Arvind Limited
LALBHAI GROUP
Naroda Road, Ahmedabad 380 025, India
T +91 79 30138000 W www.arvind.com
CIN - L17119GJ1931PLC000093

ARVIND

October 25, 2016

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

Security Code : 500 101
Security ID : ARVIND

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

Symbol : ARVIND

Dear Sirs,

Sub: Outcome of the Board Meeting held today at Mumbai

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the Board of Directors, at its meeting held today, has considered and approved the fund raising of Rs. 740 crores by diluting 10% stake in its subsidiary, Arvind Fashions Limited, a brand business arm. Detailed Press Release and Investor and Analysts Presentation in this regard are attached herewith.

The details of above are also made available at the Company's website www.arvind.com

Kindly take note of the above and bring this to the notice of all concerned.

Thanking you,

Yours faithfully,

R. V. Bhimani
Company Secretary

Encl : As above.

Arvind

Arvind Limited
Press Release

Arvind to raise Rs. 740 crs. by diluting 10% stake in its brand business arm:

The deal pegs enterprise value at Rs 8000 Crore

Mumbai, October 25, 2016: Arvind Limited, India's largest textile and branded apparel player, today announced its decision to raise about Rs. 740 Crores by diluting 10% stake in its brand business arm, pegging its enterprise value at Rs. 8000 Crores. The entire stake will be picked up by Multiples, the Private Equity firm founded by Renuka Ramnath.

Arvind's brand portfolio is among the strongest in India and has many power brands that have grown at a phenomenal pace. The business clocked a turnover of INR 2300 Crore for the FY 2015-16 and is one of the fastest growing businesses in the country with a CAGR of 25%for the past three years. The unmatched portfolio includes global marquee brands, such as Calvin Klein, Tommy Hilfiger, US Polo Assn, Ed Hardy, Hanes, Arrow, Gant and Nautica, among others.

Commenting on the development, Mr Sanjay Lalbhai, Chairman and Managing Director of Arvind Limited said, "We are delighted to have Multiples as an investor. This transaction reflects the confidence of the investor community in the overall business strategy, the robustness of the platform and quality of our leadership team. The deal is an important milestone in our journey to be a fashion, apparel and accessories powerhouse."

He further added, "With India becoming the fastest growing economy in the world, we are confident of continuing this growth momentum and taking the business from over Rs.3200 crores this year to Rs. 9000 cr by 2022. This transaction helps Arvind unlock the value that the brands business has accomplished in a short period and add financial muscle to future strategic opportunities for the Group. We will immensely benefit from our association with Multiples."

About Arvind Limited

Arvind Limited, one of India's largest integrated textile and Apparel Company with a strong presence in branded garments and is one of the largest manufacturers an exporters of textiles products with a turnover of nearly US$ 1.3 billion in FY 2015-16. Arvind has an unmatched portfolio of owned and licensed brands. The company's own brands include Flying Machine, Colt, Ruggers and Excalibur, among others, while its licensed product brands include big global names, such as Tommy Hilfiger, Calvin Klein, Arrow, Gant, Nautica, IZOD, US Polo Assn, Hanes, Sephora, The Children's Place and Gap, and Aeropostale to name a few.

For further information contact:

Manish Mallick
Head- Corporate Communications
+919769806866





Arvind Limited

Investor and Analysts Presentation

25th October 2016 | Mumbai

Safe harbour statement

Certain statements contained in this document may be statements of future expectations and other forward looking statements that are based on management‘s current view and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. None of Arvind Limited or any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its content or otherwise arising in connection with this document. This document does not constitute an offer or invitation to purchase or subscribe for any shares and neither it nor any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

Arvind Brands business– well placed in a growing fashion market

- **Apparel market at inflection point ; Market in 2015 estimated at INR ~320k Cr expected to grow to INR 750k Cr by CY2020 at a CAGR of 13%**
  - Branded apparels to grow at 1.5x overall market (18%); BTL segment to grow at 17% (1.3x historical growth rate)
  - Online expected to account for 12 -16% of sales by 2022 (from current ~3-4%)
  - Adjacencies like cosmetics and footwear expected to grow at 16-18%
  - Growth to be powered by higher discretionary spend, increasing brand consciousness; improved online and off-line access and more number of women at work

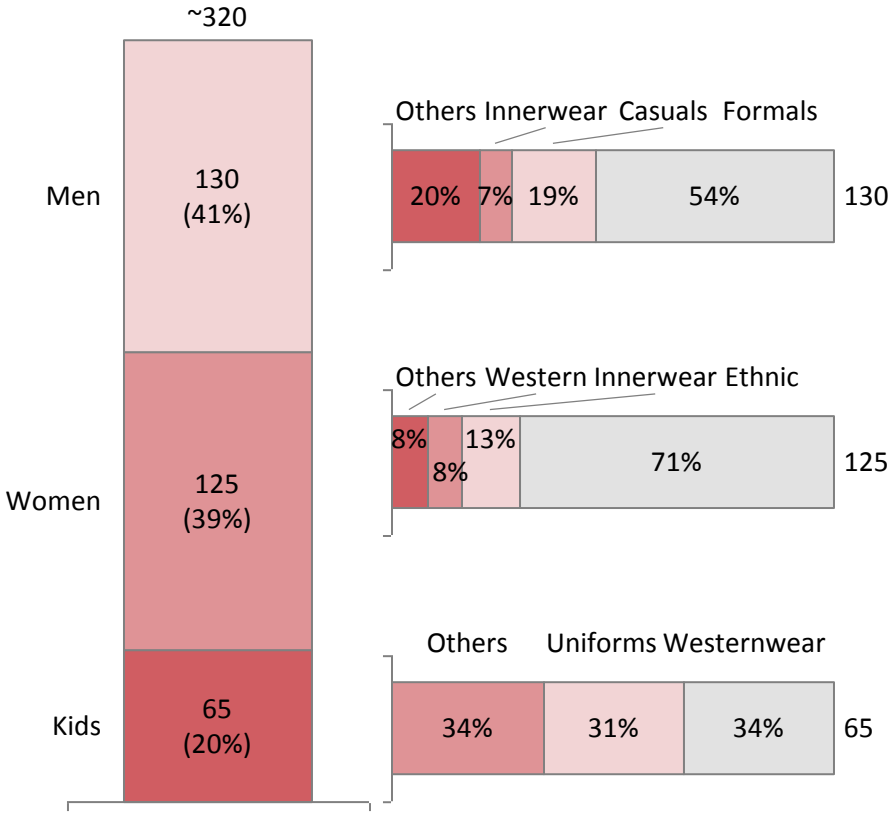
- **Market shifts likely to favor growth of Arvind's international brands portfolio across categories and price-points**
  - Favorable demographics (median age to be 29 in 2020), increasing urbanization and increasing access to trends
  - Affinity towards branded merchandise, esp. BTL/ luxury goods,
  - Shift towards casual (18% projected CAGR) to drive growth of international brands

- **Industry leading robust platform to support growth and ensure expanding margins**
  - Mature local production, sourcing and supply base
  - Proven merchandising and design capabilities - helps fine-tune to local market needs and trends
  - Strong distribution footprint across multiple channels, including next-generation proprietary omni-channel
  - Winning leadership team and reputation of a preferred employer among young and talented

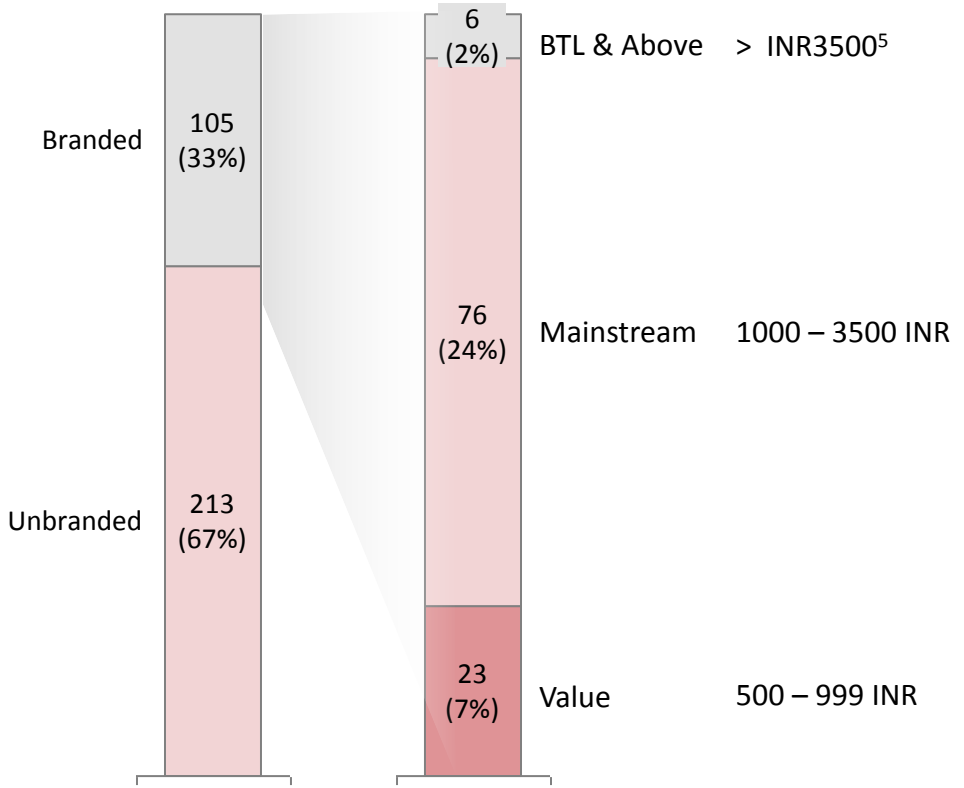
Arvind Fashions which houses Brands Business is well on its way to become a leading player across men's, women's and kid's apparel and accessories

Indian Apparel market is estimated at INR ~320K Cr in 2015

Overall market split



Split of the branded market



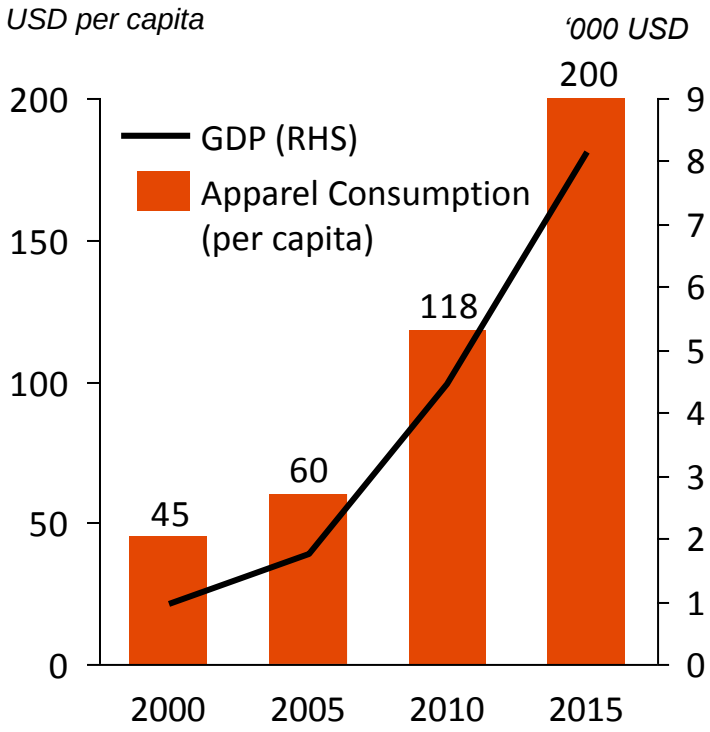
1. Others in menswear suits,winterwear, ethnic wear 2. Others in women include winter wear, sleepwear 3. Kids western wear includes T-shirts and bottom wear 4. Others in kids include winterwear,dresses, etc. 5. Indicative starting price-point for the category

Note: Price points are indicative of the price of a mens shirt in these categories, different price points have been used for womens and kids to arrive at the figures

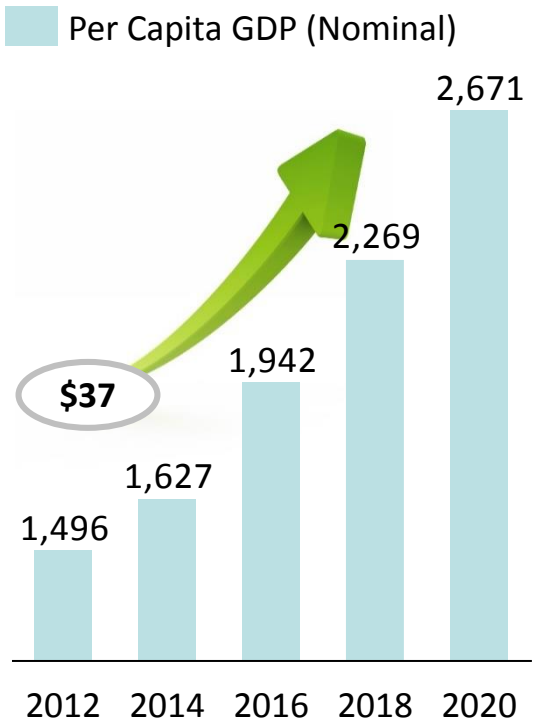
Source : Census data; EIU; Technopak; Analyst reports; Team Analysis

Indian apparel demand is at the cusp of significant growth as the economy crosses $2000 GDP per capita

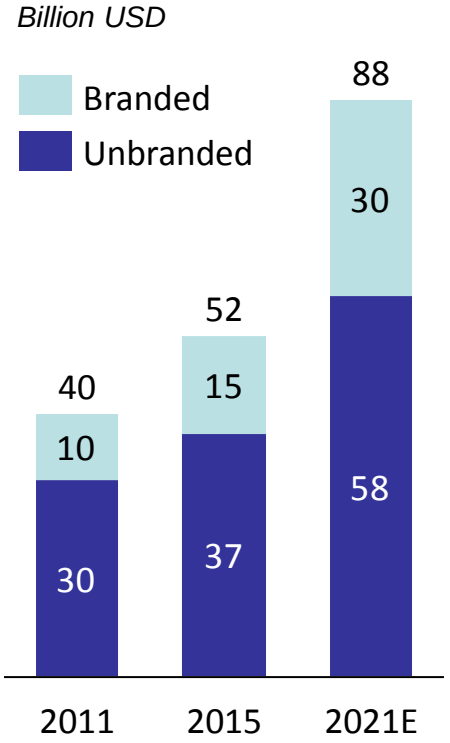
China apparel consumption took-off at $2k GDP per capita



Indian apparel consumption stands to grow significantly



Branded segment to grow at 1.5x the overall market



Top 15 brands have grown at 24% CAGR in last 5 years (industry @ 6.5%)

Source : IMF, Wazir, CLSA, World Bank, FICCI

Online apparel fashion segment to account for ~12-16% of total sales by 2022

3 growth drivers...

Internet penetration to increase from 260 mn in 2015 to 560 mn in 2020

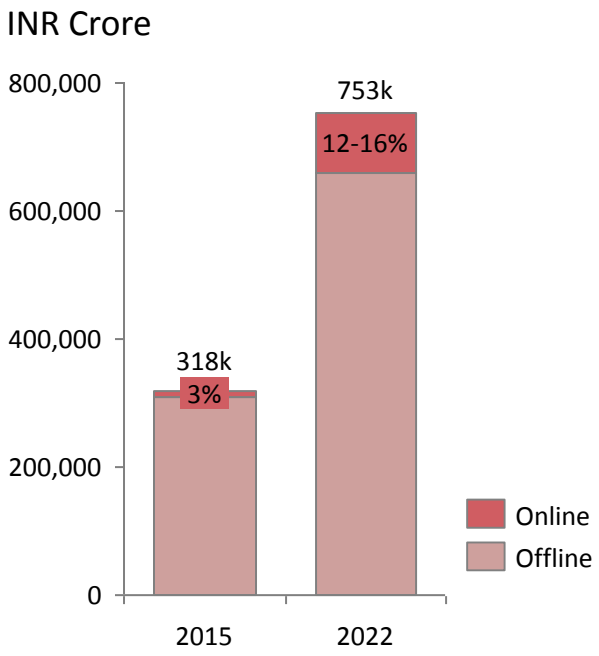
✘

AAS[1] online to increase from INR 10,000 to 20,000

✘

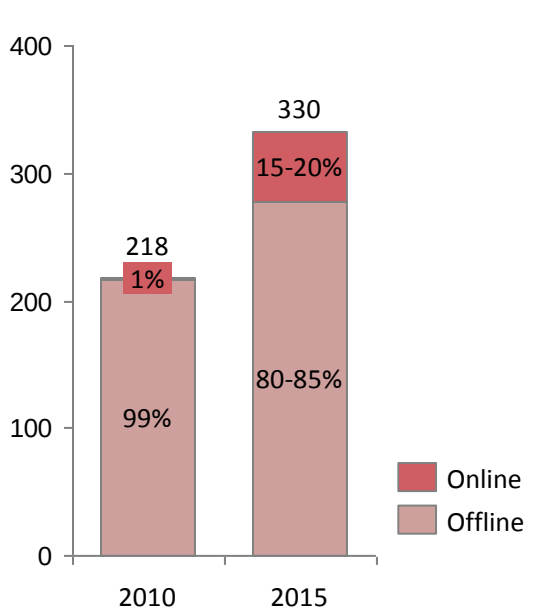
Apparel's share of e-tail market to increase from 25% to 30%

...to increase share of online



China witnessed similar growth between '10 & '15

E-retail buyers increased from 80 mn (2015) to 400 mn (2015) while AAS increased from $600 to $1500 in China

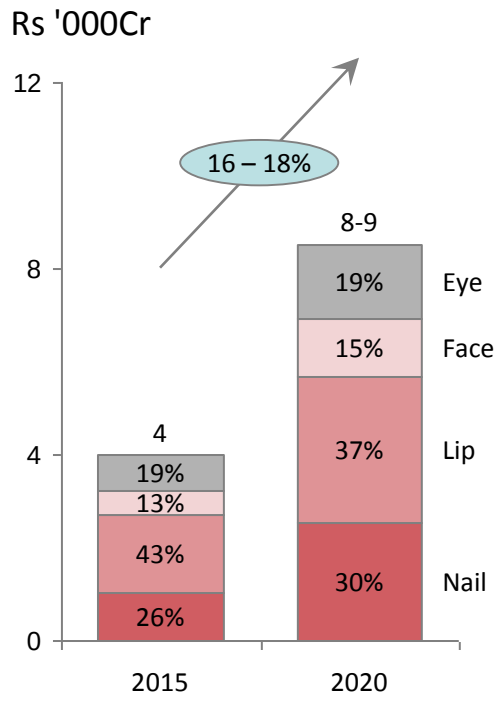


1. AAS is Average Annual Spend on Online – to increase from INR 10,000 in 2015 to INR 20,000 by 2020

Source: Press Research, Technopak, CLSA, Team analysis

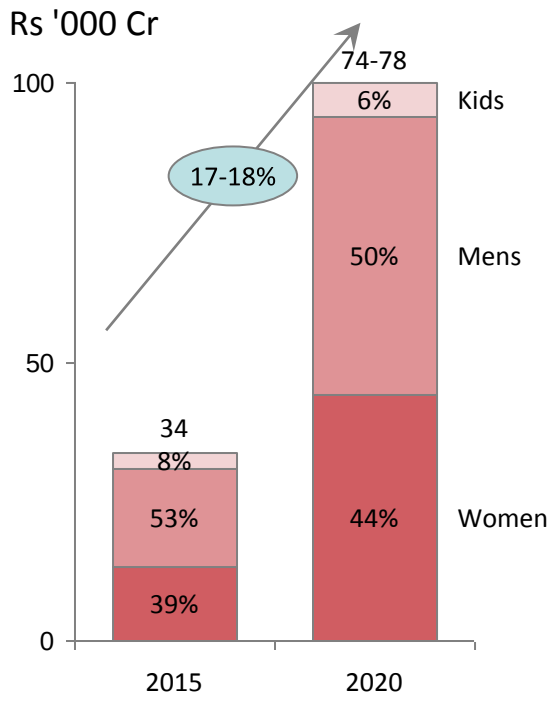
Adjacent market segments also growing rapidly

Cosmetics to grow at 16-18%



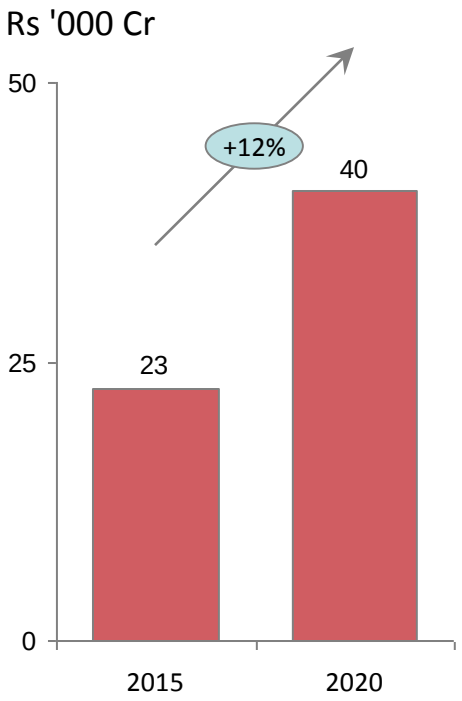
EBITDA[1] : 15-20%

Footwear to grow at 17 -18%



EBITDA[2] : 12-15%

Clothing accessories to grow at 12%



EBITDA [3] : 10-11%

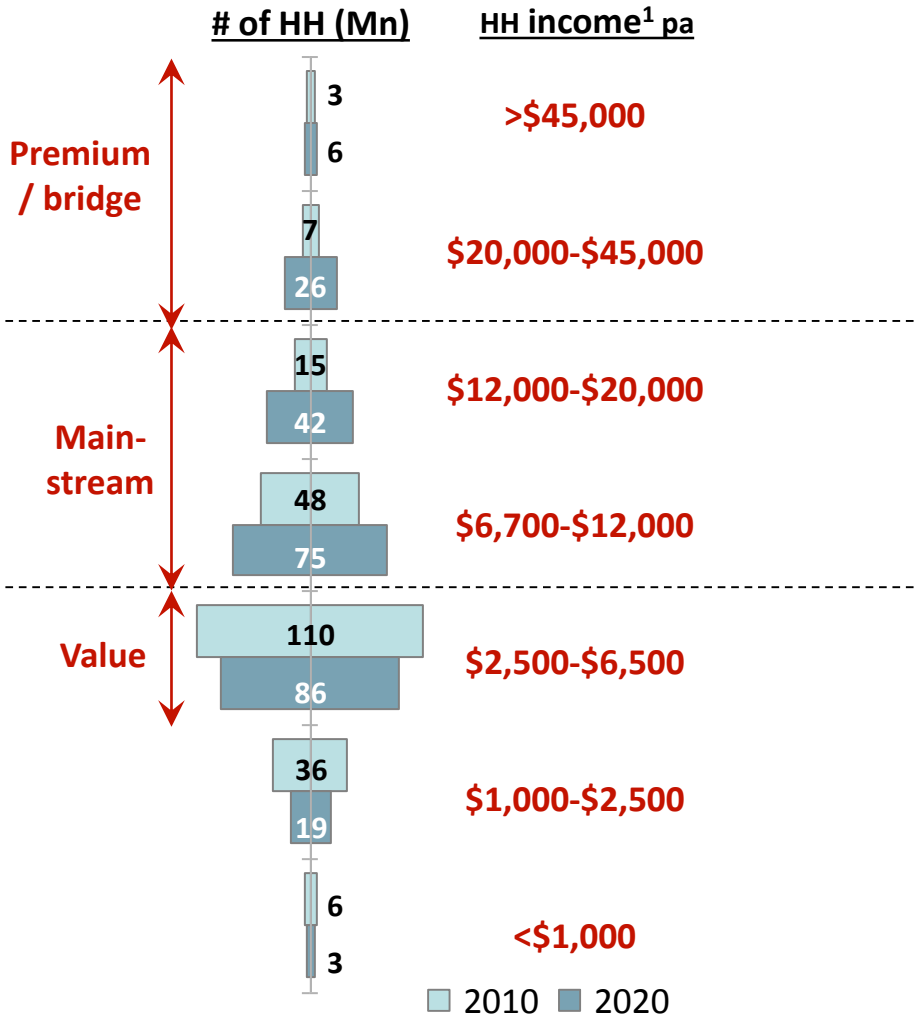
1. Top 2 international players. India only figures not available 2. ICRA report giving the profit margins of the top 12 players in the leather footwear industry 3. Top 2 players
Note: Clothing accessories include bags, handbags,wallets,cufflinks,socks,etc
Source: Analyst reports, Technopak Analysis. Images yearbook, team analysis

Arvind has built a strong portfolio for segments across income pyramid

Arvind Fashions portfolio

TOMMY HILFIGER
Calvin Klein
NAUTICA
GANT
SEPHORA
GAP
IZOD
ARROW USA·1851
FLYING MACHINE
U.S. POLO ASSN.
Ed Hardy
THE CHILDREN'S PLACE
AÉROPOSTALE
Hanes
UNLIMITED

Indian market by Income segment



Arvind

Future ready portfolio of brands



Value

UNLIMITED



Mainstream

U.S. POLO ASSN.

ARROW USA·1851

IZOD

Hanes

THE CHILDREN'S PLACE



Youth

FLYING MACHINE

AÉROPOSTALE

Ed Hardy



Aspirational

GAP

TOMMY HILFIGER

Calvin Klein

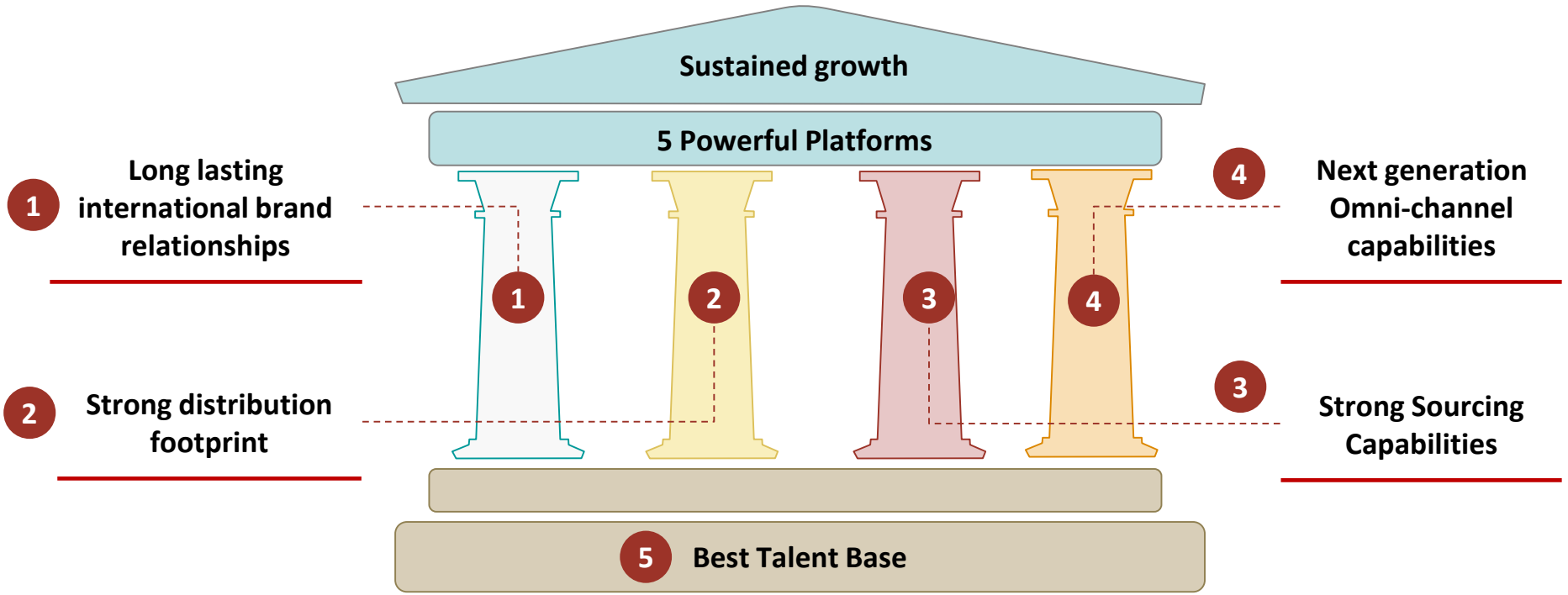
SEPHORA

GANT

NAUTICA

Arvind

Arvind growth trajectory to be fueled by 5 powerful platforms



Relationships with iconic global brands built over two decades

Proven track record in successfully launching & building brands in India

2015 SEPHORA
2015 GAP
2015 AÉROPOSTALE
2014 CK Calvin Klein
2013 Hanes
2013 Ed Hardy
2012 NAUTICA
2012 ELLE
2009 U.S. POLO ASSN.
2007 CHEROKEE
2006 GANT
2004 TOMMY HILFIGER
1995 Lee
1993 ARROW USA·1851

Experience of successfully launching brands across all formats



Bridge to Luxury


Premium



Youth

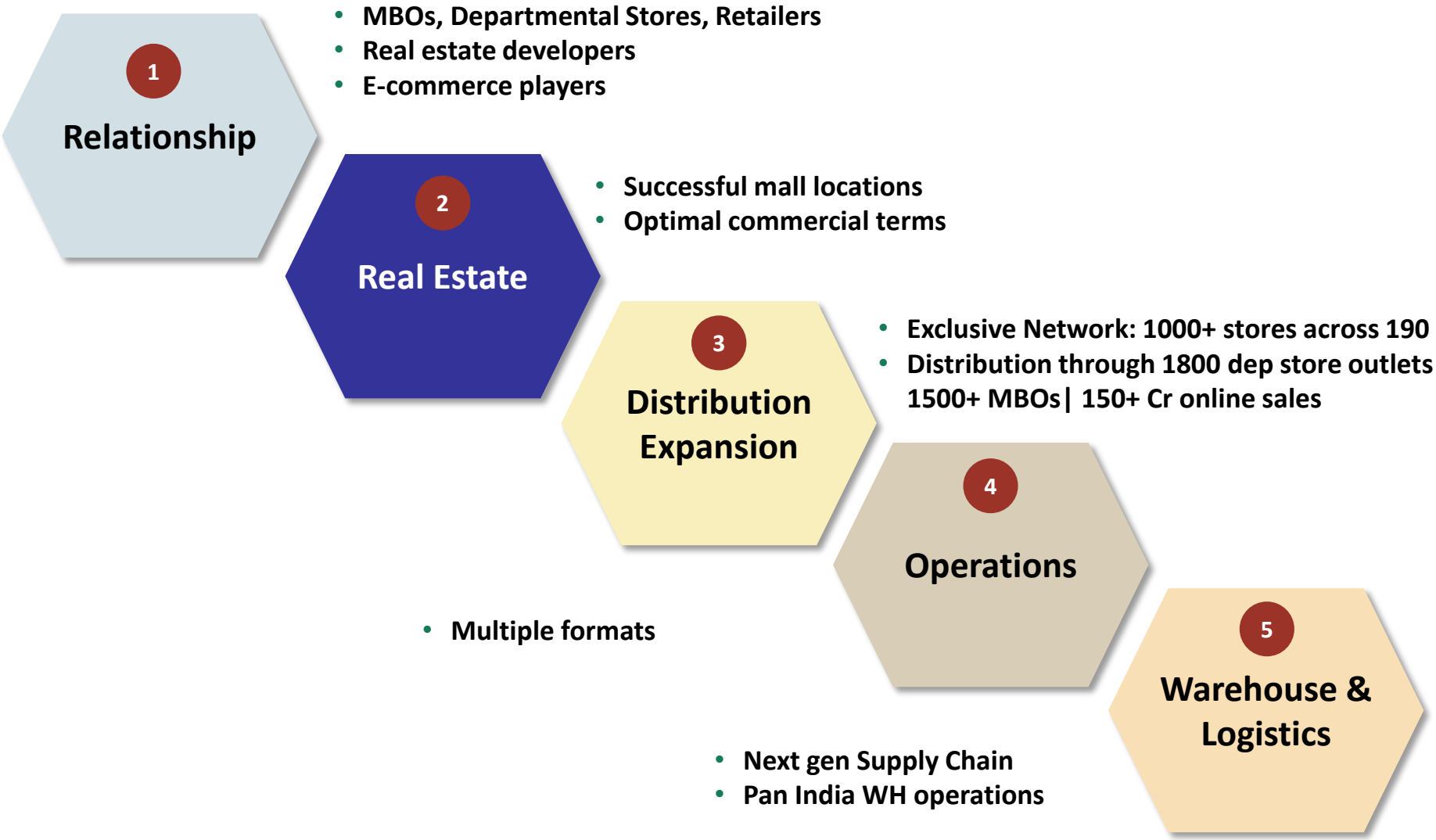

Value


Department store


Apparel specialty retail

Licenses for brands perpetual or long term

Industry leading distribution network that powers the coverage



Strong footprint across all leading malls

Typical Mall Presence



Kidswear / Innerwear floor: 3,000 sq ft

WONDER YEARS | THE CHILDREN'S PLACE | Hanes | USPA | NAUTICAKIDS

International brands: 13,000 sq ft (GF / FF)

Calvin Klein | USPA | FLYING MACHINE | Ed Hardy | GANT | IZOD | Hanes | NAUTICA | ARROW USA·1851

Specialty Retail: 25,000 - 30000 sq ft

GAP | UNLIMITED | THE CHILDREN'S PLACE | AÉROPOSTALE | SEPHORA

45,000 sq ft across various brands

Product innovation and strategic sourcing enables top of class product line

Deep expertise in product innovation

Strong product team

- 250+ designers & merchants

Successful track record

- Creating top Indian brands
- Market leading innovation



Arrow Smart Shirt



Arrow Auto Flex Pants

Advantage of integrated Arvind Support

- 80 Years of Heritage in Fashion

Best in class apparel sourcing capabilities

Strategic Vendor Management

1st way owned manufacturing	3rd way Arvind	2nd way transactional sourcing



Leverage scale for cost advantage

Manage multi-category complexity

Global sourcing footprint

Amongst fastest & most flexible sourcing supply chains in India

Industry leading talent and HR practices

Arvind ranked No. 1 in the Industry in *'India's Best Companies To Work For'* survey of Top 535 companies

Strong employee brand & work culture



Best in class HR practices

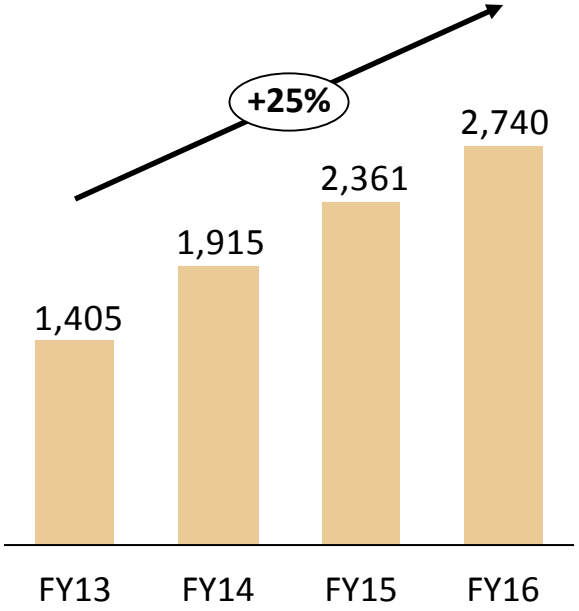
Arvind University	Continuous training and development through virtual university
Arvind Express	Career progression driven by institutionalized process
Arvind 'Smiles'	Employee engagement plan for store team to retain and keep staff highly motivated
High impact performance	Highly performance-oriented team through performance management system

Arvind top recruiter at NIFT, IIM Management Trainee Programme

Recent performance reflects the robustness of growth agenda

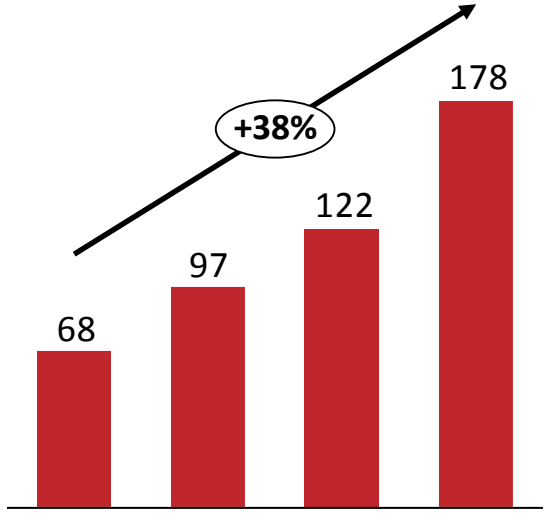
25% + CAGR Sales

Sales[1] (Rs. Cr)



Strong bottom-line results

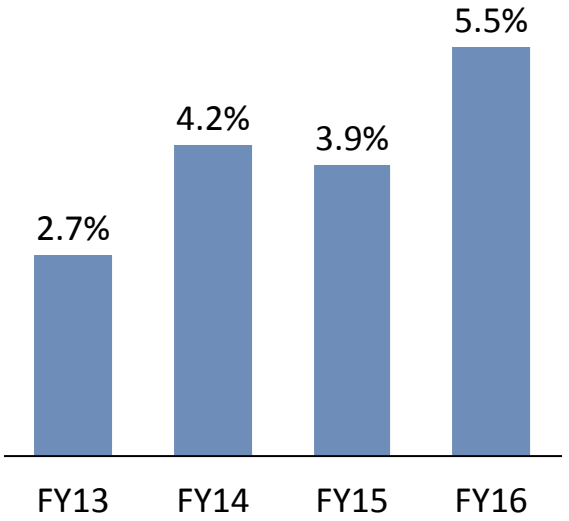
EBIDTA (Rs Cr)



EBIDTA %	FY13	FY14	FY15	FY16
	4.9	5.1	5.2	6.5

Improving capital efficiency

ROCE (%)



1 Includes secondary sales; financials calculated prior to IndAS standards becoming effective

Brands business agenda will be driven by 3 clear sets of priorities

1 Consolidate existing business

- Build on the power brands through category and channel expansion
- Specialty retail to quickly gain strength due to strengths of brands
- Growth brands moving towards double digit EBITDA
- Enhance returns through operational efficiency

2 Strategically manage portfolio

- Carefully monitor evolution and performance of recent launches
- Take calculated bets on new opportunities
- Maintain financial discipline while making new investments

3 Powerful Omni/ Digital play

- Ensure seam-less customer journeys across all channels/ touch-points
- Maintain full complementarity with overall B&R play

Well balanced mix of mature and growth businesses

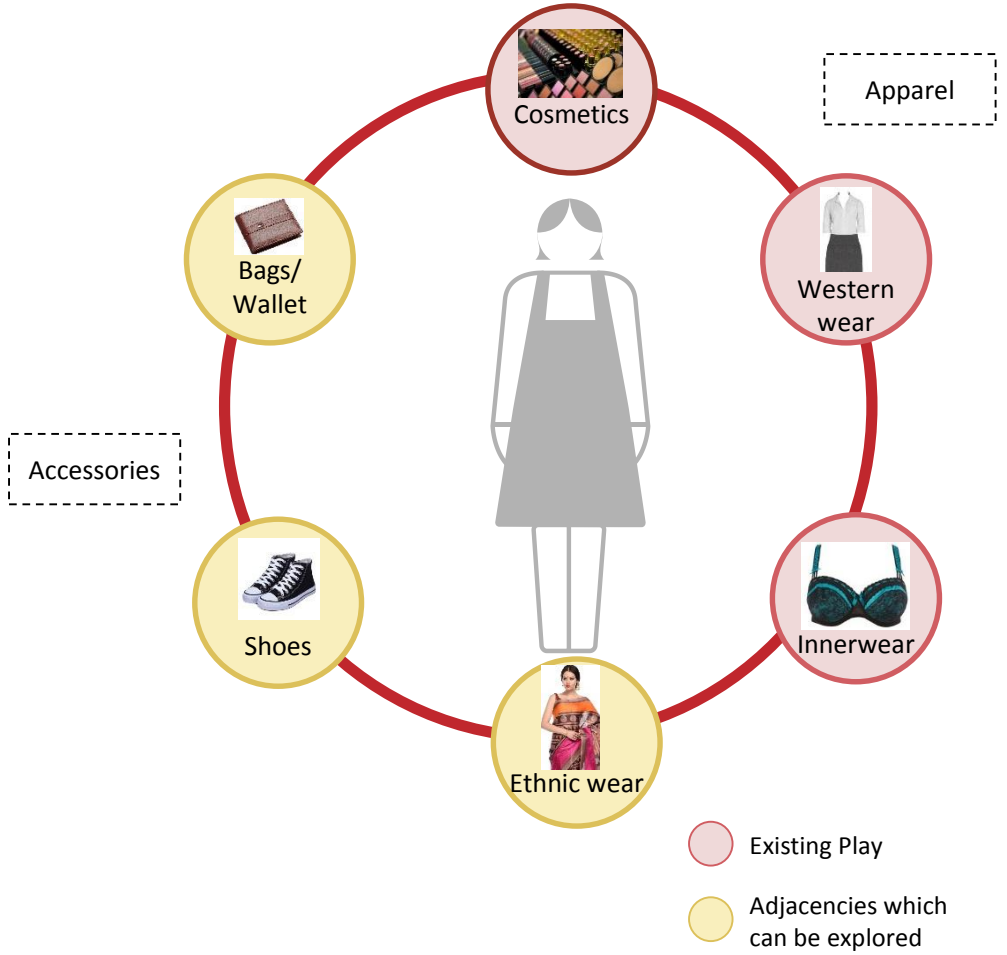
	Power Brands	Emerging Brands	Specialty Retail
Portfolio	ARROW USA·1851, TOMMY HILFIGER, U.S. POLO ASSN., FLYING MACHINE	IZOD, Calvin Klein, Hanes, GANT, Ed Hardy, AÉROPOSTALE, NAUTICA	GAP, SEPHORA, UNLIMITED, THE CHILDREN'S PLACE
FY16 Actuals	**Good financials** **Revenue: 1460 cr** **Gross Margin: 54%** **EBITDA: 12.4%**	**Breaking even** **Revenue: 310 cr** **Gross Margin: 54%** **EBITDA: -2%**	**Investment mode** **Revenue: 611 cr** **Gross Margin: 43%** **EBITDA: -5.6%**
Target to FY22	• **Grow @ 20-22%** • **Improve EBITDA by 3-4 %age points**	• **Grow @ 30-32 %** • **Sharply improve EBITDA to reach 13-14% levels**	• **Grow @ 28-30 %** • **Improve gross margins and generate positive EBITDA in range of 7-9%**

Existing head-room and adjacency expansions to power growth

Men: Be #1 player in branded apparel and extend platforms & brands to create play in adjacencies

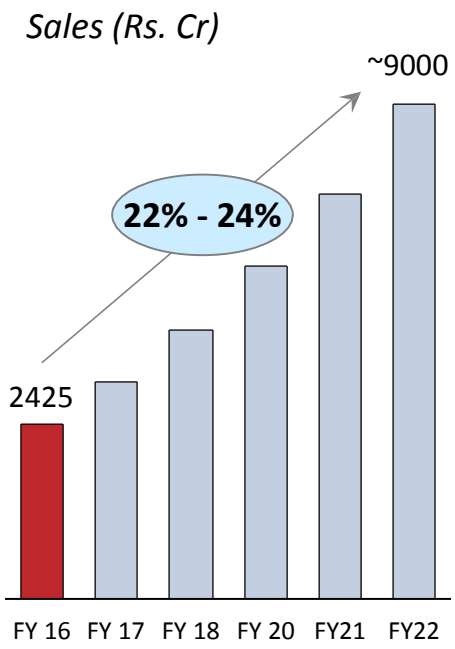


Women: Extend strength in menswear to create strong portfolio in Women's-wear and adjacent categories

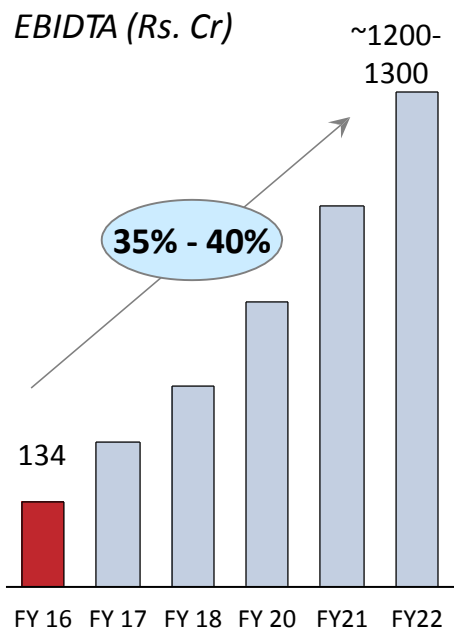


Arvind Brands aspires for INR 9000 cr topline by 2022

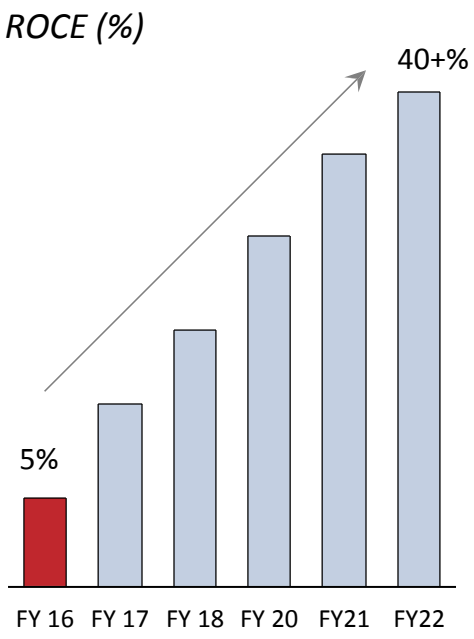
Sales growing at ~22-24%+



Sharp rise in EBITDA



Improving capital efficiency



Notes: FY16 financials re-calculated as per IndAS standards (does not include Secondary Sales revenues, and JV margins assumed in proportion to equity ownership)

10% dilution for Rs 740 cr.| EV: 8,000 cr. | Investor: Multiples … will boost Arvind's financial strength and strategic agenda

Arvind Brands Business

- Market validation of
  - Attractiveness of the opportunity
  - Arvind leadership and strategy
  - Inherent robustness of our brands platform
- Financially independence in charting and funding growth agenda
- Advantage of partnership with Multiples

Arvind Limited

- Stronger financial muscle to address opportunities
- Continuing journey for the core businesses and strategic bets with sharp focus on
  - Calibrated investments
  - Differentiated products
  - Technical textiles
- Immediate de-leveraging

Investors

- Arvind investors:
  - Unlock value from brands business
  - Focused textiles business with increased funds availability
- Arvind Brands investors:
  - Opportunity to participate in India consumption play via a proven and promising platform



Thank You!