for specified purpose.

8 (e) Other bank balance

Particulars	As at March 31, 2025	As at March 31, 2024
Unpaid dividend accounts (Refer note 15(c))	2.52	2.38
Deposits with original maturity of more than three months *	57.62	16.11
Total other bank balances	**60.14**	**18.49**

* Deposits amounting ₹ 36.12 crores as at March 31, 2025 (March 31, 2024 ₹ 16.11 crores) under lien with bank as Security for Guarantee Facility given by the Bankers.

Total other bank balance includes ₹ 21.50 crores as at March 31, 2025 pertaining to Arvind foundation held for specified purpose.

8 (f) Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good unless otherwise stated		
Non-current		
Security deposits	37.80	28.94
Share Application Money	1.49	1.49
Less : Provision for doubtful share application money	(1.49)	(1.49)
	-	-
Bank deposits with maturity of more than 12 months	8.97	7.76
Total Other Non-current Financial Asset (A)	**46.77**	**36.70**
Current		
Security deposits	12.54	12.92
Income receivable	-	0.02
Interest Accrued on financial assets measured at amortised cost	0.62	0.15
Foreign Currency Derivative Contracts (Cash flow hedge)	1.12	4.72
Others	0.95	0.03
Total Other Current Financial Asset (B)	**15.23**	**17.84**
Total (A)+(B)	**62.00**	**54.54**

Other current financial assets are given as security for borrowings as disclosed under note 15(a).

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 9 : Other assets

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Capital advances	73.11	33.48
Pre-paid expense	3.53	3.28
Advances to suppliers - Doubtful	0.62	0.69
Less : Provision for doubtful advances	(0.62)	(0.69)
	-	-
Total Other Non-current Asset (A)	**76.64**	**36.76**
Current		
Advance to suppliers		
Considered Good	77.58	65.89
Advances to suppliers - Doubtful	0.11	0.09
Less : Provision for doubtful advances	(0.11)	(0.09)
	77.58	65.89
Balance with Government Authorities (Refer note (i) below)	163.77	141.71
Export incentive receivable	15.88	20.80
Pre-paid expense	38.44	31.61
Income Receivable	15.49	16.20
Pre-paid Gratuity (Refer note 34)	0.12	9.82
Other Current Asset	4.84	6.43
Total Other Current Asset (B)	**316.12**	**292.46**
Total (A) + (B)	**392.76**	**329.22**
Advance to Directors or to firm / Private company where director is interested (Refer note 35 for further details)	(₹ 32,450/-)	-

For amount receivable from related parties, refer note 35.
(i) Balance with Government Authorities mainly consists of input credit availed.
Other current assets are given as security for borrowings as disclosed under note 15(a).

Note 10 : Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw materials		
Raw materials and components	569.77	590.23
Raw materials in transit	11.19	4.62
Fuel	7.53	7.40
Land plots and materials at site	246.25	296.07
Stores and spares	77.11	64.01
Work-in-progress	627.80	516.47
Finished goods	471.49	424.53
Waste	1.21	1.01
Stock-in-trade		
Stock-in-trade	114.43	68.60
Stock-in-trade in transit	4.32	6.47
Land Held as Stock-in-trade	6.58	6.58
Total	**2,137.68**	**1,985.99**

Inventory write downs are accounted, considering the nature of inventory, ageing and net realisable value for ₹ 92.50 Crores (March 31, 2024 ₹ 76.54 Crores). The changes of write down in inventory amounts to ₹ 15.96 crores (March 31, 2024 ₹ 39.66 crores) are recognised as an expense in the Statement of Profit and Loss.
Inventories are hypothecated as security for borrowings as disclosed under note 15(a).

Note 11 : Current Tax Assets (Net)

Particulars	As at March 31, 2025	As at March 31, 2024
Tax Paid in Advance (Net of Provision)	6.92	19.82
Total	**6.92**	**19.82**

Note 12 : Current Tax Liability (Net)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for taxation (Net of Advance Tax)	5.97	1.11
Total	**5.97**	**1.11**

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Note 13 : Equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Authorised share capital				
Equity shares of ₹ 10 each	57,45,00,000	574.50	57,45,00,000	574.50
Preference shares of ₹ 100 each	1,00,00,000	100.00	1,00,00,000	100.00
Issued, subscribed and paid-up share capital				
Equity shares of ₹ 10 each	26,18,17,974	261.82	26,16,30,474	261.63
Add : forfeited shares	900	(₹ 4,500/-)	900	(₹ 4,500/-)
Total	**26,18,18,874**	**261.82**	**26,16,31,374**	**261.63**

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Outstanding at the beginning of the year	26,16,30,474	261.63	26,14,97,474	261.50
Add : Shares allotted pursuant to exercise of Employee Stock Option Scheme	1,87,500	0.19	1,33,000	0.13
Outstanding at the end of the year	**26,18,17,974**	**261.82**	**26,16,30,474**	**261.63**

(ii) Rights, Preferences and Restrictions attached to equity shares:

The Company has one class of shares having par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of shareholder holding more than 5% Shares in the Company:

Name of the Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Aura Securities Private Limited	8,97,30,590	34.27	9,37,30,590	35.83
Quant Mutual Fund (Small Cap and Manufacturing Fund)	1,48,30,168	5.66	1,37,46,985	5.25

(iv) Details of shareholding of promoters in the Compan

Name of the Promoter	As at March 31, 2025			As at March 31, 2024		
	No. of shares	% of shareholding	% change during the year	No. of shares	% of shareholding	% change during the year
Sanjaybhai Shrenikbhai Lalbhai	170	0.00%	0.00%	170	0.00%	(89.13%)
Jayshreeben Sanjaybhai Lalbhai	345	0.00%	0.00%	345	0.00%	0.00%
Punit Sanjaybhai	3,714	0.00%	0.00%	3,714	0.00%	0.00%
Swati S Lalbhai	9,712	0.00%	0.00%	9,712	0.00%	0.00%
Sunil Siddharth Lalbhai	5,437	0.00%	0.00%	5,437	0.00%	0.00%
Vimla S Lalbhai	970	0.00%	0.00%	970	0.00%	(78.87%)
Taral S Lalbhai	4,074	0.00%	0.00%	4,074	0.00%	0.00%
Astha Lalbhai	1,925	0.00%	0.00%	1,925	0.00%	0.00%
Sunil Siddharth HUF	18	0.00%	0.00%	18	0.00%	0.00%
Kalpana Shripal Morakhia	12	0.00%	0.00%	12	0.00%	0.00%
Aura Securities Private Limited	8,97,30,590	34.27%	(4.27%)	9,37,30,590	35.83%	0.00%
Aura Business Ventures LLP	69,60,988	2.66%	0.00%	69,60,988	2.66%	0.00%
Atul Limited	41,27,471	1.58%	0.00%	41,27,471	1.58%	0.00%
Aagam Holdings Private Limited	18,76,258	0.72%	0.00%	18,76,258	0.72%	0.00%
Lalbhai Realty Finance Private Limited	4,55,000	0.17%	0.00%	4,55,000	0.17%	0.00%
Akshita Holdings Private Limited	1,50,000	0.06%	0.00%	1,50,000	0.06%	0.00%
Anusandhan Investments Limited	1,15,000	0.04%	0.00%	1,15,000	0.04%	0.00%
Aayojan Resources Private Limited	96,000	0.04%	0.00%	96,000	0.04%	0.00%
Adhinami Investments Private Limited	78,500	0.03%	0.00%	78,500	0.03%	0.00%
Aura Business Enterprise Private Limited	100	0.00%	0.00%	100	0.00%	0.00%
Aura Merchandise Private Limited	100	0.00%	0.00%	100	0.00%	0.00%
Aura Securities Private Limited (As a partner of the Partnership Firm i.e. Aura Venture)	100	0.00%	0.00%	100	0.00%	0.00%
Swati S Lalbhai (As a Trustee of Siddharth Family Trust)	3,620	0.00%	0.00%	3,620	0.00%	100.00%
Sanjaybhai Shrenikbhai Lalbhai (As a Reprentative trustee of Discretionary Trust)	1,394	0.00%	0.00%	1,394	0.00%	100.00%
Total	**10,36,21,498**	**39.57%**		**10,76,21,498**	**41.13%**	

(v) Shares reserved for issue under options and contracts:
Refer note 37 for details of shares to be issued under employee stock option Scheme (ESOS 2021).

(vi) In the period of five years immediately preceding March 31, 2025:
i) The Company has not allotted any equity shares as fully paid up without payment being received in cash.
ii) The Company has not allotted any equity shares by way of bonus issue.
iii) The Company has not bought back any equity shares.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(₹ in Crores)

Note 14 : Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Capital reserve		
Balance as per last financial statements	**41.93**	**17.16**
Add : Adjustment due to Business Combination (Refer note 46)	-	24.77
Balance at the end of the year	**41.93**	**41.93**
(b) Capital reserve on Consolidation		
Balance as per last financial statements	**1.50**	**1.50**
Balance at the end of the year	**1.50**	**1.50**
(c) General reserve		
Balance as per last financial statements	**62.24**	**62.24**
Less : Transfer to Retained Earnings	(0.01)	-
Balance at the end of the year	**62.23**	**62.24**
(d) Amalgamation reserve		
Balance as per last financial statements	**34.54**	**34.54**
Balance at the end of the year	**34.54**	**34.54**
(e) Securities premium account		
Balance as per last financial statements	**574.41**	**573.21**
Add: Received during the year	1.88	0.11
Add: Transfer from share based payment reserve	1.86	1.09
Balance at the end of the year	**578.15**	**574.41**
(f) Capital redemption reserve		
Balance as per last financial statements	**69.50**	**69.50**
Balance at the end of the year	**69.50**	**69.50**
(g) Share based payment reserve (Refer note 37)		
Balance as per last financial statements	**2.56**	**1.14**
Add: Addition during the year	5.95	2.51
Less: Transfer to General Reserve	(0.20)	-
Less: Transfer to Securities Premium Account	(1.86)	(1.09)
Balance at the end of the year	**6.45**	**2.56**
(h) Retained earnings		
Balance as per last financial statements	**2,602.68**	**2,413.79**
Add: Profit for the year	353.49	336.61
Add/(Less): Other comprehensive income/(loss) arising from remeasurement of defined benefit obligation (net of tax)	(12.54)	10.15
Less: Movement between Non-Controling Interest and Equity holders of the parent	-	(7.51)
Add: Adjustment on Consolidation	30.12	-
Less: Transfer from Equity Instruments through Other Comprehensive Income	(10.48)	-
Less : Dividend Paid during the year	(124.27)	(150.36)
Balance at the end of the year	**2,839.00**	**2,602.68**
Items of Other comprehensive income		
(i) Equity Instruments through OCI (net of tax)		
Balance as per last financial statements	**(21.25)**	**0.62**
Add: Transfer to Retained Earnings	10.69	-
Less: Loss during the year	(4.08)	(21.87)
Balance at the end of the year	**(14.64)**	**(21.25)**
(ii) Foreign Currency Translation Reserve		
Balance as per last financial statements	**(85.05)**	**(83.24)**
Less: Addition during the year	(5.71)	(1.81)
Balance at the end of the year	**(90.76)**	**(85.05)**
(iii) Cash Flow hedge reserve		
Balance as per last financial statements	**(1.94)**	**(6.33)**
Add/(Less) : Addition during the year	(2.26)	5.86
Add/(Less) : Tax impact on additions	0.58	(1.47)
Balance at the end of the year	**(3.62)**	**(1.94)**
Total Other equity	3,524.28	3,281.12

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

The description of the nature and purpose of each reserve within equity is as follows :

(a) Capital reserve
Capital Reserve includes forfeiture of application money received on issue of share warrants and Capital Reserves on amalgamation/Business Combinations.

(b) Capital reserve on consolidation
Gain on purchase, i.e. excess of fair value of net assets acquired over the fair value of consideration in a business combination or on acquisition of interest in subsidiary is recognised as capital reserve on consolidation.

(c) General reserve
General Reserve is a free reserve created by the Group by transfer from Retained earnings for appropriation purposes.

(d) Amalgamation reserve
The reserve was created pursuant to scheme of amalgamation in earlier years. Amalgamation Reserve is a reserve which arose pursuant to the scheme of amalgamation and shall not be considered to be a reserve created by the Group.

(e) Securities premium account
Securities premium reserve is created due to premium on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act.

(f) Capital redemption reserve
Capital Redemption Reserve is created for redemption of preference shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the preference shares redeemed. Capital Redemption Reserve may be applied by the Group in paying up unissued shares of the Group to be issued to shareholders of the Group as fully paid bonus shares.

(g) Share based payment reserve
This reserve relates to share options granted by the Group to its employee stock option scheme. Further information about share-based payments to employees is set out in note 37.

(h) Retained earnings
Retained earnings includes ₹ 30.06 crores as at March 31, 2025 pertaining to Arvind foundation and Arvind Indigo foundation held for specified purpose.

(i) Equity Instruments through OCI
The Group has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

(j) Foreign currency translation reserve
Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

(k) Cash Flow hedge reserve
The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on the changes of the fair value of the designated portion of the hedging instruments that are recognised and accumulated under the cash flow hedge reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

Note 15 : Financial liabilities

15 (a) Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
A. Long-term Borrowings (at amortised cost)		
(ai) Term loan (Secured)		
- from Banks	292.30	262.97
(aii) Term loan (Unsecured)		
- from Banks	-	0.38
(aiii) Non convertible Debentures	0.00	0.00
Total long-term borrowings (A)	**292.30**	**263.35**
B. Short-term Borrowings (at amortised cost)		
(bi) Working Capital Loans from Banks (Secured)	979.28	923.02
(bii) Current maturity of long term borrowings		
Term loan (Secured)		
- from Banks	101.71	134.42
Term loan (Unsecured)		
- from Banks	0.38	1.50
(biii) Intercorporate Deposits		
- From Related Parties	-	0.80
- From Others	2.29	2.29
Total short-term borrowings (B)	**1,083.66**	**1,062.03**
Total borrowings (A) +(B)	**1,375.96**	**1,325.38**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Notes :

Nature of security:

Term loan of ₹ 394.01 Crores

(i) Loans amounting to ₹ 24.98 Crores (March 31, 2024 ₹ 74.87 Crores) are secured by (a) exclusive charge on some of the Immovable properties at Asarwa; (b) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage.

(ii) Loans amounting to ₹ 147.54 Crores (March 31, 2024 ₹ 74.87) are secured by (a) exclusive charge on Immovable properties of Ankur division; (b) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (c) Secured by second pari passu charge on all the Company's Current Assets and all the current assets aquired by the Company at any time in future.

(iii) Loans amounting to ₹ 84.22 Crores (March 31, 2024 ₹ 112.29 Crores) are secured by (a) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Naroda and Santej Plant; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (b) Secured by second pari passu charge on all the Company's Current Assets and all the current assets aquired by the Company at any time in future.

(iv) Loans amounting to ₹ 86.04 Crores (March 31, 2024 ₹ 97.29 Crores) are secured by (a) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (b) Secured by second pari passu charge on all the Company's Current Assets and all the current assets aquired by the Company at any time in future.

(v) Loans amounting to Nil (March 31, 2024 ₹ 18.08 Crores) are secured by (a) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (b) Secured by second pari passu charge on all the Company's Current Assets presently relating to the Textile Plants and Garment Division and all the current assets aquired by the Company at any time in future.

(vi) Loans amounting to ₹ 4.55 Crores (March 31, 2024 ₹ 7.67 Crores) are secured by first pari passu charge over the entire land, building and fixed assets of the subsidiary company and by second pari passu charge over the inventory, receivables and other current assets of the subsidiary company.

(vii) Loans amounting to ₹ 41.79 Crores (March 31, 2024 ₹ 4.43 Crores) are secured by (i) First pari passu charge by way of hypothecation over all the movable fixed assets of the subsidiary company, both present and future (ii) Second pari passu charge by way of hypothecation over all the current assets of the subsidiary company, both present and future (iii) Unconditional & irrevocable corporate guarantee of Parent.

(viii) Loans amounting to ₹ 4.89 Crores (March 31, 2024 ₹ 7.89 Crores) are secured by (i) first pari passu charge over the entire moveable fixed assets of the subsidiary company and current assets of the subsidiary company (ii) Unconditional & irrevocable corporate guarantee of Parent.

Rate of Interest and Terms of Repayment

Particulars	₹ in Crores	Range of Interest (%)	Terms of Repayment from Balance sheet date
Term Loan from Banks			
(I) Secured Rupee Loans	394.01	7.85% to 10.30%	Repayable in quarterly instalments ranging between 2 to 17.
(II) Unsecured Rupee Loans	0.38	9.35%	Repayable in 1 quarterly instalments.

Nature of Security

Working Capital and Other Facilities from Banks

(a) Secured by first pari passu charge on all the Company's Current Assets presently relating to the Manufacturing Locations and all the Current Assets acquired by the Company at any time after the execution of and during the continuance of the Indenture of Mortgage.

(b) Secured by a second pari passu charge over all the Immovable and movable Properties relating to Textile Plants, Movable Properties pertaining to garment division at Bangalore and all the movable and immovable properties aquired by the Company at any time in future after execution of and during the continuance of the Indenture of Mortgage.

Rate of Interest

i. Working Capital Loans from banks carry interest rates ranging from 7.58% to 11% per annum.

ii. Other Borrowings carry interest rates upto 9% per annum.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

15 (b) Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Acceptances*	502.04	459.16
Other trade payables		
- Total Outstanding dues of Micro Enterprises and Small Enterprises	106.75	147.53
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,046.41	768.60
Total	**1,655.20**	**1,375.29**

For amount payable to related parties, refer note 35.

*Acceptances represent arrangements under which operational suppliers of goods and services are initially paid by banks, while the Company continues to recognize the corresponding liability until it is settled with the banks. Such settlements are typically made within 150 days.

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2024. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
- Principal amount due to micro and small enterprise	106.56	147.04
- Interest due on above	0.19	0.49
(ii) Interest paid by the Group in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv)The amount of interest accrued and remaining unpaid at the end of each accounting year	0.19	0.49
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	0.19	0.49

Ageing of Trade Payables from due date of payments as at March 31, 2025 and March 31, 2024 are as follows:

Particulars	Not Due	< 1 year	>1 year but < 2 years	>2 year but < 3 years	More than 3 years	Total
Year ended March 31, 2025						
(i) Micro Enterprises and Small Enterprises	92.53	14.21	0.01	-	-	106.75
(ii) Other then Micro Enterprises and Small Enterprises	1,356.06	179.18	4.77	2.74	5.70	1,548.45
	1,448.59	**193.39**	**4.78**	**2.74**	**5.70**	**1,655.20**
Year ended March 31, 2024						
(i) Micro Enterprises and Small Enterprises	124.40	22.43	0.42	0.18	0.10	147.53
(ii) Other then Micro Enterprises and Small Enterprises	1,031.63	163.36	10.01	9.13	13.63	1,227.76
	1,156.03	**185.79**	**10.43**	**9.31**	**13.73**	**1,375.29**

15 (c) Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Security Deposits	0.36	0.35
Total Other Non-current financial liabilities (A)	**0.36**	**0.35**
Current		
Interest accrued but not due on financial liabilities	4.83	4.92
Payable to employees	166.23	155.43
Deposits from customers and others	8.29	7.09
Payable in Respect of Capital Goods	127.73	25.57
Foreign Currency Derivative Contracts (Cash flow hedge)	3.59	4.91
Unpaid dividends (Refer note 8 (e))	2.52	2.38
Book overdraft	0.67	0.28
Other Payables	4.36	24.02
Total Other Current financial liabilities (B)	**318.22**	**224.60**
Total (A)+(B)	**318.58**	**224.95**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 16 : Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Long-term		
Provision for employee benefits		
Provision for leave encashment	30.21	27.08
Provision for Gratuity (Refer note 34)	4.70	3.94
Provision for compensatory pension (Refer note 34)*	1.18	1.21
Total Long-term provisions (A)	**36.09**	**32.23**
Short-term		
Provision for employee benefits		
Provision for leave encashment	14.51	12.79
Provision for Gratuity (Refer note 34)	4.93	2.68
Provision for compensatory pension (Refer note 34)*	0.38	0.52
Total Short-term provisions (B)	**19.82**	**15.99**
Total (A)+(B)	**55.91**	**48.22**

* Including ₹ 0.08 Crores (March 31, 2024 : ₹ 0.26 Crores) pertaining to employees for which the liability of the Company is crystalised.

Note 17 : Government grants

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Deferred Government Grants	112.52	79.56
Total Non-current government grants (A)	**112.52**	**79.56**
Current		
Deferred Government Grants	12.75	12.86
Total Current government grants (B)	**12.75**	**12.86**
Total (A)+(B)	**125.27**	**92.42**

Government grants

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Balance as per last financial year	92.42	83.88
Received during the year	43.81	20.22
Released to statement of profit and loss (net) (Refer note 20)	(10.96)	(11.68)
Balance at the end of the year	**125.27**	**92.42**

The Government Grant majorly includes benefit received under Export Promotion Capital Goods ("EPCG") scheme of Department General of Foreign Trade India (DGFT). It will be recognised as income in the statement of profit and loss over the useful life of the related assets in proportion in which depreciation is charged.

Note 18 : Other liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Income received in advance	0.21	0.05
Total Other Non-current liabilities (A)	**0.21**	**0.05**
Current		
Advance from customers	312.17	339.10
Statutory dues	28.12	27.04
Other liabilities	38.91	15.34
Total Other current liabilities (B)	**379.20**	**381.48**
Total (A)+(B)	**379.41**	**381.53**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 19 : Revenue from operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products	7,837.32	7,297.16
Sale of services	179.09	175.06
Other Operating income :		
Waste sale	90.35	88.86
Gain on forward contracts	(9.23)	(6.18)
Export incentives	177.77	144.40
Foreign exchange fluctuations	47.31	34.00
Others	6.20	4.45
Total	**8,328.81**	**7,737.75**

Disaggregation of Revenue from contracts with customers

Revenue based on Geography

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Domestic	4,918.22	4,557.02
Export	3,410.59	3,180.73
Revenue from Operations	**8,328.81**	**7,737.75**

Revenue based on business segment

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Textile	6,146.83	5,775.42
Advanced Material	1,536.39	1,425.04
Others	645.59	537.29
Revenue from Operations	**8,328.81**	**7,737.75**

Reconciliation of revenue from operation with contract price

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contract with customers as per the contract price	8,207.75	7,599.25
Less : Adjustment made to contract price on account of:		
a) Discounts and Rebates	191.30	127.00
b) Customer loyalty programme	0.04	0.03
Total Revenue from contract with customers	**8,016.41**	**7,472.22**
Other Operating income	312.40	265.53
Revenue from Operations	**8,328.81**	**7,737.75**

Contract balances

The following table provides information about contract assets and contract liabilities from contracts with customers:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Trade Receivables - Contract Assets	1,177.27	1,069.76
Advances from Customers - Contract Liabilities*	312.17	339.10

*It is expected that this unsatisfied performance obligations will be satisfied withing next 12 months.
The company has applied practical expedient as given in Ind AS 115 for not disclosing the remaining performance obligation for contracts that have original expected duration of one year or lesser.

Revenue recognised in relation to contract liabilities

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue recognised that was included in the contract liability balance at the beginning of the period	155.55	81.04

Note 20 : Other income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income on financial assets measured at amortized cost	5.93	3.07
Dividend Income	0.02	-
Government grants (Refer note 17)	10.96	11.68
Rent	0.36	0.36
Profit on sale of Property, Plant and Equipment and Investment Properties	16.08	-
Profit on sale of Investment (Net)	1.12	0.80
Exchange difference on Borrowing and others	0.14	0.11
Scrap income	13.30	12.37
Miscellaneous income	17.28	12.44
Total	**65.19**	**40.83**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 21 : Cost of raw materials and accessories consumed

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the beginning of the year	594.85	399.70
Add : Purchases during the year	3,716.13	3,670.93
	4,310.98	4,070.63
Less : Inventories at the end of the year	580.96	594.85
Total	**3,730.02**	**3,475.78**

Note 22 : Purchases of stock-in-trade

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Purchase of stock-in-trade	387.50	236.68
Total	**387.50**	**236.68**

Note 23 : Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the end of the year		
Finished goods	471.49	424.53
Stock-in-trade	114.43	68.60
Work-in-Progress	627.80	516.47
Project work-in-progress	252.83	302.65
Waste	1.21	1.01
(A)	**1,467.76**	**1,313.26**
Inventories at the beginning of the year		
Finished goods	424.53	380.93
Stock-in-trade	68.60	68.23
Work-in-Progress	516.47	454.75
Project work-in-progress	302.65	260.25
Waste	1.01	0.41
(B)	**1,313.26**	**1,164.57**
Adjustment due to Business Combination (Refer note 46)	-	114.98
Total (Increase) / Decrease in Inventories (B-A)	**(154.50)**	**(33.71)**

Note 24 : Employee benefits expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages, gratuity, bonus and commission	950.03	868.38
Contribution to provident and other funds (Refer note 34)	78.11	71.58
Welfare and training expenses	22.25	21.10
Share based payment to employees (Refer note 37)	5.95	2.51
Total	**1,056.34**	**963.57**

Note 25 : Finance costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense on Financial Liabilities		
- Loans and Other Credit Facilities	148.75	145.78
- Debentures	-	1.24
- Lease Liability (Refer note 38)	16.48	10.59
- others	0.09	1.66
Other borrowing cost	0.45	0.03
Total	**165.77**	**159.30**

Note 26 : Depreciation and amortization expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on Property, plant and equipment (Refer note 5)	219.49	231.53
Depreciation on Investment properties (Refer note 6)	0.03	0.02
Amortisation of Intangible assets (Refer note 7)	5.49	10.61
Amortisation of right of use assets (Refer note 38)	33.70	23.66
Total	**258.71**	**265.82**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 27 : Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Power and fuel	568.05	562.76
Stores consumed	589.09	574.62
Processing charges	173.37	169.31
Miscellaneous Labour charges	182.48	136.11
Rent	22.85	20.60
Insurance	18.19	16.04
Printing, stationery and communication	26.00	22.00
Commission, Brokerage and discount	38.68	43.82
Rates and taxes	18.71	22.67
Repairs :		
To Building	6.44	5.51
To Machineries (including spares consumption)	141.70	133.72
To others	15.15	7.95
Freight, insurance and clearing charge	172.44	113.82
Advertisement and publicity	50.31	43.68
Software Expenses	7.36	10.39
Legal and Professional charges	58.87	46.16
Conveyance and Travelling expense	52.10	41.32
Director's sitting fees	0.18	0.17
Allowance for doubtful receivables and expected credit loss (Refer note 8 (b))	4.50	2.54
Allowances for doubtful advances	0.02	1.17
Bad debt written off	1.47	0.04
Sundry Advances written off	2.50	6.94
Sundry Balances Written Off	0.78	1.42
Auditor's remuneration	2.19	1.78
Bank charges	42.61	33.32
Corporate Social Responsibility expenses	9.02	6.05
Loss on sale of Property, plant and equipment	0.57	0.91
Foreign exchange fluctuations	8.68	0.92
Miscellaneous expenses (Refer note (i) below)	169.69	102.14
Total	**2,384.00**	**2,127.88**

(i) The Group made a political contribution of ₹10 crores to the Prudent Electoral Trust for the year ended March 31, 2025 (Nil for the year ended March 31, 2024), which is included under Miscellaneous Expenses.

Note 28 : Exceptional items

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Allowance for doubtful Receivable and unbilled Revenue	-	(2.73)
	-	**(2.73)**
Tax Impact on above	-	0.27
Total	**-**	**(2.46)**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 29 : Income tax

The major component of income tax expense for the years ended March 31, 2025 and March 31, 2024 are as follows:

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Statement of Profit and Loss		
Current income tax	121.90	129.31
Short provision related to earlier years	(2.43)	3.94
Deferred tax		
- Deferred tax Charge/(Credit)	6.02	(22.58)
- Deferred tax Charge/(Credit)-Exceptional Items (Refer note 28)	-	0.27
	6.02	**(22.31)**
Income tax expense in the statement of profit and loss	**125.49**	**110.94**
Statement of Other comprehensive income (OCI)		
Current income tax	(4.26)	1.94
Deferred tax charge/(credit)	(0.66)	(3.87)
Income tax expense/(Credit) recognised in OCI	**(4.92)**	**(1.93)**

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2025 and March 31, 2024.

A. Current tax

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Accounting profit before tax	492.87	463.30
Less : Tax on Exceptional Items	-	(0.27)
	492.87	463.57
Tax Rate	**25.168%**	**25.168%**
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	124.05	116.67
Adjustment		
Utilisation of Capital Loss	9.68	(10.02)
Exempt income	1.71	1.37
On account of revaluation of tax base of non-depreciable assets (due to indexation benefit)	11.22	(2.26)
Expenditure not deductible for tax/not liable to tax	(1.21)	(6.52)
Change in deferred tax balance due to change in income tax rate	-	-
Accelerated depreciation for tax purposes	(2.25)	0.02
Difference in tax rates for certain entities of the group	0.51	(0.60)
Non-recognition of deferred tax assets due to absence of probable certainty of reversal in future	(3.22)	11.44
On account of reversal of long term capital loss	10.96	-
Change in deferred tax balance due to change in income tax rate (Refer note (i) below)	29.35	-
Unused tax losses and credits	(44.23)	(2.42)
Short Provision of the earlier years	(2.42)	3.94
Other adjustments	(1.06)	(0.68)
Total income tax expense	**133.09**	**110.94**
Effective tax rate	27.00	23.95

(i) Pursuant to the latest amendments in the Finance (No. 2) Act 2024, long term capital gains tax rate was changed from 20% plus surcharge and cess (with indexation) to 12.5% plus surcharge and cess (without indexation). In accordance with the said amendments, the deferred tax assets has been reduced by ₹ 29.35 crores as a cumulative one time impact while computing the profit after tax for the year ended March 31, 2025.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(₹ in Crores)

Note 29 : Income tax
B. Deferred tax
Significant components of Deferred tax (assets) and liabilities recognized in the financial statements of the Group are as follows :

Particulars	Balance Sheet as at		Adjustment Due to Business Combination (Refer note 46)		Statement of Profit and Loss and OCI for the year ended on		Balance Sheet as at	
	March 31, 2024	March 31, 2023	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Accelerated depreciation for tax purposes	(166.91)	(170.89)	-	-	(3.50)	3.98	(170.41)	(166.91)
Impact of fair valuation of Land	(6.38)	(8.83)	-	-	(9.06)	2.45	(15.44)	(6.38)
Provision for doubtful debt	2.96	2.63	-	-	(1.39)	0.33	1.57	2.96
Expenditure allowable on payment basis	17.71	9.98	-	-	1.26	7.73	18.97	17.71
Expenditure allowable over the period (Section 35D / 35DD)	(0.02)	1.03	-	-	(0.06)	(1.05)	(0.08)	(0.02)
Unused long-term capital loss	50.18	47.16	-	-	(41.32)	3.02	8.86	50.18
Unused losses available for offsetting against future taxable income	(1.86)	(1.57)	-	-	46.64	(0.29)	44.78	(1.86)
Unused tax credit available for offsetting against future taxable income	-	-	-	-	-	-	-	-
Deferred tax on unrealised profit	3.54	3.54	-	-	-	-	3.54	3.54
Others	47.96	37.84	-	0.11	2.07	10.01	50.03	47.96
Deferred tax (expense)/income					**(5.36)**	**26.18**		
Net deferred tax assets/(liabilities)	**(52.82)**	**(79.11)**	**-**	**0.11**			**(58.18)**	**(52.82)**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Hence, deferred tax assets and liabilities which can not be offset, are presented separately as Deferred Tax Assets and Deferred Tax Liabilities. Details of the same are as under:

Particulars	Balance as at			
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Deferred tax assets		Deferred tax Liabilities	
Accelerated depreciation for tax purposes	(0.03)	(0.21)	(170.38)	(166.70)
Impact of fair valuation of Land	(0.19)	-	(15.25)	(6.38)
Provision for doubtful debt	1.57	2.96	-	-
Expenditure allowable on payment basis	4.46	1.50	14.51	16.21
Expenditure allowable over the period (Section 35D / 35DD)	-	-	(0.08)	(0.02)
Unused long-term capital loss	-	-	8.86	50.18
Unused losses available for offsetting against future taxable income	44.78	-	-	(1.86)
Deferred tax on unrealised profit	-	-	3.54	3.54
Others	16.26	11.09	33.77	36.87
Total of Deferred Tax Assets/(Liabilities)	**66.85**	**15.34**	**(125.03)**	**(68.16)**

The Group has unused tax capital losses amounting to ₹ 111.85 crores as at March 31, 2025 (March 31, 2024: ₹ 475.32 crores). Out of the same, tax credits on losses of ₹ 49.87 crores have not been recognised on the basis that recovery is not probable in the foreseeable future. Unrecognised tax capital losses will expire by March 31,2032, if unutilised, based on the year of origination.

No liability has been recognised on the undistributed earnings of the subsidiaries because management controls the distributions of the earnings of the subsidiaries to the holding company and it has decided not to distribute the earnings of the subsidiaries.

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(₹ in Crores)

Note 30 : Contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Contingent liabilities not provided for		
(i) Claims against Group not acknowledged as debts	9.72	9.78
(ii) Disputed demands in respect of		
Excise and Customs duty	4.77	4.77
Value added tax and Central sales tax	9.48	7.76
Income tax	4.18	6.24
Goods and Service Tax	10.74	9.68
Service tax	7.94	17.23

The claims which are not acknowledged as debt are related to factory labour which are pending before Labour Court, Industrial Court and High Court.

Above disputed demand includes show cause notices received from various indirect tax department for various matters and in response of the same Group has preferred appeals on these matters and the same are pending with various adjudicating authorities.

The management expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Group's financial statements.

The Parent Company has received various demands / show cause notices from income tax authorities aggregating to ₹ 3.96 crores. As the Parent Company has opted for new tax regime under section 115BAA of the Act in FY 2022-23, the Parent Company has written off MAT credit u/s. 115JAA of the Act amounting to ₹ 27.06 crore, which can be offset against above demands. If the above referred issues settles against the Parent Company, there will not be any actual tax outflow or impact on profit and loss of the Parent Company. Hence, no contingent liability is considered on above matters.

Note 31 : Capital commitment and other commitments

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Capital commitments		
Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances)	134.20	117.10
(b) Other commitments		
Export obligations against the import licenses taken for import of capital goods under the Export Promotion Capital Goods Scheme which is to be fulfilled over the period of next six years. If the Company is unable to meet these obligations, its liability would be ₹ 74.86 crores (March 31, 2024: ₹ 25.37 crores) which will reduce in proportion to actual exports. The Company is reasonably certain to meet its export obligations and expects no outflow, hence it does not anticipate a loss with respect to these obligations and accordingly has not made any provision in its financial statements.	449.12	170.37

Note 32 : Foreign Exchange Derivatives and Exposures not hedged

The Group holds derivative financial instruments such as foreign currency forward, options and swap contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank.

All derivative financial instruments are recognized as assets or liabilities on the balance sheet and measured at fair value. The accounting for changes in the fair value of a derivative instrument depends on the intended use of the derivative and the resulting designation.

The fair values of all derivatives are separately recorded in the balance sheet within current and non-current assets and liabilities depending upon the maturity of the derivatives.

The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

Cash Flow Hedges

The Group also enters into forward exchange contracts for hedging highly probable forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognized in equity until the hedged transaction occurs, at which time, the respective gain or losses are reclassified to the statements of profit or loss. These hedges have been effective for the year ended March 31, 2025 and March 31, 2024.

The Group uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

The cash flow hedges are taken out by the Group during the year for hedging the foreign exchange rate of highly probable forecast transactions.
The cash flows related to above are expected to occur during the year ended March 31, 2025 and consequently may impact the statement of profit or loss for that year depending upon the change in the foreign exchange rates movements.
A details of derivative contracts outstanding as at reporting date are as follows:

A. Foreign Exchange Derivatives

Nature of instrument	Currency	As at March 31, 2025				As at March 31, 2024			
		Average Exchange Rate (in equivalent ₹)	Amount in Foreign currency (In Millions)	Nominal Amount (₹ in Crores)	MTM Value (₹ in Crores)	Average Exchange Rate (in equivalent ₹)	Amount in Foreign currency (In Millions)	Nominal Amount (₹ in Crores)	MTM Value (₹ in Crores)
Cash Flow Hedges (Routed through OCI)									
Forward Sales Contracts									
Maturing less than 3 months	USD	85.84	19.81	170.05	0.04	83.37	91.07	759.28	(1.45)
Maturing between 3 to 6 months	USD	85.55	18.75	160.41	(1.29)	83.85	91.38	766.19	0.57
Maturing between 6 to 9 months	USD	86.10	4.00	34.44	(0.19)	84.38	45.91	387.39	0.96
Maturing between 9 to 12 months	USD	-	-	-	-	84.57	10.75	90.91	-
Total	USD		42.56	364.90	(1.44)		239.11	2,003.77	0.08
Option contracts									
Maturing less than 3 months	USD	-	-	-	0.04	-	-	-	-
Maturing between 3 to 6 months	USD	-	-	-	(0.15)	-	-	-	-
Maturing between 6 to 9 months	USD	-	-	-	(0.35)	-	-	-	-
Maturing between 9 to 12 months	USD	-	-	-	(0.57)	-	-	-	-
Total	USD		-	-	(1.03)		-	-	-
Other Hedges (Routed through Profit and Loss)									
Forward Purchase Contracts									
Maturing less than 3 months	USD	-	-	-	-	83.82	0.89	7.46	-
Total	USD		-	-	-		0.89	7.46	-

All derivative contracts stated above are for the purpose of hedging the underlying foreign currency exposure.

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

B. Exposure Not Hedged

Nature of exposure	Currency	As at March 31, 2025		As at March 31, 2024	
		FC In Mn	₹ in Crores	FC In Mn	₹ in Crores
Receivables	USD	45.64	390.15	45.98	383.75
	EUR	2.51	23.13	2.60	23.12
	AUD	0.03	0.17	0.12	0.63
	GBP	0.37	4.13	0.23	2.36
	AED	-	-	0.03	0.07
Cash & Cash Equivalent	USD	0.95	8.13	-	-
	GBP	(GBP 7,283)	0.08	-	-
	BDT	8.40	0.59	-	-
Payable to creditors	USD	8.65	73.93	5.93	49.46
	EUR	0.64	5.90	3.59	1.53
	JPY	4.27	0.25	4.36	0.24
	GBP	0.06	0.68	0.06	0.60
	AUD	(AUD 7,944)	0.04	0.01	0.07
	CHF	0.02	0.21	0.04	0.33
	HKD	(HKD 3,945)	(₹ 43,347)	(HKD 3,935)	(₹ 42,055)
	AED	-	-	0.01	0.01
	CAD	-	-	(CAD 1,089)	0.01

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 33 : Segment Reporting

Identification of Segments:
The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group.

Operating Segments:
(a) **Textiles :** Fabrics, Garments and Fabric Retail.
(b) **Advanced Material :** Human Protection fabric & garments, Industrial Products, Advance Composites and Automotive fabrics.
(c) **Others :** EPABX and One to Many Radio, Water Treatment, Developing of Residential Units, Construction contracts and Others.

Segment revenue and results:
Revenue and expenses directly attributable to segments are reported under each reportable segment. The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income). Unallocated expenditure consists of common expenditure incurred for all the segments and expenses incurred at corporate level.

Segment assets and Liabilities:
Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventories and other operating assets. Segment liabilities primarily includes trade payable and other liabilities excluding borrowings.
Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Inter Segment transfer:
Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. The Group's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments.

Geographical segment
Geographical segment is considered based on sales within India and rest of the world.

Summarised segment information for the years ended March 31, 2025 and March 31, 2024 are as follows:

Particulars	For the Year ended/As at March 31, 2025				
	Textiles	Advanced Material	Others	Eliminations	Total
REVENUE					
External Revenue	6,146.83	1,536.39	645.59	-	8,328.81
Inter segment Revenue	27.45	7.14	92.47	(127.06)	-
Enterprise revenue	**6,174.28**	**1,543.53**	**738.06**	**(127.06)**	**8,328.81**
RESULT					
Segment Result Before Finance cost	440.01	208.81	28.97	-	677.79
Less: Finance Cost					(165.77)
Less: Unallocable expenses (net of income)					(19.15)
Less: Tax Expenses					(125.49)
Net profit/(loss) after tax	**440.01**	**208.81**	**28.97**	**-**	**367.38**
Segment Assets	5,381.94	1,327.89	1,083.39	(816.02)	6,977.20
Unallocated Assets					1,114.30
Investments in Joint Ventures					7.45
Total Assets	**5,381.94**	**1,327.89**	**1,083.39**	**(816.02)**	**8,098.95**
Segment Liabilities	1,910.31	358.36	525.71	(137.13)	2,657.25
Unallocated Liabilities					194.39
Total Liabilities*	**1,910.31**	**358.36**	**525.71**	**(137.13)**	**2,851.64**
Depreciation and amortisation expense	203.26	30.15	11.21	-	244.62
Unallocated Depreciation and amortisation expense					14.09
Total Depreciation and amortisation expense	**203.26**	**30.15**	**11.21**	**-**	**258.71**
Capital Expenditure	607.38	93.56	22.01	-	722.95
Unallocated Capital Expenditure					61.86
Total Capital Expenditure (Refer note (a))	**607.38**	**93.56**	**22.01**	**-**	**784.81**
Material non-cash items other than Depreciation and amortisation	28.29	(4.63)	1.47	-	25.13
Unallocated Material non-cash items other than Depreciation and amortisation					0.75
Total Material non-cash items other than Depreciation and amortisation	**28.29**	**(4.63)**	**1.47**		**25.88**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS
ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(₹ in Crores)

Particulars	For the Year ended/As at March 31, 2024				
	Textiles	Advanced Material	Others	Eliminations	Total
REVENUE					
External Revenue	5,775.42	1,425.04	537.29	-	7,737.75
Inter segment Revenue	27.89	2.64	55.92	(86.45)	-
Enterprise revenue	**5,803.31**	**1,427.68**	**593.21**	**(86.45)**	**7,737.75**
RESULT					
Segment Result Before Finance cost	461.13	194.58	12.71	-	668.42
Less: Finance Cost					(159.30)
Less: Unallocable expenses (net of income)					(45.82)
Add: Tax Credit					(110.67)
Net profit/(loss) after tax	**461.13**	**194.58**	**12.71**	**-**	**352.63**
Segment Assets	4,833.94	1,053.44	1,072.86	(676.03)	6,284.21
Unallocated Assets					967.66
Investments in Joint Ventures					8.50
Total Assets	**4,833.94**	**1,053.44**	**1,072.86**	**(676.03)**	**7,260.37**
Segment Liabilities	1,522.25	270.86	568.82	(71.86)	2,290.07
Unallocated Liabilities					24.22
Total Liabilities*	**1,522.25**	**270.86**	**568.82**	**(71.86)**	**2,314.29**
Depreciation and amortisation expense	200.80	37.77	9.33	-	247.90
Unallocated Depreciation and amortisation expense					17.92
Total Depreciation and amortisation expense	**200.80**	**37.77**	**9.33**	**-**	**265.82**
Capital Expenditure	239.60	55.22	21.29	-	316.11
Unallocated Capital Expenditure					21.73
Total Capital Expenditure (Refer note (a))	**239.60**	**55.22**	**21.29**	**-**	**337.84**
Material non-cash items other than Depreciation and amortisation	12.37	25.81	(1.98)	-	36.20
Unallocated Material non-cash items other than Depreciation and amortisation					12.48
Total Material non-cash items other than Depreciation and amortisation	**12.37**	**25.81**	**(1.98)**	**-**	**48.68**

* Above segment liability does not include borrowings.

(a) Capital expenditure consists of additions to property, plant and equipment, intangible assets, investment properties, capital work in-progress and Right of Use assets.

(b)

Particulars	Year ended/as at	
	March 31, 2025	March 31, 2024
Segment Revenue*		
(a) In India	4,918.22	4,557.02
(b) Rest of the world	3,410.59	3,180.73
Total	**8,328.81**	**7,737.75**
Carrying Cost of Segment Non Current Assets@		
(a) In India	4,091.22	3,590.53
(b) Rest of the world	5.12	19.68
Total	**4,096.34**	**3,610.21**

* Based on location of Customers
@ Other than financial assets and deferred tax assets.

(c) Information about major customers:
Considering the nature of business of group in which it operates, the group deals with various customers including multiple geographic. No single customer has accounted for more than 10% of the group's total revenue for the years ended March 31, 2025 and 2024.

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 34 : Disclosure pursuant to Employee benefits

A. Defined contribution plans:
Amount of ₹ 78.11 Crores (March 31, 2024: ₹ 71.58 Crores) is recognised as expenses and included in note no. 24 "Employee benefit expense"

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(i) Contribution to Provident Fund [note (a)]	39.38	36.04
(ii) Contribution to Pension Fund [note (a)]	23.29	20.58
(iii) Contribution to Superannuation Fund [note (b)]	-	0.71
(iv) Contribution to Employees' State Insurance [note (c)]	13.49	12.73
(v) Contribution to National Pension Scheme	1.95	1.52
Total	**78.11**	**71.58**

Note

(a) Employees of the Group receive benefits from a provident fund, which is a defined contribution plan.The eligible employees and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the employees' salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The remaining portion is contributed to the government-administered pension fund. The Group has no further obligation to the plan beyond its monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

(b) The Group's Superannuation Fund was administered by approved Trust. The Group was required to contribute the specified amount to the Trust for the eligible employees and with effect from october 1, 2023 the group has dicontinued the superannuation Fund scheme.

(c) The Group's Employee State Insurance Fund, for all eligible employees, is administered by ESIC Corporation. The Group is required to contribute specified amount to ESIC Corporation and has no further obligations to the same beyond its contribution.

B. Defined benefit plans:

The Group has following post employment benefit plans which are in the nature of defined benefit plans:

(a) Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days (30 days for the employees joined before 31st March, 2000 with the grade of M2 and above from the date they are in Grade M2 and above) salary multiplied for the number of years of service. The Gratuity plan is a Funded plan administered by a recognised Trust in India.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. Gratuity benefits are both funded and unfunded. The Parent Company fully contributes all ascertained liabilities to the Arvind Limited Employees' Gratuity Fund Trust (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in a scheme as permitted by Indian law. Some of the subsidiaries make annual contribution to the gratuity scheme administered by the Life Insurance Corporation of India.

The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations recognized in other comprehensive income.

(b) Compensatory Pension Scheme

The Parent Company operates a post retirement pension scheme, which is discretionary in nature for certain cadres of employees who have joined before June 30, 1983 and who have rendered not less than 31 years of service before their retirement. The plan is unfunded. Employees do not contribute to the plan.

Liabilities with regard to the Compensatory Pension Scheme are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The Parent Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Changes in defined benefit obligation and plan assets as at March 31, 2025:

Particulars	As at April 1, 2024	Charged to statement of profit and loss			Employer's contribution	Transfer In/(Out)	Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Adjustment Due to Business Combination (Refer note 46)	As at March 31, 2025
		Service cost	Net interest expense/ (income)	Sub-total included in statement of profit and loss (note 24)				Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from changes in Experience adjustments	Sub-total included in OCI		
Gratuity - Funded														
Defined benefit obligation	130.61	8.55	9.27	17.82	-	(0.35)	(12.96)	-	-	4.96	13.62	18.58	-	153.70
Fair value of plan assets	(138.11)	-	(9.79)	(9.79)	(1.22)	-	0.09	(1.62)	-	-	-	(1.62)	-	(150.65)
Benefit liability/(asset)-Funded (A)	**(7.50)**	**8.55**	**(0.52)**	**8.03**	**(1.22)**	**(0.35)**	**(12.87)**	**(1.62)**	**-**	**4.96**	**13.62**	**16.96**	**-**	**3.05**
Gratuity - Non Funded														
Defined benefit obligation	4.30	1.46	0.30	1.76	-	0.27	(0.84)	-	-	0.06	0.91	0.97	-	6.46
Benefit liability/(asset)-Non Funded (B)	**4.30**	**1.46**	**0.30**	**1.76**	**-**	**0.27**	**(0.84)**	**-**	**-**	**0.06**	**0.91**	**0.97**	**-**	**6.46**
Net Benefit liability/(asset) (A+B)	**(3.20)**	**10.01**	**(0.22)**	**9.79**	**(1.22)**	**(0.08)**	**(13.71)**	**(1.62)**	**-**	**5.02**	**14.53**	**17.93**	**-**	**9.51**
Compensatory Pension Scheme														
Defined benefit obligation	1.47	0.03	0.10	0.13	-	-	-	-	-	0.02	(0.14)	(0.12)	-	1.48
Net Benefit liability/(asset)	**1.47**	**0.03**	**0.10**	**0.13**	**-**	**-**	**-**	**-**	**-**	**0.02**	**(0.14)**	**(0.12)**	**-**	**1.48**
Total benefit liability/(asset)	**(1.73)**	**10.04**	**(0.12)**	**9.92**	**(1.22)**	**(0.08)**	**(13.71)**	**(1.62)**	**-**	**5.04**	**14.39**	**17.81**	**-**	**10.99**

Changes in defined benefit obligation and plan assets as at March 31, 2024:

Particulars	As at April 1, 2023	Charged to statement of profit and loss			Employer's contribution	Transfer In/(Out)	Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Adjustment Due to Business Combination (Refer note 46)	As at March 31, 2024
		Service cost	Net interest expense/ (income)	Sub-total included in statement of profit and loss (note 24)				Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from changes in Experience adjustments	Sub-total included in OCI		
Gratuity - Funded														
Defined benefit obligation	122.64	8.07	8.94	17.01	-	0.30	(12.12)	-	(0.51)	0.84	2.57	2.90	(0.12)	130.61
Fair value of plan assets	(130.20)	-	(9.46)	(9.46)	(0.28)	-	11.89	(10.06)	-	-	-	(10.06)	-	(138.11)
Benefit liability/(asset)-Funded (A)	**(7.56)**	**8.07**	**(0.52)**	**7.55**	**(0.28)**	**0.30**	**(0.23)**	**(10.06)**	**(0.51)**	**0.84**	**2.57**	**(7.16)**	**(0.12)**	**(7.50)**
Gratuity - Non Funded														
Defined benefit obligation	2.39	1.95	0.13	2.08	-	(0.30)	(0.77)	-	-	0.02	0.88	0.90	-	4.30
Benefit liability/(asset)-Non Funded (B)	**2.39**	**1.95**	**0.13**	**2.08**	**-**	**(0.30)**	**(0.77)**	**-**	**-**	**0.02**	**0.88**	**0.90**	**-**	**4.30**
Net Benefit liability/(asset) (A+B)	**(5.17)**	**10.02**	**(0.39)**	**9.63**	**(0.28)**	**-**	**(1.00)**	**(10.06)**	**(0.51)**	**0.86**	**3.45**	**(6.26)**	**(0.12)**	**(3.20)**
Compensatory Pension Scheme														
Defined benefit obligation	1.47	0.03	0.11	0.14	-	-	-	-	-	(0.03)	(0.11)	(0.14)	-	1.47
Net Benefit liability/(asset)	**1.47**	**0.03**	**0.11**	**0.14**	**-**	**-**	**-**	**-**	**-**	**(0.03)**	**(0.11)**	**(0.14)**	**-**	**1.47**
Total benefit liability/(asset)	**(3.70)**	**10.05**	**(0.28)**	**9.77**	**(0.28)**	**-**	**(1.00)**	**(10.06)**	**(0.51)**	**0.83**	**3.34**	**(6.40)**	**(0.12)**	**(1.73)**

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

(₹ in Crores)

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	As at March 31, 2025 (%) of total plan assets	As at March 31, 2024 (%) of total plan assets
Portfolio with Insurance Companies	100.00%	100.00%
(%) of total plan assets	**100%**	**100%**

The principal assumptions used in determining above defined benefit obligations for the Group's plans are shown below:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	6.54%-7.16%	7.11%-7.21%
Future salary increase	6.00%-11.00%	6.00%-11.00%
Expected rate of return on plan assets	6.54%-7.16%	7.16%-7.29%
Attrition rate		
- For service 4 years and below	15% - 45%	15% - 45%
- For service 5 years to 10 years	15% - 40%	15% - 40%
- For service above 11 years	10% - 40%	10% - 40%
Mortality rate during employment	Indian assured lives Mortality 2012-14 (Urban)	Indian assured lives Mortality 2012-14 (Urban)

A quantitative sensitivity analysis for significant assumption is as shown below for the defined benefit plan:

Particulars	Sensitivity level	Increase / (decrease) in defined benefit obligation (Impact)	
		Year ended March 31, 2025	Year ended March 31, 2024
Gratuity			
Discount rate	1% increase	(6.42)	(5.18)
	1% decrease	7.16	5.76
Salary increase	1% increase	7.11	5.76
	1% decrease	(5.75)	(5.27)
Attrition rate	1% increase	(0.09)	0.15
	1% decrease	0.08	(0.18)
Compensatory Pension Scheme			
Discount rate	1% increase	(0.02)	(0.02)
	1% decrease	0.03	0.03

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Maturity analysis (Expected undiscounted future benefit payments for the defined benefit plan)

Particulars	As at March 31, 2025	As at March 31, 2024
Gratuity		
Within the next 12 months	34.93	39.05
Between 2 to 5 years	64.98	56.62
From 6 to 10 years	53.24	44.19
From 11 years and above	73.41	64.10
Compensatory Pension Scheme		
Within the next 12 months	0.34	0.34
Between 2 to 5 years	1.36	1.36

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at March 31, 2025 In Years	As at March 31, 2024 In Years
Gratuity	5	5
Compensatory Pension Scheme	2	2

The Group expects to make a contribution of ₹ 12 crores (Previous year - NIL) to the defined benefit plans during the next financial year.

C. Other Long term employee benefit plans:

Leave encashment

The Group has a policy on leave encashment which are both accumulating and non-accumulating in nature. The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

The Group has recognised following as expenses and included in note no. 24 "Employee benefit expense".

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Leave Encashment	19.00	12.51
Total	**19.00**	**12.51**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

Note 35 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures

(a) Name of Related Parties and Nature of Relationship :

(I)	**Subsidiary Companies**	
1	Arvind Worldwide (M) Inc. *	
2	Arvind Overseas (M) Inc. *	
3	Arvind Spinning Limited *	
(II)	**Joint Ventures and Associates**	
	Joint Ventures	
1	Arya Omnitalk Radio Trunking Services Private Limited	
2	Adient Arvind Automotive Fabrics India Private Limited	
3	Arudrama Developers Private Limited	
4	PVH Arvind Manufacturing PLC, Ethiopia	
	Associates	
5	Renew Green (GJ Eight) Private Limited	w.e.f. January 26, 2023
6	Purfi Arvind Manufacturing India Private Limited	w.e.f. December 5, 2024
(III)	**Key Management Personnel**	
1	Mr. Sanjay S. Lalbhai	Chairman and Managing Director
2	Mr. Jayesh K. Shah**	Director & Group Chief Financial Officer
3	Mr. Punit S. Lalbhai	Vice Chairman and Executive Director
4	Mr. Kulin S. Lalbhai	Vice Chairman and Executive Director
5	Mr. Shusheel Kaul	Managing Director (w.e.f May 6, 2024)
6	Mr. Nigam Shah	Chief Financial Officer (w.e.f February 1, 2024)
7	Mr. Bakul Harshadrai Dholakia	Non-Executive Director
8	Mr. Dileep Chinubhai Choksi	Non-Executive Director (up to May 12, 2024)
9	Mr. Nilesh Bansilal Mehta	Non-Executive Director (w.e.f May 12, 2024)
10	Mr. Bakul Harshadrai Dholakia	Non-Executive Director (up to July 31, 2024)
11	Ms. Reena Pravin Bhagwati	Non-Executive Director (w.e.f August 1, 2024)
12	Mr. Nagesh Dinkar Pinge	Non-Executive Director (w.e.f Jun 21, 2024)
13	Mr. Arpit Kantilal Patel	Non-Executive Director (up to May 21, 2024)
14	Ms. Ismet Tehmesp Khambatta	Non-Executive Director
(IV)	**Entity over which Key Management personnel and their relatives have control/joint control/significant influence**	
1	Arvind Smartspaces Limited	
2	The Anup Engineering Limited	
3	Arvind Fashions Limited	
4	Arvind Lifestyle Brands Limited	
5	PVH Arvind Fashion Private Limited	
6	Arvind Youth Brands Private Limited	
7	White Ocean Business Ventures LLP	
8	Blue Craft Business Ventures Llp	
9	Aura Business Ventures LLP	
10	Aura Securities Private Limited	
11	Anukul Investment Private Limited	
12	Aura Business Enterprise Private Limited	
13	Jayesh K Shah Huf	
14	Bhagwati Spherocast Private Limited	
(V)	**Trusts and Others**	
1	Arvind Mills Employees' Provident Fund	
2	The Arvind Mills Employee's Gratuity Fund	
3	Lalbhai Group of Companies Officers' Superannuation Fund	

* Not considered for the purpose of consolidation for the financial year 2024-25 and 2023-24 respectively being defunct status.

** The Parent Company had appointed Mr. Jayesh Shah, Whole Time Director as Chief Financial Officer (KMP) of the Parent Company for the period from January 26, 2023 to January 31, 2024.

The names and the nature of relationships is disclosed only when the transactions are entered into by the Group with the related parties during the existence of the related party relationship.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(b) Transactions and Balances :

(₹ in Crores)

Particulars	Subsidiaries		Joint Ventures and Associates		Key Management Personnel and their Relatives*		Trusts		Entity over which Key Management personnel and their relatives have control/joint control /significant influence		Total	
	Year ended/As at		Year ended/As at		Year ended/As at		Year ended/As at		Year ended/As at		Year ended/As at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
(I) Transactions during the year												
Purchase of Goods	-	-	-	-	-	-	-	-	21.77	13.06	**21.77**	**13.06**
Purchase of Property, Plant and Equipment	-	-	-	-	-	-	-	-	0.14	0.02	**0.14**	**0.02**
Sales of Goods	-	-	-	-	-	-	-	-	21.20	46.80	**21.20**	**46.80**
Sale of Property, Plant and Equipment	-	-	-	-	-	-	-	-	2.05	-	**2.05**	**-**
Expenses Recovered	-	-	2.15	4.00	-	-	-	-	20.57	6.89	**22.72**	**10.89**
Rent Income	-	-	-	-	-	-	-	-	0.22	0.11	**0.22**	**0.11**
Remuneration	-	-	-	-	36.17	25.21	-	-	-	-	**36.17**	**25.21**
Sitting Fees paid to Non-Executive Directors	-	-	-	-	0.18	0.17	-	-	-	-	**0.18**	**0.17**
Comission to Non-Executive Directors	-	-	-	-	0.40	0.41	-	-	-	-	**0.40**	**0.41**
Services Received	-	-	38.22	20.82	-	-	-	-	7.75	15.09	**45.97**	**35.91**
Dividend Income	-	-	0.99	1.51	-	-	-	-	-	-	**0.99**	**1.51**
Dividend paid	-	-	-	-	0.21	0.52	-	-	43.70	55.02	**43.91**	**55.54**
Interest Expense	-	-	0.05	0.01	-	-	-	-	-	-	**0.05**	**0.01**
Interest Income	-	-	0.01	0.05	-	-	-	-	-	-	**0.01**	**0.05**
Donation Given	-	0.94	-	-	-	-	-	-	-	-	**-**	**0.94**
Contribution Received for CSR activities	-	-	-	-	-	-	-	-	3.67	-	**3.67**	**-**
Contribution Given for Employee Benefit Plans	-	-	-	-	-	-	-	0.71	-	-	**-**	**0.71**
Loan Taken	-	-	5.53	3.65	-	-	-	-	-	-	**5.53**	**3.65**
Repayment of Loan	-	-	6.33	2.85	-	-	-	-	-	-	**6.33**	**2.85**
Loan Given	-	-	2.56	7.08	-	-	-	-	-	-	**2.56**	**7.08**
Receipt towards Loan Given	-	-	1.57	9.46	-	-	-	-	-	-	**1.57**	**9.46**
Investment made	-	-	0.01	6.83	-	-	-	-	-	-	**0.01**	**6.83**
(II) Balances as at year end												
Trade Receivable	-	-	0.50	0.04	-	-	-	-	14.62	31.22	**15.12**	**31.26**
Investments	0.33	0.35	65.64	67.97	-	-	-	-	-	-	**65.97**	**68.32**
Provision for Impairment of Investment	(0.33)	(0.33)	(33.25)	(33.24)	-	-	-	-	-	-	**(33.58)**	**(33.57)**
Share Application Money	-	-	1.49	1.49	-	-	-	-	-	-	**1.49**	**1.49**
Provision for Impairment of Share Application Money	-	-	(1.49)	(1.49)	-	-	-	-	-	-	**(1.49)**	**(1.49)**
Other Current Assets	-	(₹ 22,617/-)	-	-	-	-	-	9.70	0.81	0.07	**0.81**	**9.77**
Other Non Current Assets	-	-	0.50	0.50	-	-	-	-	-	-	**0.50**	**0.50**
Loan Given	5.23	5.23	0.99	-	-	-	-	-	-	-	**6.22**	**5.23**
Allowance for Doubtful Loan	(5.23)	(5.23)	-	-	-	-	-	-	-	-	**(5.23)**	**(5.23)**
Trade payables	-	-	2.63	5.36	0.36	0.38	-	-	60.39	32.99	**63.38**	**38.73**
Loan Taken	-	-	-	0.80	-	-	-	-	-	-	**-**	**0.80**
Short Term Provision	-	-	-	-	-	-	1.28	-	-	-	**1.28**	**-**

*The transaction with the n[illegible] Managerial Personnel pertains solely to the payment of dividends.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

(c) Loans and Advances in the nature of loans

List of Related Parties	Purpose	Balance as at	
		March 31, 2025	March 31, 2024
Loans and Advances			
Arvind Worldwide (M) Inc.	General Business Purpose	5.23	5.23
Less : Allowance for doubtful loan		(5.23)	(5.23)
		-	-
Arya Omnitalk Radio Trunking Services Private Limited	General Business Purpose	0.99	-
Total		**0.99**	**-**

List of Related Parties	Purpose	Maximum Outstanding During	
		2024-25	2023-24
Loans and Advances			
Arvind Worldwide (M) Inc.	General Business Purpose	5.23	5.23
Arya Omnitalk Radio Trunking Services Private Limited	General Business Purpose	0.99	2.38

Loans given to the related party carries interest rate of 7.00%

(d) Transactions with key management personnel

The remuneration of key management personnel during the year was as follows :

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Short-term employee benefits	32.60	24.75
Share based payment	3.20	-
Post employment benefits	0.22	0.55
Other long-term employment benefits	0.16	0.11
Others - Contribution towards Provident Fund	0.57	0.38
Total compensation paid to key management personnel	**36.75**	**25.79**

(e) Transactions/balances with related party having value equal to / exceeding 1% of total income is considered as material and have been disclosed separately, unless already presented in note 35.

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(₹ In Crores)

Note 36 : Earnings per share

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
Earing per share (Basic and Diluted)			
Profit attributable to owners of the Company	₹ in Crores	353.49	336.61
Weighted average number of Equity Shares for Basic EPS (a)	No.	26,17,11,981	26,15,67,376
Effect of potential Ordinary shares on outstanding Employee Stock Options (b)	No.	2,90,846	2,46,639
Weighted average number of Ordinary shares in computing diluted earnings per share (a) + (b)	No.	**26,20,02,827**	**26,18,14,015**
Nominal value of equity shares	₹	10	10
Basic earning per share	₹	13.51	12.87
Diluted earning per share	₹	13.49	12.86

Note 37 : Share based payments
Arvind Limited (AL)

A. The Company has instituted "AL – Employee Stock Option Scheme 2021" (ESOS 2021), pursuant to the approval of the shareholders of the company at their extra ordinary general meeting held on October 23, 2007 and annual general meeting held on August 18, 2021 respectively. Under both the schemes, the Company has granted options convertible into equal number of equity shares of the face value of ₹ 10 each to its certain employees. The following table sets forth the particulars of the options outstanding as on March 31, 2025 under ESOS 2021:

Scheme	ESOS 2021						
Date of grant	January 27, 2022	March 22, 2022	August 5, 2022	August 5, 2022	October 27, 2023	January 10, 2024	June 13, 2024
Vesting Date	Vesting date January 27, 2023	Step vesting in 4 tranches from March 31, 2023 to March 31, 2026	Step vesting in 3 tranches from March 31, 2024 to March 31, 2026	Step vesting in 3 tranches from March 31, 2024 to March 31, 2026	Step vesting in 3 tranches from Oct 31, 2024 to Oct 31, 2026	Step vesting in 3 tranches from May 31, 2025 to May 31, 2027	Step vesting in 3 tranches from June 30, 2025 to June 30, 2027
Number of options granted	50,000	50,000	50,000	50,000	1,50,000	5,50,000	1,20,000
Number of options outstanding	50,000	50,000	37,500	37,500	1,12,500	5,00,000	1,20,000
Exercise price per option	₹ 128.70	₹ 116.70	₹ 10.00	₹ 92.35	₹ 169.80	₹ 263.95	₹ 375.60
Fair Value of option on Grant date	₹ 62.11	₹ 49.72	₹ 87.47	₹ 34.10	₹ 56.63	₹ 96.79	₹ 352.33
Vesting period	Over a period of 1 to 3 years from the date of grant						
Vesting requirements	On continued employment with the company and fulfilment of performance parameters.						
Exercise period	3 years from the date of vesting						
Method of settlement	Through allotment of one equity share for each option granted.						

CHARTERED ACCOUNTANTS * DELOITTE HASKINS & SELLS LLP *

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

(₹ In Crores)

B. Movement in Stock Options during the year :

The following reconciles the share option outstanding at the beginning and at the end of the year :

Particulars	Year Ended March 31, 2025		Year Ended March 31, 2024	
	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise
ESOS 2021				
Outstanding at the beginning of the year	10,25,000	188.86	3,58,000	67.88
Vested during the year	2,00,000	83.52	1,58,000	17.74
Granted during the year	1,20,000	10.00	8,00,000	214.55
Lapsed/Forfeited during the year	50,000	116.70	-	-
Exercised during the year	1,87,500	109.68	1,33,000	17.74
Expired during the year	-	-	-	-
Outstanding at the end of the year	9,07,500	185.55	10,25,000	188.86
Exercisable at the end of the year	1,37,500	87.24	1,25,000	108.40

C. Share Options Exercised during the year:

Option Series	No. of Options	Exercise Date	Weighted Average Share Price at Exercise Date
Options exercised during the year	1,00,000	August 5, 2024	10.00
	37,500	December 18, 2024	169.80
	50,000	February 21, 2025	263.95

D. Share Options Outstanding at the end of the year:

ESOS 2021 - The share options outstanding at the end of the year had a weighted average exercise price of ₹ 185.55.

E. Significant Assumptions of Valuation on New Grant:

Weighted Average Information:

	ESOS 2021
(i) Share price (₹)	379.75
(ii) Exercise price (₹)	10.00
(iii) Expected volatility	44.23%
(iv) Risk-free interest rate	6.98%
(v) Any other inputs to the model	None
(vi) Method used and the assumptions made to incorporate effects of expected early exercise	Binomial Option Pricing Model
(vii) How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility	The volatility of the Company's stock price on stock exchanges over the expected life of the options has been considered.
(viii) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.	None

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ In Crores)

Arvind Advanced Materials Limited (AAML)

A. The Company has instituted Employee Stock Option Scheme 2024 (AAML-ESOS 2024) , pursuant to the approval of the shareholders of the company at their Board meeting held on December 9, 2024. Under the scheme, the Company has granted options convertible into equal number of equity shares of the face value of ₹ 10 each to its certain employees. The following table sets forth the particulars of the options outstanding as on March 31, 2025 under ESOS 2024:

Scheme	AAML-ESOS Scheme 2024
Date of grant	January 1, 2025
Vesting Date	Step vesting in 3 tranches from January 1, 2025 to January 1, 2028
Number of options granted	50,000
Number of options outstanding	50,000
Exercise price per option	₹ 10.00
Fair Value of option on Grant date	₹ 6.99
Vesting period	Over a period of 1 to 3 years from the date of grant
Vesting requirements	On continued employment with the company and fulfilment of performance parameters.
Exercise period	3 years from the date of vesting
Method of settlement	Through allotment of one equity share for each option granted.

B. Movement in Stock Options during the year :

The following reconciles the share option outstanding at the beginning and at the end of the year :

Particulars	**Year Ended March 31, 2025**		**Year Ended March 31, 2024**	
	No. of Options	**Weighted Average Exercise Price**	**No. of Options**	**Weighted Average Exercise Price**
ESOS 2021				
Outstanding at the beginning of the year	-	-	-	-
Vested during the year	-	-	-	-
Granted during the year	50,000	6.99	-	-
Lapsed/Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	50,000	6.99	-	-
Exercisable at the end of the year	-	-	-	-

C. Share Options Exercised during the year:

Option Series	**No. of Options**	**Exercise Date**	**Weighted Average Share Price at**
Options exercised during the year	-	-	-

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED * NARODA ROAD 380025 * AHMEDABAD *

(₹ In Crores)

D. Share Options Outstanding at the end of the year:

AAML ESOS 2024 - The share options outstanding at the end of the year had a weighted average exercise price of ₹ 6.99 per share.

E. Significant Assumptions of Valuation on New Grant:

Weighted Average Information:

	AAML ESOS-2024
(i) Share price (₹)	10.00
(ii) Exercise price (₹)	10.00
(iii) Expected volatility	33.33%
(iv) Risk-free interest rate	6.73%
(v) Any other inputs to the model	None
(vi) Method used and the assumptions made to incorporate effects of expected early exercise	Binomial Option Pricing Model
(vii) How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility	The volatility of the Company's daily stock prices of Garware Technical Fibres Limited and SRF Limited was considered for the valuation, which has been trading for a long period of time
(viii) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.	None

Arvind Envisol Limited (AEL)

A. The Company has instituted Employee Stock Option Scheme 2024 (AEL-ESOS 2024) , pursuant to the approval of the shareholders of the company at their Board meeting held on December 19, 2024. Under the scheme, the Company has granted options convertible into equal number of equity shares of the face value of ₹ 10 each to its certain employees. The following table sets forth the particulars of the options outstanding as on March 31, 2025 under ESOS 2024:

Scheme	AEL-ESOS Scheme 2024
Date of grant	December 19, 2024
Vesting Date	Vesting on December 31, 2025 in Single tranche
Number of options granted	6,495
Number of options outstanding	6,495
Exercise price per option	₹ 10.00
Fair Value of option on Grant date	₹ 3,848.92
Vesting period	Over a period of 1 to 3 years from the date of grant
Vesting requirements	On continued employment with the company and fulfilment of performance parameters.
Exercise period	3 years from the date of vesting
Method of settlement	Through allotment of one equity share for each option granted.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ In Crores)

B. Movement in Stock Options during the year :

The following reconciles the share option outstanding at the beginning and at the end of the year :

Particulars	Year Ended March 31, 2025		Year Ended March 31, 2024	
	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
ESOS 2021				
Outstanding at the beginning of the year	-	-	-	-
Vested during the year	-	-	-	-
Granted during the year	6,495	10.00	-	-
Lapsed/Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	6,495	10.00	-	-
Exercisable at the end of the year	-	-	-	-

C. Share Options Exercised during the year:

Option Series	No. of Options	Exercise Date	Weighted Average Share Price at
Options exercised during the year	-	-	-

D. Share Options Outstanding at the end of the year:

AEL ESOS 2024 - The share options outstanding at the end of the year had a weighted average exercise price of ₹ 10 per share.

E. Significant Assumptions of Valuation on New Grant:

Weighted Average Information:

	AEL ESOS-2024
(i) Share price (₹)	3858.22
(ii) Exercise price (₹)	10.00
(iii) Expected volatility	39.42%
(iv) Risk-free interest rate	6.73%
(v) Any other inputs to the model	None
(vi) Method used and the assumptions made to incorporate effects of expected early exercise	Binomial Option Pricing Model
(vii) How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility	The volatility of the Company's daily stock prices of Garware Technical Fibres Limited and SRF Limited was considered for the valuation, which has been trading for a long period of time
(viii) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.	None

Expense arising from share- based payment transactions

Total expenses arising from share- based payment transactions recognised in profit or loss as part of employee benefit expense were as follows :

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Share Based Payment to Employees	5.95	2.51

(₹ in Crores)

Note 38 : Lease

A. The Group has taken land, factory buildings, godowns, offices, plant and machinaries and other facilities on lease.

Disclosures as per Ind AS 116 - Leases are as follows:

B. The changes in the carrying value of ROU assets for the year ended on March 31, 2025 are as follows :

Particulars	Land and Building
Balance at the beginning of the year	**98.71**
Additions during the year	102.66
Deletions/cancellation/modification during the year	(8.12)
Amortisation (Refer note 26)	(33.70)
Balance at the end of the year	**159.55**

The changes in the carrying value of ROU assets for the year ended on March 31, 2024 are as follows :

Particulars	Land and Building
Balance at the beginning of the year	**89.24**
Additions during the year	35.03
Deletions/cancellation/modification during the year	(1.90)
Amortisation (Refer note 26)	(23.66)
Balance at the end of the year	**98.71**

The aggregate depreciation expense on ROU assets is included under depreciation expense in the Statement of Profit and Loss.

C. The movement in lease liabilities are as follows :

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**122.61**	**113.61**
Additions during the year	102.66	35.03
Deletions/cancellation/modification during the year	(11.27)	(2.40)
Finance cost accrued during the year (Refer note 25 and 38F)	16.48	10.59
Payment of lease labilities	(44.21)	(34.22)
Balance at the end of the year	**186.27**	**122.61**

The break-up of current and non-current lease liabilities is as under :

Particulars	As at March 31, 2025	As at March 31, 2024
Current	32.92	26.34
Non Current	153.35	96.27
Total	**186.27**	**122.61**

D. The details of contractual maturities of lease liabilities on discounted basis are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	32.77	26.35
One to five years	96.63	76.78
More than five years	56.87	19.48
Total	**186.27**	**122.61**

E. The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

F. The amount recognised in the statement of profit or loss are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Amortisation of right of use assets (Refer note 26)	33.70	23.66
Interest expense on lease liabilities (Refer note 25)	16.48	10.59
Rent expense - short-term lease and leases of low value assets (Refer note 27)	22.85	20.60
Total	**73.03**	**54.85**

Note 39 : Disclosure in respect of Construction / Job work Contracts

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Amount of Contract Revenue recognized	195.10	121.34
Recognized and included in the financial statements as amounts due:		
-from customers under construction contracts	0.65	0.04
-to customers under construction contracts	7.63	22.86
	(6.98)	(22.82)
Amount of Advance Received from Customers	265.57	338.98

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(₹ in Crores)

Note 40 : Fair value measurements

(a) Financial Instruments by category

(i) Financial assets by category

Particulars	Notes	As at March 31, 2025						As at March 31, 2024					
		Cost	Fair value through Profit and Loss (FVTPL)	Fair value through Other Comprehensive Income (FVTOCI)	Fair value (Derivative Instruments)	Amortised cost	Total	Cost	Fair value through Profit and Loss (FVTPL)	Fair value through Other Comprehensive Income (FVTOCI)	Fair value (Derivative Instruments)	Amortised cost	Total
Investments	8 (a)												
- Equity shares		-	-	104.60	-	-	**104.60**	0.02	-	103.72	-	-	**103.74**
- Debentures		-	-	-	-	0.02	**0.02**	-	-	-	-	0.02	**0.02**
- Government securities		-	-	-	-	(₹ 23,000/-)	**(₹ 23,000/-)**	-	-	-	-	(₹ 23,000/-)	**(₹ 23,000/-)**
- Limited liability partnership		-	-	-	-	-	**-**	-	-	-	-	-	**0.00**
- Others		-	0.87	12.20	-	-	**13.07**	-	7.13	21.51	-	-	**28.64**
Trade receivables	8 (b)	-	-	-	-	1,177.27	**1177.27**	-	-	-	-	1,069.76	**1069.76**
Loans	8 (c)	-	-	-	-	1.50	**1.50**	-	-	-	-	4.04	**4.04**
Cash and cash equivalents	8 (d)	-	-	-	-	56.44	**56.44**	-	-	-	-	57.32	**57.32**
Other Bank balance	8 (e)	-	-	-	-	60.14	**60.14**	-	-	-	-	18.49	**18.49**
Other financial assets	8 (f)	-	-	-	1.12	60.88	**62.00**	-	-		4.72	49.82	**54.54**
Total Financial assets		**-**	**0.87**	**116.80**	**1.12**	**1,356.25**	**1,475.04**	**0.02**	**7.13**	**125.23**	**4.72**	**1,199.45**	**1,336.55**

(ii) Financial liabilities by category

Particulars	Notes	As at March 31, 2025			As at March 31, 2024		
		Fair value (Derivative Instruments)	Amortised cost	Total	Fair value (Derivative Instruments)	Amortised cost	Total
Borrowings	15 (a)	-	1,375.96	**1,375.96**	-	1,325.38	**1,325.38**
Lease Liabilities	38	-	186.27	**186.27**	-	122.61	**122.61**
Trade payables	15 (b)	-	1,655.20	**1,655.20**	-	1,375.29	**1,375.29**
Other financial liabilities	15 (c)	3.59	314.99	**318.58**	4.91	220.04	**224.95**
Total Financial Liabilities		**3.59**	**3,532.42**	**3,536.01**	**4.91**	**3,043.32**	**3,048.23**

For Financial instruments risk management objectives and policies, refer note 42.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 41 : Fair value disclosures for financial assets and financial liabilities

(a) Set out below is a comparison, by class, of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Notes	Carrying amount		Fair value	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial assets					
Investments measured at fair value through OCI	8 (a)	116.80	125.23	116.80	125.23
Investments measured at fair value through Profit and Loss	8 (a)	0.87	7.13	0.87	7.13
Investments measured at amortised cost	8 (a)	0.02	0.02	0.02	0.02
Total		**117.69**	**132.38**	**117.69**	**132.38**
Financial liabilities					
Borrowings at amortised Cost	15 (a)	1,375.96	1,325.38	1,375.96	1,325.38
Total		**1,375.96**	**1,325.38**	**1,375.96**	**1,325.38**

The management assessed that the fair values of cash and cash equivalents, other bank balances, loans, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

The fair value of borrowings and other financial liabilities is calculated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

For financial assets and financial liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities as at March 31, 2025 and March 31, 2024.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025 and March 31, 2024

Particulars	Notes	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2025					
Assets measured at fair value					
Fair value through Other Comprehensive Income					
Investment in Equity shares	8 (a)	104.60	-	-	104.60
Investment in Others	8 (a)	12.20	-	12.20	-
Fair value through Profit and Loss					
Investment in Others	8 (a)	0.87	0.87	-	-
Fair value (Derivative Instruments)					
Foreign Currency Derivative Contracts (Cash flow hedge)	8 (f)	1.12	-	1.12	-
As at March 31, 2024					
Assets measured at fair value					
Fair value through Other Comprehensive Income					
Investment in Equity shares	8 (a)	103.72	-	-	103.72
Investment in Others	8 (a)	21.51	-	21.51	-
Fair value through Profit and Loss					
Investment in Others	8 (a)	7.13	7.13	-	-
Fair value (Derivative Instruments)					
Foreign Currency Derivative Contracts (Cash flow hedge)	8 (f)	4.72	-	4.72	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Quantitative disclosures fair value measurement hierarchy for financial liabilities as at March 31, 2025 and March 31, 2024

Particulars	Notes	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2025					
Fair value (Derivative Instruments)					
Foreign Currency Derivative Contracts (Cash flow hedge)	15 (c)	3.59	-	3.59	-
As at March 31, 2024					
Fair value (Derivative Instruments)					
Foreign Currency Derivative Contracts (Cash flow hedge)	15 (c)	4.91	-	4.91	-

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments in active markets measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

For the valuation, income approach is applied and the Weighted Average Cost of Capital and Growth Rate has been considered as a significant unobservable input and the movement is due to change in fair value.

There are no transfer between level 1, 2 and 3 during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 42 : Financial instruments risk management objectives and policies

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's risk management is carried out by a Treasury department under policies approved by the Board of directors. The Group's treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk.

(a) Market risk

Market risk refers to the possibility that changes in the market rates may have impact on the Group's profits or the value of its holding of financial instruments. The Group is exposed to market risks on account of foreign exchange rates, interest rates, underlying equity prices, liquidity and other market changes.

Future specific market movements cannot be normally predicted with reasonable accuracy.

(a1) Interest rate risk

Interest rate risk refers to the possibility that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rate.

The Group is exposed to interest rate risk on short-term and long-term floating rate instruments. The Group's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Group are principally denominated in Indian Rupees and US dollars with mix of fixed and floating rates of interest. These exposures are reviewed by appropriate levels of management at regular interval.

As at March 31, 2025, None of the Group's Borrowings are at fixed rate of interest (March 31, 2024 : None).

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings as follows:

Particulars	Effect on profit before tax	
	March 31, 2025	March 31, 2024
Increase in 50 basis points	(6.86)	(6.63)
Decrease in 50 basis points	6.86	6.63

(a2) Foreign currency risk

The Group's foreign currency risk arises from its foreign operations, investments in foreign subsidiaries, foreign currency transactions and foreign currency borrowings. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Group. The major foreign currency exposures for the Group are denominated in USD and EURO.

Since a significant part of the Group's revenue is in foreign currency and major part of the costs are in Indian Rupees, any movement in currency rates would have impact on the Group's performance. Exposures on foreign currency sales are managed through the Group's hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Group strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance. The Group may use forward contracts, foreign exchange options or currency swaps towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate. These foreign exchange contracts, carried at fair value, may have varying maturities varying depending upon the primary host contract requirements and risk management strategy of the Group. Hedge effectiveness is assessed on a regular basis.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Foreign currency sensitivity

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure in USD, EURO and GBP with a simultaneous parallel foreign exchange rates shift in the currencies by 2% against the functional currency of the respective entities. The Group's exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in Currency rate	Effect on profit before tax		
		in USD rate	in EURO rate	in GBP rate
March 31, 2025	+2%	6.51	0.34	0.07
	-2%	(6.51)	(0.34)	(0.07)
March 31, 2024	+2%	6.68	(0.18)	0.03
	-2%	(6.68)	0.18	(0.03)

The movement in the pre-tax effect is a result of a change in the fair value of financial instruments not designated in a hedge relationship. Although the financial instruments have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables, investments and derivative financial instruments.

The Group is exposed to credit risk from its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, financial guarantees and derivative financial instruments.

All trade receivables are subject to credit risk exposure. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non-performance by any of the Group's counterparties. The Group does not have significant concentration of credit risk related to trade receivables. No single third party customer contributes to more than 10% of outstanding accounts receivable as of March 31, 2025 and March 31, 2024.

Trade receivables are non-interest bearing and are generally on 7 days to 180 days credit term.

With respect to derivatives, the Group's forex management policy lays down guidelines with respect to exposure per counter party i.e. with banks with high credit rating, processes in terms of control and continuous monitoring. The fair value of the derivatives are credit adjusted at the period end.

(c) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time, or at a reasonable price. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity. The Group closely monitors its liquidity position and deploys a robust cash management system.

During the year, the Group has been regular in repayment of principal and interest on borrowings on or before due dates. The Group did not have defaults of principal and interest as on reporting date.

The Group requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Particulars	Notes	< 1 year	>1 year but < 3 years	>3 year but < 5 years	more than 5 years	Total
Year ended March 31, 2025						
Interest bearing borrowings*	15 (a)	1,112.66	233.16	99.23	-	1,445.05
Lease Liabilities	38	49.63	80.22	50.72	71.47	252.04
Trade payables	15 (b)	1,655.20	-	-	-	1,655.20
Other financial liabilities#	15 (c)	318.58	-	-	-	318.58
		3,136.07	**313.38**	**149.95**	**71.47**	**3,670.87**
Year ended March 31, 2024						
Interest bearing borrowings*	15 (a)	1,091.29	212.23	82.98	-	1,386.50
Lease Liabilities	38	35.65	55.68	40.58	20.97	152.88
Trade payables	15 (b)	1,375.29	-	-	-	1,375.29
Other financial liabilities#	15 (c)	223.39	0.94	0.62	-	224.95
		2,725.62	**268.85**	**124.18**	**20.97**	**3,139.62**

* Includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenor of the borrowings.

Other financial liabilities includes interest accrued but not due and interest accrued and due of ₹ 4.83 Crores (March 31, 2024 : ₹ 4.92 Crores).

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 43 : Capital management:

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements to optimise return to our shareholders through continuing growth. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance). The Group is not subject to any externally imposed capital requirements.

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Interest bearing loans and borrowings (note 15)	1,375.96	1,325.38
(b) Less: cash and bank balance (including other bank balance and book overdraft)	(115.91)	(75.53)
(c) Net debt (a) - (b)	**1,260.05**	**1,249.85**
(d) Equity share capital (note 13)	261.82	261.63
(e) Other equity (note 14)	3,524.28	3,281.12
(f) Total capital (d) + (e)	**3,786.10**	**3,542.75**
(g) Total Capital and net debt (c) + (f)	**5,046.15**	**4,792.60**
(h) Gearing ratio (c)/(g)	**24.97%**	**26.08%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any long term borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the current period.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Note 44 : Interest in Other Entities

Sr. No.	Name of Entities	Country of Incorporation	Remarks	Activities	Proportion of Ownership of Interest	
					As at March 31, 2025	As at March 31, 2024
	Subsidiaries					
	- Indian Subsidiaries					
1	Arvind Envisol Limited	India		Engineering	100%	100%
2	Syntel Telecom Limited	India		Telecom	100%	100%
3	Arya Omnitalk Wireless Solutions Private Limited	India		Telecom	50.06%	50.06%
4	Arvind PD Composites Private Limited	India	(a)	Technical Textile	51%	51%
5	Arvind OG Nonwovens Private Limited	India	(a)	Technical Textile	76.72%	76.72%
6	Arvind Sports Fashion Private Limited	India		Garments	90%	90%
7	Arvind Premium Retail Limited	India		Garments	51%	51%
8	Arvind Advanced Materials Limited (Previously known as Arvind Polymer Textiles Limited)	India		Technical Textile	100%	100%
9	Arvind Smart Textiles Limited	India	(b)	Textiles	90%	90%
10	Arvind Foundation	India	(i)	CSR Activity	100%	100%
11	Arvind Indigo Foundation	India	(i)	CSR Activity	100%	100%
12	Arvind Technical Products Private Limited (w.e.f. February 8, 2023)	India		Textiles	100%	100%
	- Foreign Subsidiaries					
13	Arvind Worldwide Inc.	USA		Textiles	100%	100%
14	Arvind Worldwide (M) Inc.	Mauritius	(f)	Textiles	100%	100%
15	Arvind Niloy Exports Private Limited	Bangladesh		Textiles	70%	70%
16	Arvind Overseas (Mauritius) Limited	Mauritius	(f)	Textiles	100%	100%
17	Arvind Spinning Limited	Mauritius	(f)	Textiles	100%	100%
18	Arvind Lifestyle Apparel Manufacturing PLC	Ethiopia	(e)	Garments	99.11%	99.11%
19	Arvind Envisol PLC	Ethiopia	(g)	Engineering	100%	100%
20	Arvind Enterprise FZC	U.A.E	(e)	Textiles	73.13%	73.13%
	- Limited Liability Partnerships					
21	Maruti and Ornet Infrabuild LLP	India	(e)	Construction	99.90%	99.90%
22	Arvind Township LLP (Previously known as Arvind and Smart Value Homes LLP) (w.e.f. April 1, 2023)	India	(e)	Real Estate	99.90%	99.90%
23	Syntel Enkay Converged Technologies LLP (previously known as Enkay Converged Technologies LLP)	India	(c)	Telecom	100%	100%
	- Joint Ventures and Associates					
24	Arya Omnitalk Radio Trunking Services Private Limited	India		Telecom	49.94%	49.94%
25	Arudrama Developments Private Limited	India		Construction	50%	50%
26	Adient Arvind Automotive Fabrics India Private Limited	India		Technical Textile	49.50%	49.50%
27	PVH Arvind Manufacturing PLC	Ethiopia	(d)	Textiles	25%	25%
28	Renew Green (GJ Eight) Private Limited (w.e.f. January 26, 2023)	India		Energy	31.20%	31.20%
29	Purfi Arvind Manufacturing India Private Limited (w.e.f. December 5, 2024)	India		Textile	10.00%	-

(a) Held by Arvind Advanced Materials Limited (fromerly known as Arvind Polymer Textiles
(b) Held by Arvind Sports Fashion Private Limited.
(c) Jointly held by Arvind Limited and Syntel Telecom Limited.
(d) Jointly held by Arvind Limited and Arvind Enterprise (FZC).
(e) Jointly held by Arvind Limited and Arvind Sports Fashion Private Limited.
(f) Not considered for the purpose of consolidation for the financial year 2024-25 and 2023-24 respectively being defunct status.
(g) Jointly held by Arvind Limited and Arvind Envisol Limited.





Non-controlling interests (NCI):

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance sheet (₹ in Crores)

Particulars	Arvind PD Composites Private Limited		Arya Omnitalk Wireless Solutions Private Limited	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Current assets	85.62	82.70	151.69	117.38
Net current assets	43.14	18.55	23.53	24.70
Total Assets (I)	**128.76**	**101.25**	**175.22**	**142.08**
Current liabilities	39.06	19.97	75.88	46.95
Non-current liabilities	5.74	4.64	11.32	13.39
Total Liabilities (II)	**44.80**	**24.61**	**87.20**	**60.34**
Net Assets (I-II)	**83.96**	**76.64**	**88.02**	**81.74**
Accumulated NCI	**42.05**	**38.26**	**43.96**	**40.82**

Summarised statement of profit and loss

Particulars	Arvind PD Composites Private Limited		Arya Omnitalk Wireless Solutions Private Limited	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Revenue	80.52	113.89	194.53	143.12
Profit for the year	11.87	22.56	13.55	12.90
Total Comprehensive Income for the year	11.83	22.50	13.29	12.71
Profit allocated to NCI	**5.82**	**11.05**	**6.77**	**6.44**
Dividends paid to NCI	**2.21**	**0.89**	**3.50**	**2.99**

Summarised Statement of Cash Flows

Particulars	Arvind PD Composites Private Limited		Arya Omnitalk Wireless Solutions Private Limited	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Cash flows from/(used in) operating activities	38.73	17.30	1.02	0.09
Cash flows from/(used in) investing activities	(34.40)	(10.51)	4.14	4.74
Cash flows from/(used in) financing activities	(7.19)	(3.96)	(7.20)	(6.07)
Net increase/ (decrease) in cash and cash equivalents	**(2.86)**	**2.83**	**(2.04)**	**(1.24)**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Note 45 : Additional Regulatory Disclosures As Per Schedule III Of Companies Act, 2013

A. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

B. The Group has Fund-based and Non-fund-based limits of Working Capital from Banks and Financial institutions. For the said facility, the revised submissions made by the Group to its lead bankers based on closure of books of accounts at the year end, the revised quarterly returns or statements comprising stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Group with such banks or financial institutions are in agreement with the unaudited books of account of the Group of the respective quarters and no material discrepancies have been observed.

C. The Group has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

D. The Group has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Company Act, 1956.

E. The Group has compiled with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

F. The Group has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;

i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

G. The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall;

i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries) or

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

H. The Group does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

I. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

J. The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

K. There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

L. The borrowings obtained by the Group from banks have been applied for the purposes for which such loans were was taken.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 46 : Business Combinations, acquisitions and disposals

A. The Group has acquired the control in Arvind Township LLP (hereinafter referred as "ATLLP") (at that time known as Arvind and Smart Value Homes LLP) w.e.f April 1, 2023 by acquiring additional stake of 49.90% at a consideration of ₹ 38 crore. Investment in the ATLLP was previously accounted as equity method in accordance with Ind AS 28 which is discontinued on obtaining of control.

Acquiree is engaged in Real Estate business. The purpose of acquistion is part of business strategy of the Group.

On acquisition of control, the Group has measured the all identifiable assets and liabilities acquired through Business Combination in accordance with Ind AS 103. The Group has not incurred any transaction cost for acquiring control.

Prior to obtaining control, the acquiree was being accounted using equity method in the consolidated financial statements which is discontinued on obtaining of control.

B. The amounts recognised in respect of the identifiable assets acquired and liabilites assumed are set out in the table below.

Particulars	As at April 1, 2023
Non-current assets	
(a) Non-current financial assets	0.19
(b) Other Non-current assets	0.15
Total non-current assets	**0.34**
Current assets	
(a) Current financial assets	5.31
(b) Other Current assets	122.12
Total current assets	**127.43**
Total Assets acquired (A)	**127.77**
Current liabilities	
(a) Current financial liabilities	1.75
(b) Other current liabilities	0.48
Total Liabilities assumed (B)	**2.23**
Net assets acquired (A) - (B)	**125.54**
Non-controlling interest in 0.10% of ATLLP	0.06
Total purchase consideration	38.00
To be satisfied by:	
Cash	38.00
Total consideration transferred	28.50
Net cashflow arising on acqisition	
Cash Consideration	28.50
Less: cash and cash equivalents balances acquired	0.07
Net consideration transferred	**28.43**

C. Other notes

1 In respect of acquired receivables:
(i) the fair value of the receivables - ₹ 0.02 crores
(ii) the gross contractual amounts receivable - ₹ 0.02 crores
(iii) the best estimate at the acquisition date of the contractual cash flows not expected to be collected - NIL

2 The Group recognises non-controlling interests in an acquired entity at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. The decision is made on acquisition by acquisition basis.

The Group has recognised gain on acquisition of controlling interest including gain till the acquisition of control in accordance with the requirement of Ind AS.

3 The non-controlling interest (0.10% ownership interest in ATLLP) recognised at the acquition date was measured at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets.

4 ATLLP contributed ₹ 0.80 crores to the group's revenue and ₹ (0.01) to the group's profit for the period between the acquition date (April 1, 2023) and reporting date March 31, 2024).

The business combination has been achieved in stages
(i) On the acquisition-date fair value of the equity interest in the acquiree held by the acquirer immediately before the acquisition date - ₹ 55.83 crores.
(ii) The amount of any gain or loss recognised as a result of remeasuring to fair value the equity interest in the acquiree held by the acquirer before the business combination - NIL

5 Capital reserve recognised on above transaction amounting to ₹ 24.77 Crores.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(₹ in Crores)

Note 47 : Additional information pursuant to Schedule III of Companies Act 2013

Name of Entities	For the financial year ending on / as at March 31, 2025							
	Net Assets i.e. Total Assets minus Total Labilities		Share in Profit or (loss)		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated Profit	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent :								
Arvind Limited	92.64%	3,586.37	65.40%	240.28	53.64%	(13.35)	66.26%	226.93
Subsidiaries :								
- Indian								
Syntel Telecom Limited	0.28%	10.65	0.04%	0.16	-	-	0.05%	0.16
Arvind Envisol Limited	2.39%	92.59	3.22%	11.84	0.12%	(0.03)	3.45%	11.81
Arvind PD Composites Private Limited	2.17%	83.96	3.23%	11.87	0.12%	(0.03)	3.46%	11.84
Arvind OG Nonwovens Private Limited	1.28%	49.53	1.35%	4.97	0.04%	(0.01)	1.45%	4.96
Arvind Sports Fashion Private Limited	(2.71%)	(104.80)	(3.86%)	(14.17)	-	-	(4.14%)	(14.17)
Arvind Premium Retail Limited	(0.37%)	(14.38)	(0.32%)	(1.17)	-	-	(0.34%)	(1.17)
Arvind Advanced Materials Limited (Previously known as Arvind Polymer Textiles Limited)	1.84%	71.26	10.92%	40.10	0.40%	(0.10)	11.68%	40.00
Arvind Smart Textiles Limited	3.90%	150.95	8.87%	32.59	21.33%	(5.31)	7.97%	27.28
Arya Omnitalk Wireless Solutions Private Limited	2.27%	88.02	3.69%	13.55	1.04%	(0.26)	3.88%	13.29
Arvind Technical Products Private Limited	2.60%	100.68	(0.22%)	(0.80)	-	-	(0.23%)	(0.80)
Arvind Foundation	0.47%	18.19	0.12%	0.44	-	-	0.13%	0.44
Arvind Indigo Foundation	0.31%	11.88	(0.14%)	(0.50)	-	-	(0.15%)	(0.50)
- Foreign								
Arvind Worldwide Inc.	0.19%	7.31	0.19%	0.71	(0.68%)	0.17	0.26%	0.88
Arvind Niloy Exports Private Limited	(0.03%)	(0.97)	-	-	(0.32%)	0.08	0.02%	0.08
Arvind Lifestyle Apparel Manufacturing PLC	0.45%	17.31	(2.12%)	(7.80)	99.56%	(24.78)	(9.51%)	(32.58)
Arvind Envisol PLC	(0.44%)	(16.96)	(2.09%)	(7.69)	(73.76%)	18.36	3.12%	10.67
Arvind Enterprise FZC	(0.06%)	(2.40)	(1.26%)	(4.63)	-	-	(1.35%)	(4.63)
- LLP								
Maruti and Ornet Infrabuild LLP	-	-	0.01%	0.03	-	-	0.01%	0.03
Arvind Township LLP (Previously known as Arvind and Smart Value Homes LLP)	0.60%	23.11	(0.45%)	(1.65)	-	-	(0.48%)	(1.65)
Syntel Enkay Converged Technologies LLP (previously known as Enkay Converged Technologies LLP)	(0.10%)	(3.89)	1.60%	5.87	-	-	1.71%	5.87
Sub Total		**4,168.41**		**324.00**		**(25.26)**		**298.74**
Less: Adjustment arising out of consolidation	(10.71%)	(414.70)	8.38%	30.73	(5.42%)	1.35	9.33%	32.08
Total	**96.97%**	**3,753.71**	**96.56%**	**354.73**	**96.06%**	**(23.91)**	**96.58%**	**330.82**
Add: Non Controlling Interest in Subsidiaries	2.20%	85.25	3.78%	13.89	3.54%	(0.88)	3.80%	13.01
Add: Joint Ventures and Associates (Investment as per Equity method)								
Arya Omnitalk Radio Trunking Services Private Limited	0.14%	5.46	0.03%	0.12	0.40%	(0.10)	0.01%	0.02
Arudrama Developments Private Limited	0.05%	1.97	(0.02%)	(0.08)	-	-	(0.02%)	(0.08)
Purfi Arvind Manufacturing India Private Limited	0.00%	0.01						
Renew Green (GJ Eight) Private Limited	0.64%	24.95	(0.35%)	(1.28)	-	-	(0.37%)	(1.28)
Grand Total	**100%**	**3,871.35**	**100%**	**367.38**	**100%**	**(24.89)**	**100%**	**342.49**

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED * NARODA ROAD 380025 * AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(₹ in Crores)

Note 47 : Additional information pursuant to Schedule III of Companies Act 2013

Name of Entities	For the financial year ending on / as at March 31, 2024							
	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or (loss)		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated Profit	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent :								
Arvind Limited	96.01%	3,476.37	86.46%	304.90	73.53%	(7.00)	86.82%	297.90
Subsidiaries :								
- Indian								
Syntel Telecom Limited	0.29%	10.49	0.16%	0.57	-	-	0.17%	0.57
Arvind Envisol Limited	2.21%	80.10	2.09%	7.36	1.68%	(0.16)	2.10%	7.20
Arvind PD Composites Private Limited	2.12%	76.64	6.40%	22.56	0.63%	(0.06)	6.56%	22.50
Arvind OG Nonwovens Private Limited	1.23%	44.57	1.44%	5.07	0.32%	(0.03)	1.47%	5.04
Arvind Sports Fashion Private Limited	(2.50%)	(90.63)	(4.78%)	(16.86)	-	-	(4.91%)	(16.86)
Arvind Premium Retail Limited	(0.36%)	(13.21)	(0.31%)	(1.08)	-	-	(0.31%)	(1.08)
Arvind Advanced Materials Limited (Previously known as Arvind Polymer Textiles Limited)	0.17%	6.27	1.50%	5.28	0.21%	(0.02)	1.53%	5.26
Arvind Smart Textiles Limited	3.42%	123.66	1.18%	4.15	2.10%	(0.20)	1.15%	3.95
Arya Omnitalk Wireless Solutions Private Limited	2.26%	81.75	3.66%	12.90	2.00%	(0.19)	3.71%	12.71
Arvind Technical Products Private Limited	(0.03%)	(1.09)	(0.31%)	(1.10)	-	-	(0.32%)	(1.10)
- Foreign								
Arvind Worldwide Inc.	0.18%	6.44	0.12%	0.44	(0.95%)	0.09	0.15%	0.53
Arvind Niloy Exports Private Limited	(0.03%)	(1.05)	-	-	(0.11%)	0.01	0.00%	0.01
Arvind Lifestyle Apparel Manufacturing PLC	1.38%	49.89	(6.44%)	(22.70)	20.17%	(1.92)	(7.18%)	(24.62)
Arvind Envisol PLC	(0.76%)	(27.63)	(0.11%)	(0.39)	(11.03%)	1.05	0.19%	0.66
Arvind Enterprise FZC	0.06%	2.23	(0.52%)	(1.83)	6.93%	(0.66)	(0.73%)	(2.49)
- LLP								
Maruti and Ornet Infrabuild LLP	-	-	0.01%	0.04	-	-	0.01%	0.04
Arvind Township LLP (Previously known as Arvind and Smart Value Homes LLP)	0.68%	24.76	-	(0.01)	-	-	-	(0.01)
Syntel Enkay Converged Technologies LLP (previously known as Enkay Converged Technologies LLP)	(0.27%)	(9.77)	1.23%	4.33	-	-	1.26%	4.33
Sub Total		**3,839.79**		**323.63**		**(9.09)**		**314.54**
Less: Adjustment arising out of consolidation	(9.16%)	(331.75)	3.70%	13.06	0.21%	(0.02)	3.80%	13.04
Total	**96.89%**	**3,508.04**	**95.48%**	**336.69**	**95.69%**	**(9.11)**	**95.47%**	**327.58**
Add: Non Controlling Interest in Subsidiaries	2.15%	77.95	4.54%	16.02	3.99%	(0.38)	4.56%	15.64
Add: Joint Ventures and Associates (Investment as per Equity method)								
Arya Omnitalk Radio Trunking Services Private Limited	0.18%	6.43	0.20%	0.70	0.32%	(0.03)	0.20%	0.67
Arudrama Developments Private Limited	0.06%	2.05	-	-	-	-	-	-
Renew Green (GJ Eight) Private Limited	0.72%	26.23	(0.22%)	(0.78)	-	-	(0.23%)	(0.78)
Grand Total	**100%**	**3,620.70**	**100%**	**352.63**	**100%**	**(9.52)**	**100%**	**343.11**

Note 48 : Group's Share in Commitments and Contingent Liability in respect of Joint Ventures and Associates

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Group's Share in Commitments	-	-
2	Group's Share in Contingent Liability	-	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Note 49 : Code on Social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 50 : Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

During the year ended March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and lease back transactions, applicable from April 1, 2024. The Group has assessed that there is no significant impact on its financial statements.

On May 9, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Group is currently assessing the probable impact of these amendments on its financial statements.

Note 51 : Events Occurring After the Reporting Period

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements.

The Board of Directors recommended a final dividend of ₹ 3.75 per equity share of face value of ₹ 10 each, for the financial year ended March 31, 2025, subject to approval of shareholders in the ensuing Annual General Meeting.

For and on behalf of the board of directors of
Arvind Limited

Sanjay S. Lalbhai	**Jayesh K. Shah**	**Nigam Shah**	**Krunal Bhatt**
Chairman & Managing Director	Director & Group Chief Financial Officer	Chief Financial Officer	Company Secretary
DIN: 00008329	DIN: 00008349		

Place: Ahmedabad
Date: May 15, 2025

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Deloitte
Haskins & Sells LLP

Chartered Accountants
19th floor, Shapath-V
S.G. Highway
Ahmedabad-380 015
Gujarat, India

Tel: +91 79 6682 7300
Fax: +91 79 6682 7400

INDEPENDENT AUDITOR'S REPORT

To The Members of Arvind Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Arvind Limited ("the Parent) and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of loss in its associate and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements subsidiaries and joint venture referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associate and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Regd. Office: International Center, Tower 3, 32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai-400 013, Maharashtra, India.
(LLP Identification No. AAB-8737)

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of subsidiaries, joint venture audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, joint venture is traced from their financial statements audited by other auditors.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associate and joint ventures in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are also responsible for overseeing the financial reporting process of the

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Group and of its associate and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of 15 subsidiaries, whose financial statements reflect total assets of Rs. 1090.58 crores as at 31st March, 2024, total revenues of Rs. 1,212.22 crores and net cash outflows amounting to Rs. 0.48 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 0.70 crores for the year ended 31st March, 2024, as considered in the consolidated financial statements, in respect of 1 Joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

(b) We did not audit the financial statements of 4 subsidiaries, whose financial statements reflect total assets of Rs. 134.65 crores as at March 31, 2024, total revenues of Rs. 8.33 crores and net cash inflows amounting to Rs. 0.17 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 0.78 crores for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of 1 associate and 3 joint ventures, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate, is based solely on such unaudited financial statements financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries and joint venture referred to in the Other Matters section above we report, to the extent applicable that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law maintained by the Group, and joint venture including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except in relation to compliance with the requirements of audit trail, refer paragraph (i)(vi) below.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent as on March 31, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and joint venture company incorporated in India, none of the directors of the Group companies, its joint venture company incorporated in India is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies and joint venture company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies and joint venture company incorporated in India, the remuneration paid by the Parent and such subsidiary companies and joint venture company to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint ventures - Refer Note 30 and 48 to the consolidated financial statements;

ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 32 to the consolidated financial statements;

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate company and joint ventures companies incorporated in India.

iv) (a) The respective Managements of the Parent and its subsidiaries and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 49 (f) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries and joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



(b) The respective Managements of the Parent and its subsidiaries and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 49(g) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries and joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent and its subsidiaries, and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

The Board of Directors of the Parent and a subsidiary have proposed final dividend for the year which is subject to the approval of the members of the Parent and the subsidiary at their ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination which included test checks and based on the other auditor's reports of its subsidiary companies and joint venture company incorporated in India whose financial statements have been audited under the Act, the Parent, its subsidiary companies and joint venture company incorporated in India have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s), except that audit trail was not enabled at the database level to log any direct data changes.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

Name of the company	**CIN**	**Nature of relationship**	**Clause Number of CARO report with qualification or adverse remark**
Arvind Limited	L17119GJ1931PLC000093	The Company	Clause (iii)(c) and Clause (iii)(d)
Arvind Advanced Materials Limited	U52100GJ2015PLC085165	Wholly owned subsidiary	Clause (ix)(d)

In respect of the following companies included in the consolidated financial statements, whose audit under section 143 of the Act has not yet been completed, the CARO report as applicable in respect of those companies are not available and consequently have not been provided to us as on the date of this audit report:

Name of the company	**CIN**	**Nature of relationship**
Adient Arvind Automotive Fabrics India Private Limited	U74999GJ2018PTC101015	Joint Venture
Arudrama Developments Private Limited	U45201KA1995PTC017371	Joint Venture
Renew Green (GJ Eight) Private Limited	U40106DL2022PTC391979	Associate

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Kartikeya Raval

Kartikeya Raval
Partner
(Membership No. 106189)
UDIN: 24106189BKFGUL5015

Place: Ahmedabad
Date: May 06, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Arvind Limited (hereinafter referred to as "Parent") and its subsidiary companies and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls
The respective Board of Directors of the Parent, its subsidiary companies and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its joint venture, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies and joint venture, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its joint venture, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 10 subsidiary companies and 1 joint venture, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Kartikeya Raval

Kartikeya Raval
Partner
(Membership No. 106189)
UDIN: 24106189BKFGUL5015

Place: Ahmedabad
Date: May 06, 2024

Arvind Limited

CIN : L17119GJ1931PLC000093

Consolidated Balance Sheet as at March 31, 2024

(₹ in Crores)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	5	3,110.65	3,137.34
(b) Capital work-in-progress	5 (a)	116.82	78.72
(c) Investment Properties	6	187.55	167.98
(d) Goodwill	7	8.95	8.95
(e) Other Intangible Assets	7	15.56	23.00
(f) Intangible Assets Under Development	7 (a)	0.50	1.22
(g) Right of Use Assets	38	98.71	89.24
(h) Investments accounted for using the equity method	7 (b)	34.71	29.48
(i) Financial Assets			
(i) Investments	8 (a)	125.27	181.93
(ii) Loans	8 (c)	0.42	0.51
(iii) Other financial assets	8 (f)	36.70	37.22
(j) Deferred Tax Assets (net)	29	15.34	16.06
(k) Other Non-Current Assets	9	36.76	24.89
Total Non-Current Assets (A)		**3,787.94**	**3,796.54**
Current Assets			
(a) Inventories	10	1,985.99	1,648.99
(b) Financial Assets			
(i) Investments	8 (a)	7.13	-
(ii) Trade receivables	8 (b)	1,069.76	965.88
(iii) Cash and cash equivalents	8 (d)	57.32	56.79
(iv) Bank balance other than (iii) above	8 (e)	18.49	20.17
(v) Loans	8 (c)	3.62	29.56
(vi) Other financial assets	8 (f)	17.84	23.46
(c) Current Tax Assets (net)	11	19.82	21.51
(d) Other Current Assets	9	292.46	350.68
Total Current Assets (B)		**3,472.43**	**3,117.04**
Assets classified as held for Sale (C)	45	-	**0.01**
TOTAL ASSETS (A) + (B) + (C)		**7,260.37**	**6,913.59**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	261.63	261.50
(b) Other Equity	14	3,281.12	3,084.13
Equity attributable to equity holders of the Parent		**3,542.75**	**3,345.63**
(c) Non-controlling interest		77.95	58.63
Total Equity (A)		**3,620.70**	**3,404.26**
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15 (a)	263.35	378.30
(ii) Lease Liabilities	38	96.27	92.46
(iii) Other financial liabilities	15 (c)	0.35	0.38
(b) Long-Term Provisions	16	32.23	29.00
(c) Deferred Tax Liabilities (net)	29	68.16	95.17
(d) Government Grants	17	79.56	73.85
(e) Other Non Current Liabilities	18	0.05	0.25
Total Non-Current Liabilities (B)		**539.97**	**669.41**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15 (a)	1,062.03	1,025.47
(ii) Lease Liabilities	38	26.34	21.15
(iii) Trade payables			
- Total Outstanding dues of Micro Enterprises and Small Enterprises	15 (b)	147.53	66.79
- Total Outstanding dues other then Micro Enterprises and Small Enterprises	15 (b)	1,227.76	1,170.76
(iv) Other financial liabilities	15 (c)	224.60	220.59
(b) Short-Term Provisions	16	15.99	14.63
(c) Government Grants	17	12.86	10.03
(d) Current Tax Liabilities (net)	12	1.11	1.42
(e) Other Current Liabilities	18	381.48	309.07
Total Current Liabilities (C)		**3,099.70**	**2,839.91**
Liabilities classified as held for Sale (D)	45	-	**0.01**
TOTAL EQUITY AND LIABILITIES (A) + (B) + (C) + (D)		**7,260.37**	**6,913.59**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval

Kartikeya Raval
Partner
Place: Ahmedabad
Date: May 6, 2024

For and on behalf of the board of directors of Arvind Limited

Sanjay S. Lalbhai

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial Officer
DIN: 00008349

Nigam Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 6, 2024

Krunal Bhatt
Company Secretary

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

(₹ in Crores)

	Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
I.	**INCOME**			
	(a) Revenue from operations	19	7,737.75	8,382.48
	(b) Other income	20	40.83	44.52
	TOTAL INCOME		**7,778.58**	**8,427.00**
II.	**EXPENSES**			
	(a) Cost of materials consumed	21	3,475.78	4,010.74
	(b) Purchase of stock-in-trade	22	236.68	389.85
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(33.71)	70.28
	(d) Project expenses		122.34	88.91
	(e) Employee benefit expenses	24	963.57	867.57
	(f) Finance costs	25	159.30	164.24
	(g) Depreciation and amortisation expenses	26	265.82	253.01
	(h) Other expenses	27	2,127.88	2,155.13
	TOTAL EXPENSES		**7,317.66**	**7,999.73**
III.	**PROFIT BEFORE SHARE OF PROFIT OF JOINT VENTURES AND ASSOCIATE, EXCEPTIONAL ITEMS AND TAX FROM CONTINUING OPERATIONS (I-II)**		**460.92**	**427.27**
IV.	Share of Profit/(Loss) of Joint Ventures and Associate accounted for using the Equity Method		(0.08)	1.22
V.	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX FROM CONTINUING OPERATIONS (III+IV)**		**460.84**	**428.49**
VI.	Exceptional items (net of tax)	28	(2.46)	(58.76)
VII.	**PROFIT BEFORE TAX FROM CONTINUING OPERATIONS (V-VI)**		**463.30**	**487.25**
VIII.	**Tax expense**	29		
	(a) Current tax		129.31	100.09
	(b) Short provision of earlier years		3.94	9.27
	(c) Deferred tax Charge/(Credit)		(22.58)	(38.81)
	Total tax expense		**110.67**	**70.55**
IX.	**PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS (VII-VIII)**		**352.63**	**416.70**
X.	**LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS**	45	-	**(5.03)**
XI.	Tax Credit Of Discontinued Operations		-	**1.50**
XII.	**LOSS FROM DISCONTINUED OPERATIONS AFTER TAX (X+XI)**		-	**(3.53)**
XIII.	**PROFIT BEFORE TAX FROM CONTINUING AND DISCONTINUED OPERATIONS (VII+X)**		**463.30**	**482.22**
XIV.	Tax Expense Of Continuing and Discontinued Operations (VIII-XI)		**110.67**	**69.05**
XV.	**Profit for the year (XIII-XIV)**		**352.63**	**413.17**
XVI.	**Other Comprehensive Income/(Loss) (net of tax)**			
A.	**Items that will not be reclassified to Profit and Loss**			
	(i) Equity Instruments through Other Comprehensive Income (FVOCI)		(21.87)	0.13
	(ii) Remeasurement gain/(loss) of defined benefit plans		6.40	5.41
	(iii) Share of Other Comprehensive Income/(Loss) of Joint Ventures and Associate accounted for using Equity method (net of tax)		(0.03)	0.01
	(iv) Income tax related to items (i) and (ii) above		3.40	(1.29)
	Net Other Comprehensive Income/(Loss) not to be reclassified to profit or loss in subsequent periods		**(12.10)**	**4.26**
B.	**Items that will be reclassified to Profit and Loss**			
	(i) Effective portion of gain/(loss) on cash flow hedges		5.86	(25.47)
	(ii) Income tax related to items no (i) above		(1.47)	6.41
	(iii) Exchange differences in translating the financial statements of a foreign operation		(1.81)	1.22
	Net Other Comprehensive Income/(Loss) that may be reclassified to profit or loss in subsequent periods		**2.58**	**(17.84)**
	Total Other Comprehensive Income/(Loss) for the year (net of tax) (XVI) = (A+B)		**(9.52)**	**(13.58)**
XVII.	**Total Comprehensive Income/(Loss) for the year (net of tax) (XV+XVI)**		**343.11**	**399.59**
XVIII.	**Profit/(Loss) for the year attributable to:**			
	(i) Equity holders of the parent		336.61	404.56
	(ii) Non-controlling interest		16.02	8.61
			352.63	**413.17**
XIX	**Other Comprehensive Income/(Loss) attributable to:**			
	(i) Equity holders of the parent		(9.14)	(13.68)
	(ii) Non-controlling interest		(0.38)	0.10
			(9.52)	**(13.58)**
XX.	**Total Comprehensive Income/(Loss) attributable to: (XVIII+XIX)**			
	(i) Equity holders of the parent		327.47	390.88
	(ii) Non-controlling interest		15.64	8.71
			343.11	**399.59**
XXI.	**Earning per Equity Share [nominal value per share ₹10]**	36		
	Continuing Operations :			
	- Basic		12.87	15.65
	- Diluted		12.86	15.63
	Discontinued Operations :			
	- Basic		-	(0.14)
	- Diluted		-	(0.14)
	Continuing and Discontinued Operations :			
	- Basic		12.87	15.51
	- Diluted		12.86	15.49

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval

Kartikeya Raval
Partner
Place: Ahmedabad
Date: May 6, 2024

For and on behalf of the board of directors of Arvind Limited

Sanjay S. Lalbhai	**Jayesh K. Shah**
Chairman & Managing Director	Director & Group Chief Financial Officer
DIN: 00008329	DIN: 00008349
Nigam Shah	**Krunal Bhatt**
Chief Financial Officer	Company Secretary

Place: Ahmedabad
Date: May 6, 2024

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited

CIN : L17119GJ1931PLC000093

Consolidated Statement of Cash Flows for the year ended March 31, 2024

(₹ in Crores)

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
A Cash Flow from Operating activities				
Profit After taxation		**352.63**		**413.17**
Adjustments to reconcile profit after tax to net cash flows:				
Share of (Profit)/Loss of Joint Ventures and Associate	0.08		(1.22)	
Depreciation and Amortization expenses	265.82		255.47	
Interest Income	(3.07)		(6.38)	
Tax Expense	110.94		71.16	
Finance Costs	159.30		164.31	
Bad Debts Written Off	0.04		3.29	
Gain on Termination/Transfer of Leases	(0.67)		(0.52)	
Allowances for doubtful receivables and expected credit loss	2.54		58.68	
Allowance for doubtful advances	1.17		2.06	
Sundry Advances written off	6.94		1.21	
Sundry Balances Written Off	1.42		1.00	
Provision for Non moving inventory	39.66		42.32	
Provision in Value of Land	-		30.70	
Foreign Exchange Gain	(2.53)		(15.23)	
Property, plant and equipment Write off	-		0.31	
(Profit)/Loss on Sale of Property, plant and equipment, Investment properties and intangible assets	0.91		(3.52)	
Profit on Sale of Investments	(0.80)		-	
Excess Provision Written Back	(0.44)		(0.27)	
Share based payment expense	2.51		1.79	
Government grant income	(11.68)		(10.75)	
Gain of Mark to market of derivative financial instruments	-		(0.39)	
Profit on Sale/Liquidiation of Subsidiary	-		(155.33)	
		572.14		**438.69**
Operating Profit before Working Capital Changes		**924.77**		**851.86**
Adjustments for Changes in Working Capital:				
(Increase) / Decrease in Inventories	(261.68)		486.41	
(Increase) / Decrease in trade receivables	(104.82)		83.05	
(Increase) / Decrease in other financial assets	2.38		34.04	
(Increase) / Decrease in other assets	51.51		140.04	
Increase / (Decrease) in trade payables	126.99		(944.60)	
Increase / (Decrease) in other financial liabilities	9.17		46.51	
Increase / (Decrease) in other liabilities	71.83		61.13	
Increase / (Decrease) in provisions	10.13		(5.93)	
Net Changes in Working Capital		**(94.49)**		**(99.35)**
Cash Generated from Operations		**830.28**		**752.51**
Direct Taxes paid (Net of Tax refund)		(133.92)		(86.44)
Net Cash Flow from Operating Activities (A)		**696.36**		**666.07**
B Cash Flow from Investing Activities				
Purchase of Property, plant and equipment and intangible assets	(277.96)		(204.33)	
Proceeds from disposal of Property, plant and equipment, Investment properties and intangible assets	24.96		34.18	
Dividend received from joint venture	1.51		0.50	
Purchase of Investments	(33.23)		(20.50)	
Sale of stake in subsidiaries	-		33.47	
Proceeds from disposal of Investments	4.14		2.23	
Payment for Conversion of Joint Venture to Subsidiary	(28.50)		-	
Payment towards acquisition of Non-Controling Interest	-		(2.66)	
Changes in other bank balances not considered as cash and cash equivalents	1.77		(3.45)	
Loans received back (net)	26.03		10.39	
Interest Received	4.43		14.77	
Net cash used in Investing Activities (B)		**(276.85)**		**(135.40)**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited

CIN : L17119GJ1931PLC000093

Consolidated Statement of Cash Flows for the year ended March 31, 2024

(₹ in Crores)

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
C Cash Flow from Financing Activities				
Proceeds from Issue of Share Capital	0.24		3.28	
Dividend Paid	(154.24)		(4.00)	
Proceeds from long term Borrowings (including current maturities)	222.26		11.49	
Repayment of long term Borrowings (including current maturities)	(476.71)		(309.36)	
Proceeds/(Repayment) from Short term borrowings (net)	174.60		(51.25)	
Repayment towards lease liabilities	(34.22)		(30.91)	
Interest Paid	(150.81)		(153.29)	
Net Cash used in Financing Activities (C)		**(418.88)**		**(534.04)**
Net Increase/(Decrease) in cash & cash equivalents (A)+(B)+(C)		**0.63**		**(3.37)**
Cash & Cash equivalents at the beginning of the year		56.41		59.78
Cash & Cash equivalents at the end of the year		57.04		56.41

Reconciliation of cash and cash equivalents

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash and cash equivalents :		
Cash on Hand	0.17	0.09
Balances with Banks	57.15	56.70
Cash and cash equivalents as per Balance Sheet (Refer Note 8 (d))	**57.32**	**56.79**
Book Overdrafts (Refer Note 15 (c))	(0.28)	(0.38)
Cash and cash equivalents as per cash flow statement	**57.04**	**56.41**

See the accompanying notes to the consolidated financial statements.

Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2015 (as amended)

Particulars of liabilities arising from financing activity	Note No.	As at March 31, 2023	Net cash flows	Non Cash Changes		As at March 31, 2024
				Other changes *	Impact due to IndAS 116	
Borrowings :						
Long term borrowings	15 (a)	652.26	(254.45)	1.46	-	399.27
Short term borrowings	15 (a)	751.51	174.60	-	-	926.11
Interest accrued on borrowings	15 (c)	8.48	(8.48)	4.92	-	4.92
Lease Liabilities	38	113.61	(34.22)	-	43.22	122.61
Total		**1,525.86**	**(122.55)**	**6.38**	**43.22**	**1,452.91**

* The same relates to amount charged in statement of profit and loss accounts.

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval

Kartikeya Raval
Partner
Place: Ahmedabad
Date: May 6, 2024

For and on behalf of the board of directors of
Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial Officer
DIN: 00008349

Nigam Shah
Chief Financial Officer

Krunal Bhatt
Company Secretary

Place: Ahmedabad
Date: May 6, 2024

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Consolidated Statement of changes in equity for the year ended March 31, 2024

(₹ in Crores)

A. Equity share capital

Particulars	Balance at the beginning of the reporting year	Changes in Equity Shares during the year	Balance at the end of the reporting year
For the year ended March 31, 2023	260.59	0.91	261.50
For the year ended March 31, 2024	261.50	0.13	261.63

B. Other equity

Particulars	Reserves and Surplus attributable to the owners of the Company								Items of Other Comprehensive Income			Total Other Equity (A)	Non-controlling interest (B)	Total equity (A + B)
	Capital Reserve	Capital Reserve on Consolidation	Share based payment reserve	Amalgamation Reserve	Capital Redemption Reserve	Securities premium	General Reserve	Retained Earnings	Effective portion of gain or loss on cash flow hedges	Foreign Currency Translation Reserve	Net gain / (loss) on FVOCI equity instruments			
Balance as at April 1, 2022	**17.16**	**1.50**	**11.76**	**34.54**	**69.50**	**569.21**	**51.47**	**2,006.04**	**12.73**	**(84.46)**	**0.49**	**2,689.94**	**55.74**	**2,745.68**
Profit for the year	-		-	-	-	-	-	404.56	-	-	-	**404.56**	8.61	**413.17**
Other comprehensive income for the year	-		-	-	-	-	-	4.03	(19.06)	1.22	0.13	**(13.68)**	0.10	**(13.58)**
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**408.59**	**(19.06)**	**1.22**	**0.13**	**390.88**	**8.71**	**399.59**
Movement between Non-Controling Interest and Equity holders of the parent	-	-	-	-	-	-	-	(0.84)	-	-	-	**(0.84)**	(1.82)	**(2.66)**
Add / (Less) : Dividend Paid during the year	-	-	-	-	-	-	-	-	-	-	-	**-**	(4.00)	**(4.00)**
Add / (Less) : Transfer from share based payment reserve	-	-	-	-	-	1.63	10.77	-	-	-	-	**12.40**	-	**12.40**
Add: Issue of Shares under Employee Stock Option Scheme	-	-	1.78	-	-	2.37	-	-	-	-	-	**4.15**	-	**4.15**
Add / (Less) : Transfer to general reserve	-	-	(10.77)	-	-	-	-	-	-	-	-	**(10.77)**	-	**(10.77)**
Add / (Less) : Transfer to securities premium	-	-	(1.63)	-	-	-	-	-	-	-	-	**(1.63)**	-	**(1.63)**
Balance as at March 31, 2023	**17.16**	**1.50**	**1.14**	**34.54**	**69.50**	**573.21**	**62.24**	**2,413.79**	**(6.33)**	**(83.24)**	**0.62**	**3,084.13**	**58.63**	**3,142.76**
Balance as at April 1, 2023	**17.16**	**1.50**	**1.14**	**34.54**	**69.50**	**573.21**	**62.24**	**2,413.79**	**(6.33)**	**(83.24)**	**0.62**	**3,084.13**	**58.63**	**3,142.76**
Profit for the year	-	-	-	-	-	-	-	336.61	-	-	-	**336.61**	16.02	**352.63**
Other comprehensive income for the year	-	-	-	-	-	-	-	10.15	4.39	(1.81)	(21.87)	**(9.14)**	(0.38)	**(9.52)**
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**346.76**	**4.39**	**(1.81)**	**(21.87)**	**327.47**	**15.64**	**343.11**
Adjustment due to Business Combination (Refer note 46)	24.77	-	-	-	-	-	-	-	-	-	-	**24.77**	-	**24.77**
Movement between Non-Controling Interest and Equity holders of the parent	-	-	-	-	-	-	-	(7.51)	-	-	-	**(7.51)**	7.56	**0.05**
Add / (Less) : Dividend Paid during the year	-	-	-	-	-	-	-	(150.36)	-	-	-	**(150.36)**	(3.88)	**(154.24)**
Add / (Less) : Transfer from share based payment reserve	-	-	-	-	-	1.09	-	-	-	-	-	**1.09**	-	**1.09**
Add: Issue of Shares under Employee Stock Option Scheme (Refer note 37)	-	-	2.51	-	-	0.11	-	-	-	-	-	**2.62**	-	**2.62**
Add / (Less) : Transfer to securities premium	-	-	(1.09)	-	-	-	-	-	-	-	-	**(1.09)**	-	**(1.09)**
Balance as at March 31, 2024	**41.93**	**1.50**	**2.56**	**34.54**	**69.50**	**574.41**	**62.24**	**2,602.68**	**(1.94)**	**(85.05)**	**(21.25)**	**3,281.12**	**77.95**	**3,359.07**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Kartikeya Raval
Partner
Place: Ahmedabad
Date: May 6, 2024

For and on behalf of the board of directors of
Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial Officer
DIN: 00008349

Nigam Shah
Chief Financial Officer

Krunal Bhatt
Company Secretary

Place: Ahmedabad
Date: May 6, 2024

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

1. Corporate Information

Arvind Limited ("the Group" or "the Company" or "the Parent Company") is one of India's leading vertically integrated textile companies with the presence of almost eight decades in this industry. It is among the largest denim manufacturers in the world. It also manufactures a range of cotton shirting, denim, knits and bottom weights (Khakis) fabrics and Jeans and Shirts Garments. Arvind Limited also has the presence in Telecom business directly and through subsidiaries and joint venture companies. Also the Group has made foray into Technical Textiles on its own and in joint venture with leading global players. The Company through its subsidiary is also engaged in manufacturing and fabrication of process equipment as well as in water treatment business.

Arvind Limited together with its consolidated subsidiaries is hereinafter referred to as "the Group".

The Group's financial statements have been considered and approved by the Board of Directors at their meeting held on May 6, 2024.

2. Statement of Compliance and Basis of Preparation:

The Consolidated Financial Statements have been prepared on a historical cost convention on the accrual basis except for the certain financial assets and liabilities measured at fair value, the provisions of the Companies Act, 2013 to the extent notified ("the Act").

Accounting policies were consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standards requires a change in the accounting policy hitherto in use.

These Consolidated Financial Statements comprising of Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including other comprehensive income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows as at March 31, 2024 have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Rounding of amounts

The Consolidated Financial Statements are presented in Indian Rupee ("INR") and all values are rounded to the nearest crore as per the requirement of Schedule III, except when otherwise indicated. Figures less than ₹ 50,000, which are required to be shown separately, have been shown actual in brackets.

Principles of Consolidation and equity accounting

The consolidated financial statements incorporate the financial statements of Arvind Limited and its subsidiaries, being the entities that it controls. Control is evidenced where the Group has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group.

For non-wholly owned subsidiaries, a share of the profit / loss for the financial year and net assets is attributed to the non-controlling interests as shown in the consolidated statement of profit and loss and consolidated balance sheet.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed off. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

All intra-group assets and liabilities, equity, income, expenses including unrealized gain /loss and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Joint Ventures and Associate

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An associate is an entity over which the company has significant influence.

The Group's investments in joint ventures and associate are accounted for using the equity method.

Equity Method

Under equity method, the investment in a joint ventures and associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint ventures and associate since the acquisition date. Goodwill relating to the joint venture and associate is included in the carrying amount of the investment and is not tested for impairment individually.

The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the joint ventures and associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint ventures and associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint ventures and associate are eliminated to the extent of the interest in the joint ventures and associate.

The aggregate of the Group's share of profit or loss of joint ventures and associate is shown on the face of the Consolidated Statement of Profit and Loss.

The financial statements of the joint ventures and associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.



After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint ventures and associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint ventures and associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint ventures and associate and its carrying value, and then recognises the loss as 'Share of profit of a joint ventures' and 'associate 'in the Consolidated Statement of Profit and Loss.

Upon loss of joint control over the joint venture or loss of significant influence over associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the retained investment and proceeds from disposal is recognised in the statement of profit and loss.

3. Summary of Material Accounting Policies

3.1. Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Group's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

3.2. Use of estimates and judgements

The estimates and judgements used in the preparation of the consolidated financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

Following are significant estimate (for details refer note 4.1)

- Taxes
- Useful life of Property, plant and equipment and Intangible Assets
- Provisions and contingencies
- Defined benefit plans



The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

3.3. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acuisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share –based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 *Financial Instruments*, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent to its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

3.4. Foreign currencies

The Group's functional and presentation currency is Indian Rupee. Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rate are recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

For the purpose of consolidation, the assets and liabilities of the Company's foreign operations are translated to Indian rupees at the exchange rate prevailing on the balance sheet date, and the income and expenses at the average rate of exchange for the respective months. Exchange differences arising are recognized as foreign currency translation reserve under equity.

3.5. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Consolidated Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and for non-recurring measurement, such as asset held for sale.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided upon annually by the management after discussion with and approval by the Group's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Property, plant and equipment & Intangible assets measured at fair value on the date of transition
- Investment properties



- Financial instruments (Including those carried at amortised cost)

3.6. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The Group adjusts exchange differences arising on translation difference / settlement of long-term foreign currency monetary items outstanding as at March 31, 2016, pertaining to the acquisition of a depreciable asset, to the cost of asset and depreciates the same over the remaining life of the asset.

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit and Loss when the asset is de-recognised.

Depreciation

The carrying value of the property, plant and equipment as on April 1, 2014 are depreciated over remaining useful life of the assets based on independent technical evaluation carried out by external valuer.

Depreciation on property, plant and equipment is provided so as to write off the cost of assets less residual values over their useful lives of the assets, using the straight line method as prescribed under Part C of Schedule II to the Companies Act 2013 except for Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments which are depreciated as per schedule II of the companies act, 2013), Leasehold Improvements, Furniture and fixtures, Vehicles and Office Equipments.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation on Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments), Leasehold Improvements, Furniture & Fixtures, Vehicles and Office Equipments are provided on straight-line basis over the useful lives of the assets as estimated by management based on the technical assessment of the assets, nature of assets, the estimated usage of assets, the operating condition of the assets, maintenance supports and anticipated technological changes required in the assets. The management estimates the useful lives as follows:

Particulars	Useful Life
Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments)	10 to 35 Years
Leasehold Improvements	Over the period of agreement

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II to the Act.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

3.7. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right of use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are fixed payments. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.8. Borrowing cost

Borrowing cost includes interest expense as per Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the year. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

All other borrowing costs are expensed in the period in which they occur.

3.10. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as Investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

An investment property is derecognised on disposal or on permanently withdrawal from use or when no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in consolidated Statement of Profit and Loss when the asset is derecognised.

Transfers are made to (or from) investment property only when there is a change in use. Transfers between investment property, owner-occupied property and inventories are at carrying amount of the property transferred.

Depreciation on Investment property is provided on the straight line method over useful lives of the assets as prescribed under Part C of Schedule II to the Act.

3.11. Intangible Assets

Intangible Assets that the Group controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination at fair value on the date of acquisition/grant
- for separately acquired assets, at cost comprising the purchase price (including non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Revenue expenditure pertaining to research is charged to Consolidated Statement of Profit and Loss. Development costs of products are charged to Consolidated Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in Consolidated Statement of Profit and Loss in the period in which expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in Consolidated Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in Consolidated Statement of Profit and Loss when the asset is derecognised.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Amortisation
Software is amortized over management estimate of its useful life of 5 years or License Period whichever is lower and Patent/Knowhow is amortized over its useful validity period. Website is amortized over 5 years.

Research and development costs for Website Design
Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in Consolidated Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

3.12. Inventories

Inventories of Raw material, Work-in-progress, Finished goods and Stock-in-trade are valued at the lower of cost and net realisable value. However, Raw material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials and accessories:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- **Finished goods and work in progress**: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- **Traded goods:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

All other inventories of stores, consumables, project material at site are valued at cost. The stock of waste is valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.13. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Group. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These budgets and forecast

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognised in Consolidated Statement of Profit and Loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in Consolidated Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

3.14. Revenue Recognition

Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated base on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Revenue from sale of products is recognised when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Sale of goods – customer loyalty programme (deferred revenue)
The Group operates a loyalty points programme which allows customers to accumulate points when they purchase the products. The points can be redeemed for free products, subject to a minimum number of points being obtained. Consideration received is allocated between the product sold and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of the points is determined by applying a statistical analysis. The fair value of the points issued is deferred and recognised as revenue when the points are redeemed.

Rendering of services
Revenue from services are recognized based on the services rendered in accordance with the terms of contracts on the basis of work performed.

Construction contract
Revenue in respect of projects for Construction of Plants and Systems, is recognised based on satisfaction of performance obligation over the period of time on the basis of percentage of completion method. Percentage of completion is determined by the proportion that contract costs incurred for work done till date bears to the estimated total contract cost. Contract revenue earned in excess of billing has been reflected under the head "Other Current Assets" and billing in excess of contract revenue has been reflected under the head "Other Current Liabilities" in the balance sheet. Full provision is made for any loss in the year in which it is first foreseen and cost incurred towards future contract activity is classified as project work in progress. Determination of revenues under the percentage of completion method necessarily involves making estimates by the Group, some of which are of a technical nature, relating to the percentage of completion, costs to completion, expected revenue from the contract and the foreseeable losses to completion.

Export Incentive
Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Interest Income
Interest income from debt instruments are recorded using the effective interest rate (EIR) and accrued on timely basis. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

3.15. Financial instruments – initial recognition and subsequent measurement
Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments. For recognition and measurement of financial assets and financial liabilities, refer policy as mentioned below:

Initial recognition of financial assets and financial liabilities:
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent measurement of financial assets:
For purposes of subsequent measurement, financial assets are classified in four categories:
(a) Financial assets at amortised cost
(b) Financial assets at fair value through other comprehensive income (FVTOCI)
(c) Financial assets at fair value through profit or loss (FVTPL)
(d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(a) Financial assets at amortised cost:
A financial asset is measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

(b) Financial assets at fair value through other comprehensive income
A financial asset is measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

(c) Financial assets at fair value through profit or loss
Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable of financial assets at fair value through profit or loss are immediately recognised in the statement of profit and loss.



The Group may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

(d) Equity instruments:

All equity investments in scope of Ind-AS 109 other than Investment in subsidiaries, Joint Ventures and Associates are measured at fair value. Equity instruments which are held for trading, are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity Investment in subsidiaries, Joint Ventures and Associates are measured at cost as per Ind AS 27 - Separate Financial Statements.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Impairment of financial assets

The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses (ECL) are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECL are measured at an amount equal to the 12 months ECL, unless there has been significant increase in credit risk from initial recognition in which case these are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in Statement of Profit and Loss.

Derecognition of financial assets

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership.

Concomitantly, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in Consolidated Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to Consolidated Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Reclassification

When and only when the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through



other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

Financial liabilities and equity instruments

Classification as debt or equity
Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit or Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of direct issue costs.

Financial guarantee contracts
A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Offsetting Financial Instruments
Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Derivatives and Hedge Accounting
Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in Consolidated Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item.

The Group complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Group documents the relationship between the hedge instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which can be a fair value hedge or a cash flow hedge.

(i) Fair value hedges
Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in Consolidated Statement of Profit and Loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

(ii) Cash flow hedges
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion is recognised in Consolidated Statement of Profit and Loss.

Amounts previously recognised and accumulated in other comprehensive income are reclassified to profit or loss when the hedged item affects Consolidated Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains / losses are transferred from equity (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains/losses recognised in other comprehensive income and accumulated in equity at that time remains in equity and is reclassified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity is recognised immediately in Consolidated Statement of Profit and Loss.

3.16. Cash and cash equivalent
Cash and cash equivalent in the balance sheet includes cash on hand, at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the cash flows statement, cash and cash equivalents includes cash, short-term deposits, as defined above, other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value adjusted for outstanding bank overdrafts as they are considered an integral part of the Group's cash management. Bank Overdrafts are shown within Borrowings in current liabilities in the balance sheet.

3.17. Government Grants
Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in Statement of Profit or Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments.

3.18. Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognised in Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Deferred tax is recognised in Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.19. Employee Benefits

(a) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

(b) Post-Employment Benefits

(i) Defined contribution plan

The Group's approved provident fund scheme, superannuation fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Group has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's gratuity fund scheme, provident fund and Compensatory Pension Scheme are Company's defined benefit plans.

Gratuity fund scheme and Compensatory Pension Scheme

The present value of the obligation under Defined benefit schemes is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on the net basis.

(c) Other long term employment benefits

The employee's long term compensated absences are Group's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on the net basis.

(d) Termination Benefits

Termination benefits such as compensation under voluntary retirement scheme are recognised in the year in which termination benefits become payable.

3.20. Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. Consolidated Statement of Profit and Loss

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.21. Earnings per share (EPS)

Basic EPS is computed by dividing the net profit / loss for the year attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is computed by dividing the net profit / loss attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year adjusted for the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3.22. Dividend

The Group recognises a liability (including tax thereon) to make cash or non-cash distributions to equity shareholders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in Consolidated Statement of Profit and Loss.



3.23. Provisions and Contingencies

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When the Group expects some or all of a provision to be reimbursed from third parties, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Consolidated Financial Statements.

Contingent assets are not recognised but disclosed in the Consolidated financial statements when an inflow of economic benefits is probable.

3.24. Non-current assets held for sale/ distribution to owners and discontinued operations

The Group classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised, A gain or loss previously not recognised by the date of sale of the non-current assets is recognised on the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A discontinued operation qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in Consolidated Statement of Profit and Loss.

3.25. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

3.26. Research and Development

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands and customer lists are not recognised as intangible assets.

4. Critical accounting estimates and assumptions

The preparation of the Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.1. Estimates and assumption

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the Consolidated Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Taxes

The Group has ₹ (1.86) crores (March 31, 2023: ₹ (1.57) crores) of unused tax losses available which is carried forward for set off against taxable income in future years. The Group believes that if sufficient future taxable income available to utilise against which the unused tax losses can be utilised. On this basis, the Group has determined that it has recognised deferred tax assets on the carried forward tax losses.

Further details on taxes are disclosed in note 29.

(b) Useful life of Property, plant and equipment and Intangible Assets

As described in Note 3.6 and 3.11 of the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

(c) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Group has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the Consolidated Financial Statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer note 16 and 30).

(d) Defined benefit plans

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in Consolidated Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the Consolidated Financial Statements.

Further details about defined benefit obligations are provided in note 34.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 5 : Property, plant and equipment *(₹ in Crores)*

Particulars	Freehold land	Leasehold land	Buildings	Plant & machinery	Furniture & fixture	Vehicles	Leasehold improvements	Office equipment	Computer, server & network	Total
Gross Carrying Amount										
As at April 1, 2022	**992.39**	**182.66**	**634.78**	**2,399.90**	**95.64**	**56.99**	**43.10**	**37.48**	**56.57**	**4,499.51**
Additions	1.44	-	7.30	158.75	1.64	17.66	1.76	1.50	5.12	**195.17**
Transfer from Investment Properties (Refer note 6)	-	-	0.52	-	-	-	-	-	-	**0.52**
Transfer	-	-	-	-	(0.02)	-	-	0.02	-	**-**
Foreign Currency Translation Reserve	-	-	(0.15)	1.56	0.12	0.02	0.02	-	0.05	**1.62**
Deductions	-	-	1.27	45.23	7.52	6.88	0.06	1.62	5.30	**67.88**
As at March 31, 2023	**993.83**	**182.66**	**641.18**	**2,514.98**	**89.90**	**67.79**	**44.82**	**37.34**	**56.44**	**4,628.94**
Additions	19.84	0.01	27.71	168.11	3.80	21.55	0.15	3.31	6.75	**251.23**
Transfer to Investment Properties (Refer note 6)	-	20.56	-	-	-	-	-	-	-	**20.56**
Adjustment due to Business combination (Refer note 46)	-	-	-	-	0.07	0.01	-	0.15	0.04	**0.27**
Foreign Currency Translation Reserve	-	-	(0.07)	(2.02)	(0.16)	(0.03)	-	0.05	(0.07)	**(2.30)**
Deductions	8.26	-	0.67	27.45	0.40	10.84	0.01	0.05	1.58	**49.26**
As at March 31, 2024	**1,005.41**	**162.11**	**668.15**	**2,653.62**	**93.21**	**78.48**	**44.96**	**40.80**	**61.58**	**4,808.32**
Accumulated Depreciation and Impairment										
As at April 1, 2022	**-**	**-**	**167.75**	**963.79**	**52.76**	**22.64**	**30.29**	**30.22**	**42.70**	**1,310.15**
Depreciation for the year	-	-	26.68	170.46	8.04	6.55	2.15	2.34	4.17	**220.39**
Transfer from Investment Properties (Refer note 6)	-	-	0.09	-	-	-	-	-	-	**0.09**
Foreign Currency Translation Reserve	-	-	(0.18)	0.82	0.08	0.01	0.01	-	0.03	**0.77**
Deductions	-	-	0.21	24.00	5.75	3.78	0.06	1.54	4.46	**39.80**
As at March 31, 2023	**-**	**-**	**194.13**	**1,111.07**	**55.13**	**25.42**	**32.39**	**31.02**	**42.44**	**1,491.60**
Depreciation for the year	-	-	26.95	180.19	7.53	7.60	1.76	2.29	5.21	**231.53**
Adjustment due to Business combination (Refer note 46)	-	-	-	-	0.06	0.01	-	0.12	0.03	**0.22**
Foreign Currency Translation Reserve	-	-	(0.04)	(1.12)	(0.11)	(0.02)	-	0.03	(0.05)	**(1.31)**
Deductions	-	-	0.13	17.53	0.35	4.94	0.02	0.05	1.35	**24.37**
As at March 31, 2024	**-**	**-**	**220.91**	**1,272.61**	**62.26**	**28.07**	**34.13**	**33.41**	**46.28**	**1,697.67**
Net Carrying Amount										
As at March 31, 2024	**1,005.41**	**162.11**	**447.24**	**1,381.01**	**30.95**	**50.41**	**10.83**	**7.39**	**15.30**	**3,110.65**
As at March 31, 2023	993.83	182.66	447.05	1,403.91	34.77	42.37	12.43	6.32	14.00	3,137.34

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Notes :

1. Buildings includes ₹ 0.81 crores (Previous year ₹ 1.03 crores) in respect of ownership flats in Co-Operative Housing Society and ₹ 500/- (Previous year ₹ 500/-) in respect of shares held in Co-Operative Housing Society.

2. For Properties Pledge as security - Refer note 15 (a).

Note 5 (a) : Ageing of Capital Work-in-progress

Particulars	< 1 year	>1 year but < 2 years	>2 year but < 3 years	more than 3 years	Total
As at March 31, 2024					
Project in Progress	115.17	1.65	-	-	116.82
	115.17	**1.65**	**-**	**-**	**116.82**
As at March 31, 2023					
Project in Progress	73.59	1.13	-	4.00	78.72
	73.59	**1.13**	**-**	**4.00**	**78.72**

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.
There are no temporarily suspended projects.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 6 : Investment Properties

Particulars	Land	Building	Total
Gross Carrying Amount			
As at April 1, 2022	**166.38**	**1.47**	**167.85**
Additions	0.69	0.03	0.72
Transfer to Property, Plant and Equipment (Refer Note 5)	-	0.52	0.52
As at March 31, 2023	**167.07**	**0.98**	**168.05**
Transfer from Property, plant and equipment (Refer Note 5)	20.56	-	20.56
Deduction	0.96	0.01	0.97
As at March 31, 2024	**186.67**	**0.97**	**187.64**
Accumulated Depreciation			
As at April 1, 2022	-	**0.14**	**0.14**
Depreciation for the year	-	0.02	**0.02**
Transfer to Property, Plant and Equipment (Refer Note 5)	-	0.09	0.09
As at March 31, 2023	-	**0.07**	**0.07**
Depreciation for the year	-	0.02	**0.02**
As at March 31, 2024	-	**0.09**	**0.09**
Net Carrying Amount			
As at March 31, 2024	**186.67**	**0.88**	**187.55**
As at March 31, 2023	167.07	0.91	167.98

Notes :

(1) Information regarding income and expenditure of Investment properties

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rental income derived from Investment properties	0.36	0.23
Less: Direct operating expenses (including repairs and maintenance)	0.04	0.07
Profit arising from investment properties before depreciation	**0.32**	**0.16**
Less : Depreciation	0.02	0.02
Profit arising from investment properties	**0.30**	**0.14**

(2) Fair value of the properties

Fair value of the Investment properties are as under.

Particulars	Land	Building	Total
Balance as at April 1, 2022	372.08	4.64	376.72
Add/(less) : Fair value difference for the year	96.74	(1.15)	95.59
Asset Transfer to Property, plant and equipment	-	0.96	0.96
Balance as at March 31 2023	**468.82**	**2.53**	**471.35**
Balance as at April 1, 2023	468.82	2.53	471.35
Asset Transfer from Property, plant and equipment	20.56	-	20.56
Add/(less) : Fair value difference for the year	(106.46)	(0.64)	(107.10)
Balance as at March 31 2024	**382.92**	**1.89**	**384.81**

The fair value of the properties are based on report of Government Approved Valuer.

(3) For Properties pledged as security, refer note 15 (a)

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(₹ in Crores)

Note 7 : Intangible assets

Particulars	Computer Software	Patent & Technical knowhow	Website	Brand Value & Licence Brands	Distribution Network	Total	Goodwill	Goodwill on Consolidation	Total Goodwill
Gross Carrying Amount									
As at April 1, 2022	**100.94**	**39.71**	**71.37**	**2.94**	**17.49**	**232.45**	**20.23**	**8.95**	**29.18**
Additions	1.01	-	-	-	5.02	**6.03**	-	-	-
Deductions	9.18	-	71.37	2.39	-	**82.94**	20.23	-	**20.23**
As at March 31, 2023	**92.77**	**39.71**	**-**	**0.55**	**22.51**	**155.54**	**-**	**8.95**	**8.95**
Additions	3.06	0.13	-	-	-	**3.19**	-	-	-
Deductions	0.32	-	-	-	-	**0.32**	-	-	-
As at March 31, 2024	**95.51**	**39.84**	**-**	**0.55**	**22.51**	**158.41**	**-**	**8.95**	**8.95**
Accumulated Depreciation									
As at April 1, 2022	**78.92**	**38.68**	**69.63**	**2.91**	**7.72**	**197.86**	**20.23**	-	**20.23**
Amortisation for the Year	10.27	0.16	1.77	0.04	2.49	**14.73**	-	-	-
Deductions	6.34	-	71.40	2.40	(0.09)	**80.05**	20.23	-	**20.23**
As at March 31, 2023	**82.85**	**38.84**	**-**	**0.55**	**10.30**	**132.54**	**-**	**-**	**-**
Amortisation for the Year	7.95	0.17	-	-	2.49	**10.61**	-	-	-
Deductions	0.30	-	-	-	-	**0.30**	-	-	-
As at March 31, 2024	**90.50**	**39.01**	**-**	**0.55**	**12.79**	**142.85**	**-**	**-**	**-**
Net Carrying Amount									
As at March 31, 2024	**5.01**	**0.83**	**-**	**-**	**9.72**	**15.56**	**-**	**8.95**	**8.95**
As at March 31, 2023	9.92	0.87	-	-	12.21	23.00	-	8.95	8.95

Notes :

1. For Properties pledged as security, refer note 15 (a)

Note 7 (a) : Ageing of Intangible assets under development

Particulars	< 1 year	>1 year but < 2 years	>2 year but < 3 years	more than 3 years	Total
As at March 31, 2024					
Project in Progress	0.30	0.20	-	-	0.50
	0.30	**0.20**	**-**	**-**	**0.50**
As at March 31, 2023					
Project in Progress	1.17	-	-	0.05	1.22
	1.17	**-**	**-**	**0.05**	**1.22**

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.
There are no temporarily suspended projects.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(₹ in Crores)

Note 7 (b) : Investments accounted for using the equity method

Particulars	Face Value per Share (in ₹ unless otherwise stated)	No. of Shares/unit		Amount	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
I. Joint Ventures - measured using equity method (unquoted)					
1,000,000 (31st March 2017: 1,000,000)shares					
Adient Arvind Automotive Fabrics India Private Limited	10	81,42,750	81,42,750	8.14	8.14
Less: Provision for Impairment				(8.14)	(8.14)
				-	-
PVH Arvind Manufacturing PLC	1000 ETB	84,166	84,166	25.10	25.10
Less: Provision for Impairment				(25.10)	(25.10)
				-	-
Arya Omnitalk Radio Trunking Services Private Limited	10	10,05,000	10,05,000	6.43	7.25
Arudrama Development Private Limited	100	50,000	50,000	2.05	2.05
			Total (I)	**8.48**	**9.30**
II. Associate - measured using equity method (unquoted)					
Renew Green (GJ Eight) Private Limited	10	2,04,96,000	2,04,96,000	26.23	20.18
			Total (II)	**26.23**	**20.18**
Total Investments accounted for using the equity method				**34.71**	**29.48**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(₹ in Crores)

Note 8 : Financial assets

8 (a) Investments

Particulars	Face Value per Share (in ₹ unless otherwise stated)	No. of Shares/unit		Amount	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(a) Investment in equity shares (fully paid up):					
I. Subsidiaries - measured at cost (unquoted) :					
Arvind Foundation **	10	10,000	10,000	0.01	0.01
Arvind Indigo Foundation **	10	10,000	10,000	0.01	0.01
Arvind Worldwide(M) Inc.***	100 USD	54,840	54,840	0.01	0.01
Less: Provision for Impairment				(0.01)	(0.01)
				-	-
Arvind Spinning Limited (Shares without par value) ***		8,24,099	8,24,099	0.08	0.08
Less: Provision for Impairment				(0.08)	(0.08)
				-	-
Arvind Overseas (M) Inc.***	100 Mau	23,85,171	23,85,171	0.24	0.24
Less: Provision for Impairment				(0.24)	(0.24)
				-	-
			Total (I)	**0.02**	**0.02**
II. Limited Liability Partnerships:					
Arvind Township LLP (Previously Known as Arvind & Smart Value Homes LLP)				-	55.83
			Total (II)	**-**	**55.83**
III. Others - Fair value through Other Comprehensive Income:					
Unquoted					
Bigfoot Retail Solutions Private Limited	10	2,04,96,000	2,04,96,000	103.72	126.06
Multiple Private Equity Fund II LLP		71,268	-	21.51	-
Gujarat Cloth Dealers Co-operative Shops and Warehouses Society Limited*	100	10	10	(₹ 1,000/-)	(₹ 1,000/-)
			Total (III)	**125.23**	**126.06**
Total Equity Investments ((I) + (II) + (III)			**Total (a)**	**125.25**	**181.91**
(b) Investment in debentures - measured at cost (Unquoted):					
9.00% Optionally Convertible Debentures of Arya Omnitalk Radio Trunking Services Private Limited	10	2500	2500	0.02	0.02
			Total (b)	**0.02**	**0.02**
(c) Investment in government securities - measured at amortised cost:					
National Saving Certificates (Lodged with Sales Tax and Government Authorities)				(₹ 23,000/-)	(₹ 23,000/-)
			Total (c)	**(₹ 23,000/-)**	**(₹ 23,000/-)**
Total Non-Current Investments (A)=(a)+(b)+(c)				**125.27**	**181.93**
Investment in Mutual Funds - Fair value through Profit and Loss					
HDFC Low Duration Fund - Growth		10,13,998	-	5.34	-
Invesco India Money Market Fund - Growth		4,412	-	1.79	-
Total Current Investments (B)				**7.13**	-
Total Investments (A)+(B)				**132.40**	**181.93**
Aggregate amount of unquoted investments				125.27	181.93
Aggregate amount of quoted investments and market value thereof				7.13	-
Aggregate amount of impairment in value of investment				0.33	0.33

Disclosure in respect of Limited Liability Partnerships

Name of the Firm	Total Capital	Name of the Partner	Share in partnership	
			March 31,2024	March 31,2023
Arvind Township LLP (Previously Known as Arvind & Smart Value Homes LLP)^	0.01	Arvind Limited	99%	50%
		Tata Value Homes Limited	-	50%
		Arvind Sports Fashion Private Limited	1%	-

* The management has assessed that fair value of the investments approximate to their carrying value.

**The Group has made investment of ₹ 0.01 Crores in the equity shares of Arvind Foundation and ₹ 0.01 Crores in the equity shares of Arvind Indigo Foundation, which are the Companies incorporated under Section 8 of the Act. Since the Group has no intention of earning variable returns from the voting rights, the above investments doesn't meet the definition of control under Ind AS 110 and hence, not consolidated in the Consolidated Financial Statements.

*** Not considered for the purpose of consolidation for the financial year 2023-24 and 2022-23 respectively being defunct status.

^ Group has entered into an agreement with Tata Value Homes Limited (JV Partner for "ASVH" (Arvind and Smart Value Homes LLP, now known as Arvind Township LLP)) for the purchase of its stake effective from April 1, 2023. Accordingly, ASVH is accounted for as subsidiary of Arvind Limited w.e.f. April 1, 2023.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

8 (b) Trade receivables - Current

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good	1,072.21	965.88
Unsecured, considered doubtful	54.87	58.89
Less : Allowance for doubtful receivables and expected credit loss	(57.32)	(58.89)
Total Trade receivables	**1,069.76**	**965.88**
Receivables from Directors or from firm / Private company where director is interested	7.37	-

For amount receivable from related parties, refer note 35.

Trade receivables are non-interest bearing and are generally on terms of 7 to 180 days.

Trade Receivables are given as security for borrowings as disclosed under note 15(a).

Allowance for doubtful receivables and expected credit loss

The Group has provided allowance for doubtful receivables based on the lifetime expected credit loss model using provision matrix. Movement in allowance for doubtful debt are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance as per last financial year	**58.89**	**8.02**
Add : Allowance for doubtful receivables (Refer note 27)	0.09	50.92
Add : Allowance for expected credit loss (Refer note 27)	2.45	-
Less : Reversal of allowance for doubtful receivables (Refer note 28)	(2.73)	-
Less : Write off of bad receivables and other adjustment (net of recovery)	(1.38)	(0.05)
Balance at the end of the year	**57.32**	**58.89**

Ageing of Trade Receivables from due date of payments as at March 31, 2024 and March 31, 2023 are as follows:

Particulars	Not Due	< 6 months	>6 months but < 1 year	>1 year but < 2 years	>2 year but < 3 years	More than 3 years	Total
Year ended March 31, 2024							
(i) Undisputed Trade Receivables - Considered Good	696.40	357.48	10.34	5.27	2.31	0.41	**1,072.21**
(ii) Undisputed Trade Receivables - Considered doubtful	-	0.35	1.77	5.73	1.77	45.25	**54.87**
(iii) Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-	**-**
	696.40	**357.83**	**12.11**	**11.00**	**4.08**	**45.66**	**1,127.08**
Less : Allowances for doubtful receivables and expected credit loss							57.32
Total							**1,069.76**
Year ended March 31, 2023							
(i) Undisputed Trade Receivables - Considered Good	604.73	329.09	22.99	4.70	4.14	0.23	**965.88**
(ii) Undisputed Trade Receivables - Considered doubtful	-	4.63	1.21	4.21	2.26	46.58	**58.89**
(iii) Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-	**-**
	604.73	**333.72**	**24.20**	**8.91**	**6.40**	**46.81**	**1,024.77**
Less : Allowances for doubtful receivables and expected credit loss							58.89
Total							**965.88**

8 (c) Loans

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Non-current		
Loans to employees	0.42	0.51
Total Non-current Loans (A)	**0.42**	**0.51**
Current		
Loans to		
- Related parties (Refer note 35)	-	2.38
- Employees	0.18	0.15
- Others	3.44	27.03
	3.62	**29.56**
Considered Doubtful		
Loans to related parties (Refer note 35)	5.23	5.23
Less : Allowance for doubtful loan	(5.23)	(5.23)
	-	-
Total Current Loans (B)	**3.62**	**29.56**
Total Loans (A)+(B)	**4.04**	**30.07**
Loans to Directors or to firm / Private company where director is interested (Refer note 35 for further details)	-	-

Loans to Related Parties that are repayable on Demand

Type of Borrower	Year ended March 31, 2024		Year ended March 31, 2023	
	Loan Outstanding	Loan Outstanding (%)	Loan Outstanding	Loan Outstanding (%)
Related Parties (Refer note 35)	-	-	2.38	7.91%

8 (d) Cash and cash equivalent

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.17	0.09
Balance with Banks		
In Current accounts and debit balance in cash credit accounts	57.15	56.70
Total cash and cash equivalents	**57.32**	**56.79**

8 (e) Other bank balance

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid dividend accounts (Refer note 15(c))	2.38	2.29
Deposits with original maturity of more than three months but less than 12 months*	16.11	17.88
Total other bank balances	**18.49**	**20.17**

* Under lien with bank as Security for Guarantee Facility given by the Bankers.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

8 (f) Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Non-current		
Security deposits	28.94	26.59
Deposits held as Margin Money*	-	-
Foreign Currency Derivative Contracts (Cash flow hedge)	-	-
Share Application Money	1.49	1.49
Less : Provision for doubtful share application money	(1.49)	(1.49)
	-	-
Bank deposits with maturity of more than 12 months	7.76	10.63
Total Other Non-current Financial Asset (A)	**36.70**	**37.22**
Current		
Security deposits	12.92	10.43
Income receivable	0.02	0.11
Interest Subsidy Receivable	-	3.72
Interest Accrued on financial assets measured at amortised cost	0.15	1.51
Foreign Currency Derivative Contracts (Cash flow hedge)	4.72	4.71
Others	0.03	2.98
Total Other Current Financial Asset (B)	**17.84**	**23.46**
Total (A)+(B)	**54.54**	**60.68**

* Deposits are placed as bank guarantee to the sales tax department of various states.

Other current financial assets are given as security for borrowings as disclosed under note 15(a).

Note 9 : Other assets

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Capital advances		
Considered Good	33.48	22.44
Pre-paid expense	3.28	2.45
Advances to suppliers - Doubtful	0.69	0.69
Less : Provision for doubtful advances	(0.69)	(0.69)
	-	-
Total Other Non-current Asset (A)	**36.76**	**24.89**
Current		
Advance to suppliers		
Considered Good	65.89	81.65
Advances to suppliers - Doubtful	0.09	0.09
Less : Provision for doubtful advances	(0.09)	(0.09)
	65.89	81.65
Balance with Government Authorities (Refer note (i) below)	141.71	181.30
Export incentive receivable	20.80	28.00
Pre-paid expense	31.61	26.21
Income Receivable	16.20	20.39
Pre-paid Gratuity (Refer note 34)	9.82	8.97
Other Current Asset	6.43	4.16
Total Other Current Asset (B)	**292.46**	**350.68**
Total (A) + (B)	**329.22**	**375.57**
Advance to Directors or to firm / Private company where director is interested (Refer note 35 for further details)	-	0.03

For amount receivable from related parties, refer note 35.

(i) Balance with Government Authorities mainly consists of input credit availed.

Other current assets are given as security for borrowings as disclosed under note 15(a).

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 10 : Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials		
Raw materials and components	590.23	399.50
Raw materials in transit	4.62	0.20
Fuel	7.40	8.62
Land plots and materials at site	296.07	253.67
Stores and spares	64.01	66.23
Stores and spares in transit	-	0.30
Work-in-progress	516.47	454.75
Finished goods	424.53	380.93
Waste	1.01	0.41
Stock-in-trade	68.60	68.23
Stock-in-trade in transit	6.47	9.57
Land Held as Stock-in-trade*	6.58	6.58
Total	**1,985.99**	**1,648.99**

Inventory write downs are accounted, considering the nature of inventory, ageing and net realisable value for ₹ 76.54 Crores (March 31, 2023 ₹ 42.32 Crores). The changes in write downs are recognised as an expense in the Statement of Profit and Loss.

* During the earlier years, while granting approval of revised plan on the land, the municipal corporation has demanded additional surrender of 17,033 sq meters of land valued at ₹ 30.70 crores than what is already surrendered as part of the submitted plan. The Group has preferred an appeal/legal case against this demand which is pending with the Hon'ble High Court of Gujarat. As the outcome of the case is uncertain, based on legal advice, in the Previous year the Group has made provision of ₹ 30.70 crores and disclosed under the head "Exceptional Items".

Inventories are hypothecated as security for borrowings as disclosed under note 15(a).

Note 11 : Current Tax Assets (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Tax Paid in Advance (Net of Provision)	19.82	21.51
Total	**19.82**	**21.51**

Note 12 : Current Tax Liability (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for taxation (Net of Advance Tax)	1.11	1.42
Total	**1.11**	**1.42**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 13 : Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Authorised share capital				
Equity shares of ₹ 10 each	57,45,00,000	574.50	57,45,00,000	574.50
Preference shares of ₹ 100 each	1,00,00,000	100.00	1,00,00,000	100.00
Issued, subscribed and paid-up share capital				
Equity shares of ₹ 10 each	26,16,30,474	261.63	26,14,97,474	261.50
Add : forfeited shares	900	(₹ 4,500/-)	900	(₹ 4,500/-)
Total	**26,16,31,374**	**261.63**	**26,14,98,374**	**261.50**

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Outstanding at the beginning of the year	26,14,97,474	261.50	26,05,85,819	260.59
Add : Shares allotted pursuant to exercise of Employee Stock Option Scheme	1,33,000	0.13	9,11,655	0.91
Outstanding at the end of the year	**26,16,30,474**	**261.63**	**26,14,97,474**	**261.50**

(ii) Rights, Preferences and Restrictions attached to equity shares:

The Company has one class of shares having par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of shareholder holding more than 5% Shares in the Company:

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Aura Securities Private Limited	9,37,30,590	35.83	9,37,30,590	35.84
Quant Mutual Fund (Small Cap and Manufacturing Fund)	1,37,46,985	5.25	-	-

(iv) Details of shareholding of promoters in the Company:

Name of the Promoter	As at March 31, 2024			As at March 31, 2023		
	No. of shares	% of shareholding	% change during the year	No. of shares	% of shareholding	% change during the year
Sanjaybhai Shrenikbhai Lalbhai	170	0.00%	(89.13%)	1,564	0.00%	0.00%
Jayshreeben Sanjaybhai Lalbhai	345	0.00%	0.00%	345	0.00%	0.00%
Punit Sanjaybhai	3,714	0.00%	0.00%	3,714	0.00%	0.00%
Hansa Niranjanbhai	-	0.00%	(100.00%)	11,396	0.00%	0.00%
Swati S Lalbhai	9,712	0.00%	0.00%	9,712	0.00%	0.00%
Sunil Siddharth Lalbhai	5,437	0.00%	0.00%	5,437	0.00%	0.00%
Vimla S Lalbhai	970	0.00%	(78.87%)	4,590	0.00%	0.00%
Taral S Lalbhai	4,074	0.00%	0.00%	4,074	0.00%	0.00%
Astha Lalbhai	1,925	0.00%	0.00%	1,925	0.00%	0.00%
Sunil Siddharth HUF	18	0.00%	0.00%	18	0.00%	0.00%
Kalpana Shripal Morakhia	12	0.00%	0.00%	12	0.00%	0.00%
Aura Securities Private Limited	9,37,30,590	35.83%	0.00%	9,37,30,590	35.84%	-
Aura Business Ventures LLP	69,60,988	2.66%	0.00%	69,60,988	2.66%	-
Atul Limited	41,27,471	1.58%	0.00%	41,27,471	1.58%	0.00%
Aagam Holdings Private Limited	18,76,258	0.72%	0.00%	18,76,258	0.72%	0.00%
Lalbhai Realty Finance Private Limited	4,55,000	0.17%	0.00%	4,55,000	0.17%	0.00%
Akshita Holdings Private Limited	1,50,000	0.06%	0.00%	1,50,000	0.06%	0.00%
Anusandhan Investments Limited	1,15,000	0.04%	0.00%	1,15,000	0.04%	0.00%
Aayojan Resources Private Limited	96,000	0.04%	0.00%	96,000	0.04%	0.00%
Adhinami Investments Private Limited	78,500	0.03%	0.00%	78,500	0.03%	0.00%
Aura Business Enterprise Private Limited	100	0.00%	0.00%	100	0.00%	0.00%
Aura Merchandise Private Limited	100	0.00%	0.00%	100	0.00%	0.00%
Aura Securities Private Limited (As a partner of the Partnership Firm i.e. Aura Venture)	100	0.00%	0.00%	100	0.00%	0.00%
Swati S Lalbhai (As a Trustee of Siddharth Family Trust)	3,620	0.00%	100.00%	-	0.00%	0.00%
Sanjaybhai Shrenikbhai Lalbhai (As a Reprentative trustee of Discretionary Trust)	1,394	0.00%	100.00%	-	0.00%	0.00%

(v) Shares reserved for issue under options and contracts:
Refer note 37 for details of shares to be issued under employee stock option Scheme (ESOS 2008 and ESOS 2021).

(vi) In the period of five years immediately preceding March 31, 2024:
i) The Company has not allotted any equity shares as fully paid up without payment being received in cash.
ii) The Company has not allotted any equity shares by way of bonus issue.
iii) The Company has not bought back any equity shares.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(₹ in Crores)

Note 14 : Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Capital reserve		
Balance as per last financial statements	**17.16**	**17.16**
Add : Adjustment due to Business Combination (Refer note 46)	24.77	-
Balance at the end of the year	**41.93**	**17.16**
(b) Capital reserve on Consolidation		
Balance as per last financial statements	**1.50**	**1.50**
Balance at the end of the year	**1.50**	**1.50**
(c) General reserve		
Balance as per last financial statements	**62.24**	**51.47**
Add : Transfer from Share based payment Reserve	-	10.77
Balance at the end of the year	**62.24**	**62.24**
(d) Amalgamation reserve		
Balance as per last financial statements	**34.54**	**34.54**
Balance at the end of the year	**34.54**	**34.54**
(e) Securities premium account		
Balance as per last financial statements	**573.21**	**569.21**
Add: Received during the year	0.11	2.37
Add: Transfer from share based payment reserve	1.09	1.63
Balance at the end of the year	**574.41**	**573.21**
(f) Capital redemption reserve		
Balance as per last financial statements	**69.50**	**69.50**
Balance at the end of the year	**69.50**	**69.50**
(g) Share based payment reserve (Refer note 37)		
Balance as per last financial statements	**1.14**	**11.76**
Add: Addition during the year	2.51	1.78
Less: Transfer to General Reserve	-	(10.77)
Less: Transfer to Securities Premium Account	(1.09)	(1.63)
Balance at the end of the year	**2.56**	**1.14**
(h) Retained earnings		
Balance as per last financial statements	**2,413.79**	**2,006.04**
Add: Profit/ for the year	336.61	404.56
Add: Other comprehensive income/(loss) arising from remeasurement of defined benefit obligation (net of tax)	10.15	4.03
Less: Movement between Non-Controling Interest and Equity holders of the parent	(7.51)	(0.84)
Less : Dividend Paid during the year	(150.36)	-
Balance at the end of the year	**2,602.68**	**2,413.79**
Items of Other comprehensive income		
(i) Equity Instruments through OCI (net of tax)		
Balance as per last financial statements	**0.62**	**0.49**
Add: Addition during the year	(21.87)	0.13
Balance at the end of the year	**(21.25)**	**0.62**
(ii) Foreign Currency Translation Reserve		
Balance as per last financial statements	**(83.24)**	**(84.46)**
Add: Addition during the year	(1.81)	1.22
Balance at the end of the year	**(85.05)**	**(83.24)**
(iii) Cash Flow hedge reserve		
Balance as per last financial statements	**(6.33)**	**12.73**
Add/(Less) : Addition during the year	5.86	(25.47)
Add/(Less) : Tax impact on additions	(1.47)	6.41
Balance at the end of the year	**(1.94)**	**(6.33)**
Total Other equity	**3,281.12**	**3,084.13**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

The description of the nature and purpose of each reserve within equity is as follows :

(a) Capital reserve
Capital Reserve includes forfeiture of application money received on issue of share warrants and Capital Reserves on amalgamation/Business Combinations.

(b) General reserve
General Reserve is a free reserve created by the Group by transfer from Retained earnings for appropriation purposes.

(c) Amalgamation reserve
The reserve was created pursuant to scheme of amalgamation in earlier years. Amalgamation Reserve is a reserve which arose pursuant to the scheme of amalgamation and shall not be considered to be a reserve created by the Group.

(d) Securities premium account
Securities premium reserve is created due to premium on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act.

(e) Capital redemption reserve
Capital Redemption Reserve is created for redemption of preference shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the preference shares redeemed. Capital Redemption Reserve may be applied by the Group in paying up unissued shares of the Group to be issued to shareholders of the Group as fully paid bonus shares.

(f) Share based payment reserve
This reserve relates to share options granted by the Group to its employee stock option scheme. Further information about share-based payments to employees is set out in note 37.

(g) Capital reserve on consolidation
Gain on purchase, i.e. excess of fair value of net assets acquired over the fair value of consideration in a business combination or on acquisition of interest in subsidiary is recognised as capital reserve on consolidation.

(h) Equity Instruments through OCI
The Group has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

(i) Cash Flow hedge reserve
The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on the changes of the fair value of the designated portion of the hedging instruments that are recognised and accumulated under the cash flow hedge reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

(j) Foreign currency translation reserve
Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Currency Units) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

Note 15 : Financial liabilities

15 (a) Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
A. Long-term Borrowings (at amortised cost)		
(ai) Term loan (Secured)		
- from Banks	262.97	303.61
- from others	-	74.69
(aii) Term loan (Unsecured)		
- from Banks	0.38	-
(aiii) Non convertible Debentures	-	0.00
Total long-term borrowings (A)	**263.35**	**378.30**
B. Short-term Borrowings (at amortised cost)		
(bi) Working Capital Loans repayable on demand from Banks (Secured)	923.02	739.72
(bii) Current maturity of long term borrowings		
Term loan (Secured)		
- from Banks	134.42	149.10
- from Others	-	50.00
Non convertible Debentures (Secured)	-	74.86
Term loan (Unsecured)		
- from Banks	1.50	-
(biii) Intercorporate Deposits		
From Related Parties	0.80	-
From Others	2.29	11.79
Total short-term borrowings (B)	**1,062.03**	**1,025.47**
Total borrowings (A) +(B)	**1,325.38**	**1,403.77**



(₹ in Crores)

Notes :

Nature of security:

Term loan of ₹ 397.39 Crores

a) (i) Loans and NCD amounting to ₹ 18.08 Crores (March 31, 2023 ₹ 208.69 Crores) are secured by (a) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (b) Secured by second pari passu charge on all the Company's Current Assets presently relating to the Textile Plants and Garment Division and all the current assets aquired by the Company at any time in future.

(ii) Loans amounting to ₹ 74.87 Crores (March 31, 2023 ₹ 124.69 Crores) are secured by (a) exclusive charge on some of the Immovable properties at Asarwa; (b) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage.

(iii) Loans amounting to ₹ 284.45 Crores (March 31, 2023 ₹ 241.28 Crores) are secured by (a) exclusive charge on Immovable properties of Ankur division; (b) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (c) Secured by second pari passu charge on all the Company's Current Assets presently relating to the Textile Plants and Garment Division and all the current assets aquired by the Company at any time in future.

(iv) Loans amounting to ₹ NIL Crores (March 31, 2023 ₹ 47.06 Crores) are secured by (a) exclusive charge on some of the Immovable properties at Dholka; (b) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (c) Secured by second pari passu charge on all the Company's Current Assets presently relating to the Textile Plants and Garment Division and all the current assets aquired by the Company at any time in future.

b) Loans amounting to ₹ 7.67 Crores (March 31, 2023 ₹ 10.82 Crores) are secured by first pari passu charge over the entire land, building and fixed assets of the subsidiary company and by second pari passu charge over the inventory, receivables and other current assets of the subsidiary company.

c) Loans amounting to ₹ 4.43 Crores (March 31, 2023 ₹ NIL Crores) are secured by (i) First pari passu charge by way of hypothecation over all the movable fixed assets of the Company, both present and future (ii) Second pari passu charge by way of hypothecation over all the current assets of the Company, both present and future (iii) Unconditional & irrevocable corporate guarantee of Parent.

d) Loans amounting to ₹ 7.89 Crores (March 31, 2023 ₹ 19.71 Crores) are secured by (i) first pari passu charge over the entire moveable fixed assets of the subsidiary company and current assets of the subsidiary company (ii) Unconditional & irrevocable corporate guarantee of Parent.

e) Loans of ₹ NIL Crores (March 31, 2023 ₹ 0.01 Crores) are secured by hypothecation of related vehicles.

Rate of Interest and Terms of Repayment

Particulars	₹ in Crores	Range of Interest (%)	Terms of Repayment from Balance sheet date
From Banks			
(a) Term Loan			
(I) Secured Rupee Loans	397.39	8.25% to 10.30%	Repayable in quarterly instalments ranging between 5 to 19.
(II) Unsecured Rupee Loans	1.88	9.15%	Repayable in 5 quarterly instalments.

Nature of Security

Cash Credit and Other Facilities from Banks

(a) Secured by first pari passu charge on all the Company's Current Assets presently relating to the Manufacturing Locations and all the Current Assets acquired by the Company at any time after the execution of and during the continuance of the Indenture of Mortgage.

(b) Secured by a second pari passu charge over all the Immovable Properties relating to Textile Plants, Movable Properties presently relating to the Company and all the movable properties aquired by the Company at any time in future after execution of and during the continuance of the Indenture of Mortgage.

Rate of Interest

i. Working Capital Loans from banks carry interest rates ranging from 6.03% to 11.20% per annum.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

15 (b) Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Acceptances	459.16	314.45
Other trade payables		
- Total Outstanding dues of Micro Enterprises and Small Enterprises	147.53	66.79
- Total Outstanding dues other then Micro Enterprises and Small Enterprises	768.60	856.31
Total	**1,375.29**	**1,237.55**

For amount payable to related parties, refer note 35.

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2024. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
- Principal amount due to micro and small enterprise	147.04	66.70
- Interest due on above	0.49	0.09
(ii) Interest paid by the Group in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv)The amount of interest accrued and remaining unpaid at the end of each accounting year	0.49	0.09
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	0.49	0.09

Ageing of Trade Payables from due date of payments as at March 31, 2024 and March 31, 2023 are as follows:

Particulars	Not Due	< 1 year	>1 year but < 2 years	>2 year but < 3 years	More than 3 years	Total
Year ended March 31, 2024						
(i) Micro Enterprises and Small Enterprises	124.40	22.43	0.42	0.18	0.10	147.53
(ii) Other then Micro Enterprises and Small Enterprises	1,031.63	163.36	10.01	9.13	13.63	1,227.76
	1,156.03	**185.79**	**10.43**	**9.31**	**13.73**	**1,375.29**
Year ended March 31, 2023						
(i) Micro Enterprises and Small Enterprises	55.49	10.80	0.38	0.05	0.07	66.79
(ii) Other then Micro Enterprises and Small Enterprises	961.06	182.80	13.62	6.83	6.45	1,170.76
	1,016.55	**193.60**	**14.00**	**6.88**	**6.52**	**1,237.55**

15 (c) Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Security Deposits	0.35	0.38
Foreign Currency Derivative Contracts (Cash flow hedge)	-	-
Total Other Non-current financial liabilities (A)	**0.35**	**0.38**
Current		
Interest accrued but not due on financial liabilities	4.92	8.03
Interest accrued and due on financial liabilities	-	0.45
Payable to employees	155.43	139.77
Deposits from customers and others	7.09	6.56
Payable in Respect of Capital Goods	25.57	21.30
Foreign Currency Derivative Contracts (Cash flow hedge)	4.91	10.76
Unpaid dividends (Refer note 8 (e))	2.38	2.29
Book overdraft	0.28	0.38
Other Payables	24.02	31.05
Total Other Current financial liabilities (B)	**224.60**	**220.59**
Total (A)+(B)	**224.95**	**220.97**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 16 : Provisions

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Long-term		
Provision for employee benefits		
Provision for leave encashment	27.08	24.99
Provision for Gratuity (Refer note 34)	3.94	2.62
Provision for compensatory pension (Refer note 34)	1.21	1.39
Total Long-term provisions (A)	**32.23**	**29.00**
Short-term		
Provision for employee benefits		
Provision for leave encashment	12.79	11.83
Provision for Gratuity (Refer note 34)	2.68	1.18
Provision for superannuation	-	1.06
Provision for compensatory pension (Refer note 34)	0.52	0.56
Others		
Provision for Warranties (Refer note (a) below)	-	-
Total Short-term provisions (B)	**15.99**	**14.63**
Total (A)+(B)	**48.22**	**43.63**

Note:
(a) Provision for Warranties
The Group has made provisions for warranty expenses. The movement in the provision account is as under:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance as per last financial statements	-	0.67
Add : Provision used during the year	-	(0.67)
Balance at the end of the year	**-**	**-**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 17 : Government grants

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Deferred income	79.56	73.85
Total Non-current government grants (A)	**79.56**	**73.85**
Current		
Deferred income	12.86	10.03
Total Current government grants (B)	**12.86**	**10.03**
Total (A)+(B)	**92.42**	**83.88**

Government grants

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance as per last financial year	83.88	77.12
Add : Received during the year	20.22	17.51
Add : Released to statement of profit and loss (net) (Refer note 20)	(11.68)	(10.75)
Balance at the end of the year	**92.42**	**83.88**

Note 18 : Other liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Income received in advance	0.05	0.25
Advance from customers	-	-
Total Other Non-current liabilities (A)	**0.05**	**0.25**
Current		
Advance from customers	339.10	277.73
Statutory dues	27.04	23.41
Other liabilities	15.34	7.93
Total Other current liabilities (B)	**381.48**	**309.07**
Total (A)+(B)	**381.53**	**309.32**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 19 : Revenue from operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of products	7,297.16	8,049.98
Sale of services	175.06	65.41
Other Operating income :		
Waste sale	88.86	117.40
Gain on forward contracts	(6.18)	(60.45)
Export incentives	144.40	156.91
Foreign exchange fluctuation on vendors and customers	34.00	51.35
Others	4.45	1.88
Total	**7,737.75**	**8,382.48**

Disaggregation of Revenue from contracts with customers

Revenue based on Geography

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Domestic	4,557.02	4,686.62
Export	3,180.73	3,695.86
Revenue from Operations	**7,737.75**	**8,382.48**

Revenue based on business segment

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Textile	5,775.42	6,683.28
Advanced Material	1,425.04	1,246.22
Others	537.29	452.98
Revenue from Operations	**7,737.75**	**8,382.48**

Reconciliation of revenue from operation with contract price

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contract with customers as per the contract price	8,065.43	8,586.88
Less : Adjustment made to contract price on account of:		
a) Discounts and Rebates	96.53	85.25
b) Sales Return	200.65	103.97
c) Bonus / incentive	30.47	15.14
d) Customer loyalty programme	0.03	0.04
Revenue from Operations	**7,737.75**	**8,382.48**

Contract balances

The following table provides information about contract assets and contract liabilities from contracts with customers:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Trade Receivables - Contract Assets	1,069.76	965.88
Advances from Customers - Contract Liabilities*	339.10	277.73

*It is expected that this unsatisfied performance obligations will be satisfied withing next 12 months.

Movements in contract liability balances

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue recognised that was included in the contract liability balance at the beginning of the period	81.04	60.66

Note 20 : Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income on financial assets measured at amortized cost	3.07	6.38
Government grants (Refer note 17)	11.68	10.75
Rent	0.36	0.23
Profit on sale of Property, plant and equipment (Net)	-	4.12
Profit on sale of Investment (Net)	0.80	-
Exchange difference on Borrowing and others	0.11	2.49
Scrap income	12.37	14.94
Miscellaneous income	12.44	5.61
Total	**40.83**	**44.52**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(₹ in Crores)

Note 21 : Cost of raw materials and accessories consumed

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the beginning of the year	399.70	830.37
Add : Purchases during the year	3,670.93	3,580.07
	4,070.63	4,410.44
Less : Inventories at the end of the year	594.85	399.70
Total	**3,475.78**	**4,010.74**

Note 22 : Purchases of stock-in-trade

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Purchase of stock-in-trade	236.68	389.85
Total	**236.68**	**389.85**

Note 23 : Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the end of the year		
Finished goods	424.53	380.93
Stock-in-trade	68.60	68.23
Work-in-Progress	516.47	454.75
Project work-in-progress	302.65	260.25
Waste	1.01	0.41
(A)	**1,313.26**	**1,164.57**
Inventories at the beginning of the year		
Finished goods	380.93	434.22
Stock-in-trade	68.23	71.30
Work-in-Progress	454.75	502.67
Project work-in-progress	260.25	255.66
Waste	0.41	2.05
(B)	**1,164.57**	**1,265.90**
Fair Valuation Adjustment	-	(31.05)
Adjustment due to Business Combination (Refer note 46)	114.98	-
Total (Increase) / Decrease in Inventories (B-A)	**(33.71)**	**70.28**

Note 24 : Employee benefits expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages, gratuity, bonus, commission, etc.	868.38	784.25
Contribution to provident and other funds (Refer note 34)	71.58	61.30
Welfare and training expenses	21.10	20.23
Share based payment to employees (Refer note 37)	2.51	1.79
Total	**963.57**	**867.57**

Note 25 : Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on Financial Liabilities		
- Loans	145.78	131.33
- Debentures	1.24	7.18
- Lease Liability (Refer note 38)	10.59	10.20
- others	1.66	5.27
Exchange differences regarded as an adjustment to borrowing costs	-	9.96
Other borrowing cost	0.03	0.30
Total	**159.30**	**164.24**

Note 26 : Depreciation and amortization expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on Property, plant and equipment (Refer note 5) (Refer (i) below)	231.53	220.30
Depreciation on Investment properties (Refer note 6)	0.02	0.02
Amortization of Intangible assets (Refer note 7)	10.61	14.73
Depreciation of right of use assets (Refer note 38)	23.66	20.42
Adjustment due to Discontinued operations (Refer note 45)	-	(2.46)
Total	**265.82**	**253.01**

(i) During the current financial year, w.e.f. October 1, 2023, the Group has re-assessed the useful life of certain Property, Plant & Equipment based upon the internal technical evaluation carried out. Change in useful life of the Property, Plant & Equipment is being applied prospectively in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. Accordingly, there is a decrease in depreciation amount by Rs. 9.25 crores for the period ended March 31, 2024 due to change in useful life.

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS *

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(₹ in Crores)

Note 27 : Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Power and fuel	562.76	618.32
Stores consumed	574.62	576.84
Processing charges	169.31	198.22
Miscellaneous Labour charges	136.11	117.45
Rent	20.60	20.16
Insurance	16.04	17.14
Printing, stationery and communication	22.00	18.16
Commission, Brokerage and discount	43.82	35.30
Rates and taxes	22.67	13.32
Repairs :		
To Building	5.51	6.56
To Machineries (including spares consumption)	133.72	118.58
To others	7.95	11.23
Freight, insurance and clearing charge	113.82	150.52
Advertisement and publicity	43.68	37.40
Software Expenses	10.39	3.58
Legal and Professional charges	46.16	37.71
Conveyance and Travelling expense	41.32	34.78
Director's sitting fees	0.17	0.07
Allowances for doubtful receivables and expected credit loss (Refer note 8 (b))	2.54	1.46
Allowances for doubtful advances	1.17	2.06
Bad debt written off	0.04	3.29
Sundry Advances written off	6.94	1.21
Sundry debits written off	1.42	0.19
Auditor's remuneration	1.78	2.08
Bank charges	33.32	27.68
Corporate Social Responsibility expenses	6.05	5.53
Loss on sale of Property, plant and equipment (Net)	0.91	0.60
Property, plant and equipment written off	-	0.31
Exchange difference on Borrowing and others	0.92	0.20
Loss on sale of Investment	-	-
Miscellaneous expenses (Refer note (i) below)	102.14	95.18
Total	**2,127.88**	**2,155.13**

(i) The Group made a contribution to an electoral bond of ₹ NIL crores for the year ended March 31, 2024. For the year ended March 31, 2023, Group has made a contribution of ₹ 9.00 crores (through the purchase of electoral bonds, with the ultimate beneficiary being the "Bharatiya Janata Party"), which is included in Miscellaneous Expenses.

Note 28 : Exceptional items

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Allowance for doubtful Receivable and unbilled Revenue	(2.73)	57.22
(b) Provision in value of Land	-	30.70
(c) Profit on sale of Undertaking	-	(148.79)
	(2.73)	**(60.87)**
Tax Impact on above	0.27	2.11
Total	**(2.46)**	**(58.76)**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 29 : Income tax

The major component of income tax expense for the years ended March 31, 2024 and March 31, 2023 are as follows:

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Statement of Profit and Loss		
Current income tax	129.31	100.09
Short provision related to earlier years		
- Current income tax	3.94	0.13
- Deferred tax Charge	-	9.14
	3.94	**9.27**
Deferred tax Charge/(Credit)		
- Continuing Business	(22.58)	(38.81)
- Discontinued Business	-	(1.50)
- Exceptional Items	0.27	2.11
	(22.31)	**(38.20)**
Income tax expense in the statement of profit and loss	**110.94**	**71.16**
Statement of Other comprehensive income (OCI)		
Current income tax	1.94	1.25
Deferred tax charge/(credit)	(3.87)	(6.37)
Income tax expense/(Credit) recognised in OCI	**(1.93)**	**(5.12)**

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2024 and March 31, 2023.

A. Current tax

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Accounting profit before tax	463.30	482.22
Less : Tax on Exceptional Items	(0.27)	(2.11)
	463.57	484.33
Tax Rate	**25.168%**	**25.168%**
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	116.67	121.90
Adjustment		
Utilisation of Capital Loss	(10.02)	(12.74)
Profit on sale of undertaking	-	(38.27)
Exempt income	1.37	1.13
On account of revaluation of tax base of non-depreciable assets (due to indexation benefit)	(2.26)	(1.83)
Expenditure not deductible for tax/not liable to tax	(6.52)	25.04
Change in deferred tax balance due to change in income tax rate	-	(71.09)
Accelerated depreciation for tax purposes	0.02	0.02
Difference in tax rates for certain entities of the group	(0.60)	(2.24)
Non-recognition of deferred tax assets due to absence of probable certainty of reversal in future	11.44	9.17
MAT credit utilised for tax liabilities pertaining to earlier years	-	9.14
Mat Credit written off	-	27.06
Unused tax losses and credits	(2.42)	(1.27)
Short Provision of the earlier years	3.94	0.13
Other adjustments	(0.68)	5.01
Total income tax expense	**110.94**	**71.16**
Effective tax rate	23.95	14.76

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 29 : Income tax
B. Deferred tax
Significant components of Deferred tax (assets) and liabilities recognized in the financial statements of the Group are as follows :

Particulars	Balance Sheet as at		Adjustment Due to Business Combination (Refer note 46)		Statement of Profit and Loss and OCI for the year ended on		Balance Sheet as at	
	March 31, 2023	March 31, 2022	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Accelerated depreciation for tax purposes	(170.89)	(231.44)	-	-	3.98	60.55	(166.91)	(170.89)
Impact of fair valuation of Land	(8.83)	(10.66)	-	-	2.45	1.83	(6.38)	(8.83)
Provision for doubtful debt	2.63	2.11	-	-	0.33	0.52	2.96	2.63
Expenditure allowable on payment basis	9.98	14.91	-	-	7.73	(4.93)	17.71	9.98
Expenditure allowable over the period (Section 35D / 35DD)	1.03	3.80	-	-	(1.05)	(2.77)	(0.02)	1.03
Unused long-term capital loss	47.16	36.04	-	-	3.02	11.12	50.18	47.16
Unused losses available for offsetting against future taxable income	(1.57)	(2.56)	-	-	(0.29)	0.99	(1.86)	(1.57)
Unused tax credit available for offsetting against future taxable income (MAT Credit Entitlement)	-	37.53	-	-	-	(37.53)	-	-
Deferred tax on unrealised profit	3.54	3.54	-	-	-	-	3.54	3.54
Others	37.84	32.19	0.11	-	10.01	5.65	47.96	37.84
Deferred tax (expense)/income					**26.18**	**35.43**		
Net deferred tax assets/(liabilities)	**(79.11)**	**(114.54)**	**0.11**	**-**			**(52.82)**	**(79.11)**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Hence, deferred tax assets and liabilities which can not be offset, are presented separately as Deferred Tax Assets and Deferred Tax Liabilities. Details of the same are as under:

Particulars	Balance as at			
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Deferred tax assets		Deferred tax Liabilities	
Accelerated depreciation for tax purposes	(0.21)	(0.15)	(166.70)	(170.74)
Impact of fair valuation of Land	-	-	(6.38)	(8.83)
Provision for doubtful debt	2.96	2.63	-	-
Expenditure allowable on payment basis	1.50	1.09	16.21	8.89
Expenditure allowable over the period (Section 35D / 35DD)	-	-	(0.02)	1.03
Unused long-term capital loss	-	-	50.18	47.16
Unused losses available for offsetting against future taxable income	-	-	(1.86)	(1.57)
Deferred tax on unrealised profit	-	-	3.54	3.54
Others	11.09	12.49	36.87	25.35
Total of Deferred Tax Assets/(Liabilities)	**15.34**	**16.06**	**(68.16)**	**(95.17)**

The Group has unused tax capital losses amounting to ₹ 475.32 crores as at March 31, 2024 (March 31, 2023: ₹ 466.53 crores). Out of the same, tax credits on losses of ₹ 264.09 crores have not been recognised on the basis that recovery is not probable in the foreseeable future. Unrecognised tax capital losses will expire by March 31,2032, if unutilized, based on the year of origination.

No liability has been recognised on the undistributed earnings of the subsidiaries because management controls the distributions of the earnings of the subsidiaries to the holding company and it has no intention to distribute the earnings of the subsidiaries.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 30 : Contingent liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Contingent liabilities not provided for		
(i) Claims against Group not acknowledged as debts	9.78	10.89
(ii) Disputed demands in respect of		
Excise and Customs duty	4.77	13.73
Value added tax and Central sales tax	7.76	6.97
Income tax	6.24	4.52
Goods and Service Tax	9.68	7.91
Service tax	17.23	17.23

The claims which are not acknowledged as debt are related to factory labour which are pending before Labour and Industrial Court.

Above disputed demand includes show cause notices received from various indirect tax department for various matters and in response of the same Group has preferred appeals on these matters and the same are pending with various adjudicating authorities.

The management expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Group's financial statements.

The Parent Company has received various demands / show cause notices from income tax authorities aggregating to Rs. 5.31 crores. As the Parent Company has opted for new tax regime under section 115BAA of the Act in FY 2022-23, the Parent Company has written off MAT credit u/s. 115JAA of the Act amounting to ₹ 27.06 crore, which can be offset against above demands. If the above referred issues settles against the Parent Company, there will not be any actual tax outflow or impact on profit and loss of the Parent Company. Hence, no contingent liability is considered on above matters.

Note 31 : Capital commitment and other commitments

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Capital commitments		
Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances)	117.10	52.52
(b) Other commitments		
Export obligations against the import licenses taken for import of capital goods under the Export Promotion Capital Goods Scheme which is to be fulfilled over the period of next six years. If the Group is unable to meet these obligations, its liability would be ₹ 25.37 crores (March 31, 2023: ₹ 28.86 crores) which will reduce in proporation to actual exports. The Group is reasonably certain to meet its export obligations and expects no outflow, hence it does not anticipate a loss with respect to these obligations and accordingly has not made any provision in its financial statements.	170.37	173.14

Note 32 : Foreign Exchange Derivatives and Exposures not hedged

The Group holds derivative financial instruments such as foreign currency forward, options and swap contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank.

All derivative financial instruments are recognized as assets or liabilities on the balance sheet and measured at fair value. The accounting for changes in the fair value of a derivative instrument depends on the intended use of the derivative and the resulting designation.

The fair values of all derivatives are separately recorded in the balance sheet within current and non-current assets and liabilities depending upon the maturity of the derivatives.

The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

Cash Flow Hedges

The Group also enters into forward exchange contracts for hedging highly probable forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair [illegible] are recognized in equity until the hedged transaction occurs, at which time, the respective gain or losses are reclassified to the statements of profit or loss. These hedges have been effective for the year ended March 31, 2024 and March 31, 2023.

The Group uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

The cash flow hedges are taken out by the Group during the year for hedging the foreign exchange rate of highly probable forecast transactions.
The cash flows related to above are expected to occur during the year ended March 31, 2024 and consequently may impact the statement of profit or loss for that year depending upon the change in the foreign exchange rates movements.
A details of derivative contracts outstanding as at reporting date are as follows:

A. Foreign Exchange Derivatives

Nature of instrument	Currency	As at March 31, 2024				As at March 31, 2023			
		Average Exchange Rate (in equivalent ₹)	Amount in Foreign currency (In Millions)	Nominal Amount (₹ in Crores)	MTM Value (₹ in Crores)	Average Exchange Rate (in equivalent ₹)	Amount in Foreign currency (In Millions)	Nominal Amount (₹ in Crores)	MTM Value (₹ in Crores)
Cash Flow Hedges (Routed through OCI)									
Forward Sales Contracts									
Maturing less than 3 months	USD	83.37	91.07	759.28	(1.45)	82.15	49.03	402.78	(1.10)
Maturing between 3 to 6 months	USD	83.85	91.38	766.19	0.57	82.49	35.62	293.83	(1.05)
Maturing between 6 to 9 months	USD	84.38	45.91	387.39	0.96	81.95	10.28	84.24	(1.34)
Maturing between 9 to 12 months	USD	84.57	10.75	90.91	-	80.13	3.00	24.04	(1.06)
Maturing after 12 months	USD	-	-	-	-	-	-	-	-
Total	USD		239.11	2,003.77	0.08		97.93	804.89	(4.55)
Option contracts									
Maturing less than 3 months	USD	-	-	-	-	-	-	-	0.20
Maturing between 3 to 6 months	USD	-	-	-	-	-	-	-	0.08
Maturing between 6 to 9 months	USD	-	-	-	-	-	-	-	(0.34)
Maturing between 9 to 12 months	USD	-	-	-	-	-	-	-	(0.86)
Maturing after 12 months	USD	-	-	-	-	-	-	-	-
Total	USD		-	-	-		-	-	(0.92)
Other Hedges (Routed through Profit and Loss)									
Forward Purchase Contracts									
Maturing less than 3 months	USD	83.82	0.89	7.46	-	-	-	-	-
Maturing between 3 to 6 months	USD	-	-	-	-	-	-	-	-
Maturing between 6 to 9 months	USD	-	-	-	-	-	-	-	-
Maturing between 9 to 12 months	USD	-	-	-	-	-	-	-	-
Total	USD		0.89	7.46	-		-	-	-

All derivative contracts stated above are for the purpose of hedging the underlying foreign currency exposure.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(₹ in Crores)

B. Exposure Not Hedged

Nature of exposure	Currency	As at March 31, 2024		As at March 31, 2023	
		FC In Mn	₹ in Crores	FC In Mn	₹ in Crores
Receivables	USD	45.98	383.75	29.33	241.05
	EUR	2.60	23.12	1.37	12.32
	AUD	0.12	0.63	0.13	0.72
	GBP	0.23	2.36	0.20	2.00
	AED	0.03	0.07	0.04	0.10
Payable to creditors	USD	5.93	49.46	6.44	53.72
	EUR	3.59	1.53	1.48	13.28
	JPY	4.36	0.24	4.36	0.27
	GBP	0.06	0.60	0.06	0.63
	AUD	0.01	0.07	(AUD 4,371)	0.02
	CHF	0.04	0.33	0.02	0.14
	HKD	(HKD 3,935)	(₹ 42,055)	0.01	0.01
	AED	0.01	0.01	-	-
	CAD	(CAD 1,089)	0.01	-	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 33 : Segment Reporting

Identification of Segments:
The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group.

Operating Segments:
(a) **Textiles :** Fabrics, Garments and Fabric Retail.
(b) **Advanced Material :** Human Protection fabric & garments, Industrial Products, Advance Composites and Automotive fabrics.
(c) **Others :** E-commerce, Agriculture Produce, EPABX and One to Many Radio, Developing of Residential Units and Others.

Segment revenue and results:
Revenue and expenses directly attributable to segments are reported under each reportable segment. The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income). Unallocated expenditure consists of common expenditure incurred for all the segments and expenses incurred at corporate level.

Segment assets and Liabilities:
Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventories and other operating assets. Segment liabilities primarily includes trade payable and other liabilities excluding borrowings.

Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Inter Segment transfer:
Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. The Group's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments.

Geographical segment
Geographical segment is considered based on sales within India and rest of the world.

Summarised segment information for the years ended March 31, 2024 and March 31, 2023 are as follows:

Particulars	For the Year ended/As at March 31, 2024					
	Textiles	Advanced Material	Others	Discontinued Operations*	Eliminations	Total
REVENUE						
External Revenue	5,775.42	1,425.04	537.29	-	-	7,737.75
Inter segment Revenue	27.89	2.64	55.92	-	(86.45)	-
Enterprise revenue	**5,803.31**	**1,427.68**	**593.21**	**-**	**(86.45)**	**7,737.75**
RESULT						
Segment Result Before Finance cost	461.13	194.58	12.71	-	-	668.42
Less: Finance Cost						(159.30)
Less: Unallocable expenses (net of income)						(45.82)
Less: Tax Expenses						(110.67)
Net profit/(loss) after tax	**461.13**	**194.58**	**12.71**	**-**	**-**	**352.63**
Segment Assets	4,833.94	1,053.44	1,072.86	-	(676.03)	6,284.21
Unallocated Assets						967.66
Investments in Joint Ventures						8.50
Total Assets	**4,833.94**	**1,053.44**	**1,072.86**	**-**	**(676.03)**	**7,260.37**
Segment Liabilities	1,522.25	270.86	568.82	-	(71.86)	2,290.07
Unallocated Liabilities						24.22
Total Liabilities	**1,522.25**	**270.86**	**568.82**	**-**	**(71.86)**	**2,314.29**
Depreciation and amortisation expense	200.80	37.77	9.33	-	-	247.90
Unallocated Depreciation and amortisation expense						17.92
Total Depreciation and amortisation expense	**200.80**	**37.77**	**9.33**	**-**	**-**	**265.82**
Capital Expenditure	239.60	55.22	21.29	-	-	316.11
Unallocated Capital Expenditure						21.73
Total Capital Expenditure (Refer note (a))	**239.60**	**55.22**	**21.29**	**-**	**-**	**337.84**
Material non-cash items other than Depreciation and amortisation	12.37	25.81	(1.98)	-	-	36.20
Unallocated Material non-cash items other than Depreciation and amortisation						12.48
Total Material non-cash items other than Depreciation and amortisation	**12.37**	**25.81**	**(1.98)**	**-**	**-**	**48.68**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED. NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(₹ in Crores)

Particulars	For the Year ended/As at March 31, 2023					
	Textiles	Advanced Material	Others	Discontinued Operations*	Eliminations	Total
REVENUE						
External Revenue	6,683.28	1,246.22	452.98	6.33	-	8,388.81
Inter segment Revenue	32.45	4.36	64.19	-	(101.00)	-
Enterprise revenue	**6,715.73**	**1,250.58**	**517.17**	**6.33**	**(101.00)**	**8,388.81**
RESULT						
Segment Result Before Finance cost	486.16	141.70	(69.49)	(5.03)	-	553.34
Less: Finance Cost						(164.24)
Less: Unallocable expenses (net of income)						93.12
Add: Tax Credit						(69.05)
Net profit/(loss) after tax	**486.16**	**141.70**	**(69.49)**	**(5.03)**	**-**	**413.17**
Segment Assets	4,567.67	793.74	793.67	0.01	(507.15)	5,647.94
Unallocated Assets						1,200.49
Investments in Joint Ventures						65.16
Total Assets	**4,567.67**	**793.74**	**793.67**	**0.01**	**(507.15)**	**6,913.59**
Segment Liabilities	1,402.67	210.23	503.22	0.01	(67.39)	2,048.74
Unallocated Liabilities						56.82
Total Liabilities	**1,402.67**	**210.23**	**503.22**	**0.01**	**(67.39)**	**2,105.56**
Depreciation and amortisation expense	200.19	26.56	7.49	2.46	-	236.70
Unallocated Depreciation and amortisation expense						18.77
Total Depreciation and amortisation expense	**200.19**	**26.56**	**7.49**	**2.46**	**-**	**255.47**
Capital Expenditure	157.57	76.70	15.07	6.89	-	256.23
Unallocated Capital Expenditure						19.09
Total Capital Expenditure (Refer note (a))	**157.57**	**76.70**	**15.07**	**6.89**	**-**	**275.32**
Material non-cash items other than Depreciation and amortisation	30.75	20.31	63.16	0.81	-	115.03
Unallocated Material non-cash items other than Depreciation and amortisation						(11.09)
Total Material non-cash items other than Depreciation and amortisation	**30.75**	**20.31**	**63.16**	**0.81**	**-**	**103.94**

* Refer Note 45 for details of Discontinued operations.

(a) Capital expenditure consists of additions to property, plant and equipment, intangible assets, investment properties, capital work-in-progress and Right of Use assets.

(b)

Particulars	Year ended/as at	
	March 31, 2024	March 31, 2023
Segment Revenue*		
(a) In India	4,557.02	4,692.95
(b) Rest of the world	3,180.73	3,695.86
Total	**7,737.75**	**8,388.81**
Carrying Cost of Segment Non Current Assets@		
(a) In India	3,590.53	3,521.58
(b) Rest of the world	19.68	39.24
Total	**3,610.21**	**3,560.82**

* Based on location of Customers
@ Other than financial assets and deferred tax assets.

(c) Information about major customers:
Considering the nature of business of group in which it operates, the group deals with various customers including multiple geographic. No single customer has accounted for more than 10% of the group's total revenue for the years ended March 31, 2024 and 2023.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Note 34 : Disclosure pursuant to Employee benefits *(₹ in Crores)*

A. Defined contribution plans:
Amount of ₹ 71.58 Crores (March 31, 2023: ₹ 61.30 Crores) is recognised as expenses and included in note no. 24 "Employee benefit expense"

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Contribution to Provident Fund [note (a)]	36.04	35.77
(ii) Contribution to Pension Fund [note (a)]	20.58	14.95
(iii) Contribution to Superannuation Fund [note (b)]	0.71	1.51
(iv) Contribution to Employees' State Insurance [note (c)]	12.73	7.91
(v) Contribution to National Pension Scheme	1.52	1.16
Total	**71.58**	**61.30**

Note
(a) Employees of the Group receive benefits from a provident fund, which is a defined contribution plan.The eligible employees and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the employees' salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The remaining portion is contributed to the government-administered pension fund. The Group has no further obligation to the plan beyond its monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

(b) The Group's Superannuation Fund was administered by approved Trust. The Group was required to contribute the specified amount to the Trust for the eligible employees and with effect from october 1, 2023 the group has dicontinued the superannuation Fund scheme.

(c) The Group's Employee State Insurance Fund, for all eligible employees, is administered by ESIC Corporation. The Group is required to contribute specified amount to ESIC Corporation and has no further obligations to the same beyond its contribution.

B. Defined benefit plans:
The Group has following post employment benefit plans which are in the nature of defined benefit plans:
(a) Gratuity
The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days (30 days for the employees joined before 31st March, 2000 with the grade of M2 and above from the date they are in Grade M2 and above) salary multiplied for the number of years of service. The Gratuity plan is a Funded plan administered by a recognised Trust in India.
Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. Gratuity benefits are both funded and unfunded. The Parent Company fully contributes all ascertained liabilities to the Arvind Limited Employees' Gratuity Fund Trust (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in a scheme as permitted by Indian law. Some of the subsidiaries make annual contribution to the gratuity scheme administered by the Life Insurance Corporation of India.
The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations recognized in other comprehensive income.

(b) Compensatory Pension Scheme
The Parent Company operates a post retirement pension scheme, which is discretionary in nature for certain cadres of employees who have joined before June 30, 1983 and who have rendered not less than 31 years of service before their retirement. The plan is unfunded. Employees do not contribute to the plan.

Liabilities with regard to the Compensatory Pension Scheme are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.
The Parent Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

Changes in defined benefit obligation and plan assets as at March 31, 2024:

Particulars	As at April 1, 2023	Charged to statement of profit and loss			Employees' contribution	Employer's contribution	Transfer In	Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Adjustment Due to Business Combination (Refer note 46)	As at March 31, 2024
		Service cost	Net interest expense/ (income)	Sub-total included in statement of profit and loss (note 24)					Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from changes in Experience adjustments	Sub-total included in OCI		
Gratuity - Funded															
Defined benefit obligation	122.64	8.07	8.94	17.01	-	-	0.30	(12.12)	-	(0.51)	0.84	2.57	2.90	(0.12)	130.61
Fair value of plan assets	(130.20)	-	(9.46)	(9.46)	-	(0.28)	-	11.89	(10.06)	-	-	-	(10.06)	-	(138.11)
Benefit liability/(asset)-Funded (A)	**(7.56)**	**8.07**	**(0.52)**	**7.55**	**-**	**(0.28)**	**0.30**	**(0.23)**	**(10.06)**	**(0.51)**	**0.84**	**2.57**	**(7.16)**	**(0.12)**	**(7.50)**
Gratuity - Non Funded															
Defined benefit obligation	2.39	1.95	0.13	2.08	-	-	(0.30)	(0.77)	-	-	0.02	0.88	0.90	-	4.30
Benefit liability/(asset)-Non Funded (B)	**2.39**	**1.95**	**0.13**	**2.08**	**-**	**-**	**(0.30)**	**(0.77)**	**-**	**-**	**0.02**	**0.88**	**0.90**	**-**	**4.30**
Net Benefit liability/(asset) (A+B)	**(5.17)**	**10.02**	**(0.39)**	**9.63**	**-**	**(0.28)**	**-**	**(1.00)**	**(10.06)**	**(0.51)**	**0.86**	**3.45**	**(6.26)**	**(0.12)**	**(3.20)**
Compensatory Pension Scheme															
Defined benefit obligation	1.47	0.03	0.11	0.14	-	-	-	-	-	-	(0.03)	(0.11)	(0.14)	-	1.47
Net Benefit liability/(asset)	**1.47**	**0.03**	**0.11**	**0.14**	**-**	**-**	**-**	**-**	**-**	**-**	**(0.03)**	**(0.11)**	**(0.14)**	**-**	**1.47**
Total benefit liability/(asset)	**(3.70)**	**10.05**	**(0.28)**	**9.77**	**-**	**(0.28)**	**-**	**(1.00)**	**(10.06)**	**(0.51)**	**0.83**	**3.34**	**(6.40)**	**(0.12)**	**(1.73)**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Changes in defined benefit obligation and plan assets as at March 31, 2023: *(₹ in Crores)*

Particulars	As at April 1, 2022	Charged to statement of profit and loss			Employees' contribution	Employer's contribution	Transfer In	Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Adjustment Due to Business Combination (Refer note 46)	As at March 31, 2023
		Service cost	Net interest expense/ (income)	Sub-total included in statement of profit and loss (note 24)					Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from changes in Experience adjustments	Sub-total included in OCI		
Gratuity - Funded															
Defined benefit obligation	127.31	9.03	6.59	15.62	-	-	-	(14.66)	-	0.36	(11.04)	5.05	(5.63)	-	122.64
Fair value of plan assets	(121.88)	-	(6.30)	(6.30)	-	(4.43)	-	1.26	1.15	-	-	-	1.15	-	(130.20)
Benefit liability/(asset)-Funded (A)	**5.43**	**9.03**	**0.29**	**9.32**	**-**	**(4.43)**	**-**	**(13.40)**	**1.15**	**0.36**	**(11.04)**	**5.05**	**(4.48)**	**-**	**(7.56)**
Gratuity - Non Funded															
Defined benefit obligation	2.91	1.19	0.13	1.32	-	-	-	1.08	-	(0.43)	0.11	(0.44)	(0.76)	-	2.39
Benefit liability/(asset)-Non Funded (B)	**2.91**	**1.19**	**0.13**	**1.32**	**-**	**-**	**-**	**1.08**	**-**	**(0.43)**	**0.11**	**(0.44)**	**(0.76)**	**-**	**2.39**
Net Benefit liability/(asset) (A+B)	**8.34**	**10.22**	**0.42**	**10.64**	**-**	**(4.43)**	**-**	**(12.32)**	**1.15**	**(0.07)**	**(10.93)**	**4.61**	**(5.24)**	**-**	**(5.17)**
Compensatory Pension Scheme															
Defined benefit obligation	1.53	0.03	0.08	0.11	-	-	-	-	-	-	(0.03)	(0.14)	(0.17)	-	1.47
Net Benefit liability/(asset)	**1.53**	**0.03**	**0.08**	**0.11**	**-**	**-**	**-**	**-**	**-**	**-**	**(0.03)**	**(0.14)**	**(0.17)**	**-**	**1.47**
Total benefit liability/(asset)	**9.87**	**10.25**	**0.50**	**10.75**	**-**	**(4.43)**	**-**	**(12.32)**	**1.15**	**(0.07)**	**(10.96)**	**4.47**	**(5.41)**	**-**	**(3.70)**

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	As at March 31, 2024 (%) of total plan assets	As at March 31, 2023 (%) of total plan assets
Central Government Securities	0.00%	0.00%
Public Sector/Financial Institutional Bonds	0.00%	0.00%
Portfolio with Insurance Companies	100.00%	99.99%
Others (including bank balances)	0.00%	0.01%
(%) of total plan assets	**100%**	**100%**

The principal assumptions used in determining above defined benefit obligations for the Group's plans are shown below:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.11%-7.21%	7.15%-7.57%
Future salary increase	6.00%-11.00%	5.00%-10.00%
Expected rate of return on plan assets	7.16%-7.29%	7.29%-15.00%
Attrition rate		
- For service 4 years and below	15% - 45%	7% - 44%
- For service 5 years to 10 years	15% - 40%	7% - 25%
- For service above 11 years	10% - 40%	7% - 11%
Mortality rate during employment	Indian assured lives Mortality 2012 14 (Urban)	Indian assured lives Mortality 2012 14 (Urban)

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

A quantitative sensitivity analysis for significant assumption is as shown below for the defined benefit plan:

Particulars	Sensitivity level	Increase / (decrease) in defined benefit obligation (Impact)	
		Year ended March 31, 2024	Year ended March 31, 2023
Gratuity			
Discount rate	1% increase	(5.18)	(4.63)
	1% decrease	5.76	5.13
Salary increase	1% increase	5.76	5.14
	1% decrease	(5.27)	(4.72)
Attrition rate	1% increase	0.15	0.18
	1% decrease	(0.18)	(0.22)
Compensatory Pension Scheme			
Discount rate	1% increase	(0.02)	(0.02)
	1% decrease	0.03	0.03

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

Maturity analysis (Expected undiscounted future benefit payments for the defined benefit plan)

Particulars	As at March 31, 2024	As at March 31, 2023
Gratuity		
Within the next 12 months	39.05	33.94
Between 2 to 5 years	56.62	56.48
From 6 to 10 years	50.23	45.68
Compensatory Pension Scheme		
Within the next 12 months	0.34	0.34
Between 2 to 5 years	1.36	1.36

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at March 31, 2024 In Years	As at March 31, 2023 In Years
Gratuity	5	5
Compensatory Pension Scheme	2	2

The Group does not have any contributions expected towards planned assets for the next year.

C. Other Long term employee benefit plans:

Leave encashment

The Group has a policy on leave encashment which are both accumulating and non-accumulating in nature. The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

The Group has recognised following as expenses and included in note no. 24 "Employee benefit expense".

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Leave Encashment	12.51	13.94
Total	**12.51**	**13.94**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 35 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures

(a) Name of Related Parties and Nature of Relationship :

(I)	**Subsidiary Companies**	
1	Arvind Worldwide (M) Inc. *	
2	Arvind Overseas (M) Inc. *	
3	Arvind Spinning Limited *	
4	Arvind Foundation **	
5	Arvind Indigo Foundation **	
(II)	**Joint Ventures and Associates**	
1	Arya Omnitalk Radio Trunking Services Private Limited	
2	Adient Arvind Automotive Fabrics India Private Limited	
3	Arudrama Developers Private Limited	
4	Arvind Township LLP (Previously Known as Arvind & Smart Value Homes LLP)	upto March 31, 2023
5	PVH Arvind Manufacturing PLC, Ethiopia	
6	Clean Max Kratos Private Limietd	up to June 20, 2022
7	Renew Green (GJ Eight) Private Limited	w.e.f. January 26, 2023
(III)	**Key Management Personnel**	
1	Mr. Sanjay S. Lalbhai	Chairman and Managing Director
2	Mr. Jayesh K. Shah***	Director & Group Chief Financial Officer
3	Mr. Punit S. Lalbhai	Vice Chairman and Executive Director
4	Mr. Kulin S. Lalbhai	Executive Director
5	Mr. Swayam Saurabh	Chief Financial Officer (upto January 25, 2023)
6	Mr. Nigam Shah	Chief Financial Officer (w.e.f February 1, 2024)
7	Mr. Bakul Harshadrai Dholakia	Non-Executive Director
8	Mr. Dileep Chinubhai Choksi	Non-Executive Director
9	Mr. Nilesh Dhirajlal Shah	Non-Executive Director
10	Ms. Renuka Ramnath	Non-Executive Director (upto May 18, 2022)
11	Mr. Arpit Kantilal Patel	Non-Executive Director
12	Ms. Ismet Tehmesp Khambatta	Non-Executive Director (w.e.f August 1, 2022)
(IV)	**Entity over which Key Management personnel and their relatives have control/joint control/significant influence**	
1	Arvind Smartspaces Limited	
2	The Anup Engineering Limited	
3	Arvind Fashions Limited	
4	Arvind Lifestyle Brands Limited	
5	PVH Arvind Fashion Private Limited (Formerly known as Calvin Klein Arvind Fashion Private Limited)	
6	Arvind Youth Brands Private Limited	
7	White Ocean Business Ventures LLP	
8	Arvind SmartHomes Private Limited	
9	Arvind Beyond Five Club LLP	
(V)	**Trusts and Others**	
1	Arvind Mills Employees' Provident Fund	
2	The Arvind Mills Employee's Gratuity Fund	
3	Lalbhai Group of Companies Officers' Superannuation Fund	

* Not considered for the purpose of consolidation for the financial year 2023-24 and 2023-22 respectively being defunct status.

** The Group has made investment of ₹ 0.01 Crores in the equity shares of Arvind Foundation and ₹ 0.01 Crores in the equity shares of Arvind Indigo Foundation, which are the Companies incorporated under Section 8 of the Act. Since the Group has no intention of earning variable returns from the voting rights, the above investments doesn't meet the definition of control under Ind AS 110 and hence, not consolidated in the Consolidated Financial Statements.

*** The Parent Company had appointed Mr. Jayesh Shah, Whole Time Director as Chief Financial Officer (KMP) of the Parent Company for the period from January 26, 2023 to January 31, 2024.

The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Group with the related parties during the existence of the related party relationship.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(b) Transactions and Balances :

(₹ in Crores)

Particulars	Subsidiaries		Joint Ventures and Associates		Key Management Personnel		Trusts		Entity over which Key Management personnel and their relatives have control/joint control /significant influence		Total	
	Year ended/As at		Year ended/As at		Year ended/As at		Year ended/As at		Year ended/As at		Year ended/As at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
(I) Transactions during the year												
Purchase of Goods	-	-	-	-	-	-	-	-	0.13	0.19	**0.13**	**0.19**
Purchase of Property, Plant and Equipment	-	-	-	-	-	-	-	-	0.02	-	**0.02**	**-**
Sales of Goods	-	-	-	-	-	-	-	-	46.80	31.19	**46.80**	**31.19**
Expenses Recovered	-	-	4.00	1.98	-	-	-	-	6.89	6.27	**10.89**	**8.25**
Rent Income	-	-	-	-	-	-	-	-	0.11	0.11	**0.11**	**0.11**
Services Rendered	-	-	-	-	-	-	-	-	-	1.93	**-**	**1.93**
Remuneration	-	-	-	-	25.21	26.06	-	-	-	-	**25.21**	**26.06**
Sitting Fees paid to Non-Executive Directors	-	-	-	-	0.17	0.07	-	-	-	-	**0.17**	**0.07**
Comission to Non-Executive Directors	-	-	-	-	0.41	0.35	-	-	-	-	**0.41**	**0.35**
Services Received	-	-	20.82	2.14	-	-	-	-	12.46	8.62	**33.28**	**10.76**
Share of Profit from LLP	-	-	-	0.01	-	-	-	-	-	-	**-**	**0.01**
Dividend Income	-	-	1.51	0.49	-	-	-	-	-	-	**1.51**	**0.49**
Interest Expense	-	-	0.01	-	-	-	-	-	-	-	**0.01**	**-**
Interest Income	-	-	0.05	0.09	-	-	-	-	-	-	**0.05**	**0.09**
Donation Given	0.94	3.30	-	-	-	-	-	-	-	-	**0.94**	**3.30**
Contribution Given for Employee Benefit Plans	-	-	-	-	-	-	0.71	5.85	-	-	**0.71**	**5.85**
Loan Taken	-	-	3.65	-	-	-	-	-	-	-	**3.65**	**-**
Repayment of Loan	-	-	2.85	-	-	-	-	-	-	-	**2.85**	**-**
Loan Given	-	-	7.08	9.08	-	-	-	-	-	-	**7.08**	**9.08**
Receipt towards Loan Given	-	-	9.46	23.63	-	-	-	-	-	-	**9.46**	**23.63**
Investment made	-	-	6.83	20.51	-	-	-	-	-	-	**6.83**	**20.51**
Sale of Investment	-	-	-	(₹ 2,600/-)	-	-	-	-	-	-	**-**	**(₹ 2,600/-)**
(II) Balances as at year end												
Trade Receivable	-	-	0.04	0.34	-	-	-	-	31.22	34.57	**31.26**	**34.91**
Investments	0.35	0.35	67.97	118.55	-	-	-	-	-	-	**68.32**	**118.90**
Provision for Impairment of Investment	(0.33)	(0.33)	(33.24)	(33.24)	-	-	-	-	-	-	**(33.57)**	**(33.57)**
Share Application Money	-	-	1.49	1.49	-	-	-	-	-	-	**1.49**	**1.49**
Provision for Impairment of Share Application Money	-	-	(1.49)	(1.49)	-	-	-	-	-	-	**(1.49)**	**(1.49)**
Other Current Assets	(₹ 22,617/-)	0.03	0.50	0.50	-	-	9.70	8.87	0.07	1.21	**10.27**	**10.61**
Other Non Current Assets	-	-	-	-	-	-	-	-	-	0.25	**-**	**0.25**
Loan Given	5.23	5.23	-	2.38	-	-	-	-	-	-	**5.23**	**7.61**
Allowance for Doubtful Loan	(5.23)	(5.23)	-	-	-	-	-	-	-	-	**(5.23)**	**(5.23)**
Trade payables	-	-	5.36	0.21	0.38	0.31	-	-	7.85	14.41	**13.59**	**14.93**
Loan Taken	-	-	0.80	-	-	-	-	-	-	-	**0.80**	**-**
Other Current Liabilities	-	-	-	-	-	-	-	-	-	1.69	**-**	**1.69**
Short Term Provision	-	-	-	-	-	-	-	1.06	-	-	**-**	**1.06**

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

(c) Loans and Advances in the nature of loans

List of Related Parties	Purpose	Balance as at	
		March 31, 2024	March 31, 2023
Loans and Advances			
Arvind Worldwide (M) Inc.	General Business Purpose	5.23	5.23
Less : Allowance for doubtful loan		(5.23)	(5.23)
		-	-
Arya Omnitalk Radio Trunking Services Private Limited	General Business Purpose	-	2.38
Total		**-**	**2.38**

List of Related Parties	Purpose	Maximum Outstanding During	
		2023-24	2022-23
Loans and Advances			
Arvind Worldwide (M) Inc.	General Business Purpose	5.23	5.23
Arya Omnitalk Radio Trunking Services Private Limited	General Business Purpose	2.38	16.94

Loans given to the related party carries interest rate of 7.00%

(d) Transactions with key management personnel

The remuneration of key management personnel during the year was as follows :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Short-term employee benefits	24.75	25.63
Post employment benefits	0.55	0.38
Other long-term employment benefits	0.11	0.06
Others - Contribution towards Provident Fund	0.38	0.41
Total compensation paid to key management personnel	**25.79**	**26.48**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ In Crores)

Note 36 : Earnings per share

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
Earing per share (Basic and Diluted)			
Continuing Operations			
Profit attributable to owners of the Company	₹ in Crores	336.61	408.09
Weighted average number of Equity Shares for Basic EPS (a)	No.	26,15,67,376	26,09,10,131
Effect of potential Ordinary shares on outstanding Employee Stock Options (b)	No.	2,46,639	41,251
Weighted average number of Ordinary shares in computing diluted earnings per share (a) + (b)	No.	**26,18,14,015**	**26,09,51,382**
Nominal value of equity shares	₹	10	10
Basic earning per share	₹	12.87	15.65
Diluted earning per share	₹	12.86	15.63
Discontined Operations			
Loss attributable to owners of the Company	₹ in Crores	-	(3.53)
Weighted average number of Equity Shares for Basic EPS (a)	No.	26,15,67,376	26,09,10,131
Effect of potential Ordinary shares on outstanding Employee Stock Options (b)	No.	2,46,639	41,251
Weighted average number of Ordinary shares in computing diluted earnings per share (a) + (b)	No.	**26,18,14,015**	**26,09,51,382**
Nominal value of equity shares	₹	10	10
Basic earning per share	₹	-	(0.14)
Diluted earning per share	₹	-	(0.14)
Continuing and Discontined Operations			
Profit attributable to owners of the Company	₹ in Crores	336.61	404.56
Weighted average number of Equity Shares for Basic EPS (a)	No.	26,15,67,376	26,09,10,131
Effect of potential Ordinary shares on outstanding Employee Stock Options (b)	No.	2,46,639	41,251
Weighted average number of Ordinary shares in computing diluted earnings per share (a) + (b)	No.	**26,18,14,015**	**26,09,51,382**
Nominal value of equity shares	₹	10	10
Basic earning per share	₹	12.87	15.51
Diluted earning per share	₹	12.86	15.49

Note 37 : Share based payments
Arvind Limited (AL)

A. The Company has instituted Employee Stock Option Scheme 2008 (ESOS 2008) and AL – Employee Stock Option Scheme 2021 (ESOS 2021), pursuant to the approval of the shareholders of the company at their extra ordinary general meeting held on October 23, 2007 and annual general meeting held on August 18, 2021 respectively. Under both the schemes, the Company has granted options convertible into equal number of equity shares of the face value of ₹ 10 each to its certain employees. The following table sets forth the particulars of the options outstanding as on March 31, 2024 under ESOS 2008 and ESOS 2021:

Scheme	ESOS 2021						
Date of grant	January 27, 2022	March 22, 2022	August 5, 2022	August 5, 2022	July 27, 2023	October 27, 2023	January 10, 2024
Vesting Date	Vesting date January 27, 2023	Step vesting in 4 tranches from March 31, 2023 to March 31, 2026	Step vesting in 3 tranches from March 31, 2024 to March 31, 2026	Step vesting in 3 tranches from March 31, 2024 to March 31, 2026	Vesting date July 31, 2024	Step vesting in 3 tranches from Oct 31, 2024 to Oct 31, 2026	Step vesting in 3 tranches from May 31, 2025 to May 31, 2027
Number of options granted	50,000	1,00,000	37,500	37,500	1,00,000	1,50,000	5,50,000
Number of options outstanding	50,000	1,00,000	37,500	37,500	1,00,000	1,50,000	5,50,000
Exercise price per option	₹ 128.70	₹ 116.70	₹ 10.00	₹ 92.35	₹ 10.00	₹ 169.80	₹ 263.95
Fair Value of option on Grant date	₹ 62.11	₹ 49.72	₹ 87.47	₹ 34.10	₹ 116.84	₹ 56.63	₹ 96.79
Vesting period	Over a period of 1 to 3 years from the date of grant						
Vesting requirements	On continued employment with the company and fulfilment of performance parameters.						
Exercise period	3 years from the date of vesting						
Method of settlement	Through allotment of one equity share for each option granted.						

B. Movement in Stock Options during the year :
The following reconciles the share option outstanding at the beginning and at the end of the year :

Particulars	Year Ended March 31, 2024		Year Ended March 31, 2023	
	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise
ESOS 2008				
Outstanding at the beginning of the year	-	-	23,37,655	61.94
Vested during the year	-	-	9,11,655	35.99
Granted during the year	-	-	-	-
Lapsed/Forfeited during the year	-	-	14,26,000	78.53
Exercised during the year	-	-	9,11,655	35.99
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-
ESOS 2021				
Outstanding at the beginning of the year	3,58,000	67.88	3,50,000	125.27
Vested during the year	1,58,000	17.74	-	-
Granted during the year	8,00,000	214.55	2,08,000	29.80
Lapsed/Forfeited during the year	-	-	2,00,000	128.70
Exercised during the year	1,33,000	17.74	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	10,25,000	192.56	3,58,000	67.88
Exercisable at the end of the year	1,25,000	108.40	1,00,000	106.32

C. Share Options Exercised during the year:

Option Series	No. of Options	Exercise Date	Weighted Average Share Price at Exercise Date
Options exercised during the year	1,08,000	August 22, 2023	96.20
	25,000	February 1, 2024	96.20

D. Share Options Outstanding at the end of the year:
ESOS 2008 - There are no options outstanding at the end of the year in this scheme.
ESOS 2021 - The share options outstanding at the end of the year had a weighted average exercise price of ₹ 192.56.

E. Significant Assumptions of Valuation on New Grant:
Weighted Average Information:

	ESOS 2021
(i) Share price (₹)	243.82
(ii) Exercise price (₹)	214.55
(iii) Expected volatility	46.16%
(iv) Risk-free interest rate	7.07%
(v) Any other inputs to the model	None
(vi) Method used and the assumptions made to incorporate effects of expected early exercise	Binomial Option Pricing Model
(vii) How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility	The volatility of the Company's stock price on stock exchanges over the expected life of the options has been considered.
(viii) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.	None

F. Expense arising from share- based payment transactions
Total expenses arising from share- based payment transactions recognised in profit or loss as part of employee benefit expense were as follows :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Share Based Payment to Employees	2.51	1.79

(₹ in Crores)

Note 38 : Lease

A. The Group has taken land, factory buildings, godowns, offices, plant and machinaries and other facilities on lease.

Disclosures as per Ind AS 116 - Leases are as follows:

B. The changes in the carrying value of ROU assets for the year ended on March 31, 2024 are as follows :

Particulars	Land and Building
Balance at the beginning of the year	**89.24**
Additions during the year	35.03
Deletions/cancellation/modification during the year	(1.90)
Depreciation (Refer note 26)	(23.66)
Balance at the end of the year	**98.71**

The changes in the carrying value of ROU assets for the year ended on March 31, 2023 are as follows :

Particulars	Land and Building
Balance at the beginning of the year	**80.38**
Additions during the year	39.40
Deletions/cancellation/modification during the year	(10.12)
Depreciation (Refer note 26)	(20.42)
Balance at the end of the year	**89.24**

The aggregate depreciation expense on ROU assets is included under depreciation expense in the Statement of Profit and Loss.

C. The movement in lease liabilities are as follows :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	**113.61**	**105.51**
Additions during the year	35.03	39.40
Deletions/cancellation/modification during the year	(2.40)	(10.66)
Finance cost accrued during the year (Refer note 25 and 38F)	10.59	10.27
Payment of lease liabilities	(34.22)	(30.91)
Balance at the end of the year	**122.61**	**113.61**

The break-up of current and non-current lease liabilities is as under :

Particulars	As at March 31, 2024	As at March 31, 2023
Current	26.34	21.15
Non Current	96.27	92.46
Total	**122.61**	**113.61**

D. The details of contractual maturities of lease liabilities on discounted basis are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	26.35	21.15
One to five years	76.78	67.07
More than five years	19.48	25.39
Total	**122.61**	**113.61**

E. The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

F. The amount recognised in the statement of profit or loss are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Continuing Operations		
Depreciation expense of right of use assets (Refer note 26)	23.50	20.26
Interest expense on lease liabilities (Refer note 25)	10.59	10.20
Rent expense - short-term lease and leases of low value assets (Refer note 27)	20.60	20.16
Total	**54.69**	**50.62**
Discontinued Operations		
Depreciation expense of right of use assets (Refer note 45)	-	0.16
Interest expense on lease liabilities (Refer note 45)	-	0.07
Rent expense - short-term lease and leases of low value assets (Refer note 45)	-	1.09
Total	**-**	**1.32**
Continuing and Discontinued Operations		
Depreciation expense of right of use assets	23.50	20.42
Interest expense on lease liabilities	10.59	10.27
Rent expense - short-term lease and leases of low value assets	20.60	21.25
Total	**54.69**	**51.94**

Note 39 : Disclosure in respect of Construction / Job work Contracts

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amount of Contract Revenue recognized	121.34	88.90
Recognized and included in the financial statements as amounts due:		
-from customers under construction contracts	0.04	2.92
to customers under construction contracts	22.86	31.05
	(22.82)	(28.13)
Amount of Advance Received from Customers	338.98	241.10

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Note 40 : Fair value measurements (₹ in Crores)

(a) Financial Instruments by category

(i) Financial assets by category

Particulars	Notes	As at March 31, 2024						As at March 31, 2023					
		Cost	Fair value through Profit and Loss (FVTPL)	Fair value through Other Comprehensive Income (FVTOCI)	Fair value (Derivative Instruments)	Amortised cost	Total	Cost	Fair value through Profit and Loss (FVTPL)	Fair value through Other Comprehensive Income (FVTOCI)	Fair value (Derivative Instruments)	Amortised cost	Total
Investments	8 (a)												
- Equity shares		0.02	-	103.72	-	-	**103.74**	0.02	-	126.06	-	-	**126.08**
- Debentures		-	-	-	-	0.02	**0.02**	-	-	-	-	0.02	**0.02**
- Government securities		-	-	-	-	(₹ 23,000/-)	**(₹ 23,000/-)**	-	-	-	-	(₹ 23,000/-)	**(₹ 23,000/-)**
- Limited liability partnership		-	-	-	-	-	**-**	55.83	-	-	-	-	**55.83**
- Others		-	7.13	21.51	-	-	**28.64**	-	-	-	-	-	**-**
Trade receivables	8 (b)	-	-	-	-	1,069.76	**1069.76**	-	-	-	-	965.88	**965.88**
Loans	8 (c)	-	-	-	-	4.04	**4.04**	-	-	-	-	30.07	**30.07**
Cash and cash equivalents	8 (d)	-	-	-	-	57.32	**57.32**	-	-	-	-	56.79	**56.79**
Other Bank balance	8 (e)	-	-	-	-	18.49	**18.49**	-	-	-	-	20.17	**20.17**
Other financial assets	8 (f)	-	-	-	4.72	49.82	**54.54**	-	-	-	4.71	55.97	**60.68**
Total Financial assets		**0.02**	**7.13**	**125.23**	**4.72**	**1,199.45**	**1,336.55**	**55.85**	**-**	**126.06**	**4.71**	**1,128.90**	**1,315.52**

(ii) Financial liabilities by category

Particulars	Notes	As at March 31, 2024			As at March 31, 2023		
		Fair value (Derivative Instruments)	Amortised cost	Total	Fair value (Derivative Instruments)	Amortised cost	Total
Borrowings	15 (a)	-	1,325.38	**1,325.38**	-	1,403.77	**1,403.77**
Lease Liabilities	38	-	122.61	**122.61**	-	113.61	**113.61**
Trade payables	15 (b)	-	1,375.29	**1,375.29**	-	1,237.55	**1,237.55**
Other financial liabilities	15 (c)	4.91	220.04	**224.95**	10.76	210.21	**220.97**
Total Financial Liabilities		**4.91**	**3,043.32**	**3,048.23**	**10.76**	**2,965.14**	**2,975.90**

For Financial instruments risk management objectives and policies, refer note 42.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 41 : Fair value disclosures for financial assets and financial liabilities

(a) Set out below is a comparison, by class, of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Notes	Carrying amount		Fair value	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial assets					
Investments measured at fair value through OCI	8 (a)	125.23	126.06	125.23	126.06
Investments measured at fair value through Profit and Loss	8 (a)	7.13	-	7.13	-
Investments measured at amortised cost	8 (a)	0.02	0.02	0.02	0.02
Total		**132.38**	**126.08**	**132.38**	**126.08**
Financial liabilities					
Borrowings at amortised Cost	15 (a)	1,325.38	1,403.77	1,325.38	1,403.77
Total		**1,325.38**	**1,403.77**	**1,325.38**	**1,403.77**

The management assessed that the fair values of cash and cash equivalents, other bank balances, loans, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

The fair value of borrowings and other financial liabilities is calculated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

For financial assets and financial liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

(b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities as at March 31, 2024 and March 31, 2023.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2024 and March 31, 2023

Particulars	Notes	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2024					
Assets measured at fair value					
Fair value through Other Comprehensive Income					
Investment in Equity shares	8 (a)	103.72	-	-	103.72
Investment in Others	8 (a)	21.51	-	21.51	-
Fair value through Profit and Loss					
Investment in Others	8 (a)	7.13	7.13	-	-
Fair value (Derivative Instruments)					
Foreign Currency Derivative Contracts (Cash flow hedge)	8 (f)	4.72	-	4.72	-
As at March 31, 2023					
Assets measured at fair value					
Fair value through Other Comprehensive Income					
Investment in Equity shares	8 (a)	126.06	-	-	126.06
Investment in Others	8 (a)	-	-	-	-
Fair value through Profit and Loss					
Investment in Others	8 (a)	-	-	-	-
Fair value (Derivative Instruments)					
Foreign Currency Derivative Contracts (Cash flow hedge)	8 (f)	4.71	-	4.71	-

Quantitative disclosures fair value measurement hierarchy for financial liabilities as at March 31, 2024 and March 31, 2023

Particulars	Notes	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2024					
Fair value (Derivative Instruments)					
Foreign Currency Derivative Contracts (Cash flow hedge)	15 (c)	4.91	-	4.91	-
As at March 31, 2023					
Fair value (Derivative Instruments)					
Foreign Currency Derivative Contracts (Cash flow hedge)	15 (c)	10.76	-	10.76	-

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfer between level 1, 2 and 3 during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 42 : Financial instruments risk management objectives and policies

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's risk management is carried out by a Treasury department under policies approved by the Board of directors. The Group's treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk.

(a) Market risk

Market risk refers to the possibility that changes in the market rates may have impact on the Group's profits or the value of its holding of financial instruments. The Group is exposed to market risks on account of foreign exchange rates, interest rates, underlying equity prices, liquidity and other market changes.

Future specific market movements cannot be normally predicted with reasonable accuracy.

(a1) Interest rate risk

Interest rate risk refers to the possibility that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rate.

The Group is exposed to interest rate risk on short-term and long-term floating rate instruments. The Group's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Group are principally denominated in Indian Rupees and US dollars with mix of fixed and floating rates of interest. These exposures are reviewed by appropriate levels of management at regular interval.

As at March 31, 2024, None of the Group's Borrowings are at fixed rate of interest (March 31, 2023 : approximately 5.33%).

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings as follows:

Particulars	Effect on profit before tax	
	March 31, 2024	March 31, 2023
Increase in 50 basis points	(6.63)	(6.55)
Decrease in 50 basis points	6.63	6.55

(a2) Foreign currency risk

The Group's foreign currency risk arises from its foreign operations, investments in foreign subsidiaries, foreign currency transactions and foreign currency borrowings. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Group. The major foreign currency exposures for the Group are denominated in USD and EURO.

Since a significant part of the Group's revenue is in foreign currency and major part of the costs are in Indian Rupees, any movement in currency rates would have impact on the Group's performance. Exposures on foreign currency sales are managed through the Group's hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Group strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance. The Group may use forward contracts, foreign exchange options or currency swaps towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate. These foreign exchange contracts, carried at fair value, may have varying maturities varying depending upon the primary host contract requirements and risk management strategy of the Group. Hedge effectiveness is assessed on a regular basis.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Foreign currency sensitivity

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure in USD, EURO and GBP with a simultaneous parallel foreign exchange rates shift in the currencies by 2% against the functional currency of the respective entities. The Group's exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in Currency rate	Effect on profit before tax		
		in USD rate	in EURO rate	in GBP rate
March 31, 2024	+2%	6.68	(0.18)	0.03
	-2%	(6.68)	0.18	(0.03)
March 31, 2023	+2%	3.90	(0.02)	0.04
	-2%	(3.90)	0.02	(0.04)

The movement in the pre-tax effect is a result of a change in the fair value of financial instruments not designated in a hedge relationship. Although the financial instruments have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables, investments and derivative financial instruments.

The Group is exposed to credit risk from its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, financial guarantees and derivative financial instruments.

All trade receivables are subject to credit risk exposure. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non-performance by any of the Group's counterparties. The Group does not have significant concentration of credit risk related to trade receivables. No single third party customer contributes to more than 10% of outstanding accounts receivable as of March 31, 2024 and March 31, 2023.

Trade receivables are non-interest bearing and are generally on 7 days to 180 days credit term.

With respect to derivatives, the Group's forex management policy lays down guidelines with respect to exposure per counter party i.e. with banks with high credit rating, processes in terms of control and continuous monitoring. The fair value of the derivatives are credit adjusted at the period end.

(c) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time, or at a reasonable price. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity. The Group closely monitors its liquidity position and deploys a robust cash management system.

During the year, the Group has been regular in repayment of principal and interest on borrowings on or before due dates. The Group did not have defaults of principal and interest as on reporting date.

The Group requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Particulars	Notes	< 1 year	>1 year but < 3 years	>3 year but < 5 years	more than 5 years	Total
Year ended March 31, 2024						
Interest bearing borrowings*	15 (a)	1,091.29	212.23	82.98	-	1,386.50
Lease Liabilities	38	35.65	55.68	40.58	20.97	152.88
Trade payables	15 (b)	1,375.29	-	-	-	1,375.29
Other financial liabilities#	15 (c)	223.39	0.94	0.62	-	224.95
		2,725.62	**268.85**	**124.18**	**20.97**	**3,139.62**
Year ended March 31, 2023						
Interest bearing borrowings*	15 (a)	1,073.84	403.67	12.43	-	1,489.94
Lease Liabilities	38	29.98	50.99	35.13	29.91	146.01
Trade payables	15 (b)	1,237.55	-	-	-	1,237.55
Other financial liabilities#	15 (c)	219.63	1.20	0.14	-	220.97
		2,561.00	**455.86**	**47.70**	**29.91**	**3,094.47**

* Includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenor of the borrowings.

Other financial liabilities includes interest accrued but not due and interest accrued and due of ₹ 4.92 Crores (March 31, 2023 : ₹ 8.48 Crores).

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 43 : Capital management:

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements to optimise return to our shareholders through continuing growth. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance). The Group is not subject to any externally imposed capital requirements.

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Interest bearing loans and borrowings (note 15)	1,325.38	1,403.77
(b) Less: cash and bank balance (including other bank balance and book overdraft)	(75.53)	(76.58)
(c) Net debt (a) - (b)	**1,249.85**	**1,327.19**
(d) Equity share capital (note 13)	261.63	261.50
(e) Other equity (note 14)	3,281.12	3,084.13
(f) Total capital (d) + (e)	**3,542.75**	**3,345.63**
(g) Total Capital and net debt (c) + (f)	**4,792.60**	**4,672.82**
(h) Gearing ratio (c)/(g)	**26.08%**	**28.40%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any long term borrowing in the current period except for one loans. The Group has obtained letter from the lender before the date of adoption of financial statements for not accelerating the payment of this loan within one year from the balance sheet date subject to regularisation of the breach by end of March 31, 2025. Accordingly, the management has considered the classification of loan based upon the original repayment schedule.

No changes were made in the objectives, policies or processes for managing capital during the current period.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 44 : Interest in Other Entities

Sr. No.	Name of Entities	Country of Incorporation	Remarks	Activities	Proportion of Ownership of Interest	
					As at March 31, 2024	As at March 31, 2023
	Subsidiaries					
	- Indian Subsidiaries					
1	Arvind Envisol Limited (Previously known as Arvind Accel Limited)	India		Engineering	100%	100%
2	Syntel Telecom Limited	India		Telecom	100%	100%
3	Arya Omnitalk Wireless Solutions Private Limited	India		Telecom	50.06%	50.06%
4	Arvind PD Composites Private Limited	India	(j)	Technical Textile	51%	51%
5	Arvind OG Nonwovens Private Limited	India	(j)	Technical Textile	76.72%	76.72%
6	Arvind Suit Manufacturing Private Limited (Previously known as Arvind Goodhill Suit Manufacturing Private Limited)	India	(a)	Garments	-	90%
7	Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited)	India		Garments	90%	90%
8	Arvind Premium Retail Limited	India		Garments	51%	51%
9	Arvind Advanced Materials Limited (Previously known as Arvind Polymer Textiles Limited)	India		Technical Textile	100%	91.25%
10	Arvind Smart Textiles Limited	India	(b)	Textiles	90%	90%
11	Arvind BKP Berolina Private Limited (Previously known as Arvind Transformational Solutions Private Limited)	India	(a)	Textiles	-	100%
12	Arvind Foundation	India	(i)	CSR Activity	100%	100%
13	Arvind Indigo Foundation	India	(i)	CSR Activity	100%	100%
14	Arvind Norm CBRN Systems Private Limited (w.e.f. March 4, 2022)	India	(a)	Technical Textile	-	100%
15	Arvind Technical Products Private Limited (w.e.f. February 8, 2023)	India		Textiles	100%	100%
16	Arvind Engineered Composite Panels Private Limited(Previously known as Arvind Polser Engineered Composite Panels Private Limited)	India	(a)	Technical Textile	-	100%
	- Foreign Subsidiaries					
17	Arvind Worldwide Inc.	USA		Textiles	100%	100%
18	Arvind Worldwide (M) Inc.	Mauritius	(h)	Textiles	100%	100%
19	Arvind Niloy Exports Private Limited	Bangladesh		Textiles	70%	70%
20	Arvind Textile Mills Limited (upto September 25, 2023)	Bangladesh		Textiles	-	90%
21	Arvind Overseas (Mauritius) Limited	Mauritius	(h)	Textiles	100%	100%
22	Arvind Spinning Limited	Mauritius	(h)	Textiles	100%	100%
23	Arvind Lifestyle Apparel Manufacturing PLC	Ethiopia	(f)	Garments	99.11%	99.04%
24	Arvind Envisol PLC	Ethiopia	(g)	Engineering	100%	100%
25	Arvind Enterprises FZC	U.A.E	(f)	Textiles	73.13%	73.13%
	- Limited Liability Partnerships					
26	Maruti and Ornet Infrabuild LLP	India	(e)	Construction	99.90%	99.90%
27	Arvind Township LLP (Previously known as Arvind and Smart Value Homes LLP) (w.e.f. April 1, 2023)	India	(f)	Real Estate	99.90%	50%
28	Syntel Enkay Converged Technologies LLP (previously known as Enkay Converged Technologies LLP)	India	(c)	Telecom	100%	100%
	- Joint Ventures and Associates					
29	Arya Omnitalk Radio Trunking Services Private Limited	India		Telecom	49.94%	49.94%
30	Arudrama Developments Private Limited	India		Construction	50%	50%
31	Adient Arvind Automotive Fabrics India Private Limited	India		Technical Textile	49.50%	49.50%
32	PVH Arvind Manufacturing PLC	Ethiopia	(d)	Textiles	25%	25%
33	Renew Green (GJ Eight) Private Limited (w.e.f. January 26, 2023)	India		Energy	31.20%	31.20%

(a) Merged with Arvind Advanced Materials Limited effective from January 1, 2024.
(b) Held by Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited).
(c) Jointly held by Arvind Limited and Syntel Telecom Limited.
(d) Jointly held by Arvind Limited and Arvind Enterprises (FZC)
(e) Jointly held by Arvind Limited and Arvind Internet Limited (Upto June 27, 2022). Jointly held by Arvind Limited and Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited).(w.e.f. June 28, 2022).
(f) Jointly held by Arvind Limited and Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited).
(g) Jointly held by Arvind Limited and Arvind Envisol Limited.
(h) Not considered for the purpose of consolidation for the financial year 2023-24 and 2022-23 respectively being defunct status.
(i) The Group has made investment of ₹ 0.01 Crores in the equity shares of Arvind Foundation and ₹ 0.01 Crores in the equity shares of Arvind Indigo Foundation, which are the Companies incorporated under Section 8 of the Act. Since the Group has no intention of earning variable returns from the voting rights, the above investments doesn't meet the definition of control under Ind AS 110 and hence, not consolidated in the Consolidated Financial Statements.
(j) Held by Arvind Advanced Materials Limited (fromerly known as Arvind Polymer Textiles Limited)

Material partly-owned subsidiaries : The Group does not have any subsidiaries that have non-controlling interests that are material to the group.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

(₹ in Crores)

Note 45 : Discontinued Operations

A. During the year ended March 31, 2024, subsidiary "Arvind Textile Mills Limited, Bangladesh was liqudiated, which was considered as "Discontinued Operations" in accordance with Ind AS 105 for the year ended March 31, 2023.

The Parent Company has entered into agreement on July 19, 2022 to sell its Omuni Undertaking to Bigfoot Retail Solutions Private Limited. The Parent Company sold its 100% stake of wholly owned subsidiary, Arvind Internet Limited to Bigfoot Retail Solutions Private Limited for a consideration of ₹ 159.00 crores. Accordingly, the Group has considered its wholly owned subsidiary Arvind Internet Limited as "Discontinued Operations" in accordance with Ind AS 105 and accordingly, re-classified the financial results for various periods presented. The Group has booked capital gain of ₹ 148.79 crores on sale of Arvind Internet subsidiary post completion of all conditions subsequent to the transaction as on September 30, 2022.

During the year ended March 31, 2023, Subsidiary "Westech Advance Material Limited" and "AJ Environmental Solutions Company" were liqudiated. Hence the Group considered it as "Discontinued Operations" in accordance with Ind AS 105 and accordingly, re-classified the financial results for various periods presented.

B.

	Particulars	Year ended March 31, 2023
I.	**INCOME**	
	(a) Revenue from operations	6.33
	(b) Other income	-
	TOTAL INCOME	**6.33**
II.	**EXPENSES**	
	(a) Cost of raw materials and accessories consumed	0.01
	(b) Emplovee benefits expense	8.60
	(c) Finance costs	0.07
	(d) Depreciation and amortisation expense	2.46
	(e) Other expenses	6.76
	TOTAL EXPENSES	**17.90**
III.	**LOSS BEFORE TAX AND EXCEPTIONAL ITEMS (I-II)**	**(11.57)**
IV.	**Exceptional items**	6.54
	LOSS BEFORE TAX (III-IV)	(5.03)
V.	**Tax expense**	
	- Deferred tax Credit	1.50
	Total tax Credit	**1.50**
VI.	**Profit for the year (IV+V)**	**(3.53)**

C The Carrying Amounts of assets and liabilities of Discontinued Operations was as follows.

Particulars	As at March 31, 2023
ASSETS	
Current assets	
- Other financial assets	0.01
TOTAL ASSETS	**0.01**
LIABILITIES	
Current liabilities	
- Trade Payables	0.01
TOTAL LIABILITIES	**0.01**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 46 : Business Combinations, acquisitions and disposals

A. The Group has acquired the control in Arvind Township LLP (hereinafter referred as "ATLLP") (at that time known as Arvind and Smart Value Homes LLP) w.e.f April 1, 2023 by acquiring additional stake of 49.90% at a consideration of ₹ 38 crore. Investment in the ATLLP was previously accounted as equity method in accordance with Ind AS 28 which is discontinued on obtaining of control.

Acquiree is engaged in Real Estate business. The purpose of acquistion is part of business strategy of the Group.

On acquisition of control, the Group has measured the all identifiable assets and liabilities acquired through Business Combination in accordance with Ind AS 103. The Group has not incurred any transaction cost for acquiring control.

Prior to obtaining control, the acquiree was being accounted using equity method in the consolidated financial statements which is discontinued on obtaining of control.

B. The amounts recognised in respect of the identifiable assets acquired and liabilites assumed are set out in the table below.

Particulars	As at April 1, 2023
Non-current assets	
(a) Non-current financial assets	0.19
(b) Other Non-current assets	0.15
Total non-current assets	**0.34**
Current assets	
(a) Current financial assets	5.31
(b) Other Current assets	122.12
Total current assets	**127.43**
Total Assets acquired (A)	**127.77**
Current liabilities	
(a) Current financial liabilities	1.75
(b) Other current liabilities	0.48
Total Liabilities assumed (B)	**2.23**
Net assets acquired (A) - (B)	**125.54**
Non-controlling interest in 0.10% of ATLLP	0.06
Total purchase consideration	38.00
To be satisfied by:	
Cash	38.00
Total consideration transferred	28.50
Net cashflow arising on acqisition	
Cash Consideration	28.50
Less: cash and cash equivalents balances acquired	0.07
Net consideration transferred	**28.43**

C. Other notes

1 In respect of acquired receivables:
(i) the fair value of the receivables - ₹ 0.02 crores
(ii) the gross contractual amounts receivable - ₹ 0.02 crores
(iii) the best estimate at the acquisition date of the contractual cash flows not expected to be collected - NIL

2 The Group recognises non-controlling interests in an acquired entity at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. The decision is made on acquisition by acquisition basis.

The Group has recognised gain on acquisition of controlling interest including gain till the acquisition of control in accordance with the requirement of Ind AS.

3 The non-controlling interest (0.10% ownership interest in ATLLP) recognised at the acquition date was measured at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets.

4 ATLLP contributed ₹ 0.80 crores to the group's revenue and ₹ (0.01) to the group's profit for the period between the acquisition date (April 1, 2023) and reporting date (March 31, 2024).

The business combination has been achieved in stages
(i) On the acquisition-date fair value of the equity interest in the acquiree held by the acquirer immediately before the acquisition date - ₹ 55.83 crores.
(ii) The amount of any gain or loss recognised as a result of remeasuring to fair value the equity interest in the acquiree held by the acquirer before the business combination - NIL

5 Capital Reserve recognised on above transaction amounting to ₹ 24.77 crores



Arvind Limited
CIN : L17119GJ1931PLC000093

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(₹ in Crores)

Note 47 : Additional information pursuant to Schedule III of Companies Act 2013

Name of Entities	For the financial year ending on / as at March 31, 2024							
	Net Assets i.e. Total Assets minus Total Labilities		Share in Profit or (loss)		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated Profit	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent :								
Arvind Limited	96.01%	3,476.37	86.46%	304.90	73.53%	(7.00)	86.82%	297.90
Subsidiaries :								
- Indian								
Syntel Telecom Limited	0.29%	10.49	0.16%	0.57	-	-	0.17%	0.57
Arvind Envisol Limited	2.21%	80.10	2.09%	7.36	1.68%	(0.16)	2.10%	7.20
Arvind PD Composites Private Limited	2.12%	76.64	6.40%	22.56	0.63%	(0.06)	6.56%	22.50
Arvind OG Nonwovens Private Limited	1.23%	44.57	1.44%	5.07	0.32%	(0.03)	1.47%	5.04
Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited)	(2.50%)	(90.63)	(4.78%)	(16.86)	-	-	(4.91%)	(16.86)
Arvind Premium Retail Limited	(0.36%)	(13.21)	(0.31%)	(1.08)	-	-	(0.31%)	(1.08)
Arvind Advanced Materials Limited (Previously known as Arvind Polymer Textiles Limited)	0.17%	6.27	1.50%	5.28	0.21%	(0.02)	1.53%	5.26
Arvind Smart Textiles Limited	3.42%	123.66	1.18%	4.15	2.10%	(0.20)	1.15%	3.95
Arva Omnitalk Wireless Solutions Private Limited	2.26%	81.75	3.66%	12.90	2.00%	(0.19)	3.71%	12.71
Arvind Technical Products Private Limited	(0.03%)	(1.09)	(0.31%)	(1.10)	-	-	(0.32%)	(1.10)
- Foreign								
Arvind Worldwide Inc.	0.18%	6.44	0.12%	0.44	(0.95%)	0.09	0.15%	0.53
Arvind Niloy Exports Private Limited	(0.03%)	(1.05)	-	-	(0.11%)	0.01	0.00%	0.01
Arvind Lifestyle Apparel Manufacturing PLC	1.38%	49.89	(6.44%)	(22.70)	20.17%	(1.92)	(7.18%)	(24.62)
Arvind Envisol PLC	(0.76%)	(27.63)	(0.11%)	(0.39)	(11.03%)	1.05	0.19%	0.66
Arvind Enterprises FZC	0.06%	2.23	(0.52%)	(1.83)	6.93%	(0.66)	(0.73%)	(2.49)
- LLP								
Maruti and Ornet Infrabuild LLP	-	-	0.01%	0.04	-	-	0.01%	0.04
Arvind Township LLP (Previously known as Arvind and Smart Value Homes LLP)	0.68%	24.76	-	(0.01)	-	-	-	(0.01)
Syntel Enkay Converged Technologies LLP (previously known as Enkay Converged Technologies LLP)	(0.27%)	(9.77)	1.23%	4.33	-	-	1.26%	4.33
Sub Total		**3,839.79**		**323.63**		**(9.09)**		**314.54**
Less: Adjustment arising out of consolidation	(9.16%)	(331.75)	3.70%	13.06	0.21%	(0.02)	3.80%	13.04
Total	**96.89%**	**3,508.04**	**95.48%**	**336.69**	**95.69%**	**(9.11)**	**95.47%**	**327.58**
Add: Non Controlling Interest in Subsidiaries	2.15%	77.95	4.54%	16.02	3.99%	(0.38)	4.56%	15.64
Add: Joint Ventures and Associates (Investment as per Equity method)								
Arya Omnitalk Radio Trunking Services Private Limited	0.18%	6.43	0.20%	0.70	0.32%	(0.03)	0.20%	0.67
Arudrama Developments Private Limited	0.06%	2.05	-	-	-	-	-	-
Renew Green (GJ Eight) Private Limited	0.72%	26.23	(0.22%)	(0.78)	-	-	(0.23%)	(0.78)
Grand Total	**100%**	**3,620.70**	**100%**	**352.63**	**100%**	**(9.52)**	**100%**	**343.11**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

Arvind Limited
CIN : L17119GJ1931PLC000093
Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(₹ in Crores)

Note 47 : Additional information pursuant to Schedule III of Companies Act 2013

Name of Entities	For the financial year ending on / as at March 31, 2023							
	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or (loss)		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated Profit	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent :								
Arvind Limited	94.15%	3,204.96	85.50%	345.91	107.16%	(14.66)	84.74%	331.25
Subsidiaries :								
- Indian								
Syntel Telecom Limited	0.29%	9.91	0.37%	1.50	-	-	0.38%	1.50
Arvind Envisol Limited	2.14%	72.90	(7.80%)	(31.55)	-	-	(8.07%)	(31.55)
Arvind Internet Limited	-	-	(0.29%)	(1.18)	-	-	(0.30%)	(1.18)
Arvind PD Composites Private Limited	1.64%	55.96	2.25%	9.11	(0.15%)	0.02	2.34%	9.13
Arvind OG Nonwovens Private Limited	1.16%	39.53	1.44%	5.84	0.22%	(0.03)	1.49%	5.81
Arvind Suit Manufacturing Private Limited (Previously known as Arvind Goodhill Suit Manufacturing Private Limited)	0.44%	15.11	(5.26%)	(21.28)	(1.97%)	0.27	(5.38%)	(21.01)
Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited)	(2.17%)	(73.76)	(5.18%)	(20.96)	-	-	(5.36%)	(20.96)
Arvind Premium Retail Limited	(0.36%)	(12.13)	(0.23%)	(0.94)	-	-	(0.24%)	(0.94)
Arvind Advanced Materials Limited (Previously known as Arvind Polymer Textiles Limited)	0.16%	5.36	0.30%	1.20	-	-	0.31%	1.20
Arvind Smart Textiles Limited	3.52%	119.70	9.47%	38.31	3.73%	(0.51)	9.67%	37.80
Arvind BKP Berolina Private Limited (Previously known as Arvind Transformational Solutions Private Limited)	(0.00%)	(0.01)	-	-	-	-	-	-
Arva Omnitalk Wireless Solutions Private Limited	2.20%	75.03	2.77%	11.20	(0.66%)	0.09	2.89%	11.29
Arvind Norm CBRN Systems Private Limited	(0.00%)	(0.01)	-	-	-	-	-	-
Arvind Engineered Composite Panels Private Limited (Previously Known as Arvind Polser Engineered Composite Panels Private Limited)	0.28%	9.55	0.90%	3.66	-	-	0.94%	3.66
Arvind Technical Products Private Limited	0.00%	0.01	-	-	-	-	-	-
- Foreign								
Arvind Worldwide Inc.	0.17%	5.91	(0.02%)	(0.07)	(3.36%)	0.46	0.10%	0.39
Westech Advance Materials Limited	-	-	(0.22%)	(0.87)	20.03%	(2.74)	(0.92%)	(3.61)
Arvind Niloy Exports Private Limited	(0.03%)	(1.06)	-	-	(1.17%)	0.16	0.04%	0.16
Arvind Textile Mills Limited	-	-	(0.02%)	(0.08)	0.07%	(0.01)	(0.02%)	(0.09)
Arvind Lifestyle Apparel Manufacturing PLC	1.40%	47.66	(5.47%)	(22.11)	(11.84%)	1.62	(5.24%)	(20.49)
Arvind Envisol PLC	(0.83%)	(28.30)	(4.52%)	(18.27)	3.14%	(0.43)	(4.78%)	(18.70)
Arvind Enterprises FZC	0.14%	4.71	0.24%	0.98	(6.07%)	0.83	0.46%	1.81
AJ Environmental Solutions Company	-	-	0.02%	0.07	1.02%	(0.14)	(0.02%)	(0.07)
- LLP								
Maruti and Ornet Infrabuild LLP	-	-	(7.59%)	(30.70)	-	-	(7.85%)	(30.70)
Syntel Enkay Converged Technologies LLP (previously known as Enkay Converged Technologies LLP)	(0.41%)	(14.09)	0.45%	1.83	-	-	0.47%	1.83
Sub Total		**3,536.94**		**271.60**		**(15.07)**		**256.53**
Less: Adjustment arising out of consolidation	(8.13%)	(276.64)	34.72%	140.35	(10.82%)	1.48	36.26%	141.83
Total	**95.77%**	**3,260.30**	**101.83%**	**411.95**	**99.34%**	**(13.59)**	**101.91%**	**398.36**
Add: Non Controlling Interest in Subsidiaries	1.72%	58.63	(2.13%)	(8.61)	0.73%	(0.10)	(2.22%)	(8.71)
Add: Joint Ventures and Associates (Investment as per Equity method)								
Arya Omnitalk Radio Trunking Services Private Limited	0.21%	7.27	0.38%	1.52	(0.07%)	0.01	0.39%	1.53
Arudrama Developments Private Limited	0.06%	2.05	-	-	-	-	-	-
Arvind Township LLP (Previously known as Arvind and Smart Value Homes LLP)	1.64%	55.83	0.00%	0.01	-	-	0.00%	0.01
Renew Green (GJ Eight) Private Limited	0.59%	20.18	(0.08%)	(0.31)	-	-	(0.08%)	(0.31)
Grand Total	**100%**	**3,404.26**	**100%**	**404.56**	**100%**	**(13.68)**	**100%**	**390.88**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 48 : Group's Share in Contingent Liability of Joint Ventures

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Disputed Demand in respect of : Service Tax	-	-
2	Claims against the Company not acknowledged as debts	-	-

Note : The above figures are considered based on unaudited financial statements of the respective Joint Ventures.

Note 49 : Additional Regulatory Disclosures As Per Schedule III Of Companies Act, 2013

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

a. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

b. The Group has Fund-based and Non-fund-based limits of Working Capital from Banks and Financial institutions. For the said facility, the revised submissions made by the Group to its lead bankers based on closure of books of accounts at the year end, the revised quarterly returns or statements comprising stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Group with such banks or financial institutions are in agreement with the unaudited books of account of the Group of the respective quarters and no material discrepancies have been observed.

c. The Group has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

d. The Group has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Company Act, 1956.

e. The Group has compiled with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

f. The Group has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;

i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

g. The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall;

i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries) or

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

h. The Group does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

i. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

(₹ in Crores)

Note 50 : Code on Social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 51 : New standards or amendments for the year ended March 31, 2024

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended Companies (Indian Accounting Standards) Amendment Rules, 2023, as below, which are applicable from April 1, 2023.

Ind AS 1, Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the Consolidated financial statements.

Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its Consolidated financial statements.

Ind AS 12, Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its Consolidated financial statements.

Note 52 : Events Occurring After the Reporting Period

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements.

The Board of Directors recommended a final dividend of ₹ 3.75 per equity share and one-time special dividend of ₹ 1.00 per equity share, totalling to a dividend of ₹ 4.75 per equity share of face value of ₹ 10 each, for the financial year ended March 31, 2024, subject to approval of shareholders in the ensuing Annual General Meeting.

For and on behalf of the board of directors of
Arvind Limited

Sanjay S. Lalbhai	**Jayesh K. Shah**	**Nigam Shah**	**Krunal Bhatt**
Chairman & Managing Director	Director & Group Chief Financial Officer	Chief Financial Officer	Company Secretary
DIN: 00008329	DIN: 00008349		

Place: Ahmedabad
Date: May 6, 2024

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ARVIND LIMITED NARODA ROAD 380025 AHMEDABAD

DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment of Equity Shares shall be made by our Company, in consultation with the LM, to Eligible QIBs only, at a discretionary basis. The names of the proposed Allottees and the percentage of post-Issue capital that may be held by them in the Company is set forth below.

S. No.	Name of the proposed Allottees	Percentage of the post-issued and paid up Equity Share held (%)[(1)(2)]
1.	Citigroup Global Markets Mauritius Private Limited	0.04
2.	Aditya Birla Sun Life Mutual Fund - Aditya Birla Sun Life Bal Bhavishya Yojna	0.12
3.	Aditya Birla Sun Life Mutual Fund - Aditya Birla Sun Life Special Opportunities Fund	0.03
4.	Aditya Birla Sun Life Mutual Fund - Aditya Birla Sun Life ELSS Tax Saver Fund	0.20
5.	Aditya Birla Sun Life Mutual Fund - Aditya Birla Sun Life Small Cap Fund	0.83
6.	Aditya Birla Sun Life Mutual Fund - Aditya Birla Sun Life MNC Fund	0.11
7.	HDFC Mutual Fund - HDFC Manufacturing Fund	0.29
8.	Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	0.55
9.	Bandhan Small Cap Fund	3.54
10.	Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis ESG Integration Strategy Fund	0.15
11.	Mahindra Manulife Small Cap Fund	0.87
12.	Mirae Asset Multicap Fund	0.27
13.	Platinum Hybrid Long-Short Fund SIF	0.02
14.	SBI Life Insurance Co. Ltd	0.66
15.	ICICI Prudential Life Insurance Company Limited	0.29
16.	SBI Multi Asset Allocation Fund	0.37
17.	SBI Long Term Advantage Fund - Series V	0.17
18.	Invesco India ELSS Tax Saver Fund .	0.29

(1) Based on beneficiary position as on July 31, 2026 (adjusted for Equity Shares Allocated in the Issue)

(2) The post-Issue shareholding pattern (in percentage terms) of the proposed Allottees have been disclosed on the basis of their respective PAN, except in case of Mutual Funds, insurance companies, and Eligible FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID will be considered.

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Placement Document are true and correct.

Signed on behalf of the Board of Directors

_____

Authorised Signatory
Nigam Gautamkumar Shah
(Executive Director and Chief Financial Officer)
DIN: 10056383

Date: August 5, 2026
Place: Ahmedabad

DECLARATION

We, the Board of the Company, certify that:

(i) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government;

(iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Placement Document (which includes disclosures prescribed under Form PAS-4).

For and on behalf of the Board of Directors

_____

Authorised Signatory
Nigam Gautamkumar Shah
(Executive Director and Chief Financial Officer)
DIN: 10056383

Date: August 5, 2026
Place: Ahmedabad

I am authorized by the Finance Committee of the Board *vide* resolution dated August 5, 2026 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the initial subscribers subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed:

_____

Authorised Signatory
Nigam Gautamkumar Shah
(Executive Director and Chief Financial Officer)
DIN: 10056383

Date: August 5, 2026
Place: Ahmedabad

ARVIND LIMITED

CIN: L17119GJ1931PLC000093

Registered Office

Naroda Road,
Ahmedabad – 382 345, Gujarat, India
Tel: +91 79 6826 8000
Email: investor@ arvind.in
Website: www.arvind.com

Contact Person:

Pritesh Shah
Designation: Company Secretary and Compliance Officer
Tel: +91 79 6826 8000; **Email:** pritesh.shah@arvind.in
Address: Naroda Road,
Ahmedabad – 382 345, Gujarat, India

LEAD MANAGER

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower, Rahimtullah Sayani Road
Opposite Parel ST Depot, Prabhadevi
Mumbai – 400 025, Maharashtra, India

STATUTORY AUDITORS OF OUR COMPANY

Deloitte Haskins & Sells LLP
19th Floor, "Shapath V", S. G. Highway
Ahmedabad – 380 015
Gujarat, India

LEGAL COUNSELS

Domestic legal counsel to the Company

CMS INDUSLAW
1502B, 15th Floor,
Tower 1C, One World Centre,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013,
Maharashtra, India

Domestic legal counsel to the Lead Manager

AZB & Partners

AZB House
Peninsula Corporate Park
Ganapatrao Kadam Marg, Lower Parel
Mumbai 400 013
Maharashtra

AZB House
Plot No. A7 & A8,
Sector – 4
Noida – 201 301
National Capital Region,
India

Special international legal counsel to the Lead Manager

DUANE MORRIS & SELVAM LLP
16 Collyer Quay,17-00,
Collyer Quay Centre 049 318, Singapore

SAMPLE APPLICATION FORM

(Note: The format of the Application Form included herein below is for reference and for the purposes of compliance with applicable law only, and no Bids in this Issue should be made through the sample Application Form. The Company, in consultation with the LM, will identify Eligible QIBs and circulate serially numbered copies of the Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in this Issue should be made only upon receipt of serially numbered copies of the Preliminary Placement Document and the Application Form, and not on the basis of the indicative format below.)

ARVIND LIMITED	APPLICATION FORM
(Incorporated in the Republic of India under the provisions of the Indian Companies Act, VII of 1913) *Our Company was originally incorporated as 'The Arvind Mills Limited', under the Indian Companies Act, VII of 1913, pursuant to a certificate of incorporation dated June 1, 1931, issued by the Registrar of Companies, Bombay and a certificate of commencement of business dated July 30, 1931, issued by the Registrar of Companies, Bombay. Thereafter, pursuant to Board resolution dated May 12, 2007 and Shareholders' resolution dated September 29, 2007, the name of our Company was changed to 'Arvind Limited' and a fresh certificate of incorporation dated April 15, 2008 was issued to our Company, under the Companies Act, 1956, by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli.* ***CIN****: L17119GJ1931PLC000093;* ***Website****: www.arvind.com* ***Registered Office****: Naroda Road, Ahmedabad – 382 345, Gujarat, India;* ***Tel.:*** *+91 79 6826 8000;* ***Email:*** *investor@arvind.in****; Website:*** *www.arvind.com* ***LEI No:*** *335800W8K4QFXZ2IUW51|* ***ISIN:*** *INE034A01011*	**Name of the Bidder:** _____ **Form. No.:** _____ **Date:** _____

QUALIFIED INSTITUTIONS PLACEMENT OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") FOR CASH, AT A PRICE OF ₹ [●] PER EQUITY SHARE ("ISSUE PRICE"), INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE, AGGREGATING UP TO ₹ [●] CRORES ("ISSUE") UNDERTAKEN IN ACCORDANCE WITH CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS") AND UNDER SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED ("COMPANIES ACT, 2013"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED ("PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER BY ARVIND LIMITED (THE "COMPANY"). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ 518.58 PER EQUITY SHARE AND THE COMPANY MAY OFFER A DISCOUNT OF UPTO 5%, OR SUCH PERCENTAGE AS MAY BE PERMITTED UNDER THE SEBI ICDR REGULATIONS, ON THE FLOOR PRICE, AS APPROVED BY ITS SHAREHOLDERS.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (i) are not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws, including foreign exchange related laws; (ii) hold a valid and existing registration under the applicable laws in India (as applicable); (iii) are eligible to invest in the Issue and submit this Application Form, and (iv) are (a) residents in India, or (b) foreign portfolio investors participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended ("FEMA Rules"), the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended ("SEBI FPI Regulations") and any other applicable law (other than individuals, corporate bodies and family offices), defined hereinafter ("Eligible FPIs") or a (c) multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules, and the restrictions stated under '*Issue Procedure*' section of the PPD, can submit this Application Form. However, except as provided herein, other non-resident QIBs, in terms of the FEMA Rules, are not permitted to participate in the Issue. Further, in terms of the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended, foreign venture capital investors ("FVCIs") are not permitted to participate in the Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the U.S. Securities Act ("Regulation S") and in accordance with the applicable laws of the jurisdictions where those offers and sales are made. You should note and observe the selling and transfer restrictions contained in the sections entitled "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" in the accompanying preliminary placement document dated August 3, 2026 ("PPD").

ONLY ELIGIBLE NON-RESIDENT QIBs ARE PERMITTED TO PARTICIPATE IN THE ISSUE IN COMPLIANCE WITH THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019, ("FEMA RULES"). ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THE ISSUE, THROUGH PORTFOLIO INVESTMENT SCHEME UNDER THE SCHEDULE II OF THE FEMA RULES, READ WITH THE RESTRICTION SPECIFIED IN THE "ISSUE PROCEDURE" SECTION OF THE PPD SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, AS AMENDED BY PRESS NOTE NO. 2 (2026 SERIES), DATED MARCH 15, 2026, READ WITH THE FDI POLICY, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY, WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE, AS PRESCRIBED UNDER THE FEMA RULES AND SHALL HAVE TO BE IN CONFORMITY WITH THE APPLICABLE PROVISIONS OF THE FEMA RULES. HOWEVER, PURSUANT TO THE RECENT AMENDMENT BY WAY OF PRESS NOTE NO. 2 (2026 SERIES) DATED MARCH 15, 2026, INVESTMENTS RESULTING IN BENEFICIAL OWNERSHIP OF LESS THAN TEN PERCENT AND NOT CONFERRING CONTROL ARE PERMITTED UNDER THE AUTOMATIC ROUTE. ALLOTMENTS MADE TO ALTERNATIVE INVESTMENT FUNDS AND VENTURE CAPITAL FUNDS IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. AIFs AND VCFs WHOSE SPONSOR AND MANAGER ARE NOT INDIAN OWNED AND CONTROLLED IN TERMS OF THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,

The Board of Directors
Arvind Limited
Naroda Road, Ahmedabad – 382 345, Gujarat, India

Respected All,

STATUS (Insert '✓' for applicable category)			
FI	Scheduled Commercial Banks and Financial Institutions	**AIF**	Alternative Investment Fund*
MF	Mutual Funds	**IF**	Insurance Funds
FPI	Eligible Foreign Portfolio Investor**	**NIF**	National Investment Fund

On the basis of the serially numbered PPD of the Company, and subject to the terms and conditions mentioned in the other sections of the PPD and in this Application Form, we hereby submit our Bid for the Allotment of the Equity Shares in the Issue on the terms and price indicated below. We hereby confirm that we are an Eligible QIB as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations, holding a valid and existing registration under the applicable laws in India (as applicable) and which is not, (a) excluded from making an application in the Issue pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and (b) restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws, including foreign exchange laws.

VCF	Venture Capital Funds*	**SI- NBFC**	Systemically Important Non-Banking Financial Companies
IC	Insurance Companies	**OTH**	Others _____ (Please specify)

** Sponsor and Manager should be Indian owned and controlled.*
*** Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue.*

We are not a promoter of the Company, directly or indirectly and this Application Form and the Bid does not directly or indirectly represent the promoters or any persons related to the promoter. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoters or persons related to promoter of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are eligible to invest in the Equity Shares under the SEBI ICDR Regulations, Reserve Bank of India circulars, and other applicable laws. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue. We confirm that are either an Eligible QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules. We confirm that we are not an FVCI or a multilateral or bilateral development financial institution not eligible to invest in India under applicable law. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

We confirm that the Bid size/ aggregate number of Equity Shares applied for by us, and which may be Allotted to us thereon will not exceed the relevant regulatory or approved limits under applicable laws. We confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**SEBI Takeover Regulations**"). We confirm that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us, in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and this Application Form. We confirm that, in relation to our application, each Eligible FPIs, have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of Equity Shares bid for under each such scheme. We undertake that we will sign and/or submit all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

We note that the Board of Directors of the Company is entitled, in consultation with Motilal Oswal Investment Advisors Limited ("**LM**" or "**Lead Manager**"), the Lead Manager in relation to the Issue, in its absolute discretion, to accept or reject this Application Form without assigning any reason thereof. We hereby accept the Equity Shares that may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, the Placement Document upon its issuance, and the confirmation of allocation note ("**CAN**") upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be Allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for in the Issue, has been/ will be remitted to the designated bank account set out in this Application Form only through electronic mode, along with this duly completed Application Form prior to or on the Issue Closing Date and such Bid Amount has been/ will be transferred from a bank account maintained in our name, and in case we are joint holders, from the bank account of the person whose name appears first in the Application Form. We acknowledge and agree that we have not/ shall not make any payment in cash, demand draft, or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the LM; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue if we withdraw the Bid before Issue Closing Date, or if there is a cancellation of the Issue, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount has been paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and restriction on transferability. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and restriction on transferability, as may be applicable to us.

We further understand, agree and consent that: (i) our names, address, PAN, phone number, bank account details, email-id, and the number of Equity Shares Allotted, along with other relevant information as may be required will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware that our names will be included in the Placement Document as "proposed allottees", if applicable, along with the number of Equity Shares proposed to be Allotted to us, and the percentage of our post-Issue shareholding in the Company pursuant to the requirements under Form PAS-4 of the PAS Rules and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the LM; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Gujarat at Ahmedabad as required in terms of the PAS Rules. We are also aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5.00% of the Equity Shares in this Issue, the Company shall be required to disclose our name, along with the name of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the website of National Stock Exchange of India Limited and BSE Limited (together, "**Stock Exchanges**"), and we consent to such disclosure.

We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the Preliminary Placement Document and this Application Form. We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the SEBI FPI Regulations (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted separate Application Forms and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the price and number of Equity Shares Bid for under each such scheme. We undertake that we will sign and/or submit all such documents, provide such documents, and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the necessary approvals for applying in the Issue. We note that the Board of Directors of the Company, or any duly authorized committee thereof, is entitled, in consultation with Lead Manager, in its sole discretion, to accept or reject this Application Form without assigning any reason thereof.

By signing and/or submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections entitled *"Notice to Investors", "Representations by Investors", "Issue Procedure", "Selling Restrictions"* and *"Transfer Restrictions and Purchaser Representations"* of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the LM, each of whom is entitled to rely on and is relying on these representations, warranties in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, and have read it in its entirety including in particular, the section entitled "*Risk Factors"* therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the LM or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document (when provided), this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing

and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company in consultation with the LM and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, 2013 upon Allocation, the Company will be required to disclose our names and the percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the LM; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the LM; For the purposes of this representation: the expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations i.e. entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations; (9) if we are participating in the Issue as an Eligible FPI, we are not an individual, corporate body, or family office (10) we agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, the Placement Document upon its issuance, this Application Form, the CAN upon its issuance, and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below; (11) we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares; (12) we have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares; (13) no action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction; (14) we satisfy any and all relevant suitability standards for investors in Equity Shares; (15) we acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws and that the Equity Shares are only being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S; and (15) we are located outside the United States (as defined in Regulation S) and we are not submitting this Application Form as a result of any "directed selling" efforts (as defined in Regulation S).

We acknowledge that once a duly filled Application Form, whether signed or not is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.

BIDDER DETAILS (In Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
TELEPHONE NO.		**FAX NO.**	
EMAIL ID		**MOBILE NO.**	
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NO.:_____		
FOR MF	SEBI MF REGISTRATION NO.: _____		
FOR AIFs***	SEBI AIF REGISTRATION NO.: _____		
FOR VCFs***	SEBI VCF REGISTRATION NO.: _____		
FOR SI-NBFC	RBI REGISTRATION DETAILS: _____		
FOR INSURANCE COMPANIES	IRDAI REGISTRATION DETAILS: _____		
FOR PENSION FUNDS	PFRDA REGISTRATION DETAILS:_____		

* *Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the LM.*

** *In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*

*** *Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER BY 3.00 P.M. (IST), [●], 2026	
Name of the Account	Arvind Limited Escrow Account for QIP
Name of the Bank	STATE BANK OF INDIA
Address of the Branch of the Bank	STATE BANK OF INDIA, COMMERCIAL BRANCH, AHMEDABAD
Account Type	Current account Escrow
Account Number	45425961515
LEI Number of the Company	335800W8K4QFXZ2IUW51
IFSC	SBIN0006926
Tel No.	+91 79 2657 7380
E-mail	soamt2.cbahm@sbi.co.in

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the Lead Manager will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

DEPOSITORY ACCOUNT DETAILS																														
Depository Name	National Securities Depository Limited									Central Depository Services (India) Limited																				
Depository Participant Name																														
DP – ID	I	N																												
Beneficiary Account Number										(16-digit beneficiary A/c. No. to be mentioned above)																				
The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. **However, for the purposes of refund, if any, only the bank account details as mentioned below, from which remittance towards subscription has been made, will be considered.**																														

The Bid Amount should be transferred pursuant to the Application Form within the Issue Period. All payments must be made only by way of electronic fund transfers, in favor of Arvind Limited Escrow Account for QIP. Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period, i.e., prior to the Issue Closing Date. **The payment for subscription to the Equity Shares to be allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by them. The Company and the LM shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	

NO. OF EQUITY SHARES BID FOR		PRICE PER EQUITY SHARE (RUPEES)	
(In figures)	(In words)	(In figures)	(In words)

BID AMOUNT (RUPEES)	
(In figures)	(In words)

DETAILS OF CONTACT PERSON			
NAME			
ADDRESS			
TEL. NO.		**FAX NO.**	
EMAIL			

OTHER DETAILS	
PAN*	
Legal Entity Identifier (LEI) code	
Date of Application	
Signature of Authorized Signatory (may be signed either physically or digitally)**	

ENCLOSURES TO BE SUBMITTED*
(attach/certified true copy of the following)

Attested/ certified true copy of the following:

- ☐ Copy of PAN Card or PAN allotment letter**
- ☐ Copy of FPI Registration Certificate/ MF Registration certificate/ SEBI certificate of registration for AIFs/ VCF/ SI-NBFC/ IC
- ☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a scheduled commercial bank
- ☐ Copy of notification as a public financial institution
- ☐ FIRC
- ☐ Copy of IRDAI registration certificate
- ☐ Intimation of being part of the same group
- ☐ Certified true copy of power of attorney
- ☐ Other, please specify _____

**It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.*

***A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.*

Notes:

(1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD, unless specifically defined herein.

(2) The Application Form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the LM.

(3) This Application Form, the PPD and the Placement Document sent to you/ be sent to you, either in physical form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.

(4) The duly filed Application Form along with all enclosures shall be submitted to the LM either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in PPD.