



CIN : L17117MH1925PLC001208

Registered Office: Plot No.156/H. No.2, Village Zadgaon, Ratnagiri 415 612, Maharashtra
Tel: 02352-232514, Fax: 02352-232513, Email: corp.secretarial@raymond.in, Website: www.raymond.in

NOTICE

90th ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE NINETIETH ANNUAL GENERAL MEETING OF THE MEMBERS OF RAYMOND LIMITED WILL BE HELD ON MONDAY, JUNE 8, 2015 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT PLOT NO.156/H.NO.2, VILLAGE ZADGAON, RATNAGIRI - 415 612, MAHARASHTRA TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

- To consider and adopt:
 - the Audited Financial Statements of the Company for the financial year ended March 31, 2015, the Reports of the Board of Directors and the Auditors thereon; and
 - the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2015.
- To declare dividend on Equity Shares.
- To appoint a Director in place of Shri H. Sunder (DIN 00020583), who retires by rotation and is eligible for re-appointment.
- To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139 to 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Messrs Dalal & Shah, Chartered Accountants, (Firm Registration Number 102021W), be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as agreed upon by the Board of Directors and the Auditors, in addition to the reimbursement of service tax and actual out-of-pocket expenses incurred in connection with the audit of accounts of the Company for the financial year ending March 31, 2016;

RESOLVED FURTHER THAT the Board of Directors of the Company and/or Shri Thomas Fernandes, Company Secretary be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

SPECIAL BUSINESS:

5. Approval of Cost Auditor's remuneration:

To consider and if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force),

Messrs R. Nanabhoy & Co., Cost Accountants, (Firm Registration Number 7464), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company's Textile manufacturing units at Vapi, Chhindwara and Jalgaon, be paid a remuneration, for the Financial Year ending March 31, 2016, amounting to ₹ 3,50,000 plus service tax as applicable and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit."

6. Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013:

To consider and if thought fit, to pass with or without modification(s), the following as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 5, 14 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), rules and regulations made thereunder, the enabling provisions of the memorandum and articles of association of the Company and subject to the requisite approvals, consents, permissions and/or sanctions as may be required, if any, the draft regulations contained in the Articles of Association submitted to this meeting and duly initialled be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company and/or Shri Thomas Fernandes, Company Secretary be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors

Registered Office:
Plot No. 156/H. No. 2,
Village Zadgaon,
Ratnagiri 415 612, Maharashtra

April 29, 2015
Mumbai

Notes:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person

or shareholder. Proxies in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting. A Proxy Form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business at Item Nos. 5 and 6 of the accompanying Notice are annexed hereto.
3. A statement giving the details of the Director seeking re-appointment under Item No.3 of the accompanying Notice, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges is annexed herewith.
4. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
5. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m. to 1.00 p.m. upto the date of this Annual General Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from May 29, 2015 to June 8, 2015 (both days inclusive), for determining the names of members eligible for dividend on Equity Shares, if declared at the Annual General Meeting.
7. The dividend on Equity Shares, if declared at the Annual General Meeting, will be payable on or after June 9, 2015 to those members:
 - (a) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/ Registrar and Transfer Agent on or before May 28, 2015; and
 - (b) whose names appear as Beneficial Owners in the list of Beneficial Owners on May 28, 2015 furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar/Company.
9. Pursuant to the provisions of Section 205C of the Companies Act, 1956 (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified), the Company has transferred on due dates, the unpaid or unclaimed dividend amount for the financial year ended March 31, 2007 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company

has uploaded the details of unpaid and unclaimed amounts lying with the Company on June 10, 2014 (date of the last Annual General Meeting) on the website of the Company (www.raymond.in), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in).

10. Electronic copy of the Annual Report for the year 2014-15 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) and have given their positive consent to receive the same through electronic means. Members other than above, physical copies of the Annual Report is being sent in the permitted mode.
11. Electronic copy of the Notice of the 90th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) and have given their positive consent to receive the same through electronic means. Members other than above, physical copies of the Notice of the 90th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
12. Members may also note that the Notice of the 90th Annual General Meeting and the Annual Report for 2015 will also be available on the Company's website www.raymond.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Ratnagiri for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send request to the Company's investor email id: corp.secretarial@raymond.in.
13. Voting through electronic means:

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 90th Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 90th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed Shri Ashish Bhatt, Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The instructions to members for voting electronically are as under:-

- (i) The voting period begins on Friday, June 5, 2015 at 10.00 a.m. and ends on Sunday, June 7, 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e.

June 1, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on June 7, 2015.

- (II) Members holding shares in physical or in demat form as on June 1, 2015 shall only be eligible for e-voting.
- (III) The shareholders should log on to the e-voting website www.evotingindia.com.
- (IV) Click on Shareholders.
- (V) Now Enter your User ID;
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (VI) Next enter the Image Verification as displayed and Click on Login.
- (VII) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (VIII) If you are a first time user follow the steps given below:

| | |
|-----------------------|--|
| | For Members holding shares in Demat Form and Physical Form |
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v). |

- (IX) After entering these details appropriately, click on "SUBMIT" tab.
- (X) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (XI) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (XII) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (XIII) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (XIV) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (XV) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (XVI) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (XVII) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (XVIII) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (XIX) Note for Non-Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity

should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (XX) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

ANNEXURE TO THE NOTICE OF THE NINETIETH ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of Messrs R. Nanabhoy & Co., Cost Accountants, to conduct the audit of the Cost records of the Company's Textile manufacturing units at Vapi, Chhindwara and Jalgaon for the financial year ending March 31, 2016.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year ending March 31, 2016, as set out in the Resolution for the aforesaid services to be rendered by them.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members.

Item No. 6

The existing Articles of Association ("Articles") of the Company are based on the Companies Act, 1956 and several regulations in the existing Articles contain reference to the Sections of the Companies Act, 1956. Some regulations in the existing Articles are no longer in conformity with the provisions of the Companies Act, 2013 ("Act").

With the enactment of the Companies Act, 2013, several regulations of the existing Articles of the Company require alteration and/or deletion. Given this position, it is considered expedient to wholly replace the existing Articles by a new set of Articles.

The draft Articles shall be open for inspection by the Members at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m to 1.00 p.m upto the date of this Annual General Meeting.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommend the Special Resolution set out at Item No.6 of the Notice for approval by the Members.

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT ENTERED WITH THE STOCK EXCHANGES:

| | |
|--|---|
| Name of the Director | Shri H. Sunder |
| Date of Birth | July 26, 1959 |
| Date of Appointment on the Board | July 29, 2011 |
| Qualifications | B.Com, ACA |
| Expertise | Finance, Taxation, Accounts, Strategy, Legal, Secretarial and General Corporate Management. |
| Directorship held in other Public Companies (excluding foreign, private and Section 8 companies) | 1. Celebrations Apparel Limited 2. Silver Spark Apparel Limited 3. Ring Plus Aqua Limited 4. JK Files (India) Limited 5. J.K. Helene Curtis Limited 6. J.K. Investo Trade (India) Limited 7. JK Ansell Limited |
| Chairmanships/Memberships of Committee across | Member – Audit Committee: Ring Plus Aqua Limited, Silver Spark Apparel Limited Member – Nomination and Remuneration Committee: Silver Spark Apparel Limited Member – Committee of Directors : Ring Plus Aqua Limited Member – Corporate Social Responsibility Committee: Ring Plus Aqua Limited, Silver Spark Apparel Limited |
| Shareholding of Director | Nil |
| Relationship between Directors inter-se | Nil |

By Order of the Board of Directors

Registered Office:
Plot No. 156/H. No.2,
Village Zadgaon,
Ratnagiri 415 612, Maharashtra

April 29, 2015
Mumbai

Thomas Fernandes
Director – Secretarial &
Company Secretary

A dense pattern of red, teardrop-shaped leaves or petals scattered across a light gray, textured background. The leaves are concentrated more towards the top and sides, leaving a clear rectangular area in the center for the logo.

raymond

1925
2015

YEARS

OF CELEBRATING THE
COMPLETE MAN

Annual Report | 2014-15



Annual Report | 2014-15



CHAIRMAN EMERITUS : DR. VIJAYPAT SINGHANIA

BOARD OF DIRECTORS

DR. VIJAYPAT SINGHANIA, Chairman Emeritus
GAUTAM HARI SINGHANIA, Chairman and Managing Director
SMT. NAWAZ GAUTAM SINGHANIA, Non-Executive Director
I. D. AGARWAL, Independent Director
NABANKUR GUPTA, Independent Director
PRADEEP GUHA, Independent Director
BOMAN IRANI, Independent Director
H. SUNDER, Whole-time Director

MANAGEMENT EXECUTIVES

GAUTAM HARI SINGHANIA, Chairman and Managing Director
H. SUNDER, President - Corporate Affairs, Whole-time Director
SANJAY BEHL, Chief Executive Officer - Lifestyle Business
K. A. NARAYAN, President - HR
S. L. POKHARNA, President - Commercial
ANIRUDDHA DESHMUKH, President - Textiles
M. SHIVKUMAR, President - Finance
GAURAV Y. MAHAJAN, President - Group Apparel

CHIEF FINANCIAL OFFICER

M. SHIVKUMAR

DIRECTOR - SECRETARIAL & COMPANY SECRETARY

THOMAS FERNANDES

BANKERS

BANK OF INDIA
BANK OF MAHARASHTRA
CENTRAL BANK OF INDIA
HDFC BANK LIMITED
IDBI BANK LIMITED
STATE BANK OF INDIA
STANDARD CHARTERED BANK
SYNDICATE BANK
AXIS BANK LIMITED

DEBENTURE TRUSTEE

AXIS TRUSTEE SERVICES LIMITED

AUDITORS

DALAL & SHAH
Chartered Accountants

INTERNAL & OPERATIONAL AUDITORS

MAHAJAN & AIBARA
Chartered Accountants

REGISTERED OFFICE

PLOT NO. 156/H. NO.2, VILLAGE ZADGAON
RATNAGIRI - 415 612, MAHARASHTRA

REGISTRAR & SHARE TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED
C-13, PANNALAL SILK MILLS COMPOUND, L.B.S. MARG
BHANDUP (WEST), MUMBAI - 400 078

CONTENTS:

Pages

| | |
|--|--------|
| Directors' Report & Management Discussion and Analysis | 2-20 |
| Corporate Governance Report | 21-34 |
| Standalone Financial Statements | |
| Auditors Report | 35-37 |
| Balance Sheet | 38 |
| Statement of Profit and Loss | 39 |
| Cash Flow Statement | 40 |
| Notes | 41-71 |
| Statement of Significant Accounting Policies and Practices | 72-74 |
| Consolidated Financial Statements | 75-102 |
| Details of Subsidiary/Associate/Joint Venture Companies | 103 |
| Ten-Year Highlights | 104 |

ANNUAL GENERAL MEETING

Date : June 8, 2015 at 11.00 a.m.
Venue: At the Registered Office

DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Members,

Your Directors are pleased to present the Ninetieth Annual Report together with the Audited Financial Statements for the year ended March 31, 2015. The Management Discussion and Analysis is also included in this Report.

1. CORPORATE OVERVIEW

Raymond Limited ("Your Company") is a leading Indian Textile and Branded Apparel Company, with interests in Engineering (Files, Power Tools, Auto Components) and FMCG sectors. The Group has its corporate headquarters at Mumbai.

2. OVERVIEW OF THE ECONOMY

As per the latest GDP growth estimates, Indian economy grew by 7.4% in FY15 compared to 6.9% in FY14, mostly driven by improved economic fundamentals and revision of GDP methodology calculation. Even inflation showed signs of moderation, a welcome sign - wholesale price and consumer price inflation declined to 4.2% and 7.4% respectively, compared with last year's 6.3% and 10.1%. Reduced inflation, falling crude oil prices, stable Rupee, improved purchasing power and consumer spending, higher capital inflows supported by the government policy reforms have already put India on an accelerating growth track and improved the business outlook.

The Government envisages GDP growth to accelerate to 8% in FY16 driven by strengthening macroeconomic fundamentals and implementation of policy reforms recently announced. Reforms like e-auctions of coal mines and telecom, FDI hike in insurance, speedier regulatory approvals etc. will be critical growth enablers to de-bottleneck stalled projects, improve the investment outlook and the ease of doing business in the country. Reforms currently underway such as GST implementation, Amendment on Land Acquisition Bill, Labour Reforms, etc. are expected to provide the requisite thrust for growth in the medium-term.

3. FINANCIAL PERFORMANCE

Amid optimism and rising business sentiments, your Company reported a top-line growth of 21% over the Previous Year. At Standalone level, the Gross Revenue from operations stood at ₹ 2645.47 crore compared with ₹ 2185.91 crore in the Previous Year. The Operating Profit before tax stood at ₹ 111.58 crore as against ₹ 64.61 crore in the Previous Year. The Net Profit for the year stood at ₹ 100.00 crore against ₹ 88.12 crore reported in the Previous Year.

The Consolidated Gross Revenue from operations for FY 2015 was placed at ₹ 5374.54 crore (Previous Year: ₹ 4593.74 crore), registering a growth of 17%. The Consolidated Operating Profit stood at ₹ 159.72 crore (Previous Year: ₹ 160 crore). The Consolidated Profit after tax stood at ₹ 112.81 crore (Previous Year: ₹ 107.63 crore).

4. DIVIDEND AND RESERVES

Your Directors recommend a dividend of 30% i.e. ₹ 3 per equity share of face value of ₹ 10 each aggregating to

₹ 18.41 crore (Previous Year: ₹ 12.28 crore). During the year under review, your Company transferred a sum of ₹ 43.75 crore to the Debenture Redemption Reserve (Previous Year: ₹ 45 crore).

During the year under review, no amount was transferred to General Reserve.

5. SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2015 stood at ₹ 61.38 crore. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2015, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

6. ANALYSIS AND REVIEW

Textile and Apparel Industry Conditions

The Textile and Apparel industry contributes around 6% to India's GDP, 11% to export earnings and is the second largest employer (~whopping 55 million people) after agriculture. The industry has shown continued growth with a potential to increase its global trade share from the current 4.5% to 8% (USD 80 Billion) in the next 5 years supported by a rich abundance of raw material, skilled labour and talent.

In FY 2015, the textile industry is estimated to have contributed USD 42 Billion (4%) to India's GDP, and 27% to the country's foreign exchange inflows.

Opportunities and Challenges

Being the second largest employer in India coupled with strong industry linkages with the rural economy augurs Indian textile industry as one of the most significant sectors with an incremental growth potential. Rural economy has seen a spurt in income levels the last few years and this is the right time to juxtapose their synergies to promote the industry's growth. Being one of the key focus sectors under the Government's 'Make in India' campaign is a testimony to the huge growth potential the industry holds, both in terms of infrastructure development and skill improvement. Globally, favourable trade policy reforms would also allow the industry to expand its trade partners, improve its export competitiveness and contribute substantially to the nation's income.

However, the growth prospects are constrained by many challenges including rising input costs (wages, power and interest costs), restrictive labour laws and intensified competition from other low cost countries like Bangladesh. Such issues need to be addressed to result in unlocking maximum industry growth potential.

Performance Highlights

During FY 2015, your Company's total Textile sales registered a growth of 24%; Net Revenue being ₹ 2538.66 crore as against ₹ 2051.29 crore in FY 2014. The increase in sales was led by volume growth in domestic and export market and deeper penetration of shirting fabric market.

Raw Material

Major raw material prices, namely Wool, Polyester Staple Fibre, Viscose Staple Fibre and Polymers were soft during the year, largely because of steady international prices and a stable Rupee. Multiple internal raw material cost saving initiatives have also helped in keeping costs in control.

Retail network presence

Your Company was judicious in its Retail expansion plans. The Retail network now covers a large number of Tier 4 and 5 cities. As on March 31, 2015 your Company had 1003 retail stores (including 43 overseas stores) across all formats. This includes TRS (The Raymond Shop), EBO (The Exclusive Brand Outlet) and Made-to-Measure (MTM).

7. FINANCE AND ACCOUNTS

In FY 2015, your Company had issued and allotted 10.20% - 750 Unsecured Redeemable Non-Convertible Debentures (NCD) Series G of ₹ 10,00,000/- each for cash at par aggregating to ₹ 75 crore on private placement basis. The aforesaid NCD Series is listed on Wholesale Debt Market (WDM) of National Stock Exchange of India Limited. During the year under review, 750 Unsecured Redeemable Non-Convertible Debentures (NCD) Series B of ₹ 10,00,000/- each were redeemed.

Your Company prepares its financial statements in compliance with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2015.

There is no audit qualification in the standalone or in the consolidated financial statements by the statutory auditors for the year under review.

8. PERFORMANCE OF SUBSIDIARY COMPANIES

Domestic subsidiaries

Raymond Apparel Limited

Raymond Apparel Limited brings to the customers the best of fabric and styling through some of India's most prestigious brands – Raymond Premium Apparel, Park Avenue and Parx.

The Gross Revenue of the company stood at ₹ 702.31 crore (Previous Year: ₹ 599.17 crore). Profit after tax for the year stood at ₹ 15.49 crore (Previous Year: ₹ 8.19 crore).

The commendable growth is driven by strong performance across all three Brands. Multiple strategic initiatives undertaken have helped to reduce input costs and improve design and quality, thus resulting in higher efficiency and effective supply chain management.

Colorplus Fashions Limited

This company operates as the ready-to-wear premium casual lifestyle brand for men under the 'Colorplus' brand.

The company's Gross Revenue for FY 2015 stood at ₹ 245.47 crore (Previous Year: ₹ 210.44 crore). The company made a loss of ₹ 12.70 crore (Previous Year: ₹ 6.01 crore).

Silver Spark Apparel Limited

The company has a quality overseas clientele, and the strong export order book led to a strong sales growth performance.

The Gross Revenue of the company for FY 2015 stood at ₹ 392.78 crore (Previous Year: ₹ 313.91 crore). The company had a profit after tax of ₹ 16.24 crore (Previous Year: ₹ 22.33 crore).

Celebrations Apparel Limited

This company has a state-of-the art manufacturing facility for formal shirts. The Gross Revenue of the company for FY 2015 was placed at ₹ 59.20 crore (Previous Year: ₹ 28.10 crore). The company incurred a loss of ₹ 0.87 crore (Previous Year: ₹ 0.46 crore).

Everbblue Apparel Limited

This company has a state-of-the art denim-wear facility offering seamless denim garmenting solutions. The Gross Revenue of the company for FY 2015 stood at ₹ 51.83 crore (Previous Year: ₹ 50.19 crore). The company earned a Profit after Tax of ₹ 0.72 crore (Previous Year: ₹ 0.73 crore).

Raymond Woollen Outerwear Limited

The Gross Revenue of the company for FY 2015 stood at ₹ 4.09 crore (Previous Year: ₹ 5.39 crore). During the year, the company had a profit of ₹ 0.06 crore (Previous Year: loss ₹ 0.27 crore).

JK Files (India) Limited

This company is the largest manufacturer of steel files in the world with a global market share of 30% in the files business. The company reported a Gross Revenue of ₹ 449.98 crore for the FY 2015 (Previous Year: ₹ 457.83 crore) with a loss of ₹ 2.49 crore (Previous Year: profit ₹ 4.42 crore). The loss was due to the adverse impact of low volume off-take in both domestic and export markets caused by weak economic conditions in the company's main markets, hence impacting the operating margins.

JK Talabot Limited

This company manufactures files and rasps at its plant at Chiplun in Ratnagiri District, in the State of Maharashtra. During FY 2015, the Gross Revenue of the company stood at ₹ 27.07 crore (Previous Year: ₹ 27.59 crore). The company reported a profit after tax of ₹ 0.93 crore during FY 2015 (Previous Year: ₹ 2.89 crore).

Scissors Engineering Products Limited

The company registered a loss of ₹ 0.01 crore during the year under review (Previous Year: Loss of ₹ 0.004 crore).

Ring Plus Aqua Limited

This company manufactures high quality automotive components and supplies to the domestic markets as well as to Europe, North America and Latin America.

The Gross Revenue of the company stood at ₹ 221.25 crore (Previous Year: ₹ 235.28 crore). During the year under review, the company made loss of ₹ 12.29 crore (Previous Year: Profit ₹ 2.83 crore). In FY 2015, the challenging business environment in the Auto sector, both in the domestic and export market was responsible for the downturn in performance.

During the year under review, the company received the Bombay High Court order sanctioning the scheme of amalgamation of the company with erstwhile Trinity India Limited. The appointed date was April 1, 2013. Accordingly, the financial statement of this Company include the operations of both the Ring Gear Bearing and Forging Division.

Pashmina Holdings Limited

The company made a profit after tax of ₹ 0.57 crore in FY 2015 (Previous Year: ₹ 0.03 crore).

Raymond Luxury Cottons Limited

During the year under review, Raymond Zambaiti Limited has changed its name to "Raymond Luxury Cottons Limited". This company caters to niche high-value Luxury Cotton shirting customers. The erstwhile Joint Venture partner Cotonificio Honegger S.p.A. was declared bankrupt by an Italian Court. The bankruptcy proceedings are in progress. The Company's claim for a sum aggregating to ₹ 11 crore towards Export receivables has been admitted by the Italian Court Receiver. The Company has appointed an Italian Lawyer to protect its interest and attend to the legal proceedings in Italy.

During the year under review, Raymond Limited subscribed to the entire rights issue by the said Subsidiary Company and subscribed ₹ 20 crore of the Equity Share capital to help finance the expansion program of this subsidiary.

The Gross Revenue for the FY 2015 stood at ₹ 393.32 crore (Previous Year: ₹ 336.96 crore). The Net profit after tax stood at ₹ 18.14 crore (Previous Year: ₹ 7.10 crore).

Overseas subsidiaries

Jaykayorg AG

This Company recorded a loss of CHF 1326008 (equivalent to ₹ 8.41 crore) for the year ended December 31, 2014 (Previous Year: Profit CHF 1681 (equivalent to ₹ 0.01 crore)).

Raymond(Europe) Limited

The Company recorded a profit of GBP 48197 (equivalent to ₹ 0.48 crore) for the year ended December 31, 2014 (Previous Year: Profit GBP 34664 (equivalent to ₹ 0.33 crore)).

R & A Logistics INC, USA

This Company is the subsidiary of Ring Plus Aqua Limited set up in USA to provide better service to US based customers, made a loss of USD 20,635 (equivalent to ₹ 0.09 crore) for the year ended March 31, 2015 (Previous Year: Profit USD 15003 (equivalent to ₹ 0.16 crore)).

9. PERFORMANCE OF OTHER COMPANIES

Raymond UCO Denim Private Limited

This company is engaged in the business of manufacturing and marketing of denim fabrics and garments. In FY 2015, revenue from Indian operations, net of returns and discounts recorded a 3% growth at ₹ 870.56 crore (Previous Year: ₹ 842.90 crore).

The company earned a profit after tax of ₹ 34.62 crore (Previous Year: ₹ 6.90 crore). This Company has successfully maintained its price leadership position. The company was able to sustain profitability through introduction of high margin value added products especially for the export markets.

10. QUALITY & ACCOLADES

Your Company continues to win awards year after year, thus reiterating its credible market position. Some awards during FY 2015 are:

- (i) The Company has won the "Best Window Display 2015" for Colors of Wool campaign from Visual Merchandising & Retail Design Awards 2015.
- (ii) The Company has won the "Best Retail Store Design for Fashion Apparel Brand" for Raymond Ready-to-wear store, Viviana Mall, Thane from Visual Merchandising & Retail Design Awards 2015.
- (iii) The Company has won the "National Laadli Media & Advertising Awards for Gender Sensitivity 2013-14" (supported by UNFPA) for the Complete Man Husband Baby commercial.
- (iv) The Chhindwara Textile Unit of the Company bagged the following awards:
 - Best Employer Award by the Ministry of Labour & Employment, Government of Madhya Pradesh in the year 2014.
 - Health, Safety and Environment Award for the year 2014 by National Safety Council Madhya Pradesh Chapter.
- (v) Park Avenue has won the "Best Design Concept of the year" Award for Innovative AUTOFIT Concept at Images Fashion Awards 2015.
- (vi) JK Files (India) Limited – Chiplun Unit has won the coveted "INDIZEN 2014 Award" for Excellence in Operations from KAIZEN Institute of India at National Case Study Competition.

11. CONSOLIDATED ACCOUNTS

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Accounting Standards viz. AS-21, AS-23 and AS-27 issued by the Institute of Chartered Accountants of India and forms a part of this Annual Report.

12. CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on corporate governance