

RSWM/
February 12, 2020

BSE Limited Corporate Relationship Department, 1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, MUMBAI - 400 001. Scrip Code: 500350	National Stock Exchange of India Limited Listing Department, Exchange Plaza, C-1, Block - G, Bandra-Kurla Complex, Bandra (East), MUMBAI - 400 051. Scrip Code: RSWM
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Sub: Investors presentation on the Unaudited Financial Results of the Company for the quarter and nine months ended 31st December, 2019.

Dear Sir,

Please find enclosed a copy of Investors Presentation on the Unaudited Financial Results of the Company for the quarter and nine months ended 31st December, 2019 for your information and record.

Thanking you,

Yours faithfully,
For **RSWM LIMITED**


SURENDER GUPTA
COMPANY SECRETARY
FCS – 2615

rswm.investor@lnjbhilwara.com

Encl.: As above

(Formerly Rajasthan Spinning & Weaving Mills Limited)

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Website: www.rswm.in
GSTIN: 09AAACR9700M1Z1

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Distt. Bhilwara, (Rajasthan), India
Tel: +91-1483-223144 to 223150, 223478
Fax: +91-1483-223361, 223479
Website: www.lnjbhilwara.com
GSTIN: 08AAACR9700M1Z3

Corporate Identification Number: L17115RJ1960PLC008216

RSWM Limited

An LNJ Bhilwara Group Company



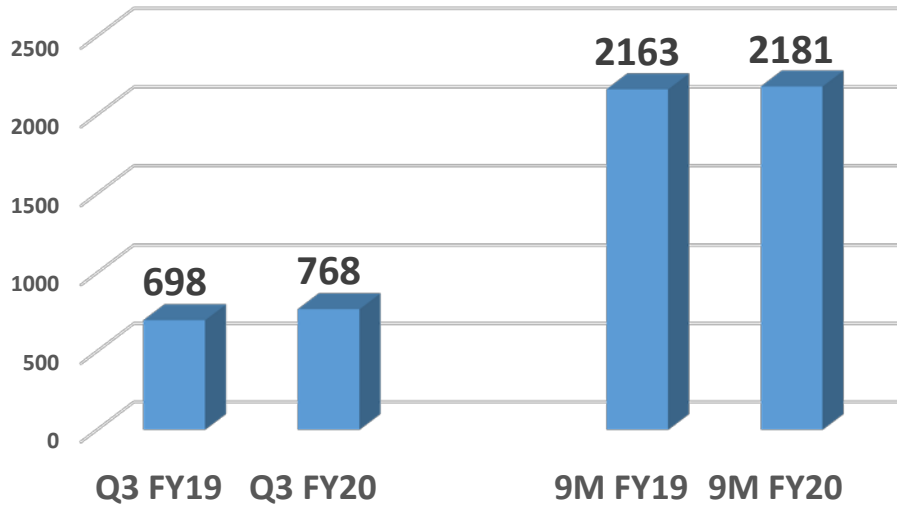
9M FY20 Performance



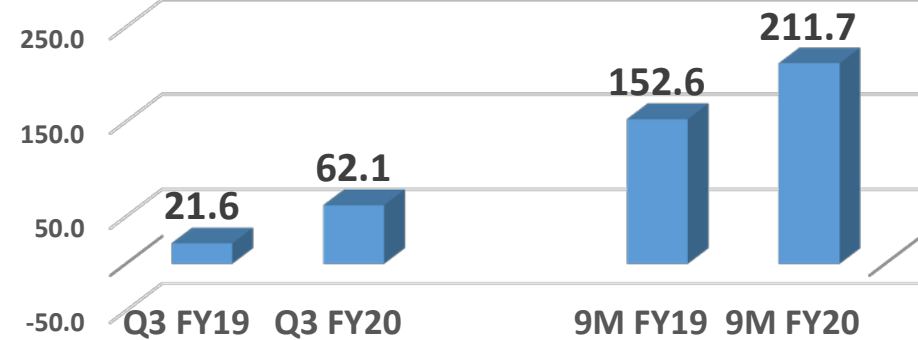
Q3 & 9M FY20 Financial Highlights

₹ in Cr.

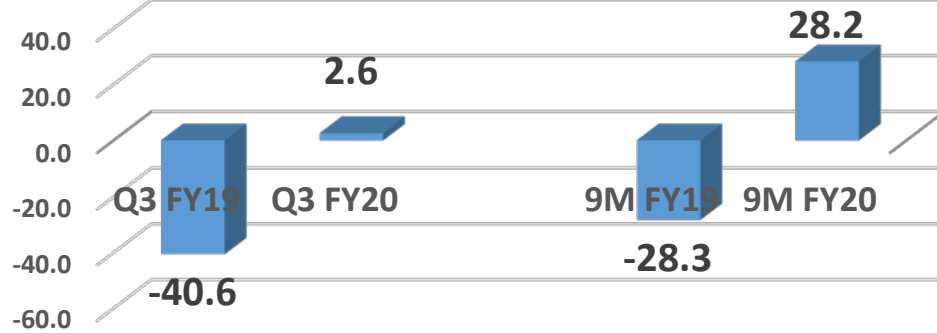
Total Income



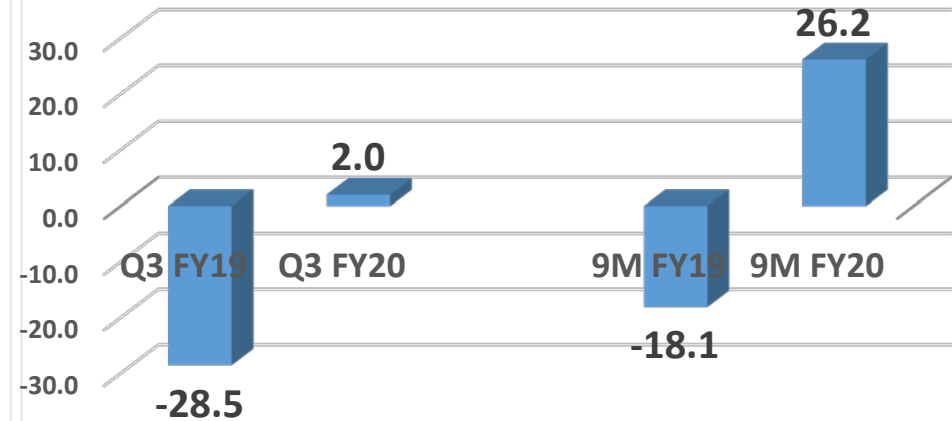
EBIDTA



EBT



PAT



Profitability Highlights

₹ in Cr.

	Q3 FY20	Q3 FY19	9M FY20	9M FY19	FY19
Total Income (Incl. other income)	767.58	698.44	2233.80	2163.36	2991.78
Raw Material Cost	380.27	427.98	1220.69	1280.57	1712.67
Employee Cost	93.37	86.39	278.44	266.98	352.18
Power Cost	86.18	88.92	267.36	268.04	356.86
Other Expenses	97.99	72.05	253.42	230.61	306.99
Inc./Dec. in Inventory	47.66	1.53	2.16	-35.42	53.07
EBIDTA	62.11	21.57	211.73	152.58	210.01
EBIDTA Margin (%)	8.16%	3.13%	9.81%	7.13%	7.09%
Depreciation	33.30	30.84	99.20	91.00	123.28
Finance Cost	26.26	31.35	84.30	89.87	119.52
Profit Before Tax	2.55	-40.62	28.23	-28.29	-32.79
Tax	.53	-12.09	2.02	-10.21	-8.52
Net Profit After Tax	2.02	-28.53	26.21	-18.08	-24.27
Net Profit Margin (%)	0.27%	-4.14%	1.21%	-0.84%	-0.82%

Balance Sheet Highlights

₹ in Cr.	31.12.19	31.03.19
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Assets

Non-current Assets	1164	1433
Fixed Assets	1061	1144
Investments	79	270
Other Non-current Assets	24	19
Current Assets	995	1105
Inventories	409	432
Trade Receivable	398	453
Other Current Assets	188	220
Total Assets	2159	2538

₹ in Cr.	31.12.19	31.03.19
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Liabilities

Shareholders' Fund	727	783
Share Capital	24	24
Reserve & Surplus	703	759
Non-current Liabilities	501	661
Long Term Borrowing	429	573
Other Non-current Liabilities	72	88
Current Liabilities	931	1094
Short Term Borrowing	494	665
Other Current Liabilities	437	429
Total Liabilities	2159	2538

Key ratios

		9M FY20	9M FY19	FY19	FY18
Balance sheet ratios					
	<i>fixed asset cover ratio</i>	1.73	1.66	1.47	1.62
	<i>DE ratio excl CPTL</i>	1.13	1.28	1.43	1.41
	<i>DE ratio incl CPTL</i>	1.39	1.49	1.69	1.56
	<i>debt service coverage ratio (DSCR)</i>	0.79	0.76	0.79	0.66
	<i>interest coverage ratio (ISCR)</i>	2.51	1.70	1.76	2.24
	<i>current ratio</i>	1.33	1.08	1.24	1.13
	<i>current ratio incl CPTL</i>	1.07	0.91	1.01	1.01
Earning Ratio					
	<i>return on capital employed (%)</i>	6.95	3.00	3.42	5.11
	<i>return on net worth (%)</i>	4.80	-2.61	-3.10	1.61
	<i>return on sales (%)</i>	1.21	-0.84	-0.82	0.49
	<i>EBITDA margin %</i>	9.81	7.13	7.09	8.94
EPS					
	<i>basic EPS (₹)*</i>	11.13	-7.68	-10.30	6.16
	<i>cash EPS (₹)*</i>	54.11	26.63	38.42	61.91

Current Market Scenario and outlook (Yarn)

- *The export of cotton yarn in the first six months of this financial year declined 39 per cent.*
- *The continuous fall in cotton yarn exports since start of this year has raised concerns in the textile industry.*
- *Increase in raw cotton prices, import duty by importing countries and no export benefits on cotton yarns has increased the cost of Indian yarn as compared to competing countries.*
- *Increased crop in current season has reduced cotton prices in Q3. Prices expected to remain stable with sufficient availability.*
- *India is the second largest producer of Manmade Fibre (MMF) and Filaments globally after China.*
- *Domestic manmade yarn demand witnessed an uptick in Q2 which continued in Q3 also.*
- *Domestic demand of cotton and manmade yarn expected to increase further in Q4 due to uniform season.*
- *We are putting more thrust on sale of value added & new products to protect bottomline.*

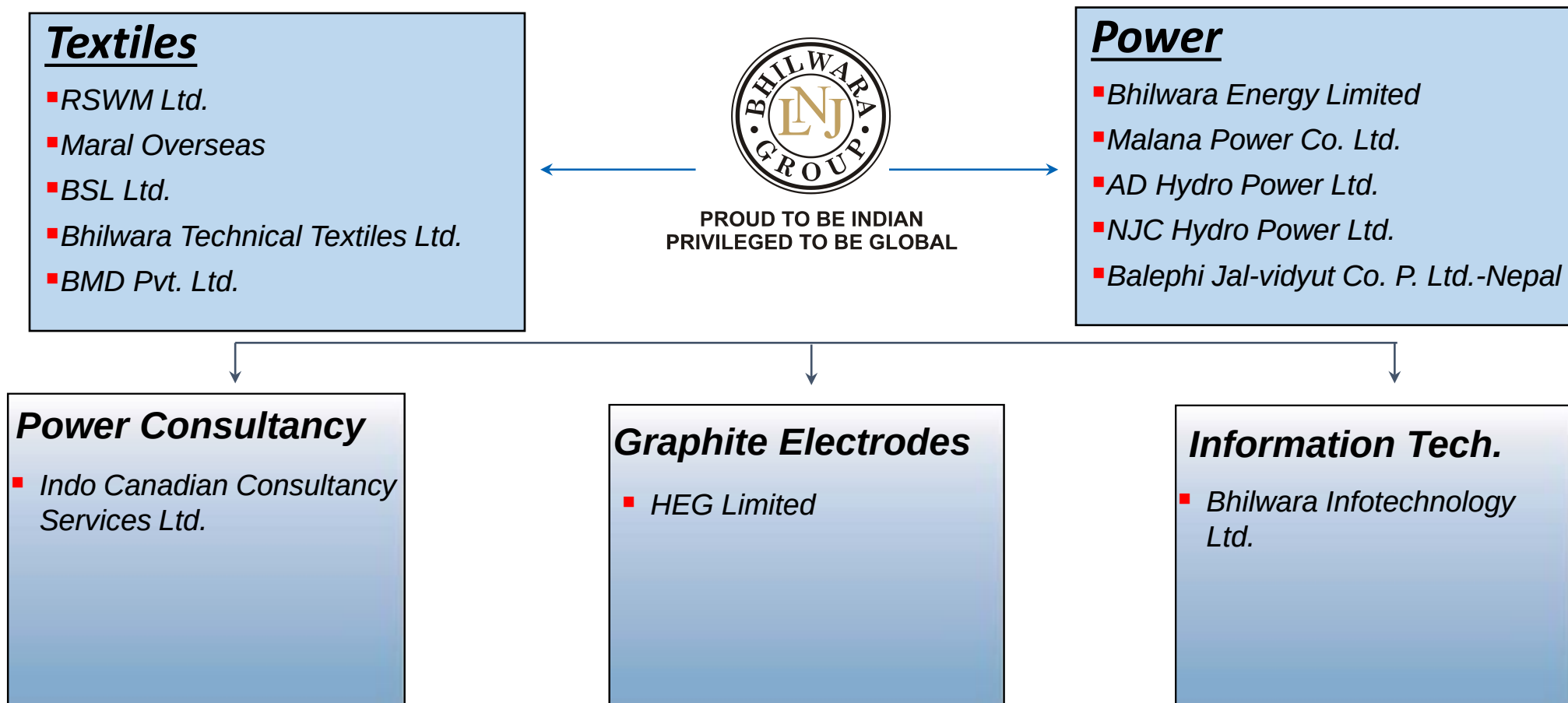
Current Market Scenario and outlook (Denim)

- *Oversupply situation in the Indian denim industry affecting demand patterns.*
- *The overall capacity utilisation in the industry is low, patterns have altered drastically.*
- *The influx of imported denim fabrics in an already saturated market is disturbing.*
- *Denim fabric export has been sluggish, prices under high pressure.*
- *With the changes in product mix, value additions, increased customer base and rationalisation of operational costs, we have been able to revive our denim business in 9 months of current fiscal.*
- *Currently operating at 100% capacity.*
- *Performance of denim business improved significantly in Q3.*
- *The large format retailers in India – Reliance, Future Lifestyles, Madura Lifestyle Fashions, Myntra churning large volumes for their quickly increasing shelf space, though the price points remain challenging*

LNJ Bhilwara Group – At a glance



- Set up in 1961 by Mr. L.N.Jhunjhunwala, today LNJ Bhilwara Group has grown into a conglomerate with a strong global presence and turnover of over Rs.8000 Crore.



LNJ Bhilwara Group - Diversified Presence

- *6 Group companies listed on the Stock Exchanges.*
- *Over 1,000,000 stake holders in the Group.*
- *Production units & Corporate office spread across the country at 38 locations*
- *All key companies ISO certified*
- *Over 28,000 strong workforce.*

RSWM Ltd. – At a glance



RSWM – Overview

- *Flagship company of LNJ Bhilwara Group*
- *Incorporated in 1960*
- *One of the largest textile manufacturers of Synthetic, Blended, Mélange, Cotton, Speciality and Value added yarns. Also manufacturing Fabrics, Denim and Green Polyester Fiber.*
- *Exports to over 78 countries*
- *‘Golden Trading House’ status*
- *Sales Office and Distribution Network across the country*

RSWM – Overview

Installed Capacity

- 43000 MTs p.a. Green Polyester Fiber manufacturing capacity
- 445192 Spindles and 4800 Rotors Spinning
- 12 million meter p.a. PV Fabric (117 Looms)
- 24 million meter p.a. Fabric Processing
- 25 million mtrs p.a. Denim Fabric manufacturing capacity -Composite Facility (Spinning+Weaving+Processing+Dyeing)
- 46 MW Thermal Power, 22 MW Solar Power

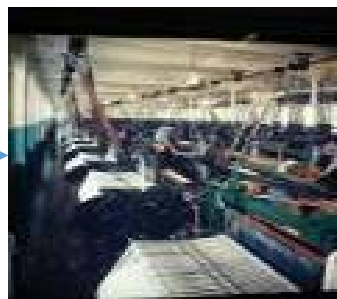
Recycled Fiber



Spinning



Weaving



Processing



Branding



Stars ki Pasand

RSWM – Journey

- 1960 – Company incorporated and in 1961 established a spinning unit at Bhilwara.
- 1973 - Second plant commissioned at Gulabpura. Later, Bhilwara plant was spun off as independent Company (Bhilwara Spinners Ltd.)
- 1989 - Established grey yarn spinning unit at Banswara.
- 1994 - Established Melange Yarn manufacturing unit at Mandpam, Bhilwara
- 2003 - Acquired Rishabhdev plant from HEG Ltd.
- 2005 - Acquired Jaipur Polyspin Ltd., Reengus and Mordi Textiles & Processors Ltd. Banswara
- 2006 – 2007 Completed an ambitious expansion plan with capital cost of Rs.700 Crore. Set-up Composite Denim Fabric unit, Captive Thermal Power Plant of 46 MW, Expansion of capacity at all the existing locations.

RSWM – Journey

- *2011 – 2012 Executed another expansion plan with capital outlay of Rs. 400 Crore. Expanded capacity at Kharigram (SJ-11), Banswara (Rotors), Denim (Spinning), Mordi (50 Looms).*
- *2014 - Established a Green Fiber manufacturing unit at Reengus with capacity of 18000 MTs p.a.*
- *2014 - CTL – Bagalur merged into RSWM.*
- *2015 – Added another Melange Yarn unit at Kanyakheri, Bhilwara.*
- *2017 – Installation of Sheet Dyeing facility at Denim*
- *2017 - Comissioned 3.3 MW Rooftop Solar Power Plant at Mandpam and Kanyakheri.*
- *2018-19 – 18.7 MW Solar Power Plant and 25000 MTs p.a. Green Fibre*

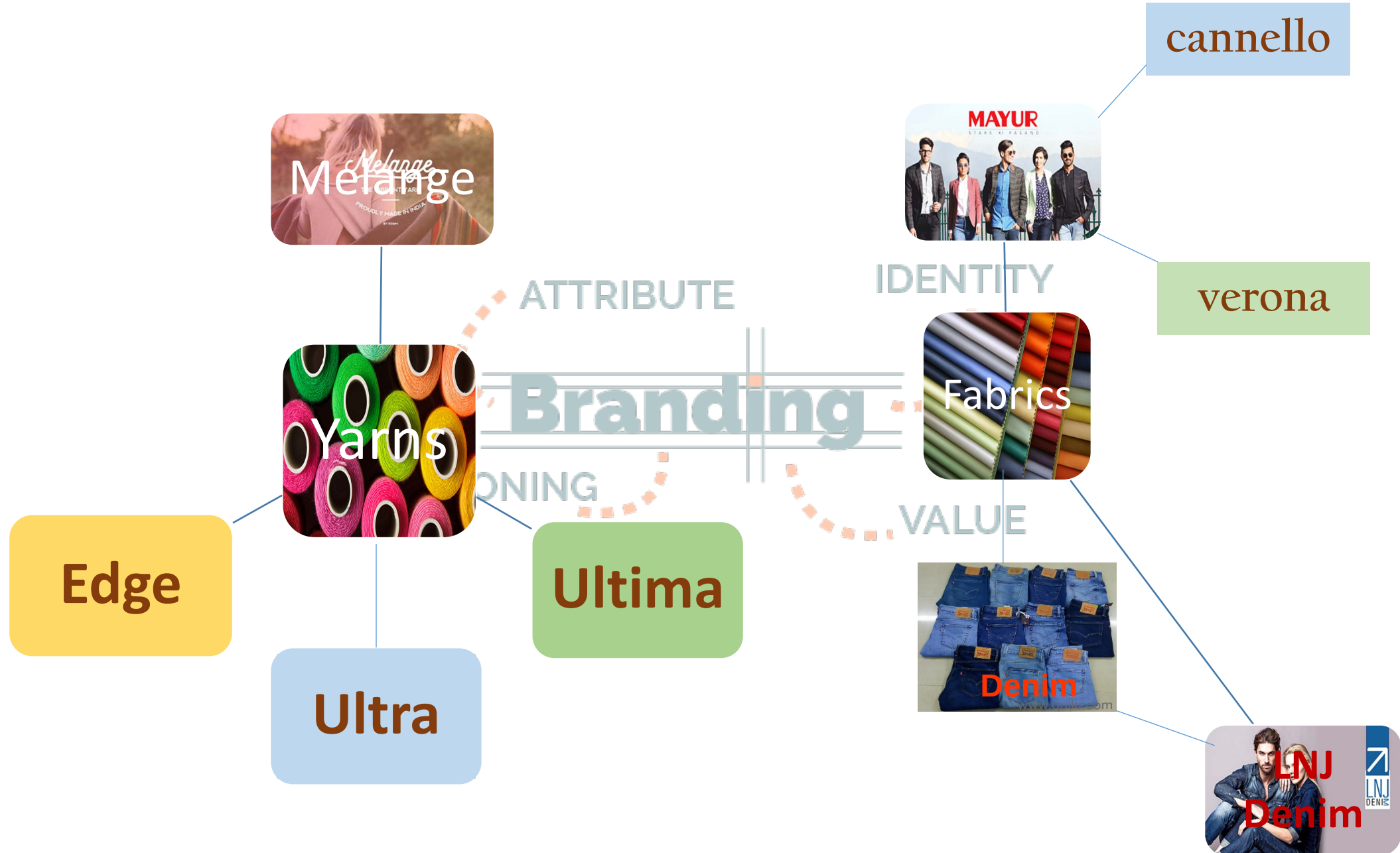
Certifications

- *ISO 9001:2015 : Quality System Certification*
- *ISO EMS - 14001:2015 : Environment Management Certification*
- *OHSAS - 18001: 2007 : Health and Safety Certification*
- *SA- 8000:2015 (certified by BSI) : Social Accountability*
- *ISO EnMS – 5001 : 2012: Energy Management Systems*
- *Oeko-Tex-100 (certified by Hohenstein) : Human Ecological Certification*
- *GOTS : Global Organic Textile Standard*
- *GRS : Global Recycle Standard*
- *Organic Cotton Fair Trade Standards.*



- Synthetic Yarns – Grey/Dyed PV Blended, Poly 100%, Visc. 100%, Poly/Visc/Cotton Blended Specialty Yarns from unorthodox fibres like Bamboo, Bamboo-charcoal, Flex, Lycra, Tencel, Trevira CS, Birla Modal, Protex, X-static, Beltron, Huvis FR polyester etc.*
- Melange Yarns - High value cotton yarn, combining two or more fibres largely considered fancy yarn used in casual wear, sports wear, business suits, shirts, bed linen, decorative fabrics and other high end home furnishings.*
- Fabrics - PV Fabrics, FR Fabrics, Oil and Water repellent fabrics.*
- Denim - Capable of processing 3000+ denim variants. Manufacturing normal denim, value added denim range comprises denim-out-of-denim (recycled denim), work wear like anti-bacterial, hydrophobic, anti odour, fire retardant, power stretch, plasma denim. Rich blended denims like cotton with linen, cotton with Kashmir wool, cotton with viscose and 100% tencel.*

Branding



Manufacturing Units

- | | | |
|---------------------|---|---|
| 1. Spinning Unit | - | Kharigram, P.O. Gulabpura, Dist. Bhilwara, Rajasthan |
| 2. Spinning Unit | - | Village Lodha, Banswara, Rajasthan |
| 3. Spinning Unit | - | Rishabhdev, Dist. Udaipur, Rajasthan |
| 4. Spinning Unit | - | Reengus, SP-1, Industrial Area, Reengus, Dist. Sikar, Rajasthan |
| 5. Green Fibre Unit | - | Reengus, SP-1, Industrial Area, Reengus, Dist. Sikar, Rajasthan |
| 6. Spinning Unit | - | Mandpam, Bhilwara, Rajasthan |
| 7. Spinning Unit | - | Kanyakheri, Bhilwara, Rajasthan |
| 8. Fabric Unit | - | Village Mordi, Banswara, Rajasthan |
| 9. Denim Unit | - | Village Mordi, Banswara, Rajasthan |

Captive Power Plants

- | | | |
|----------------------------|---|---------------------------------------|
| 1. 46MW Thermal Power Unit | - | Village Mordi, Banswara, Rajasthan |
| 2. 22 MW Solar Power | - | Mandpam, Kanyakheri, Kharigram, Mordi |

Textile Industry - Overview



2nd Largest Employer in India. Employs around 40 Mn workforce directly and 40 Mn. Indirectly



4% Contribution to India's GDP



14% Contribution to Industrial Production of country.



16% Contribution to Exports Earnings



22% of World Spindles Capacity
48 MN SPDL & 8Lac Rotors



Highest # looms in World 47.8 Lac



World's # 1 Producer & 1st largest exporter of Jute



World's # 2 Producer of Silk (18% of world silk prod.)



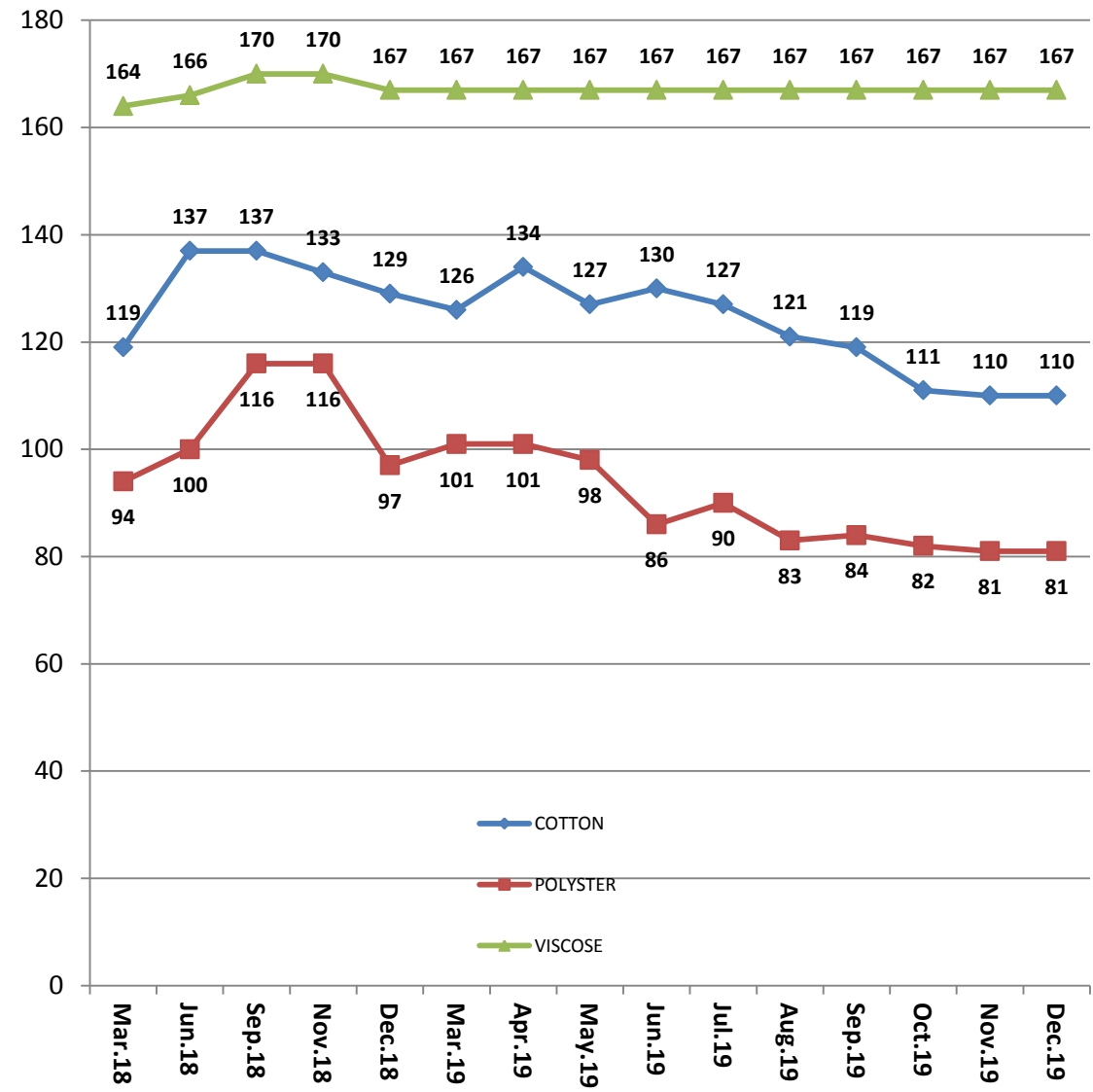
World's # 2 Producer of Cotton



World's # 3 Sheep Population

Raw Material Price Trend (Rs./Kg)

Month	COTTON	POLYSTER	VISCOSE
Mar.18	119	94	164
Jun.18	137	100	166
Sep.18	137	116	170
Nov.18	133	116	170
Dec.18	129	97	167
Mar.19	126	101	167
Apr.19	134	101	167
May.19	127	98	167
Jun.19	130	86	167
Jul.19	127	90	167
Aug.19	121	83	167
Sep.19	119	84	167
Oct.19	111	82	167
Nov.19	110	81	167
Dec.19	110	81	167



- *RSWM recognises Corporate Governance not as a set of rules but as a framework supporting the core values.*
- *Good Governance helps us to maintain trust with the shareholders, stakeholders, employees and society at large*
- *RSWM believes that good governance is the key to doing business in a sustainable manner, which creates value for the society*
- *The Company is managed by its Board of Directors, which formulates strategies & policies and carries out periodic review of its performance*
- *Board of Directors:*

Mr. Ravi Jhunjunwala	-	Chairman
Mr. Shekhar Agarwal	-	Vice Chairman
Mr. Riju Jhunjunwala	-	Managing Director & Chief Executive Officer
Mr. B. M. Sharma	-	Jt. Managing Director
Mr. Arun Churiwal	-	Director
Dr. Kamal Gupta	-	Independent Director
Mr. Amar Nath Chaudhary	-	Independent Director
Mr. P.S. Dasgupta	-	Independent Director
Mrs. Archana Capoor	-	Independent Director
Mr. Deepak Jain	-	Independent Director

Key Managerial Persons

Mr. Riju Jhunjhunwala-	Managing Director & CEO
Mr. B. M. Sharma -	Jt. Managing Director & CFO
Mr. Surender Gupta-	Company Secretary

Business Heads and Key Executives

Mr. Prakash Maheshwari-	Chief Executive (Corp.Affairs & TPP)
Mr. S.C.Garg-	Chief Executive (Melange Yarn)
Mr. Rajeev Jain-	Business Head (Yarn)
Mr. Suketu Shah-	Chief Executive (Denim & Fabric)
Mr. J.K. Manghani -	Dy. CFO

Auditors

Lodha & Co., New Delhi
S. S. Kothari Mehta & Co., New Delhi

Registered Office

Kharigram, P.O. Gulabpura – 311 021
Dist. Bhilwara (Rajasthan)

Corporate Office

Bhilwara Towers, A-12, Sector - 1
Noida – 201 301 (U.P.)

Corporate Office, Noida



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Thank you

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