

RSWM/SECTT/2023  
November 9, 2023

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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Subject: Press Release of the Company

Dear Sir,

Please find enclosed the press release being issued by the Company.

This will also be hosted on the Company's website at [www.rswm.in](http://www.rswm.in)

This is for your information and record please.

Thanking you,

Yours faithfully,  
For RSWM LIMITED

**SURENDER GUPTA**  
**VICE PRESENT – LEGAL & COMPANY SECRETARY**  
**FCS – 2615**

[rswm.investor@lnjbhilwara.com](mailto:rswm.investor@lnjbhilwara.com)

Encl.: As above

**(Formerly Rajasthan Spinning & Weaving Mills Limited)**

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**Corporate Identification Number:L17115RJ1960PLC008216**

## Press Release

### **RSWM Limited has Reported its Q2 & H1 FY24 Financial Results**

- ❖ Total sales recorded at ₹1,007 Cr. during Q2FY24, Up by 11.8% (QoQ).
- ❖ Gross Profit for Q2FY24 amounted to ₹363 Cr, Up by 8.1% (QoQ) with a Gross Profit Margin of 36.1%.
- ❖ EBITDA for Q2FY24 stands at ₹30 Cr., representing a growth of 20.1% (QoQ) with an EBITDA margin of 3.0%.
- ❖ For H1 FY24, net sales reached at ₹1,908 Cr. with a GP of ₹699 Cr and a GP Margin of 36.6%. Also, EBITDA for H1 FY24 was at ₹55 Cr. with an EBITDA Margin of 2.9%.
- ❖ Compact Cotton Yarn unit of 51,072 spindles at Lodha (Banswara) has commenced its commercial production from September 2023. This premium product will hit the market in the coming quarters, reflecting our commitment to growth and product diversification. Despite the challenges in profitability, our company has achieved strategic investments for future success.

**New Delhi, 9<sup>th</sup> November 2023:** RSWM Ltd. (BSE: 500350/NSE: RSWM), is one of the largest manufacturers and exporters of value-added synthetic, mélange, blended spun yarns, denim fabric, knitted fabric, and green polyester fibers from India, today announced its unaudited financial results for the Q2 & H1 FY24 quarter which ended 30<sup>th</sup> September 2023.

### **Financial Performance for Q2 & H1FY24 along with Future Outlook:**

Parameters (₹ in Cr)	Q2FY24	Q1FY23	QoQ	Q2FY23	H1FY24	H1FY23	FY23
Sales	1,007	901	11.8%	954	1,908	1978	3,789
Gross Profit (GP)	363	336	8.1%	385	699	822	1,475
GP Margin	36.1%	37.3%	(123) Bps	40.4%	36.6%	41.6%	38.9%
EBITDA	30	25	20.1%	82	55	222	340
EBITDA Margin	3.0%	2.8%	53 Bps	8.6%	2.9%	11.3%	9.0%
PAT	(15)	(18)		14	(33)	81	110

- ❖ **BG Wind Power Acquisition:** We've completed acquisition of 100% equity stake in M/s BG Wind Power Limited (BGWPL) on 6th April 2023 for ₹5 Cr., accordingly BGWPL has become a wholly-owned subsidiary of the Company.
- ❖ **Positive Signs in Business Growth:** Our increase in total sales happened because we got more orders from both domestic and international markets, hinting at a possible recovery for the struggling textile industry. But there are challenges such as tension between countries, the world's economy slowing down, and volatility in cotton prices. We'll need to watch these carefully and make smart changes to overcome these challenges.
- ❖ **Wide Market Reach and Product Portfolio:** RSWM Ltd. boasts an extensive outreach across domestic markets and more than 70 countries worldwide, the company is well-positioned to navigate challenges and capitalize on opportunities. We remain cautiously optimistic for the upcoming quarters, banking on increased orders and a potential resurgence in global and domestic demand.



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

*“In the Q2FY24, we’ve noticed a resurgence in demand in anticipation of the upcoming holiday and festive season, even as we grapple with significant challenges brought on by various factors. While major global economies saw a moderation in growth during the second quarter, despite ongoing banking crises and rate hikes, it’s worth noting that elevated inflation has affected consumer purchasing power. We’re keeping a close eye on the ever-fluctuating cotton prices in the post-COVID landscape. The global economic environment remains volatile, with the recent Israel-Palestine conflict potentially impacting global sentiments, though our direct exposure is minimal.*

*Despite persistent concerns about the global economic slowdown, our outlook for FY'24 remains cautiously optimistic. In the midst of these challenges, we draw upon our internal strengths to bolster our operations and maintain our commitment to investing in our facilities and processes. Our dedication remains unwavering as we diligently work towards achieving our long-term objectives.”*

**About RSWM Limited (BSE: 500350, NSE: RSWM):**

RSWM Ltd. produces and supplies high-quality yarns to some of the most renowned brands in India and over 70+ countries abroad. For the last 57 years, the company has been producing high-quality cotton, mélange, synthetic, novelty yarns, and denim fabric used to drape populations around the world. RSWM is one of the largest manufacturers and exporters of synthetic and blended spun yarns from India.

**About LNJ Bhilwara:**

The esteemed journey of the LNJ Bhilwara Group started in 1960, when the Group’s founder, Mr. L. N. Jhunjunwala established a textile mill in Bhilwara, Rajasthan. The Group has completed more than 50 glorious years and today the single textile mills of 1961 have expanded into several plants; the Group export earnings comprise 50% of its turnover and has strategically diversified over the period. It stands proudly as a multi-products and services conglomerate in textile, graphite electrodes, power generation, IT-enabled services, power engineering consultancy services, Energy storage solutions & Skill development.

LNJ Bhilwara Group is a well-diversified conglomerate and stands as one of India's largest setups on the corporate horizon. The USD 967 million LNJ Bhilwara Group ([www.lnjbhilwara.com](http://www.lnjbhilwara.com)), commands 20 production units, is strategically located, markets internationally, and employs over 25,000 employees globally. HEG Ltd. is the group’s flagship company and has the world’s largest single-location graphite electrode manufacturing plant. The group also owns two hydroelectric projects under Bhilwara Energy Ltd.

**Contacts:**

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**Safe Harbor**

*This document includes certain forward-looking statements. These statements are based on management’s current expectations or beliefs and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological, and/or regulatory factors. RSWM Ltd., its directors, and any of the affiliates or employees are under no obligation to, and expressly disclaims any such obligation to, update, or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.*