# Arvind Limited (Revised)

January 07, 2022

**Ratings**

| Facilities | Amount (Rs. crore) | Rating[1] | Rating Action |
|---|---|---|---|
| Long-term Bank Facilities | 1,038.48 (Reduced from Rs.1,052.19 crore) | **CARE AA-; Stable (Double A Minus; Outlook: Stable)** | Reaffirmed |
| Long-term/ Short-term Bank Facilities | 1,148.32 | **CARE AA-; Stable / CARE A1+ (Double A Minus; Outlook: Stable/ A One Plus)** | Reaffirmed |
| Short-term Bank Facilities | 766.01 | **CARE A1+ (A One Plus)** | Reaffirmed |
| **Total Facilities** | **2,952.81 (Rupees Two thousand nine hundred fifty two crore and eighty one lakh only)** | | |

*Details of instruments/facilities in Annexure-1*

**Detailed Rationale & Key Rating Drivers**

The ratings of the bank facilities of Arvind Limited (Arvind) continue to derive strength from the vast experience of its promoters in textile business coupled with its long-standing operational track record as an integrated textile manufacturer having presence across the textile value chain and gradual diversification of its revenue mix towards technical textile/advanced material, thereby reducing its dependence on the cyclical denim business to an extent. The ratings also factor its large scale of operations, healthy net worth base, continued reduction in debt level and outside liabilities during FY21 (refers to the period April 01 to March 31) with further plans to reduce debt level in FY22. Despite net loss incurred during FY21, the company could improve its net working capital turnover and thereby generated sizable cash flow from operations which were utilised for debt repayment in the absence of any major capex. The ratings take cognizance of faster-than-anticipated recovery in demand for textile products backed by strong export demand, pent-up domestic demand aided by the festive and wedding season, and favourable progress on the vaccination rollout front resulting into recovery of its financial performance during Q2FY22 to its pre-covid level. CARE Ratings Ltd also takes cognizance of certain export incentives announced by the government which could benefit the company as well as Arvind's plans to gradually monetise some of its available freehold land parcel near Ahmedabad towards its further debt reduction in the medium term.

The above rating strengths are, however, tempered by subdued return on capital employed (ROCE), sub-optimal profitability of its garment business, susceptibility of its profitability to the inherent volatility associated with cotton prices and foreign exchange rate fluctuation; and high working capital limit utilisation apart from high dependency on creditors to fund its working capital requirement. Presence in the cyclical denim fabric and competitive textile industry further constrain its ratings. CARE Ratings Ltd also takes cognizance of rising input prices like cotton and cotton yarn, chemicals and freight costs which may restrict its profitability in the near term in the absence of corresponding equivalent increase in selling prices of its products.

**Rating Sensitivities**

***Positive Factors – Factors that could lead to positive rating action/upgrade:***

- Sustained improvement in its PBILDT margin to above 15% along with ROCE of above 18% aided by improved performance across all its business segments
- Significant debt reduction leading to improvement in debt coverage indicators with total debt/ PBILDT below 1.50 times on sustained basis along with availability of significant liquidity cushion

***Negative Factors – Factors that could lead to negative rating action/downgrade:***

- Decline in the PBILDT margin to below 9% along with moderation in its debt coverage indicators with total debt/ PBILDT above 4 times on a sustained basis
- Elongation in its operating cycle adversely affecting its cash flow from operations and liquidity
- Availing debt towards development of its real estate project for monetisation of its large land parcel in future

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE publications

**Detailed description of the key rating drivers**

**Key Rating Strengths**

***Wide experience of the promoters in textile industry along with competent management***

Arvind, the flagship company of the Ahmedabad-based Lalbhai group, is currently led by Mr Sanjay Lalbhai who is the *Chairman and Managing Director* of Arvind and looks after the overall operations of the company and has total work experience of four decades. Furthermore, his sons, Mr Punit Sanjay Lalbhai and Mr Kulin Sanjay Lalbhai, have also been inducted on the Board as Executive Directors. Mr Jayesh Shah, *Whole-time-Director and CFO*, is a Chartered Accountant with total work experience of nearly three decades and looks after the finance function. Furthermore, Arvind's Board comprises eminent industry experts and professionals. The management team of Arvind also consists of experienced professionals who have guided the company successfully through various economic cycles.

***Vertically-integrated operations across the textile value chain along with geographically diversified presence***

Arvind has vertically-integrated presence across the textile value chain starting from manufacturing of cotton yarn to grey/processed fabric to garments which imparts strong operational flexibility. Within fabric, Arvind mainly manufactures denim fabric and cotton shirting fabric and it is amongst the largest producers of denim fabric and cotton shirting fabric in India. Apart from conventional textile products, Arvind also produces high-value technical textiles such as composites, coated fabrics, liquid filtration solutions, etc., under its advanced material division. Arvind, through its subsidiary, Arvind Envisol Limited (AEL), is also engaged in assembling and installation of waste-water treatment plants. With increasing contribution from shirting fabric, garmenting, advanced material and waste-water treatment businesses, Arvind has gradually reduced its dependence on the cyclical denim fabric business. Moreover, revenue stream of Arvind is also geographically diversified with exports constituting nearly 45%-50% of its consolidated revenue.

| Consolidated Sales (Rs. Crore) | FY19 | FY20 | FY21 | Y-o-Y (%) |
|---|---|---|---|---|
| Domestic | 3,882 | 4,170 | 2,510 | -40% |
| Export | 3,260 | 3,200 | 2,563 | -20% |
| **Total Sales** | **7,142** | **7,370** | **5,073** | **-31%** |
| | | | | |
| ***Domestic (%)*** | ***54%*** | ***57%*** | ***49%*** | ***-*** |
| ***Export (%)*** | ***46%*** | ***43%*** | ***51%*** | ***-*** |

Arvind has started receiving orders from new overseas customers as a part of their supplier diversification away from China which has offset some of the adverse effect of Covid-19 pandemic in domestic market and in-turn increased its share of export revenue.

***Steady performance of denim fabric and advanced material business insulated overall profitability of the company to an extent from negative impact of Covid-19 pandemic during FY21***

The textile segment of Arvind contributes around 80% of its overall consolidated revenue, while balance is being contributed by non-textile businesses which majorly includes advanced material business and waste-water management business. Within the textile segment, sales from denim fabric which declined during FY19 and FY20 due to pricing pressure arising from over-supply scenario in domestic market further declined in FY21 largely due to impact of Covid-19 pandemic during H1FY21. However, the PBILDT margin from denim fabric during FY21 witnessed significant improvement despite lower sales mainly due to lower price of cotton coupled with higher share of export revenue in total sales, which fetches higher sales realisation. During Q2FY22, sales volumes of denim fabric and woven fabric surpassed their sales volumes during Q4FY21 backed by strong export demand.

| Segment | FY19 | | FY20 | | FY21 | | H1FY22 | |
|---|---|---|---|---|---|---|---|---|
| | Revenue | PBILDT | Revenue | PBILDT | Revenue | PBILDT | Revenue | PBILDT |
| Textile | 6,143 | 671 | 6,320 | 630 | 3,998 | 426 | 2,903 | 314 |
| Non-Textile | 966 | 149 | 996 | 109 | 1,100 | 77 | 679 | 30 |

The performance of advanced material business was not much affected by Covid-19 pandemic and remained largely stable during FY21 on y-o-y basis. Steady operating profitability from denim fabric and advanced material business insulated overall profitability of the company from negative impact of Covid-19 pandemic. Moreover, management expects advanced material division to grow at healthy double-digit rate in medium term with largely stable PBILDT margin. While the advanced material business had not been impacted much due to Covid-19 pandemic, the performance of waste-water business was impacted majorly. The revenue from waste-water business declined by around 27% during FY21 on a y-o-y basis with significant reduction in profitability. Furthermore, Arvind incurred an operating loss under its waste-water treatment business in H1FY22 due to sharp increase in the raw material costs which could not be passed on to its customers due to fixed price nature of contracts. Management expects profitability of waste-water treatment business to normalise from Q4FY22 onwards.

***Higher-than-envisaged total operating income (TOI) and PBILDT in Q2FY22 with expectation of further improvement in performance during H2FY22 backed by strong recovery in demand for textile products***

The demand for textile products which witnessed improvement during H2FY21, has again improved in Q2FY22 after some moderation in Q1FY22 due to impact of second wave of Covid-19 pandemic. The demand for textile products were supported by strong export demand and recovery in domestic demand. Moreover, Arvind has been able to pass on increase in input prices to customers which has supported its profitability. With faster-than-anticipated recovery in demand for textile products, the operational and financial performance of Arvind during Q2FY22 recovered to its pre-covid level. Management expects sales volume during Q3FY22 and Q4FY22 to be better than Q2FY22 as the company has good order book position for its products backed by strong demand. Revenue and profitability during H2FY22 are also expected to remain better backed by growth in sales volume coupled with hike in selling prices across product segments to pass on rising input prices.

***Continued reduction in debt level and outside liabilities in FY21 as envisaged which is expected to continue in FY22 backed by efficient working capital management and controlled capex***

Despite net loss and lower cash accruals during FY21, the company could reduce its debt level and outside liabilities by around Rs.380 crore by end-FY21 compared with end-FY20 which was supported by strong generation of cash flow from operation during FY21. The management has taken various steps to rationalise the level of inventory and debtors which has resulted into strong cash flow from operation during the past two years ended FY21. Consequently, overall gearing ratio of Arvind improved from 1.04 times as on March 31, 2020, to 0.84 times as on March 31, 2021. Total debt of the company which had increased from Rs.2,139 crore as on March 31, 2021 to Rs.2,318 crore (excluding lease liability) as on June 30, 2021, amidst adverse impact of second wave of Covid-19 pandemic, has again reduced to Rs.2,126 crore as on September 30, 2021, backed by cash flow from operations. Going forward, total debt is further expected to reduce in the absence of any major capex plan in the medium term coupled with scheduled repayment of term debt.

Arvind has been also focusing to reduce its reliance on short-term borrowings. During FY20 and FY21, the company availed longer-term debt to repay various shorter tenure debt including prepayment of some term debt which resulted in more even spread of its debt repayment obligations. The proportion of short-term debt in its total debt (excluding lease) reduced from 63% as on March 31, 2019 to 36% as of March 31, 2021. After March 31, 2021, Arvind has availed long-term corporate loan of Rs.100 crore which was utilised to shore up its net working capital apart from meeting some routine capex requirement. Arvind has planned some routine and de-bottlenecking capex of Rs.100 crore in FY22 which is to be funded out of internal accruals and recently availed corporate loan.

***Incentives announced by the government and 'China Plus One' strategy by global textile brands are expected to benefit the Indian textile exporters***

Export incentives impact the competitiveness of Indian textile exporters as competing nations such as Bangladesh and Vietnam enjoy duty-free access to key export markets, i.e., USA and Europe. Recently, Government of India announced the rates of rebate under the new Remission of Duties and Taxes on Exported Products (RoDTEP) scheme, which is expected to create a level-playing field for Indian textile exporters in the global market. Moreover, extension of Rebate of State and Central Taxes and Levies (RoSCTL) till March 31, 2024, provides long-term visibility of the scheme to the exporters of apparel and made-ups and increases the competitiveness of Indian players in these segments.

Amidst Covid-19 pandemic, global textile brands have realised need to diversify their supply chain as a part of 'China Plus One' strategy which has resulted into increase in exports from textile sector. Arvind with its significant presence in export markets has also benefitted from this. In near to medium term, some demand from US and EU market is expected to shift gradually from China to other major garment manufacturers including India to reduce dependence on China and thus diversify their sourcing.

***Development of real estate project towards monetisation of its large land parcel***

Arvind owns 525,000 square yard free-hold land in Gandhinagar district, near Ahmedabad. The company has decided to monetise the land by developing part of this land. Accordingly, during February 2020 to June 2021, the company launched Phase – I to Phase – IV of "Arvind Forreste", a scheme of plotted development of Villa which entails development of around 330,000 square yard out of the total available area under Phase – I to Phase – IV by developing 353 villas. Arvind has given the development rights of Phase – I to IV of this project to its group entity, Arvind Smart Spaces Limited (ASSL) under Development Management Model. The total expected sales value of Phase - I to Phase – IV of the project is around Rs.372 crore over FY21-FY24. The approximate cost of construction is around Rs.110 crore which is expected to be funded entirely through customer advances with no reliance on external debt as articulated by Arvind's management. Hence, availment of any debt towards its real estate business will be a negative rating sensitivity.

With good response from the customers, Arvind could book sales worth Rs.222 crore (i.e., more than 80% of the total saleable area under Phase – I to Phase – III) and received the customer advance of around Rs.61 crore as on March 31, 2021, and subsequently launched Phase – IV of the project in June 2021. Arvind plans to utilise proceeds from monetisation of land to reduce its debt level. However, timely progress of the project and receipt of customer advances remains key monitorable.

**Liquidity: Adequate**

Despite high utilisation of its fund-based working capital limits at 92% during the trailing 12 months ended September 2021, liquidity of Arvind remains adequate marked by positive cash flow from operations and curtailed capex. Moreover, Arvind has relatively low term debt repayment obligation of Rs.250-350 crore per annum during the next two years as against envisaged cash accruals in the range of Rs.500-650 crore, indicating adequate cushion in its debt servicing. Furthermore, Arvind has curtailed its capex and has planned to undertake an annual capex of around Rs.100 crore each during FY22-FY24 to conserve its liquidity. These steps are expected to provide cushion to its liquidity in the short term.

Arvind has been focusing to reduce its reliance on short-term borrowings. During FY20 and FY21, the company availed longer-term debt to repay various shorter tenure debt which has resulted in more even spread of its debt repayment obligations in the medium term. Consequently, term debt instalment repayment during FY22-FY23 has reduced significantly leading to improvement in its current ratio. Prudent deployment of short-term funds on a continuous basis would remain a key monitorable going forward.

**Key Rating Weaknesses**

***Net loss incurred during FY21 with lower than previously envisaged profitability and cash accruals***

After witnessing significant decline in its net profit during FY20 over FY19, the profitability of the company further remained lower than envisaged during FY21. The total operating income of Arvind registered a y-o-y de-growth of around 31% in FY21. The PBIDLT of the company declined by around 42% to Rs.503 crore in FY21 compared with Rs.745 crore in FY20 and Rs.798 crore in FY19. On the back of more than 40% decline in PBILDT with largely stable interest and depreciation charge, Arvind reported net loss of Rs.27 crore in FY21. Consequently, debt coverage and return indicators deteriorated during FY21. To combat the impact of Covid-19 pandemic, Arvind reduced its overhead costs by more than Rs.400 crore during FY21 which coupled with higher share of export revenue and favourable forex rate insulated profitability of Arvind to some extent. Management expects cost reduction of around Rs.100-125 crore to be structural in nature and sustainable in future which shall support its profitability going forward.

***Continued low ROCE***

Historically, the ROCE of the company had remained moderate which was further impacted due to Covid-19 pandemic. Arvind had incurred a major capex towards the doubling of its garmenting facilities during FY18-FY20. While Arvind had made sizable investment towards setting-up garmenting facilities, the complete benefit of such investment has yet not accrued. The performance of garment segment was affected the most over the past three years ended FY21 due to slow ramp up in production, high pre-operative expenses associated with newly commissioned garmenting facilities and sub-optimal capacity utilisation due Covid-19 pandemic. Such large capital investments in recent past along with moderation in its profitability led to further adverse impact on its ROCE, and it remained lower compared with many other large textile companies. However, with expectation of improvement in profitability and reduction in debt level, the ROCE of the company is expected to gradually improve to 14% in FY23 from sub 5% in FY21.

***Vulnerability of operating margin to volatility in cotton prices and foreign exchange fluctuation; and rising freight costs***

The key raw materials of the company are cotton and cotton yarn, the prices of which have remained volatile in the past. Cotton price increased by over 50% from October 2020 to October 2021 on the back of strong demand for cotton and cotton yarn in domestic and international market and increase in international cotton prices. Apart from cotton, the prices of other key inputs like chemical and freight cost have also witnessed a sharp rise recently which may keep pressure on its margins in near to medium term. Though Arvind has been increasing selling price of its products to partially pass on the increase in the input prices which shall provide some cushion to profitability.

Arvind also earns nearly 45%-50% of its revenue from the export market, whereas import on the other side is very low. Hence, Arvind is a net exporter and is exposed to adverse fluctuation in foreign currency exchange rates. The company manages its currency risk by hedging a considerable amount of its net exposure which insulates it from volatile forex rates to a certain extent; however, any sudden and sharp appreciation of the INR against the USD can affect its profitability. Furthermore, any major global supply chain disruption arising from shortage of shipping logistics can hinder India's textile exports as well as lead to increase in freight costs.

***Presence in cyclical denim fabric segment apart from competitive textile industry***

The Indian denim fabric industry is cyclical in nature and has witnessed major slowdown at least twice over the past two decades leading to piling up of excess inventory on the back of significant capacity addition by denim fabric manufacturers and consequent pricing pressure on sales realisation. The Indian denim fabric manufacturing sector has more than 1.5 billion meter per year capacity. However, Arvind has not added any capacity in denim fabric over past 10 years and it is mainly engaged in high-value denim fabric with more than 50% of sales to the export market thereby being relatively less vulnerable as compared to many industry peers. Furthermore, textile is a cyclical industry and closely follows the macroeconomic business cycles. The prices of raw materials and finished goods are also determined by global demand-supply scenario, hence, any shift in macroeconomic environment globally also impacts the domestic textile industry.

**Analytical approach: Consolidated**; CARE Ratings Ltd has considered the consolidated financials of Arvind for its analytical purpose, which includes the financials of its subsidiaries/joint ventures (JVs), whereby it has operational linkages with most of them and they are engaged in the same textile value chain. *The list of entities whose financials have been consolidated in Arvind is mentioned in **Annexure-3**.*

**Applicable Criteria**
Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings
CARE's Policy on Default Recognition
Criteria for Short Term Instruments
Rating Methodology: Consolidation
Financial ratios – Non-Financial Sector
CARE's methodology for manufacturing companies
CARE's methodology for Cotton Textile companies
Liquidity Analysis of Non-Financial Sector Entities

**About the Company**

Arvind, the flagship company of the Ahmedabad-based Lalbhai group which was founded by the Late Mr Kasturbhai Lalbhai in 1931, is a diversified conglomerate having presence in textiles, branded apparel retailing, engineering, waste-water treatment plants and real estate businesses amongst others at a group level. Arvind is one of India's leading vertically-integrated textile companies with presence of more than eight decades in the industry. Arvind is amongst the largest denim and woven fabric manufacturers, with an installed capacity of 100 million meters per annum (MMPA) and 140 MMPA, respectively, as on March 31, 2021. Arvind also manufactures a range of cotton shirting, knits, bottom weights (Khakis) and technical textiles/advanced material. Arvind, through its subsidiary, AEL, is engaged in assembling and installation of waste-water treatment plants.

*(Rs. Crore)*

| Brief Financials (Consolidated) | FY20 (A) | FY21 (A) | H1FY22 (UA) |
|---|---|---|---|
| Total operating income (TOI) | 7,403 | 5,098 | 3,582 |
| PBILDT | 745 | 503 | 327 |
| PAT (Continuing operation) | 92 | (27) | 60 |
| Overall Gearing (times) | 1.04 | 0.84 | 0.80 |
| PBIDLT Interest coverage (times) | 2.92 | 2.10 | 3.43 |

*A: Audited; UA: Un Audited*

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Not Applicable

**Complexity level of various instruments rated for this company**: Please refer Annexure-4

**Annexure-1: Details of Instruments/Facilities**

| Name of the Instrument | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating assigned along with Rating Outlook |
|---|---|---|---|---|---|
| Term Loan-Long Term | - | - | March 2027 | 1,038.48 | CARE AA-; Stable |
| Fund-based - ST-PC/Bill Discounting | - | - | - | 125.00 | CARE A1+ |
| Non-fund-based - ST-BG/LC | - | - | - | 641.01 | CARE A1+ |
| Fund-based - LT/ ST- | - | - | - | 1148.32 | CARE AA-; Stable / |

| Name of the Instrument | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating assigned along with Rating Outlook |
|---|---|---|---|---|---|
| CC/PC/Bill Discounting | | | | | CARE A1+ |

**Annexure-2: Rating History of last three years**

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating history | | | |
|---|---|---|---|---|---|---|---|---|
| | | Type | Amount Outstanding (Rs. crore) | Rating | Date(s) & Rating(s) assigned in 2021-2022 | Date(s) & Rating(s) assigned in 2020-2021 | Date(s) & Rating(s) assigned in 2019-2020 | Date(s) & Rating(s) assigned in 2018-2019 |
| 1. | Term Loan-Long Term | LT | 1038.48 | CARE AA-; Stable | 1)CARE AA-; Stable (23-Nov-21)<br>2)CARE AA-; Negative (07-Sep-21) | 1)CARE AA-; Negative (29-Sep-20)<br>2)CARE AA-; Negative (25-May-20) | 1)CARE AA-; Stable (20-Sep-19) | 1)CARE AA; Stable (03-Dec-18) |
| 2. | Fund-based - ST-PC/Bill Discounting | ST | 125.00 | CARE A1+ | 1)CARE A1+ (23-Nov-21)<br>2)CARE A1+ (07-Sep-21) | 1)CARE A1+ (29-Sep-20)<br>2)CARE A1+ (25-May-20) | 1)CARE A1+ (20-Sep-19) | 1)CARE A1+ (03-Dec-18) |
| 3. | Non-fund-based - ST-BG/LC | ST | 641.01 | CARE A1+ | 1)CARE A1+ (23-Nov-21)<br>2)CARE A1+ (07-Sep-21) | 1)CARE A1+ (29-Sep-20)<br>2)CARE A1+ (25-May-20) | 1)CARE A1+ (20-Sep-19) | 1)CARE A1+ (03-Dec-18) |
| 4. | Fund-based - LT/ ST-CC/PC/Bill Discounting | LT/ ST | 1148.32 | CARE AA-; Stable / CARE A1+ | 1)CARE AA-; Stable / CARE A1+ (23-Nov-21)<br>2)CARE AA-; Negative / CARE A1+ (07-Sep-21) | 1)CARE AA-; Negative / CARE A1+ (29-Sep-20)<br>2)CARE AA-; Negative / CARE A1+ (25-May-20) | 1)CARE AA-; Stable/ CARE A1+ (20-Sep-19) | 1)CARE AA; Stable/ CARE A1+ (03-Dec-18) |
| 5. | Debentures-Non Convertible Debentures | LT | 75.00 | CARE AA-; Stable | 1)CARE AA-; Stable (23-Nov-21)<br>2)CARE AA-; Negative (07-Sep-21) | 1)CARE AA-; Negative (29-Sep-20)<br>2)CARE AA-; Negative (25-May-20) | - | - |
| 6. | Debentures-Non Convertible Debentures | LT | - | - | 1)Withdrawn (07-Sep-21) | 1)CARE AA-; Negative (29-Sep-20)<br>2)CARE AA-; Negative (25-May-20) | 1)CARE AA-; Stable (20-Sep-19) | 1)CARE AA; Stable (03-Dec-18) |
| 7. | Commercial Paper-Commercial Paper (Standalone) | ST | - | - | - | 1)Withdrawn (15-May-20) | 1)CARE A1+ (20-Sep-19) | 1)CARE A1+ (03-Dec-18)<br>2)CARE A1+ (03-Jul-18) |
| 8. | Commercial Paper-Commercial Paper (Carved out) | ST | - | - | - | - | 1)Withdrawn (20-Sep-19) | 1)CARE A1+ (03-Dec-18)<br>2)CARE A1+ (03-Jul-18) |

**Annexure 3: List of subsidiaries and associates of Arvind getting 'consolidated'**

| Sr. No | Name of the company | Relationship with Arvind | % shareholding of Arvind as on March 31, 2021 |
|---|---|---|---|
| 1 | Arvind Envisol Limited | Wholly-owned subsidiary | 100% |
| 2 | Arvind Internet Limited | Wholly-owned subsidiary | 100% |
| 3 | Arvind Sports Fashion Private Limited *(erstwhile Arvind Ruf & Tuf Private Limited)* | Wholly-owned subsidiary | 100% |
| 4 | Arvind Smart Textiles Limited | Wholly-owned subsidiary | 100% |
| 5 | Arvind BKP Berolina Private Limited | Wholly-owned subsidiary | 100% |
| 6 | Arvind Worldwide Inc. | Wholly-owned subsidiary | 100% |
| 7 | Brillaries Inc. | Wholly-owned subsidiary | 100% |

| Sr. No | Name of the company | Relationship with Arvind | % shareholding of Arvind as on March 31, 2021 |
|---|---|---|---|
| 8 | Arvind Textile Mills Limited | Wholly-owned subsidiary | 100% |
| 9 | Arvind Lifestyle Apparel Manufacturing PLC | Wholly-owned subsidiary | 100% |
| 10 | Arvind Envisol PLC, Ethiopia | Wholly-owned subsidiary | 100% |
| 11 | Arvind Enterprises (FZE) | Wholly-owned subsidiary | 100% |
| 12 | Syntel Telecom Limited | Wholly-owned subsidiary | 100% |
| 13 | Westech Advance Materials Limited | Wholly-owned subsidiary | 100% |
| 14 | Arvind True Blue Limited | Subsidiary | 87.50% |
| 15 | Arvind OG Nonwovens Private Limited | Subsidiary | 76.72% |
| 16 | Arvind Niloy Exports Private Limited | Subsidiary | 70% |
| 17 | Arvind Polser Engineered Composites Panels Private Limited | Subsidiary | 60% |
| 18 | AJ Environmental Solutions Company | Subsidiary | 60% |
| 19 | Arvind PD Composites Private Limited | Subsidiary | 51% |
| 20 | Arvind Goodhill Suit Manufacturing Private Limited | Subsidiary | 51% |
| 21 | Arvind Premium Retail Limited | Subsidiary | 51% |
| 22 | Arya Omnitalk Wireless Solutions Private Limited | Subsidiary | 50.06% |
| 23 | Maruti Ornet and Infrabuild LLP | Limited Liability Partnership | Not Available |
| 24 | Enkay Converged Technologies LLP | Limited Liability Partnership | Not Available |
| 25 | Arya Omnitalk Radio Trunking Services Private Limited | Joint Venture | 50% |
| 26 | Arudrama Developments Private Limited | Joint Venture | 50% |
| 27 | Arvind and Smart Value Homes LLP | Joint Venture | 50% |
| 28 | Arvind Norm CBRN Systems Private Limited | Joint Venture | 50% |
| 29 | Adient Arvind Automotive Fabrics India Private Limited | Joint Venture | 50% |
| 30 | PVH Arvind Manufacturing PLC | Joint Venture | 25% |

**Annexure-4: Complexity level of various instruments rated for this Company**

| Sr. No. | Name of the Instrument | Complexity Level |
|---|---|---|
| 1. | Fund-based - LT/ ST-CC/PC/Bill Discounting | Simple |
| 2. | Fund-based - ST-PC/Bill Discounting | Simple |
| 3. | Non-fund-based - ST-BG/LC | Simple |
| 4. | Term Loan-Long Term | Simple |

**Annexure 5: Bank Lender Details for this company**

To view the lender-wise details of bank facilities please **click here**

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

**Contact us**

**Media Contact**
Name: Mradul Mishra
Contact no.: +91-22-6754 3573
Email ID: mradul.mishra@careedge.in

**Analyst Contact**
Name: Krunal Pankajkumar Modi
Contact no.: +91-79-4026 5614
Email ID: krunal.modi@careedge.in

**Relationship Contact**
Name: Deepak Purshottambhai Prajapati
Contact no.: +91-79-4026 5656
Email ID: deepak.prajapati@careedge.in

**About CARE Ratings Limited:**
Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.
With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.



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