Arvind Limited

January 28, 2022

Ratings

Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
Proposed Commercial Paper (Carved out) issue*	**200.00 (Rupees two hundred crore only)**	**CARE A1+ (A One Plus)**	Assigned

**Carved out of the sanctioned working capital limits of the company*
Details of instrument in Annexure-1

Detailed Rationale & Key Rating Drivers

The ratings of Arvind Limited (Arvind) derive strength from the vast experience of its promoters in the 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 consider its large-scale of operations, healthy net worth base, continued reduction in the debt level and outside liabilities during FY21 (refers to the period April 01 to March 31) with further plans to reduce the 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 and Q3FY22 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. The presence in the cyclical denim fabric and competitive textile industry further constrains its ratings. CARE Ratings Ltd also takes cognizance of the rising input costs for cotton and cotton yarn, chemicals and freight, 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 1.50x on a 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 4x 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.

Detailed description of the key rating drivers

Key Rating Strengths

Wide experience of the promoters in the 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 a 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 a 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 a 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 fabrics, Arvind mainly manufactures denim and cotton shirting fabric and is among 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 the assembling and installation of waste-water treatment plants. With increasing contribution from shirting fabric,

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

garmenting, advanced material and waste-water treatment businesses, Arvind has gradually reduced its dependence on the cyclical denim fabric business. Moreover, the 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 the Covid-19 pandemic in the 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 the negative impact of Covid-19 pandemic during FY21

The textile segment of Arvind contributes around 80% of its overall consolidated revenue, while the balance is being contributed by non-textile businesses, which majorly includes advanced material business and waste-water management business. Within the textile segment, the sales from denim fabric – which declined during FY19 and FY20 due to pricing pressure arising from the over-supply scenario in the domestic market – further declined in FY21, largely due to the impact of the 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 the total sales, which fetches higher sales realisation. During Q2FY22 and Q3FY22, the sales volume of denim fabric and woven fabric surpassed their sales volume during Q4FY21, backed by strong export demand.

(Rs. Crore)

Segment	FY19		FY20		FY21		9MFY22	
	Revenue	PBILDT	Revenue	PBILDT	Revenue	PBILDT	Revenue	PBILDT
Textile	6,143	671	6,320	630	3,998	426	4,820	514
Non-Textile	966	149	996	109	1,100	77	1,051	63

The performance of advanced material business was not much affected by the Covid-19 pandemic and remained largely stable during FY21 on a y-o-y basis. Steady operating profitability from denim fabric and advanced material business insulated overall profitability of the company from the negative impact of the Covid-19 pandemic. Moreover, the management expects the advanced material division to grow at a healthy double-digit rate in the medium-term with largely stable PBILDT margin. While the advanced material business had not been impacted much due to the Covid-19 pandemic, the performance of the waste-water business was impacted majorly. The revenue from the 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 9MFY22 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. The company management expects profitability of the waste-water treatment business to normalise from Q1FY23 onwards.

Improvement in performance during Q2FY22 and Q3FY22 on the back of strong recovery in demand for textile products

The demand for textile products, which had witnessed improvement during H2FY21, has again improved in Q2FY22 and Q3FY22 after some moderation in Q1FY22 due to the impact of the second wave of the 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 and further improved during Q3FY22. Consequently, Arvind's TOI and PBILDT improved significantly to Rs.5,871 crore and Rs.577 crore, respectively, on a y-o-y basis during 9MFY22 (9MFY21: TOI of Rs.3,448 crore and PBILDT of Rs.285 crore). The company management expects its performance during Q4FY22 to remain in line with Q3FY22, backed by continued strong demand.

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 FY21-end as compared with FY20-end, which was supported by strong generation of cash flow from operations during FY21. The management has taken various steps to rationalise the level of inventory and debtors, which has resulted into strong cash flow from operations during the last two years ended FY21. Consequently, the overall gearing ratio of Arvind improved from 1.04x as on March 31, 2020 to 0.84x as on March 31, 2021. The 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 and including acceptances) as on June 30, 2021 amid the adverse impact of the second wave of the Covid-19 pandemic, has again reduced to Rs.2,126 crore as on September 30, 2021 and further to Rs.1,987 crore as on December 31, 2021, backed by healthy cash flow from operations.

Going forward, the total debt is expected to further reduce in the absence of any major capex plan in the medium-term, coupled with scheduled repayment of term debt.
Arvind has also focussed on reducing 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. Post March 31, 2021, Arvind has availed a 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 a 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., the US and Europe. Recently, the 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, the extension of the Rebate of State and Central Taxes and Levies (RoSCTL) till March 31, 2024, provides long-term visibility of the scheme to the exporters of apparels and made-ups, and increases the competitiveness of Indian players in these segments.
Amid the Covid-19 pandemic, global textile brands have realised the need to diversify their supply chain as a part of the 'China Plus One' strategy, which has resulted into an increase in exports from the textile sector. Arvind, with its significant presence in the export markets, has also benefitted from this. In the near- to medium-term, some demand from the US and EU market is expected to shift gradually from China to other major garment manufacturers, including India, to reduce the dependence on China, and thus, diversify their sourcing.

Development of real estate project towards monetisation of its large land parcel
Arvind owns 525,000 sq 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 and June 2021, the company launched Phase-I to Phase-IV of "Arvind Forreste", a scheme of plotted development of villas, which entails development of around 3,30,000 sq 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 Phase-IV of this project to its group entity, Arvind Smart Spaces Limited (ASSL), under the 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, the 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 a 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 the monetisation of the land to reduce its debt level. However, timely progress of the project and receipt of customer advances remains a key monitorable.

Liquidity: Adequate
Despite high utilisation of its fund-based working capital limits at an average of 89% during the trailing 12 months ended November 2021, the liquidity of Arvind remains adequate, marked by positive cash flow from operations and curtailed capex. The fund-based working capital limit utilisation reduced sharply to 68% in the month of November 2021, aided by strong cash flow from operations and tighter working capital management, providing additional cushion to its liquidity. 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 planned to undertake an annual capex of around Rs.100 crore, each, during FY22-FY24, which is envisaged to be largely funded through internal accruals.
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 a 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. The 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 a 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 (TOI) 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 as 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 a net loss of Rs.27 crore in FY21. Consequently, the debt coverage and return indicators deteriorated during FY21. To combat the impact of the 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. The management expects the cost reduction of around Rs.100-125 crore to be structural in nature and sustainable in the 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 the Covid-19 pandemic. Arvind had incurred a major capex towards the doubling of its garment manufacturing facilities during FY18-FY20. While Arvind had made sizable investments towards setting-up garmenting facilities, the complete benefit of such investment has yet not accrued. The performance of the garment segment was affected the most over the last three years ended FY21 due to the slow ramp-up in production, high pre-operative expenses associated with newly commissioned garmenting facilities and sub-optimal capacity utilisation due to the Covid-19 pandemic. Such large capital investments in the 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 around 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 the domestic and international market, and increase in international cotton prices. Apart from cotton, the prices of other key inputs such as chemical and freight costs have also witnessed a sharp rise recently, which may keep pressure on its margins in the near- to medium-term. However, Arvind has been increasing the selling price of its products to partially pass on the increase in the input prices, which shall provide some cushion to its 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 the 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 the past 10 years and 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 the 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, among others, at a group level. Arvind is one of India's leading vertically-integrated textile companies with a presence of more than eight decades in the industry. It is among 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 materials. 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)	9MFY22 (UA)
Total operating income (TOI)	7,403	5,098	5,871
PBILDT	745	503	577
PAT (Continuing operation)	92	(27)	154
Overall Gearing (times)	1.04	0.84	0.72
PBIDLT Interest coverage (times)	2.92	2.10	4.24

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 Instrument

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Commercial Paper-Commercial Paper (Carved out)		-	-	7-364 days	200.00	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) 2)CARE AA-; Negative (07-Sep-21)	1)CARE AA-; Negative (29-Sep-20) 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) 2)CARE A1+ (07-Sep-21)	1)CARE A1+ (29-Sep-20) 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) 2)CARE A1+ (07-Sep-21)	1)CARE A1+ (29-Sep-20) 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) 2)CARE AA-; Negative / CARE A1+ (07-Sep-21)	1)CARE AA-; Negative / CARE A1+ (29-Sep-20) 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) 2)CARE AA-; Negative (07-Sep-21)	1)CARE AA-; Negative (29-Sep-20) 2)CARE AA-; Negative (25-May-20)	-	-
6.	Commercial Paper-Commercial Paper (Carved out)	ST	200.00	CARE A1+	-	-	-	-
7.	Debentures-Non	LT	-	-	1)Withdrawn	1)CARE AA-; Negative	1)CARE AA-;	1)CARE AA;

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
	Convertible Debentures				(07-Sep-21)	(29-Sep-20) 2)CARE AA-; Negative (25-May-20)	Stable (20-Sep-19)	Stable (03-Dec-18)
8.	Commercial Paper-Commercial Paper (Standalone)	ST	-	-	-	1)Withdrawn (15-May-20)	1)CARE A1+ (20-Sep-19)	1)CARE A1+ (03-Dec-18) 2)CARE A1+ (03-Jul-18)
9.	Commercial Paper-Commercial Paper (Carved out)	ST	-	-	-	-	1)Withdrawn (20-Sep-19)	1)CARE A1+ (03-Dec-18) 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%
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.	Commercial Paper-Commercial Paper (Carved out)	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.

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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.

****For detailed Rationale Report and subscription information, please contact us at www.careedge.in**