

RSWM/SECTT/2022

February 8, 2022

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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Sub: Investors presentation on the Unaudited Financial Results of the Company for the quarter ended 31st December, 2021.

Dear Sir,

Please find enclosed a copy of Investors Presentation on the Unaudited Financial Results of the Company for the quarter ended 31st December, 2021 for your information and record.

Thanking you,

Yours faithfully,
For **RSWM LIMITED**



SURENDER GUPTA
AVP – LEGAL & COMPANY SECRETARY
FCS – 2615

rswm.investor@lnjbhilwara.com

Encl.: As above

(Formerly Rajasthan Spinning & Weaving Mills Limited)

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Bhilwara Towers, A-12, Sector-1
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Fax: +91-120-4277841
Website: www.rswm.in
GSTIN: 09AAACR9700M1Z1

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Fax: +91-1483-223361, 223479
Website: www.lnjbhilwara.com
GSTIN: 08AAACR9700M1Z3

Corporate Identification Number: L17115RJ1960PLC008216



RSWM Limited
an LNJ Bhilwara Group Company



Investor Presentation: December 2021

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Message from MD's desk

Commenting on the results, Mr. Riju Jhunjhunwala, Chairman & Managing Director of RSWM Ltd. said, "we are pleased with our operating performance for Q3FY22 driven by strong performance in both segment and better realization. We are confident of continuing with the growth momentum for rest of the year and we remain focused on improving all the key metrics at all levels across our manufacturing facilities and enhance market share. Our consolidation efforts towards new investment allocation and focus on core business capabilities building remains critical for sustainable business growth. We are confident that the company would continue to build on the momentum while executing our blueprint with disciplined determination."



Message from JMD's desk

Commenting on the results, Mr. B. M. Sharma, Joint Managing Director of RSWM Ltd. said, "The quarter-on-quarter growth momentum has continued in the third quarter led by very strong demand in international markets. Steps were taken to monetize non-core assets of the Company. Funds so generated are being deployed to expand existing businesses production capacity and venture into a new business line i.e. Knits Business. Efforts are being made to put company on growth trajectory by implementing a well thought of Capex plan, which may require re-assignment of resources, including human resources. This will generate new growth opportunities for employees and we have also rolled out a plan for development of future leaders. Investment in this HRD initiative is going to benefit all stake holders of company as well as its employees."





RSWM Limited
an LNJ Bhilwara Group Company

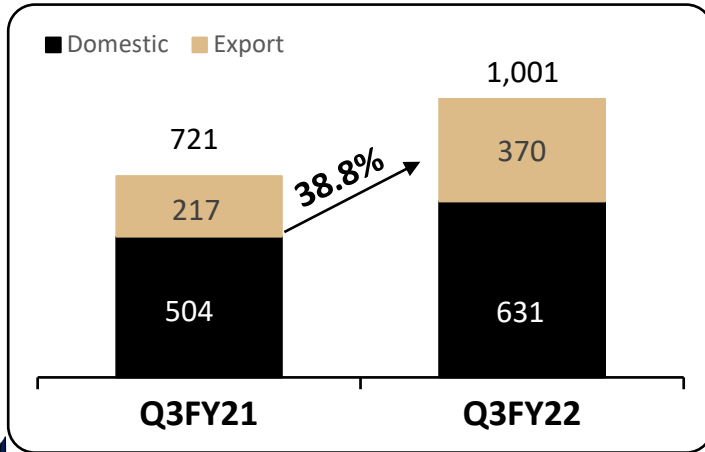
Q3 & 9M FY22 HIGHLIGHTS

Financial Performance Highlights : Q3FY22

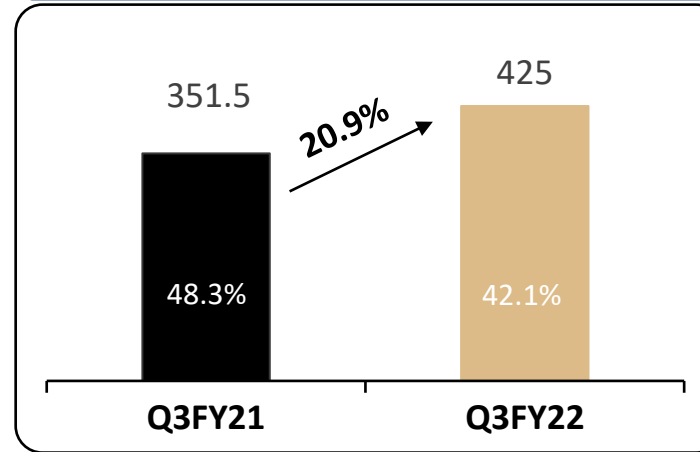


INR in Cr

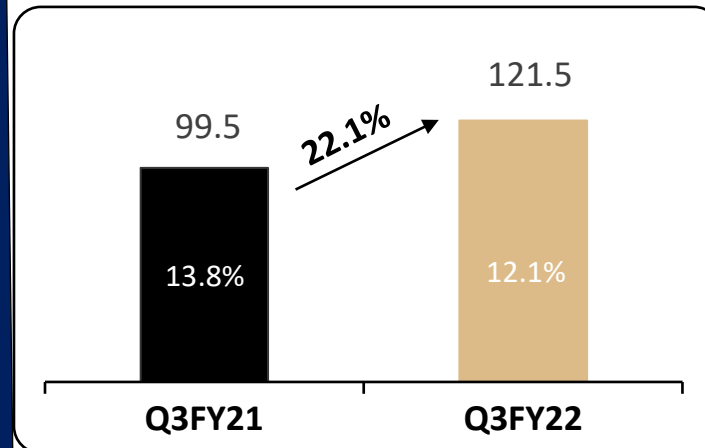
Revenue



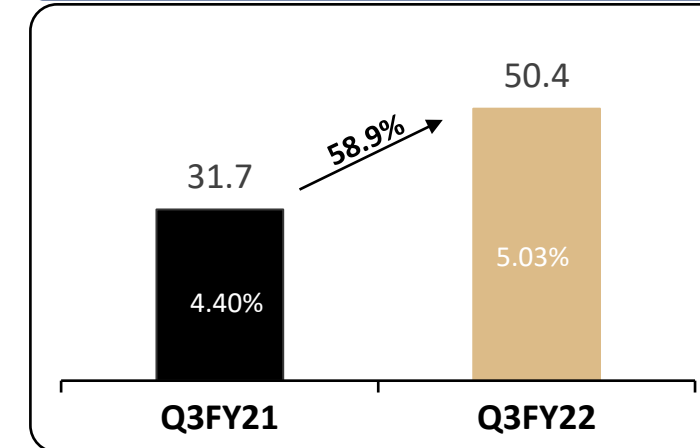
Gross Profit & Gross Profit Margin %



EBITDA & EBITDA Margin %



PAT & PAT Margin %



Highlights

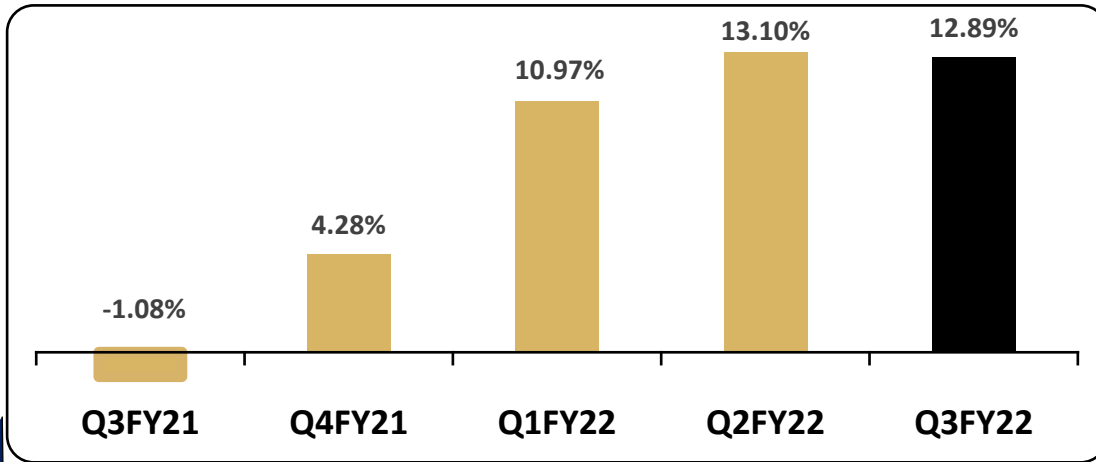
- During the quarter revenue from operation grew 38.8% to INR 1,001 Cr.
- Domestic turnover has increased by 25.1% as compared to Q3FY21.
- Export turnover has increased by 70.5% as compared to Q3FY21.
- EBITDA up 22.1% to INR 121.5 Cr. EBITDA Margin stood at 12.1%
- Net profit stood at INR 50.4 Cr, up by 58.9% YOY.

Key Financial Ratio

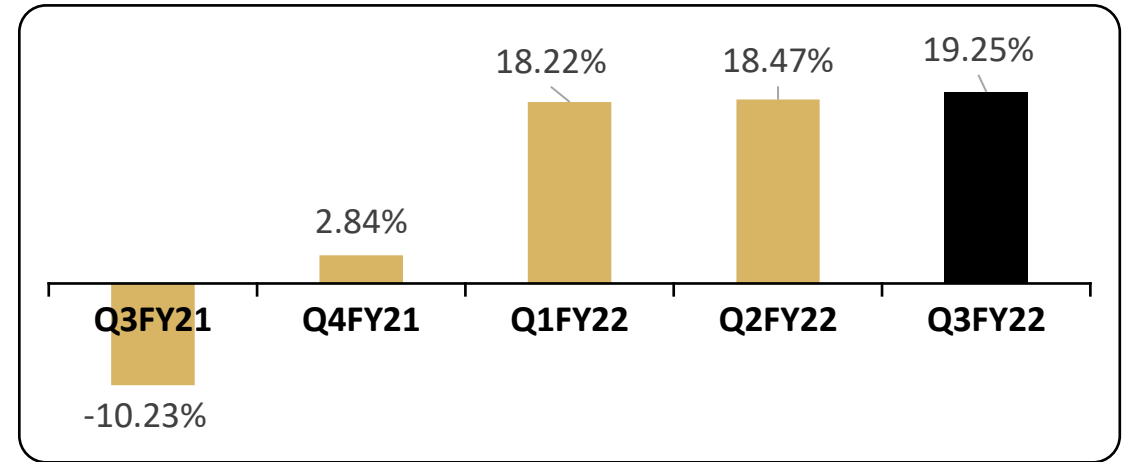


INR in Cr

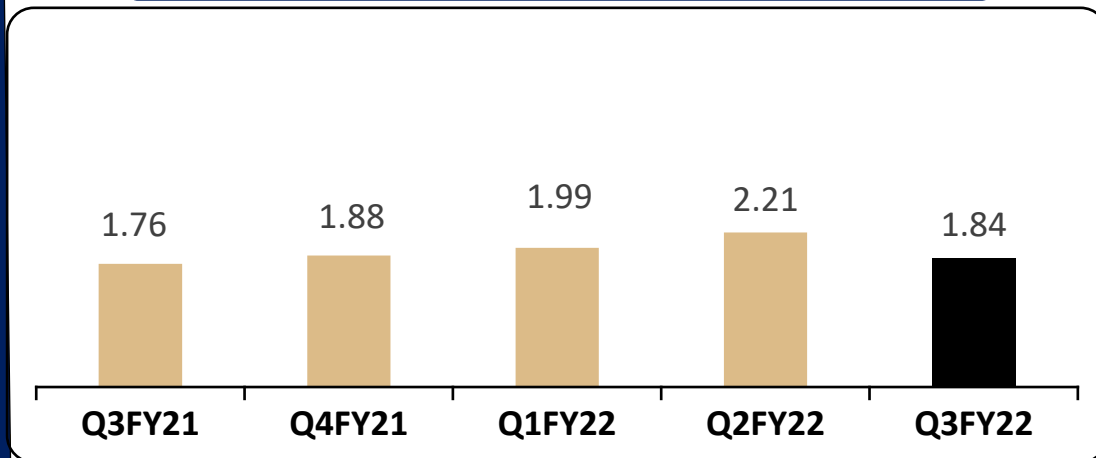
ROCE



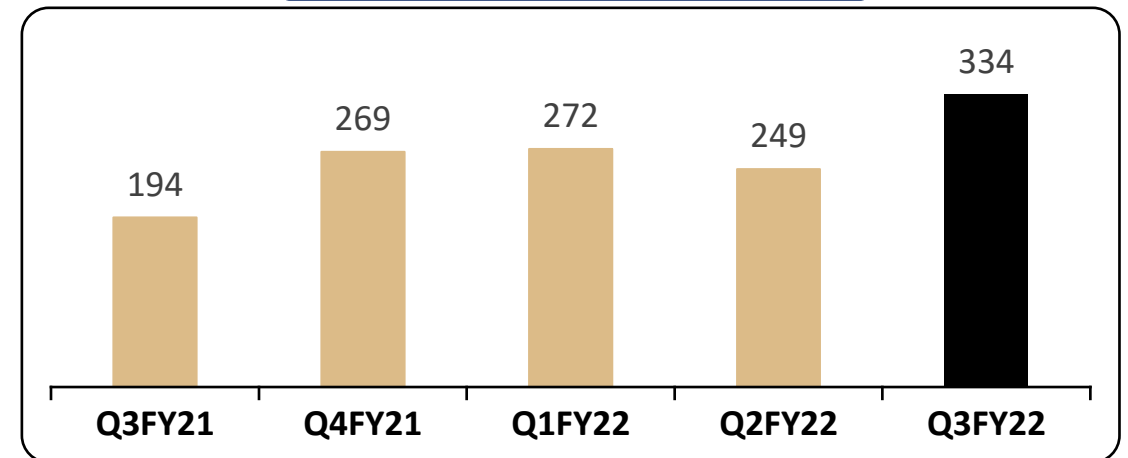
RONW



Fixed Asset Coverage Ratio



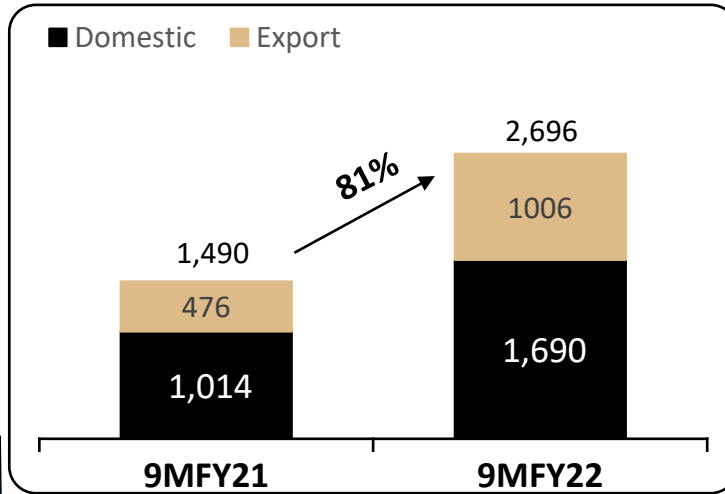
Net Working Capital



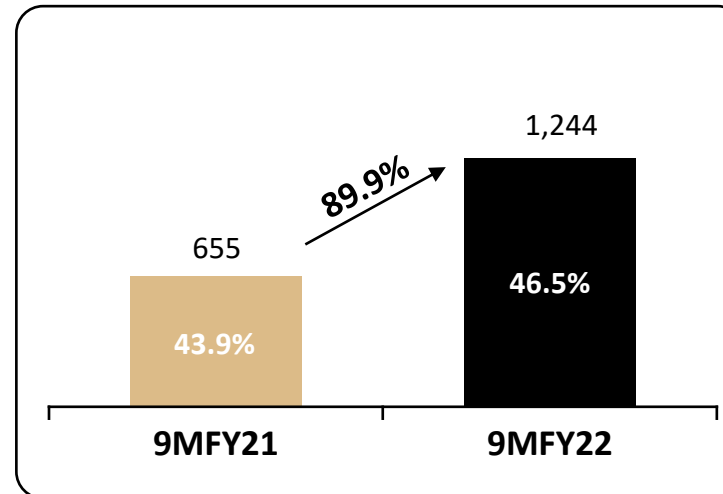
Financial Performance Highlights : 9MFY22



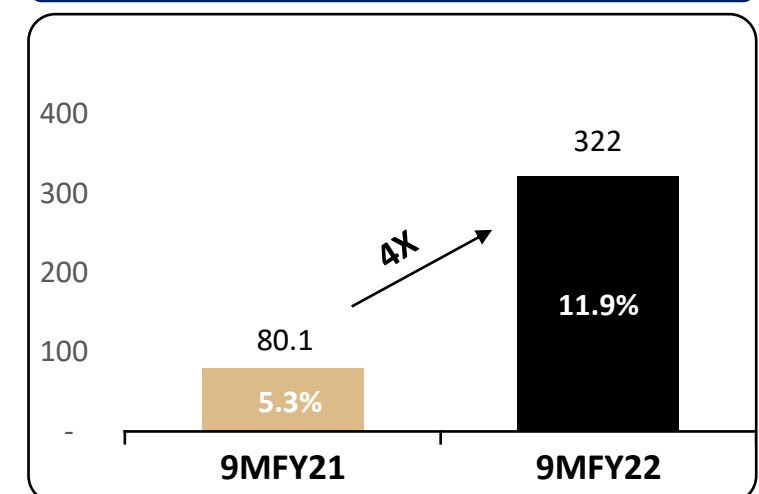
Revenue



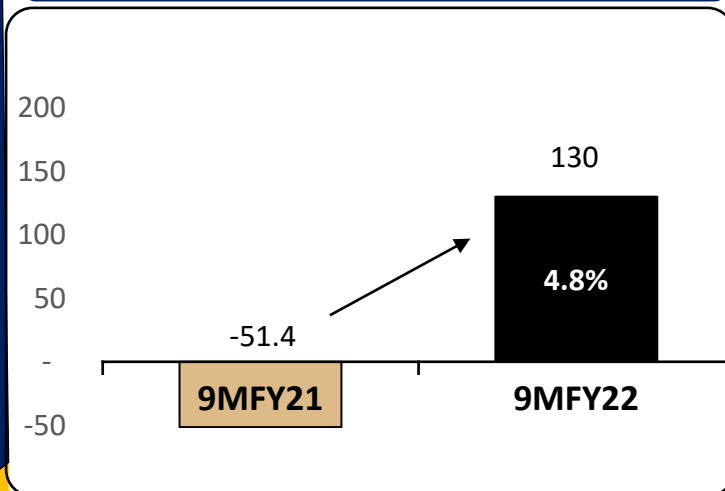
Gross Profit & Gross Profit Margin %



EBITDA & EBITDA Margin %



PAT & PAT Margin %



Highlights

INR in Cr

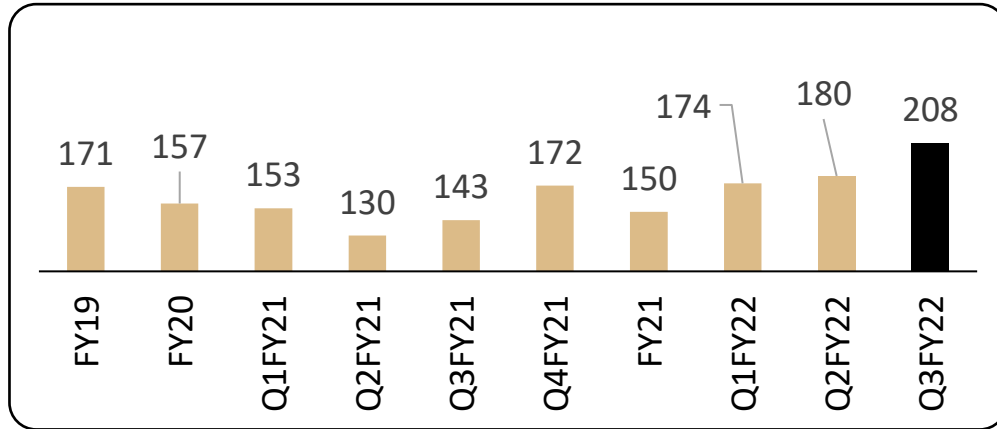
- During the quarter, revenue for 9 month operation grew 81% to INR 2,696 Cr
- Domestic turnover has increased by 66.6% as compared to 9MFY21
- Export turnover has increased of 111.3% as compared to 9MFY21.
- EBITDA up 4x to INR 322 Cr. EBITDA Margin stood at 11.9%
- Net profit stood at INR 130 crores as against loss of INR 51.4 Cr in 9MFY21

Average Sales Realisation

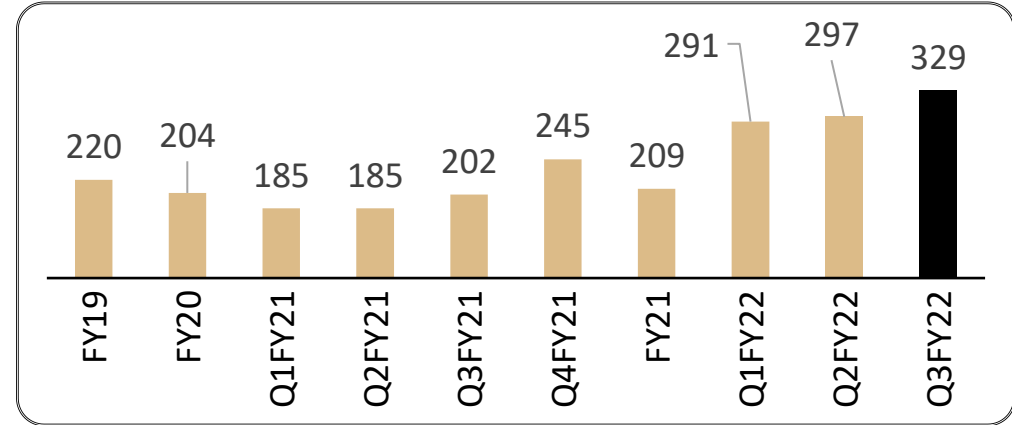


Yarn per Kg
Denim per meter

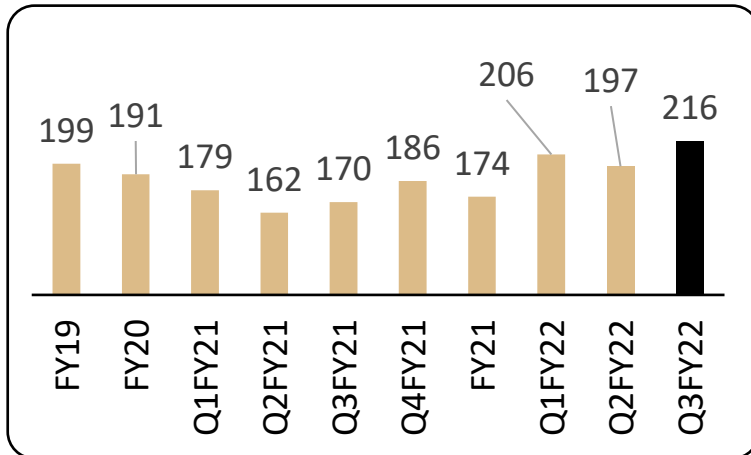
PV Grey Yarn



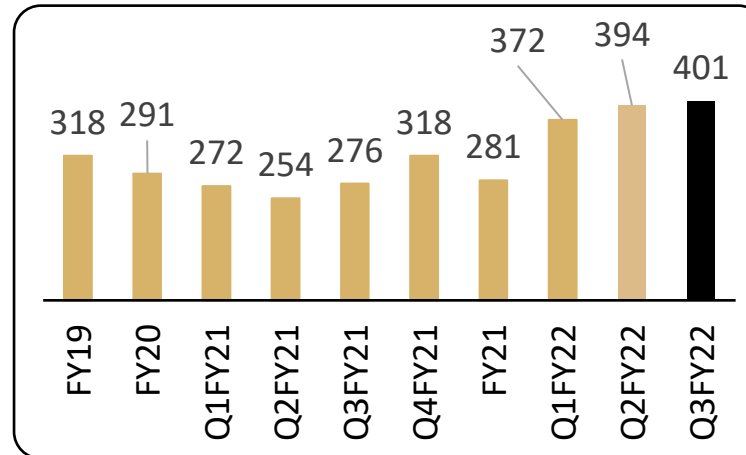
Cotton Grey Yarn



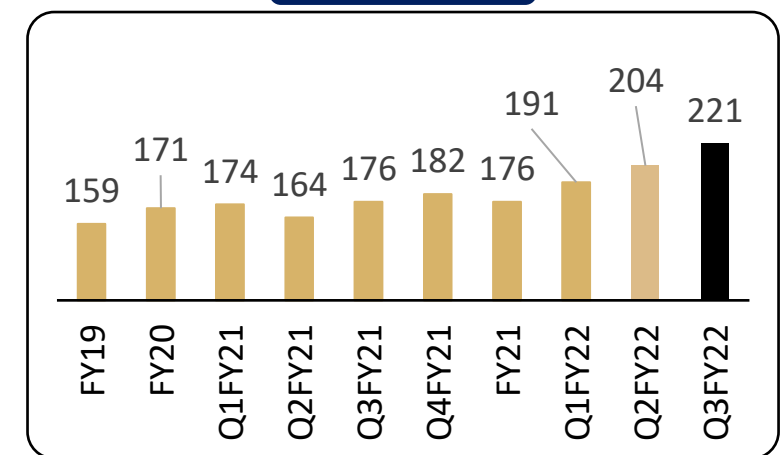
PV Dyed Yarn



Melange Yarn



Denim





Lever Of Growth

Lever Of Growth



- Our team is working on programs like “Kifayat” and “Kaizen” for cost optimization, quality improvement and productivity enhancement.
- Our ability to reprocess the waste materials and minimize waste adds to savings of raw material
- Adequate use of captive solar power in plant and regular energy audit helps in reduction of Power cost

Optimization

- Focus on monetizing non core assets
- Company is also exploring the long term growth opportunities by strategizing to enhance value-added products proportion in our sales mix
- Pre-payment of long term loans which is helping us in reduction of finance cost
- Minimizing current assets
- Better realization of government assets

Realization

- Closely tracking Govt Policies RoDTEP Scheme (Remission of duties and Taxes on Export Products). which will enhance Indian exports competitiveness across the globe. It is likely to change entire value chain for exporters.
- Capitalize on growth opportunities arising from New textile policy like PLI, Mega investment Textile Parks (MITRA) and Free trade agreement

Govt. Initiatives

- Company is investing around INR.330 Cr. in expansion of Denim, Cotton Melange Yarn, Knits Business and Modernisation & Balancing equipment's across all units
- Capex will be fully operational by FY23
- Investment in Denim, Cotton Yarns and Knit expected to increase our top line by around INR 575 Cr.

Investment



Company Profile

Company Profile



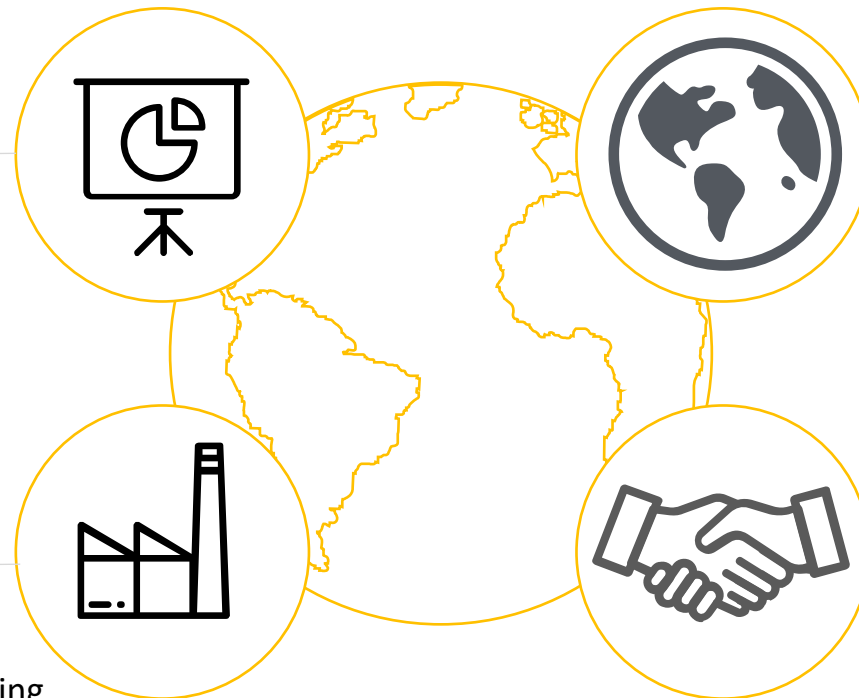
RSWM Ltd. is One of the largest textile manufacturers and Exporters of Synthetic, Blended, Mélange, Cotton, Specialty value added yarns and also manufacturing Fabrics, Denim and Green Polyester Fiber.

Business Segments

- Yarns and Denim
- Total Capacity: Yarn:1,39,500 TPA
- Fabric: 275 Lakh Mts

Installed Capacities

- 10 Manufacturing facilities
- 43,000 MTs p.a. Green Polyester Fiber manufacturing capacity
- 4,45,192 Spindles and 4,800 Rotors Spinning
- 10 million meter p.a. PV Fabrics
- 25 million mtrs p.a. Denim Fabric manufacturing capacity -Composite Facility (Spinning+Weaving+Processing+Dyeing).



Global Presence

- Exports to more than 78+ nations globally like Africa, South East Asia, Europe, Middle East, USA
- Export contributes ~33% of Sales

Strong Parentage

- RSWM is the Flagship company of LNJ Bhilwara Group
- RSWM enjoys the Golden Trading House status.

Strong Parentage



POWER CONSULTANCY

- Indo Canadian Consultancy Services Limited

GRAPHITE ELECTRODES

- HEG Limited

INFORMATION TECHNOLOGY

- Bhilwara Infotechnology Limited

TEXTILES

- RSWM Limited
- Maral Overseas Limited
- BSL Limited
- Bhilwara Technical Textiles Ltd
- BMD Private Limited



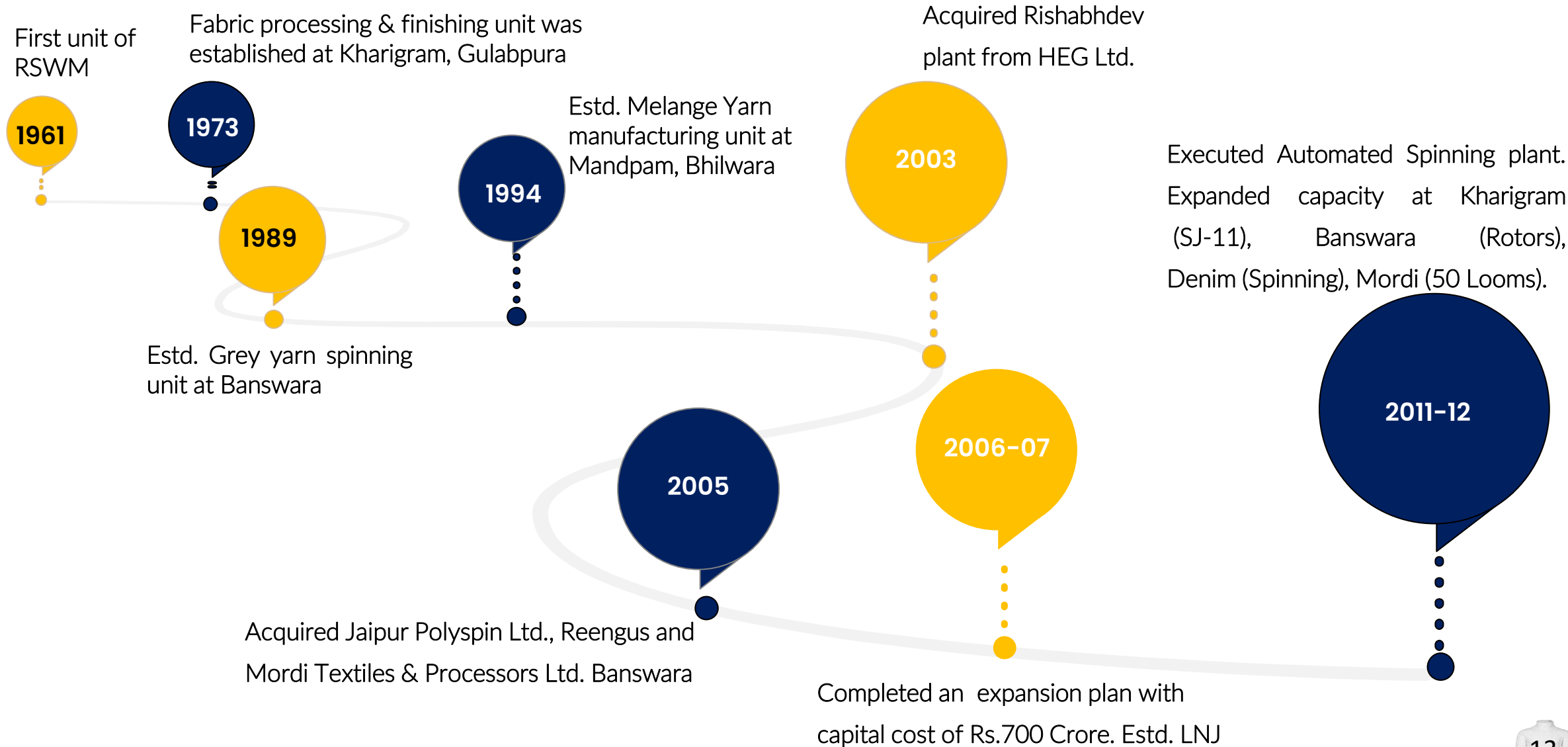
POWER

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

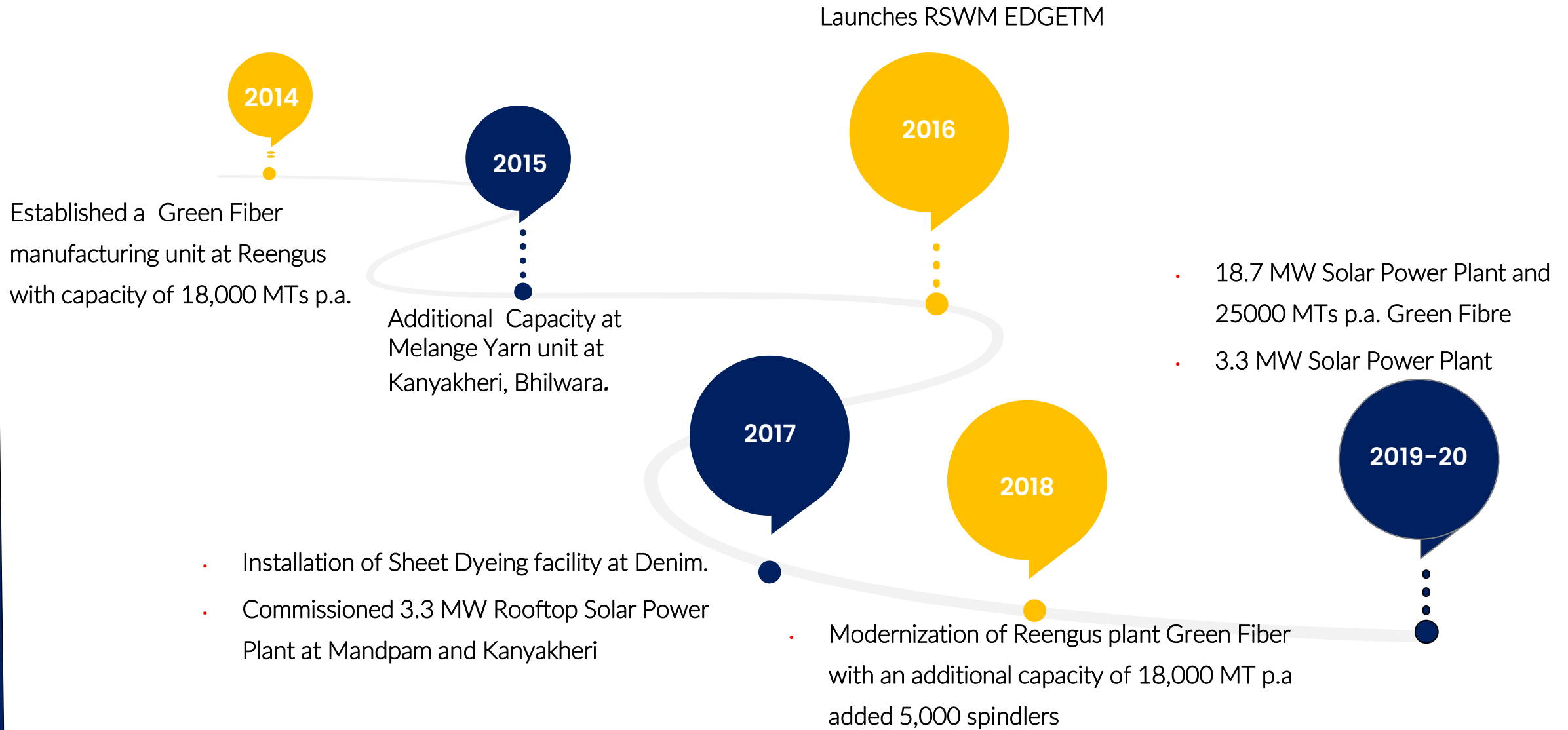
HIGHLIGHTS

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

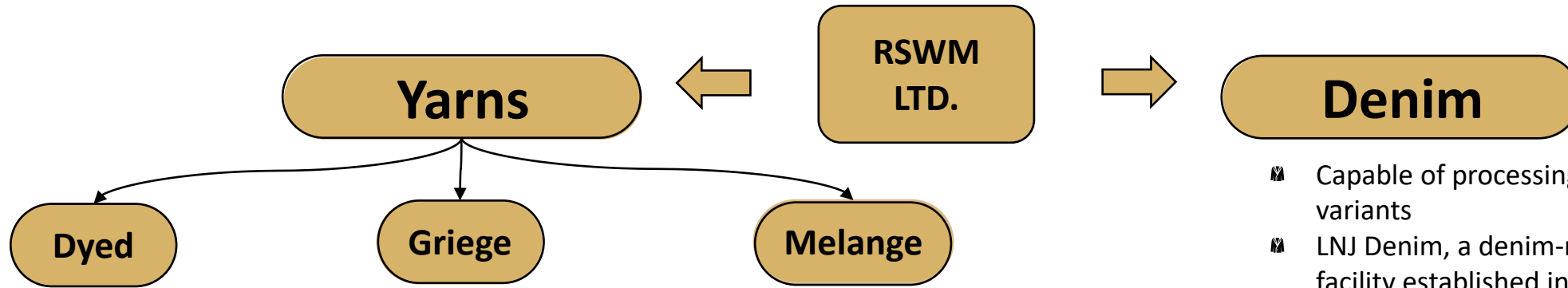
Milestone



Milestone



Business Verticals



- Grey/Dyed PV Blended, Poly 100%, Visc. 100%, Poly/Visc/Cotton Blended Specialty Yarns from unorthodox fibres



- Greige is a yarn that hasn't been bleached or dyed
- The yarn from this factory is sold under the brand name ULTIMA® and is the finest polyester-viscose greige yarn in the Indian market..



- Melange yarn, a high-value yarn
- Manufactured at its Mandpam and Kanyakheri units, this yarn sub-segment is widely accepted by leading global brands operating in India.
- Used in casual wear, sportswear, shirts, socks, inner wear as well as towels, and other home linen,
- Melange contributes about 22% to the revenue earned by the yarn vertical.



- Capable of processing 3000+ denim variants
- LNJ Denim, a denim-manufacturing facility established in 2007 under RSWM Limited (the flagship company of LNJ Bhilwara Group), has a manufacturing capacity of 25 million metres annually.
- LNJ Denim has earned an excellent reputation amongst international and domestic brands as an innovator and a quality supplier of denim fabric.



Credentials



- The company is certified by all quality certification as per International Standards
- The company has also been certified by ISO 9001 2015, Global Organic Textile Standard (GOTS), *Oeko-Tex-100* (certified by *Hoihenstein*), *SA- 8000:2015* (certified by *BSI*), *ISO EnMS – 5001 : 2012*, *Organic Cotton Fair Trade Standards*

| Location | Spindles | Rotors | Looms |
|--------------|-----------------|--------------|------------|
| Kharigram | 1,67,792 | | |
| Banswara | 95,376 | 3,120 | |
| Rishabhdev | 52,848 | | |
| Reengus | 32,840 | | |
| Mordi | 21,264 | 1,680 | 172 |
| Mandpam | 49,152 | | |
| Kanyakheri | 25,920 | | |
| Total | 4,45,192 | 4,800 | 172 |





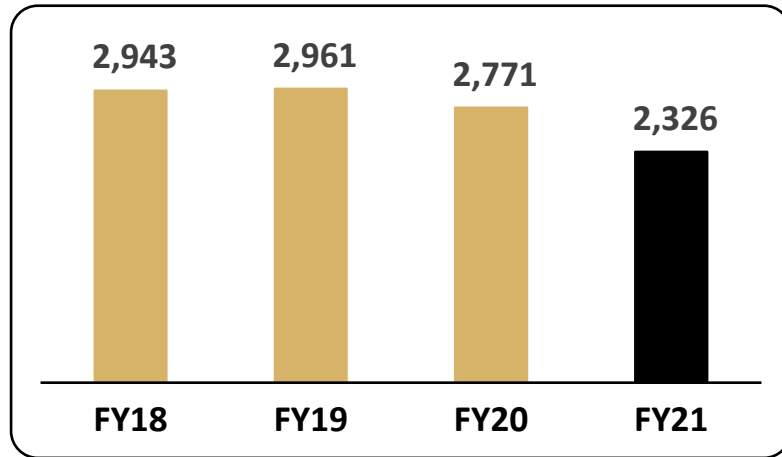
RSWM Limited
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HISTORICAL FINANCIAL OVERVIEW

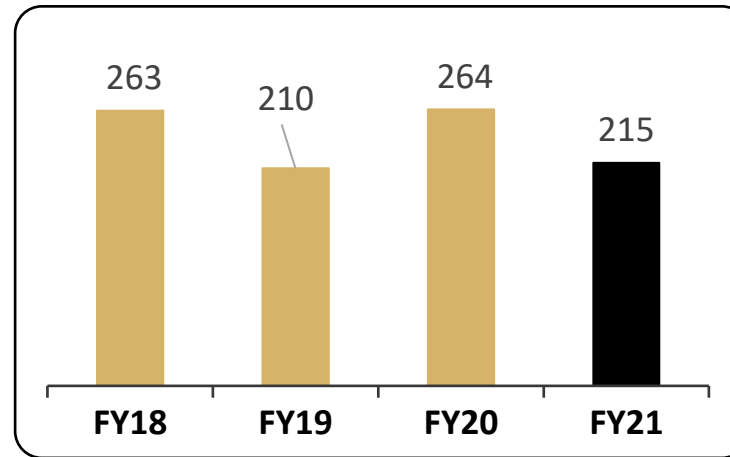
Financial Overview



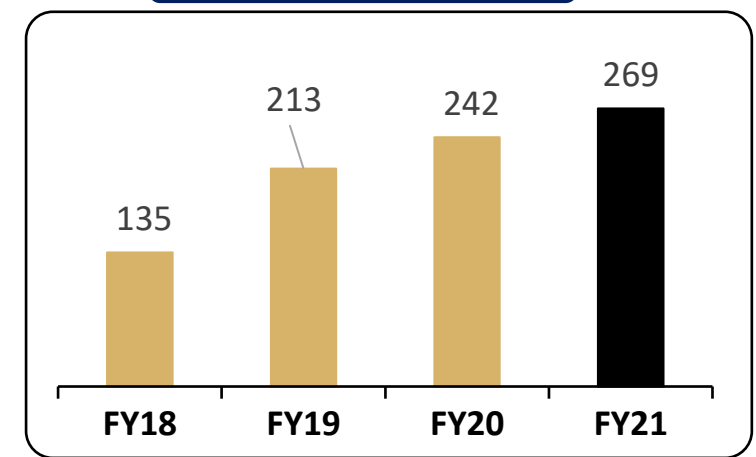
Revenue



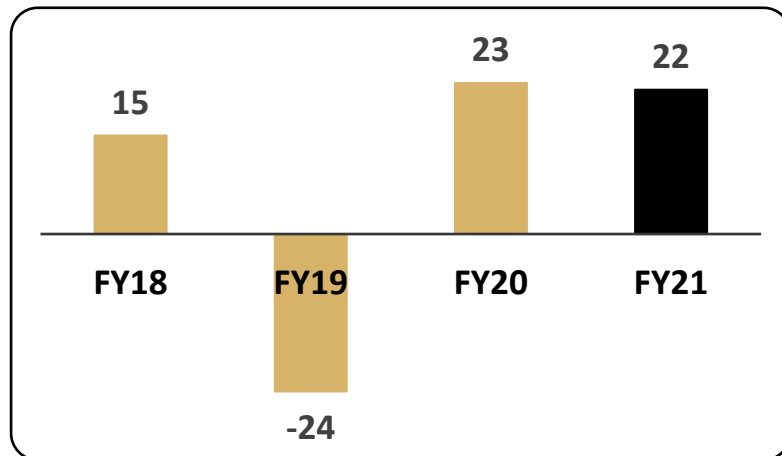
EBIDTA



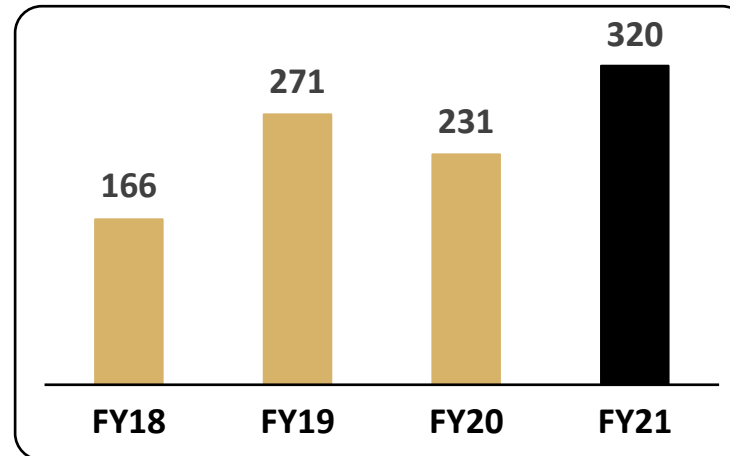
Net Working Capital



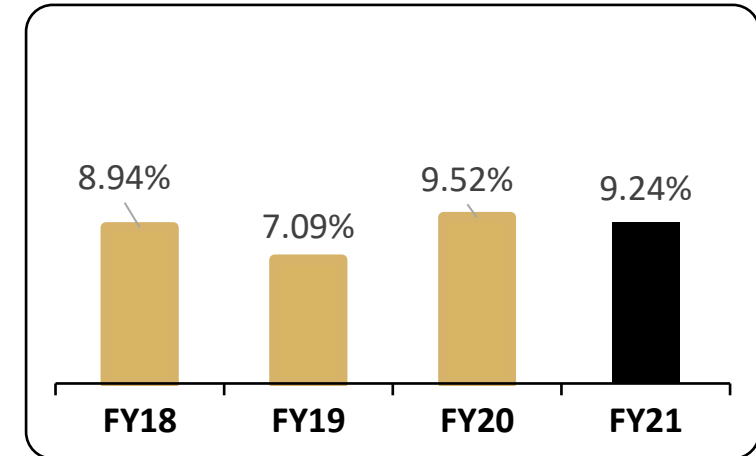
PAT



Net Cash Flow From Operation



EBITDA Margins

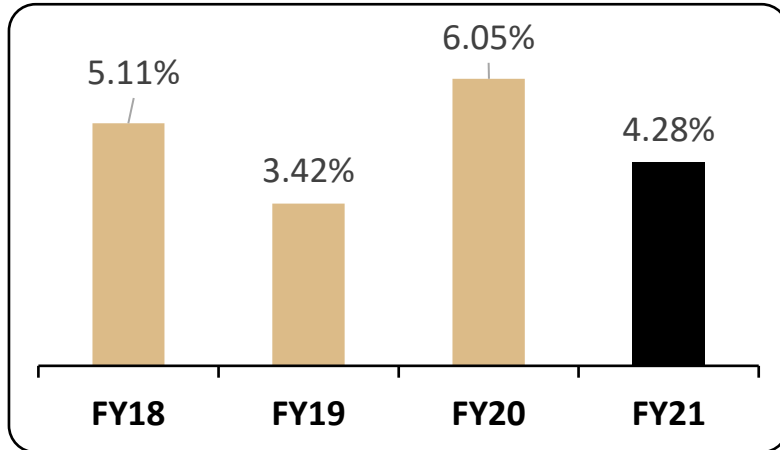


INR in Cr

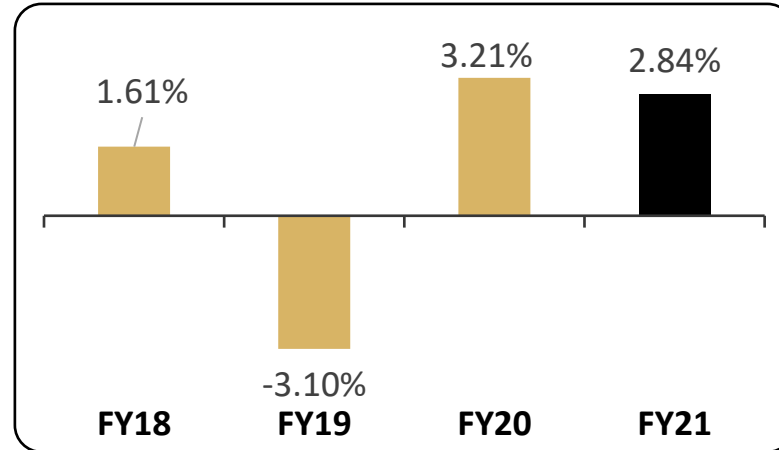
Financial Overview



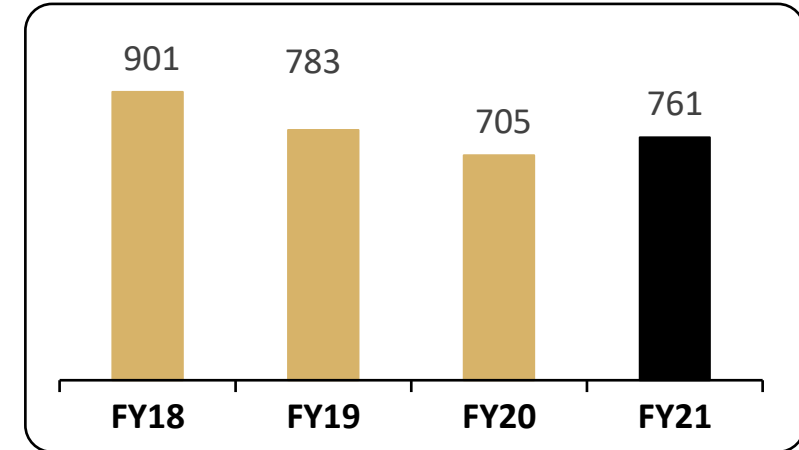
Return on Capital Employed



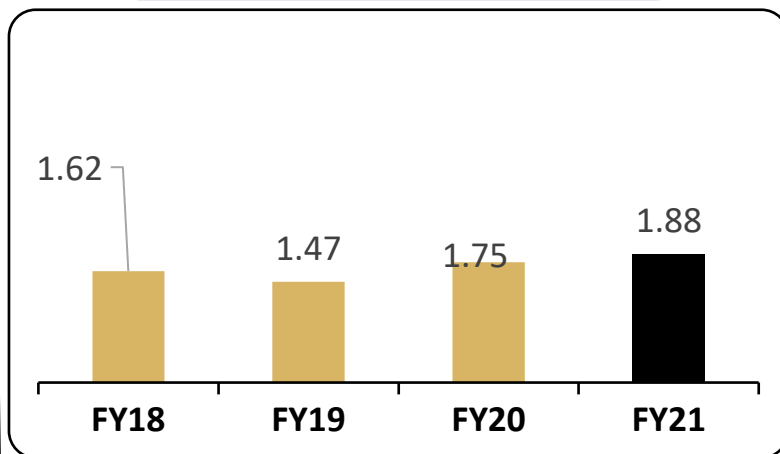
Return on Net Worth



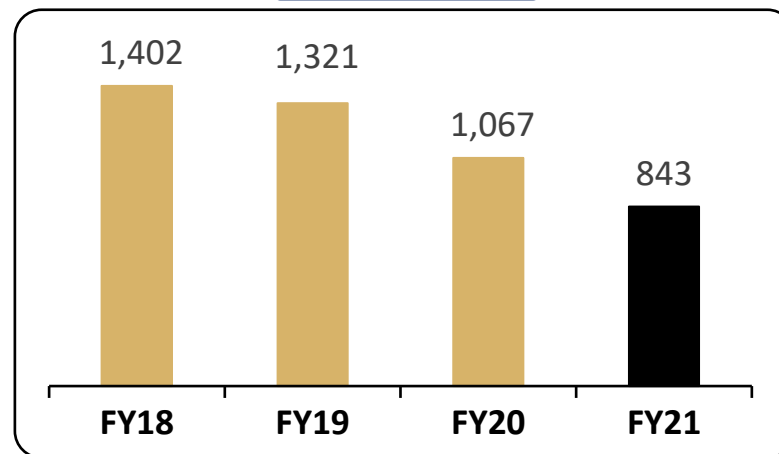
Net Worth



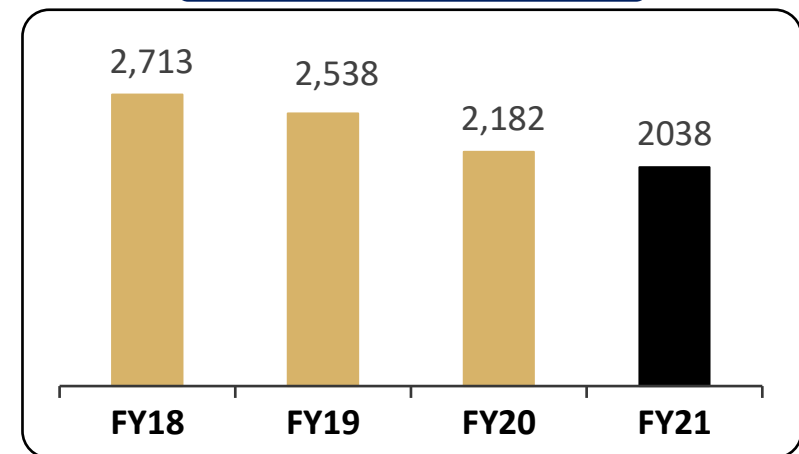
Fixed Asset Turnover



Net Debt



Capital Employed





ESG INITIATIVES



Safeguarding Environment

Water Management

- We offer fabrics dyed with advanced techniques that uses less water and chemicals.
- To round out our efforts, we treat all our post-process water in our own effluent treatment plant and further purify it via reverse osmosis before returning it to the environment cleaner than before

1350 Kilolitre water saved everyday

Energy Conservation

- LNJ Bhilwara Group continues to invest in renewable energy sources, and have successfully commissioning two hydro- and wind- power projects along with a roof top solar power plant, aggregating a total of more than 300 MWs.

8,00,000 Tonnes of CO2 emissions reduced annually

Recycle & Waste Management

- We proudly offer recycled yarns in our fabrics.
- Our state-of-the-art Garnett machine efficiently breaks down post-consumer waste fabrics and converts them into new usable fibres, we're weaving new fabric while eliminating excess waste from landfills.

30 Tonnes of fabric recycled per month

ESG Initiatives



Fibre Green

- Fibre green is a process of converting waste material into fiber.
- Disposed PET bottles are converted into flakes which are finally turned into fiber in different denier and cut for spinning into yarn.
- In terms of performance, these recycled 100% polyester fibres are just like virgin polyester fiber having a production capacity in excess of 3600 tonnes per month.

183 Cr PET bottles recycled annually

Creating Value for Employees

- Hiring from diverse skill sets; Employee friendly policies
- Building an inclusive culture and an enabling environment to perform and grow
- Building capabilities in knowledge, skills and competencies through intense and customized training programs at defined stages of employee career
- Driving a performance culture through differentiation and linkage to rewards



ESG Initiatives



Core Values

- Our sustainability initiatives are not guided by legal or regulatory requirement only but are rooted in the core values.
- Since our inception we are investing in preserving and improving the environment for 6 decades by various initiatives. For more details please
- visit: <https://www.rswm.in/sustainability/>

Strong Governance

- Optimum mix of Executive/Nonexecutive Directors as per Policy on Board Diversity
- Performance evaluation of Board, Committees, Chairperson, Individual Directors
- CSR & Sustainability Board Committee oversight to drive ESG
- Policies like Prohibition of Insider Trading, Anti-Money Laundering
- Encouraging to report concerns through Whistle Blower Policy





RSWM Limited
an LNJ Bhilwara Group Company

Management Team

Management Team



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

MR. PRAKASH MAHESHWARI
Chief Executive
(Corp. Affairs & TPP)

MR. SUKETU SHAH
Chief Executive
(Denim)

MR. ARUN DUDEJA
Chief Executive
(Knits)

MR. SUKESH SHARMA
Dy. Chief Executive
(Yarn)

MR. ASHWANI MITTAL
Dy. Chief Executive
(Melange Yarn)

MR. MANOJ SHARMA
President and Chief Human
Resource Officer

MR. ARVIND GUPTA
President and Chief
Marketing Officer

Awards & Recognitions



Holds the prestigious “Golden Trading House” status by Govt. of India




Winner of “The Rajasthan Energy Conservation Award” in the Textile Sector



TEXPROCIL Export Award- Gold Trophy for the export of Processed Yarn



Three time Winner of the Rajiv Gandhi National Quality Award



Highest Export Award from SRTEPC for Polyester/Viscose yarn export for over Two Decades

GET IN TOUCH WITH US

Shri Avinash Bhargava
Chief Financial Officer

Tel: 01483 222515

E: cfo.rswm@lnjbhilwara.com

Shri Rakesh Jain
DGM – Corporate Finance

Tel: 01483 222118



Registered Office

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

Corporate Office

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

CIN: L17115RJ1960PLC008216

<https://www.rswm.in>

Annexure



Profit & Loss Statement

INR in Cr

| | Q3 FY22 | Q3 FY21 | Q2 FY22 | 9M FY22 | 9M FY21 | FY21 | FY20 |
|------------------------------------------|----------------|---------------|---------------|----------------|----------------|----------------|----------------|
| Total Income (Incl. other income) | 1007.12 | 727.78 | 959.90 | 2715.65 | 1507.57 | 2365.43 | 2850.36 |
| Raw Material Cost | 582.12 | 376.24 | 515.87 | 1548.00 | 764.96 | 1217.99 | 1566.82 |
| Employee Cost | 101.38 | 88.37 | 101.74 | 300.78 | 218.85 | 312.33 | 370.09 |
| Power Cost | 103.91 | 73.67 | 94.58 | 283.77 | 178.67 | 258.04 | 338.70 |
| Other Expenses | 122.88 | 70.95 | 121.80 | 337.33 | 176.92 | 279.85 | 331.65 |
| Inc./Dec. in Inventory | -24.71 | 19.03 | 15.01 | -76.26 | 88.04 | 82.25 | (20.64) |
| EBIDTA | 121.54 | 99.52 | 110.90 | 322.03 | 80.13 | 214.97 | 263.74 |
| EBIDTA Margin (%) | 12.14% | 13.80% | 11.64% | 11.94% | 5.38% | 9.24% | 9.51% |
| Depreciation | 26.02 | 31.45 | 28.84 | 85.93 | 95.88 | 127.68 | 131.67 |
| Finance Cost | 15.30 | 19.05 | 16.85 | 50.54 | 64.52 | 83.03 | 108.51 |
| Profit Before Tax | 80.22 | 49.02 | 65.21 | 185.56 | -80.27 | 4.26 | 23.56 |
| Tax | 29.82 | 17.28 | 22.86 | 55.52 | -28.91 | (17.35) | 0.89 |
| Net Profit After Tax | 50.40 | 31.74 | 42.35 | 130.04 | -51.36 | 21.61 | 22.67 |
| Net Profit Margin (%) | 5.03% | 4.40% | 4.44% | 4.82% | -3.45% | 0.92% | 0.82% |

Annexure



Balance Sheet Highlight

INR in Cr

| Assets (INR in Cr.) | 31.12.21 | 30.09.21 | Liabilities (INR in Cr.) | 31.12.21 | 30.09.21 |
|---------------------------|-------------|-------------|--------------------------------|-------------|-------------|
| Non-current Assets | 1178 | 1116 | Shareholders' Fund | 901 | 862 |
| Fixed Assets | 949 | 918 | Share Capital | 24 | 24 |
| Investments | 102 | 117 | Reserve & Surplus | 877 | 838 |
| Other Non-current Assets | 127 | 81 | Non-current Liabilities | 484 | 363 |
| Current Assets | 1264 | 1031 | Long Term Borrowing | 389 | 276 |
| Inventories | 594 | 448 | Other Non-current Liabilities | 95 | 87 |
| Trade Receivable | 460 | 415 | Current Liabilities | 1057 | 922 |
| Other Current Assets | 210 | 168 | Short Term Borrowing | 668 | 605 |
| | | | Other Current Liabilities | 389 | 317 |
| Total Assets | 2442 | 2147 | Total Liabilities | 2442 | 2147 |