

# Raymond Limited

## Q4FY21 Result Presentation



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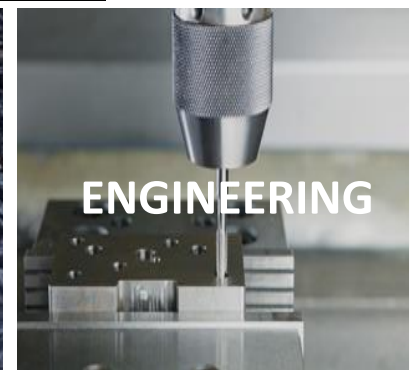


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Company Overview

# Raymond Group: Introduction



**A diversified group with interests in Textile & Apparel sectors as well as presence across diverse segments such as Real Estate, FMCG, Engineering in national and international markets**



## Raymond: A Group with Strong Leadership Position



**# 1 player** in worsted suiting fabrics in India

**One of the world's largest** manufacturer of worsted suiting fabric



Amongst **leading men's tailored suit manufacturers** in the world

**3<sup>rd</sup> largest player** in Menswear branded apparel segment with **4** power brands



**1<sup>st</sup> organised retailer** in India

One of the **largest exclusive retail network** in Branded Lifestyle space



Manufacturer of **world's finest fabric**

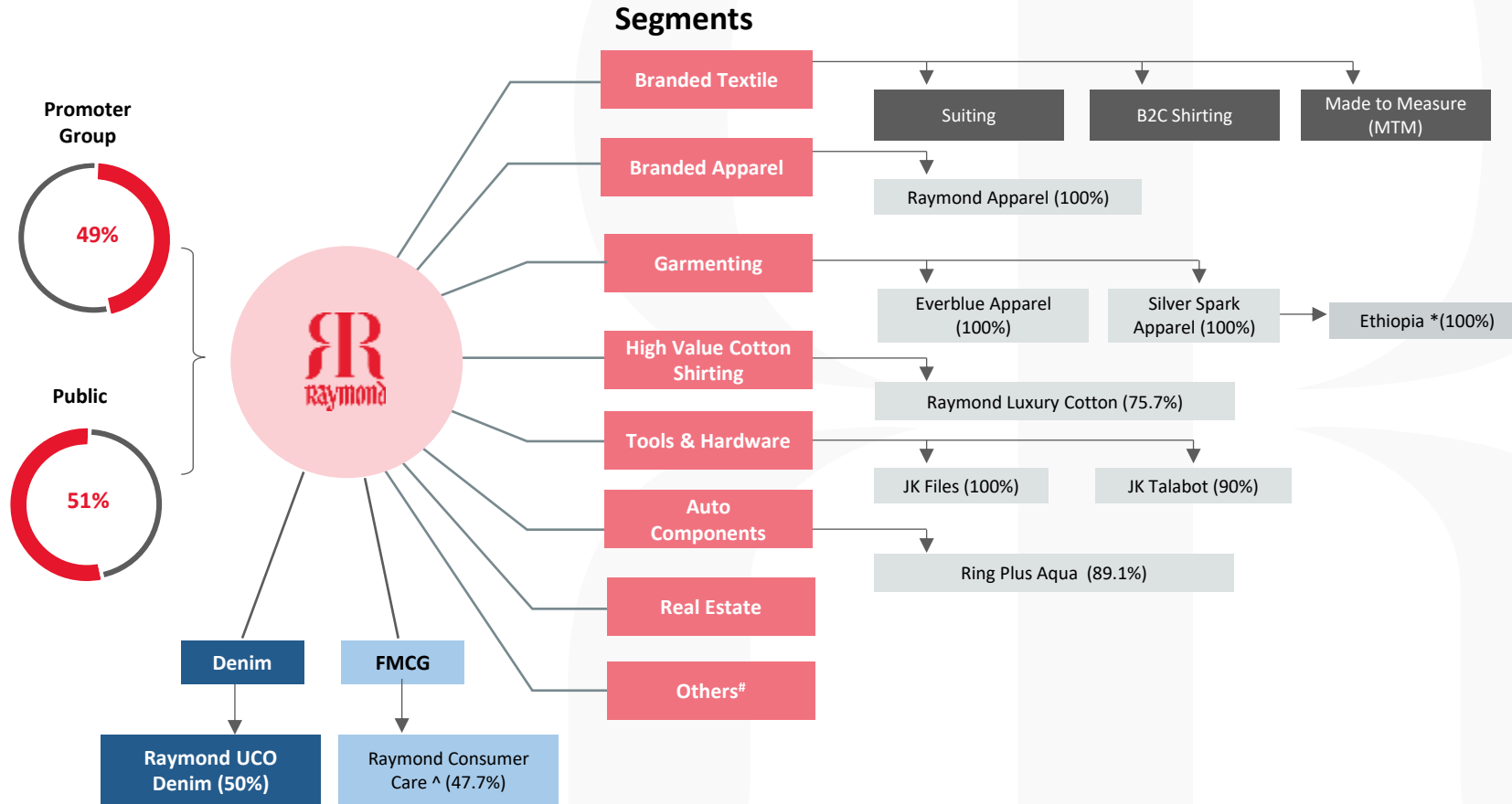
**Largest exporter** of full canvas suits



Near **100% consumer awareness**

Among the **Most Trusted brands** in India

# Raymond Group at a Glance



(1) Raymond shareholding pattern as of 31<sup>st</sup> March 2021 as per BSE

(2) Legend: ■ Division ■ Associate ■ Subsidiary ■ Business Segment ■ Joint Venture

\* Silver Spark Apparel Ethiopia Plc | ^ Erstwhile JK Ansell limited | # Includes Non-Scheduled Airline operations

Note: The structure includes key subsidiaries & operating businesses only



# Management Team



**Amit Agarwal**  
**Group CFO**  
Ex- JSW, Jet Airways,  
Essar Group



**Joe Kuruvilla**  
**CEO – Lifestyle**  
Ex- Unilever PLC



**S L Pokharna**  
**President – Commercial**



**K A Narayan**  
**President – Human Resources**  
Ex- Wockhardt



**Ganesh Kumar**  
**COO – Lifestyle**  
Ex- Arysta Life, Mosiac



**Hemant Lakhotia**  
**CEO – Tools & Hardware**  
Ex- Schneider Electric,  
Crompton Greaves



**Balasubramanian V**  
**CEO – Auto**  
Ex- Eaton Industrial,  
Bosch Chassis



**Arvind Mathur**  
**CEO - Denim**  
Ex- Coats Plc



**Sudhir Langer**  
**CEO - FMCG**  
Ex- Tata Global Bev.,  
Reckitt, Colgate



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# Q4 Highlights

### Sequential improvement in recovery in Q4FY21

- Market sentiments improved with recovery in the economy, job market stabilizing and on-going vaccination drive
- Consumer sentiments were upbeat in Jan & Feb due to extended EOSS, driving footfalls
- Trade channels witnessed pickup in sales in Feb & March led by higher number of wedding dates foreseen in Q1FY22
- Higher recovery in Tier IV-VI towns continued as compared to Metros & Tier 1 towns

# FY21 Highlights



## Cost Rationalisation

- Sales & marketing, manpower & rentals
- Restructuring organization to ensure efficiencies



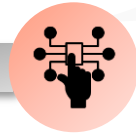
## Liquidity Management

- Focus on collections and inventory reduction
- Rationalize capex



## New Business opportunities

- Raymond Care Initiative
- Manufacturing of PPE
- Sanitization products including hand sanitizers, hand wash & others



## Digital Imperatives

- Expand Online catalogue
- Increase use of data analytics
- Fasten Omni Channel integration
- Deepen partnerships with E-com players



## Stores 2.0

- Create safe shopping experience
- Adhere safety guidelines at stores
- Contact-less payments



## Employees Safety

- Embark online learning
- Adopt 'Work From Home' culture
- Sanitized & disinfected offices and plants
- Health check compulsory at office & plants

## Cost rationalisation

Particulars (Rs Cr)	Q4FY21	Q4FY20	FY21	FY20	Q4 (Y-o-Y %)	12m (Y-o-Y %)
Employment Cost	180	234	674	996	-23%	-32%
A & SP	25	47	59	240	-47%	-75%
Others*	203	270	588	971	-25%	-39%
<b>Total Opex</b>	<b>408</b>	<b>551</b>	<b>1,320</b>	<b>2,207</b>	<b>-26%</b>	<b>-40%</b>

- Continued focus on Cost Rationalisation
  - Control in fixed cost and variable cost in line with sales
- Q4FY21 opex reduction by Rs. 144 cr or 26% YoY
- FY21 lower by Rs. 887 cr or 40% YoY

\*Others include commission, freight, outsourcing cost, admin overheads and other expenses

## Liquidity strengthens and Debt reduction in Q4

- Net Working Capital reduction vs Mar-20 driven by strong focus on collections & inventory reduction

Particulars (Rs Cr)	Mar'21	Dec'20	Mar'20	vs. Dec-20	vs. Mar-20
Net Working Capital	1,117	1,190	1,855	(73)	(738)

- Liquidity position strengthened compared to Dec-20 & March-20 levels

Particulars (Rs Cr)	Mar'21	Dec'20	Mar'20
Cash & Cash Equivalents	660	608	571

- Net debt reduction by Rs. 167 cr on a quarter on quarter basis driven by focused working capital management and cost rationalization

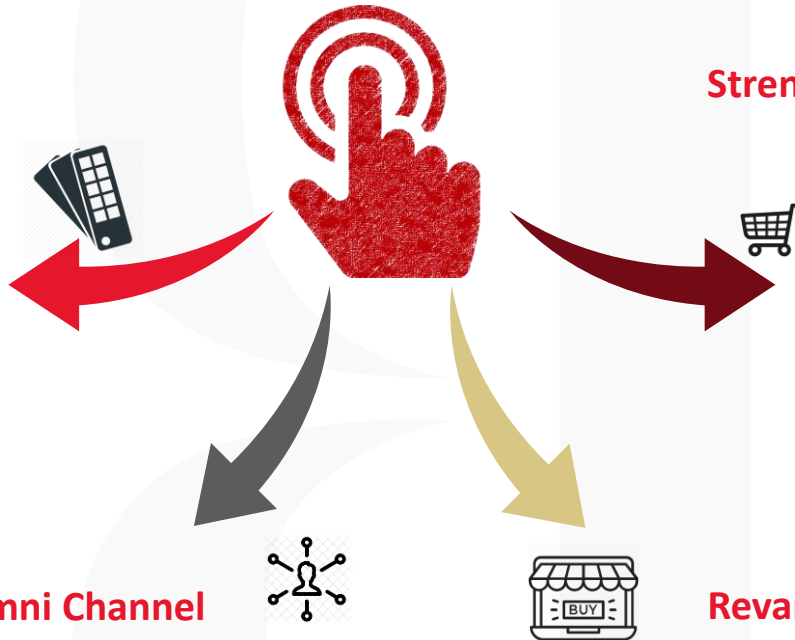
Particulars (Rs Cr)	Mar'21	Dec'20	Mar'20	vs. Dec-20	vs. Mar-20
Net Debt	1,416	1,583	1,859	(167)	(443)



# Digital Imperatives: The new norm of business

## Digital Order Booking

- Moving from physical tradeshows to digital rendering of samples & 3D modelling
- Shifting to digital swatch books, catalogues, flipbooks
- Savings in travel, sampling & admin costs and increased penetration



## Strengthening 3<sup>rd</sup> party tie-up

- Aggressive play on e-commerce marketplaces with **over 2x more options** made available online

## Omni Channel

- Integrating it with our online and offline offerings to reach out and take the store to the customer

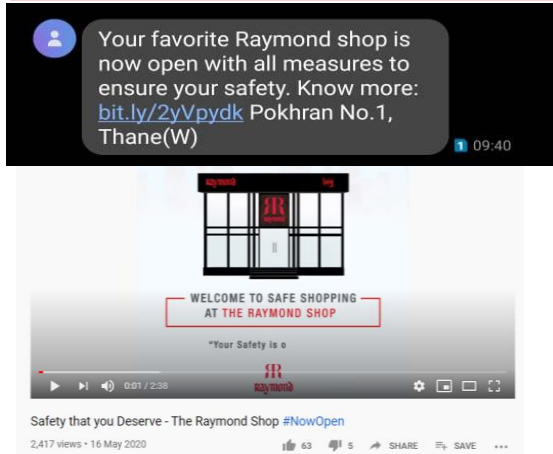
## Revamp Own Website

- Revamped own website and launched: [MyRaymond.com](https://www.myraymond.com)
- Entire EBO offerings available on-line

# Stores 2.0 – Reassuring customers & incentivizing them

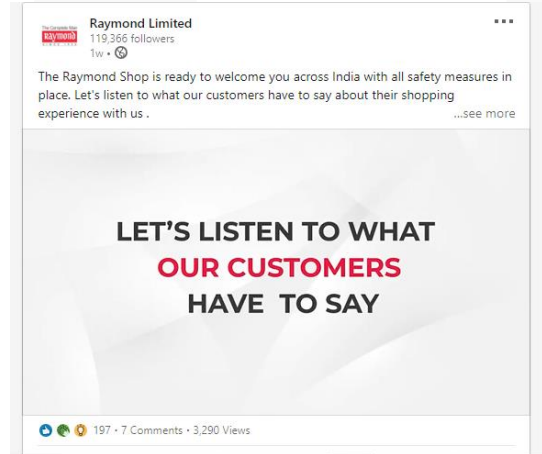


## Store opening communication



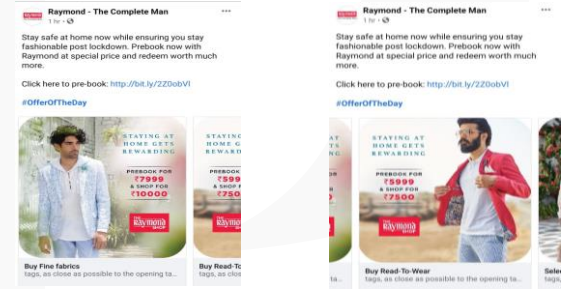
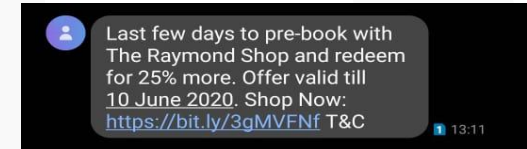
Direct SMS with video link

## Video campaign focusing on customer advocacy



Videos shared through LinkedIn and Facebook pages

## Pre-booking offer



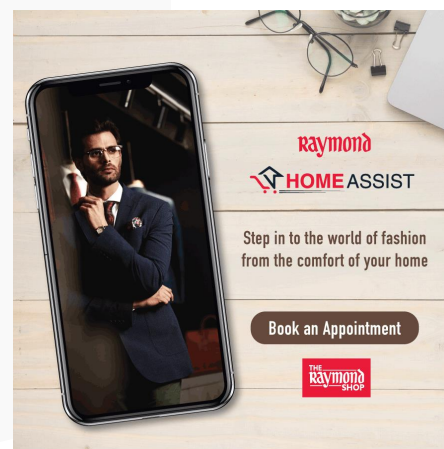
PAN India, through Member SMS, Facebook, Twitter, Instagram

## Concierge service



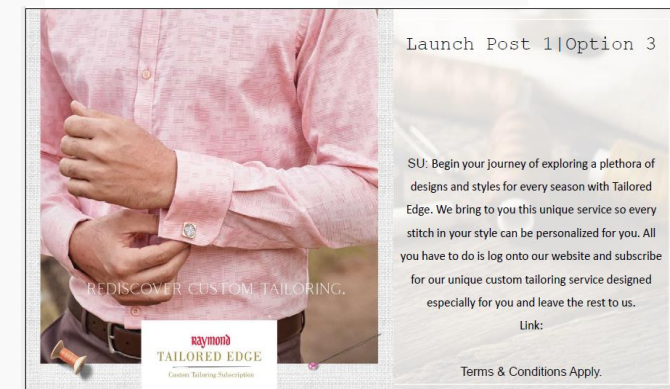
Facilitate customer to shop for tailored garment from comfort of home

## Virtual Shopping



Virtual shopping experience through WhatsApp or Zoom video call

## Tailored Edge



Tailoring Subscription program: customer can avail free tailoring benefits for designated period of time





# Financial Highlights

## Consolidated Results – Q4 and FY21

Particulars (INR Cr)	Q4FY21	Q3 FY21	Q4FY20	FY21	FY20
<b>Net Revenue</b>	<b>1,407</b>	<b>1,286</b>	<b>1,291</b>	<b>3,648</b>	<b>6,578</b>
Opex	408	334	551	1,320	2,207
<b>EBITDA</b>	<b>197</b>	<b>157</b>	<b>5</b>	<b>135</b>	<b>612</b>
<i>EBITDA margin</i>	<i>14.0%</i>	<i>12.2%</i>	<i>0.4%</i>	<i>3.7%</i>	<i>9.3%</i>
<b>PBT</b>	<b>65</b>	<b>12</b>	<b>(152)</b>	<b>(455)</b>	<b>(31)</b>
Taxes	(19)	(1)	56	161	43
Associate / JV / Minority	11	11	(10)	(3)	146
<b>Net Profit</b>	<b>56</b>	<b>22</b>	<b>(68)</b>	<b>(297)</b>	<b>196</b>

**Note:**

Net revenue includes Rs. 2.6 Cr in Q4FY21 and Rs. 46.7 Cr in FY21 recognized as Other Income, on account of "Covid-19 related rent concessions" applying the practical expedient basis the MCA notification dated 24th July 2020.

## Segment Results – Q4FY21

Post Ind AS 116 Particulars (INR Cr)	Revenue			EBITDA		EBITDA %	
	Q4FY21	Q4FY20	Y-o-Y%	Q4FY21	Q4FY20	Q4FY21	Q4FY20
Branded Textile	722	582	24%	163	98	22.6%	16.8%
Branded Apparel	175	289	-40%	-19	-88	-10.7%	-30.5%
Garmenting	126	181	-31%	-3	7	-2.3%	4.0%
High Value Cotton Shirting	133	119	12%	20	8	14.7%	7.0%
Tools and Hardware	120	79	53%	22	4	18.5%	4.6%
Auto Component	69	47	46%	15	8	21.3%	16.4%
Real Estate	54	38	43%	14	-6	25.4%	-14.9%
Others <sup>#</sup>	8	-44		-15	-26	-	57.8%
<b>Raymond Consolidated</b>	<b>1,407</b>	<b>1,291</b>	<b>9%</b>	<b>197</b>	<b>5</b>	<b>14.0%</b>	<b>0.4%</b>

<sup>#</sup> Others includes non scheduled airline operations, unallocated expenses, elimination and other income including rent concessions

## Segment Results – FY21

Post Ind AS 116 Particulars (INR Cr)	Revenue		EBITDA	
	FY21	FY20	FY21	FY20
Branded Textile	1,572	2,917	164	435
Branded Apparel	457	1,619	-125	29
Garmenting	549	843	19	33
High Value Cotton Shirting	258	622	4	85
Tools and Hardware	344	376	45	39
Auto Component	197	208	38	35
Real Estate	141	176	22	13
Others #	130	-182	-32	-58
<b>Raymond Consolidated</b>	<b>3,648</b>	<b>6,578</b>	<b>135</b>	<b>612</b>

# Others includes non scheduled airline operations, unallocated expenses, elimination and other income including rent concessions

## Balance Sheet & Performance Indicators

Particulars	Mar'21	Dec'20	Mar'20
Net Worth (Rs Cr)	<b>2,179</b>	2,109	2,464
Net Debt (Rs Cr)	<b>1,416</b>	1,583	1,859
Net Debt / Equity (X)	<b>0.65</b>	0.75	0.75

### Cash flow for FY21:

- Operating cash flow at Rs 702 Cr
- Free Cash Flow at Rs 417 Cr

**Liquidity position strengthened & Net debt reduction by Rs. 167 cr on a quarter on quarter basis driven by focused working capital management and cost rationalization**



Branded Textile

## Branded Textile

Particulars (Rs Cr)	Q4FY21	Q4FY20	% Var.	FY21	FY20	% Var.
Net Sales	722	582	24%	1,572	2,917	-46%
EBITDA	163	98		164	435	
<i>EBITDA margin</i>	22.6%	16.8%		10.4%	14.9%	

### Q4FY21

- **Branded Textile** topline growth driven by higher sales in the trade channels due to higher number of wedding dates foreseen in April-June quarter of current financial year – FY22
  - **Suiting** grew by 24% vs PY and **B2C Shirting** grew 40% vs PY, mainly led by good response for wedding collection bookings in February & March
  - **TRS**: Witnessed improvement in secondary sales – Q4 @ 89% vs 77% in Q3
  
- EBITDA margin improvement mainly driven by operational efficiencies



**END OF  
SEASON**  
*sale*

  
PARK AVENUE



Branded Apparel

## Branded Apparel

Particulars (Rs Cr)	Q4FY21	Q4FY20	% Var.	FY21	FY20	% Var.
Net Sales	175	289	-40%	457	1,619	-72%
EBITDA	-19	-88		-125	29	
<i>EBITDA margin</i>	-10.7%	-30.5%		-27.4%	1.8%	

### Q4FY21

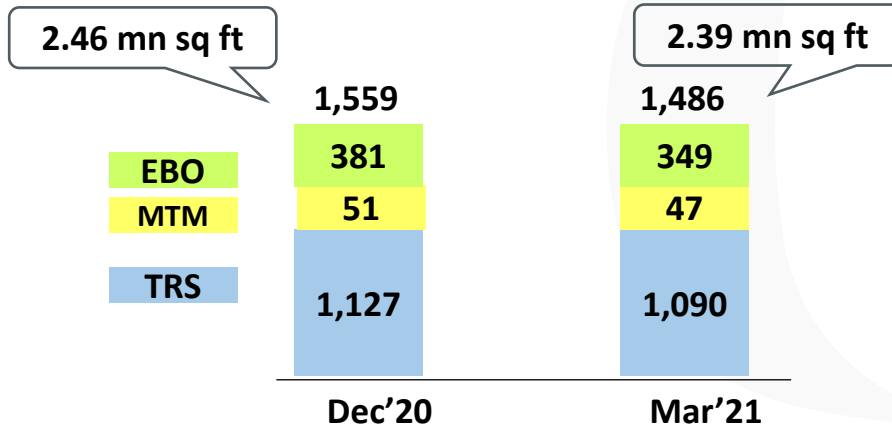
- **Branded Apparel** witnessed recovery in Q4 at 60% of PY levels
  - Performance lower due to continued control on primary channel sales to ensure adequate inventory in the supply chain
  
- EBITDA loss due to higher discounted sales and extended EOSS period



Retail Network



## Exclusive Retail Network & Current Status



### Q4 FY21

- Opened 7 stores during the quarter mainly in Tier III – VI towns
- Additionally, store rationalisation in progress to make the retail (mainly EBO) portfolio healthy
- Net store closure at 73 for Q4FY21 and 152 for FY21
- **TRS:** Consumer demand at 89% vs PY, led by recovery of 93% levels in Tier III-VI markets across the country in Q4FY21
- **EBO:** Recovery at 66% of previous year levels







Garmenting

## Garmenting

Particulars (Rs Cr)	Q4FY21	Q4FY20	% Var.	FY21	FY20	% Var.
Net Sales	126	181	-31%	549	843	-35%
EBITDA	-3	7		19	33	
<i>EBITDA margin</i>	-2.3%	4.0%		3.5%	3.9%	

### Q4FY21

- Topline contribution mainly from recovery in Bulk business with gradual opening up of global markets
- EBITDA margin impacted due to lower sales





High Value Cotton Shirting

## High Value Cotton Shirting

Particulars (Rs Cr)	Q4FY21	Q4FY20	% Var.	FY21	FY20	% Var.
Net Sales	133	119	12%	258	622	-59%
EBITDA	20	8		4	85	
<i>EBITDA margin</i>	14.7%	7.0%		1.6%	13.7%	

### Q4FY21

- Growth mainly driven by improvement in domestic fabric category and well supported by yarn sales
- EBITDA margin improved mainly due to higher sales and cost efficiencies

*The results shown above are for 100% operations and include minority interest*



Tools & Hardware



Auto Components

## Tools and Hardware

Particulars (Rs Cr)	Q4FY21	Q4FY20	% Var.	FY21	FY20	% Var.
Net Sales	120	79	53%	344	376	-8%
EBITDA	22	4		45	39	
<i>EBITDA margin</i>	18.5%	4.6%		13.0%	10.3%	

### Q4FY21

- Topline driven by growth across product categories in domestic markets and well support by exports in key markets of LATAM, Europe & Africa
- Margin improvement mainly led by cost optimization

*The results shown above are for 100% operations and include minority interest*



## Auto Components

Particulars (Rs Cr)	Q4FY21	Q4FY20	% Var.	FY21	FY20	% Var.
<b>Net Sales</b>	<b>69</b>	<b>47</b>	<b>46%</b>	<b>197</b>	<b>208</b>	<b>-5%</b>
<b>EBITDA</b>	<b>15</b>	<b>8</b>		<b>38</b>	<b>35</b>	
<i>EBITDA margin</i>	<i>21.3%</i>	<i>16.4%</i>		<i>19.3%</i>	<i>16.9%</i>	

### Q4FY21

- Topline led by strong growth in domestic as well as exports market
- EBITDA margin improvement led by improved product mix and optimized plant utilization

*The results shown above are for 100% operations and include minority interest*



**Raymond** | REALTY  
*Go Beyond*



## Raymond's maiden venture into Real Estate

### Project

- Overall 20 acres of residential development
  - Phase 1: ~14 acre of development

### Phase 1 - Project Details

- Total 10 towers with ~2.8 mn sq.ft of saleable area
- Total units planned for sale: 3,120 | **2BHK: 2,466; 1BHK: 654**

### Q4 Highlights

- **Maintains strong momentum in bookings** – 214 units in Q4 vs 179 in Q3
- **Cumulative bookings till Mar-21:** 1,387 units (455 in FY21 vs 932 in FY20)
- **Growth drivers in Q4:** Stamp duty reduction & lower home loan rate
- **Other Factors:** Launch of 2bhk unit with Balcony (Q3) & aggressive marketing campaign
- **Construction linked milestone:** Paid by majority of the customers (~90%)



# Construction Update – Current Status



- **Tower 1, 2 & 3:** 38<sup>th</sup> floor slab completed and **Tower 4:** 20<sup>th</sup> floor work in progress
- **Tower 5, 6, 7 & 8** – Ground floor and 1<sup>st</sup> floor slab work in progress
- **Tower 9:** Excavation complete and **Tower 10:** Excavation work in progress

# Financial Update – KPI's



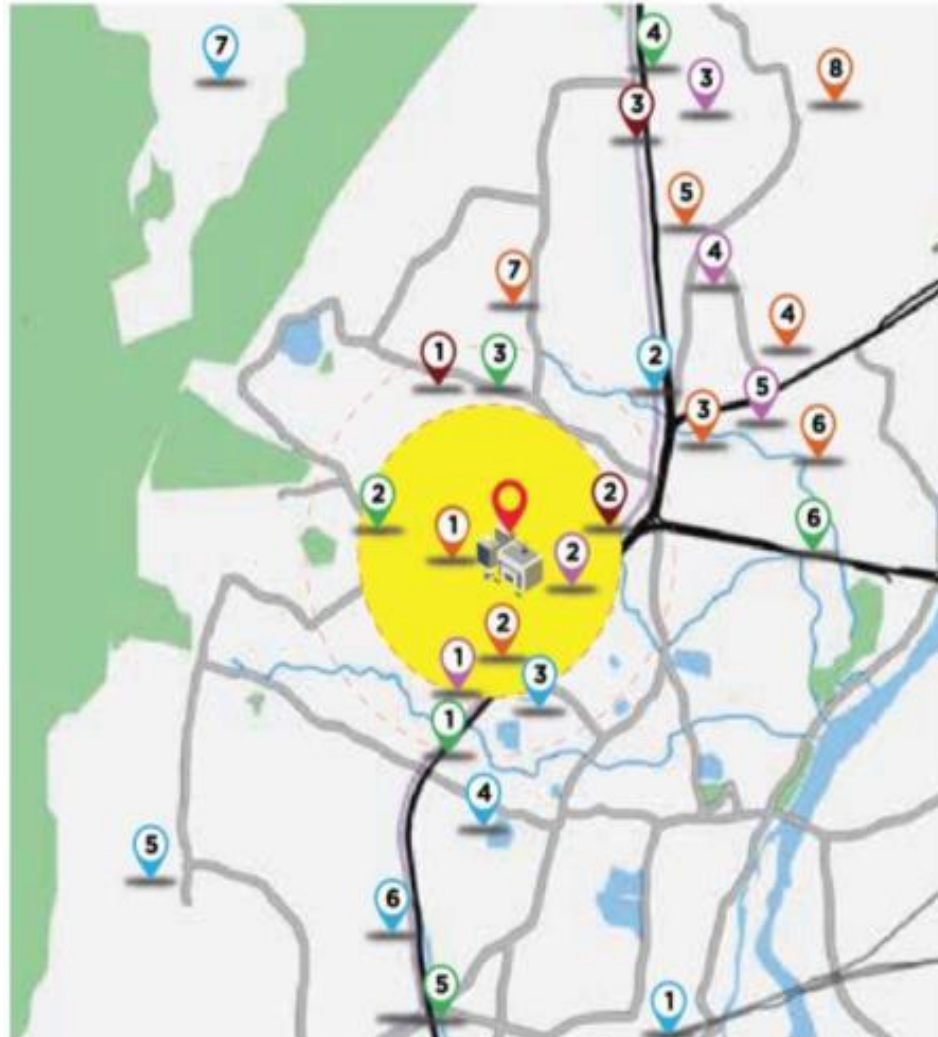
KPI's	FY 20	Q4FY21	FY21	Till Mar-21
<b>Bookings:</b>				
No. of bookings	932	214	455	1,387
Area (mn sq. ft.)	0.8	0.2	0.38	1.18
Value of Bookings (Rs Cr)	925	203	399	1,324
Customers Collection (Rs Cr)	221	117	260	481

## P&L Snapshot

Particulars (Rs Cr)	FY20	Q4FY21	FY21
Revenue*	176	54	141
EBITDA	13	14	22
EBITDA %	7.3%	25.4%	15.6%

\*Revenue recognition based on percentage completion method based on Ind AS 115

# Excellent Connectivity & Eco-system



<p><b>HOSPITAL</b></p> <ol style="list-style-type: none"> <li>Bethany Hospital</li> <li>Jupiter Hospital</li> <li>Titan Hospital</li> </ol>	<p><b>ROAD</b></p> <ol style="list-style-type: none"> <li>Eastern Express Highway</li> <li>Pokhran Road 1</li> <li>Pokhran Road 2</li> <li>Ghodbunder Road</li> <li>Teenhath Naka</li> <li>Mumbai - Nashik Highway</li> </ol>												
<p><b>HIGH STREET - SHOPPING</b></p> <ol style="list-style-type: none"> <li>Korum Mall</li> <li>Viviana Mall</li> <li>R Mall (Thane)</li> <li>D-Mart</li> <li>Big Bazaar</li> </ol>	<p><b>CONNECTIVITY</b></p> <ol style="list-style-type: none"> <li>Thane Station</li> <li>Upcoming Metro line 4</li> <li>Cadbury Junction</li> <li>Thane Municipal Corporation</li> <li>Passport Seva Kendra</li> <li>Thane RTO</li> <li>Yeoor Hills</li> </ol>												
<p><b>SCHOOLS</b></p> <ol style="list-style-type: none"> <li>Smt. Sunitidevi Singhania School</li> <li>Smt. Sulochanadevi Singhania School</li> <li>C.P. Goenka International School</li> <li>Holy Cross Convent High School</li> <li>Holy Trinity English High School</li> <li>Lodha World School</li> <li>Euro Kids</li> <li>Orchid International School</li> </ol>	<table border="1"> <tr> <td></td> <td>Highway</td> </tr> <tr> <td></td> <td>Road</td> </tr> <tr> <td></td> <td>Railway Line</td> </tr> <tr> <td></td> <td>Upcoming Metro</td> </tr> <tr> <td></td> <td>Water Body</td> </tr> <tr> <td></td> <td>Greenland / Park</td> </tr> </table>		Highway		Road		Railway Line		Upcoming Metro		Water Body		Greenland / Park
	Highway												
	Road												
	Railway Line												
	Upcoming Metro												
	Water Body												
	Greenland / Park												

# Co- Creators

**Architect  
Hafeez  
Contractor**  
*Master Architect*



EPICONS CONSULTANTS PVT. LTD

*Structural Consultant*



Faquih & Associates India  
ARCHITECTS

*Interior Designer*



*Construction Contractor*

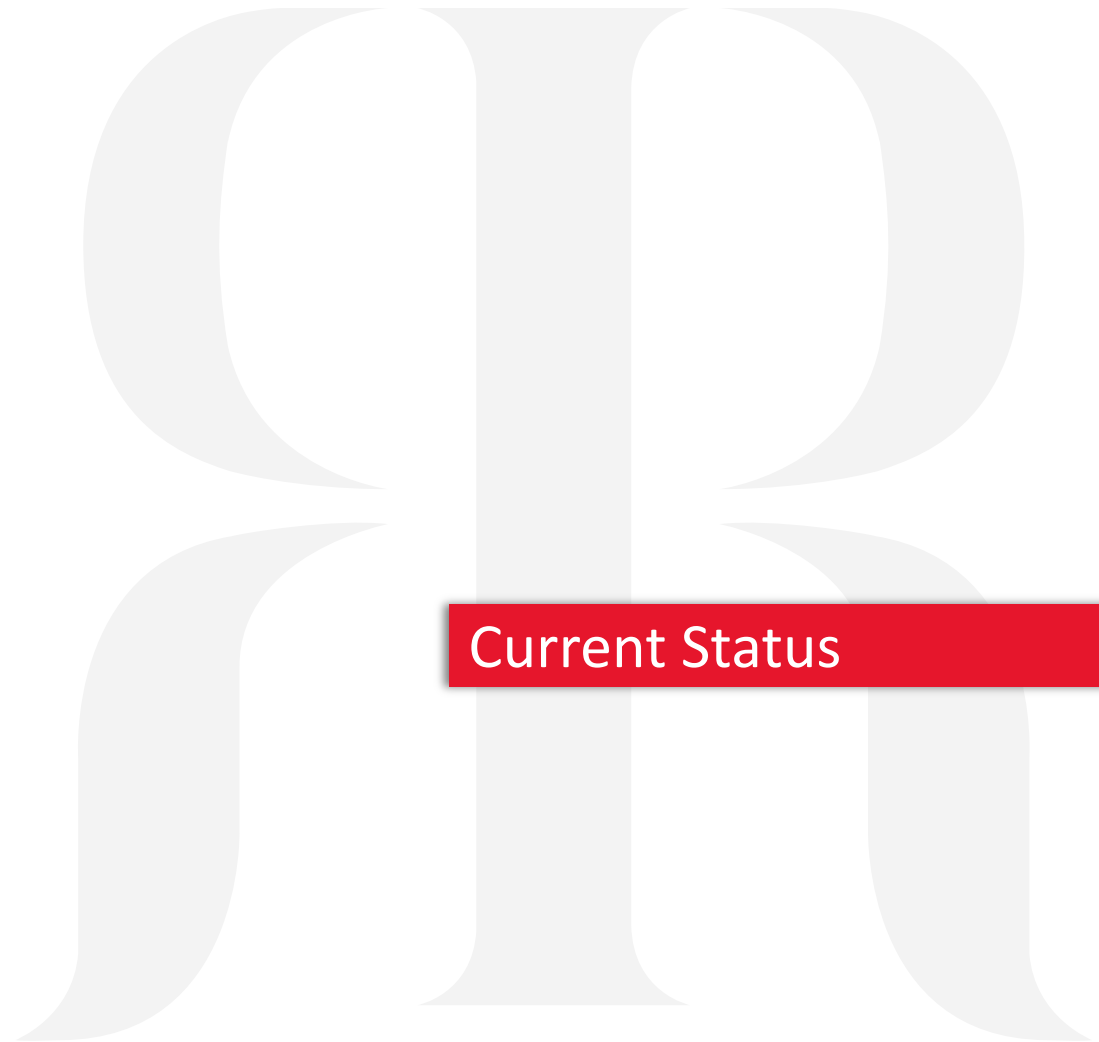
**cracknell**

*Landscape*



GODREJ & BOYCE

*Green Consultant*



Current Status

## Current Status of Operations

- Consumer sentiments are impacted due to the resurgence of Covid-19 pandemic and related imposition of local lockdowns, weekend curfews, store timing restrictions & night curfews, impacting our retail store operations
- Raymond launched wedding campaign in April supporting the improved pickup in primary sales on account of a good wedding season in Q1FY22. However, with an exponential rise in Covid-19 cases and restrictions in social gathering and weddings in several states, the secondary sales have been impacted in the month of April
- Additionally, digital / online sales are also impacted as the delivery of only essential items is permitted in lockdown impacted cities & towns
- From exports perspective, we are witnessing pickup in orders in garmenting segment as global markets are opening up
- Also, our Engineering businesses of Tools and Hardware and Auto Components are witnessing stable demand and healthy order book
- Construction activity in our Real Estate business is in full swing in compliance with all the relevant guidelines

**Thank You**

[www.raymond.in](http://www.raymond.in)

