



January 07, 2023

To,
The Department of Corporate Service
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001

BSE Code – 538119

Respected Sir/Madam,

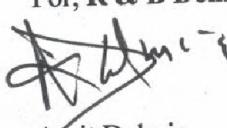
Re: Media Release.

With reference to the cited subject, please find enclosed Media Release explaining company's decision for Major Expansion & Modernization via investment in world class machineries at company's Premises.

Kindly take the above on your records and oblige.

Yours faithfully,

For, **R & B Denims Limited**


Amit Dalmia
(Whole-time Director)
DIN: 00034642



R&B Denims Ltd

Regd. Office : Block No. 467, Sachin Palsana Road, Palsana, Surat - 394 315, Gujarat, India.
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MEDIA RELEASE

R & B Denims Ltd. Plans Major Expansion & Modernization

BSE listed company R & B Denims Ltd. (BSE: 538119) one of the most influential textile houses with largest vertically integrated textile manufacturing facilities of over 30 million meters capacity of denim, has done major expansion in with new Air jet Looms – Dobby Machines. It has started to manufacture the prominent luxury level of Denim Fabric with the Width of 85 Inches. It is expected that the company will generate very good margins from the current operating margins with this technology. At present, the company's clients include major brands such as Arvind, Killer, Lifestyle, Reliance Retail, etc. By adopting this new technology, the company will be able to gain an advantage over its competitors, as it is not available to many Denim Manufacturers, which will provide the company with an advantage in serving both domestic as well as international consumers.

Earlier, the company delivered steady performance in Q2 FY 23. Revenues from continuing operations stood at ₹14711.5 Lakhs, EBITDA at ₹2337.32 Lakhs. Profit after Tax from continuing business was ₹1240.60 Lakhs. Despite of the decrease in revenue from Q1 we maintained our profits by focusing on cost reduction, flexible working capital management, and improving productivity and efficiencies.

It is expected that R & B Denim Ltd. will continue to grow despite a challenging environment, as a result of its robust business model and its strategic ability to navigate through challenging times. The Denim Market is both impacted by domestic and export issues. Denim products are attracting more and more people regardless of age and gender, and it is anticipated that the denim industry will grow at a rapid pace in the near future.

It is imperative that the company continues to invest in Research and Development to maintain its competitive advantage and consistently deliver value to stakeholders, in order to enhance technological advancements and quality improvement through the use of its state of the art, ultramodern equipment, as well as its fully equipped research and development laboratory, in order to sustain profit margins and increase operational efficiency. With the new machine installations, the company is expecting a significant increase in revenue and profitability in Q4 as a result of these installations.

In FY 22-23 till Q2, company has Produced 74 Lakhs Meters of Denim Fabric that is equivalent to 46 Lakhs pair of Jeans.

In FY 22-23, company participated in Denim Show at Delhi, which gave promising results in getting new customer base and helped to increase demand of Products in domestic Market. Its Previous Participation at exhibitions outside India led to increase Company's exports in FY 22 by 225% as compared to FY 21. Even with the diminishing market, till Sep'22 it has been able to export 40% of the total export sales that we achieved in FY 21-22. As on Sept'22 exports represents 21% of its total sales which company further expects to Increase as the market heads towards Normalization.

On export side, denim is largely impacted by inventory build-up in US, once inventory starts to clear up, we think they should start to normalize perhaps later part of quarter 4. On domestic front, Volatility of cotton prices and inability to increase the product's price with the rise in Input cost has resulted in volume shrinkage. As Cotton has started to normalize now, company expects that it should correct itself by January end and revenue would follow how cotton normalizes.

For further information please contact:

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R & B Denims Limited

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