

RSWM/SECTT/2020
August 11, 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
---	--

Sub: Investors presentation on the Unaudited Financial Results of the Company for the quarter ended 30th June, 2020.

Dear Sir,

Please find enclosed a copy of Investors Presentation on the Unaudited Financial Results of the Company for the quarter ended 30th June, 2020 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)

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: 09AAACR9700M1Z1

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.lnjbhilwara.com
GSTIN: 08AAACR9700M1Z3

Corporate Identification Number: L17115RJ1960PLC008216

RSWM Limited

An LNJ Bhilwara Group Company



Q1FY21 Performance



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)

Phone: +91-120-4390300 (EPABX), Fax: +91-1204277841, Website: www.rswm.in, E-mail:rswm.investor@lnjbhilwara.com

Unaudited Financial Results for the Quarter Ended June 30, 2020

(₹ in Crore)

Particulars	Standalone Quarter Ended			Standalone Financial Year Ended	Consolidated Quarter Ended			Consolidated Financial Year Ended
	June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020	June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
	Unaudited	Audited (Refer Note 2)	Unaudited	Audited	Unaudited	Audited (Refer Note 2)	Unaudited	Audited
Total Income from Operations (Net)	219.84	616.56	706.26	2,797.22	219.84	616.56	706.26	2,797.22
Net Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	(101.63)	(4.67)	(19.53)	(29.58)	(101.63)	(4.67)	(19.53)	(29.58)
Net Profit/(Loss) for the period before Tax (after Exceptional and/or Extraordinary items)	(101.63)	(4.67)	33.61	23.56	(101.63)	(4.67)	(5.18)	(15.23)
Net Profit/(Loss) for the period after Tax (after Exceptional and/or Extraordinary items & Share of profit of Associates)	(65.75)	(3.54)	27.58	22.67	(66.11)	(5.15)	(9.33)	(13.41)
Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after Tax) and Other Comprehensive Income (after Tax)]	(54.13)	(21.09)	(30.61)	(77.15)	(54.50)	(22.73)	(67.52)	(113.26)
Equity Share Capital	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 (₹)	(27.92)	(1.51)	11.71	9.62	(28.07)	(2.19)	(3.96)	(5.70)
Diluted (₹)	(27.92)	(1.51)	11.71	9.62	(28.07)	(2.19)	(3.96)	(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 August 11, 2020. The Limited Review for the quarter ended June 30, 2020 results as required under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, has been carried out by the Statutory Auditors.

2. The figures for the quarter ended March 31, 2020 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto December 31, 2019.

3. The Other Comprehensive Income (OCI) in the Statement of Profit and Loss, includes unrealized gain on fair valuation of equity instruments amounting to ₹ 10.89 Crore (previous year loss ₹ 99.65 Crore).

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

5. 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. Since then the Government of India progressively relaxed lockdown conditions and has allowed the Industry to resume its operations in a phased manner. During the quarter, the Company has resumed its manufacturing operations partially. Since the lockdown was in force for a significant period of the quarter, the Company's operations and financial results for the quarter ended June 30, 2020 have been adversely impacted. The results for the quarter, therefore, are not comparable with those for the previous quarters.

Further, the Company has made assessment of its liquidity position from the previous recoverability and carrying value of its assets and liabilities as on June 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 quarter ended June 30, 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 will closely monitor any material changes arising out of prevailing economic conditions and impact of the same on the business of the Company.

6. 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: August 11, 2020

Brij Mohan Sharma
Joint Managing Director

DIN :
08195895

Q1FY21 Financial Highlights

- *Rapid global spread of Covid-19 disrupted the global as well as indigenous supply chain.*
- *Lockdown announced from 22nd March 20 continued in current quarter upto 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.*
- *Complete lockdown continued till 25 April and due to inactivity, the Company has sustained extra cost of around ₹ 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.*

Q1FY21 Financial Highlights

- *Company's sales volumes dropped as there were no dispatches during first half of the quarter.*
- *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.*
- *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 ₹ 165 Crore in the business.*
- *Company's borrowings (including bills) reduced from ₹ 1520 Cr. as on 31.03.18 to ₹ 1441 Cr. as on 31.03.19 and ₹ 1160 Cr. as on 31.03.20. The same has further reduced to ₹ 1069 Cr. as on 30.06.2020.*

Profitability Highlights

₹ in Cr.

	Q1 FY21	Q1 FY20	Q4 FY20	FY20	FY19
Total Income (Incl. other income)	219.84	759.40	616.56	2850.36	2991.78
Raw Material Cost	117.71	428.57	346.13	1566.82	1712.67
Employee Cost	54.33	90.58	87.80	366.24	352.18
Power Cost	36.94	89.69	71.34	338.70	356.86
Other Expenses	40.07	75.42	82.08	335.50	306.99
Inc./Dec. in Inventory	16.77	(20.68)	(22.79)	(20.64)	53.07
EBIDTA	(45.98)	95.82	52.00	263.74	210.01
EBIDTA Margin (%)	(21.30%)	6.09%	8.49%	9.51%	7.09%
Depreciation	32.06	32.61	32.46	131.67	123.28
Finance Cost	23.59	29.60	24.21	108.51	119.52
Profit Before Tax	(101.63)	33.61	(4.67)	23.56	(32.79)
Tax	(35.88)	6.03	(1.13)	0.90	(8.52)
Net Profit After Tax	(65.75)	27.58	(3.54)	22.66	(24.27)
Net Profit Margin (%)	(30.46%)	(3.94%)	(0.32%)	0.82%	(0.82%)

Balance Sheet Highlights

₹ in Cr. 30.06.20 31.03.20

Assets

	30.06.20	31.03.20
Non-current Assets	1105	1128
Fixed Assets	1005	1034
Investments	71	60
Other Non-current Assets	29	34
Current Assets	884	1055
Inventories	419	507
Trade Receivable	285	342
Other Current Assets	180	206
Total Assets	1989	2183

₹ in Cr. 30.06.20 31.03.20

Liabilities

	30.06.20	31.03.20
Shareholders' Fund	652	706
Share Capital	24	24
Reserve & Surplus	628	682
Non-current Liabilities	484	557
Long Term Borrowing	447	484
Other Non-current Liabilities	37	73
Current Liabilities	853	920
Short Term Borrowing	476	568
Other Current Liabilities	377	352
Total Liabilities	1989	2183

Key ratios

	Q1 FY21	FY20	FY19	FY18
Balance sheet ratios				
<i>fixed asset cover ratio</i>	1.70	1.75	1.47	1.62
<i>DE ratio excl CPTL</i>	1.34	1.35	1.43	1.41
<i>DE ratio incl CPTL</i>	1.57	1.51	1.69	1.56
<i>debt service coverage ratio (DSCR)</i>	(4.62)	0.85	0.79	0.66
<i>interest coverage ratio (ISCR)</i>	(1.95)	2.43	1.76	2.24
<i>current ratio</i>	1.25	1.30	1.24	1.13
<i>current ratio incl CPTL</i>	1.04	1.15	1.01	1.01
Earning Ratio				
<i>return on capital employed (%)</i>	(15.69)	6.05	3.42	5.11
<i>return on net worth (%)</i>	(40.35)	3.21	(3.10)	1.61
<i>return on sales (%)</i>	(30.46)	0.82	(0.82)	0.49
<i>EBITDA margin %</i>	(21.30)	9.52	7.09	8.94
EPS				
<i>basic EPS (₹)</i>	(27.92)	9.62	(10.30)	6.16
<i>cash EPS (₹)</i>	(29.54)	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 it will take 4-6 months' time to bring the business to its normal.*
- *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.*

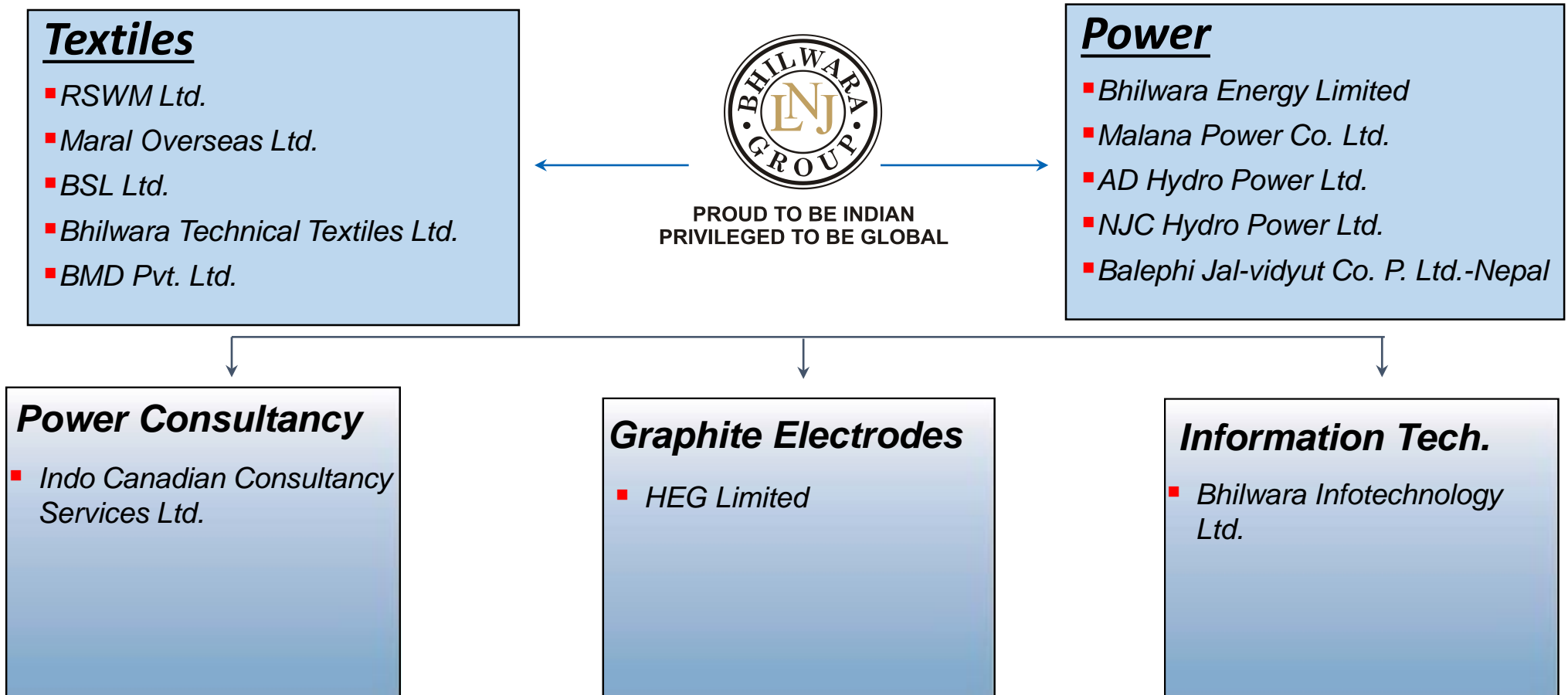
Current Market Scenario and outlook

- *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.*
- *Increased crop in current season has reduced cotton prices in Q4. Prices expected to remain stable during FY20-21 with sufficient availability.*

LNJ Bhilwara Group – At a glance



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

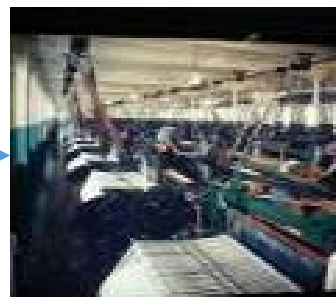
Recycled Fiber



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 Mordī Textiles & Processors Ltd. Banswara
- 2006 – 2007 Completed an ambitious expansion plan with capital cost of ₹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 ₹ 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

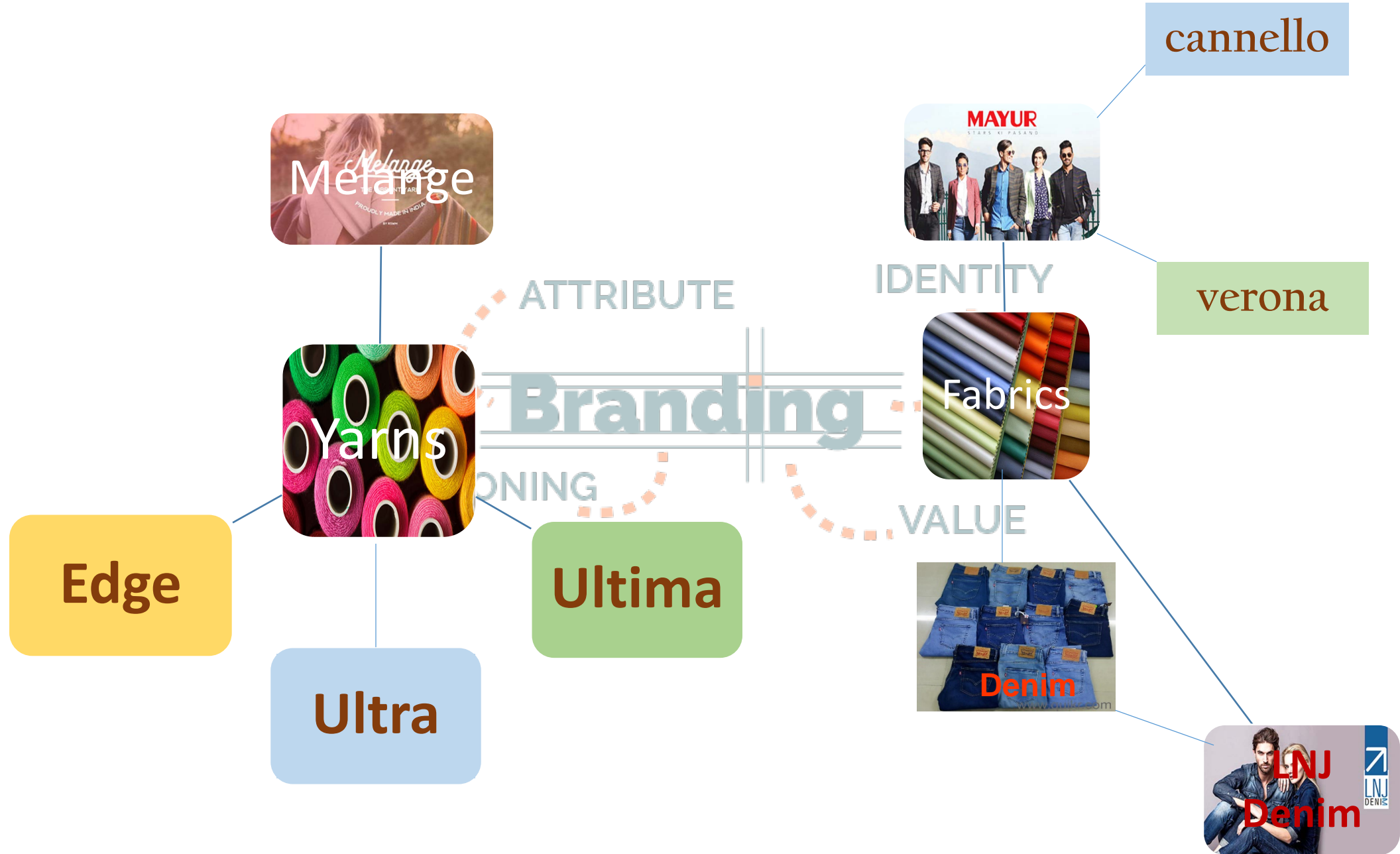
Certifications

- *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 Hoihenstein) : 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 Kashmere 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, Reengus*

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

- *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 Jhunjunwala	-	Chairman & Managing Director
Mr. Ravi Jhunjunwala	-	Director
Mr. Shekhar Agarwal	-	Director
Mr. B. M. Sharma	-	Joint 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 - 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:

Shri Avinash Bhargava
Chief Financial Officer
Tel: 01483 222515
Cell: 9414005164
Email: cfo.rswm@lnjbhilwara.com

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

Shri Rakesh Jain
DGM – Corporate Finance
Tel: 01483 222118
Cell: 9413356091
Email: rakeshk.jain@lnjbhilwara.com

Thank you

DISCLAIMER

This presentation is the property of RSWM Limited (the “Company”) and is strictly confidential. It contains information intended only for the person to whom it is transmitted. With receipt of this information, recipient acknowledges and agrees that: (i) this document is not intended to be distributed, and if distributed inadvertently, will be returned to the Company as soon as possible; (ii) the recipient will not copy, fax, reproduce, divulge, or distribute this confidential information, in whole or in part, without the express written consent of the Company; (iii) all of the information herein will be treated as confidential material with no less care than that afforded to its own confidential material.

This presentation is for informational