Arvind Limited

September 20, 2019

Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings[1]	Rating Action
Long-term Bank Facilities	1270.03 (enhanced from Rs.832.00 crore)	**CARE AA-; Stable (Double A Minus; Outlook: Stable)**	Revised from CARE AA; Stable (Double A; Outlook: Stable)
Short-term Bank Facilities	836.01 (enhanced from Rs.741.01 crore)	**CARE A1+ (A One Plus)**	Reaffirmed
Long/ Short-term Bank Facilities	1,368.00 (enhanced from Rs.1223.00 crore)	**CARE AA-; Stable/ CARE A1+ (Double A Minus; Outlook: Stable)/ A One Plus)**	Revised from CARE AA; Stable/ CARE A1+ (Double A; Outlook: Stable)/ A One Plus)
Total Facilities	**3,474.04 (Rupees Three Thousand Four Hundred Seventy Four Crore and Four Lakh only)**		
Commercial Paper (CP) (Standalone)	150.00 (reduced from Rs.600.00 crore)	CARE A1+ (A One Plus)	Reaffirmed
CP (Carved Out of sanctioned working capital limits)	-	-	Withdrawn
Total CP	**150.00 (Rupees One Hundred and Fifty Crore only)**		
Non-convertible debenture	**200.00 (Rupees Two Hundred Crore only)**	**CARE AA-; Stable (Double A Minus; Outlook: Stable)**	Revised from CARE AA; Stable (Double A; Outlook: Stable)

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The revision in long-term rating of the bank facilities and instrument of Arvind Limited (Arvind) is on account of lower than envisaged profitability during FY19 (Audited; refers to the period from April 01 to March 31) along with its further decline during Q1FY20 (UA) which has happened on the back of moderation in its profitability already witnessed during FY18, with both operating and net profit margins witnessing a fall, leading to moderation in its debt coverage indicators. The fall in its operating profitability was driven by subdued performance of its textile segment arising from pricing pressure witnessed in the denim fabric business due to competition and high pre-operative expenses related to recently commissioned garmenting capacities wherein the ramp-up of operations has been slower than previously envisaged. However, the fall in overall profitability was restricted to some extent due to relatively stronger performance of its advanced material and waste water treatment businesses during FY19; albeit these businesses have smaller share in the overall sales mix of the company.

The ratings of Arvind continue to take into account 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 in its revenue mix with good performance of its woven fabric business, thereby reducing its dependence on the cyclical denim business. The ratings also factor its large scale of operations, healthy net worth base and extinguishment of most of the corporate guarantees extended by it for the debt availed by its erstwhile subsidiaries which imparts a good degree of financial flexibility to Arvind. The ratings also factor the company's plans to increase capacity utilization of its garmenting facilities and reduce certain fixed overheads so as to shore up its profitability especially from H2FY20 onwards; and management's articulation to reduce sizable debt and outside liabilities of the company by March 2020 through rationalization of its gross working capital, almost half of which is already achieved by end-August 2019.

The above rating strengths are, however, tempered by susceptibility of its profitability to inherent volatility associated with cotton prices and foreign exchange fluctuation, inherent working capital intensive operations, losses in its fabric retail and nascent e-commerce business segments and its presence in the cyclical denim fabric and competitive textile industry. The ratings are also constrained due to its relatively low return indicator, ROCE.

Arvind's ability to ensure significant and sustained improvement in its operating profit margins through ramp-up of its garmenting operations and increase in its denim fabric sales volumes along with implementation of its various cost

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.*

control plans in the light of competitive industry scenario and volatile raw material prices and forex rates; along with increasing contribution from its advanced material business thereby leading to sustained improvement in its debt coverage and leverage indicators would be the key rating sensitivities. Prudent deployment of short-term funds on a continuous basis would also remain a key monitorable.

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 Ahmedabad based Lalbhai group, is currently led by next generation entrepreneurs of the Lalbhai family under the leadership of Mr Sanjay Lalbhai. Mr Sanjay Lalbhai is the *Chairman and Managing Director* of Arvind and looks after the overall operations of the company and has a total work experience of nearly four decades. Further, 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. Further, Arvind's Board comprises of 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.
Over the years, Arvind has realised the need of its customers to offer end-product solution i.e. garment instead of fabric and started investing in garmenting capacities. Though the conversion of fabric to garment was low at about 11% in FY19, the company plans to take it to 20% over next two years that will in-turn increase the share of its export revenue. Moreover, garmenting being a relatively less capital intensive operation, company expects its overall return ratio to improve gradually in future.

Improvement in performance of advanced material division and waste water treatment business during FY19
During FY19, Arvind's advanced material division achieved PBILDT margin of 10% as against operating loss during FY18 thereby turning around the operations. Moreover, scale of operations of its waste water treatment business has almost doubled during FY19 on y-o-y basis with improvement in PBILDT margin from 8% during FY18 to 25% during FY19. Higher PBILDT from advanced material and waste water treatment business has partially offset the lower PBILDT from its much larger textile division thereby restricting the adverse impact on its overall profitability margins to an extent during FY19.

Plans to reduce operating cost and fixed overheads; and increasing outsourcing of non-core activities like spinning and weaving to have an asset-light growth model
Within denim fabric segment, Arvind has increased its share of outsourcing of non-core activities such as spinning, weaving to reduce its fixed overheads and have an asset-light flexible manufacturing model. The company has plans to outsource 70% of denim weaving during FY20 as against 49% during FY19. This is expected to help the company to save on fixed overhead cost. Arvind has targeted to reduce fixed overheads by over Rs.100 crore in FY20 out of which the company has already implemented the decision to reduce overheads of Rs.78 crore by July 2019. The reduction in overhead cost is expected to support the profitability in future.

Gradual improvement in capacity utilisation of its garmenting facilities is envisaged to result in improvement in its profitability from H2FY20 onwards
Arvind has added significant garmenting capacities over the past year and half. Its garmenting capacity is expected to reach 63 million pieces by March 2020 from about 32 million pieces as on March 31, 2018. Garmenting facility has gestation period of about 9 months during which it incurs pre-operating expenses including training of workers for about 1.5-2 months. With gradual ramp up of production and sales volume from some of its recently commissioned garmenting capacities and expected cost benefits/tax incentives from some of these facilities, the management expects improvement in PBILDT from its garmenting segment during H2FY20, especially from January 2020 onwards. Arvind is expected to manufacture about 45 million pieces of garments during FY20 as against 34 million pieces during FY19.
Textile trade in the world market is undergoing a change with decline in trade of fabrics and increase in trade of garments. The major reason behind this shift is the change in preference of the buyers i.e. owners of Ready Made

Garment (RMG) brands, which have started buying readymade garments instead of buying fabric and getting it converted into garment, as it helps them in better lead time management. Arvind plans to export majority of its garment volumes to its already established worldwide fabric customer base. However, as garmenting is a relatively low margin business with limited bargaining power vis-a-vis large international apparel brand retailers, it is important for Arvind to significantly increase its scale and continuously focus on cost control for sustaining margins.

Favorable prospects for garmenting industry followed by various government incentives

Indian Apparel (Garment) is the largest segment of the Indian Textile and Clothing Industry (IT&C); accounting for 60-65% of the total Industry. Further, it is one of the largest sources of foreign exchange flow into the country. Moreover, the share of India was only 4% in the total apparel exports of the world as against 37% share of China as on 2017. With increasing labour cost in China, the demand is expected to shift to more cost efficient manufacturing locations in Bangladesh, India, Vietnam, etc. Further, various policy initiatives by Central Government such as 15%-25% capital subsidy and by State Government such as payroll assistance of up to 50% for employees, capital subsidy, interest subsidy, special concession in power tariff, refund of State Goods and Service Tax (SGST) etc. are expected to provide boost to garmenting sector. Arvind has set-up a garment manufacturing unit in Ethiopia in light of tax benefits on exports from there to USA. It has also recently set up garment manufacturing units at Ranchi & Ahmedabad to avail such benefits.

Large net worth base, release of most of the corporate guarantees extended for debt availed by its erstwhile subsidiaries; and management's articulation to undertake sizable reduction of debt and outside liabilities by end-FY20

Arvind on a consolidated basis, had a tangible net worth of Rs.2,684 crore as on March 31, 2019. Since March 31, 2017 its overall gearing and TOL/TNW had gradually deteriorated to a moderate level of 1.10 times and 1.63 times respectively as on March 31, 2019. However, Arvind's management has strongly articulated their plans to reduce its consolidated debt and outside liabilities by ~Rs.550 crore by end-FY20 so as to improve its leverage, against which reduction of ~Rs.267 crore largely pertaining to creditors has already been achieved as on August 31, 2019. Considering the relatively subdued scenario in textile industry, Arvind's management has also articulated their plans to restrict total capex during FY20 to Rs.300 crore as against previous plan of Rs.500 crore. Sustained reduction in its debt levels would be a key monitorable. Moreover, the corporate guarantees extended by Arvind to its erstwhile subsidiaries/step-down subsidiaries, Arvind Fashions Limited (AFL) and Arvind Lifestyle Brands Limited (ALBL), have also been mostly released gradually by September 2019 except for Rs.75 crore.

Liquidity Analysis

Operations of Arvind are inherently working capital intensive as it needs to maintain stock of raw cotton and needs to extend credit of about 2 months to its customers to sell its product in a competitive market. Despite high working capital intensity, the liquidity of the company remains adequate marked by steady cash accruals and positive cash flow from operations.

The average utilization of the fund based working capital limits remained at 87% for the past twelve months ended July 2019. The current ratio of the company remained low at close to unity as on March 31, 2019 due to higher proportion of short-term working capital bank borrowing in its overall debt. However, Arvind is actively taking corrective measures including rationalizing the level of its inventories and debtors and in turn reducing its short term debt and reliance on creditors. Through reduction in gross current assets along with availing long-term debt, Arvind has planned to reduce its reliance on short-term working capital finance (including commercial papers) and creditors, thereby reducing asset-liability mismatches. Compared to March 31, 2019 Arvind has already reduced its creditors by Rs.245 crore as on August 31, 2019 and its outstanding commercial paper stood at Rs.200 crore on September 10, 2019. This reduction has largely been led by rationalisation of its inventory levels during this period. Further, Arvind has already received sanction of long-term corporate loan of Rs.200 crore and in-principle sanction of long-term loan of Rs.190 crore from banks towards reimbursement of past capex/long-term working capital purpose which it plans to avail shortly so as to further reduce its short term borrowings including commercial paper issue as well as for prepayment of few term loans which are falling due in FY21. Arvind has already prepaid term loan of Rs.40 crore falling due in FY21. These long-term sources of funds are expected to provide cushion to its liquidity. Prudent deployment of short-term funds on a continuous basis would also remain a key monitorable going forward.

Key Rating Weaknesses

Lower than envisaged profitability during FY19 (A) and Q1FY20 (UA), with both operating (PBILDT) and net profit margins witnessing a fall, leading to moderation in its debt coverage indicators

After witnessing fall in PBILDT margins of its textile segment during FY18, the company encountered further moderation in its PBILDT margin during FY19 due to continued pricing pressure in denim fabric segment on account of over-supply scenario in the industry and lower than envisaged profitability in its garmenting business due to high pre-operative expenses related to its recently commissioned garmenting capacities whereby ramp-up of operations was slow. The fall in profitability of textile segment is also attributed to lower export incentives due to reduction in duty drawback rates post implementation of GST. The textile segment contributes more than 80% of overall consolidated revenue of Arvind, hence the moderation in textile margins majorly impacts the overall PBILDT margin. Losses in its fabric retail and nascent e-commerce business segments added to its woes; albeit they have small share in overall operations of the company. Further, during FY19, there has been sizable increase in interest and finance cost due to high reliance on external borrowings. Apart from high interest cost, the net profit was also impacted on account of higher exceptional item during FY19. Arvind on a consolidated level had exceptional costs of Rs.18 crore in the form of retrenchment compensation and Rs.28 crore on account of GST write-off during FY19. With moderation in profitability and continued high debt level, the debt coverage indicators like interest coverage and total debt/ PBILDT have deteriorated and remained moderate during FY19. Further, moderation in profitability and continued high capital employed also adversely impacted ROCE (return of capital employed) of the company.

The subdued performance continued during Q1FY20, whereby total operating income of Arvind on consolidated basis grew by 5% and 2% on Y-o-Y basis and Q-o-Q basis respectively and its PBILDT margin declined by 276 bps and 167 bps on Y-o-Y basis and Q-o-Q basis respectively due to decline of margins in textile division (lower margins in denim division and continued high pre-operative expense under garmenting division) and relatively lower contribution of high margin waste water management business. Further, management expects the Q2FY20 performance to remain mostly in line with Q1FY20 and the recovery in profitability is expected in H2FY20. Recent fall in raw cotton/cotton yarn prices, more focus on denim exports and depreciation of Indian rupee may aid to its profitability. Moreover, gradual ramp up in recently commissioned garmenting capacities, growth in advanced material division, and execution of waste water treatment orders along with steps taken for fixed overhead cost reduction may also lead to improvement in profitability. Arvind's ability to significantly improve its operating profitability and debt coverage indicators on a sustained basis would be the key rating sensitivities.

Vulnerability of operating margin to volatility in cotton prices and foreign exchange fluctuation

The key raw materials of the company are cotton and cotton yarn, the prices of which have remained volatile in the past. Moreover, 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.

Presence in cyclical denim fabric and 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 realization. Indian denim fabric manufacturing sector has more than 1.5 billion meter per year capacity. Due to continuous capacity addition, the industry is witnessing an oversupply situation leading to high competition and pricing pressure which together impacts the profitability of the industry players. Denim fabric industry has also been adversely affected by demonetization and implementation of GST. Slowdown in denim fabric industry has put pressure on margins of the industry players. Although Arvind has not added any capacity in denim fabric over past 10 years and it is mainly engaged in high value denim fabric with 50% of sales to the export market thereby being less vulnerable as compared to many industry peers, still it is not completely insulated from industry-wide downturns.

Analytical Approach: Consolidated (excluding the erstwhile subsidiaries, Arvind Fashions Limited (AFL) and The Anup Engineering Limited (TAEL), which were demerged during Q3FY19); along with factoring in the support which Arvind is contractually bound to provide only to the extent of guaranteed/with recourse nature of debt in AFL and ALBL (subsidiary of AFL). As per the latest available information shared by the company management, Arvind has already withdrawn corporate guarantees extended to significant part of the bank facilities/instruments raised by AFL and ALBL except for loans aggregating to Rs.75 crore. The list of entities whose financials have been consolidated is mentioned in ***Annexure 3***.

Applicable Criteria

Criteria on assigning Outlook to Credit Ratings
CARE's Policy on Default Recognition
Criteria for Short Term Instruments
Policy on Withdrawal of ratings
Factoring Linkages in Ratings
Financial ratios – Non-Financial Sector
CARE's methodology for manufacturing companies

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, 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 108 million meters per annum (MMPA) and 132 MMPA respectively as on March 31, 2019. Arvind also manufactures a range of cotton shirting, knits, bottom weights (Khakis) and technical textiles/advanced material. Arvind, through its subsidiary Arvind Envisol Limited (AEL), is engaged in assembling and installation of waste water treatment plants.
Arvind received approval from National Company Law Tribunal (NCLT) on October 26, 2018 to de-merge the business undertakings of its erstwhile subsidiaries, The Anup Engineering Limited (TAEL) and AFL from itself. AFL is engaged in wholesaling and retailing of various well-known owned and licensed apparel brands in India. TAEL is an engineering company engaged in the business of designing and fabrication of process equipment. Both TAEL and AFL are now separately listed on the Stock Exchanges.

Brief Financials (Rs. Crore)	FY18 (A)	FY19 (A)
	Post-Demerger (Consolidated)	
Total operating income (TOI)	6,846	7,254
PBILDT	744	798
PAT	261 *	239 *
Overall Gearing (times)	1.01	1.10
Interest coverage (times)	3.89	3.36

** from Continuing Operations*
As per provisional consolidated results for its continuing business, Arvind earned a PAT of Rs.24 crore on a total operating income (TOI) of Rs.1917 crore during Q1FY20 as against a PAT of Rs.75 crore on a TOI of Rs.1825 crore during Q1FY19.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

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 2026	1,270.03	CARE AA-; Stable
Fund-based - ST-PC/Bill Discounting	-	-	-	125.00	CARE A1+
Non-fund-based - ST-BG/LC	-	-	-	711.01	CARE A1+
Fund-based - LT/ ST-CC/PC/Bill Discounting	-	-	-	1368.00	CARE AA-; Stable / CARE A1+
Debentures-Non Convertible Debentures	August 16, 2017	8.00%	September 09, 2021	100.00	CARE AA-; Stable
Debentures-Non Convertible Debentures	September 22, 2017	7.79%	September 29, 2022	100.00	CARE AA-; Stable
Commercial Paper-Commercial Paper (Standalone)	-	-	7-364 days	150.00	CARE A1+
Commercial Paper-Commercial Paper (Carved out)	-	-	-	0.00	Withdrawn

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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Term Loan-Long Term	LT	1,270.03	CARE AA-; Stable	-	1)CARE AA; Stable (03-Dec-18)	1)CARE AA; Stable (15-Nov-17) 2)CARE AA; Stable (28-Sep-17)	1)CARE AA; Stable (02-Mar-17) 2)CARE AA- (05-Aug-16)
2.	Fund-based - ST-PC/Bill Discounting	ST	125.00	CARE A1+	-	1)CARE A1+ (03-Dec-18)	1)CARE A1+ (15-Nov-17) 2)CARE A1+ (28-Sep-17)	1)CARE A1+ (02-Mar-17) 2)CARE A1+ (05-Aug-16)
3.	Non-fund-based - ST-BG/LC	ST	711.01	CARE A1+	-	1)CARE A1+ (03-Dec-18)	1)CARE A1+ (15-Nov-17) 2)CARE A1+ (28-Sep-17)	1)CARE A1+ (02-Mar-17) 2)CARE A1+ (05-Aug-16)
4.	Fund-based - LT/ ST-CC/PC/Bill Discounting	LT/ ST	1368.00	CARE AA-; Stable / CARE A1+	-	1)CARE AA; Stable / CARE A1+ (03-Dec-18)	1)CARE AA; Stable / CARE A1+ (15-Nov-17) 2)CARE AA; Stable / CARE A1+ (28-Sep-17)	1)CARE AA; Stable / CARE A1+ (02-Mar-17) 2)CARE AA- / CARE A1+ (05-Aug-16)
5.	Debentures-Non Convertible Debentures	LT	100.00	CARE AA-; Stable	-	1)CARE AA; Stable (03-Dec-18)	1)CARE AA; Stable (15-Nov-17) 2)CARE AA; Stable (28-Sep-17) 3)CARE AA; Stable (01-Aug-17)	-
6.	Debentures-Non Convertible Debentures	LT	100.00	CARE AA-; Stable	-	1)CARE AA; Stable (03-Dec-18)	1)CARE AA; Stable (15-Nov-17) 2)CARE AA; Stable (28-Sep-17)	-
7.	Commercial Paper-Commercial Paper (Standalone)	ST	150.00	CARE A1+	-	1)CARE A1+ (03-Dec-18) 2)CARE A1+ (03-Jul-18)	1)CARE A1+ (15-Nov-17) 2)CARE A1+ (28-Sep-17)	1)CARE A1+ (02-Mar-17) 2)CARE A1+ (05-Aug-16)
8.	Commercial Paper-Commercial Paper (Carved out)	ST	-	Withdrawn	-	1)CARE A1+ (03-Dec-18) 2)CARE A1+ (03-Jul-18)	1)CARE A1+ (15-Nov-17) 2)CARE A1+ (28-Sep-17)	1)CARE A1+ (02-Mar-17) 2)CARE A1+ (05-Aug-16)

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, 2019
1	Arvind Polser Engineered Composites Panels Private Limited	Wholly owned subsidiary	100%
2	Syntel Telecom Limited	Wholly owned subsidiary	100%
3	Arvind Envisol Limited	Wholly owned subsidiary	100%
4	Arvind Internet Limited	Wholly owned subsidiary	100%
5	Arvind Ruf & Tuf Private Limited	Wholly owned subsidiary	100%
6	Arvind Smart Textiles Limited	Wholly owned subsidiary	100%
7	Arvind Transformational Solutions Private Limited	Wholly owned subsidiary	100%
8	Arvind Worldwide Inc.	Wholly owned subsidiary	100%
9	Brillaries Inc., Canada	Wholly owned subsidiary	100%
10	Arvind Textile Mills Limited	Wholly owned subsidiary	100%
11	Arvind Lifestyle Apparel Manufacturing PLC	Wholly owned subsidiary	100%
12	Arvind Envisol PLC, Ethiopia	Wholly owned subsidiary	100%
13	Arvind Enterprises (FZE)	Wholly owned subsidiary	100%
14	Arvind True Blue Limited	Subsidiary	87.50%
15	Arvind OG Nonwovens Private Limited	Subsidiary	74%
16	Arvind Niloy Exports Private Limited	Subsidiary	70%
17	Arvind PD Composites Private Limited	Subsidiary	51%
18	Arvind Goodhill Suit Manufacturing Private Limited	Subsidiary	51%
19	Arvind Premium Retail Limited	Subsidiary	51%
20	Westech Advance Materials Limited	Subsidiary	51%
21	Arya Omnitalk Wireless Solutions Private Limited	Subsidiary	50.06%
22	Maruti Ornet and Infrabuild LLP	Limited Liability Partnership (LLP)	Not Available
23	Enkay Converged Technologies LLP	LLP	Not Available
24	Arya Omnitalk Radio Trunking Services Private Limited	Joint Venture	50%
25	Arudrama Developments Private Limited	Joint Venture	50%
26	Arvind and Smart Value Homes LLP	Joint Venture	50%
27	Arvind Norm CBRN Systems Private Limited	Joint Venture	50%
28	Adient Arvind Automotive Fabrics India Private Limited	Joint Venture	50%

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Krunal Modi
Contact no. – +91-79-4026 5614
Email ID- krunal.modi@careratings.com

Relationship Contact
Deepak Prajapati
Contact no. – +91-79-4026 5656
Email ID – deepak.prajapati@careratings.com

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**