



RSWM Limited

an LNJ Bhilwara Group Company



Proud To Be Indian
Privileged To Be Global

RSWM/SECTT/2020

November 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 ended 30th September, 2020.

Dear Sir,

Please find enclosed a copy of Investors Presentation on the Unaudited Financial Results of the Company for the quarter ended 30th September, 2020 for your information and record.

Thanking you,

Yours faithfully,
For **RSWM LIMITED**

SURENDER GUPTA
AVP – LEGAL & COMPANY SECRETARY
FCS – 2615

rswm.investor@lnjbihlvara.com

Encl.: As above

(Formerly Rajasthan Spinning & Weaving Mills Limited)

Corporate Office :
Bhilwara Towers, A-12, Sector-1
Noida - 201 301 (NCR-Delhi), India
Tel: +91-120-4390300 (EPABX)
Fax: +91-120-4277841
Website: www.rswm.in
GSTIN: 09AACR9700M1Z1

Regd. Office:
Kharigram, Post Office Gulabpura - 311 021
Distt. Bhilwara, (Rajasthan), India
Tel: +91-1483-223144 to 223150, 223478
Fax: +91-1483-223361, 223479
Website: www.lnjbihlvara.com
GSTIN: 08AACR9700M1Z3

Corporate Identification Number: L17115RJ1960PLC008216

RSWM Limited

An LNJ Bhilwara Group Company



Q2FY21 Performance



Q2 FY21 Financial Highlights

RSWM LIMITED

CIN:L17115RJ1960PLC008216

Regd. Office: Kharigram, P.O. Gulabpura, Distt. Bhilwara, Rajasthan - 311021

Phone: +91-1483-223144 to 223150, Fax: +91-1483-223361, 223479

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

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Unaudited Financial Results for the Quarter and Half Year Ended September 30, 2020

(₹ in Crore)

Particulars	Standalone Quarter Ended			Standalone Half Year Ended		Standalone Financial Year Ended	Consolidated Quarter Ended			Consolidated Half Year Ended		Consolidated Financial Year Ended
	September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019		September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total Income from Operations (Net)	559.95	219.84	706.82	779.79	1,413.08	2,797.22	559.95	219.84	706.82	779.79	1,413.08	2,797.22
Net Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	(27.66)	(101.63)	(7.92)	(129.29)	(27.45)	(29.58)	(27.66)	(101.63)	(7.92)	(129.29)	(27.45)	(29.58)
Net Profit/(Loss) for the period before Tax (after Exceptional and/or Extraordinary items)	(27.66)	(101.63)	(7.92)	(129.29)	25.69	23.56	(27.66)	(101.63)	(7.92)	(129.29)	(13.11)	(15.23)
Net Profit/(Loss) for the period after Tax (after Exceptional and/or Extraordinary items & Share of profit of Associates)	(17.35)	(65.75)	(3.39)	(83.10)	24.19	22.67	(15.00)	(66.11)	0.21	(81.11)	(9.12)	(13.41)
Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after Tax) and Other Comprehensive Income (after Tax)]	(20.46)	(54.13)	(30.75)	(74.59)	(61.36)	(77.15)	(18.12)	(54.50)	(27.15)	(72.62)	(94.68)	(113.26)
Equity Share Capital	23.55	23.55	23.55	23.55	23.55	23.55	23.55	23.55	23.55	23.55	23.55	23.55
Reserves (excluding Revaluation Reserve) as shown in balance sheet of the previous year						682.30						713.80
Earning Per Share (of ₹10/- each) (for continuing and discontinued operations)												
Basic (₹)	(7.37)	(27.92)	(1.44)	(35.28)	10.27	9.62	(6.37)	(28.07)	0.09	(34.44)	(3.87)	(5.70)
Diluted (₹)	(7.37)	(27.92)	(1.44)	(35.28)	10.27	9.62	(6.37)	(28.07)	0.09	(34.44)	(3.87)	(5.70)

Notes:

1. The Financial Results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and SEBI's circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016 as amended from time to time. The above financial results have been reviewed by the Audit Committee and subsequently approved and taken on record by the Board of Directors as its meeting held on November 11, 2020. The Limited Review for the quarter and half year ended September 30, 2020 results as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been carried out by the Statutory Auditors.

2. The Other Comprehensive Income (OCI) in the Statement of Profit and Loss, includes unrealized gain/(Loss) on fair valuation of equity instruments amounting to ₹ 7.70 Crore (previous year loss ₹ (99.65 Crore)).

3. Impact of Covid-19 Pandemic

On account of COVID-19 pandemic, the Government of India had imposed a complete nation-wide lockdown on March 24, 2020 leading to temporarily shut down of Company's manufacturing facilities and operations and Government of India progressively relaxed lockdown conditions and has allowed the Industry to resume its operations, in a phased manner. The Company had resumed manufacturing operation in first quarter but could bring the normalcy at the end of September, 2020 only, the Company's operations and financial results for the quarter and half year ended September 30, 2020 have been adversely impacted. The results therefore, are not comparable with those for the previous periods. Further, the Company has made assessment of its liquidity position from the previous recoverability and carrying value of its assets and liabilities as on September 30, 2020. The Company has considered internal and external sources of information for making said assessment. On the basis of said assessment, the Company expects to recover the carrying amount of these assets and no material adjustment is included in the financial results. The impact of any events and developments occurring after the balance sheet date on the financial results for the half year ended September, 2020 may differ from that estimated as at the date of approval of these financial results and will be recognized prospectively. Given the uncertainties associated with nature, present conditions and longevity of COVID – 19, the Company is committed to closely monitor any material changes arising out of prevailing economic conditions and impact of the same on the business of the Company.

4. The figures of the previous period/year have been regrouped/recast wherever considered necessary.

5. The above is an extract of the detailed format of financial results filed with the Stock Exchanges under Regulation 33 of the SEBI (LODR) Regulations, 2015. The full format of the financial results is available on the Stock Exchange websites (www.bseindia.com, www.nseindia.com) and on the Company's website (www.rswm.in).

By Order of the Board
For RSWM Limited

Place: Noida (U.P)

Date: November 11, 2020

Brij Mohan Sharma
Joint Managing Director
DIN : 08195895

H1 FY21 Financial Highlights

- *Rapid global spread of Covid-19 disrupted the global as well as indigenous supply chain.*
- *Lockdown announced from 22nd March 20 continued till 25th April 20. Our all the manufacturing facilities and offices were completely closed during this period.*
- *Resumption started in the last week of April 20 with restart of 10-20% capacities of yarn manufacturing.*
- *Denim & fabric operations restarted in first week of May 20.*
- *Steady increase in capacity utilisation, reached to around 75% in case of cotton yarns and 40-50% in manmade yarns & fabrics till 30th June 20. Further increased to 100% in case of cotton yarns in Aug.20 and 90% in manmade yarns in Sep.20.*
- *Denim & Fabric reached to 50% by Sep.20.*
- *Complete lockdown continued till 25 April and due to inactivity, the Company has sustained extra cost of around Rs.35 Cr. on account of fixed expenses in first 25 days. The Company has continue to bear around half of the fixed costs due to lower capacity utilisation.*

H1 FY21 Financial Highlights

- Company's sales volumes dropped as there were no dispatches during first half of Q1.
- Dispatches started after 15th May against pre-lockdown orders. Only 20% of normal dispatch capacity could be utilised during the month of May.
- Dispatches increased in June month to around 50% of normal capacity and reached to 90% by Sep.20.
- We have sufficient liquidity to increase the operations and to meet out the financial obligations during FY20-21.
- During FY20, the Company has liquidated its investments and non-core assets and infused Rs.165 Crore in the business.
- Company's borrowings (including bills) reduced from Rs.1520 Cr. as on 31.03.18 to Rs.1441 Cr. as on 31.03.19 and Rs.1160 Cr. as on 31.03.20. The same has further reduced to Rs.936 Cr. as on 30.09.2020.

Profitability Highlights

₹ in Cr.

	Q2 FY21	Q2 FY20	H1 FY21	H1 FY20	FY20
Total Income (Incl. other income)	559.95	706.82	779.79	1466.22	2850.36
Raw Material Cost	271.02	411.86	388.73	840.43	1566.82
Employee Cost	76.15	94.52	130.48	185.10	366.24
Power Cost	68.06	91.50	104.99	181.18	338.70
Other Expenses	65.90	79.96	105.98	155.39	335.50
Inc./Dec. in Inventory	52.23	(24.82)	69.00	(45.50)	(20.64)
EBIDTA	26.59	53.80	(19.39)	149.62	263.74
EBIDTA Margin (%)	4.80%	7.72%	(2.52%)	10.70%	9.51%
Depreciation	32.38	33.28	64.43	65.90	131.67
Finance Cost	21.87	28.44	45.47	58.04	108.51
Profit Before Tax	(27.66)	(7.92)	(129.29)	25.69	23.56
Tax	(10.31)	(4.53)	(46.19)	1.50	0.89
Net Profit After Tax	(17.35)	(3.39)	(83.10)	24.19	22.67
Net Profit Margin (%)	(3.13%)	(0.48%)	(10.80%)	1.73%	0.82%

Balance Sheet Highlights

₹ in Cr.	30.09.20	31.03.20
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Assets

Non-current Assets	1073	1128
Fixed Assets	977	1034
Investments	68	60
Other Non-current Assets	28	34
Current Assets	776	1055
Inventories	315	507
Trade Receivable	292	342
Other Current Assets	169	206
Total Assets	1849	2183

₹ in Cr.	30.09.20	31.03.20
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Liabilities

Shareholders' Fund	631	706
Share Capital	24	24
Reserve & Surplus	607	682
Non-current Liabilities	445	557
Long Term Borrowing	418	484
Other Non-current Liabilities	27	73
Current Liabilities	773	920
Short Term Borrowing	339	568
Other Current Liabilities	434	352
Total Liabilities	1849	2183

Key ratios

		Q2 FY21	FY20	FY19	FY18
Balance sheet ratios					
	<i>fixed asset cover ratio</i>	1.64	1.75	1.47	1.62
	<i>DE ratio excl CPTL</i>	1.08	1.35	1.43	1.41
	<i>DE ratio incl CPTL</i>	1.36	1.51	1.69	1.56
	<i>debt service coverage ratio (DSCR)</i>	(1.41)	0.85	0.79	0.66
	<i>interest coverage ratio (ISCR)</i>	(0.43)	2.43	1.76	2.24
	<i>current ratio</i>	1.31	1.30	1.24	1.13
	<i>current ratio incl CPTL</i>	1.00	1.15	1.01	1.01
Earning Ratio					
	<i>return on capital employed (%)</i>	(9.07)	6.05	3.42	5.11
	<i>return on net worth (%)</i>	(26.33)	3.21	(3.10)	1.61
	<i>return on sales (%)</i>	(10.80)	0.82	(0.82)	0.49
	<i>EBITDA margin %</i>	(2.52)	9.52	7.09	8.94
EPS					
	<i>basic EPS (₹)</i>	(35.28)	9.62	(10.30)	6.16
	<i>cash EPS (₹)</i>	(27.54)	65.91	38.42	61.91

Current Scenario and outlook

- *COVID-19 has a widespread impact on global economy and business. The forecasts and estimates suggest that normalcy will return in FY2122.*
- *It is estimated that capacity utilizations shall be low, with reduced offtakes and higher lead times in the supply chains all across.*
- *Govt. has allowed operations with many precautionary measures and conditions which lead to shortage of labour and reduction of demand.*
- *The Company is increasing operations gradually with the increase in demand and offtake.*
- *The Q2 has witnessed a significant rebound and Company's turnover has increased from Rs.216 Cr. in Q1 to Rs.554 Cr. in Q2.*
- *Q2 ended with PBDT of Rs.4.72 Cr. as against negative PBDT of Rs.69.58 Cr. in Q1.*

Current Market Scenario and outlook

- *The Company is hopeful to achieve normal levels in Q3 except Denim & Fabrics.*
- *Denim & Fabric operations expected to achieve normal level in Q4.*
- *Q2 was way better than Q1 and Q3 is expected to better than Q2.*
- *The Company is working to cut its costs in order to remain competitive in changed scenario post COVID-19.*
- *Measures have been taken to rationalize wage bill, power, finance and other costs.*

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.**

Textiles

- RSWM Ltd.
- Maral Overseas Ltd.
- BSL Ltd.
- Bhilwara Technical Textiles Ltd.
- BMD Pvt. Ltd.



Power

- Bhilwara Energy Limited
- Malana Power Co. Ltd.
- AD Hydro Power Ltd.
- NJC Hydro Power Ltd.
- Balephi Jal-vidyut Co. P. Ltd.-Nepal

Power Consultancy

- Indo Canadian Consultancy Services Ltd.

Graphite Electrodes

- HEG Limited

Information Tech.

- Bhilwara Infotechnology Ltd.

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



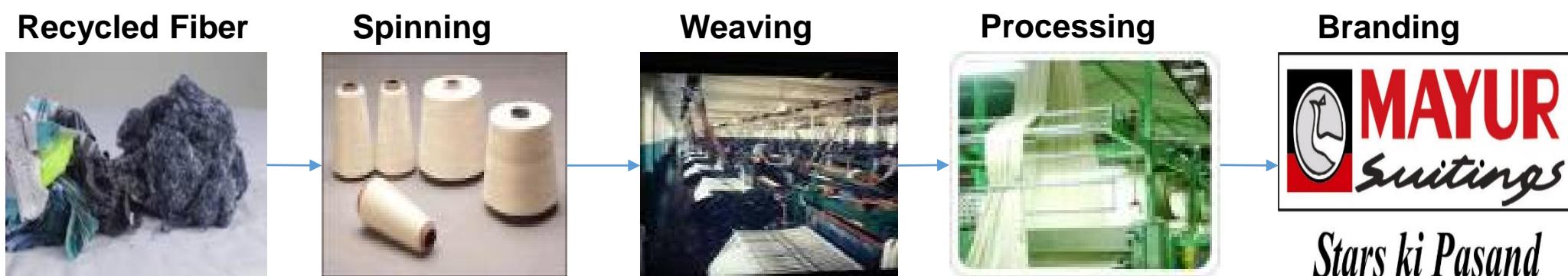
RSWM – Overview

- *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*
- *10 million meter p.a. PV Fabrics*
- *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*



^{8 X 2.5} **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.*

8 X 3.5 **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.
- 2015 – Added another Melange Yarn unit at Kanyakheri, Bhilwara.
- 2017 – Installation of Sheet Dyeing facility at Denim
- 2017 - Commissioned 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.



Product Portfolio

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 Kashmere wool, cotton with viscose and 100% tencel.

Branding



Edge

Ultra



Ultima



cannello

verona



Manufacturing Units

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

Captive Power Plants

1. 46MW Thermal Power Unit	-	<i>Village Mordi, Banswara, Rajasthan</i>
2. 22 MW Solar Power	-	<i>Mandpam, Kanyakheri, Kharigram, Mordi, Reengus</i>

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 & 1Ind 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

Corporate Governance

- *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. Riju Jhunjhunwala	-	Chairman & Managing Director
Mr. Ravi Jhunjhunwala	-	Director
Mr. Shekhar Agarwal	-	Director
Mr. B. M. Sharma	-	Joint Managing Director
Mr. Arun Churiwal	-	Director
Dr. Kamal Gupta	-	Independent Director
Mr. Amar Nath Choudhary	-	Independent Director
Mr. P.S. Dasgupta	-	Independent Director
Mrs. Archana Kapoor	-	Independent Director
Mr. Deepak Jain	-	Independent Director

Corporate Information

Key Managerial Persons

Mr. Riju Jhunjhunwala-	Chairman & Managing Director
Mr. B. M. Sharma -	Joint Managing Director
Mr. Avinash Bhargava -	Chief Financial Officer
Mr. Surender Gupta-	Company Secretary

Business Heads and Key Executives

Mr. Prakash Maheshwari-	Chief Executive (Corp.Affairs & TPP)
Mr. Rajeev Jain-	Chief Executive (Yarn)
Mr. Suketu Shah-	Chief Executive (Denim & Fabric)
Mr. Ashwani Mittal-	Dy. Chief Executive (Melange Yarn)

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



Corporate Information

For further information, please contact:

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Chief Financial Officer
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Email: cfo.rswm@lnjbihilwara.com

Shri Surender Gupta
Company Secretary
Tel: 0120 4390058
Cell: 9818646484
Email: skg@lnjbihilwara.com

Shri Rakesh Jain
DGM – Corporate Finance
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Thank you

DISCLAIMER

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