

RSWM/SECTT/2024
February 9, 2024

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, 2023.

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, 2023 for your information and record.

Thanking you,

Yours faithfully,
For **RSWM LIMITED**

SURENDER GUPTA
VICE PRESIDENT – LEGAL & COMPANY SECRETARY
FCS – 2615

rswm.investor@lnjbhilwara.com

Encl.: As above

(Formerly Rajasthan Spinning & Weaving Mills Limited)

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Tel. : +91-120-4390300 (EPABX)
Fax : +91-120-4277841
Website : www.rswm.in
GSTIN:09AAACR9700M1Z1

Regd. Office:
Kharigram, P.O. Gulabpura – 311 021
District Bhilwara, Rajasthan, India
Tel.: +91-1483-223144 to 223150, 223478
Fax: +91-1483-223361, 223479
Website : www.rswm.in
GSTIN:08AAACR9700M1Z3

Corporate Identification Number:L17115RJ1960PLC008216



Investor Presentation

NSE: RSWM  BSE: 500350

Q3 & 9M FY24
December 2023

TEXTILE DRIVEN BY INNOVATION, GROWTH & TRANSFORMATION



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Commenting on the results, Mr. Riju Jhunjhunwala, Chairman & Managing Director and CEO of RSWM Limited said,

“Our recent performance demonstrates promising signs of improvement, with notable YoY revenue growth in Q3 & 9M FY24. Nevertheless, challenges persist, particularly in demand both domestically and in export markets due to pricing pressures and economic slowdowns. Key markets like the US and UK have experienced significant declines. Looking ahead to FY25, optimism arises from the trend of diversification from China and new orders in Western markets.

About acquisition of Spinning, Knitting and Processing Undertaking of Ginni Filaments Limited : During the quarter, RSWM Limited is pleased to announce a significant move in the textile industry with its proposed acquisition of Spinning, Knitting and Processing units of Ginni Filaments Limited. Going beyond Rajasthan, this expansion foresees a substantial increase in turnover. Targeting new customers globally, RSWM Limited aims to strengthen its position in spinning and knitted fabric sector. With a strategic investment in upgrading acquired assets, RSWM Limited focuses on operational efficiency and eco-friendly practices. This move enhances financial stability and anticipates improved earnings. RSWM Limited expresses gratitude to shareholders for their trust and looks forward to shared success in advancing further in the textile industry.

The move underscores our commitment to sustainable growth, positioning us as an industry heavyweight. Thanks to shareholders for their trust. We aim to explore new opportunities and optimize capacity utilization levels to achieve operating leverage. Our focus will be on enhancing yarn quality, growing the knits and denim fabric business, and increasing exports.”

Commenting on the results, Mr. B. M. Sharma, Joint Managing Director of RSWM Limited said,

“Globally, we are witnessing soft demand persists in the US market, although we've seen single digit sequential growth. While the UK market is thriving, in the east market, demand continues to show subdued activity. On domestic front, profitability is being affected by a price war. Despite volume growth, there's been a decline in value due to lower average prices amidst weak demand. While the Ludhiana & Tirupur markets mature, we foresee promising prospects ahead. We're prioritizing value growth, especially with high-value yarn products.

About acquisition of Spinning, Knitting and Processing Undertaking of Ginni Filaments Limited : The acquisition broadens RSWM's reach, making it a significant player in Spinning and Knit Fabric sector by strengthening its production capacity. This may also lead to enhancement in yarn production capacity of RSWM. RSWM Limited has planned to make substantial investment in the modernization of the acquired assets, introducing cutting-edge technologies such as the latest generation compact ring frames and advanced carding and comber machines including power infrastructure. This move is aimed at enhanced recoveries, productivities, and product diversity to cater to premium clients.”





01

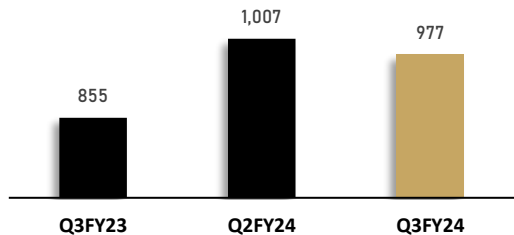
◆ Q3 & 9M FY24 Financials

- 07 Q3 FY24 Financial Performance
- 08 9M FY24 Financial Performance
- 09 Average Price Realization

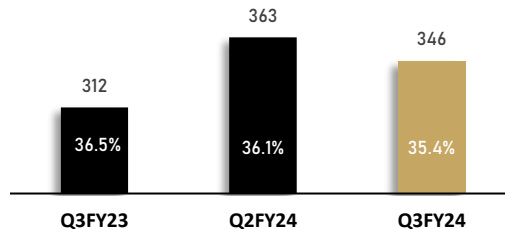


Financial Outcomes

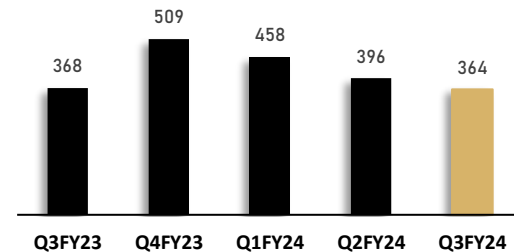
Revenue



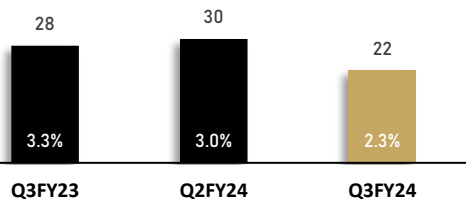
Gross Profit & Gross Profit Margin(%)



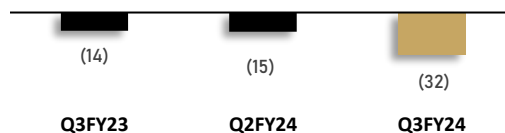
Net Working Capital



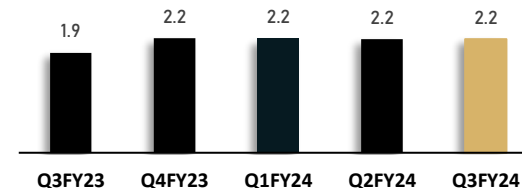
EBITDA & EBITDA Margin(%)



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Fixed Asset Coverage Ratio



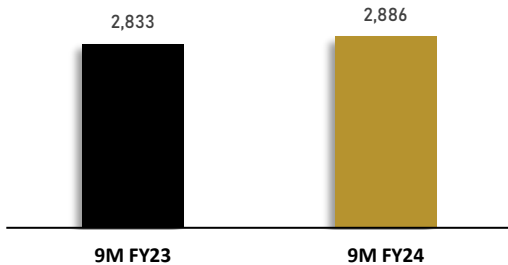
₹ in Cr

In times

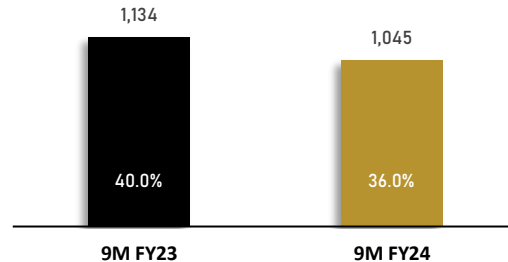
Financial Outcomes

₹ in Cr

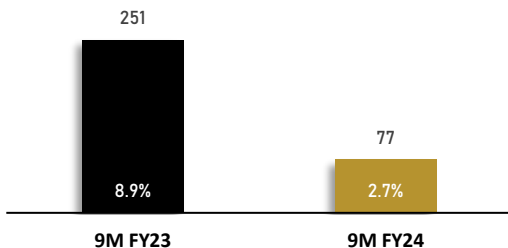
Revenue



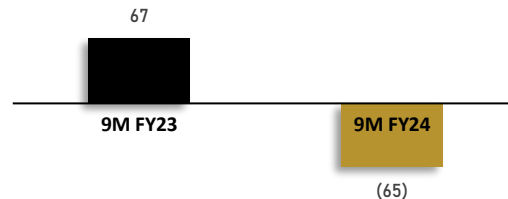
Gross Profit & Gross Profit Margin(%)



EBITDA & EBITDA Margin(%)

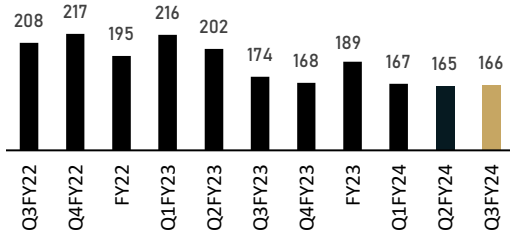


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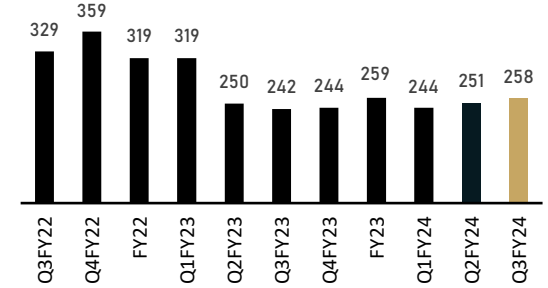
Average Price Realization

PV Grey Yarn

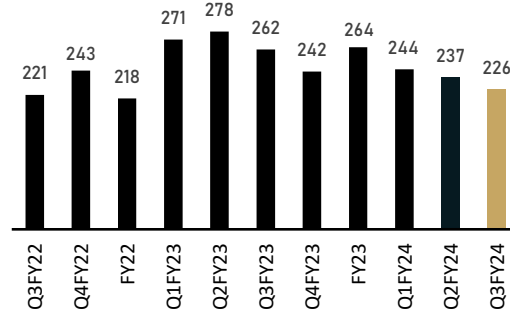


Cotton Grey Yarn

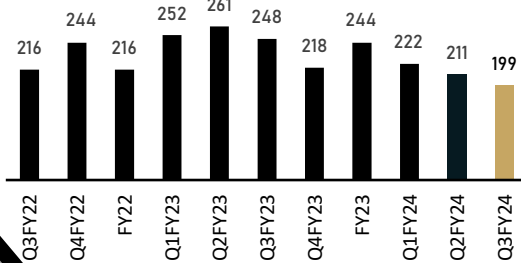
Yarn per Kg
Denim per meter



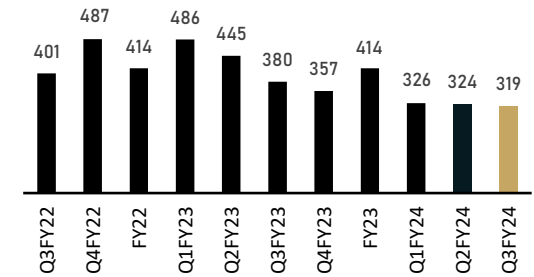
Denim



PV Dyed Yarn



Melange Yarn





02

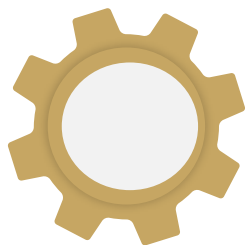
◆ Growth Drivers

- 11 Acquisition of Spinning, Knitting and Processing Undertaking of Ginni Filaments Ltd.
- 12 Growth Drivers



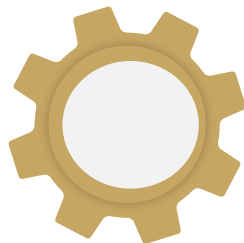
Acquisition

Acquisition of Spinning, Knitting and Processing Undertaking of Ginni Filaments Limited



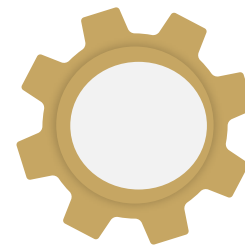
Industry Leadership

- Acquisition will strengthen RSWM's position in the industry, with increased sustainable sales, employees, factories, and overall presence.



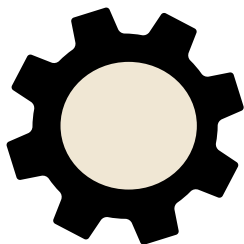
Financial Synergies

- The acquisition's synergies boost EBITDA, ensuring financial stability, with anticipated earnings growth promising an improved EPS for RSWM Limited.
- Leveraging their cost-effective acquisition of modern spinning assets and deploying scale, innovation, and expertise, RSWM Limited targets operational efficiencies and substantial cost savings



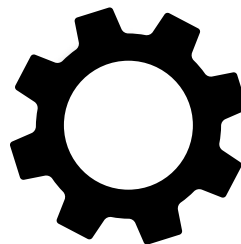
Green Initiatives

- The proposed acquisition of Ginni Filaments Limited will include 5.4 MW rooftop and ground-mounted solar setup.



Cost Advantage

- RSWM Limited enjoys a significant cost advantage with a low cost per spindle compared to modern spinning asset replacement costs of 60k to 65k.
- Leveraging its scale, innovation, and expertise, RSWM Limited anticipates synergies that will drive operational efficiencies and cost savings.



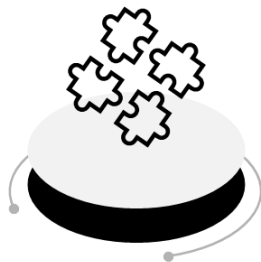
Customer Expansion

- Enhancing the company's production capacity, yarn output is expected to increase by 55 tons per day, including combed, carded, P/C, and open-end yarn production.
- The acquisition enlarges RSWM's footprint, cementing its standing in the spinning and fabric industry by incorporating substantial capacity: 80,016 ring spindles, 720 rotors, 12 tons per day of knitted fabric, and 13 tons per day of processing.

Company's Focus Areas



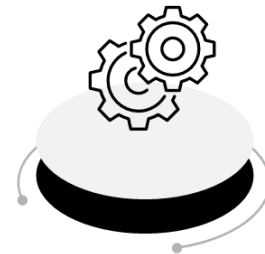
- **Focus on maximizing our knitting unit's** output this year, we may gradually expand capacity based on market dynamics. Having made substantial enhancements to our denim division's product quality and operations, we contemplate elevating it further.
- With the **growing popularity of denim culture** globally, spanning various demographics and regions, we may explore entering the garments segment.



- **Value-added yarn:**
 - Focused on high-value specialty yarn business like Dyed and Melange yarn
 - Change in product mix and value-added products, helps in sustained margins



- **Investments:** The company invested approximately ₹410 Cr in expanding its Denim, Cotton Mélange Yarn, Knits Business, and modernizing equipment across all units.
- Equity infusion was done through a Right Issue, and the acquisition of a 20MW WTG from BG Winds Power Ltd. was completed.
- A capital expenditure of ₹315 Cr during FY23 for expanding spinning capacity at Lodha, Banswara commenced commercial production in September 2023.



- **Government Initiatives:** The company closely monitors the RoDTEP Scheme, aimed at enhancing Indian export competitiveness worldwide, potentially transforming the entire export value chain.
- **Company has been sanctioned Special Customized Package** for Denim, Cotton Melange Yarn, Knits business and spinning capacity at Lodha Banswara



03

◆ Company Profile

- 14 About RSWM Limited
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- 21 Strong Parentage



Nation's Largest Textile Manufacturer & Exporter



RSWM Limited, headquartered in Noida, is one of India's largest textile manufacturers and exporters of Synthetic, Blended, Mélange, Cotton, and Specialty value-added yarns, and in the manufacturing of Denim fabric, Knitted fabric, and Green Polyester Fibres.

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

Strong Parentage



- **11 Manufacturing facilities**
- **43,000 MTs p.a. Green Polyester Fibres** manufacturing capacity
- **5,45,752 Spindles & 5,120 Rotors Spinning**
- **172 Looms**

Installed Capacities



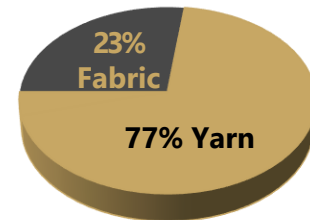
- Exports to **70+** nations globally like Africa, Southeast Asia, Europe, the Middle East, USA
- Export contributed **~25%** of Sales during FY23

Global Presence



- Yarns, Denim & Knits
- Total Capacity:
Yarn: 1,59,500 TPA
Fabric:
- **Denim: 32.4 Mn Mtr. PA** (Composite Facility)
- **Knitted: 4,800 MT p.a.**

Business Segments



Contribution to Net Profit (As per FY23)



Strategically Located in Rajasthan State

5,45,752 SPINDLES

5,120 ROTORS

172 LOOMS

43K MT p.a. GREEN FIBRE

4,800 MT p.a. KNITTED FABRIC

Ringas

- a) Fibre Dyeing & Spinning
- b) Dyed Yarn Recycled Polyester Fibre (Green Fibre)

Kharigram

- a) Fibre Dyeing, Greige & Dyed Yarn Spinning &
- b) Melange Yarn

Mandpam

Melange Yarn & Fibre and Yarn Dyeing

Rishabhdev

Spinning PV Blended Greige Yarn

Kanyakheri

Melange Yarn

Mayur Nagar, Lodha

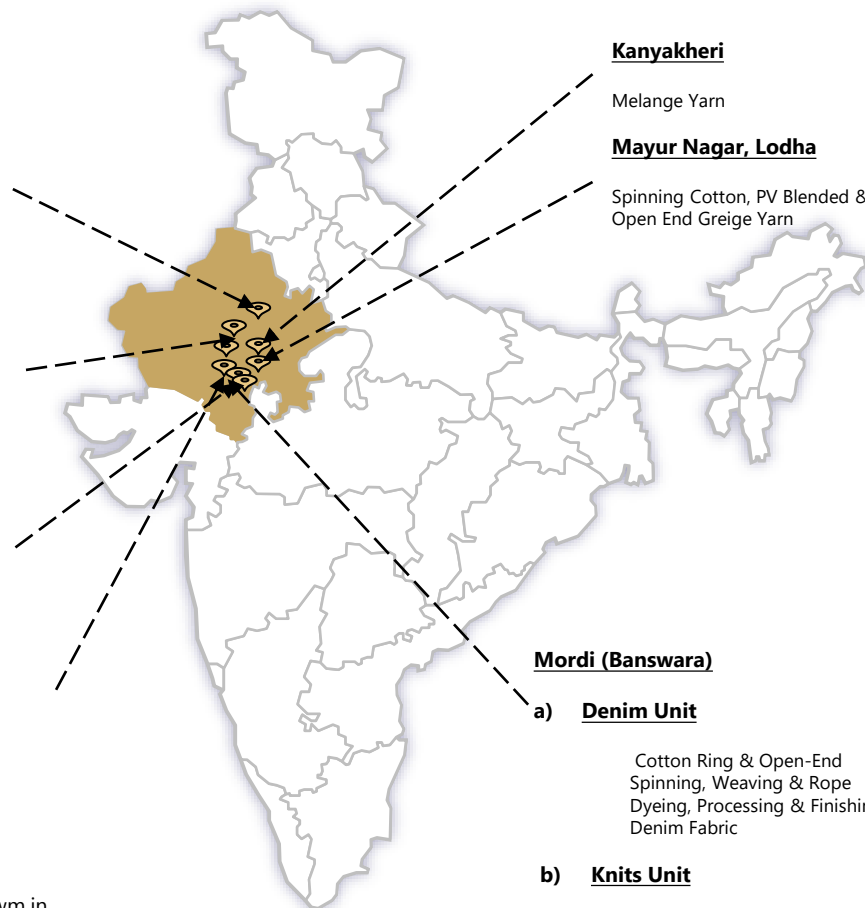
Spinning Cotton, PV Blended & Open End Greige Yarn

Mordi (Banswara)

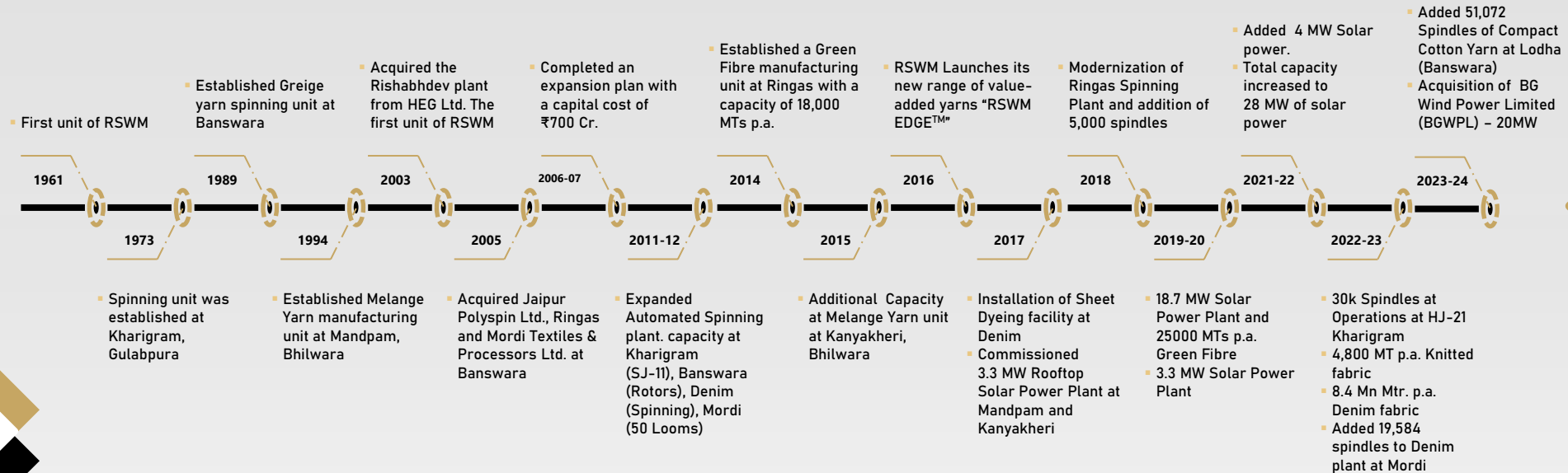
a) Denim Unit

Cotton Ring & Open-End Spinning, Weaving & Rope Dyeing, Processing & Finishing Denim Fabric

b) Knits Unit

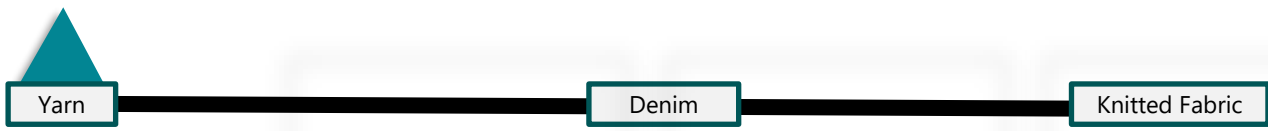


Well Established Player



Producing Top-Quality Yarn in Distinct Categories

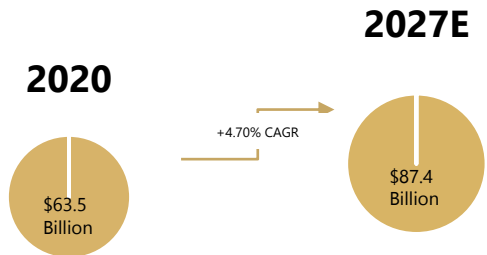
Dyed Yarn	Greige Yarn	Melange Yarn	Combined Compact Yarn
<ul style="list-style-type: none"> Dyed PV Blended, Poly 100%, Visc. 100%, Poly/Visc/Cotton Blended Specialty Yarns from unorthodox fibres We have two advanced facilities located in Bhilwara and one near Jaipur These two units offer the most optimum efficiency and excellence when it comes to creating exquisite designer yarns like Slub, Neppy, Siro, Siro Slub, CSY, Grindle, and many more 	<ul style="list-style-type: none"> Greige is a yarn that hasn't been bleached or dyed Greige yarn is suitable for weaving, knitting, sewing, and industrial application The yarn from this factory is sold under the brand name ULTIMA® and is the finest polyester-viscose greige yarn in the Indian market 	<ul style="list-style-type: none"> Melange yarn, a high-value yarn, is manufactured at its Mandpam and Kanyakheri units Melange contributes about 22% to the revenue earned by the yarn vertical and it is widely accepted by leading global brands operating in India It is widely used for undergarments, shirts, business suits, socks, sportswear, bed linen, towels, and other home fabric products 	<ul style="list-style-type: none"> RSWM started its latest innovation KAPAAS a fresh line of 100% cotton compact yarn at Lodha (Banswara)
			



Renowned for Exceptional Quality Worldwide

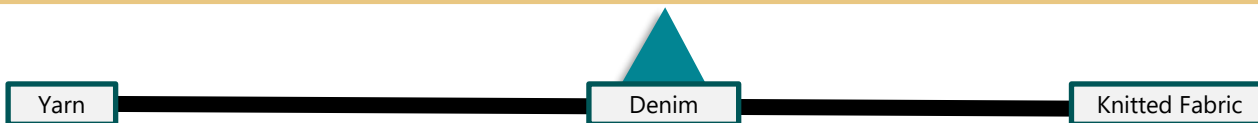
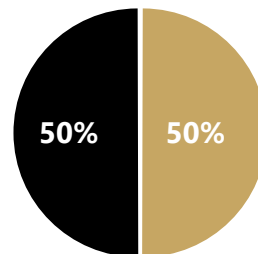
- LNJ Denim, a denim-manufacturing facility established in 2007 under RSWM Limited (the flagship company of LNJ Bhilwara Group), has a manufacturing capacity of 32.4 million meters annually. Capable of processing 3,000+ denim variants
- LNJ Denim has earned an excellent reputation amongst international and domestic brands as an innovator and a quality supplier of denim fabric.

Global Denim Industry



Denim Industry Snapshot

- **50%** Organised Sector
- **50%** Unorganised Sector



Creating Value Through Exploration of Knitted Fabric Production

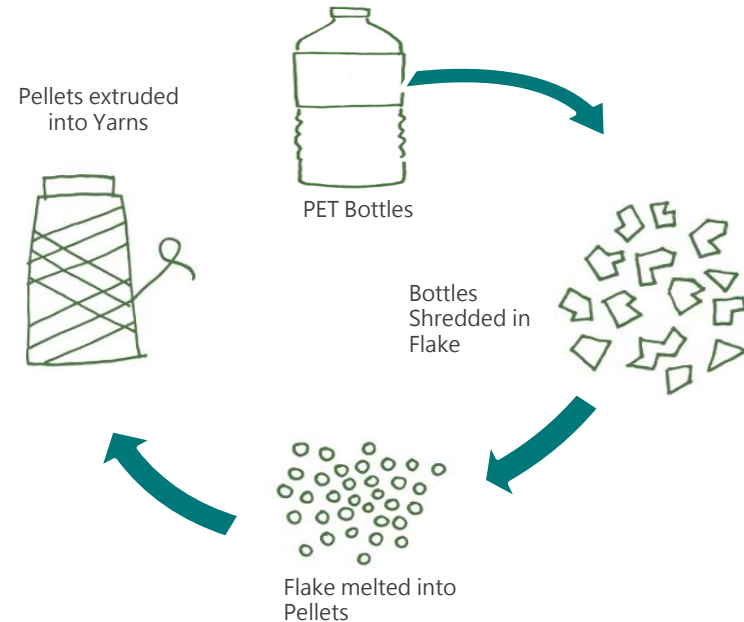
Ventured into Knitted Fabric to create value

- After being the leading supplier of high-quality yarn to the world, **RSWM Limited has ventured into producing circular knitting fabrics**
- Our well-kitted fabrics ensure **comfort, weightlessness, wrinkle resistance, and a multitude of properties** built in especially for today's needs
- **Knits is a \$206 Bn market globally and India has ~4% market share.** Opportunity is huge in Knits for India, and we are testing the waters with an initial investment of ₹ 80 Cr.
- With a **robust establishment fuelled by immense creativity**, LNJ Knits offers a dynamic product range that comprises knitted fabrics like **Single Jersey, Interlock, Rib, Fleece, Flat Back Rib, Terry, Foma, Honey-comb, Pique, Waffel**, and many more.
- Our unit consists of **26 machines for polyester, 21 for cotton, and 8 flat knitting machines.**
- LNJ Knits offers a **tremendous manufacturing capacity of 4,800 MTPA in Phase One.** Over time, the production capacity will be gradually increased.
- Knitting machines from renowned institutions such as **Pailung, Fukuhara, Terrot, Unitex, and flat knitting ones from Kao Heng, our in-house textile engineers are enabled to craft products that rival the best in the world.** These machines ensure precision and quality control to deliver the finest results at every step.



Re-imagined & Re-use for Sustainable clothing

- Sustainable Policy:** RSWM Ltd. exemplifies its commitment to the environment by prioritizing sustainable business practices. **During the FY23, we proudly recycled an impressive 183 Corer/PA of PET plastic bottles, saved 4,92,750 KL/PA of water, thereby reducing waste and conserving valuable resources and 8,00,000 tonne/PA of CO2 emission reduced.**
- Addressing Global Waste Challenges:** With plastics accounting for approximately 20% of global waste, we understand the urgency to act. Our recycling efforts go beyond conventional practices, as we strive for a greener and cleaner world.
- Supporting Mission LiFE:** RSWM Ltd. is proud to be an ardent supporter of Mission LiFE, a transformative initiative focused on fostering a greener and cleaner India. By aligning our efforts with this noble mission, we aim to create a better tomorrow, safeguarding our planet for future generations.
- Sustainable Procurement:** At RSWM Ltd., we believe that sustainability begins with responsible procurement. By purchasing sustainable products, we actively contribute to the preservation of the environment. Our commitment to sustainable procurement sets an example for the industry, inspiring others to join us in safeguarding our planet's resources.



For more details please Scan

LNJ Group: Firm Foundation with Powerful Parental Backing

ELECTRODES

- HEG Limited

POWER CONSULTANCY

- Indo Canadian Consultancy Services Limited

TEXTILES

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



POWER

- Balephi Jal-Vidyut Co. P. Limited - Nepal
- NJC Hydro Power Limited
- AD Hydro Power Limited
- Bhilwara Energy Limited

IT SERVICES

- Bhilwara Infotechnology 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 stakeholders in the Group.
- All key companies ISO certified
- Over 25,000 strong workforce.



04

◆ Strong Historical Fundamental

23 Financial Data

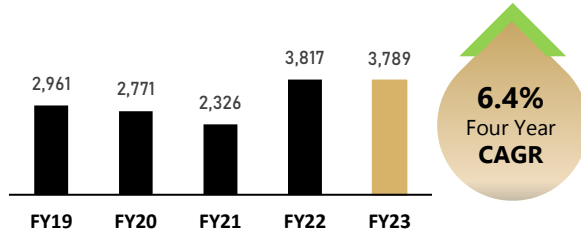
24 Financial Ratios



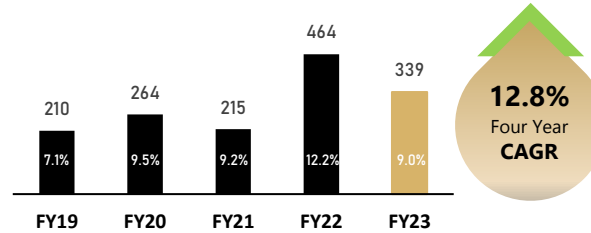
Underlying Financial & Operational metrics

₹ in Cr

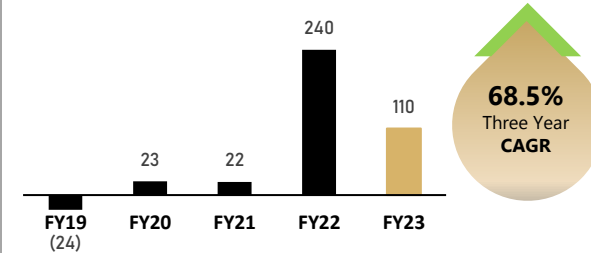
Revenue



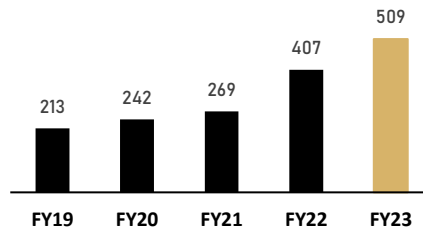
EBITDA & EBITDA Margin(%)



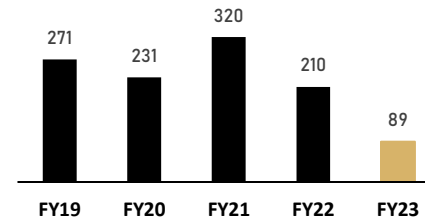
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Net Working Capital

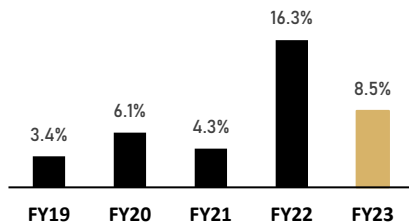


Net Cash Flow From Operation

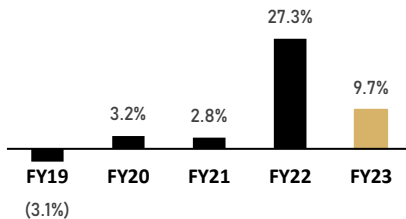


Financial Ratios

ROCE

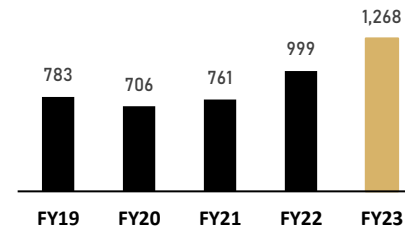


RONW

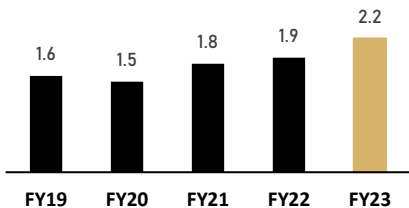


Net Worth

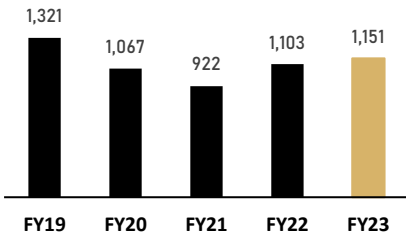
₹ in Cr



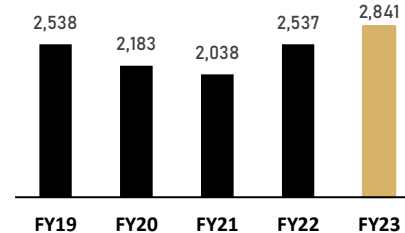
Fixed Asset Turnover In times



Net Debt



Capital Employed





05

◆ Management Team

26 Management Team

28 Achievement



Management



Mr. Riju Jhunjunwala
Chairman & Managing
Director and CEO



Mr. B. M. Sharma
Joint Managing Director



Mr. Avinash Bhargava
Chief Financial Officer



Mr. Surender Gupta
VP – Legal & CS

Mr. Prakash Maheshwari
Chief Executive
(Corporate Affairs)

Mr. Balkrishan Sharma
Chief Executive (Yarn)

Mr. Arvind Kumar Maurya
Chief Executive
(Knits)

Mr. Puneet Anand
Chief Strategy Officer

Mr. Suketu Shah
Chief Executive
(Denim)

Mr. Y D Tiwari
Chief Executive
(Melange Yarn)

Mr. Manoj Sharma
President & CHRO

Executive Director &
Key Managerial Personnel

Corporate Team

Program for Enhancing Leadership Abilities



Prestigious Awards & Participation in Fairs



Excellence in Sustainable Practices Award
(for preadoption of BRSR &ESG compliance)
-ICAI



Gold award for Spun Yarn Export by SRTEPC



Gartex Denim show in Mumbai

Remarkable Testimonial of Endeavor





RSWM Limited
an LNJ Bhilwara Group Company



Thank You

GET IN TOUCH WITH US



Shri Avinash Bhargava
Chief Financial Officer
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[E: cfo.rswm@lnjbhilwara.com](mailto:cfo.rswm@lnjbhilwara.com)

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Noida – 201 301 (U.P.)
<https://www.rswm.in>

Registered Office
Kharigram,
P.O. Gulabpura – 311 021
Dist. Bhilwara (Rajasthan)
CIN: L17115RJ1960PLC008216



Profit & Loss Statement

₹ in Cr

Parameter	Quarterly				Nine Months		Yearly
	Q3FY24	Q3FY23	YoY	Q2FY24	9M FY24	9M FY23	FY23
Total Income	983.40	864.86	13.7%	1,016.58	2,910.81	2,883.27	3,880.34
Raw Material Cost	640.18	535.73		666.89	1,907.58	1,787.89	2,356.59
Employee Cost	118.18	105.16		118.49	350.90	323.82	418.48
Power Cost	115.06	99.84		120.34	-	313.74	424.78
Other Expenses	211.71	88.86		103.66	642.27	296.72	384.10
Inc./Dec. in Inventory	(9.07)	6.96		(22.75)	(67.22)	(89.65)	(43.14)
EBIDTA	22.40	28.31	(20.9)%	29.95	77.28	250.75	339.53
EBIDTA Margin (%)	2.29%	3.31	(102) Bps	2.97%	2.68	8.85	8.96%
Depreciation	41.33	32.59		34.53	108.88	94.80	127.30
Finance Cost	23.78	20.72		17.79	61.49	57.83	73.95
Profit Before Tax	(42.71)	(25)		(22.37)	(93.09)	98.12	138.28
Tax	(10.60)	(11)		(7.70)	(28.36)	31.12	28.67
Net Profit After Tax (PAT)	(32.11)	(14)		(14.67)	(64.73)	67	109.61
PAT Margin (%)						2.37%	2.89%