

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the Annual Report along with the Audited Financial Statements for the period from 1st April 2019 to 31st March 2020.

1. FINANCIAL RESULTS

Highlights of Financial Results for the year are as under:

₹ in crores

Particulars	Standalone		Consolidated	
	2019-2020	2018-2019	2019-2020	2018-2019
Turnover & Operating Income	6705.31	6435.96	7369.00	7142.18
Profit before Finance Costs, Depreciation and Amortisation Expenses, Extraordinary Items & Tax Expenses	773.57	736.98	747.63	800.43
Less : Finance costs	224.10	213.38	236.89	220.14
Profit before Depreciation and Amortisation Expenses, Extraordinary Items & Tax Expenses	549.47	523.60	510.74	580.29
Less : Depreciation and Amortisation Expenses	240.54	209.75	290.45	235.05
Profit before Share of Profit of a Joint Venture, Exceptional Items and Tax Expenses	308.93	313.85	220.29	345.24
Less : Exceptional Items	58.82	70.85	50.21	45.98
Add : Share of profit/(loss) of Joint Ventures	Nil	Nil	(2.29)	1.01
Profit Before Tax from Continuing Operation	250.11	243.00	167.79	300.27
Current Tax	48.71	53.56	64.67	82.09
(Excess)/ Short Provision of Earlier Years	11.95	31.97	12.01	32.17
Deferred Tax	18.07	(56.00)	(0.99)	(52.72)
Profit/ (Loss) for the year from Continuing Operation (A)	171.38	213.47	92.10	238.73
Profit/ (Loss) Before Tax for the year from Discontinuing Operation	--	(20.70)	--	(13.02)
Tax Expense of Discontinued Business	--	(6.67)	--	(2.70)
Profit/ (Loss) for the year from Discontinuing Operation (B)	--	(14.03)	--	(10.32)
Profit/ (Loss) Before Tax for the year from Continued and Discontinuing Operation	250.11	222.30	167.79	287.25
Tax Expense of Continuing And Discontinued Business	78.73	22.86	75.69	58.84
Profit for the Year (A+B)	171.38	199.44	92.10	228.41

2. COMPANY'S PERFORMANCE

Outlook for global economic growth started on a weak note in 2019, and continued to be weak through the year. Manufacturing activity and trade growth continued to be low key. The year was marked by geopolitical tensions and trade-war rhetoric mainly between the US and China. This clearly reflected in reduced confidence on the future of the global trading system and international cooperation, and impacted investment decisions, and global trade. Several economies signalled and adopted an accommodating monetary policy which cushioned the impact of global tensions on financial market sentiment and activity. Overall, the year wrapped up with World Economic Outlook estimating 2.9% growth in global GDP - tepid by any measure.

From an Indian perspective as well, the Indian economy delivered a mere 4.2% during 2019-20, vs. a revised estimate of 6.1% for the previous year. March 2020, of course saw the start of the Covid-19 pandemic, and the associated lockdowns which brought most economic activity to a grinding halt. The new government had assumed office in summer 2019 with a historic mandate, and has been widely expected to take on more difficult reform items. The

budget and subsequent announcements presented in 2nd Quarter delivered mixed results - while the financial markets continued to hit historic highs, the general economic and job growth continued to be challenged.

Sales of clothing and apparel saw modest growth at an overall level. The momentum had started to build-up by 3rd quarter, but the sudden collapse in March impacted the overall volumes for several leading players. The Indian government on its part has continued to be engaged constructively with the sector. In the recent budget for FY20-21, there were several industry friendly measures announced including removal of anti-dumping duty from PTA, set-up of National Technical Textile Mission and review of Rules of Origin in FTAs to ensure that industry interests are not compromised. Most crucial, the government decided to walk out of the contemplated RCEP treaty, which brought much needed relief.

In this context, your Company delivered an overall topline of ₹ 7369 crores which was 3% higher compared to previous year. Advanced Materials and Garmenting delivered strong growth, while Fabric volumes saw minor decline on full year basis. Overall

EBITDA reduced from ₹ 800 crores in the previous year, to ₹ 748 crores. Consolidate PBT was down 36% at ₹ 220 crores. Net Profit after Tax, after accounting for all exceptional items, stood at ₹ 96 crores, which was down 60% as compared to previous year.

A more detailed analysis and commentary is available in the Management Discussion and Analysis section of this report.

3. DIVIDEND

Keeping in mind the need to conserve resources, your Directors do not recommend any dividend on Equity Shares for the year.

In terms of the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has formulated a Dividend Distribution Policy and the same is available on the Company's Website at

https://www.arvind.com/sites/default/files/field_policy_file/DividendDistributionPolicy.pdf

4. TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to reserves.

5. SHARE CAPITAL

The authorised share capital of the Company as on 31st March 2020 was ₹ 674.50 crores divided into 57.45 crores equity shares of ₹ 10 each and 1 crore preference shares of ₹ 100 each.

During the year under review, the paid up Equity Share Capital of the Company stood at ₹ 258.77 crores consisting of 25,87,67,069 equity shares of ₹ 10 each.

During the year under review, the Company has not issued shares with differential voting rights and sweat equity shares.

6. EMPLOYEE STOCK OPTION SCHEME (ESOS)

The Company has instituted the Employees Stock Option Scheme (ESOS) to grant equity based incentives to certain eligible employees and directors of the Company and its subsidiary companies.

Disclosures in compliance with Section 62 of the Companies Act, 2013 and Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 are set out in "Annexure - A" to this report.

7. DISCLOSURE UNDER SECTION 67(3)(C) OF THE COMPANIES ACT, 2013

No disclosure is required under Section 67(3)(c) of the Companies Act, 2013 read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said section are not applicable.

8. FINANCE

The Company has repaid the installments of Term Loans amounting to ₹ 357 crores during the current year. The Company has also made fresh long term borrowings of ₹ 447 crores for funding capital expenditure and other requirements. Long Term Debt of the Company stands to ₹ 1201 crores as on 31st March 2020.

9. FIXED DEPOSITS

During the year under review, your Company has not accepted or renewed any Deposit within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

10. NON-CONVERTIBLE DEBENTURES

As on 31st March 2020,

- 8% - 1,000 Unsecured Redeemable Listed Taxable Non-Convertible Debentures of the face value of ₹ 10,00,000 each, for cash at par, aggregating to ₹ 100 crores;
- 7.79% - 1,000 Unsecured Listed Rated Redeemable Non-Convertible Debentures of the face value of ₹ 10,00,000 each, for cash at par, aggregating to ₹ 100 crores in series - 01 and 02 of ₹ 50 crores each,

were outstanding, issued on private placement basis and listed on the Wholesale Debt Market Segment of BSE Limited.

The Company has, on 03.06.2020, allotted 8.50% - 750 Rated, Listed, Secured, Redeemable, Non-Convertible Debentures (NCDs) of the face value of ₹ 10,00,000/- each, for cash at par, aggregating to ₹ 75 crores on private placement basis and the said NCDs are listed on the Wholesale Debt Market Segment of BSE Limited.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

12. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and form part of this Annual Report.

13. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Care for the society has been an intrinsic value for the promoters of the Lalbhai group. We have a long tradition of reaching out to the society through planned interventions. The value system underlying this firm belief is that healthy businesses flourish only in a healthy society and to ensure this, business leaders must positively impact society. We strongly believe that a company can improve its own functioning by influencing the environment in which it operates. The responsibility of undertaking development initiatives is jointly shared by Arvind Foundation (AF), Strategic Help Alliance for Relief to Distressed Areas (SHARDA) Trust and Narottam Lalbhai Rural Development Fund (NLRDF). Our key development initiatives include:

Education: Under the broad theme of Educational Advancement, Gyanda is an ongoing supplementary education program designed for primary, secondary and higher secondary school going children. Carried out by SHARDA Trust, our initiative prevents drop out and helps students complete their basic education from standard V to XII and ahead. Gyanda is an ongoing programme that focuses on improving academic performance and overall development of the students. This is done through a 8-12 year's handholding process that aspire to help students become last generation in poverty. Gyanda is operational since 2006-07. More than 5,000 students from lower socio-economic strata have benefitted so far. At present, Gyanda has enrolment of more than 1,100 students.

Rural Advancement: Under the broad theme of Rural Advancement, the Arvind Rural Transformation Initiative (ARTI) is

a combination of long term integrated programs focused in defined geographies in Ahmedabad, Gandhinagar and Narmada districts of Gujarat at present. Improving the education environment by upgrading the infrastructure in village schools, increasing enrolment by multiple learning and development programs for the students and support to parents are initiatives aimed at Educational Advancement. A program to improve farm productivity has been started and multiple trainings and exposure visits for capacity building of farmers are organised at 4 different villages and village groups. Also, more than 20 health camps were organised across 9 villages which helped us to screen more than 1,400 people for various health conditions.

Under rural advancement, NLRDF has been undertaking development initiatives in Gujarat and reaching out to rural and underserved people since 1978. The objective is to improve the delivery mechanism of government programs by becoming a link between government and the rural populace and carry out CSR programmes for different companies. It also undertakes need based, sustainable development programs in the region with focus on agriculture, health and sanitation, rural energy, HIV/ AIDS prevention, women and child development, skill development, solar energy and livelihood enhancement.

Livelihood Promotion: As part of our Rural Transformation program, we carried out a Home Stay Project in villages in Garudeshwar Taluka in Narmada District. With the aim to increase the income of tribal families, quality home stay facilities were created for tourist at rural homes. The Taluka has the advantage of hosting the World's tallest statue - The Statue of Unity which is a major tourist destination there and hence a huge potential of additional alternative income for the native tribal families.

Inner Well Being: As part of our rural transformation strategy, Arvind is carrying out an Inner Wellbeing Program in rural Gujarat and Rajasthan since last four years. This is the result of our conviction that physical and social developments are meaningful only if people are also well from within. Heartfulness Meditation programs are being conducted in a planned and structured manner. This program is based on the Sahaj Marg system of Raja Yoga meditation. In 2019-20, we conducted sessions in close to 200 places and reached out to around 15,000 people.

Women empowerment (CSR in spirit): We are working towards empowerment and inclusive growth of women belonging to the tribal areas of Gujarat. The project was started in the year 2014 and has enrolled more than 900 women till date. We work with our civil society partners to help women join this program, acquire industry specific vocational skills (Apparel Manufacturing), get employed in Arvind's manufacturing units and stay in company managed dormitories. Stay in dormitories create a unique opportunity of upgrading their qualification and skills in their free time. Apart from employment and earning, the women are enrolled in Babasaheb Ambedkar Open University to further their educational qualification, acquire different life skills and nurture aspiration to move from blue collar to white collar work. We are working on expansion of this program to different geographies.

Promotion of Indology: As part of our commitment to support Cultural Advancement, through this ongoing program, the company has been supporting Lalbhai Dalpatbhai Bhartiya Sanskriti Vidyamandir (LDBSV) towards its efforts to preserve

India's rich heritage. The project named Promotion of Indology is creating a comprehensive, research-oriented digital repository of paper/ palm-leaf manuscripts housed in Lalbhai Dalpatbhai Institute of Indology (LDII). These digital grabs will initially be accessible on low resolution digital media (hard disks, compact disks), leaving open the possibility of uploading the material onto a website. High resolution versions of the material will be made available as and when appropriate. Around 32 lacs pages of such Manuscripts are available at LDII.

Indigo Museum: To support cultural advancement, the company has approved a unique plan to set up an Indigo Museum to capture the story of indigo and associated materials and capture broader narratives around the story of the colour, cloth, trade, revolutionary struggles, design thinking and artistic collaborations. India's cultural connection to Indigo is unique. India was the Indigo capital of the world. Indigo owes its name to the country - "Indikon" in Greek which means "from India". This is our way to pay respect to our heritage.

Working with Artisans: The Company support to the project titled "Walking Hand-in-Hand - Taking Unnamed Artisans to the World Stage" continued in second year. The project is being implemented by CDS Art Foundation. The project supports such artisans who work on exquisite textiles but largely remain unnoticed and unsupported. The initiative identify, engage, encourage and support such artisans who have unique ability and potential to go far. These are Masters who are not only self-employed but are employment providers too in their community. The Annual Report on CSR Activities in prescribed format is enclosed as "Annexure - B".

14. HUMAN RESOURCES

The Company believes that Human Resources shape the success of its business vision. The Company is committed to investing in hiring the right talent, sustainably engaging and developing them, retaining and rewarding them to deliver organizational results and growth.

An important focus area for the organization has been to respond to trends shaping the future of work that make the Company agile, productive and help improve HR systems, processes and enhance employee experience.

The Company has invested efforts in bringing effectiveness in hiring and creating an employer brand, creating internal mobility, reorganizing structures in line with business plans and performance and establishing the right rewards and recognition. Adoption of digital tools in our new way of working has ensured that our employees are equipped to work with these through the right skills. While doing so, we have been cognizant of understanding what motivates and engages our people and how they perceive their work environment. Therefore, we encourage open and regular dialogue between managers and their team members, conduct surveys and offer hand holding support which ensures our people feel comfortable to speak up, raise concerns and are empowered to initiate improvements.

Our approach to performance management is a holistic one wherein, while holding people accountable, we look at continuous development and create opportunities for them to excel in new and/ or larger roles. Performance dialogues create opportunities

for regular meaningful feedback. This approach is directly linked to our compensation framework and promotion process. We also offer a wide range of benefits to our employees.

To ensure we develop future leaders, we provide a number of opportunities to foster management and leadership skills. The purpose is to equip our people with the necessary capabilities to lead the organization through change, develop their teams, manage performance and ensure business success in line with the organizational strategy. On learning, our focus shall continue to be towards digitalization of learning and introduction of various e-learning courses on managerial & functional competencies.

15. RISK MANAGEMENT

The Company has a robust Enterprise Risk Management framework which enables it to take certain risks to remain competitive and achieve higher growth and at the same time mitigate other risks to maintain sustainable results.

Under the framework, the Company has laid down a Risk Management Policy which defines the process for identification of risks, its assessment, mitigation measures, monitoring and reporting. While the Company, through its employees and Executive Management, continuously assess the identified Risks, the Risk Management Committee reviews the identified Risks and its mitigation measures annually.

The Company has identified 17 Risks - 5 Strategic Risks, 10 Operational Risks & 2 Regulatory Risks. Key Strategic Risks include demand destruction, changing customer preference and supply chain disruption due to pandemic, reputational risk, succession planning & business continuity planning. Key Operating Risks include customers' credit risk, fluctuating forex rates and cotton prices, cyber security risk, IT system breakdown, labour unrest, fire & safety, concentration of business with certain customers and sustainability. Regulatory Risks include changes in bilateral/ multilateral trade agreements, international trade disputes and regulatory compliances.

16. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has an Internal Audit Department with adequate experience and expertise in internal controls, operating system and procedures. In discharging their role and responsibilities, the department also engages external audit firms, wherever deemed necessary.

The Internal Audit Department reviews the adequacy of internal control system in the Company, its compliance with operating systems and laid down policies and procedures. Based on the report of internal audit function, process owners undertake corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

17. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company at

https://www.arvind.com/sites/default/files/field_policy_file/Whistle%20Blower%20Policy_n.pdf

18. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

As on 31st March 2020, the Company has 23 subsidiaries (Direct or Indirect) and 5 joint venture/associate companies.

During the year under review, the following companies were incorporated/ acquired or became subsidiaries/ joint ventures/ associate companies (Direct or Indirect):

1. AJ Environmental Solutions Company, China (Subsidiary)
2. PVH Arvind Manufacturing PLC, Ethiopia (Joint Venture/ Associate)

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a statement containing salient features of financial statements of subsidiaries, associates and joint venture companies in Form AOC-1 is attached to the Financial Statements. The separate audited financial statements in respect of each of the subsidiary shall be kept open for inspection at the Registered Office of the Company. The Company will also make available these documents upon request by any Member of the Company interested in obtaining the same. The separate audited financial statements in respect of each of the subsidiary are also available on the website of the Company at www.arvind.com.

The Company has framed a policy for determining material subsidiaries, which has been uploaded on Company's website at https://www.arvind.com/sites/default/files/field_policy_file/Policy%20on%20Material%20Subsidiaries.pdf

19. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors consists of 9 (nine) members, of which 5 (five) are Independent Directors. The Board also comprises of one women Independent Director.

As per the provisions of Section 152(6) of the Act, Mr. Kulin Lalbhai (holding DIN 05206878) shall retire by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment as the Director of the Company.

As per the provisions of Section 149(10) of the Act, Dr. Bakul H. Dholakia (holding DIN 00005754), Ms. Renuka Ramnath (holding DIN 00147182) and Mr. Nilesh D. Shah (holding DIN 01711720); shall be re-appointed for a second term of five years as an Independent Director of the Company, subject to approval of members in ensuing Annual General Meeting.

As per the provisions of Section 203 of the Companies Act, 2013, Mr. Sanjay Lalbhai - Chairman and Managing Director, Mr. Jayesh Shah - Director and Group Chief Financial Officer and Mr. R.V. Bhimani - Company Secretary; are the Key Managerial Personnels of the Company.

20. FORMAL ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance as well as that of its Committees and Individual Directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

21. APPOINTMENT AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and

appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. The same is available on the website of the Company at www.arvind.com.

22. FAMILIARIZATION PROGRAM FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization programme are explained in the Corporate Governance Report and also available on the Company's website at

https://www.arvind.com/sites/default/files/field_policy_file/Familiarisation%20Programme%20for%20IDs.pdf

23. DECLARATION OF INDEPENDENCE

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they have complied with the Code for Independent Directors as prescribed in Schedule IV to the Act.

24. BOARD AND COMMITTEE MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year under review, 5 meetings of the Board were held. The details of the Board and Committee meetings are provided in the Corporate Governance Report forming part of this Report.

25. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a. in preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. they have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls, which are adequate and are operating effectively;

- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

26. RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of the transactions with Related Parties are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Policy on Related Party Transactions as approved by the Board is available on Company's website at

https://www.arvind.com/sites/default/files/field_policy_file/Related%20Party%20Transactions%20Policy%202019.pdf

27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

28. AUDITORS

• Statutory Auditors

Deloitte Haskins & Sells LLP, Chartered Accountants, (ICAI Firm Registration No. 117366W/W-100018) were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 4th August 2017 for a term of five consecutive years. The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

• Cost Auditors

Kiran J. Mehta & Co., Cost Accountants, Ahmedabad (Firm Registration No. 000025) carried out the cost audit for applicable businesses during the year. The Board of Directors has appointed them as Cost Auditors for the financial year 2020-21. The remuneration payable to the Cost Auditors is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to Kiran J. Mehta & Co., Cost Auditors is included at item No. 9 of the notice convening the Annual General Meeting.

• **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Hitesh Buch & Associates, a firm of Company Secretaries in practice, to conduct the Secretarial Audit of the Company for the financial year 2019-20.

The Secretarial Audit Report for the financial year ended 31st March 2020, pursuant to Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith as "Annexure - C". The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

29. ENHANCING SHAREHOLDERS' VALUE

Your Company believes that its Members are its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socioeconomic and environmental dimensions and contribute to sustainable growth and development.

30. CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

The Corporate Governance Report and Management Discussion & Analysis, which form part of this Report, together with the Certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

31. BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report for the year ended 31st March 2020 as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed which forms part of this Annual Report.

32. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure - D".

33. EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure - E".

34. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136(1) of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in "Annexure - F" to this report.

35. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

Arvind Internal Complaints Committee (AICC) is formed and its details are declared across the organizations. All AICC members are trained by subject experts on handling the investigations and proceedings as defined in the policy.

During the financial year 2019-20, the Company has received 1 (one) complaint on sexual harassment. AICC conducted the proceedings as defined in the Policy. The case was dealt with, as per the policy guidelines and ICC recommendations were given, in a fair and just manner.

36. ACKNOWLEDGEMENTS

The Board expresses its sincere thanks to all the employees, customers, suppliers, investors, lenders, regulatory and government authorities and stock exchanges for their co-operation and support and look forward to their continued support in future.

By order of the Board

Sanjay Lalbhai

Chairman and Managing Director

Place: Ahmedabad

Date: June 27, 2020