

ARVIND FASHIONS LIMITED

A MEMBER OF THE LALBHAI GROUP

Corporate Office: Du Parc Trinity, 8th Floor, 17, M.G. Road, Bengaluru – 560 001

Tel: 91 -80-4155 0601

www.arvindfashions.com

November 13, 2021

BSE Limited

Listing Dept. / Dept. of Corporate Services

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai - 400 001

National Stock Exchange of India Ltd.

Listing Dept., Exchange Plaza, 5th Floor

Plot No. C/1, G. Block

Bandra-Kurla Complex

Bandra (E)

Mumbai - 400 051

Security Code: 542484

Security ID: ARVINDFASN

Symbol : ARVINDFASN

Dear Sir / Madam,

Sub: Outcome of the Board of Directors Meeting held on November 13, 2021

Ref.: Regulations 30, 33 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”).

We wish to inform you that the Board of Directors at their meeting held today approved the following:

1. Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended on September 30, 2021.

A copy of the results along with Limited Review Reports issued by the M/s. Sorab S. Engineer & Co., and M/s. Deloitte Haskins & Sells, Joint Statutory Auditors of the Company, for the said quarter and half year is attached herewith along with a copy of the press release being issued by the Company and Investor Presentation for quarter and half year ended on September 30, 2021.

2. On recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company has re-appointed Mr. Nilesh Dhirajlal Shah (DIN: 01711720), as an Independent Director for an another term of 5 consecutive years, commencing from February 07, 2022, subject to approval of Shareholders by means of a special resolution through Postal Ballot Process.

The disclosure as required under Regulation 30 of the SEBI LODR Regulations is enclosed herewith as **Annexure-I**.

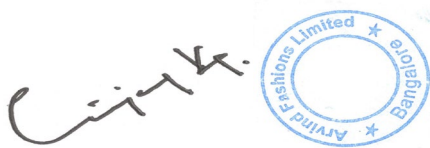
The meeting of the Board of Directors of the Company commenced at 11.45 a.m. and concluded at 02:20 p.m.

You are requested to bring this to the notice of all concerned.

Thanking you,

Yours faithfully,

For Arvind Fashions Limited



Vijay Kumar B S
Company Secretary

Encl : As above.

ARVIND

Regd. Office: Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad – 380 025.

CIN: L52399GJ2016PLC085595

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ANNEXURE-I

Details required under Regulation 30 of the SEBI LODR Regulation

Particulars	Mr. Nilesh Dhirajlal Shah
Reason for change	Re-appointment as Independent Director of the Company
Date of appointment and term of appointment	The Re-appointment of Mr. Nilesh Dhirajlal Shah, as Independent Director shall be effective from February 07, 2022 for a period of five (5) years and is subject to the approval of shareholders of the Company by way of Postal Ballot process. The office of Mr. Nilesh Dhirajlal Shah, shall not liable to retire by rotation.
Brief profile	Mr. Nilesh Shah, is Group President and Managing Director of Kotak Mahindra Asset Management Company Limited. He was part of the team that has received “Best Fund House of the Year” Award at all the mutual funds where he has worked. He is also a part time member of the Economic Advisory Council to the Prime Minister. He is a qualified Chartered Accountant and is a member of the ICAI.
Disclosure of relationships between directors	Mr. Nilesh Dhirajlal Shah, is not related to any Directors of the Company.
Information as required pursuant to BSE Circular with Ref. No. LIST/COMP/14/2018-19 and the National Stock Exchange of India Ltd with Ref. No. NSE/CML/2018/24, dated 20th June 2018.	Mr. Nilesh Dhirajlal Shah, is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS**TO THE BOARD OF DIRECTORS OF
Arvind Fashions Limited**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Arvind Fashions Limited ("the Company"), for the quarter and half year ended September 30, 2021 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 4 of the statement, which describes the uncertainties and the impact of COVID 19 pandemic on the Company's operations and results as assessed by the Management.

Our conclusion on the statement is not modified in respect of this matter.



6. The comparative financial information of the Company for the quarter and half year ended September 30, 2020, for the year ended March 31, 2021 and for the quarter ended June 30, 2021 included in this Statement had been reviewed/audited by one of the joint auditors, who had expressed an unmodified opinion thereon as per their reports dated November 12, 2020, June 03, 2021 and August 06, 2021 respectively.

Another joint auditor's conclusion is not modified in respect of these matters.

For **SORAB S. ENGINEER & CO.**
Chartered Accountants
(Firm's Registration No. 110417W)

Chokshi Shreyas B.

Chokshi Shreyas B.
(Partner)
(Membership No. 100892)
(UDIN - 21100892AAAAAYR8912)

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval

Kartikeya Raval
(Partner)
(Membership No. 106189)
(UDIN - 21106189AAAAANR2810)

Place: Bangalore
Date: November 13, 2021



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Statement of Standalone Unaudited Financial Results for the Quarter and the Half Year Ended September 30, 2021

(Rs. in Crores except per share data)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.21 Unaudited	30.06.21 Unaudited	30.09.20 Unaudited	30.09.21 Unaudited	30.09.20 Unaudited	31.03.21 Audited
1 Income						
(a) Revenue from operations	139.87	71.40	58.40	211.27	88.05	298.30
(b) Other Income	2.04	2.63	4.58	4.67	8.98	14.74
Total Income	141.91	74.03	62.98	215.94	97.03	313.04
2 Expenses						
(a) Purchases of stock-in-trade	80.67	54.44	(76.42)	135.11	(59.63)	64.33
(b) Changes in inventories of stock-in-trade	3.38	(19.57)	101.50	(16.19)	96.42	104.17
(c) Employee benefits expense	14.32	11.27	9.41	25.59	15.53	35.41
(d) Finance costs	4.17	2.93	9.72	7.10	22.09	31.43
(e) Depreciation and amortisation expense	3.45	4.87	4.77	8.32	8.75	17.54
(f) Other expenses	30.17	19.94	12.44	50.11	29.36	74.12
Total Expenses	136.16	73.88	61.42	210.04	112.52	327.00
3 Profit/(Loss) before exceptional items and tax (1-2)	5.75	0.15	1.56	5.90	(15.49)	(13.96)
4 Exceptional Items (Refer Note 5)	-	-	(45.73)	-	(45.73)	(45.73)
5 Profit/(Loss) Before Tax (3-4)	5.75	0.15	(44.17)	5.90	(61.22)	(59.69)
6 Tax Expense						
Current Tax	0.98	-	-	0.98	-	-
Deferred Tax Charge/ (Credit)	0.01	0.01	0.04	0.02	0.70	(0.28)
Total Tax Expense/(Credit)	0.99	0.01	0.04	1.00	0.70	(0.28)
7 Net Profit/(Loss) for the period (5-6)	4.76	0.14	(44.21)	4.90	(61.92)	(59.41)
8 Other Comprehensive Income/ (Loss) (Net of Tax)						
(a) Items that will not be classified to profit and loss						
(i) Re-measurement gain/(loss) on defined benefit plans	(0.03)	(0.03)	0.55	(0.06)	0.25	0.01
(ii) Income Tax related to the item above	0.01	0.01	(0.17)	0.02	(0.09)	-
Other Comprehensive Income/ (Loss) (Net of Tax)	(0.02)	(0.02)	0.38	(0.04)	0.16	0.01
9 Total Comprehensive Income/ (Loss) for the Period (7+8)	4.74	0.12	(43.83)	4.86	(61.76)	(59.40)
10 Paid-up Equity Share Capital (Face Value ₹ 4/- per share)	52.92	45.35	39.46	52.92	39.46	42.43
11 Other Equity						1,752.55
12 Earning Per Share in Rs (Not Annualised)						
-Basic	0.43	0.01	(5.26)	0.44	(7.54)	(6.85)
-Diluted	0.43	0.01	(5.25)	0.44	(7.51)	(6.85)

(See accompanying notes to the Standalone Financial Results)

For Arvind Fashions Limited

Shailesh Chaturvedi

Shailesh Chaturvedi
Managing Director & CEO
DIN:03023079

Bengaluru
November 13, 2021



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Standalone Unaudited Balance Sheet		(Rs in Crores)	
	As at		
	September 30, 2021	March 31, 2021	
	Unaudited	Audited	
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	16.85	20.92	
(b) Intangible assets	18.35	20.78	
(c) Financial assets			
(i) Investments	1,804.81	1,754.30	
(ii) Loans	0.01	0.01	
(iii) Other financial assets	13.68	13.69	
(d) Deferred tax assets (net)	19.35	19.35	
(e) Current tax assets (net)	5.06	5.98	
(f) Other non-current assets	1.96	0.57	
Sub-Total-Non-current Assets	1,880.07	1,835.60	
II. Current assets			
(a) Inventories	125.03	108.80	
(b) Financial assets			
(i) Trade receivables	245.43	119.59	
(ii) Cash and cash equivalents	392.50	0.65	
(iii) Bank balance other than (ii) above	0.12	0.07	
(iv) Loans	43.03	43.09	
(v) Others financial assets	4.22	2.05	
(c) Other current assets	46.55	46.10	
Sub-Total-Current Assets	856.88	320.35	
Total Assets	2,736.95	2,155.95	
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	52.92	42.43	
(b) Other equity	2,240.91	1,752.55	
Sub-Total -Equity	2,293.83	1,794.98	
LIABILITIES			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	43.94	49.39	
(ii) Other financial liabilities	2.44	1.94	
(b) Long-term provisions	3.94	3.43	
Sub-Total - Non-current Liabilities	50.32	54.76	
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	115.22	73.91	
(ii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	15.07	17.65	
b) total outstanding dues of creditors other than micro enterprises and small enterprises	247.02	199.48	
(iii) Other financial liabilities	5.89	8.34	
(b) Other current liabilities	8.95	6.27	
(c) Short-term provisions	0.65	0.56	
Sub-Total - Current Liabilities	392.80	306.21	
Total Equity and Liabilities	2,736.95	2,155.95	



For Arvind Fashions Limited

Shataurvedi

Shailesh Chaturvedi
Managing Director & CEO
DIN:03023079

Bengaluru
November 13, 2021



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Standalone Unaudited Statement of Cash Flows for the half year ended September 30, 2021				
Particulars	Half Year ended		(Rs in Crores)	
	September 30, 2021		September 30, 2020	
	Unaudited		Unaudited	
A Operating activities				
Profit/(Loss) after taxation		4.90		(61.92)
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation /Amortization	8.32		8.75	
Interest Income	(1.82)		(6.53)	
Tax Expenses/(Credit)	1.00		0.70	
Interest and Other Borrowing Cost	7.10		22.09	
Financial guarantee commission	(1.99)		(2.04)	
Stamp Duty on Demerger	(5.50)		-	
(Profit)/Loss on Sale of Property, Plant & Equipment /Intangible assets	(0.70)		-	
Share based payment expense	2.51		0.41	
		8.92		23.38
Operating Profit before Working Capital Changes		13.82		(38.54)
Working Capital Changes:				
(Increase) / Decrease in Inventories	(16.22)		70.35	
(Increase) / Decrease in trade receivables	(125.84)		(2.80)	
(Increase) / Decrease in other assets	(1.84)		(20.49)	
(Increase) / Decrease in other financial assets	(0.35)		(4.69)	
Increase / (Decrease) in trade payables	44.97		(18.02)	
Increase / (Decrease) in other liabilities	2.67		(1.44)	
Increase / (Decrease) in other financial liabilities	(1.24)		(0.42)	
Increase / (Decrease) in provisions	0.54		(0.81)	
Net Changes in Working Capital		(97.31)		21.68
Cash Generated from Operations		(83.49)		(16.86)
Direct Taxes paid (Net of Income Tax refund)		(0.06)		-
Net Cash flow from Operating Activities (A)		(83.55)		(16.86)
B Cash Flow from Investing Activities				
Purchase of Property, Plant & Equipment /Intangible assets (Net)	(1.67)		(3.39)	
Proceeds from Sale of Property, Plant & Equipment	0.70		0.59	
Proceeds from Sale of Undertaking			61.90	
Purchase of Investments	(48.00)		(293.70)	
Changes in other bank balances not considered as cash and cash equivalents	(0.05)		(1.35)	
Changes in Capital Advances	-		0.16	
Loans (given)/received back (net)	0.06		(34.41)	
Interest Received	0.01		-	
Net cash flow from Investing Activities (B)		(48.95)		(270.20)
C Cash Flow from Financing Activities				
Proceeds from issue of share capital (net)	496.28		396.86	
Proceeds/(repayment) from long term borrowings (net)	(5.45)		(3.07)	
Proceeds/(repayment) from short term borrowings (net)	41.31		(96.86)	
Interest and other borrowing cost paid	(7.79)		(16.38)	
Net Cash flow from Financing Activities (C)		524.35		280.55
Net Increase/(Decrease) in cash & cash equivalents (A) +(B)+(C)		391.85		(6.51)
Cash & Cash equivalent at the beginning of the period		0.65		8.00
Cash & Cash equivalent at the end of the period		392.50		1.49

Reconciliation of Cash & Cash equivalents:

Particulars	Half Year ended		Half Year ended	
	September 30, 2021		September 30, 2020	
	Unaudited		Unaudited	
Cash and cash equivalents comprise of:				
Cash on Hand		-		-
Balances with Banks (Refer Note 1 below)		392.50		1.49
Cash and cash equivalents		392.50		1.49

Note 1: The Amount includes Rs. 360.00 Crores received towards proceeds of the preferential issue has been kept in a separate bank account pending utilisation.



For Arvind Fashions Limited

Shailesh Chaturvedi

Shailesh Chaturvedi
Managing Director & CEO
DIN:03023079

Bengaluru
November 13, 2021



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Notes:

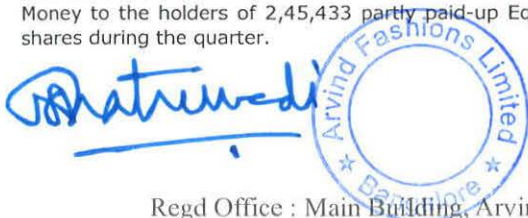
- 1 The above standalone unaudited financial results have been prepared in accordance with Indian Accounting Standards as prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 2 The above standalone unaudited financial results for the quarter ended September 30, 2021 which have been subjected to review by the Statutory Auditors of the Company, were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on November 13, 2021 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The Statutory Auditors have expressed an unqualified audit opinion.
- 3 The Company is primarily engaged in the business of Branded Apparels (Garments and Accessories) which in the terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting segment.
- 4 The Company's financial performance for the half year ended has been impacted by the Covid-19 related developments since beginning of the pandemic in March 2020. Pandemic related restrictions have been progressively relaxed starting June 2021 following the second wave. The Company has assessed the impact of COVID-19 pandemic on its business operations and recoverability and carrying values of its particularly property plant and equipment, Investments and deferred tax assets. In performing such assessment the management has considered relevant internal and external information available upto the date of approval of these financial results and has concluded that the pandemic is not likely to materially impact the recoverability of the carrying value of these assets. In developing the forecasts and estimates, Management has considered possible future uncertainties in the global and domestic economic conditions because of COVID-19, and used internal and external sources of information to the extent relevant and available as of the date of these financial results. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly actual results may differ from these estimates as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions and will recognize the impact, if any, prospectively in future periods.

- 5 Given the pandemic, for the year ended March 31, 2021, the Company decided to offer higher discounts to liquidate old inventory rapidly and take back goods sold from customers where collection of funds was getting delayed to sell it through other channels for faster liquidation. In order to achieve these objectives, for the year ended March 31, 2021, the Company has made additional provisions arising out of Covid of Rs. 45.73 Crores consisting of Rs. 7.29 Crores for Margin on Sales Return, Rs. 32.44 Crores for Inventory Dormancy and Rs. 6.00 Crores for Allowance for Doubtful Debtors which are disclosed under Exceptional Items.
- 6 The Company has transferred by way of sale, the wholesale trading business of "Flying Machine" ("FM") brand as a going concern to Arvind Youth Brands Private Limited (AYBPL), a subsidiary company on a slump sale basis during the year ended March 31, 2021. To that extent, financial results for half year ended September 30, 2021 are not comparable with those of previous periods.
- 7 During the quarter and half year ended September 30, 2021, the Company has allotted 5,49,424 equity shares (quarter ended June 30, 2021: Nil, quarter and half year ended September 30, 2020: Nil, year ended March 31, 2021: 27,000 equity shares) pursuant to exercise of stock options by employees.
- 8 Right Issue 2020: On June 21, 2020, the Board of Directors of the Company had approved the revised size of Rights Issue of 3,99,79,347 shares of face value of Rs. 4 each (the "Rights Issue Shares") at a price of Rs. 100 per Rights Equity Shares (including premium of Rs. 96 per Rights Equity Share) in the ratio of 62:91, i.e. 62 Rights Equity Shares for every 91 existing Equity Shares held by the eligible equity shareholders on the record date, i.e. March 18, 2020. On July 24, 2020, the Company has approved the allotment of 3,99,79,347 equity shares of face value Rs. 4/- each to the eligible equity shareholders as fully paid up.

On February 03, 2021, the Board of Directors of the Company and subsequently on February 18, 2021, the Committee of Directors had approved the Rights Issue of 1,48,02,856 equity shares of face value of Rs. 4 each (the "Rights Issue Shares") at a price of Rs. 135 per Rights Equity Shares (including premium of Rs. 131 per Rights Equity Share) in the ratio of 3:20, i.e. 3 Rights Equity Shares for every 20 existing Equity Shares held by the eligible equity shareholders on the record date, i.e. February 24, 2021. On March 25, 2021, the Company has approved the allotment of 1,48,01,776 equity shares of face value Rs. 4/- each to the eligible equity shareholders as partly paid up for an amount of Rs. 70/- per Rights Issue Share received on application (of which Rs. 2/- was towards face value and Rs. 68/- towards premium). The allotment of 1,080 Rights Equity Shares has been kept in abeyance pending regulatory/other clearance.

Subsequently, in terms of the Letter of Offer and board resolution dated April 7, 2021, the First and Final Call Money Notice requiring payment of the balance amount of Rs. 2 per Rights Equity Share with a premium of Rs.63 per Rights Equity Share was dispatched on May 6, 2021 and the holders of partly paid equity shares were given time till May 24, 2021, to make the payment of the First and Final Call Money. Pursuant to the above Notice, the Company has received full payment of First and Final Call Money on 1,45,56,343 partly paid-up equity shares (out of the total of 1,48,01,776 partly paid up equity shares) and the said shares became fully paid up.

The Company has issued a Final Demand cum Forfeiture Notice dated July 15, 2021 seeking payment of First and Final Call Money to the holders of 2,45,433 partly paid-up Equity Shares. The Company has received call money on 1,54,413 equity shares during the quarter.



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There is no deviation in use of proceeds from the objects stated in the Offer document for Right issue. Pursuant to IND AS 33, basic and diluted earnings per share for the previous periods have been restated for the bonus element in respect of right issue.

9 Preferential Issue:

During the quarter, the Company has allotted 1,64,75,961 equity shares to investors not belonging to the promoter or promoter group of the Company and 18,30,663 equity shares to promoters of the Company, on a preferential basis at a price of Rs. 218.50 per equity share (at a premium of Rs. 214.50 per equity share) on receipt of the consideration. The proceeds of the preferential issue has been kept in a separate bank account pending utilisation.

10 The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contribution by the Company towards Provident Fund, Gratuity and ESIC. The Code have been published in the Gazette of India. However effective date has yet not been notified. The Company will access the impact of the Code and will record related impact in the period it becomes effective.

11 Financial results have been presented in accordance with the amended Division II of Schedule III to the Companies Act, 2013. Balances of certain assets and liabilities as at March 31, 2021 have been regrouped/reclassified, where necessary, to comply with the amended Division II of Schedule III.

For Arvind Fashions Limited



Shailesh Chaturvedi
Managing Director and CEO
DIN:03023079

Bengaluru
November 13, 2021



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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS**TO THE BOARD OF DIRECTORS OF
Arvind Fashions Limited**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Arvind Fashions Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter and half year ended September 30, 2021 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. The Statement includes the results of the parent and subsidiaries as given in the Annexure to this report.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 4 of the statement, which describes the uncertainties and the impact of COVID19 pandemic on the Group's operations and results as assessed by the Management.

Our conclusion on the statement is not modified in respect of this matter.



7. The financial information of 4 subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect total assets of Rs. 1,113.04 crores, total revenues of Rs. 348.86 crores and Rs. 495.42 crores for the quarter and half year ended September 30, 2021 respectively, total net loss after tax of Rs. 2.36 crores and Rs. 12.58 crores for the quarter and half year ended September 30, 2021 respectively, total comprehensive loss of Rs. 0.65 crores and Rs. 14.21 crores for the quarter and half year ended September 30, 2021 respectively and net cash inflows of Rs. 11.52 Crores for the half year ended September 30, 2021 as considered in the Statement, whose interim financial information have been reviewed by one of the joint auditors. These interim financial information have been reviewed by one of the joint auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of one of the joint auditors.

Another joint auditor's conclusion on the Statement is not modified in respect of these matters.

8. The comparative financial information of the Group for the quarter and half year ended September 30, 2020, for the year ended March 31, 2021 and for the quarter ended June 30, 2021 included in this Statement had been reviewed/audited by one of the joint auditors who had expressed an unmodified opinion thereon as per their reports dated November 12, 2020, June 03, 2021 and August 06, 2021 respectively.

Another joint auditor's conclusion is not modified in respect of these matters.

For **SORAB S. ENGINEER & CO.**
Chartered Accountants
(Firm's Registration No. 110417W)

Chokshi Shreyas B.

Chokshi Shreyas B.
(Partner)
(Membership No. 100892)
(UDIN- 21100892AAAAYS1912)

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval

Kartikeya Raval
(Partner)
(Membership No. 106189)
(UDIN- 21106189AAAANS9902)

Place: Bangalore
Date: November 13, 2021



Annexure to Independent Auditor's Review Report

The Parent

1. Arvind Fashions Limited

List of Subsidiaries

1. Arvind Lifestyle Brands Limited
2. Arvind Beauty Brands Retail Private Limited
3. PVH Arvind Fashion Private Limited
4. Arvind Youth Brands Private Limited
5. Value Fashion Retail Limited



ARVIND FASHIONS LIMITED

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Statement of Consolidated Unaudited Financial Results for the Quarter and the Half Year Ended September 30, 2021

(Rs. in Crores except per share data)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.21 Unaudited	30.06.21 Unaudited	30.09.20 Unaudited	30.09.21 Unaudited	30.09.20 Unaudited	31.03.21 Audited
A Continuing Operations						
1 Income						
(a) Revenue from operations	812.11	319.24	382.15	1,131.35	454.08	1,911.91
(b) Other Income (Refer Note 7)	15.80	21.19	23.81	36.99	81.54	108.74
Total Income	827.91	340.43	405.96	1,168.34	535.62	2,020.65
2 Expenses						
(a) Purchases of stock-in-trade, trims and accessories	497.27	169.90	8.40	667.17	20.41	626.66
(b) Changes in inventories	(22.41)	12.09	229.30	(10.32)	274.31	491.56
(c) Employee benefits expense	59.71	51.02	52.45	110.73	91.79	204.72
(d) Finance costs	35.75	38.15	45.62	73.90	97.80	180.29
(e) Depreciation and amortisation expense	58.20	57.06	59.75	115.26	123.53	237.84
(f) Other expenses	221.39	132.14	129.47	353.53	196.04	590.56
Total Expenses	849.91	460.36	524.99	1,310.27	803.88	2,331.63
3 Profit/(Loss) before exceptional items and tax (1-2)	(22.00)	(119.93)	(119.03)	(141.93)	(268.26)	(310.98)
4 Exceptional items (Refer Note 5 and 6)	-	-	(45.20)	-	(45.20)	(45.20)
5 Profit/(Loss) Before Tax (3-4)	(22.00)	(119.93)	(164.23)	(141.93)	(313.46)	(356.18)
6 Tax Expense						
Current Tax	0.98	-	-	0.98	-	-
Deferred Tax Charge/(Credit)	1.81	(0.63)	(6.75)	1.18	4.98	41.86
Total Tax Expense/(Credit)	2.79	(0.63)	(6.75)	2.16	4.98	41.86
7 Net Profit/(Loss) for the period from Continuing Operations (5-6)	(24.79)	(119.30)	(157.48)	(144.09)	(318.44)	(398.04)
B Discontinuing Operations (Refer Note 11)						
8 Profit/(Loss) Before Tax for the period from Discontinuing Operations	(69.43)	(63.19)	(60.31)	(132.62)	(112.48)	(197.95)
9 Tax Expense/(Credit) on Discontinuing Operations	-	-	-	-	-	-
10 Net Profit/(Loss) for the period from Discontinuing Operations (8-9)	(69.43)	(63.19)	(60.31)	(132.62)	(112.48)	(197.95)
11 Net Profit/(Loss) for the period from Continuing Operations and Discontinuing Operations (7+10)	(94.22)	(182.49)	(217.79)	(276.71)	(430.92)	(595.99)
Attributable to:						
Equity Holders of the Parent	(97.59)	(176.90)	(211.76)	(274.49)	(408.53)	(579.78)
Non-controlling interest	3.37	(5.59)	(6.03)	(2.22)	(22.39)	(16.21)
12 Other Comprehensive Income/ (Loss) (Net of Tax)						
(a) Items that will not be classified to profit and loss						
(i) Re-measurement gain/(loss) on defined benefit plans	0.35	0.36	3.06	0.71	2.23	1.64
(ii) Income Tax related to the item above	(0.11)	(0.12)	(1.04)	(0.23)	(0.78)	(0.71)
(b) Items that will be classified to profit and loss						
(i) Effective portion of gains / (loss) on cash flow hedges	0.19	0.68	(1.92)	0.87	(4.66)	(3.61)
(ii) Income Tax related to the item above	-	-	-	-	-	-
Other Comprehensive Income/ (Loss) (Net of Tax)	0.43	0.92	0.10	1.35	(3.21)	(2.68)
Attributable to:						
Equity holders of the Parent	0.32	0.57	1.06	0.89	(0.88)	(0.65)
Non-controlling interest	0.11	0.35	(0.96)	0.46	(2.33)	(2.03)
	0.43	0.92	0.10	1.35	(3.21)	(2.68)
13 Total Comprehensive Income/ (Loss) for the Period (11+12)	(93.79)	(181.57)	(217.69)	(275.36)	(434.13)	(598.67)
Attributable to:						
Equity holders of the Parent	(97.27)	(176.33)	(210.70)	(273.60)	(409.41)	(580.43)
Non-controlling interest	3.48	(5.24)	(6.99)	(1.76)	(24.72)	(18.24)
	(93.79)	(181.57)	(217.69)	(275.36)	(434.13)	(598.67)
14 Paid-up Equity Share Capital (Face Value ₹ 4/- per share)	52.92	45.35	39.46	52.92	39.46	42.43
15 Other Equity						479.55
16 Earning Per Share in Rs (Not Annualised)						
Continuing Operations						
-Basic	(2.21)	(10.49)	(16.22)	(12.70)	(34.80)	(41.59)
-Diluted	(2.20)	(10.49)	(16.19)	(12.69)	(34.67)	(41.55)
Discontinuing Operations						
-Basic	(6.03)	(5.83)	(6.38)	(11.86)	(13.09)	(21.32)
-Diluted	(6.02)	(5.82)	(6.38)	(11.84)	(13.05)	(21.31)
Continuing and Discontinuing Operations						
-Basic	(8.24)	(16.32)	(22.60)	(24.56)	(47.89)	(62.91)
-Diluted	(8.22)	(16.31)	(22.57)	(24.53)	(47.72)	(62.86)

(See accompanying notes to the Consolidated Financial Results)



For Arvind Fashions Limited

Shailesh Chaturvedi

Shailesh Chaturvedi
Managing Director & CEO
DIN: 03023079

Bengaluru
November 13, 2021

ARVIND

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CIN: L52399GJ2016PLC085595

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Consolidated Unaudited Balance Sheet		
(Rs in Crores)		
	As at September 30, 2021	As at March 31, 2021
	Unaudited	Audited
ASSETS		
I. Non-current assets		
(a) Property, plant and equipment	127.91	199.26
(b) Capital work-in-progress	0.48	0.40
(c) Right-of-use asset	421.39	664.54
(d) Goodwill on consolidation	111.23	111.23
(e) Intangible assets	57.50	69.84
(f) Financial assets		
(i) Loans	0.95	1.02
(ii) Other financial assets	123.53	149.76
(g) Deferred tax assets (net)	390.27	391.90
(h) Current tax assets (net)	25.27	30.36
(i) Other non-current assets	31.32	27.06
Sub-Total-Non-current Assets	1,289.85	1,645.37
II. Current assets		
(a) Inventories	816.35	810.01
(b) Financial assets		
(i) Trade receivables	621.72	625.61
(ii) Cash and cash equivalents	410.76	8.01
(iii) Bank balance other than (ii) above	14.04	10.85
(iv) Loans	2.91	3.81
(v) Others financial assets	53.55	58.32
(c) Other current assets	362.36	416.54
(d) Assets Held for Sale	49.04	122.71
Sub-Total-Current Assets	2,330.73	2,055.86
Total Assets	3,620.58	3,701.23
EQUITY AND LIABILITIES		
I. Equity		
(a) Equity share capital	52.92	42.43
(b) Other equity	690.30	479.55
Sub-Total -Equity	743.22	521.98
II. Non controlling Interest		
	67.66	69.42
LIABILITIES		
III. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	114.00	157.26
(ii) Lease liabilities	377.93	651.61
(iii) Other financial liabilities	230.08	211.45
(b) Long-term provisions	19.43	18.83
(c) Other non-current liabilities	0.03	0.07
Sub-Total - Non-current Liabilities	741.47	1,039.22
IV. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	728.95	785.78
(ii) Lease liabilities	122.25	160.27
(iii) Trade payables		
a) total outstanding dues of micro enterprises and small enterprises	123.37	144.32
b) total outstanding dues of creditors other than micro enterprises and small enterprises	969.10	787.48
(iv) Other financial liabilities	55.57	80.29
(b) Other current liabilities	53.29	62.94
(c) Short-term provisions	8.44	7.74
(d) Liabilities directly associated with Assets classified as held for sale	7.26	41.79
Sub-Total - Current Liabilities	2,068.23	2,070.61
Total Equity and Liabilities	3,620.58	3,701.23

For Arvind Fashions Limited



Shailesh Chaturvedi
Managing Director & CEO
DIN: 03023079

Bengaluru
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Consolidated Unaudited Statement of Cash Flows for the half year ended September 30, 2021				
Particulars	Half Year ended		Half Year ended	
	September 30, 2021		September 30, 2020	
	Unaudited		Unaudited	
A Operating activities				
Profit/(Loss) after taxation from				
Continuing Operations		(144.09)		(318.44)
Discontinuing Operations		(132.62)		(112.48)
Net Profit/(Loss) for the period from Continuing Operations and Discontinuing Operations		(276.71)		(430.92)
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation /Amortization	143.18		159.13	
Interest Income	(0.89)		(0.99)	
Tax Expenses/(Credit)	2.16		4.98	
Interest and Other Borrowing Cost	86.91		128.65	
Gain on sale of shares (Net)	-		(111.91)	
Allowance of doubtful debts	2.52		-	
Gain on reassessment of lease and Lease Concessions	(99.94)		(91.29)	
Adjustment on Consolidation	0.85		-	
Stamp Duty on Demerger	(5.50)		-	
(Profit)/Loss on Sale of Property, Plant & Equipment /Intangible assets	(3.02)		0.02	
Share based payment expense	3.21		3.12	
		129.48		91.71
Operating Profit before Working Capital Changes		(147.23)		(339.21)
Working Capital Changes:				
(Increase) / Decrease in Inventories	42.00		253.47	
(Increase) / Decrease in trade receivables	13.85		145.60	
(Increase) / Decrease in other assets	49.91		(102.25)	
(Increase) / Decrease in other financial assets	34.57		(20.53)	
Increase / (Decrease) in trade payables	127.02		(202.67)	
Increase / (Decrease) in other liabilities	(9.70)		(11.33)	
Increase / (Decrease) in other financial liabilities	(9.57)		(16.37)	
Increase / (Decrease) in provisions	2.00		(1.36)	
Net Changes in Working Capital		250.08		44.56
Cash Generated from Operations		102.85		(294.65)
Direct Taxes paid (Net of Income Tax refund)		4.32		0.26
Net Cash flow from Operating Activities (A)		107.17		(294.39)
B Cash Flow from Investing Activities				
Purchase/(Proceeds) of Property, Plant & Equipment /Intangible assets (Net)	34.25		(18.04)	
Changes in Capital Advances	(0.08)		0.49	
Changes in other bank balances not considered as cash and cash equivalents	(3.19)		(43.37)	
Loans (given)/received back (net)	0.97		0.16	
Interest Received	1.09		0.75	
Net cash flow from Investing Activities (B)		33.04		(60.01)
C Cash Flow from Financing Activities				
Proceeds from issue of share capital (net)	496.28		396.86	
Proceeds from Sale of Shares of Subsidiary (Net)	-		254.86	
Proceeds/(repayment) from long term borrowings (net)	(43.25)		(8.97)	
Proceeds/(repayment) from short term borrowings (net)	(56.82)		(138.00)	
Repayment towards lease liabilities	(50.17)		(35.12)	
Interest and Other Borrowing Cost Paid	(79.76)		(119.76)	
Net Cash flow from Financing Activities (C)		266.28		349.87
Net Increase/(Decrease) in cash & cash equivalents (A)+(B)+(C)		406.49		(4.53)
Cash & Cash equivalent at the beginning of the period		4.27		9.94
Cash & Cash equivalent at the end of the period		410.76		5.41

Reconciliation of Cash & Cash equivalents:

Particulars	Half Year ended		Half Year ended	
	September 30, 2021		September 30, 2020	
	Unaudited		Unaudited	
Cash and cash equivalents comprise of:				
Cash on Hand		0.01		0.01
Balances with Banks (Refer Note 1 below)		410.75		7.21
		410.76		7.22
Less: Book Overdraft		-		1.81
Cash and cash equivalents		410.76		5.41

Note 1: The Amount includes Rs. 360.00 Crores received towards proceeds of the preferential issue has been kept in a separate bank account pending utilisation.

For Arvind Fashions Limited

Shailesh Chaturvedi

Shailesh Chaturvedi
Managing Director & CEO
DIN:03023079

Bengaluru
November 13, 2021



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Notes:

- The above consolidated unaudited financial results have been prepared in accordance with Indian Accounting Standards as prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- The above consolidated unaudited financial results for the quarter and half year ended September 30, 2021 which have been subjected to review by the Statutory Auditors, were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on November 13, 2021 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The Statutory Auditors have expressed an unqualified audit opinion.
- The Group is primarily engaged in the business of Branded Apparels (Garments and Accessories) which in the terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting segment.
- The Group's financial performance for the half year ended has been impacted by the Covid-19 related developments since beginning of the pandemic in March 2020. Pandemic related restrictions have been progressively relaxed starting June 2021 following the second wave. The Group has assessed the impact of COVID-19 pandemic on its business operations and recoverability and carrying values of its particularly property plant and equipment, right of use of assets and deferred tax assets. In performing such assessment the management has considered relevant internal and external information available upto the date of approval of these financial results and has concluded that the pandemic is not likely to materially impact the recoverability of the carrying value of these assets. In developing the forecasts and estimates, Management has considered possible future uncertainties in the global and domestic economic conditions because of COVID-19, and used internal and external sources of information to the extent relevant and available as of the date of these financial results. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly actual results may differ from these estimates as at the date of approval of these financial results. The Group will continue to closely monitor any material changes to future economic conditions and will recognize the impact, if any, prospectively in future periods.
- Given the pandemic, for the year ended March 31, 2021, the Group decided to offer higher discounts to liquidate old inventory rapidly and take back goods sold from customers where collection of funds was getting delayed to sell it through other channels for faster liquidation. In order to achieve these objectives, for the year ended March 31, 2021, the Group has made additional provisions arising out of Covid of Rs. 157.11 Crores consisting of Rs. 34.74 Crores for Margin on Sales Return, Rs. 96.83 Crores for Inventory Dormancy and Rs. 25.54 Crores for Allowance for Doubtful Debtors which are disclosed under Exceptional Items.
- The Parent Company and Arvind Lifestyle Brands Limited (ALBL), a wholly owned subsidiary Company have transferred by way of sale, the wholesale trading business and retail trading business of "Flying Machine" ("FM") brand respectively as a going concern to Arvind Youth Brands Private Limited (AYBPL), a subsidiary company on a slump sale during the year ended March 31, 2021.

Flipkart India Private Limited has made investments in AYBPL through purchase of Compulsorily Convertible Preference Shares for Rs. 260 Crores. Rs. 111.91 crores (net), being the gain on sale of shares has been disclosed under Exceptional Items during the year ended March 31, 2021.

- The Ministry of Corporate Affairs vide notification dated July 24, 2020, issued an amendment to Ind AS 116-Leases, by inserting a practical expedient w.r.t "Covid-19-Related Rent Concessions" effective from the period beginning on or after April 01, 2020 and vide notification dated June 18, 2021, extended practical expedient up to June 30, 2022.

Pursuant to the above amendment, the Group has applied the practical expedient by accounting the unconditional rent concessions in "Other Income". The details are as under:

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
Rent concessions accounted in the period	12.63	19.31	14.31	31.94	79.19	81.93
Rent concessions pertaining to periods after reporting period	3.24	5.99	14.84	4.92	14.84	-

- During the quarter and half year ended September 30, 2021, the Company has allotted 5,49,424 equity shares (quarter ended June 30, 2021: Nil, quarter and half year ended September 30, 2020: Nil, year ended March 31, 2021: 27,000 equity shares) pursuant to exercise of stock options by employees.
- Right Issue FY 2020-21: On June 21, 2020, the Board of Directors of the Company had approved the revised size of Rights Issue of 3,99,79,347 shares of face value of Rs. 4 each (the "Rights Issue Shares") at a price of Rs. 100 per Rights Equity Shares (including premium of Rs. 96 per Rights Equity Share) in the ratio of 62:91, i.e. 62 Rights Equity Shares for every 91 existing Equity Shares held by the eligible equity shareholders on the record date, i.e. March 18, 2020. On July 24, 2020, the Company has approved the allotment of 3,99,79,347 equity shares of face value Rs. 4/- each to the eligible equity shareholders as fully paid up.

On February 03, 2021, the Board of Directors of the Company and subsequently on February 18, 2021, the Committee of Directors had approved the Rights Issue of 1,48,02,856 equity shares of face value of Rs. 4 each (the "Rights Issue Shares") at a price of Rs. 135 per Rights Equity Shares (including premium of Rs. 131 per Rights Equity Share) in the ratio of 3:20, i.e. 3 Rights Equity Shares for every 20 existing Equity Shares held by the eligible equity shareholders on the record date, i.e. February 24, 2021. On March 25, 2021, the Company has approved the allotment of 1,48,01,776 equity shares of face value Rs. 4/- each to the eligible equity shareholders as partly paid up for an amount of Rs. 70/- per Rights Issue Share received on application (of which Rs. 2/- was towards face value and Rs. 68/- towards premium). The allotment of 1,080 Rights Equity Shares has been kept in abeyance pending regulatory/other clearance.

Subsequently, in terms of the Letter of Offer and board resolution dated April 7, 2021, the First and Final Call Money Notice requiring payment of the balance amount of Rs. 2 per Rights Equity Share with a premium of Rs.63 per Rights Equity Share was dispatched on May 6, 2021 and the holders of partly paid equity shares were given time till May 24, 2021, to make the payment of the First and Final Call Money. Pursuant to the above Notice, the Company has received full payment of First and Final Call Money on 1,45,56,343 partly paid-up equity shares (out of the total of 1,48,01,776 partly paid up equity shares) and the said shares became fully paid up.

The Company has issued a Final Demand cum Forfeiture Notice dated July 15, 2021 seeking payment of First and Final Call Money to the holders of 2,45,433 partly paid-up Equity Shares. The Company has received call money on 1,54,413 equity shares during the quarter.

There is no deviation in use of proceeds from the objects stated in the Offer document for Right issue. Pursuant to IND AS 33, basic and diluted earnings per share for the previous periods have been restated for the bonus element in respect of right issue.

10 Preferential Issue:

During the quarter, the Company has allotted 1,64,75,961 equity shares to investors not belonging to the promoter or promoter group of the Company and 18,30,663 equity shares to promoters of the Company, on a preferential basis at a price of Rs. 218.50 per equity share (including a premium of Rs. 214.50 per equity share) on receipt of the consideration. The proceeds of the preferential issue has been kept in a separate bank account pending utilisation.



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Tel : 91-80-4155 0601, Fax : 91-80-4155 0651

Website : <http://www.arvindfashions.com>

11 During the year ended March 31, 2021, Arvind Lifestyle Brands Limited (ALBL), a wholly owned subsidiary of the Company has decided to discontinue Brands like GAP, Hanes, New Port, The Childrens Place and Ruf & Tuf.

During the quarter, ALBL has entered into definitive agreements for strategic sale of assets of the Unlimited Retail Business, consisting of fixed assets, lease deposits, identified inventory and other current assets of Unlimited Retail stores and warehouse, along with Unlimited brand to V-Mart at its book value of Rs. 175.19 Crores.

Accordingly, the activities of the above brands and the Unlimited Retail business are presented as a discontinued operation in accordance with the provisions of Indian Accounting Standard 105 - 'Non-current Assets Held for Sale and Discontinued Operations'. Consequently, Loss before tax and tax expenses relating to these brands business have been disclosed separately as discontinued operations as part of the above results. The previous periods have been re-classified to give effect to the presentation requirements of Ind AS 105: Non-current Assets Held for Sale and Discontinued Operations.

12 The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contribution by the Group towards Provident Fund, Gratuity and ESIC. The Code have been published in the Gazette of India. However effective date has yet not been notified. The Group will assess the impact of the Code and will record related impact in the period it becomes effective.

13 Financial results have been presented in accordance with the amended Division II of Schedule III to the Companies Act, 2013. Balances of certain assets and liabilities as at March 31, 2021 have been regrouped/reclassified, where necessary, to comply with the amended Division II of Schedule III.



For Arvind Fashions Limited

Shailesh Chaturvedi
Managing Director & CEO
DIN:03023079

Bengaluru
November 13, 2021

Arvind

Regd Office : Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad-380 025

CIN: L52399GJ2016PLC085595

PRESS RELEASE

Sales growth of 113% leading to significantly improved profitability; 90%+ sales recovery over pre-COVID

Bengaluru, Nov 13, 2021: Arvind Fashions Limited (AFL), India's leading casual and denim player, has declared its financial results for the second quarter and half year ended September 30, 2021.

Key Highlights

- Q2 FY22 revenues grew by 113% to Rs. 812 Crs compared to Q2 FY21. This was driven by significant easing of COVID related restrictions resulting in strong footfalls across retail channel and continued growth in online business. Sales recovery was 90%+, compared to pre-COVID levels of Q2 FY20
- Power brands grew by ~145% with significantly improved profitability on Y-o-Y basis
- Online channel sales higher by 55% compared to Q2 FY21, contributing 40%+ of company's revenues
- Strong sales recovery has continued in Oct'21 registering high-teens like-to-like growth in the festive period in retail channel, compared to pre-COVID
- Robust sales growth coupled with cost optimization measures led to significantly improved operating profitability resulting in EBITDA of Rs. 72 Crs compared to loss of Rs. 14 Crs in Q2 FY21. This translated into cash break-even for continuing business
- Continued focus on working capital coupled with divestment of Unlimited retail business resulted in inventory and gross working capital lower by ~Rs. 180 Crs compared to Sep'20
- Gross debt lower by Rs. 70 Crs compared to June'21. Proceeds from preferential allotment utilized to reduce debt further, as on date
- Raised Rs. 400 Crs through preferential allotment to various marquee investors and promoters, thereby strengthening the balance sheet and insulating from any near-to-medium term uncertainties
- Successfully completed strategic sale of assets of 'Unlimited' retail business to V-Mart Retail Ltd.
- Exit of discontinued businesses completed; no losses pertaining to them from Q3 FY22 onwards

Commenting on the performance of the company, **Mr. Shailesh Chaturvedi, MD & CEO** said "We are happy to see rapid sales recovery across channels aided by strong nationwide vaccination program leading to positive consumer sentiment. Business has returned to normalcy towards end of quarter, thereby, providing a strong start to festive period. During the quarter, we raised Rs. 400 Crs via preferential issue through marquee investors and promoters resulting in strengthened balance sheet along with adequate funds available for growth moving ahead. With exit of discontinued brands completely behind us, our sharp focus on 6 high conviction brands will help deliver robust sales growth with significantly improved operational profitability in H2 FY22"

Consolidated Financial Performance Summary

Rs. Crore	Q2 FY22	Q2 FY21	Y-o-Y Growth
Revenues	812	382	113%
EBITDA	72	(14)	-
PBT (continuing operations)	(22)	(164)	-
PAT including discontinued operations	(98)	(212)	-

About AFL

Arvind Fashions Ltd is India's no. 1 casual and denim player, a lifestyle powerhouse with a strong portfolio of fashion brands catering to consumers across the sub-categories and price points. With a host of renowned brands, both international and indigenous, like US Polo Assn., Arrow, Tommy Hilfiger, Calvin Klein, Flying Machine and Sephora, it has presence across lifestyle brands and prestige beauty.

For more information, please contact:

Ankit Arora

Head – Investor Relations

Arvind Fashions Limited

Ankit.arora@arvindbrands.co.in

Mobile: +91 99206 64475

Disclaimer:

This document by Arvind Fashions Limited ('the Company') contains forward-looking statements that represent our beliefs, projections and predictions about future events or our future performance. These forward-looking statements are necessarily subjective and involve known and unknown risks, uncertainties and other important factors that could cause our actual results performance to differ materially from any future results or performance described in or implied by such statements. The forward-looking statements contained herein include statements about the Company's business prospects, its ability to attract customers, its expectation for revenue generation and its outlook. These statements are subject to the general risks inherent in the Company's business. These expectations may or may not be realized. Some of these expectations may be based upon assumptions or judgments that prove to be incorrect. In addition, the Company's business and operations involve numerous risks and uncertainties, many of which are beyond the control of the Company, which could result in the Company's expectations not being realized or otherwise materially affect the financial condition, results of operations and cash flows of the Company. The forward-looking statements are made only as of the date hereof, and the Company does not undertake any obligation to (and expressly disclaims any obligation to) update any forward-looking statements to reflect events or circumstances after the date such statements were made, or to reflect the occurrence of unanticipated events.



Arvind Fashions Limited

Q2 FY22 Results Presentation

November 2021

Agenda

Q2 FY22 Performance Highlights



Q2 FY22 Results with IndAS



Way Forward

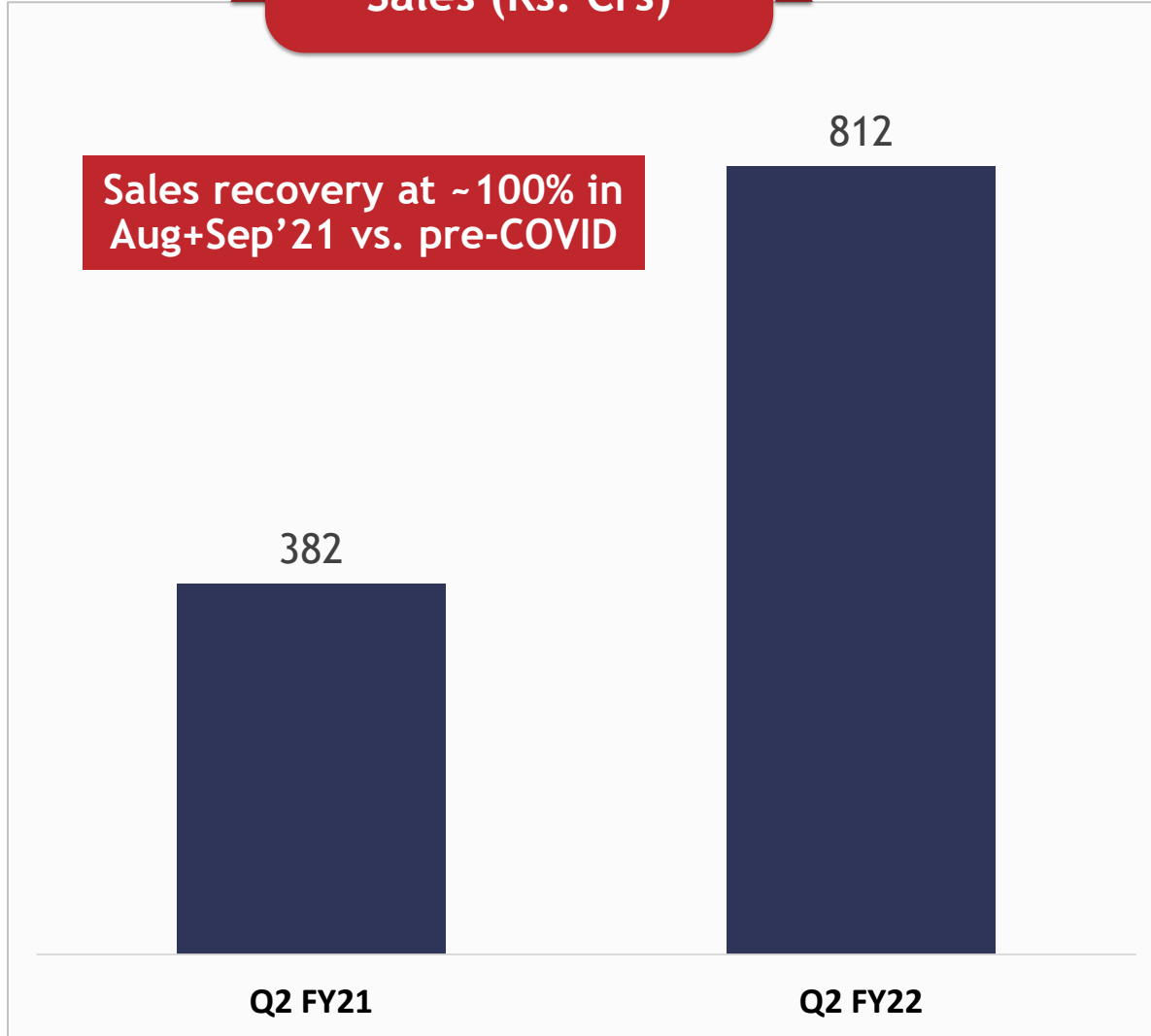


Q2 FY22 Highlights

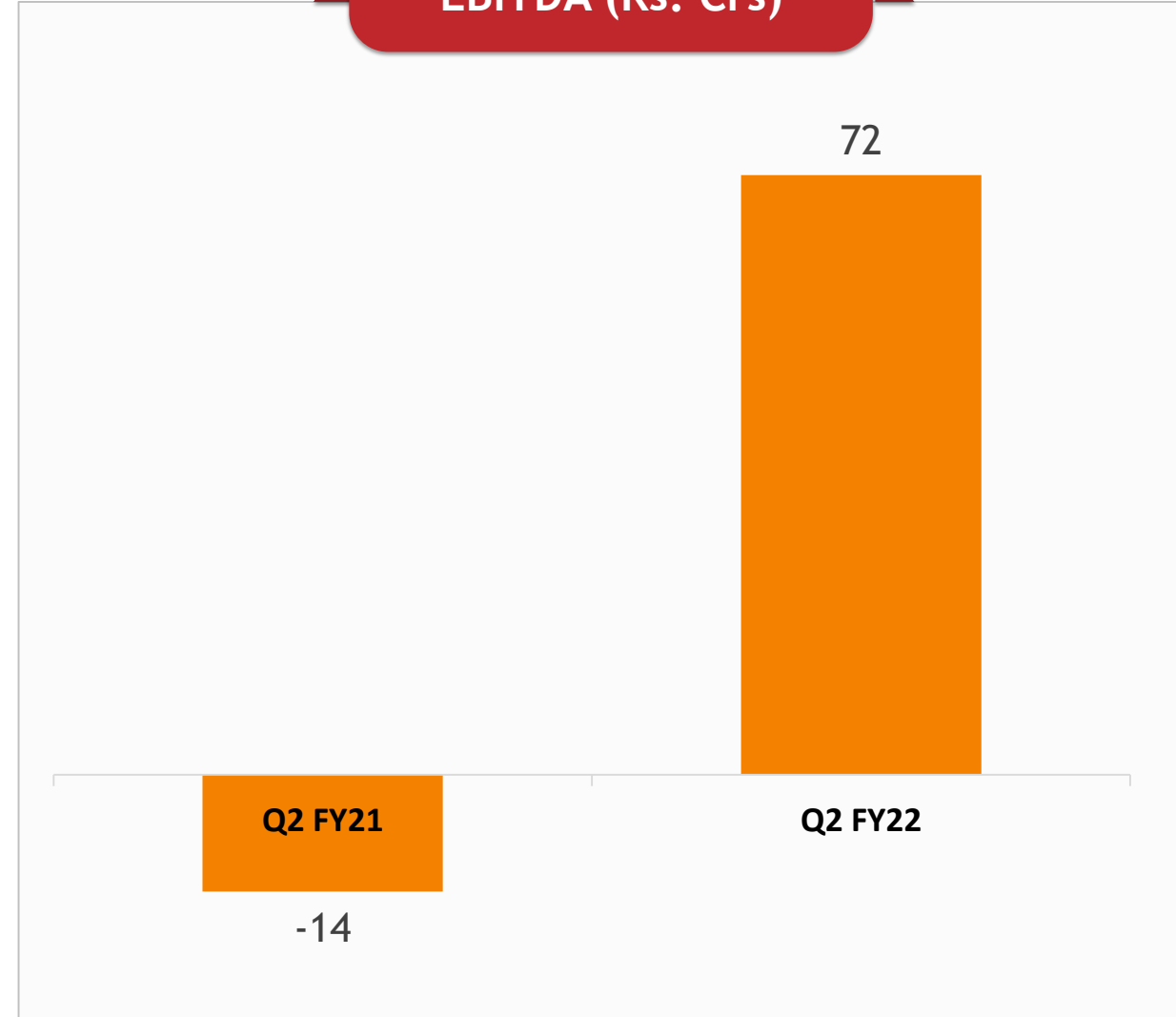
- 1 Sales : Strong growth of **2.13x** over Q2 FY21; **90%+** recovery pre-COVID (Q2 FY20)
Power Brands : Grew by **~2.45x** leading to significant improvement in EBITDA; USPA back to **double digit** margins (pre-IndAS)
- 2 EBITDA : **Rs. 72 Crs** compared to Rs. 14 Crs loss in Q2 FY21
Turned **cash break-even** for continuing business (pre-IndAS)
- 3 Digital initiatives backed by omni-channel capabilities continue to scale up rapidly; online growth of **55%+** and **90%+** (compared to Q2 FY21 and Q2 FY20 respectively); **40%+** channel contribution in Q2
- 4 Continued focus on working capital helped inventory reduction of **Rs. 183 Crs** (vs Sep'20); better footfalls led to improvement in inventory turns
- 5 Preferential Allotment : Raised **Rs. 400 Crs** through marquee investors & promoters; significantly strengthened the balance sheet and insulating from any near-to-medium term uncertainties
- 6 Gross debt as of Sep'21 stood at **Rs. 843 Crs**; reduced by **Rs. 70 Crs** (vs June'21)
Net debt of **Rs. 420 Crs** as end Oct'21 through utilization of preferential issue proceeds and strong festive demand
- 7 Successfully completed strategic sale of assets of 'Unlimited' retail business to V-Mart Retail Ltd.

Higher sales growth led to significant improvement in profitability

Sales (Rs. Crs)



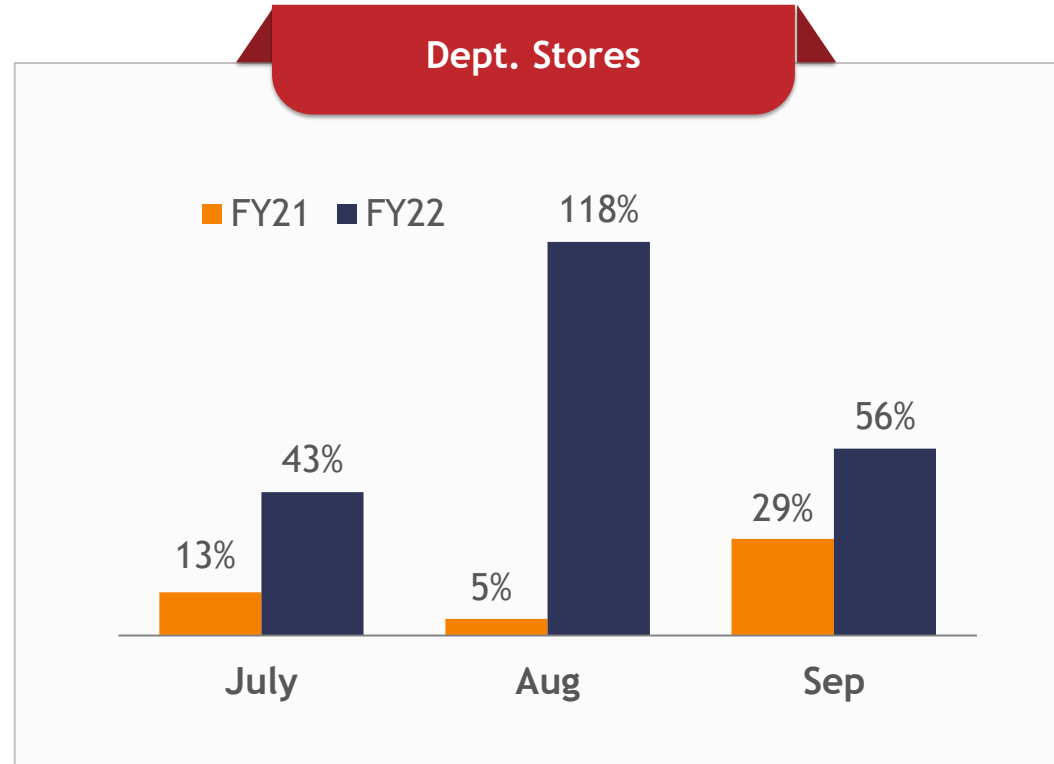
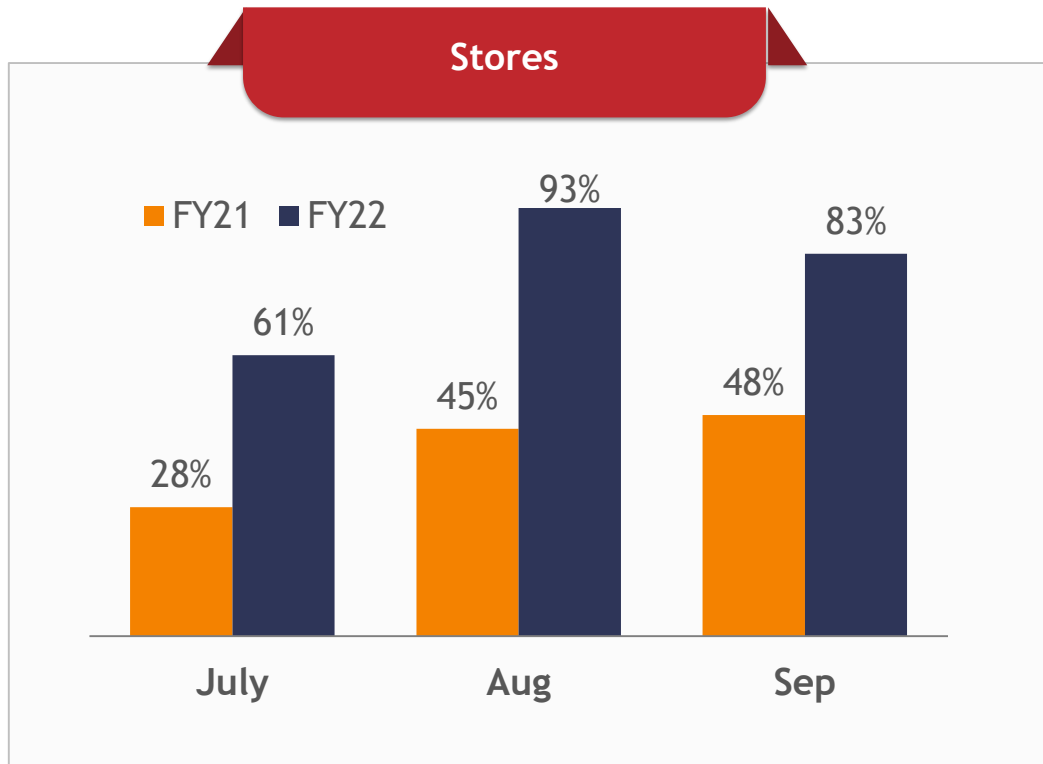
EBITDA (Rs. Crs)



Sales recovery at 90%+ pre-COVID (Q2 FY20)

* Continuing Business

EBOs witnessed ~90% recovery in Aug & Sep '21 compared to pre-COVID

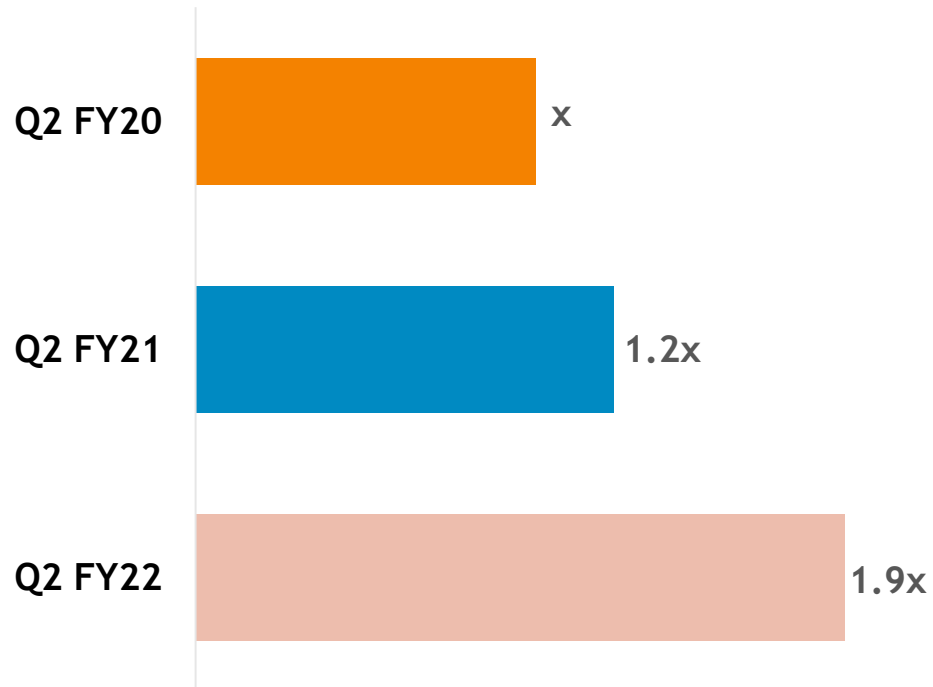


Current year & last year sales as % of same months in FY20

* Continuing Business

Continues strong momentum in online channel



Revenue over same period



Key Drivers

- **Omni-channel**
 - Omni-linkage of 150+ stores in Q2 taking total count to 750+
- **Order fulfilment**
 - 15-20% of store sales continue to get fulfilled through omni-channel
- **SMU strategy**
 - Specially made merchandize for online channel leading to growth in new categories
- **Marketplaces**
 - Linkage to all major third-party portals

Q2 FY22 - Groupwise Performance



	Sales (Rs. Crs)			EBITDA (Rs. Crs)	
	Q2 FY22	Q2 FY21	% Growth	Q2 FY22	Q2 FY21
 Power Brands	674	276	144%	67	(6)
 Emerging Brands	138	106	30%	5	(8)
Total	812	382	113%	72	(14)

Note:

Power Brands - US Polo Assn., Tommy Hilfiger, Flying Machine and Arrow

Emerging Brands - Calvin Klein, Sephora, Ed Hardy, Aeropostale and Others

H1 FY22 - Groupwise Performance

	Sales (Rs. Crs)			EBITDA (Rs. Crs)	
	H1 FY22	H1 FY21	% Growth	H1 FY22	H1 FY21
 Power Brands	936	329	185%	55	(35)
 Emerging Brands	195	125	56%	(8)	(12)
Total	1131	454	149%	47	(47)

Note:

Power Brands - US Polo Assn., Tommy Hilfiger, Flying Machine and Arrow

Emerging Brands - Calvin Klein, Sephora, Ed Hardy, Aeropostale and Others

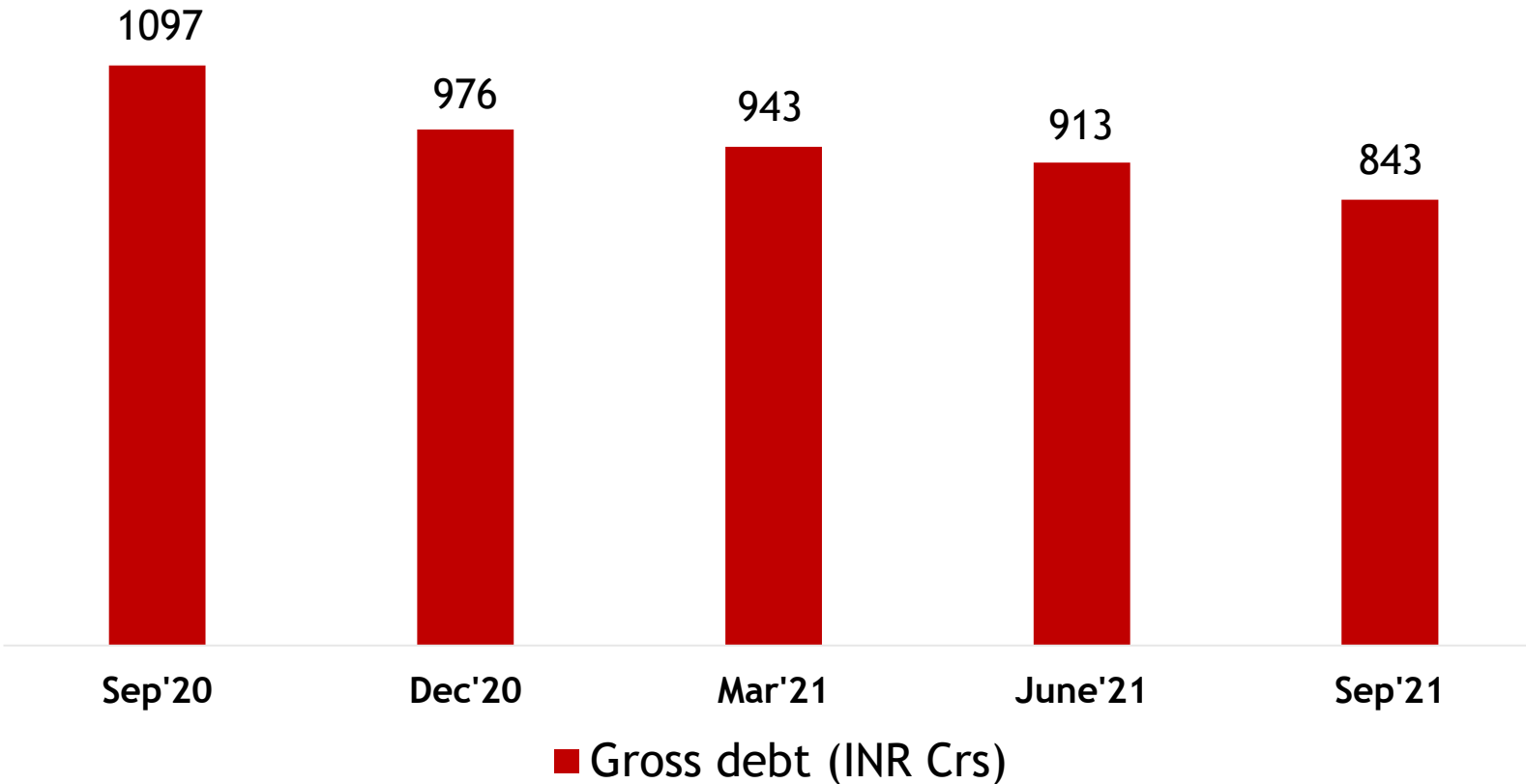
Sharper focus on working capital management

	Figures in Rs Crs.			
	Sep'21	Sep'20	Change	June'21
Inventory	969	1152	(183)	1015
Receivables	639	636	3	578
GWC	1608	1788	(180)	1593

- Lower inventory due to tighter controls coupled with Unlimited transaction
- Strong footfalls in Aug & Sep'21 resulted in improvement in inventory turns
- Debtors higher on account of better wholesale channel sales

* Including discontinued brands

Debt continues to trend lower



- Proceeds from preferential allotment utilized to reduce debt further as on date

Debt to be lower by ~350 Crs by Mar'22 on Y-o-Y basis

Agenda

Q2 FY22 Performance Highlights



Q2 FY22 Results with IndAS



Way Forward



Q2 FY22 - Performance Snapshot



	Reported (Rs Crs.)		
	Q2 FY22	Q2 FY21	% growth
Revenue from Operations	812	382	113%
Other Income	16	24	(34%)
Total Income	828	406	104%
EBITDA	72	(14)	-
PBT before exceptional items	(22)	(119)	-
Exceptional items	-	(45)	-
Discontinued operations	(69)	(60)	-
Current Tax & Deferred Tax (Credit)	3	(7)	-
PAT	(98)	(212)	-

- Turned cash break-even for continuing business

H1 FY22 - Performance Snapshot



	Reported (Rs Crs.)		
	H1 FY22	H1 FY21	% growth
Revenue from Operations	1131	454	149%
Other Income	37	82	(55%)
Total Income	1168	536	118%
EBITDA	47	(47)	-
PBT before exceptional items	(142)	(268)	-
Exceptional items	-	(45)	-
Discontinued operations	(133)	(112)	-
Current Tax & Deferred Tax (Credit)	2	5	-
PAT	(274)	(409)	-

Particulars (in Rs Cr.)	30.09.21	31.03.21	30.09.20
Net Worth	743	591	652
Borrowings	843	903	1058
Capital Employed	1,586	1,495	1,710
Inventory	948	900	1018
Receivables	622	626	576
Creditors	1092	932	1053
Net Working Capital	477	594	542
Net Fixed Asset	297	381	422
Other Assets	770#	439	576
Discontinued Business*	42	81	170
Capital Employed	1,586	1,495	1,710

Includes ~400 Crs of preferential issue funds

* Includes discontinued businesses inventory, debtors and creditors

Balance Sheet As On 30.09.2021

Agenda

Q2 FY22 Performance Highlights



Q2 FY22 Results with IndAS



Way Forward



Way forward

Short term

- Expects robust business momentum to continue aided by high-teens LTL growth (over pre-COVID) witnessed in festive period in Oct'21, leading to significantly improved profitability in H2 FY22
- Exit of discontinued businesses completed; no losses from Q3 onwards
- 150+ stores to be opened in FY22
- Tighter inventory & debtor controls to drive better working capital efficiency & positive operational cashflow

Medium term

- Focus on 6 high conviction brands leading to profitable growth
- Continued investments behind digital capabilities leading to rapid growth
- Significant scale up in growth categories like innerwear, footwear and kids wear
- Expanding the retail network into smaller towns through the franchisee model
- Continued focus on inventory turns and driving efficient working capital and higher ROCE



Thank You