

RSWM/SECTT/2021
February 11, 2021

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 31st December, 2020.

Dear Sir,

Please find enclosed a copy of Investors Presentation on the Unaudited Financial Results of the Company for the quarter ended 31st December, 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



Q3FY21 Performance



Q3 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 9 Months Ended December 31, 2020

(₹ in Crore)

Particulars	Standalone Quarter Ended			Standalone Nine Months Ended			Standalone Financial Year Ended	Consolidated Quarter Ended			Consolidated Nine Months Ended		Consolidated Financial Year Ended
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
Total Income from Operations (Net)	727.78	559.95	767.58	1,507.57	2,180.66	2,797.22	727.78	559.95	767.58	1,507.57	2,180.66	2,797.22	
Net Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	49.02	(27.66)	2.55	(80.27)	(24.91)	(29.58)	49.02	(27.66)	2.55	(80.27)	(24.91)	(29.58)	
Net Profit/(Loss) for the period before Tax (after Exceptional and/or Extraordinary items)	49.02	(27.66)	2.55	(80.27)	28.23	23.56	49.02	(27.66)	2.55	(80.27)	(10.56)	(15.23)	
Net Profit/(Loss) for the period after Tax (after Exceptional and/or Extraordinary items & Share of profit of Associates)	31.74	(17.35)	2.03	(51.36)	26.22	22.67	30.56	(15.00)	0.87	(50.55)	(8.25)	(13.41)	
Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after Tax) and Other Comprehensive Income (after Tax)]	38.25	(20.46)	5.31	(36.34)	(56.05)	(77.15)	37.06	(18.12)	4.15	(35.56)	(90.53)	(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 (₹)	13.48	(7.37)	0.86	(21.81)	11.13	9.62	12.98	(6.37)	0.37	(21.46)	(3.51)	(5.70)	

Q3 FY21 Financial Highlights



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 at its meeting held on February 11, 2021. The Limited Review for the quarter and nine months ended December 31, 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 Other Comprehensive Income (OCI) in the Statement of Profit and Loss, includes unrealized gain/(Loss) on fair valuation of equity instruments amounting to ₹ 14.29 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. Since then the 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 only at the end of September, 2020. Since the lockdown in force for a significant period of the 1st quarter and effects of pandemics on demand in 2nd quarter, the Company's operations and financial results for the nine month ended December 31, 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 December 31, 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 nine months ended December, 2020 may differ from that estimated as at the date of approval of these financial results and will be recognized prospectively. Though there is an improvement due to reduction in nation wide COVID cases & start of vaccination; 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: February 11,2021

Riju Jhunjunwala 4

Chairman and Managing Director & CEO

DIN : 00061060

9M FY21 Financial Highlights

- *During first half of FY21, rapid global spread of Covid-19 disrupted the global as well as indigenous supply chain.*
- *Our all the manufacturing facilities and offices were completely closed during the lockdown period and Company has sustained extra cost of around Rs.35 Cr. during lockdown.*
- *The Company has to bear around half of the fixed costs due to lower capacity utilisation in Q2.*
- *Resumption started in the last week of April 20 with restart of 10-20% capacities of yarn manufacturing. Steady increase in capacity utilisation, reached to 100% in case of cotton yarns in Aug.20, while manmade yarns and fabrics reached to 100% in start of Oct.20.*
- *Company's sales volumes dropped as there were no dispatches during first half of Q1. Dispatches started after 15th May against pre-lockdown orders.*
- *Dispatches increased in June month to around 50% of normal capacity and reached to 90% by Sep.20*

9M FY21 Financial Highlights

- Q3 has witnessed a significant rebound and Company's sales reached to the normal level of Rs.721 Cr. as against Rs.216 Cr. in Q1 and Rs.553 Cr. in Q2.
- Improved marketing strategy and cost cutting measures during pandemic has yielded results and Company's EBIDTA has increased to 13.80% in Q3FY21 from 8.16% in Q3 of previous year.
- Between March 19 and March 20, the Company has liquidated its investments and non-core assets and infused Rs.220 Crore in the business.
- We have sufficient liquidity to meet out the remaining financial obligations of FY20-21 and further maturing in FY21-22.
- 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.948 Cr. as on 31.12.2020.

Profitability Highlights

₹ in Cr.

	Q3 FY21	Q3 FY20	Q2 FY21	9M FY21	9M FY20	FY20
Total Income (Incl. other income)	727.78	767.58	559.95	1507.57	2233.80	2850.36
Raw Material Cost	376.23	380.27	271.02	764.96	1220.69	1566.82
Employee Cost	88.37	93.34	76.15	218.85	278.44	366.24
Power Cost	73.67	86.18	68.06	178.67	267.36	338.70
Other Expenses	70.96	98.02	65.90	176.92	253.42	335.50
Inc./Dec. in Inventory	19.03	47.66	52.23	88.04	2.16	(20.64)
EBIDTA	99.52	62.11	26.59	80.13	211.73	263.74
EBIDTA Margin (%)	13.80%	8.16%	4.80%	5.37%	10.70%	9.51%
Depreciation	31.45	33.30	32.38	95.88	99.20	131.67
Finance Cost	19.05	26.26	21.87	64.52	84.30	108.51
Profit Before Tax	49.02	2.55	(27.66)	(80.27)	28.23	23.56
Tax	17.28	0.53	(10.31)	(28.91)	2.02	0.89
Net Profit After Tax	31.74	2.02	(17.35)	(51.36)	26.21	22.67
Net Profit Margin (%)	4.40%	(0.26%)	(3.13%)	(3.44%)	1.21%	0.82%

Balance Sheet Highlights

₹ in Cr.

31.12.20 31.03.20

Assets

	31.12.20	31.03.20
Non-current Assets	1054	1128
<i>Fixed Assets</i>	953	1034
<i>Investments</i>	80	60
<i>Other Non-current Assets</i>	21	34
Current Assets	887	1055
<i>Inventories</i>	406	507
<i>Trade Receivable</i>	317	342
<i>Other Current Assets</i>	164	206
Total Assets	1941	2183

₹ in Cr.

31.12.20 31.03.20

Liabilities

	31.12.20	31.03.20
Shareholders' Fund	670	706
<i>Share Capital</i>	24	24
<i>Reserve & Surplus</i>	646	682
Non-current Liabilities	419	557
<i>Long Term Borrowing</i>	375	484
<i>Other Non-current Liabilities</i>	44	73
Current Liabilities	852	920
<i>Short Term Borrowing</i>	407	568
<i>Other Current Liabilities</i>	445	352
Total Liabilities	1941	2183

Key ratios

	Q3 FY21	FY20	FY19	FY18
Balance sheet ratios				
<i>fixed asset cover ratio</i>	1.76	1.75	1.47	1.62
<i>DE ratio excl CPTL</i>	1.06	1.35	1.43	1.41
<i>DE ratio incl CPTL</i>	1.31	1.51	1.69	1.56
<i>debt service coverage ratio (DSCR)</i>	0.55	0.85	0.79	0.66
<i>interest coverage ratio (ISCR)</i>	1.24	2.43	1.76	2.24
<i>current ratio</i>	1.29	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>	(1.08)	6.05	3.42	5.11
<i>return on net worth (%)</i>	(10.23)	3.21	(3.10)	1.61
<i>return on sales (%)</i>	(3.45)	0.82	(0.82)	0.49
<i>EBITDA margin %</i>	5.38	9.52	7.09	8.94
EPS				
<i>basic EPS (₹)</i>	(21.81)	9.62	(10.30)	6.16
<i>cash EPS (₹)</i>	6.63	65.91	38.42	61.91

- *COVID-19 has a widespread impact on global economy and business. First half of current year witnessed subdued sales and negative profitability figures across the Industry.*
- *Normalcy returned in Q3. Capacity utilizations reached to the normal levels.*
- *Supply chain re-established and offtake increased..*
- *Company's manufacturing units and dispatch facilities are operating at 100% capacity.*
- *Significant increase in Denim fabric sales reached to 5.7 million meter in Q3 as against 2.9 million meter in Q2.*
- *In terms of profitability, the Q3FY21 has been one of the best quarters in recent years.*

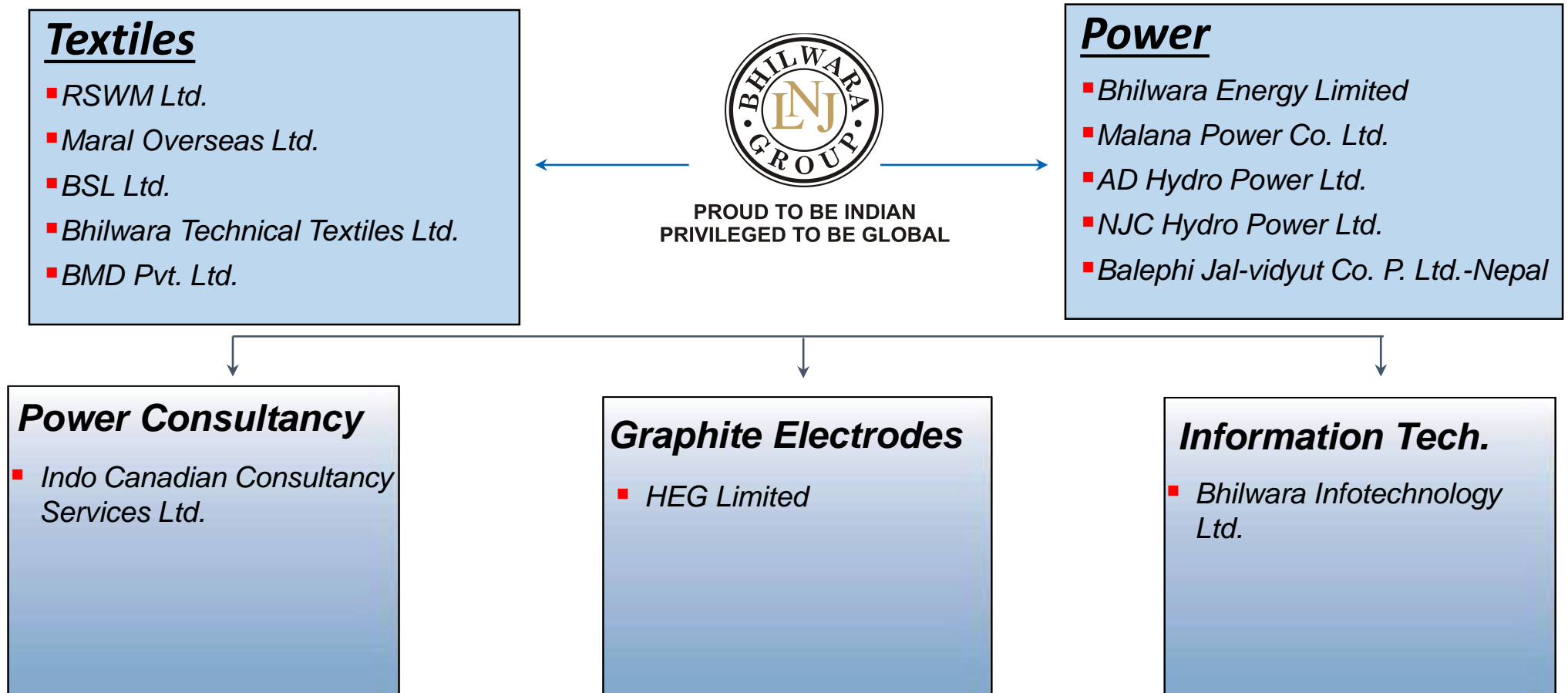
- *Q4 is expected to be at par with Q3.*
- *Sufficient cash generation has put the Company in very comfortable position in terms of liquidity.*
- *Company has TL repayment obligations of Rs.158 Cr. in FY21-22. In FY22-23 only Rs.116 Cr. thereafter less than 100 Cr. i.e Rs.86 Cr., Rs.67 Cr. Rs.44 Cr. and Rs.21 Cr.*
- *The Company is set to explore the long term growth opportunities.*

LNJ Bhilwara Group – At a glance



LNJ Bhilwara Group - Diversified presence across sectors

- 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.



- *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*

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

- 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.

- 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
- 2019-20 – 3.3 MW Solar Power Plant

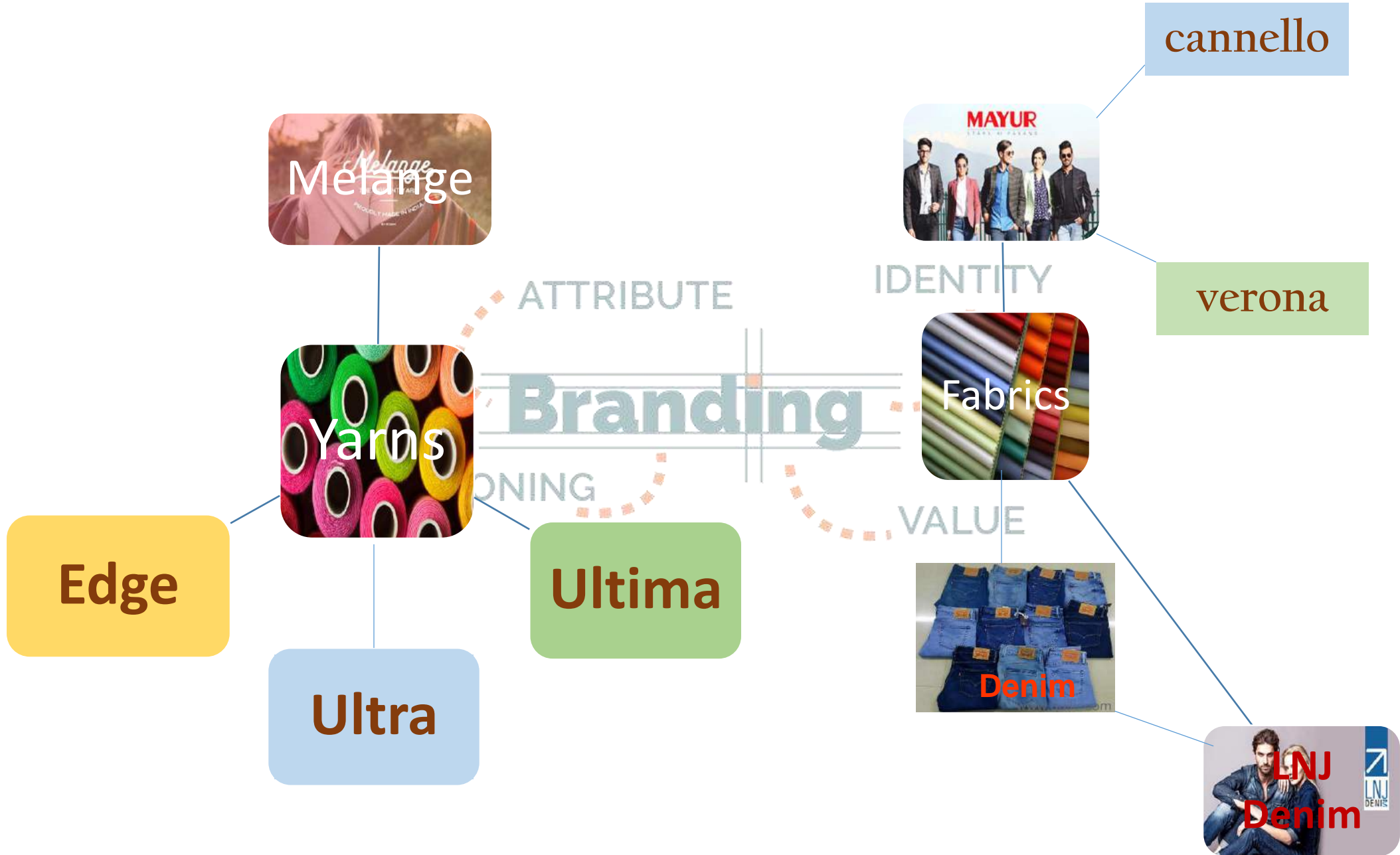
Certifications

- *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.*



- 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

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 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

Corporate Information

Corporate Office, Noida

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 Information

For further information, please contact:

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

Shri Rakesh Jain
DGM – Corporate Finance
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Thank you

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