



**RESULTS PRESENTATION**  
**SEPTEMBER QUARTER 2011**

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# DISCLAIMER

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1. Statements in this “Presentation” describing the Company’s objectives, projections, estimates, expectations or predictions may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include global and Indian demand supply conditions, finished goods prices, input material availability and prices, cyclical demand and pricing in the Company’s principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent development, information or events, or otherwise.
2. Numbers mentioned in this note other than Raymond Ltd standalone results, including quarterly consolidated revenues and results and additional information including but not limited to retail sales and branded sales etc. have been compiled by the management and are being provided only by way of additional information. These are not to be construed as being provided under any legal or regulatory requirements. The accuracy of this information and the provisional quarterly consolidated numbers have neither been vetted nor approved by the Audit Committee and the Board of Directors of Raymond Ltd., nor have they been vetted or reviewed by the Auditors, and therefore may differ significantly from the actual. The Company assumes no responsibility for the use of information mentioned herein.
3. Previous years figures have been regrouped wherever necessary.

# HIGHLIGHTS

# HIGHLIGHTS

## “ Strong growth in profitability

Rs in crore	Q2 FY11	Q2 FY10	Y-o-Y%	HY1 FY11	HY1 FY10	Y-o-Y%
<u>Consolidated</u>						
Revenue	793	680	17%	1374	1172	17%
EBITDA	151	120	26%	205	162	27%
% to Revenue	19%	18%		15%	14%	
<u>Standalone</u>						
Revenue	395	399	-1%	636	633	0%
EBITDA	99	73	36%	109	88	24%
% to Revenue	25%	18%		17%	14%	
PAT	39	7	457%	14	(24)	NA
% to Revenue	10%	2%		2%	-4%	

## “ Market conditions and customer sentiments have remained buoyant

- Strong growth witnessed across categories, both in terms of volumes and average realisation during the quarter



# HIGHLIGHTS (contd...)

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- “ Suiting fabrics
  - Volume up by 9% and realisations up by 3% for the quarter
  - Margins improved during the quarter, despite higher raw material cost
  
- “ High value cotton shirting fabrics
  - Volume up by 23% and realisations up by 4%
  - Margins impacted on account of high cotton yarn prices
  
- “ Denim fabrics
  - Indian operations realisations up by 13%
  - Romania operations losses at EBITDA level have reduced
  
- “ Branded apparel business
  - Revenues up by 9% excluding Zapp! brand which is in the process of closure
  - EBITDA margins (excluding Zapp! brand ) at 18%

# HIGHLIGHTS (contd...)

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- “ Retail
  - 23 new stores opened in the quarter mainly in smaller towns and cities
  - 10% Like to Like sales growth of company operated stores
- “ Garmenting business margins impacted due to higher costs
- “ Auto component business
  - Sales up by 61%
  - EBITDA up by 73%
- “ Files & Tools business has performed well backed by volume and realisation growth in the domestic market
  - Margins impacted due to adverse exchange rate



# CONSOLIDATED RESULTS

Rs Crore

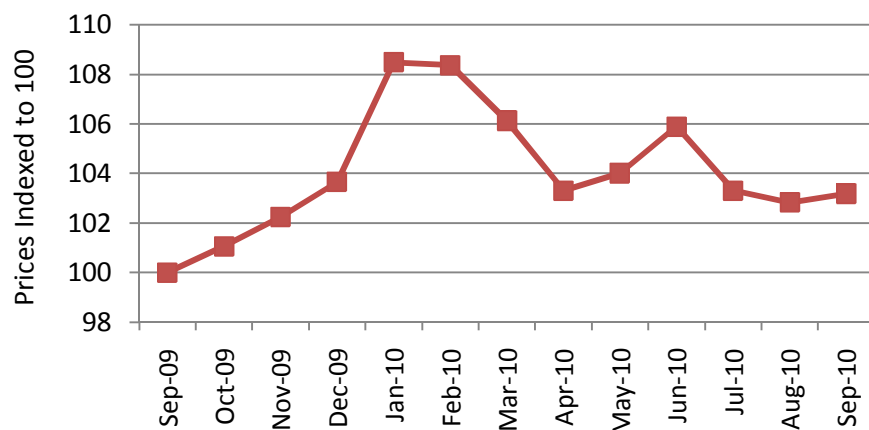
Segment Revenues	Q2FY11	Q2FY10	Y-o-Y %
Textiles	432	376	15%
Apparel	174	163	7%
Garment	37	38	-2%
Files	67	62	9%
Denim	79	65	21%
Auto Components	27	17	62%
Others	2	2	-
<b>Total</b>	<b>818</b>	<b>721</b>	<b>13%</b>
Elimination	(25)	(41)	38%
<b>Consolidated revenues</b>	<b>793</b>	<b>680</b>	<b>17%</b>
<b>Consolidated EBITDA*</b>	<b>151</b>	<b>120</b>	<b>26%</b>
<b>EBITDA %</b>	<b>19%</b>	<b>18%</b>	
*before Exceptional items			

# **BUSINESS WISE PERFORMANCE**

# TEXTILES DIVISION

## (Segment of Raymond Ltd.)

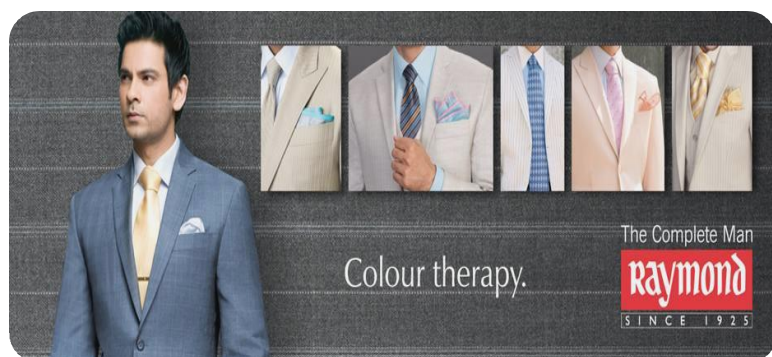
AWOLRIE Wool Price Index



Wool index Prices are higher by 3% Y-o-Y

Rs. in crs.	Q2FY11	Q2FY10	Y-o-Y
Segment Sales	393	345	14%
Segment EBIT % to sales	90 23%	63 18%	44%

- “ Have witnessed sales growth as well as margin improvement in the business
- “ Domestic market demand continues to be buoyant
  - Volume up by 9%
  - Realisation up by 3%
- “ Installation of captive power plant at Vapi is underway, expected to be commissioned end Q4FY2011



Park Avenue

parx

MANZONI

THE Raymond SHOP

ColorPlus

SHIRTS & MORE  
A RAYMOND INITIATIVE

NECKTIES & MORE  
A RAYMOND INITIATIVE

# VRS SETTLEMENT

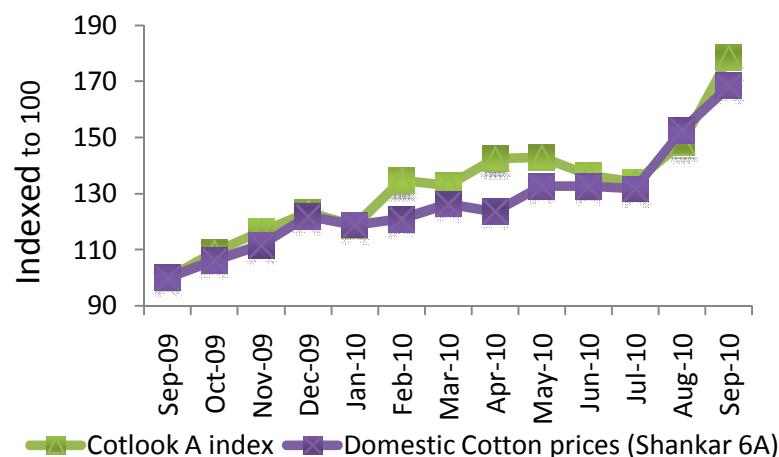
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- The high costs had made the Thane factory operations unviable, therefore the company had discontinued its manufacturing operations in the Thane Plant and had also announced a VRS package for the workers.
- Agreements signed with recognised union on 22nd October, 2010
- Total VRS package amounts to approx. Rs 260 crore of which Rs 150 crore is payable immediately and balance of Rs 110 crore is payable in three years
- Out of 1885 workers, as on 25<sup>th</sup> October, 2010 over 93% have accepted the VRS package

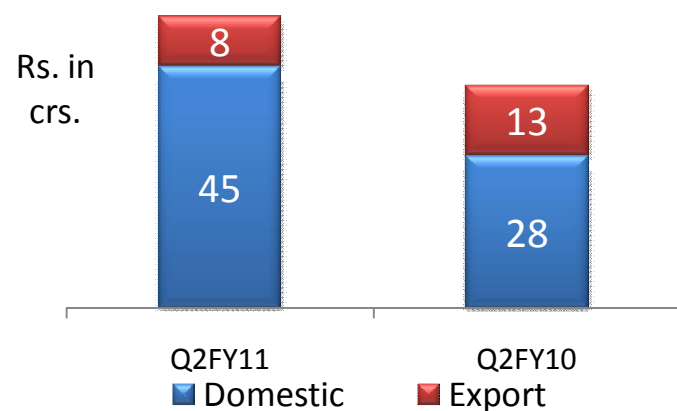
# SHIRTING FABRIC

## (Raymond Zambaiti JV)

**Cotton Price Trend**



International cotton prices higher by 78%, while domestic cotton prices are higher by 68% on Y-o-Y basis



The results shown below are for the entire Joint Venture.  
Raymond's share is only 50%.

Rs. in crs.	Q2FY11	Q2FY10	Y-o-Y
Net Sales	53	42	26%
EBITDA	10	10	4%
% of sales	19%	23%	

- Market conditions remain buoyant
  - volume growth of 23% driven by surge in domestic demand
  - realization growth of 4%
- Margins impacted due to higher cotton yarn prices
- Healthy order book position, bottom wear fabrics have also been well received
- Capacity expansion from the present 11.5 million meters to 21.6 million meters is underway, expect to commence production by Q4FY11

## WOOLLEN OUTERWEAR FABRIC (Raymond Woollen Outerwear Ltd)

Rs. in crs.	Q2FY11	Q2FY10	Y-o-Y
Net Sales	13	10	33%
EBITDA % of sales	0 NA	1 10%	-

- Increase in sales backed by higher volumes and realisations
- Higher costs of raw material impacted margins

## GARMENTING BUSINESS (Silver Spark and Celebrations)

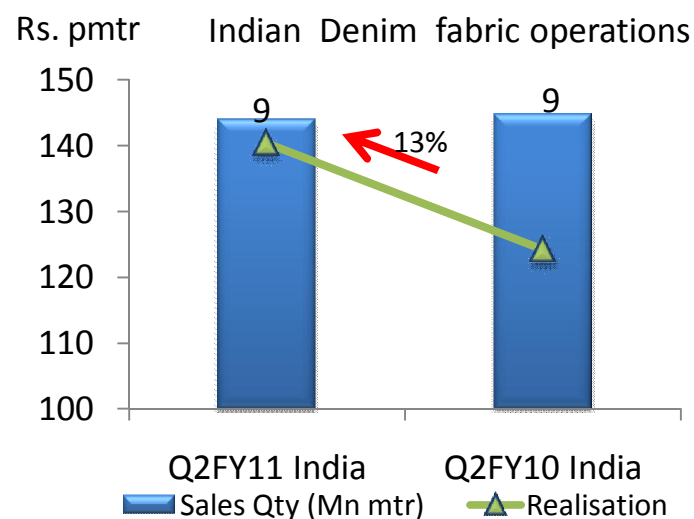
Rs. in crs.	Q2FY11	Q2FY10	Y-o-Y
Net Sales	36	36	NA
EBITDA % of sales	4 12%	6 16%	(23%)

- Volume growth witnessed in export market specially for trousers.
- Margins impacted due to higher operational costs
- Emerging as specialised player in Suit business



# DENIM BUSINESS

## (Raymond UCO Denim-JV)



The results shown below are of the entire JV. Raymond's share is 50%

Rs. in crs.	Indian operations			Romania operations		
	Q2FY11	Q2FY10	Y-o-Y	Q2FY11	Q2FY10	Y-o-Y
Net Sales	146	122	20%	11	10	4%
EBITDA	19	17	9%	(3)	(5)	NA
% of sales	13%	14%		NA	NA	

- Domestic denim market buoyant
- Indian operations sales backed by 13% realisation growth in fabrics.
- Increased denim garmenting capacity by 4 lac pieces p.a.
- Margins impacted due to higher cotton prices
- Romania operations losses have reduced

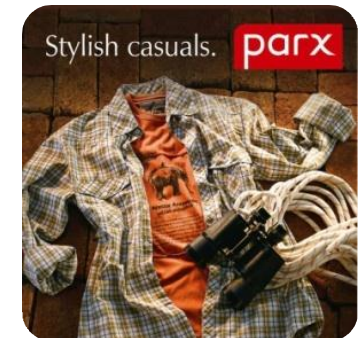
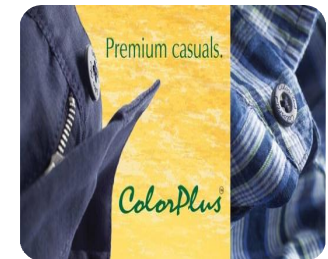
# BRANDED APPAREL BUSINESS (Raymond Apparel and Colorplus)



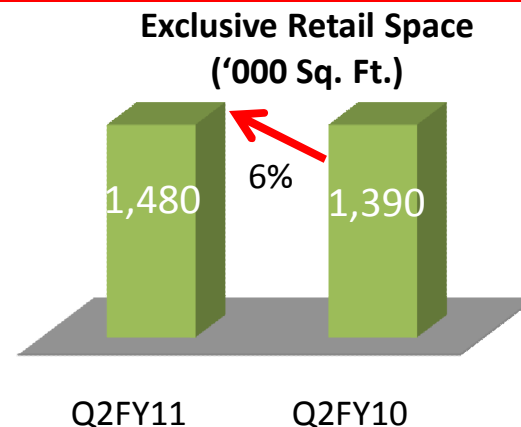
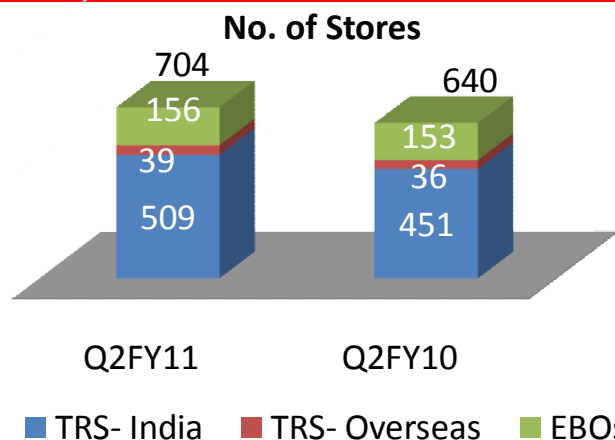
Rs. in crs.	Q2FY11	Q2FY10	Y-o-Y
Net Sales	174	164	6%
EBITDA* % of sales	24 13%	24 15%	(4%)

\*Before exceptional items

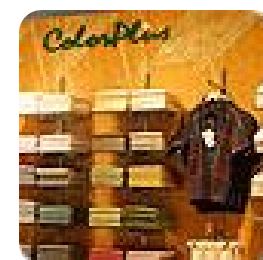
- Sales and EBITDA excluding Zapp! is up 9% at Rs 171 crore and Rs 28 crore respectively
- Zapp! closure costs impacted profitability
- Overall consumer sentiment has been on an uptick
- ColorPlus performance has improved in the quarter



# RETAIL NETWORK



- During the quarter, added 23 stores with 26,435 square feet of retail space, closed 2 unviable stores
- The strategy of penetrating in smaller towns and cities has been very well received
- Like to like sales growth of company stores is 10% for the quarter
- Going forward, our retail thrust into smaller towns and cities continues



# FILES & TOOLS BUSINESS

Rs. in crs.	Q2FY11	Q2FY10	Y-o-Y
Net Sales	59	51	16%
EBITDA % of sales	7 12%	7 14%	(6%)

- Domestic market has witnessed healthy volume and realisation growth for files as well as drills
- Volumes for the quarter
  - Files up by 19%
  - Drills up by 25%
- Margins have been impacted due to adverse exchange rates



# AUTO COMPONENTS (Ring Plus Aqua Ltd)

Rs. in crs.	Q2FY11	Q2FY10	Y-o-Y
Net Sales	28	17	61%
EBITDA <i>% of sales</i>	5 19%	3 17%	73%



- Surge in sales and profitability during the quarter backed by volume and realisation growth in ring gears
  - Ring Gear- Volume up 40%, realisations up 37%
- Shaft bearings witnessed volume growth of 10%



# **WAY FORWARD**

# WAY FORWARD

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- “ Focus on profitable growth of core businesses and capitalise on the upbeat consumer sentiment
- “ Continue rapid expansion of the ‘TRS’ network in Tier 3/4/5 cities and towns.
- “ Implementation of capacity expansion of cotton shirting fabric business from the current 11.5 million meters p.a to 21.6 million metres p.a.

# FINANCIAL RESULTS

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER / HALF YEAR ENDED SEPTEMBER 30, 2010					
(Rs in lacs)					
Second Quarter Ended		Particulars	Six Months Ended		Previous Year Ended (Audited)
30.09.10	30.09.09		30.09.10	30.09.09	31.03.10
		<b>INCOME</b>			
39486	40082	Gross Sales/Income from Operations	63579	63770	133937
-	228	Less: Excise Duty	-	440	440
39486	39854	Net sales / Income from Operations	63579	63330	133497
367	360	Other Operating Income	700	878	1946
39853	40214	<b>Total</b>	64279	64208	135443
		<b>EXPENDITURE</b>			
(41)	1927	a) (Increase) / Decrease in stock- in- trade	(4597)	(1794)	6391
9535	8618	b) Consumption of materials	17460	16195	30818
2111	2538	c) Purchase of traded goods	3486	4447	7463
6659	7021	d) Staff cost	13345	13760	25454
2557	2814	e) Depreciation and Amortisation	5100	5510	11131
6723	7147	f) Other Manufacturing & Operating Expenses	12403	12844	24649
1366	1437	g) Advertisement	3601	3204	6479
5615	5381	h) Other expenditure	10268	10028	20691
-	-	i) Finished & process stocks transferred on divestment of business	-	-	(1793)
34525	36883	<b>Total</b>	61066	64194	131283
<b>5328</b>	<b>3331</b>	<b>Profit/(Loss) from Operations before (Loss)/Gain on Variation in foreign exchange rates (net) , Other Income, Interest and Exceptional Items</b>	<b>3213</b>	<b>14</b>	<b>4160</b>
261	(39)	(Loss)/Gain on variation in foreign exchange rates (net)	(265)	444	897
<b>5589</b>	<b>3292</b>	<b>Profit/(Loss) from Operations before Other Income, Interest and Exceptional items</b>	<b>2948</b>	<b>458</b>	<b>5057</b>
1734	1188	Other Income (Net)	2862	2822	5139
<b>7323</b>	<b>4480</b>	<b>Profit/(Loss) before Interest and Exceptional items</b>	<b>5810</b>	<b>3280</b>	<b>10196</b>
2253	2277	Interest - expense- (Net)	4354	4592	8439
<b>5070</b>	<b>2203</b>	<b>Profit/(Loss) before tax and exceptional items</b>	<b>1456</b>	<b>(1312)</b>	<b>1757</b>
(13)	(1518)	Exceptional items - (Net)	(200)	(2014)	117
<b>5057</b>	<b>685</b>	<b>Profit/(Loss) before tax</b>	<b>1256</b>	<b>(3326)</b>	<b>1874</b>
1642	(58)	Provision for Taxation	329	(909)	(632)
<b>3415</b>	<b>743</b>	<b>Net Profit/(Loss) after tax</b>	<b>927</b>	<b>(2417)</b>	<b>2506</b>
503	-	Tax in respect of earlier years	503	-	-
<b>3918</b>	<b>743</b>	<b>Net Profit/(Loss)</b>	<b>1430</b>	<b>(2417)</b>	<b>2506</b>

# Segment wise Revenue, Results and Capital Employed

Particulars	(Rs. In lacs)				
	Quarter ended 30.09.10	Quarter ended 30.09.09	Six months ended 30.09.10	Six months ended 30.09.09	Year ended 31.03.10 (Audited)
<b>Segment Revenue ( Sales and income from Services )</b>					
- Textile	39266	34479	63095	52985	122293
- Files and Tools	-	5026	-	9652	9652
- Others	220	349	484	693	1552
Total Segment Revenue	39486	39854	63579	63330	133497
<b>Segment Results Profit / (Loss) before interest and tax</b>					
- Textile	9039	6289	9557	5543	17054
- Files and Tools	-	731	-	1318	1318
- Others	(439)	(821)	(707)	(1271)	(2470)
Total Segment Results	8600	6199	8850	5590	15902
Less : Interest (Expense) / Income	(2253)	(2277)	(4354)	(4592)	(8439)
Add / (Less) : Unallocable Income / (Expense) - Net	(1277)	(1719)	(3040)	(2310)	(5706)
Add / (Less) : Exceptional items - Net	(13)	(1518)	(200)	(2014)	117
Total Profit/(Loss) before tax	5057	685	1256	(3326)	1874
<b>Capital Employed (Segment assets less Segment liabilities)</b>					
- Textile			120774	121912	112551
- Files and Tools			-	3953	-
- Others			8093	9414	8571
Total Capital Employed in segments			128867	135279	121122
Add : Unallocable assets less liabilities			(10146)	(22911)	(3831)
Total Capital Employed in the Company			118721	112368	117291

Summarised Balance Sheet (Rs in Lacs)		
Particulars	Half Year Ended 30.09.10	Half Year Ended 30.09.09
	Unaudited	Unaudited
<b>SOURCES OF FUNDS:</b>		
Shareholders' Funds:		
Share Capital	6,138	6,138
Reserves and Surplus	1,12,583	1,06,230
	1,18,721	1,12,368
Loan Funds	1,30,403	1,32,660
Deferred Tax Liability (Net)	2,384	1,878
<b>Total</b>	<b>2,51,508</b>	<b>2,46,906</b>
<b>APPLICATION OF FUNDS:</b>		
Fixed Assets	96,490	1,04,049
Investments	87,449	74,615
<b>Current Assets, Loans and Advances:</b>		
Inventories	35,155	36,214
Sundry Debtors	33,891	32,992
Cash and Bank Balances	1,655	5,852
Other Current Assets	5,987	5,122
Loans and Advances	27,748	30,996
	1,04,436	1,11,176
Less:		
<b>Current Liabilities and Provisions:</b>		
Current Liabilities	30,053	35,976
Provisions	6,814	6,958
	36,867	42,934
Net Current Assets	67,569	68,242
<b>Total</b>	<b>2,51,508</b>	<b>2,46,906</b>

# RETAIL EXPANSION

Some of the newly opened stores during the current quarter.....



Tambavaram  
(Tamil Nadu)



Pollachi  
(Tamil Nadu)



Yeola  
(Maharashtra)

**THANK YOU**  
THANK YOU