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RL/SE/25-26/20

May 19, 2025

To

The Department of Corporate Services - CRD	The National Stock Exchange of India Limited
BSE Limited	Exchange Plaza, 5th Floor
P.J. Towers, Dalal Street	Bandra-Kurla Complex
Mumbai - 400 001	Bandra (East), Mumbai - 400051
Scrip Code: 500330	**Symbol: RAYMOND**

Dear Sir/Madam,

Sub.: Intimation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 –Conference Call Transcript

Please find enclosed transcript of the conference call held on May 13, 2025, with respect to the financial results of Raymond Limited for the quarter and financial year ended March 31, 2025.

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

This is for your information and records.

Thanking you.

Yours faithfully,
For Raymond Limited

RAKESH MULJIBHAI DARJI
Digitally signed by RAKESH MULJIBHAI DARJI
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Rakesh Darji
Company Secretary

Encl.: as above

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"Raymond Limited

Q4 FY '25 Earnings Conference Call"

May 13, 2025

MANAGEMENT: **MR. S.L. POKHARNA – PRESIDENT, CORPORATE COMMERCIAL – RAYMOND LIMITED**
MR. AMIT AGARWAL – GROUP CHIEF FINANCIAL OFFICER – RAYMOND LIMITED
MR. HARMOHAN SAHNI – EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER – REALTY BUSINESS
MR. GAUTAM MAINI – MANAGING DIRECTOR – ENGINEERING BUSINESS
MR. JATIN KHANNA – HEAD, CORPORATE DEVELOPMENT – RAYMOND LIMITED
MR. SUNNY DESA – HEAD, INVESTOR RELATIONS – RAYMOND LIMITED

MODERATOR: **MR. BIPLAB DEBBARMA – ANTIQUE STOCK BROKING LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the Raymond Limited Q4 and FY '25 Earnings Conference Call, hosted by Antique Stock Broking Limited. As a reminder, all participant 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 star then zero on your touchtone phone. Please note that this conference is being recorded.

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

Biplab Debbarma: Thank you. On behalf of Antique Stock Broking, I would like to welcome all the participants in the Q4 FY '25 and FY '25 Conference Call of Raymond Limited. Today we have with us from senior management of Raymond, Mr. S.L. Pokharna, who is President, Corporate Commercial; and then Mr. Amit Agarwal, Group CFO; Mr. Harmohan Sahni, Executive Director and CEO of Realty Business; Mr. Gautam Maini, MD, Engineering Business; 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 sir.

Amit Agarwal: Thank you. Good evening, everyone. Thank you for joining us today for our Fourth Quarter Fiscal '25 and Fiscal '25 Annual Results Conference Call. I hope everyone has had an opportunity to go through our financial results and investor presentation, which have been uploaded on the stock exchanges as well as on the company's website.

Before we delve into our quarterly performance, we wish to express our heartfelt condolences to those affected by the tragic events in Pahalgam. Our thoughts are with the victims and their families during this difficult time. We stand in solidarity with the people of India and support efforts to restore peace in the region.

Moving ahead, it is essential to reconsider the broader macroeconomic landscape that has influenced our performance and strategic decisions. In terms of the global landscape, which continues to be challenging and unpredictable with geopolitical dynamics causing various fluctuations, recent policy changes have introduced a degree of uncertainty impacting markets worldwide. However, we believe India stands in a unique position to potentially benefit from these global economic shifts.

In the short to medium term, we are witnessing a scenario where inflation is visibly under control and monetary policy is becoming increasingly supportive. The Reserve Bank of India has already reduced interest rates by 50 basis points with further cuts anticipated throughout the year. The Indian economy is projected to have grown by approximately 6.5% in the fiscal 2025. While this is slightly lower than the growth rate in fiscal '24, India remains one of the fastest-growing economies globally.

The ongoing support from monetary policy, including interest rate reductions and regulatory changes, has enhanced liquidity in the market. The environment is expected to sustain decent economic performance over time.

Additionally, the union budget for '25-'26 has been favourable towards urban consumption and middle-class households by introducing tax cuts and the provision of INR1 lakh crore, which would be made available in the hands of the taxpayers. As a result, we anticipate a substantial increase in the purchasing power within the housing segment.

This segment, which has experienced lower growth over the past 3 years compared to other parts of the housing market, is expected to become a key driver of the growth over the next 12 to 24 months, thereby offsetting any potential weakness in other areas of the housing market.

Let me now give you an update on the demerger process. I'm pleased to announce that we have successfully demerged our Real Estate business and received all necessary approvals, and we expect to be listing the Real Estate business in the second quarter of this fiscal year '26. This will position Raymond Realty to pursue its growth trajectory as an independent pure-play Real Estate business.

The scheme has become effective from the 1st of May 2025, and the record date is 14th of May 2025 for the purpose of determining the eligible shareholders of demerged company, Raymond's Limited, to whom the equity shares of the resulting company, Raymond Realty Limited, would be allotted in terms of the scheme. According to the scheme of arrangement, each shareholder of Raymond Limited will receive one share of Raymond Realty Limited for every share held in Raymond Limited.

In the Engineering business, as mentioned earlier, two new subsidiaries of Raymond Limited will be created through a scheme of arrangement, one focused on aerospace and defense; and the other one on auto components and engineering consumables, each charting its own path for growth and a primary objective of the value creation. Currently, we have filed the restructuring scheme with the NCLT for the Engineering business and awaiting the final approval.

Now let me talk about the quarterly performance. And before that, considering the successful demerger of the Real Estate business, Raymond Limited now comprises of Engineering business as consolidated continuing operations. So our fourth quarter fiscal '25 and fiscal annual '25 results have been split in 2 parts: one, which is the continuing operations with Engineering and others; and demerged segment, which is the Real Estate business.

As far as our continuing operations of Raymond Limited is concerned, Raymond Limited delivered a strong quarterly performance, reporting a total income of INR601 crores with a delivery of an EBITDA of INR99 crores, with margin of 16.4% in the fourth quarter of fiscal 2025.

The total income for the year was INR2,105 crores and delivering an EBITDA of INR335 crores, and EBITDA margin of 15.9% in the fiscal 2025. Kindly note that the above performance includes this other income and also is reported post the acquisition of Maini Precision completed in March 2024.

At the segment level, if we talk about, the Engineering business, which includes the MPPL, Maini Precision business, reported a sales of INR528 crores and EBITDA of INR81 crores, with a margin of 15.3% in the fourth quarter of fiscal '25 versus the sales of INR234 crores, with an EBITDA of INR37 crores and an EBITDA margin of 15.6% in the fourth quarter of fiscal '24.

In the Engineering sector, the auto ancillary segment experienced robust growth in the domestic market. However, export markets remained subdued for auto ancillary and engineering consumables segments, primarily due to ongoing slowdown in the European automotive market and the disruptions caused by the Red Sea shipping crisis.

Looking ahead, we anticipate growth momentum in the aerospace business following the resolution of the production issues faced by one of the major aircraft manufacturer, which has previously led to delays in order fulfilment.

Now let me talk about the debt and the cash position at Raymond Limited. We continue to remain a net debt-free business with a net cash surplus of INR263 crores in the March 2025. The total gross debt stands at INR677 crores and have cash and cash equivalents of INR940 crores as on 31st of March 2025.

In terms of the operations, the aerospace business has started showing promising signs, which was earlier impacted by ongoing production issues, leading to delays in dispatches. We have witnessed signs of recovery and the business is getting back on track. Additionally, recent softness in the auto sector -- component sector due to weaker market may impact the growth in the near term.

Looking ahead, we remain optimistic about our growth prospects. Our diversified business portfolio, strong market position and strategic initiatives will continue to drive value for our stakeholders.

Now let me also talk about the Real Estate segment, which is the demerged segment, to give clarity to all of you. In the fourth quarter of fiscal '25, the company signed two additional joint development agreement, one in Mahim and another one in Wadala, aggregating to a gross development value of INR6,800 crores. Both these projects are poised to contribute substantially to our future growth and solidify our presence as a key player in the Mumbai Metropolitan Region.

With these additions to the total potential revenue from our current Real Estate business is now reaching close to INR40,000 crores, which includes INR25,000 crores from our Thane land parcel, and INR14,000 crores from the JDA-led business model.

The construction momentum across all our live projects, both in Thane and Bandra, is progressing well, demonstrating our commitment to timely delivery and adherence to high-quality standards. In all our projects, we are ahead of construction timelines and a comprehensive update on the construction of our projects is provided in our Investor Day. We continue to witness a positive response and traction in our residential and high street retail projects.

We have also received a booking of INR636 crores in the Real Estate business, primarily driven by the demand for the Address by GS 2.0, Ten X Era, sale of retail shops in Thane as well as JDA project of Address by GS in the Bandra project.

We, at Raymond Realty offer luxury -- affordable luxury apartments ranging from 1 BHK to 4 BHK that caters to multiple segments of the society in a stated strategy to sell and construct fast, leading to quick project completion and faster revenue generation, and that has resulted in a revenue of INR766 crores in the fourth quarter of fiscal '25 vis-a-vis INR677 crores in the fourth quarter of fiscal '24, recording a growth of 13%.

The segment reported an EBITDA of INR194 crores in the fourth quarter of fiscal '25 compared to INR171 crores in the fourth quarter of fiscal '24, which is a year-on-year growth of 13%. EBITDA margin stood at 25.3%, flat in quarter 4 '25 vis-a-vis quarter 4 FY '24. We continue to remain a net debt-free business in the Real Estate as well, with a net cash surplus of close to INR400 crores in March 2025.

We remain optimistic about the continued growth in the real estate market. Overall, our project pipeline remains strong with several developments slated for launch in the upcoming quarters. We are committed to future expansion through an asset-light business model via the joint development agreement route, aiming for a 20% year-on-year growth in the booking values.

Thank you again for joining, and we would be more than happy to take your questions. We may open the line for questions. Operator?

Moderator: The first question is from the line of Ujjwal Lal, an Individual Investor.

Ujjwal Lal: Sir, I wanted to ask on the Realty division front, what is the generally like the funding requirements from our side in the JDAs? And at what rates are we able to get construction funding? And how does it differ from other leading developers?

Amit Agarwal: Yes. Harmohan, will you answer the first part and second part I will answer.

Harmohan Sahni: Yes, sure. Sir basically, for each JDA, considering the size that we are looking at, is upward of INR1,500 crores to INR2,000 crores of GDV for each project. On an average, the peak funding requirement ranges between INR250 crores to INR350 crores maximum going up to INR400 crores. Depending on project to project, it can be different. But that's the range, between INR250 crores and INR400 crores. And Amit, you want to answer the second part?

Amit Agarwal: Yes, yes. So basically, you see the interest rate anything between 8% to 9%, 9.25%, and that is the rate because the company enjoys a good credit rating and has demonstrated very well. So that's the reason we get at these competitive rates.

Ujjwal Lal: And just another question. Like I think in all or most of our projects, we have contracted the contracted capacity. And do we continue to plan to do the same or do we also have contracts with some other contractors?

Harmohan Sahni: So the way the contracting entire process moves in, it's a competitive bid for each project that we float, and various contractors or different caliber quote for that. Then a negotiation takes place, 2, 3 rounds of negotiation, and finally a contractor is decided basis that. So now we have capacity for some of the initial projects that we have granted, but we have used other contractors, smaller contractors also, for part of the work.

And going forward also, it will be a competitive bidding process. Now whoever gives us the most competitive bid and also wins on the various attributes in terms of financial strength and capability to give us quality and build will win the contract. So nobody is fixed in that sense.

Ujjwal Lal: Okay. And just like on the JDA front, how is the launch pipeline looking? Like can we launch Mahim in Q1? Or any other like the sequential JDA, which we have signed, how is the launch pipeline looking for this year, both in Thane and JDA?

Harmohan Sahni: So in the current year, you will see a few launches from us, but they will all be in Q3 and Q4. You may see in Q2 some launch in Thane. But Q1, we haven't scheduled any launch, because usually it's generally a low period and not many launches also take place.

Ujjwal Lal: Okay. Sure. And like maybe a detailed answer since there are not many participants on the call. Can you please like inform us about the whole timeline of the JDA, like how it works right from the discussion and getting the contract and clearances, et cetera, to construction and launch?

Harmohan Sahni: Certainly. See, each JDA is different. If it's a society redevelopment, it's a slightly longer time cycle, because of the legal process it has to go through and many players get involved as far as the society management is concerned. So that's usually 15 to 18 months, sometimes can even stretch to 24 months process from the time you get appointed to the time you can launch the project.

But some of the other JDAs, which are not going through the society redevelopment or if somebody has already done the work and we are getting involved at a later stage, then it can be even as short as 9 to 12 months from signing to actual launching of the project.

So that's the range typically, from 12 months to 24 months, for each JDA from the time you get appointed and to the market launch. And all the intervening steps happen in between, which is approval, planning, etcetera, etcetera.

Moderator: Mr. Biplab you can ask your question.

Biplab: Sorry, I was under mute. So I have three questions. I will start with overall how is the market? That is the primary concern of all of us analysts and investors. So my first question is on the real estate -- state of real estate, residential real estate. How have residential real estate sales trended over the last 3, 4 months, including May, April? Are we beginning to see any signs of moderation in absorption, a dip in footfalls or lower conversion rates or overall buyer sentiment softening? That is my first question.

Harmohan Sahni: Yes. So I'll take that, Amit.

Amit Agarwal: Yes, please.

Harmohan Sahni: Yes. So as far as Q4 of last year is concerned, Jan and Feb were usual months. There was not too much of, let's say, effervescence or ebullience that we saw in the market. But March was extremely good. March, we saw very, very good demand, much better than we usually see in that month of the year. So we got substantial bump up in the month of March. So whatever slowness was there in Jan and Feb kind of caught up in that. So quarter was pretty good for us.

In April and May so far, it's business as usual. Like barring the last 1 week, we saw some dip in the falls. I guess there was -- that was more to do with the fear and the uncertainty, because of the war-like situation, which got created.

And the inquiry seem to be flowing back as of yesterday itself again, calls or whatever people were holding back since the news of ceasefire has come. Again, the phone calls have been ringing and people are already booking for the coming weekend, and they have to come and see the sample apartments. So footfalls are again back, barring these few days.

So on the whole, market seems to be good for us for all our projects. Wherever we are present, we haven't really seen any dip on a quarter-on-quarter basis. Yes, of course, every week or every month is not the same as every other month, and it's also a slightly seasonal business. This is the period of summer vacations in any case.

So quite a few people are traveling from the city. So our planning also is according to that in terms of the way we budget for what will be the sales in April, May. But they seem to be completely on track and on plan as we had budgeted. The market seems good for us.

Biplab: Okay. That's a good news. And second question is on the supply that coming into MMR region. So do you see supply increasing across MMR? I mean, at least you can see whether there is an increase in number of competitions around your projects. But the reason is particularly as several developers who acquired FAR at discounted rate a few years ago, and they would be -- they might have launched and they would be launching -- beginning to launch projects.

How do you expect the market to evolve as this new supply comes in, especially in terms of pricing? If pricing doesn't soften, then maybe absorption or -- so basically I'm trying to understand the competitive intensity across MMR? That is my second question.

Harmohan Sahni: Yes. As of now, the supply scenario seems to be well balanced and not very different from what it was last year or -- in fact, the supply has only been going down in the market as the absorption has been increasing. So the number of launches have not really been able to keep pace with the demand, which has been in the market. So -- and that's why last 2 years, you've also seen the prices also firming up a little bit. While they've been very, very healthy in terms of appreciation, they haven't run away, so which is also a good part.

Now going forward, it is to be seen how many launches actually hit the market. I know this is a question which was asked earlier also as to how long it takes for a project to actually hit the market. So the time to market for a project is typically 24 months if a developer is very efficient. I mean that's how our market operates in any case.

And some of the players intentionally hold back launches or some of them are not as efficient. So if you take all that into account, I really don't know how many launches are planned for Q1, but whatever little bit we know, I don't think there is going to be any delusion of supply or a large number of launches, which may happen.

Also, there are artificial constraints which are there, because approvals also get delayed to some extent in that. For instance, there is a Supreme Court case going on for the environment approval just now. So some of the projects who get impacted by that, if they are within a certain vicinity of an eco-sensitive zone, and Bombay also gets impacted with that because Sanjay Gandhi National Park is right in the heart of the city.

So some of those projects will also get delayed in terms of getting their approvals. So taking all that into account, I don't think supply scenario is going to change dramatically in the next 3 to 6 months.

Biplab: Okay. That's both the question, sir. I mean, regarding demand as well as supply, these are very encouraging. My third question is to Gautam Maini, sir. Basically, just wanted to know there are so many things happening in the country and across the world that it's difficult to take a firm outlook. So just trying to understand, sir -- Gautam, sir, what is your outlook of aerospace and auto? How do you think things will pan out in the next 1 year?

Amit Agarwal: Gautham, you are there? Gautham?

Gautam Maini: Yes, I could listen to everything, but I think you couldn't hear me. So I heard the last question was the aerospace and automotive market. If you are there, then I can continue.

Amit Agarwal: Yes, please, please.

Gautam Maini: Okay. So basically, let me start with the aerospace market. I think the market is now looking very good compared to last year. As you're all aware, last year there was a serious problem with the Boeing aircraft. They had their own internal issues. And because of that, the aircraft production from Boeing was severely impacted.

You're also aware that between Airbus and Boeing, they capture the majority of the aircraft market. And hence, it's a big relief for Boeing to come back to its levels. It's public information that the narrow-aisle aircraft, they're already producing now 32 -- at a rate of 32 plus, and they are moving towards 38 aircraft. So we can already see the pull and those reflect in the numbers of the last quarter.

So the aerospace market is definitely recovering and all the -- and it will continue in that pace. You're all aware that aerospace is a market which has 8 to 10 years of backlog. And therefore, barring incidents which are not related to business, such as we saw in the days of the COVID or we saw in days of maybe there's a strike or some unnatural thing that happens, otherwise the aerospace market is extremely bullish going forward as well as due to the high backlogs.

In terms of automotive, it's a mixed market I would say. The automotive markets in India are still much better. The ones overseas are definitely falling. But the news that we have to look at is that even though markets are falling, the supply chain constraints in both Europe and U.S. are going to be high. The geopolitical situations will -- definitely are working out, and we are all seeing changes on a daily basis.

We strongly believe that overall, it will still remain positive for us because of those situations. And of course, as of now, since our major markets are in Europe and in the U.S., we don't immediately see any issues due to the current affairs. So yes, overall, I would say we're looking forward to the coming year.

Moderator: As there are no further questions from the participants, I now hand the conference over to Mr. Amit Agarwal for closing comments. Over to you, sir.

Amit Agarwal: Thank you. Thank you, everyone, participants. Thank you very much for taking interest in Raymond Limited. And now we will have the demerger into real estate as well as Raymond Limited will have the Engineering business. And look forward talking to you in next quarter. Thank you.

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