

SECRETARIAL DEPARTMENT

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Maharashtra, India
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RL/SE/AC/19-20/65

November 07, 2019

To

The Department of Corporate Services - CRD
BSE Limited
P.J. Towers, Dalal Street
Mumbai - 400 001
Fax No. 022-22721919
Scrip Code: 500330

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Bandra-Kurla Complex
Bandra (East), Mumbai - 400 051
Fax No. (022) 26598120
Symbol: RAYMOND

Luxembourg Stock Exchange
Societe De La Bourse De Luxembourg,
35A, Boulevard Joseph II,
L-1840 Luxembourg
Trading Code : USY721231212

Dear Sir/Madam

Sub: Raymond Limited: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

The Board of Directors of Raymond Limited ("the Company" "the Demerged Company" or the "Transferee Company") on recommendation of its Audit Committee at its meeting held on November 07, 2019 considered and approved a composite scheme of arrangement ("Scheme") pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and the Rules made thereunder as amended, amongst Raymond Limited, New Company ("NC" or "the Resulting Company") (a Public Limited Company to be incorporated), Raymond Apparel Limited ("RAL" or "Transferor Company") and Scissors Engineering Products Limited ("SEPL" or "Transferor Company") providing for:

- i. The amalgamation of RAL and SEPL with Raymond Limited;
- ii. Demerger of the Lifestyle Business Undertaking (as defined in the Scheme) of Raymond Limited into NC on a going concern basis; and
- iii. Cancellation and reduction of existing share capital of NC;

**REGISTERED OFFICE**

Plot No. 156/H No. 2, Village Zadgaon
Ratnagiri - 415 612, Maharashtra
Tel: (02352) 232514
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The Board of Directors of RAL (a material subsidiary of the Company), SEPL (subsidiary of the Company) have approved the Scheme at their respective meetings.

The Scheme is subject to requisite statutory and regulatory approvals including approval of the National Company Law Tribunal, Stock Exchanges, SEBI and various statutory approvals, including those from the shareholders, as may be required or applicable, involved in the Scheme.

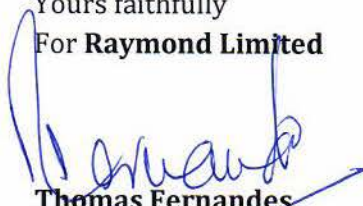
The draft Scheme shall be filed with the Stock Exchanges as per provisions of the Regulation 37 of the SEBI Listing Regulations.

The information pursuant to Regulation 30 of the SEBI Listing Regulations read with SEBI Circular no. CIR/CFD/CMD/4/2015 dated September 09, 2015 is enclosed as Annexure 1 to this letter.

You are requested to kindly take the above on record.

Thanking you

Yours faithfully
For **Raymond Limited**



Thomas Fernandes
Director - Secretarial &
Company Secretary

Encl.: a/a

Annexure - 1

Details pursuant to Reg. 30 of the SEBI Listing Regulations read with SEBI Circular no. CIR/CFD/CMD/4/2015 dated September 09, 2015:

Amalgamation/Merger

Clause	Requirement	Disclosure
1.2 (a)	Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.	<u>Raymond Apparel Limited (RAL):</u> Total Assets as on March 31, 2019 – INR 125,955 Lakhs Networth as on March 31, 2019 – INR 22,756 Lakhs Turnover (Revenue from Operations) as on March 31, 2019 – INR 162,215 Lakhs <u>Scissors Engineering Products Limited (SEPL):</u> Total Assets as on March 31, 2019 – INR 2,839 Lakhs Networth as on March 31, 2019 – INR 2,843 Lakhs Turnover as on March 31, 2019 – NIL
1.2 (b)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”;	All the transactions are being done at arms’ length.
1.2 (c)	Area of business of the entity(ies);	RAL is carrying on the branded B2C apparel business. SEPL is carrying on the business of auto components.
1.2 (d)	Rationale for amalgamation/merger;	In order to simplify the overall group structure and create efficiencies, the Scheme proposes amalgamation of RAL and SEPL with Raymond Limited.
1.2 (e)	In case of cash consideration – amount or otherwise share exchange ratio;	Pursuant to the Scheme, there will be no shares issued by Raymond Limited on merger of RAL and SEPL as RAL and SEPL are wholly owned subsidiaries of Raymond Limited.
1.2 (f)	Brief details of change in shareholding pattern (if any) of listed entity.	Pursuant to the Scheme, there will be no change in the shareholding pattern of Raymond Limited

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Demerger:

Clause	Requirement	Disclosure
1.3 (a)	Brief details of the division to be demerged	The division to be demerged from Raymond Limited is Lifestyle Business Undertaking. Lifestyle Business Undertaking of Raymond Limited includes all assets, investments, liabilities etc. of the business branded textiles, branded apparels, garmenting as well as B2C shirting and B2B textile and MTM and textile manufacturing
1.3 (b)	Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year/based on the financials of the last financial year	Annual Turnover (Revenue from Operations) of the Lifestyle Business Undertaking for Financial Year 2018-2019 – INR 3,23,926.23 Lakhs % Turnover of the Lifestyle Undertaking for Financial Year 2018-2019 ~98.87%
1.3 (c)	Rationale for demerger	Raymond Limited (the Demerged Company), through itself and its subsidiaries is primarily engaged in the business of branded textiles, branded apparels, garmenting as well as B2C shirting and B2B textile and MTM and textile manufacturing ('the Lifestyle business'). Along with its textile segment, the Demerged Company through itself, its subsidiaries and associates / joint ventures is also engaged in a diversified profile including businesses such as real estate, aviation, FMCG, auto components tools and hardware and denim manufacturing etc. ('the Non-Lifestyle business'). The Lifestyle business and Non-Lifestyle business have different market segments, industry specific risks, business cycles and individually, have a significant potential for growth, profitability and the ability to attract different types of investors. Owing to the diversified business involvement, it has become imperative for the Demerged Company to reorganize itself so as to enable greater management focus on Lifestyle business as well as Non-Lifestyle business. In order to simplify the overall group structure and create efficiencies, the Scheme proposes amalgamation of Transferor Company 1 and Transferor Company 2 with the Transferee Company.

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Clause	Requirement	Disclosure
		Post the merger, in order to create flexibility and investor focus it is proposed by the management of the Demerged Company to segregate the Lifestyle business from the Non-Lifestyle business. Hence, the Scheme proposes a demerger of the Lifestyle business carried out by the Demerged Company and its subsidiaries into Resulting Company. The proposed restructuring would have the following benefits: (a) Segregation of the Lifestyle business from the Non-Lifestyle business to position the Lifestyle business likened to peers; (b) Independent existence of self-sustaining pure play businesses; (c) Create enhanced value for the shareholders of the Demerged Company; (d) Enable the Demerged Company and the Resulting Company to each have focused strategy and specialization for sustained growth and profitability as well as the ability to attract investors and have better access to capital; (e) Clear strategic roadmap towards improved performance outlook and increased investor confidence; (f) Enable specialization and operational efficiencies for the individual businesses for their sustained growth; and Simplification of overall group structure and creating efficiencies through amalgamation.
1.3 (d)	Brief details of change in shareholding pattern (if any) of all entities	Pursuant to the Scheme, there will be no change in the shareholding pattern of Raymond Limited
1.3 (e)	In case of cash consideration - amount or otherwise share exchange ratio.	In consideration of and subject to the provisions of this Scheme, the Resulting Company (the Proposed New Company) shall, issue and allot without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Demerged Company or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, whose names appear in the Register

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Clause	Requirement	Disclosure
		of Members as on the Record Date in the following ratio: "[1] fully paid up equity share of INR 10 (Indian Rupees Ten each of the Resulting Company) for every [1] equity share of INR 10 (Indian Rupees Ten) each held in the Demerged Company." And "[1] fully paid up equity share of INR 10 (Indian Rupees Ten each of the Resulting Company) for every 1 (one) Compulsorily Convertible Preference Share ('CCPS') of INR 10 (Indian Rupees Ten) each held in the Demerged Company."
1.3 (f)	Whether listing would be sought for resulting entity	Yes. The shares issued by the NC (Resulting Company) to the shareholders of the Demerged Company would be listed on BSE Limited and the National Stock Exchange of India Limited, subject to necessary approvals

Other Restructuring:

Clause	Requirement	Disclosure
1.5 (a)	Details and reasons for restructuring;	<u>Cancellation and reduction of existing share capital of Resulting Company</u> Upon the Scheme becoming effective and upon the allotment of equity shares by NC (Resulting Company) to the shareholders of Raymond Limited (the Demerged Company), the existing paid up equity share capital of the Resulting Company held by the Demerged Company as on Effective Date shall stand cancelled without any further act or deed immediately and without any consideration and accordingly, the paid up share capital of the Resulting Company shall stand reduced to the extent of face value of such equity shares cancelled. The above cancellation of existing equity share capital of NC would be undertaken so that the shareholding of NC mirrors the shareholding of Raymond Limited.
1.5 (b)	Quantitative and/ or qualitative effect of restructuring;	There will be no consideration paid on account of the proposed capital reduction of the Resulting Company. The cancellation and reduction in paid up share capital of the Resulting Company shall be effected as an integral part of the Scheme in

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Clause	Requirement	Disclosure
		accordance with the provisions of Sections 230 to 232 of the Act and any other applicable provisions of the Act. The reduction would not involve either a diminution in liability in respect of the unpaid share capital, it being clarified that the procedure under Section 66 of the Act shall not be applicable in view of the Explanation to Section 230(12) of the Act. Notwithstanding the reduction in the equity share capital of the Resulting Company, the Resulting Company shall not be required to add "And Reduced" as suffix to its name.
1.5 (c)	Details of benefit, if any, to the promoter/promoter group/group companies from such proposed restructuring;	There is no benefit obtained by the promoter/promoter group/group companies from such proposed restructuring.
1.5 (d)	Brief details of change in shareholding pattern (if any) of all entities.	Pursuant to the Scheme, there will be no change in the shareholding of Raymond Limited. Pursuant to the Scheme, NC's (Resulting Company) shareholding would be mirroring the shareholding of Raymond Limited. On account of merger of RAL and SEPL into Raymond Limited, the entire issued, subscribed and paid up capital of RAL and SEPL will be cancelled as RAL and SEPL are 100% subsidiaries of Raymond Limited.

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