

STIL/

July 05, 2016

<b>M/s. Bombay Stock Exchange Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 001 Fax No. 022-22723121/719/22702037/39 <b>Scrip Code: 532782</b>	<b>M/s. National Stock Exchange of India Ltd.</b> Exchange Plaza, 5 <sup>th</sup> Floor, Plot No.C/1, G-Block, Bandra-Kurla Complex, Bandra(E), Mumbai 400 051 Fax No. (022-2659 8237/38) <b>Scrip Code : SUTLEJTEX</b>
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Dear Sirs,

**Sub: Press Release for upgrade of Rating to CARE AA (Double AA)**

Please find enclosed a copy of the Press Release for Rating Upgrade to CARE AA (Double AA) from CARE AA- (Double AA minus) by Credit Analysis & Research Ltd (CARE) in respect of Sutlej Textiles and Industries Ltd ("The Company").

Thanking you,

Yours faithfully,

For Sutlej Textiles and Industries Limited

  
(D.R. Prabhu)

Company Secretary & Compliance Officer



Encl: a/a

## Press Release

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### **CARE upgrades Sutlej Textiles and Industries Limited's Long/Short Term (Term Loan and Bank Facilities) rating to CARE AA (Double AA)**

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**Mumbai, Maharashtra, July 05, 2016:** Sutlej Textiles & Industries Limited (STIL, BSE: 532782 / NSE: SUTLEJTEX), a leading manufacturer and exporter of value added dyed yarns (synthetic & cotton mélange) with presence in Home Textiles, announced that its credit rating has been **upgraded/reaffirmed** by Credit Analysis & Research Ltd. (CARE) as under :-

1. **CARE AA (Double A)** for Long Term Bank Facilities (Term Loan) and for Long / Short Term Bank Facilities (Fund based) from CARE AA- (Double A minus) signifying **high degree of safety** regarding timely servicing of financial obligations. Such facilities carry very low credit risk.
2. **CARE A1+ (A One Plus)** for Short Term Bank Facilities (Non Fund based) and Commercial Paper **Reaffirmed** signifying **very strong degree of safety** regarding timely payment of financial obligations. Such facilities carry **lowest credit risk**.

This upgradation in the long term bank facilities ( Term loan) and Long/ Short term bank facilities (Fund based) ratings reflects the Company's consistent cash accruals generated in the business and its strengthened leading position in the niche value added dyed yarn segment (synthetic & cotton mélange) which has led to a healthy debt coverage metrics and liquidity position for the Company.



## About Sutlej Textiles and Industries Ltd (STIL)

CIN: L17124RJ2005PLC020927

Sutlej Textiles and Industries Ltd. (STIL) (part of S&P BSE SMALL CAP Index), an ISO 9001:2008 certified Company, is one of India's largest spun dyed yarn manufacturer. Under the leadership of Mr. C S Nopany, Chairman of STIL, a Chartered Accountant and Master of Science in Industrial Administration from Carnegie Mellon University, the Company has focused on value added yarns namely – Dyed Yarn, Cotton Mélange yarn, Modal yarn, Tencel yarn, Bamboo yarn, Linen blended yarn etc. and build significant presence across the value chain. Over the years, the Company has also successfully carved out a niche for itself and is holding leadership position in the dyed yarn and cotton mélange yarn segment. The total spinning capacity of the Company, post the acquisition of Birla Textile Mills stands at 377,688 spindles as on 31<sup>st</sup> March 2016.

STIL has a strong global clientele and exports to more than 55 countries. It has presence across major developed and emerging economies like Australia, Argentina, Bangladesh, Bahrain, Belgium, Brazil, Canada, China, Chile, Cuba, Egypt, France, Germany, Hong Kong, Italy, Morocco, New Zealand, Peru, Philippines, Poland, Portugal, Russia, Saudi Arabia, Sri Lanka, Turkey, United States of America, the United Arab Emirates (UAE), and The United Kingdom, among others.

STIL has also been recipient of numerous prestigious awards like Niryat Shree – Gold trophy award for its Export performance in spun yarn; Gold trophy by SRTEPC for best performance for export of fabrics to focused Latin American countries and Silver trophy by SRTEPC for Second best export performance in spun yarn category.

For further information, please contact:

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**Disclaimer:**

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other risk factors, viewers of this presentation are cautioned not to place undue reliance on these forward looking statements. Sutlej Textiles and Industries Ltd will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.