

RSWM/SECTT/2020
June 16, 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
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Sub: Investors presentation on the Audited Financial Results of the Company for the quarter and financial year ended 31st March, 2020.

Dear Sir,

Please find enclosed a copy of Investors Presentation on the Audited Financial Results of the Company for the quarter and financial year ended 31st March, 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



Q4 & FY20 Performance



RSWM LIMITED

CIN:L17115RJ1960PLC008216

Regd. Office: Kharigram, P.O. Gulabpura, Distt. Bhilwara, Rajasthan - 311021

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Audited Financial Results for the Quarter and Year Ended 31st March, 2020

(₹ in Crore)

Particulars	Quarter Ended			Financial Year Ended		Consolidated Quarter Ended			Consolidated Financial Year Ended	
	31st March, 2020	31st December, 2019	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st December, 2019	31st March, 2019	31st March, 2020	31st March, 2019
	Audited (Refer Note No.5)	Unaudited	Audited (Refer Note No.5)	Audited	Audited	Audited (Refer Note No.5)	Unaudited	(Refer Note No.6)	Audited	Audited
Total Income from Operations (Net)	616.56	767.58	828.42	2,797.22	2,991.78	616.56	767.58	829.80	2,797.22	2,994.12
Net Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	(4.67)	2.55	(4.50)	(29.58)	(32.79)	(4.67)	2.55	(4.25)	(29.58)	(31.16)
Net Profit/(Loss) for the period before Tax (after Exceptional and/or Extraordinary items)	(4.67)	2.55	(4.50)	23.56	(32.79)	(4.67)	2.55	(4.25)	(15.23)	(31.16)
Net Profit/(Loss) for the period after Tax (after Exceptional and/or Extraordinary items & Share of profit of Associates)	(3.54)	2.02	(6.19)	22.67	(24.27)	(5.15)	0.86	(33.92)	(13.41)	(37.75)
Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after Tax) and Other Comprehensive Income (after Tax)]	(21.09)	5.30	(140.22)	(77.15)	(112.00)	(22.73)	4.14	(167.97)	(113.26)	(125.50)
Equity Share Capital	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	759.51				713.80	827.12
Earning Per Share (of ₹10/- each) (for continuing and discontinued operations)										
Basic (₹)	(1.51)	0.86	(2.63)	9.62	(10.30)	(2.19)	0.37	(14.40)	(5.70)	(16.26)
Diluted (₹)	(1.51)	0.86	(2.63)	9.62	(10.30)	(2.19)	0.37	(14.40)	(5.70)	(16.26)

Notes:

1. 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 June 15, 2020.
2. Exceptional items contain profit on sale of Equity Shares of 1,69,38,599 equity shares (out of 2,94,63,559 equity shares) held in its Associate, Bhilwara Energy Limited (BEL) sold during the quarter ended June, 2019
3. LNJ Skills & Rozgar Private Limited was Subsidiary of the Company upto March 2019 which has now become Associate of the Company from April 2019.
4. Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and has applied the said Ind AS to its leases contracts existing as on April 1, 2019, using the modified retrospective method. The impact of adoption of Ind AS 116 on the profit for the quarter is not material.
5. The standalone figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between the audited figures in respect to the full financial year and the published figures of Nine month ending December 31, 2019 and December 31, 2018 respectively , which were subject to limited review by the statutory auditors.
6. Pursuant to the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the company has published consolidated quarterly results for the quarter ended 31 March 2019, as reported herein above, have been reviewed by the audit committee and approved by the board of directors, but have not been subject to auditors' review.
7. The figures of the previous period/year have been regrouped/recast wherever considered necessary.
8. Impact of Covid-19 Pandemic
The Company temporarily suspended the operations from 22nd March, 2020 in the units of the Company in compliance with the lockdown instructions issued by the Central and State Governments due to COVID-19. However, production and supply of goods has commenced during the month of April 2020 on various dates at all the manufacturing locations of the Company after obtaining permissions from the appropriate government authorities. COVID-19 pandemic has caused global widespread economic and business disruption leaving uncertainties with respect to its severity, which currently cannot be reasonably ascertained. However, the Company has evaluated and factored in to the extent possible the likely impact that may result from COVID-19 pandemic as well as all events and circumstances up to the date of approval of these financial results, on the carrying value of its assets and liabilities as at 31st March 2020. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets and adequate liquidity is available. The impact of any events and developments occurring after the balance sheet date on the financial results for the quarter and year ended 31st March 2020 may differ from that estimated as at the date of approval of these financial results and will be recognized prospectively. The Company will continue to monitor any material changes to the future economic conditions.
9. The Other Comprehensive Income (OCI) in the Statement of Profit and Loss, includes unrealized loss on fair valuation of equity instruments amounting to ₹ 99.65 Crore (Previous year ₹ 87.84 Crore).

By Order of the Board
For RSWM Limited

Place: Noida (U.P)

Date: June 15, 2020

Brij Mohan Sharma
Joint Managing Director & Chief Financial
Officer
DIN : 08195895

Q4 & FY20 Financial Highlights

- *FY19-20 has witnessed a persistent fall in cotton yarn exports.*
- *China has been the major buyer of Indian Cotton Yarn with 30% share in cotton yarn export in 18-19. Yarn export to China started declining from Nov.19 and brought to almost Nil in Feb due to Corona Virus.*
- *Demand for PV yarns picked up in Q3 and continued in first half of Q4.*
- *Rapid spread of COVID-19 to many countries has disrupted the global supply chain and exports started declining in second half of Q4.*
- *Complete lockdown declared on 22nd March and due to inactivity, the Company has sustained extra cost of around Rs.18 Cr. on account of fixed expenses.*

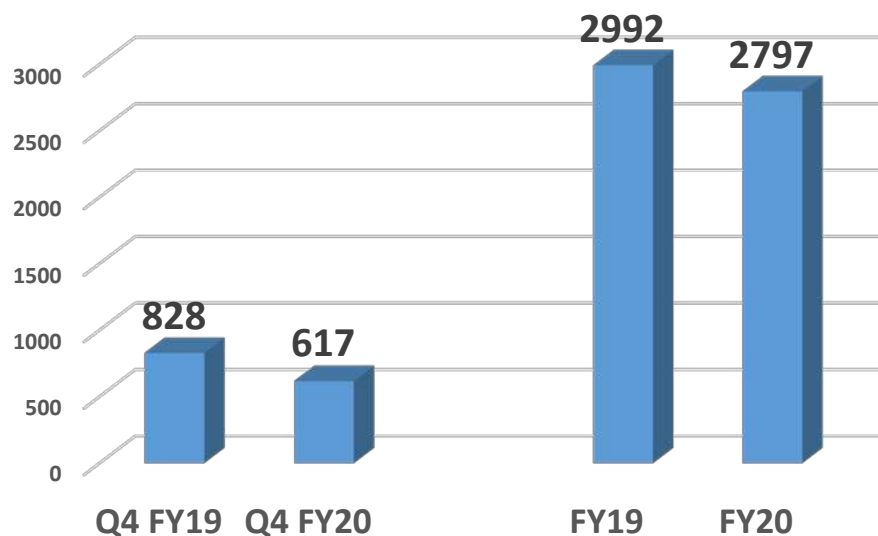
Q4 & FY20 Financial Highlights

- *Company's sales volumes also dropped as there were no dispatches during last 10 days of March,20.*
- *The disruption is continued in Q1 also.*
- *We have sufficient liquidity to restart 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 Rs.165 Crore in the business.*
- *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.*
- *Liquidity position enhanced and Current Ratio (including current maturity) has improved to 1.15 from 1.01.*

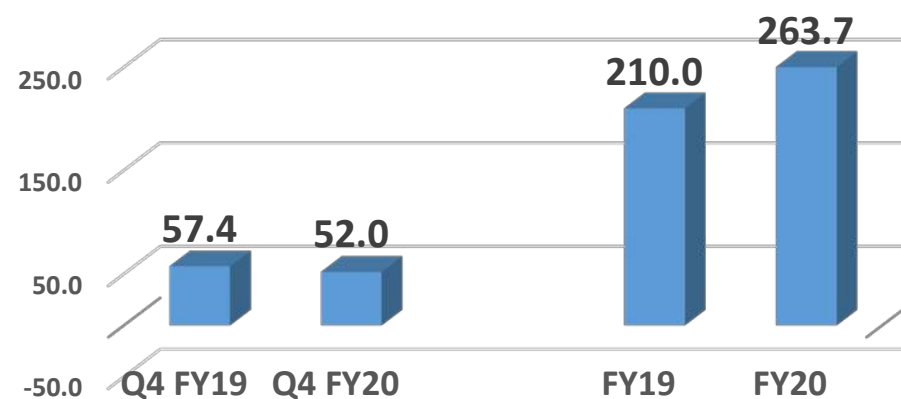
Q4 & FY20 Financial Highlights

Rs. in Cr.

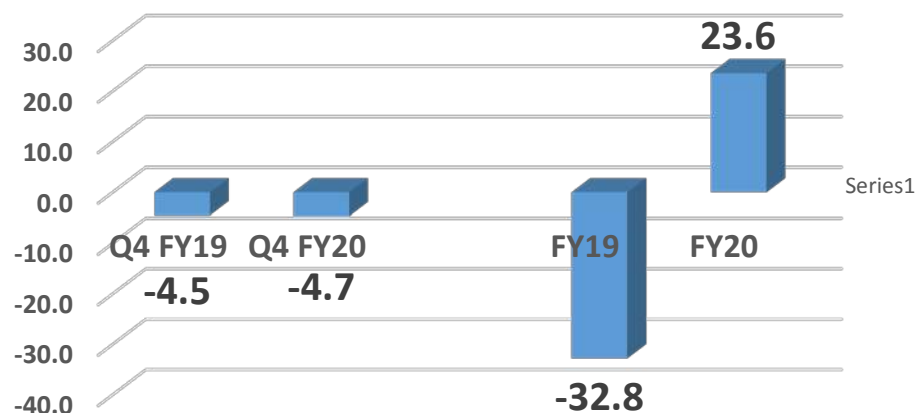
Total Income



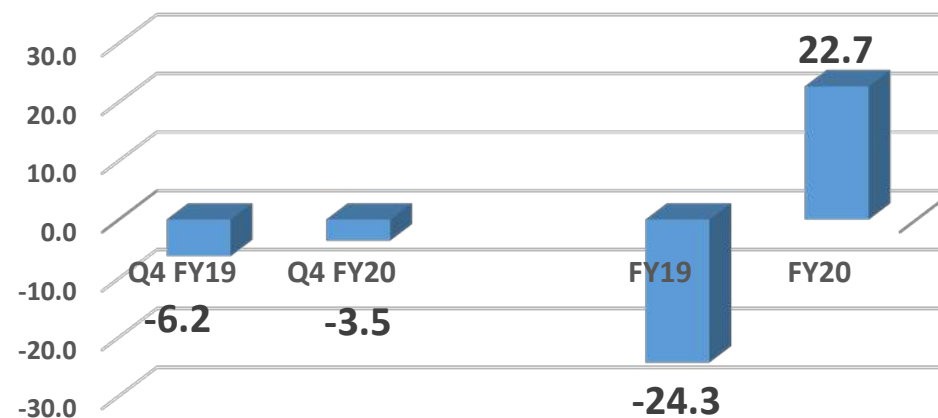
EBIDTA



EBT



PAT



Profitability Highlights

Rs. in Cr.

	Q4 FY20	Q4 FY19	FY20	FY19
Total Income (Incl. other income)	616.56	828.42	2850.36	2991.78
Raw Material Cost	346.13	432.10	1566.82	1712.67
Employee Cost	87.80	85.20	366.24	352.18
Power Cost	71.34	88.82	338.70	356.86
Other Expenses	82.08	76.39	335.50	306.99
Inc./Dec. in Inventory	(22.79)	88.49	(20.64)	53.07
EBIDTA	52.00	57.42	263.74	210.01
EBIDTA Margin (%)	8.49%	6.99%	9.51%	7.09%
Depreciation	32.46	32.27	131.67	123.28
Finance Cost	24.21	29.65	108.51	119.52
Profit Before Tax	(4.67)	(4.50)	23.56	(32.79)
Tax	(1.13)	1.69	0.90	(8.52)
Net Profit After Tax	(3.54)	(6.19)	22.66	(24.27)
Net Profit Margin (%)	(0.32%)	(0.75%)	0.82%	(0.82%)

Balance Sheet Highlights

<i>Rs. in Cr.</i>	<i>31.03.20</i>	<i>31.03.19</i>
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Assets

Non-current Assets	1128	1433
Fixed Assets	1034	1144
Investments	60	270
Other Non-current Assets	34	19
Current Assets	1055	1105
Inventories	507	432
Trade Receivable	342	453
Other Current Assets	206	220
Total Assets	2183	2538

<i>Rs. in Cr.</i>	<i>31.03.20</i>	<i>31.03.19</i>
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Liabilities

Shareholders' Fund	706	783
Share Capital	24	24
Reserve & Surplus	682	759
Non-current Liabilities	557	661
Long Term Borrowing	484	573
Other Non-current Liabilities	73	88
Current Liabilities	920	1094
Short Term Borrowing	568	665
Other Current Liabilities	352	429
Total Liabilities	2183	2538

Key ratios

		FY20	FY19	FY18
Balance sheet ratios				
	<i>fixed asset cover ratio</i>	1.75	1.47	1.62
	<i>DE ratio excl CPTL</i>	1.35	1.43	1.41
	<i>DE ratio incl CPTL</i>	1.51	1.69	1.56
	<i>debt service coverage ratio (DSCR)</i>	0.85	0.79	0.66
	<i>interest coverage ratio (ISCR)</i>	2.43	1.76	2.24
	<i>current ratio</i>	1.30	1.24	1.13
	<i>current ratio incl CPTL</i>	1.15	1.01	1.01
Earning Ratio				
	<i>return on capital employed (%)</i>	6.05	3.42	5.11
	<i>return on net worth (%)</i>	3.21	-3.10	1.61
	<i>return on sales (%)</i>	0.82	-0.82	0.49
	<i>EBITDA margin %</i>	9.52	7.09	8.94
EPS				
	<i>basic EPS (₹)</i>	9.62	-10.30	6.16
	<i>cash EPS (₹)</i>	65.91	38.42	61.91

Current Scenario and outlook

- *The lockdown declared on 22nd March, 20 has continued till the end of April, 20.*
- *COVID-19 has a wide spread impact on global economies and businesses.*
- *The initial 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 partial operations in April last week with many precautionary measures and conditions.*
- *The Company has started operations at all the manufacturing facilities from last week of April, 20 and are being carried at 30 to 50% level.*

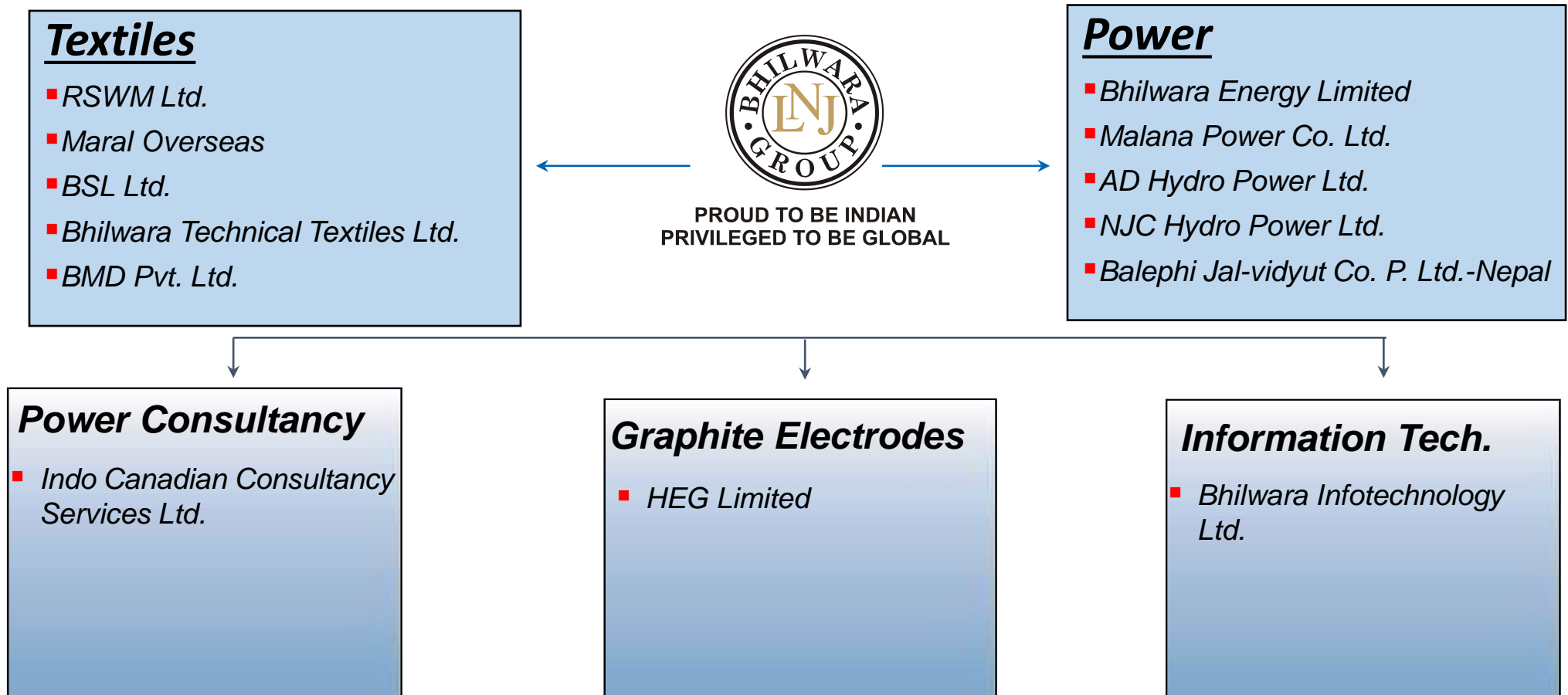
Current Market Scenario and outlook

- *The Company has chalked out a plan to increase operations gradually with the increase in demand and offtake.*
- *The Company is proactively working to cut its costs in order to remain competitive in changed scenario post COVID-19.*
- *Various measures being 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.*
- *More thrust on value added & new products to protect bottomline.*

LNJ Bhilwara Group – At a glance



- 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.



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

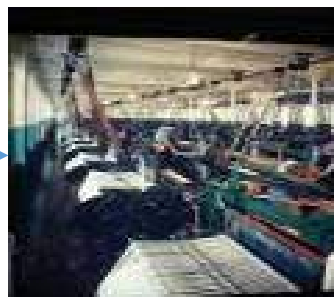
Recycled Fiber



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 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.

RSWM – Journey

- *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 - Comissioned 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*

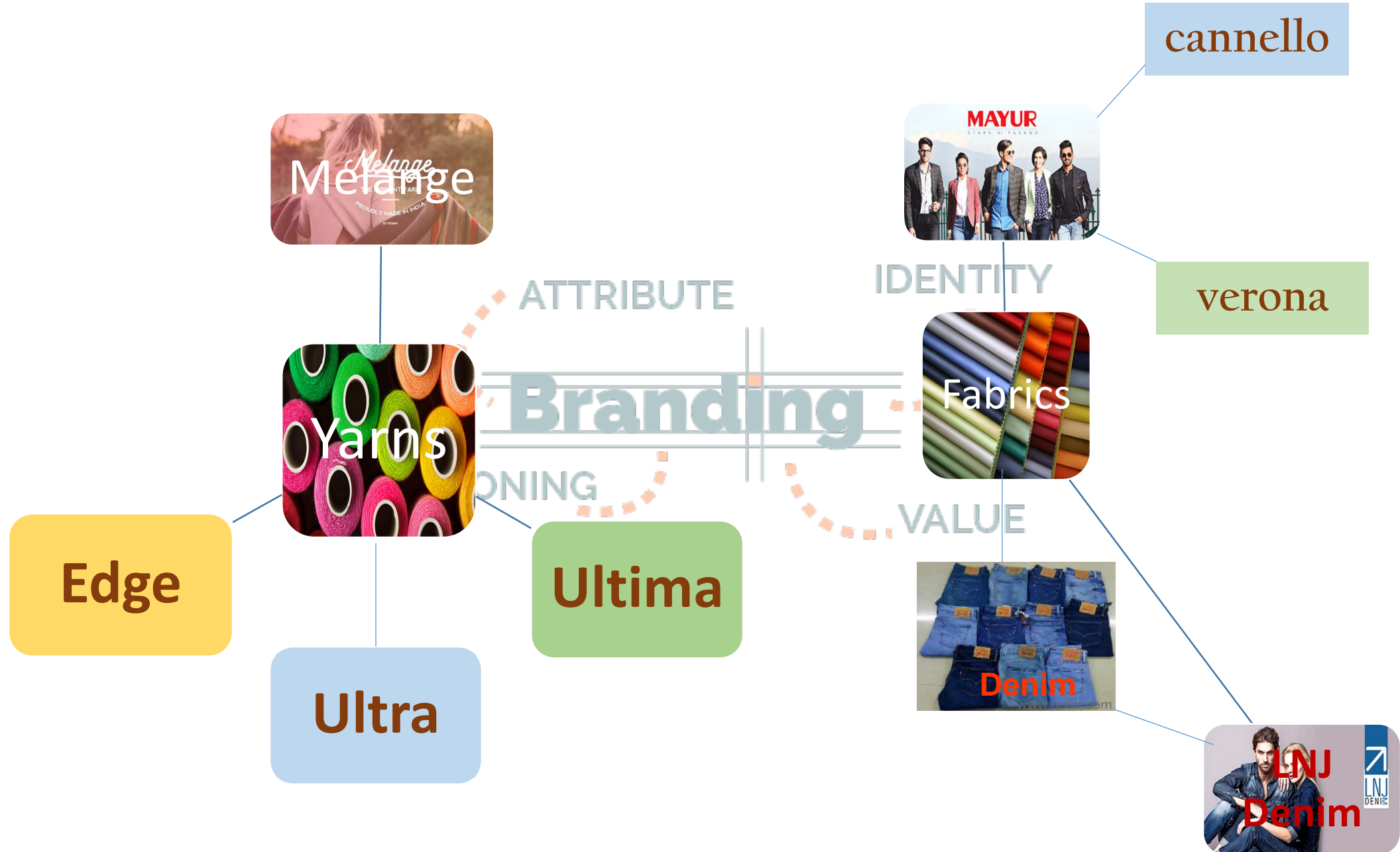
Certifications

- *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 Kashmir 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 |

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	-	Jt. Managing Director & Chief Financial Officer
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 Personnel

Mr. Riju Jhunjhunwala-	Chairman & Managing Director
Mr. B. M. Sharma -	Joint Managing Director & CFO
Mr. Surender Gupta-	Company Secretary

Business Heads and Key Executives

Mr. Prakash Maheshwari-	Chief Executive (Corp.Affairs & TPP)
Mr. Rajeev Jain-	Business Head (Yarn)
Mr. Suketu Shah-	Chief Executive (Denim & Fabric)
Mr. Ashwani Mittal-	Dy. Chief Executive (Melange Yarn)
Mr. J.K. Manghani -	Dy. Chief Financial Officer

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

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

Shri Rakesh Jain
DGM – Corporate Finance
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Thank you

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