



Annual Report 2016-17



RAYMOND RE-IMAGINED

Caution regarding forward-looking statements

This Annual Report contains statements about expected future events and financial and operating results of Raymond Group, which are forward-looking. By their nature, forward-looking statements require the company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers

are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements.

'The Raymond Group' (or "company") includes reference to the Raymond Ltd, its subsidiaries, Joint Ventures and Associates of Raymond Ltd.

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To emerge as a company that endeavours to stay ahead of the curve by embracing change – and in doing so, establishes its thought, product and market leadership.

A wooden boat is shown from a low angle, floating on a calm sea. The sun is setting in the background, creating a warm, golden glow across the water and sky. A dark rectangular overlay is positioned in the upper center of the image, containing the number '1' and the word 'SOUL'.

1

SOUL



The soul of Raymond is in
its passion to innovate,
outperform benchmarks and
deliver the best consistently.



CORPORATE VALUES

Hardly a few brands in the world can claim the position that Raymond has won for itself in the hearts of millions of consumers, with its corporate values of Excellence, Quality and Trust.

Excellence

At Raymond, we believe in achieving excellence in all we do. Be it crafting world-class quality products, implementing best industry practices or delivering delightful service experience, the quest for excellence is integral to Raymond.

Quality

An iconic brand that has been at the helm of innovation, Raymond has always been recognised for its high quality product offerings. The testimony to Raymond's success is its loyal consumer base spanning domestic and international markets.

Trust

Having stayed relevant for over nine decades, the trust bestowed on Raymond by our consumers has enabled Raymond to become an iconic brand. Being one of India's most trusted textile and apparel brands, we believe that conducting business in a fair, transparent and ethical manner is pivotal in building strong relationships.

Legacy

Having enjoyed the patronage of millions of consumers, Raymond as a brand has been consistently delivering world class quality products and services to its consumers since the past nine decades.

A brand that has earned the trust and respect of its consumers, employees, business partners and all relevant

stakeholders throughout its journey is a manifestation of the organisational values of *Excellence, Quality & Trust*. Having created world-class pioneering innovations in the textile and apparel space, Raymond has not just stayed relevant but has consistently commanded a leadership position.

Over the decades, Raymond has spread its wings from a single-product focus into a multi-product business comprising Suiting, Shirting, Denim, Garmenting, Branded Apparel, FMCG, Tools & Hardware and Auto Components. Today, Raymond has evolved into a diversified conglomerate with a leadership position in the Textile and Apparel space and a noteworthy presence in the Engineering and FMCG sectors.

BRANDS

Over the decades, Raymond Group has demonstrated unmatched sectoral ability to create home-grown brands that have constantly reinvented themselves to adapt to the ever-changing needs of discerning consumers. The Raymond Group comprises prominent brands in their respective sectors:



MANUFACTURING CAPABILITIES

Raymond Group's state-of-the-art manufacturing facilities have been invested with scale, cutting-edge technologies and integration. Located strategically, the manufacturing facilities are integral to the success of the company.

Over 110 million metres per annum of fabric capacity in the suiting, shirting and denim* businesses.

- One of the world's largest vertically and horizontally integrated manufacturers of worsted suiting fabric
- Globally renowned for manufacturing Super 250s – the finest fabric in the world

- Manufacturer of finest 340s count Cotton and 150 lea pure Linen fabrics

Over 9 million pieces per annum of garment manufacturing capacity of jackets, trousers, vests, shirts and denim.

- Only Indian manufacturer with an expertise to craft full canvas premium jackets

92 million pieces per annum of manufacturing capacity of file and drills with ISO 9000-2008-certified plants of the Tools & Hardware business.

About 10 million pieces per annum of manufacturing capacity of Ring gears, Flex plates and Shaft bearing with a ISO/TS 16949 quality system-certified plant of the Auto Components business.

**Denim manufacturing is in a JV company.*

TECHNOLOGY

At Raymond, we have created a robust IT backbone coupled with diverse IT-driven initiatives to enhance customer delight.

The approach is not to merely leverage technology; the objective is to be digitally-immersed to kick-start an extensive transformation.

The first step towards this transformation was through the decision to outsource the IT function to one of the world's leading information technology companies, capitalising on decades of best-in-class technology practices and domain knowledge.

Raymond has strengthened its IT foundation and graduated ahead

of the curve through access to the best technology solutions, and key business processes connecting the customer to manufacturing through the integration of new-age systems and software that automate business processes. Raymond also invested in a digitalised CRM platform to create a cross-format loyalty programme (Raymond Rewards) that has catalysed customer retention.

The Reimagined Raymond is investing deeper in analytics and getting ready for future generation business models. The company is revamping its SAP landscape cum infrastructure to strengthen manufacturing and supply chain

processes. The company is connecting an e-commerce platform (www.raymondnext.com), market-place players, retail points of sale systems and loyalty programmes to provide a truly omni-channel retail experience to valued customers.

Raymond's IT backbone is being strengthened through a cutting-edge Software Driven Network resulting in efficient connectivity across pan-India locations. The company has graduated to the use of Cloud and disruptive technologies for continuity, dependability and scalability.

Balancing the contemporary and the futuristic makes all the difference.

RETAIL PRESENCE

Raymond forayed into organised retail in 1958 by opening its first flagship retail store in Mumbai, becoming the first organised retail player in the country.

Textile and Apparel Business:
Over 20,000 touch points in 600 cities and towns reached through ~160 wholesalers, 3,300 MBOs, 800 LFS and 1,080 exclusive chain of 'The Raymond Shop' and EBOs.

FMCG business (housed in associate companies): Across 0.25 million retail outlets and 90,000 pharmacies in India.

