

PRESS RELEASE:**AARVEE DENIMS & EXPORTS LIMITED**

- 1. UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2009**
- 2. DEBT REDUCTION THROUGH BUY BACK OF FCCBs AND EARLY REDEMPTION OF PREFERENCE SHARES**

1:- FINANCIAL RESULTS-Q3 2010

Aarvee Denims & Exports Limited (ADEL) announced its unaudited financial results for the quarter ended December 31, 2009 in the Board meeting of the company held on 29th January, 2010. The company has reported a strong performance in the Quarter and the Nine months ended 31st December 2009. Thus the Sales for the Quarter under review stood at Rs 93.05 Crore and the PAT stood at Rs 11.25 Crore representing a 27% and 218% growth respectively over the corresponding quarter of the previous year. Similarly, for the 9 Months ended 31/12/2009 the Sales stood at Rs 281.80 Crore, and the PAT stood at Rs 21.07 Crore representing a 15% and 216% growth respectively over the corresponding 9 months of the previous year.

2:- Repurchase (buyback) of FCCB at discount and early redemption of preference shares

During the quarter ended 31st December 2009, ADEL has bought back ~~its~~ coupon Foreign Currency Convertible Bonds (FCCBs) with face value of USD 7.50 Million (approx Rs. 35 Crore) out of the total FCCB of USD 20 million, at discount to their face value, as per the RBI approval.

Further, during the quarter 31st December 2009, ADEL has redeemed 14991340, 13% cumulative redeemable non convertible preference shares, which were issued to DEG, Germany along with accrued dividend up to 31st December 2009. These preference shares were due for redemption in June 2010.

After the buyback of FCCB and early redemption of preference shares, ADEL has reduced its Long term Debt by around 35%.

ABOUT ADEL

Aarvee Denims and Exports Limited, Ahmedabad is the second largest manufacturer of Denim fabrics in the country with present installed capacity of around 60 Million Mtrs. of Denim Fabrics. The company also manufactures and markets Garments under the "De Luxe" Brand with a network of around 75 exclusive retail outlets throughout the Country.

