



LIFESTYLE LIMITED

(Formerly known as
Raymond Consumer Care Limited)



RLL/SE/25-26/38

August 13, 2025

To

The Department of Corporate Services - CRD
BSE Limited
P.J. Towers, Dalal Street
Mumbai - 400 001
Scrip Code: 544240

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Bandra-Kurla Complex
Bandra (East), Mumbai - 400 051
Symbol: RAYMONDSL

Dear Sir/Madam,

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") – Conference Call Transcript

Please find enclosed transcript of the conference call held on August 07, 2025, with respect to the financial results of Raymond Lifestyle Limited for the quarter ended June 30, 2025.

The transcript has also been uploaded on the Company's website (www.raymondlifestyle.com)

This is for your information and records.

Thanking you,

Yours faithfully,
For **Raymond Lifestyle Limited**

Priti Alkari
Company Secretary

Encl as above



Corporate Office
JEKEGRAM
Pokhran Road No. 1,
Thane (West) - 400 606,
Maharashtra, India.
Phone: +91 2261527000
Website: www.raymondlifestyle.com

Registered Office
Plot G-35 and G-36,
MIDC Waluj, Taluka Gangapur,
Chhatrapati Sambhajnagar - 431 136,
Maharashtra, India.
CIN No: L74999MH2018PLC316288

Head Office
New Hind House,
Narottam Morarjee Marg,
Ballard Estate, Mumbai – 400 001,
Maharashtra, India.
Phone: +91 2240349999



“Raymond Lifestyle Limited Q1 FY-26 Earnings Conference Call”

August 07, 2025



MANAGEMENT: **MR. S. L. POKHARNA – PRESIDENT, CORPORATE
COMMERCIAL, RAYMOND LIFESTYLE LIMITED**
**MR. AMIT AGARWAL – GROUP CHIEF FINANCIAL
OFFICER, RAYMOND LIFESTYLE LIMITED**
**MR. JATIN KHANNA – HEAD (CORPORATE
DEVELOPMENT), RAYMOND LIFESTYLE LIMITED**
**MR. SUNNY DESA – HEAD (INVESTOR RELATIONS),
RAYMOND LIFESTYLE LIMITED**

MODERATORS: **ABHIJEET KUNDU – ANTIQUE STOCK BROKING
LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Raymond Lifestyle Limited Q1 FY26 Earnings Conference Call hosted by Antique Stock Broking Limited.

As a reminder, all participants' lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Abhijeet Kundu from Antique Stock Broking. Thank you and over to you, sir.

Abhijeet Kundu: Thank you, Aarti. On behalf of Antique Stock Broking, I would like to welcome all the participants in the Q1 FY26 Conference Call of Raymond Lifestyle Limited.

Today, we have with us from Senior Management of Raymond Lifestyle Limited, Mr. S. L. Pokharna, who is President (Corporate Commercial), Mr. Amit Agarwal – Group CFO, Mr. Jatin Khanna – Head (Corporate Development) and Mr. Sunny Desa – Head (Investor Relations). Without taking further time, I would like to hand over the call to Mr. Amit Agarwal. Over to you.

Amit Agarwal: Thank you, Abhijeet. Good evening, everyone. As we celebrate our centenary year, we are pleased to have you join for our 1st Quarter Fiscal '26 Results Conference Call.

We trust you have had the chance to review our 'Financial Results' and the 'Investor Presentation', both of which are available on the stock exchanges and on our Company Website.

Moving ahead, it is essential to consider the broader, macroeconomic landscape that has influenced our performance and strategic decisions. The global environment remains volatile with geopolitical tensions and shifting trade policies leading to uncertainty for exporters. Despite these challenges, India continues to demonstrate resilience with GDP growth expected to hold at 6.5% for the Fiscal '26. However, consumer spending continues to remain tepid this quarter, impacted by high inflation and cautious CAPEX as households focus on essentials over discretionary purchases.

Furthermore, Fiscal '26 began under a cloud of uncertainty, particularly around the US tariffs, which is likely to persist. However, on the trade front, the newly signed India-UK Free Trade Agreement marks a significant milestone. By offering zero-duty access to 99% of Indian exports, it unlocks vast potential for textile exporters, especially in categories like ready-made garments. While realigning supply chains to fully capitalize on this opportunity will take time, the long-term outlook looks very promising. While we remain optimistic, we are also maintaining a cautious stance due to global macroeconomic uncertainties. Overall, India stands at a unique

inflection point poised to navigate global disruptions and emerge stronger, supported by sound policies, strategic trade alliances, and a resilient domestic market.

Now, I want to talk about the 'Performance Highlights':

Raymond Lifestyle Limited reported a highest Q1 performance in the seasonally weakest quarter of the year, with a total income of Rs. 1,475 crores, a year-on-year growth of 18%, mainly driven by improved business performance in the Branded Textile and Branded Apparel segment led by volume growth. Our EBITDA stood at Rs. 122 crores in the 1st Quarter of Fiscal '26, with an EBITDA margin of 8.2%, reflecting a growth of 36% year-on-year on account of higher sales due to higher volumes, improved product mix, and operating leverage.

Let me brief you about our various segments:

The Branded Textile segment revenue grew significantly by 27% to Rs. 716 crores in the 1st Quarter of Fiscal '26, as compared to Rs. 565 crores in the 1st Quarter of Fiscal '25, mainly on account of higher wedding dates leading to robust volume growth and increased consumer awareness as compared to previous year. Almost doubled our EBITDA to Rs. 103 crores in the 1st Quarter of Fiscal '26, as compared to Rs. 54 crores in the 1st Quarter of Fiscal '25, with EBITDA margins at 14.3% in the 1st Quarter of this year compared to 9.6% in the last year.

On account of improved product mix and volume growth, a landmark moment in our centenary year was the launch of the Chairman's Collection and FX in the Indian men's wear space. Meticulously crafted using premium fabrics such as Giza and Supima cottons, this limited-edition line stands as a bold expression of intent, which reflects Raymond's commitment to championing India's heritage of craftsmanship while redefining luxury. Furthermore, in a strategic move to elevate its offering, the brand has launched drape coat in premium wool-rich blends, Super 120's and 140's, introduced Lenella and all wool jacketing range under Exotic Collection. It also launched Urban Flare 'Super 100' and Aldano 'Super 90' at very attractive price points. Additionally, Linear Legacy, an AI-inspired high-fashion line, was unveiled to showcase cutting-edge design and innovation.

Now let me talk about the Branded Apparel segment, where the revenue stood at Rs.370 crores in the 1st Quarter of Fiscal '26, as compared to Rs. 303 crores in the same quarter last year, which reflects a growth of 22% year-on-year basis. The growth was witnessed across all brands and key channels such as EBOs, MBOs and online. The segment reported an EBITDA of Rs. 19 crores in the 1st Quarter of Fiscal '26, as compared to Rs. 15 crores in the 1st Quarter of Fiscal '25, with an EBITDA margin of 5% in 1st Quarter '26, on account of improved visibility due to increased marketing spend.

Our focus on operational efficiency led to optimising our retail network as we exited 35 underperforming stores during this quarter. We will continue this optimisation drive in the

coming quarters to ensure our retail footprint delivers long-term sustainable profitable growth. As of 30th June 2025, our store count stood at 1,675 stores vis-a-vis 1,540 stores on 30th June 2024, a net increase of 135 stores. The recently opened stores are expected to take some more time to reach to full maturity. Ethnix by Raymond now operates a robust network of 140 stores across India. During the quarter, we opened 6 new stores while 18 underperforming stores were closed. We are also introducing the new Smart Ethnix collection, an eclectic brand of fusion silhouettes featuring short kurtas, bandis, trousers and crafted with a contemporary design language.

Now let me talk about the Garmenting segment:

During the quarter, the revenue reported was Rs. 197 crores in the 1st Quarter as compared to Rs. 252 crores in the same quarter previous year, impacted by uncertainty on account of US tariff announcements. The EBITDA for the quarter was loss of Rs. 8 crores compared to Rs. 9 crores profit in the last year, 1st Quarter 2025. While the EBITDA margin was at (- 3.9%) in this quarter, impacted on account of scale de-leverage. The repeated imposition of new tariffs by the US continues to create uncertainty. This approach is widely seen not as a consistent economic policy, but rather as a tactical manoeuvre to gain leverage in ongoing trade negotiations. The lack of stable trade stance makes it extremely difficult for Indian businesses to plan effectively adding a considerable layer of complexity to the India-US trade relationship. However, the recently signed India-UK FTA unlocked zero-duty access for the 99% of Indian exports, including textiles and apparels. This represents a major growth opportunity, especially in the labour-intensive categories like Garmenting. However, realigning supply chain to fully leverage this agreement will require time and strategic coordination, particularly for small manufacturers and exporters.

Now, let me talk about the high-value Cotton Shirting segment, which reported a revenue of Rs. 205 crores in the 1st Quarter of Fiscal '26 as compared to Rs.186 crores in the 1st Quarter of 2025, a 10% year-on-year growth on account of strong demand from our B2B customers for our cotton and linen fabric shirting offerings. The segment reported an EBITDA of Rs. 20 crores in the 1st Quarter of Fiscal '26 as compared to Rs. 10 crores in the last year, with an EBITDA margin of 9.5% in this quarter. The growth was predominantly on account of higher sales and improved productivity.

Now, let me talk about the balance sheet, where the Company has a net debt of Rs. 55 crores as of 30th June 2025. The net working capital stood at 90 days in June '25 compared to 83 days in June '24. This sequential increase was mainly due to inventory build-up for the upcoming festive and wedding season. We remain focused on optimizing our net purchasing capital on a continuous basis. Looking ahead on the outlook, we anticipate Fiscal '26 to mark a strong recovery phase supported by a promising start in the forward bookings for the Autumn-Winter '26 collection both in fabric as well as apparel business. With dealer restocking underway and

retail expansion continuing, the business is well positioned to ride the wave of improving sentiment and urban consumption. Now, we have opened the call for questions.

Moderator: Thank you, sir. We will now begin the question-and-answer session. The first question is from the line of Mr. Shreyansh Talesara from Equentis Wealth Advisors. Please go ahead, sir.

Shreyansh Talesara: Congratulations on a good set of numbers, sir.

Amit Agarwal: Thank you.

Shreyansh Talesara: Just a couple of questions. So, you mentioned within the ethnic wear segment, we have opened 6 stores and shut down 18 new stores. So, just wanted to understand what is the age of these stores that we have shut down and what were the reasons that these stores were being shut down on? And the second question is, how is the post-Q1 response been for us like, how has July month been for us in terms of various segments?

Amit Agarwal: Thanks. I think, look, fundamentally, what we are doing at this juncture is relooking the entire portfolio of all the retail stores which are there, because at the end of the day, if the store and when you open a good number of stores, you will find some of the stores are not doing well, in spite of putting all the efforts. So, I think we have done a very calibrated approach, thereby and it is across the country. It is not one particular region. So, we have identified some of the stores which have not done very well, and we do not believe that it has also the possibility to do well going forward and that is why we have closed these stores. Now, the second point was the Q1 response. Now, July, you all know, is traditionally a weaker month because of practically nothing happens. There is no wedding. There is no event which drives the consumer to buy. However, because of certain things which we changed, you must have seen in newspapers, our good policy on garment exchange program, which did exceedingly well compared to the last year. We have seen a very, very big growth in the numbers of products which came to us, and the people got stitched. Similarly, even if I look at it at the April, the end of season sales, I think we have seen and especially because that TRS, I know the numbers and the EBOs I know the numbers, I think there also we have seen a double digit, and that is secondary sales. The reason for this, secondary sales have grown in a double digit compared to last year. The reason for this is very simple. We brought in some of the new products which we talked about on the fabric side. Secondly, even on the apparel side, I think the uniqueness which we brought and the way we communicated to the market across the branded suitings, shirtings, as well as apparel has led to the consumer come into our stores and buy the product. I think we are quite—should I say—satisfied with the July performance.

S.L. Pokharna: I would also like to add certain points. When we started this garment exchange program and in a big way, the participation from the stores was about 900 stores participated. That is one, but we got about 55,000 new customers in the store, which was a very-very strong footfall came to the stores and we hope to build it up on that. Also, it helped the inventory liquidation in a big

way in the stores. The response for which is, we are getting very good response in the next season booking. Winter booking is getting stronger and stronger.

Shreyansh Talesara: Got it. Very clear. Just a follow up on the ethnix wear side, the answer that you gave, is it because of the demand concern within the region or is it something like consolidation that is happening within the stores that you have done, or what sort of calibration are we doing there or is it just because of the poor response?

Amit Agarwal: I think primarily it is the poor response because sometimes the markets, suddenly a wedding market shifts from a location A, 100 meters down the road, there is a new shift of the wedding market, 200 meters. I think those are some of the reasons. And then some things we need to see that is it really appropriate to have in a city like that, which is a smaller city, where people like to buy a local boutique product and not a branded product. I think there is a combination, and we are not doing just one level. We have a seven-pointer scale in which we measure the metrics, and then we decide on continuing or closure of a store.

Shreyansh Talesara: Got it. Thank you. I will follow up on that.

Moderator: Thank you. The next question is from the line of Mr. Chetan from Systematix Group. Please go ahead.

Chetan: Thank you for the opportunity. My question is on a store rationalization strategy. So, we have closed around 35 underperforming stores this quarter, and 18 were of Ethnix. Can you highlight which other specific brand stores were closed? And is there any specific brands which are not performing well currently?

Amit Agarwal: Actually, you see, it is not that one is not performing, the other is performing. It is basically, as I said for the Ethnix in the previous question's response, that we have created a metrics by which if these things do not come forward and they have seen the whole cycle, the winter cycle, the summer cycle, for example, apparel, even the end-of-season phase, pre-end-of-season phase, it should have seen. And then all those parameters we have seen and then we have decided. And it was known, it was not that we are deciding just we have to close, we are closing. And it is equally distributed, if I look at it over our four brands, that how many stores we closed for Raymond Ready to Wear or Park Avenue. So broadly, equitably, we have closed the stores.

Chetan: And are we shifting towards a smaller or larger store format or like focusing more on multi-brand expansion ahead?

Amit Agarwal: Actually, this is very unique with Raymond, our apparel business, that I have got actually three or four typical channels working for me. We have the TRS, which if you see practically in the industry, not many would have this kind of a channel. And the spread is to the tune of more than 1,000 stores over 600 cities, which sell our apparel. So that gives you the reach very well. Then

you have the LFS, which everybody has, EBOs, which we have, they have. So, I think the uniqueness comes from us, from this side. And the third thing is the MBO, which you talked about. But we believe there has to be a right balance between an EBO and what you call MBO. Because TRS is as good as an EBO, because the customer comes in to buy fabric, customer comes in to buy apparel and the cross-selling happens. It's a very unique opportunity which we are able to provide to consumers. That somebody wants to buy a shirt and get a trouser stitched, he has the capability or vice versa. So that is a very unique model which we have through the TRS. And some of the policy changes which we have done for the TRS also helped us to grow and penetrate. And we are seeing very clearly, as Mr. Pokharna pointed out, that the growth, we have just started the booking for the autumn-winter for the apparel. And we have already seen a good double-digit growth in the apparel booking for the autumn-winter as well.

Chetan: Thank you. And just one last question on garmenting. Have you received any formal commitments or volume indications from any UK-based clients that post this FTA?

Amit Agarwal: It is just not possible that from today to tomorrow. It is a cycle of 8-10 months. And now what happens is, in the process of 8-10 months, the people have come. I can't tell you the name, but in the last four days, two large, what you call, customers have come who have already started to look at our facilities, who were not considering coming to India primarily because of a price reason. Now they have started to look at it. And it is a journey and that is why I am saying, next 12-15 months you have to give this journey and then you would start seeing translation of orders.

Chetan: Thank you.

Moderator: Thank you. The next question is from the line of Ms. Deepali Kumar from Arihant Capital Markets Limited. Please go ahead, ma'am.

Deepali Kumar: Thanks for the opportunity. Like I have a question with exterior demand in B2B segment. So how do you see growth in the institutional segment going ahead and are these orders one-time or do they repeat regularly?

Amit Agarwal: I think your voice has been very feeble. If I understood your question, you are saying institutional market. Is that a correct understanding?

Deepali Kumar: Yes sir, B2B demand.

Amit Agarwal: So B2B demand, actually you see, there is this demand coming for the fabric business. Primarily, we are seeing there is a traction because we have been able to innovate some of the products, designs, which are liked by the B2B players. And that is why we have got an increase in this quarter. And this journey we are on and we are seeing to continue for the next few quarters because that has become a change in terms of the designing capability, which we have brought in. And that is going to help us to grow our volume. And as I said earlier in my script also that

this quarter is characterized by a good volume growth. And that is, once you have a volume growth, it has an ability to take the share. And the reason why I say this, we all have been impacted, especially in the MBOs for the suitings, that some of the Italian products or some of the foreign products, imported products were in the counters, which we have been able to replace with our products. And I think that is a fundamental shift which has happened, which is becoming a stronger base for us.

Deepali Kumar:

What is your FY26 CAPEX budget? Have you planned any priorities for that?

Amit Agarwal:

As we say always that we are not doing anything major going forward as a large business of manufacturing all the suiting, shirting, and the garmenting business. We intend to put anything between Rs. 175 to 200 crores of CAPEX, of which let's say 55%-60% is a maintenance CAPEX. I think Rs. 40-45 crores will go into the garmenting, which is the expansion of the line, which we talked about earlier. That is continuing expansion in Andhra Pradesh and balance is little bit on the IT side. We are upgrading some of the IT tools, our ERP system and such things.

Deepali Kumar:

And like your working capital days increased to 90 from 83, which is mainly due to garmenting. So, is this expected to normalize after the festive season?

Amit Agarwal:

Yes, absolutely. And this is a cycle which we follow every year that it gets normalized. What you are saying is right. In this particular quarter, you have seen a little increase compared to the last year. The reason being simple. As I said, the garmenting, because in the garmenting, which is an export business, some of the businesses, we could not deliver because of the uncertainty which was hanging around. And first it was 9th of July. So, people were very apprehensive and only at the end of the month, they said, no, it will get shifted to August. And I think that is something which did not enable us to ship it out, which we have been able to ship out in the month of July and that inventory sat on our books. But the other part of the inventory, which we always do and we want to do that positively is to prepare for the festive and the wedding season. And actually, when we produce our units full and that operating efficiency and operating leverage kicks in and that has also yielded support in improving the profitability of the business.

Deepali Kumar:

Can you give guidance, segment wise guidance for upcoming 2 or 3 years and also the margin?

Amit Agarwal:

We show that margin. In any case, if you look at it in our paper, we show the margin what we have achieved. And broadly, if you see, the 1st Quarter margin is not reflective for the whole year. If I look at it over the year, I think the Branded Textile business will be in that range of around the 20% which we have talked about all along. And our target, considering that apparel, I think what you can look is our 2-3 year paper that we have been hovering around these margins because in apparel business, there is a significant investment going on in terms of ramping up the stores, opening more MBOs doors, LFS. And I think that is business which is in the build phase because it includes also the—what should I say—ethnix, innerwear, sleepwear. So, this is the build phase. As far as high value Cotton Shirting, you see consistently they deliver a certain

margin. And the garmenting business, it is largely dependent upon the volume because you have a large workforce who works there. Once the order is pushed out, shipped out, then you get the operating leverage, which is also in the range of 7%-8%-9% margin.

Deepali Kumar: So, we can expect this margin for the whole year?

Amit Agarwal: This margin means?

Deepali Kumar: Like the margin which came for Q1, so we can expect this margin for the whole FY26?

Amit Agarwal: No. I think you can expect a better margin than, you can see significantly better margin from the 1st Quarter. Because 1st Quarter, I would give you and I am not giving you a guidance, the past trend tells that the 1st Quarter is anything between 17%-18%-19%-20% of the total yearly revenue. And the fixed cost remains the same. The incremental revenue gives you an operating leverage which improves your EBITDA margin dramatically going forward for Q2, Q3, and Q4.

Deepali Kumar: Thank you so much.

Moderator: The next question is from the line of Madhavendra Kumar, an individual investor. Please go ahead.

Madhvendra Kumar: I have a question. As per the presentation, our garmenting business was impacted due to US tariffs, due to uncertainty. But then again, it says that garmenting business is seeing higher order book and will return to growth. So, how are we planning to do that, given that the tariff is now at 50% and so much uncertainty?

Amit Agarwal: I think it's a very good point and glad that you asked this question. Because when the problem becomes so large, then the solution comes. Not that I can, had it been a 5%-7% tariff, no, people would say something you share, something will be shared by the retailer in the US. But when it is 50%, nobody has an ability to share. The only thing is if this continues, what will happen is eventually the US consumer will pay and will have the impact. However, in my opinion, if I look at the current trend, which is the way, every second day you get a new version out of White House. Third, we know that the second tariff increase, which he has put of 25%, he has delayed till 27th of August. Now, the reason why it is delayed till 27th of August, because he is sending a team into India to have a negotiation. Third, that we all know there is a discussion on that there would be a call between Russia, Ukraine and US to find a ceasefire. And you have seen the reason why this 25 plus 25 has been put, because of the Russian oil and so on. I think it is a sort of a—what should I say—negotiation tactic being deployed by US to put pressure across the globe and in order to find some larger things like the Ukraine-Russia ceasefire and so on. I believe very strongly that these things may take a while to settle down, but it will settle down. It is for sure. And if you look at it, it is every day you are hearing a new news and who is being targeted is typically the BRICS nations. And if the BRICS nations are being targeted, the US

does not have the ability to have a consumption in that country without having an import of the various products coming out of the BRICS nations. So, very-very clear, we are very confident that we will see some settlement going to be there. But in any case, the overall larger business of ours, what is in export business for us in any case is 15%-17%. Of that 15%-17%, it is anything between 50%-55%. So, overall if you see, the US business is only 6.5%-7% of the total and of this 7%, 2.5%-3% is serviced by Ethiopia. We have a plant in Ethiopia and Ethiopia stands to be at the lowest tariff rate of 10%. So, I believe that there could be an opportunity coming to our way that our Ethiopian facility may have the ability to ramp up and produce more in order to service to that demand. So, all that put, I think over time, this will be a good solution for a country like India. And we are an integrated supplier; we are right from fabric to garmenting. And UK FTAs, we have also exports to UK, we have exports to Europe, we have exports to Japan. I think we have already put our teams in these countries in order to see, can get more orders to ramp up over the next period of time.

Madhvendra Kumar: How much UK contributes to our top line?

Amit Agarwal: UK, if I look at it, it contributes to the export garmenting revenue is around 15%.

Madhvendra Kumar: So, basically our export business comes from garmenting business, right?

Amit Agarwal: Yes. It is from that roughly Rs. 1,000-1,100 crores business of the garmenting. That is an export business and some fabrics we export, and we will continue to export the fabrics because it is getting stitched either in Bangladesh, Vietnam and so on so forth, Cambodia. So, that will continue because those guys are already sitting with a 20% duty.

Madhvendra Kumar: In garmenting, how much comes from India?

Amit Agarwal: Garmenting, nothing comes from India. I mean, we don't say 2%-4% but 90%. Because that unit is meant for export.

Madhvendra Kumar: As you said that we will, we are seeing better demand in Indian market. So, we going to post better performance, revenue growth, profitability and margin in coming quarters?

Amit Agarwal: Definitely, 2026 will be a much stronger and a better year compared to 2025.

Madhvendra Kumar: Thank you so much.

Moderator: Thank you. The next question is from the line of Mr. Ujjwal Lal, from an individual investor. Please go ahead.

Ujjwal Lal: Thank you for the opportunity. So, what I understand from the annual report is that last year in the Branded Textile segment, B2C shirting is what de-grew by 20% in volume. So, any steps

that we have taken to correct this this year and like what exactly impacted charting more heavily last year?

Amit Agarwal:

So, you are right. The entire Branded Textile business, we had an impact. There were two or three factors. There was a continued weak demand. And why weak demand because the inflationary pressure was one, very-very high. Second thing, the interest rates were high and there was the election last year. There was a lot of, what should I say, economic activity was not at a pace. Now, there is, I am not saying it has changed dramatically. It has started to improve. We all know that as per the Finance Tax Bill, Income Tax Amendment, there is this 1 lakh crores which has been given in the hands of the people. The inflation has come down, softened. Third thing, if I look at the interest rates have softened. The people paying their EMIs have come off. And therefore, there is a higher disposable income. And we stand in a discretionary category. So, that is one external factor. Second thing, what is an internally, which we are doing differently, is that we have provided the product at a price point, which are very-very attractive to the consumer. And we are communicating it well about the unique features of the product. And especially if I talk about the shirting, as well as in the apparel business, we all are moving as a country more towards casualization. So, more and more casualization and at the same breath, premiumization is also happening, which is helping us to grow. As simple, if you look at it, 22% revenue growth we have delivered in the apparel segment. We have seen 27% in Branded Textiles. It is all driven by volume growth. Because we are very clear that we want to provide a value to the customer so that he is more engaged with us, and he keeps benefiting. And as he buys more, I get the benefit. As I said earlier call, by higher scale, I get benefit, I get a scale leverage. And that is what was missing last year. We had a scale de-leverage. And that is why the profitability was impacted. And you see this year, very clearly, we grew 17% revenue growth, but 36% EBITDA growth. So, you can imagine that how the scale makes a difference in the profitability.

Ujjwal Lal:

Yes, that helps. And another question was that on the senior management side, are we looking for a new CEO and CFO for the lifestyle business externally and when can we expect some progress on that?

Amit Agarwal:

Yes. So, very clearly, the board and the NRC committee is working on it hard. But at the end of the day, the Company has got very efficient people in terms of chief business officers of each of the respective businesses who are managing, who have been in the business for some time. They have a good ability to manage all these businesses. And there is a lot of group support, which is also available for the business. So, to that extent, it is clearly one path is to identify the individual for filling these positions. And at the same breath, without any compromise, we are working on with the management team what is available for the business.

Ujjwal Lal:

And another question was on the ethnix side. So, I understand that you have rationalized our growth. And last year, we crossed Rs. 100 crores revenue. So, when can we expect to break even

or what is the current position on the EBITDA margin on the ethnix side of the business? Can we break even in this year or the next year at least?

Amit Agarwal:

Look, Ethnix is a business which is in the mode of investment. No brands get created overnight. It is a new line of business. We have a natural win possibility because we are the largest in the wedding. And it has been, suits have been worn. There won't be a wedding in India where a Raymond suit does not get come. So, to that extent, I have a natural extension. However, it takes a while. And the last year has been very muted even for the wedding. And what has also happened is increasingly the competition is there. And the competition is not only just from the organized sector. It is also that every city, you have got 4-5 what should I say, local boutique brands coming up. So, that also naturally being created. And therefore, your competition is not just for the organized players. Your competition is getting there. However, because we have a natural inclination for the wedding market, we have a right to win in this market. We continue to invest. And obviously, it will take longer than what we thought or what you say in this year. Because we were very clear in the plan that it would take 4-5 year journey in order to become a much more stronger and a sustainable business. And we are not going to rush into this, that I rush into a business, try to make it profitable. And then we have a challenge over the next 2-3 years. So, therefore, we want to do a slow and steady growth, but a more profitable and a sustainable growth.

Ujjwal Lal:

Thank you. That answers for my question. Best of luck for the full year.

Amit Agarwal:

Thank you.

Moderator:

Thank you. The next question in line is from Mr. Abhijeet Kundu from Antique Stock Broking. Please go ahead.

Abhijeet Kundu:

Congrats on a strong set of numbers, quite a bit of turnaround during the quarter. In Branded Textile, what was one of the key driving factors? I mean, because if wedding rates were higher during the quarter, then obviously, suitings must have done better. We had a plan sometime back that to scale up Branded Textile as a business, we will also focus on shirting. Because that was something where the penetration was relatively lower. Suitings, the penetration was relatively higher. So, what has happened during the quarter? I mean, suitings has driven growth and what are the plans with the shirting part? And secondly, you alluded to the fact that B2B played a big part in Branded Textile. So, how was B2B was one of the key drivers and what would be the contribution broadly? Because B2C would be a bigger part. So, firstly, some color on that.

Amit Agarwal:

No, I will tell you very clearly what you said. The growth is driven. You had a higher number of wedding days. But on the end of the day, it is just not the wedding day. It is also the product range which you present. And clearly, Branded Textile, as you rightly said, shirting is a big journey for us. And shirting, we grew significantly higher than suiting. Because suiting, I'm already a big leader in the market, enjoy a large share in the worsted market in the range of 60%-

65%. So, ability to grow in that segment, you can shift a mix, which we have done, because my core strength is a poly wool. I went and grew in that segment. But then the poly viscose and the others came a little lower, but we still definitely grew in the suiting. Now, if I talk about the shirting, which you rightly pointed out, I think we have grown almost 50% higher than what we have grown in suiting. And the reason being, which I alluded earlier, that it was the nice print, design, change in the blend, the linens are in big fashion. We brought a lot of different qualities, blends, silk linen, cotton linen, all these kinds of new ideas and casualization. Otherwise, we were considered in our shirting fabric, more a formal shirting Company. Now, we have changed to a good casualization piece also and that has led. Third thing, what we also did was advertise the product, that what is that coming into the market and how it is going to benefit. Similarly, putting a little bit of a technical edge, that it is a wrinkle-free, stain-free, and all these kinds of things, which attract the customers. Mr. Pokhrana, you want to add something?

S.L. Pokharna:

I would like to, good afternoon. Apart from whatever Amit just said, Raymond is a very, very strong brand. And, but we were missing out on certain product line and certain price points, which the advantage, which we were losing out in our multi-brand outlets because of price points not available. So, we did thorough research on it and identified that how do we grow on our market share. So, we definitely worked on it, introduced right products to right price points, and we have seen a double-digit growth in multi-brand outlets, double-digit growth across the board. Similarly, in shirting also, we created products which met the demand of customers. So, all these actions put together has brought us volume growth and value growth, both. We continue to focus on these sides as our strength is poly-wool fabrics. So, we are working on it so that we protect our market share in big way and grow continuously on that.

Amit Agarwal:

And as we mentioned, the substitution of the imported into the MBOs. You will be amazed, Abhijeet, that in the MBOs, some of the shelf space, which we had was there maybe 7-8 years back, we got back those shelf spaces. And the MBO revenue alone for us, I should not be going out, but since you asked the question, I have grown my MBO volume by 50%.

Amit Agarwal:

So, that kind of a transformation we have seen in this quarter. And which will continue, once the product is of mine, he will sell then, and he will replace mine only.

Abhijeet Kundu:

And on the Branded Apparel side again, which are the brands that have done well or any brand that stood out or it was a very broad-based performance.

Amit Agarwal:

I think it was broad-based, but I think if I take, and these are relatively 2%-3% growth plus minus compared to the other brands. I think if I look at it, the Park Avenue and RR did extremely well. And now I think the ColorPlus, because we have revamped the entire range of ColorPlus in a very different manner, connecting to the young, young means mid-30s kind of people, which was going to mid-40s and 50s people, that we are trying to bring a range for catering to the demand for the mid-30s people. And I think that we have seen, we are just running right now a trade show for the apparel bookings. And there is a very good appreciation coming from the

customers on the ColorPlus, as well as the whole Park Avenue has brought in new technical fabrics. I think sweat-free, this free, that free, and which is again very attractive to the market. Because people want to see some of the new development, wear nice, comfortable. And I think these are some of the big changes which we want to do. And the casualization, I think very important is the casualization, which we are seeing.

Abhijeet Kundu: How much would be the casual percentage, broad percentage of the overall offering now and how much of the growth has come from that?

Amit Agarwal: I think still our casual range would be in the range of 20%-22% of the total product line in the apparel segment. I am talking in the RR and TA, but what happens is, TP is entirely casual, and Parx is also entirely casual. So, I think these are the two which I would say. But I think what has happened is the number of options which we are giving in these casual range is becoming wider, which attracts to the customer. And again, India is a very large country. So, what sells in North will not sell in South. I think accordingly, we have created a range which would do very well in North, which may not do very well in South, but we create a range for South. So, I think that is the combination and this will also help us in optimization of the inventory.

Abhijeet Kundu: Got it. And in terms of debt levels, what would be the net debt level now?

Amit Agarwal: Net debt 55 crores we have a debt, but again, it is an increase in the working capital by almost Rs. 110-115 crores. And some of the CAPEX, which we had not incurred in the past, we have incurred in this quarter as in the plant, some of the maintenance CAPEX had to be done. So, that has led to a net debt. Otherwise, on 31st March, we were sitting on a positive cash. And I think in the next two quarters, by December again, we will be sitting, because as I have told you earlier also, that the first and the second quarter is an inventory build and receivable build for the putting the product into the market to meet the festive demand as well as the wedding. And later on, in the second half of the year, the Company starts to get all the sale proceeds and everything, which helps to reduce the networking capital. And we are very confident, and you have seen that over the last 4-5 years, we have been able to bring down our networking capital dramatically. What used to be pre-COVID was much higher. We have a very focused, optimized approach and there is a very clear cadence how the networking capital is being managed.

Abhijeet Kundu: Great. And so, just the last one, in terms of consumer sentiment, we have seen that other companies also like who are into somewhere related to wedding. And during the quarter, good wedding season and otherwise also, you have seen a very strong recovery in performance. But in terms of overall consumer sentiment, how do you see it? In the sense that, is there the recovery has started happening and you would see continued improvement. Because you said that in the trade show that you have had, there has been quite a positive response. So, one, there is an internal factor which has worked in your favor. But how has been the external factor as a whole?

Amit Agarwal:

I will say external factor has improved. Can I say it is a great improvement? Answer is no. Still, people are playing a bit cautious to go out and buy. There is still a little bit of a question mark, shall I, shall I not? It is not the same as 2024 where there was a demand, everybody was rushing into the store to buy the stuff. So, it is not exactly similar. But can I say there is an improvement compared to last year to this year? Answer is yes. But not to a great extent. But what we are focused on, look, markets are markets. I can't change the market. So, what I need to do is internally what is all the levers which I have, I need to utilize those levers in order to see how I can be, get a market share higher. As I gave you an example, sorry for the fifth time repetition that it was a hard call for us to get the imported fabrics out of the MBO and get back the shelf space. And I think that is something which we went out, drove this. We said you need a particular blend; we will give you a particular blend. You need a particular pricing. And it is not that I compromise my gross margin, otherwise my profitability would have been hit. So, we did not do that. Similarly, in the TRS for the apparel, we saw there was some bit of a policy tweaking was required in order to see that the sales or the stock of TRS gets liquidated, gets reduced. We said, okay we changed the policy. They reduced the stock. TRS will not go and buy from somebody else. He will come back and buy. And that we have clearly seen if I look at the bookings for the last 6-7 days, which are started on 31st of July to 7th of August, we are already seeing like to like anything between 20% to 25% growth. So, to that extent, these are cautious approach which we do. Third thing, I need to communicate. And I think we might have the greatest of the product because if Abhijeet does not know what product I have, how would Abhijeet come and buy my product? So, I have to communicate to Abhijeet that this is my product. Please come and see this. And I think these are fundamental shifts we have done and connect to the trade. I think that is also very important. It's still relationship based. We need to spend time with them, socialize with them and that has helped the business to grow.

S.L. Pokharna:

Abhijeet, I would like to add one more thing. As you are aware, Raymond is a very powerful domestic brand and it's an aspiration of the Indian people to wear Raymond. But we were outpriced on many product lines and products were not created for the mass people. So, they were getting out of reach. Accordingly, we focused on that upcoming consumer, and we created products for them to meet their aspiration to wear a Raymond cloth or a good quality fabric. So, we succeeded in that by putting up lines and as you have seen it in multi brand outlets, we grew by 50% or so. So, we continue to make these efforts to bring in new customers into it and meet their expectation and aspirations to wear the Raymond. So, that's a big success which we have got it into this year.

Abhijeet Kundu:

Got it. Thanks a lot for all your answers. That's it from my side.

Amit Agarwal:

Thank you.

Moderator:

Thank you. That was the last question for this session. I would now like to hand the conference over to Mr. Amit Agarwal for closing comments.

Amit Agarwal: Thank you very much and really appreciated the kind of interest shown and we look forward talking to all of you guys in the next quarter. Thank you.

Moderator: Thank you so much, sir. On behalf of Antique Stock Broking Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.