



Arvind Limited
Press Release: Quarter ended 30th June 2010

Arvind doubles its Net Profit in quarter ended 30th June 2010

Ahmedabad, July 29, 2010: Arvind Limited, one of the largest integrated textile, apparel and branded apparel player have registered 108% growth in Net Profit for the quarter ended 30th June 2010. It has earned Net Profit of Rs. 19 Cr. as against Rs. 9 crores in the corresponding quarter of previous year on account of improvement in its operating profit margin as a result of rationalization of its product-mix in a buoyant scenario for textile industry in India as well as globally. On a total Revenue of Rs. 578 crores, the Company has earned operating profit margin of 16% (Rs. 93 crores) for the quarter ended 30th June 2010 as against 14% (Rs. 81 crores) in the corresponding quarter of previous year.

The consolidated revenue for the quarter is up by 11% at Rs.865 crores as against Rs.781 crores in the corresponding quarter of the previous year. At the operating level, consolidated EBITDA increased by 19% at Rs.118 crores as against Rs. 99 crores for the corresponding quarter of the previous year. At net level the consolidated Net Profit is Rs. 20 Crores as against Loss of Rs. 3 Crores in the corresponding quarter of the previous year. The major growth has come from its Branded Apparel and Retail businesses which has registered 66% growth in revenue and 103% growth in Operating Profit.

Commenting on the results as well as outlook of the Company, Mr. Jayesh Shah, Chief Financial Officer and Director said: "The Company has been operating at 100% capacity utilization in its two major product segments viz., Denim & Woven fabrics for last several quarters. In order to achieve the growth in these two product segments the Company is expanding its manufacturing capacity by 16 million meters at total investment of about Rs. 100 crores. The increased capacities would be operational in the third quarter of FY 2010-11. At the same time our Branded Apparel and Retail businesses are expected to register growth of almost 50% in the current FY 2010-11. We are looking at 15% revenue growth at the consolidated level." Commenting on the outlook for the year he mentioned that "given the present buoyant market conditions across all our product segments, we have positive outlook for the current financial year. Our B2C business model in retailing of woven fabrics in domestic market is looking extremely promising which is driving the growth in domestic market."

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