

Press Release

9M FY 2016 Results
Total Income stood at Rs. 1744.03 crore
EBITDA stood at Rs. 233.64 crore
PAT stood at Rs. 94.55 crore

Mumbai, Maharashtra, February 01, 2016: Sutlej Textiles and Industries Limited (STIL) (BSE: 532782 / NSE: SUTLEJTEX), a leading manufacturer and exporter of value added dyed yarns (synthetic & cotton mélange) and home textiles, today announced its results for the quarter and nine months ended 31st December 2015.

(Rs in Crs)

Particulars	Q3 FY16 #	Q3 FY15	% change wrt Q3 FY15	9M FY16#	9M FY15	% change wrt 9M FY15
Total Income	558.97	468.47	19.32	1744.03	1439.98	21.11
EBITDA	75.82	66.71	13.66	233.64	203.76	14.66
<i>EBITDA Margin (%)</i>	13.56%	14.24%	---	13.40%	14.15%	---
<i>PBDT</i>	62.79	52.91	18.67	194.22	164.48	18.08
PAT	26.40	21.82	20.99	94.55	88.04	7.39
EPS(Diluted) (Rs.)	16.11	13.32	---	57.71	53.74	---

The financial results for Q3 FY16 and 9M FY16 are inclusive of financial results of recently acquired unit Birla Textile Mills.

Commenting on the results, Mr. C.S. Nopany, Executive Chairman, Sutlej Textiles and Industries Ltd (STIL) said *“The global economic environment has been challenging with falling commodity prices and slowdown in world economy. Furthermore, a sluggish domestic rural economy has further aggravated the situation resulting in poor overall demand. Despite these challenging times, I am pleased that Sutlej has been able to sustain its profitability by focussing on operational efficiency and capacity enhancement.*

Our growth plan remains unaltered as the expansions in our Spinning capacity for producing value added Cotton Mélange, Cotton Blended Dyed Yarns and of Home Textiles capacity are progressing as per schedule. We are hopeful that this will help us to deliver sustained performance.”

Key Developments

Acquisition of Birla Textile Mills (BTM)

- The acquisition of Birla Textile Mills (BTM) has been concluded on September 30, 2015 on receiving statutory approvals and payment of Rs.213.54 crore i.e. Rs 232.63 crore less term loans of Rs.19.09 crore from banks outstanding as on appointed date of April 01, 2015
- BTM, with a capacity of 83,376 spindles manufactures cotton, synthetic & blended yarn in Grey & dyed form.
- STIL's total spinning capacity has enhanced to 3,77,112 spindles post-acquisition.

Brownfield project - capacity expansion of Value Added Products

- Commenced work on the project – adding 35,280 spindles at its Bhawani Mandi, Rajasthan facility at a project cost of Rs. 270 crore.
- Progress of expansion project is as per schedule. Civil Work is ongoing and orders for most of key plant and machinery have been placed.
- Project to be funded by mix of internal accruals and debt.
- Financial closure achieved.
- Dedicated capacity focused towards producing Value Added Cotton Mélange and Cotton Blended Dyed Yarn.

Home Textiles Division expansion on track

- Placed order for 20 Nos. single width looms and 20 Nos. Jacquard attachment. Also placed orders for 4 No. Electronic Chenille machines and 1 No. Multi chamber stenter forming part of the expansion project. Deliveries are expected in May-June 2016.
- Project is to be completed in phases; with first phase of 16 looms installed and commissioned in July 2015
- Post completion, the capacity in its existing facility will increase to 9.6 million metres p.a.
- Total project cost - Rs. 88.5 crore
- Increased presence in Home Textile segment will result in further strengthening of Company's end to end operations – Yarn to Home Textile

Modernization Update

- Invested around Rs.60 crore during 9M FY16, towards technology up-gradation and debottlenecking, etc. this will result in further improvement of efficiencies and plant utilization
- Intends to deploy further amount of ~Rs. 66 crore during the year towards the same.

Credit rating upgrade during the year

- CARE upgrades STIL rating to **CARE AA-** from CARE A+ signifying high degree of safety and CARE A1+ (A One Plus) for short term bank facilities
- India Ratings and Research Private Ltd (FITCH Group) upgrades STIL to '**IND AA-**' ; **Outlook Stable** from IND A+ and IND A1+ (A one Plus) for short term bank facilities

Awards for Export Performance

- STIL was felicitated with the prestigious "Synthetic and Rayon Textiles Export Promotion Council's (SRTEPC)" Gold Trophy for Best Export Performance for Exports of Fabrics to "Focus SAARC" countries for the year 2014-15 and Silver Trophy for the Second Best Export Performance of Spun Yarn for the year 2014-15 by Shri Santosh Kumar Gangwar, Hon'ble Minister of State for Textiles (Independent Charge) in a glittering function on January 23, 2016 in Mumbai.

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, Tencil 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 emerged as a leading player in the dyed yarn segment. The total spinning capacity of the Company, post the acquisition of Birla Textile Mills has enhanced to 377,112 spindles.

STIL has a strong global clientele and exports to more than 60 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), The United Kingdom and Vietnam, 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.

SUTLEJ TEXTILES AND INDUSTRIES LIMITED

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Statement of Standalone Unaudited Financial Results FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2015

PART I							(Rs. in lacs)
Sr. No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for current period ended	Year to date figures for previous period ended	Previous accounting year ended
		31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	31.03.2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
(a)	Net Sales/ Income from Operations (Net of excise duty)	54111	60606	44898	169044	136820	182316
(b)	Other Operating Income	1070	1252	1000	3127	4187	5505
	Total income from Operations (net)	55181	61858	45898	172171	141007	187821
2	Expenses						
a)	Cost of materials consumed	27990	30901	25190	90175	79304	102875
b)	Purchases of stock-in-trade	3030	4373	1830	10257	7227	11149
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	982	2157	440	1313	(256)	228
d)	Employee benefits expense	6009	5903	4391	17459	12925	17502
e)	Depreciation and amortisation expenses	2169	2186	1790	6518	4930	6991
f)	Other expenses	10304	11392	8325	31835	24422	32855
	Total expenses	50484	56912	41966	157557	128552	171600
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	4697	4946	3932	14614	12455	16221
4	Other Income	716	786	949	2232	2991	3968
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items(3+4)	5413	5732	4881	16846	15446	20189
6	Finance costs	1303	1264	1380	3942	3928	5298
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items(5-6)	4110	4468	3501	12904	11518	14891
8	Exceptional items	-	-	-	-	-	68
9	Profit/(Loss) from Ordinary Activities before tax (7-8)	4110	4468	3501	12904	11518	14823
10	Tax Expenses						
	-Current	840	901	735	2618	2420	3155
	-MAT credit (Entitlement)/ Utilised	226	(50)	70	181	(37)	(300)
	-Earlier Years	-	-	-	-	(2)	(2)
	-Deferred (net)	404	297	514	650	333	424
11	Net Profit/(Loss) from Ordinary Activities after tax (9-10)	2640	3320	2182	9455	8804	11546
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	2640	3320	2182	9455	8804	11546
14	Paid-up equity share capital (Face value of Rs.10 per share)	1638	1638	1638	1638	1638	1638
15	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year						54185
16	Earnings Per Share (Not annualised) (Rs.)						
	- Cash	33.20	35.12	27.81	102.57	85.64	113.91
	- Basic and diluted	16.11	20.27	13.32	57.71	53.74	70.48



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SUTLEJ TEXTILES AND INDUSTRIES LIMITED

Regd. Office: Pachphar Road, Bhawanimandi-326 502 (Rajasthan)

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in lacs)

Sr. NO.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for current period	Year to date figures for previous period	Previous accounting year ended
		31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	31.03.2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue :						
	(a) Yarn	52728	59221	43620	165174	133500	178414
	(b) Fabrics	2453	2637	2239	7000	8181	10087
	Total	55181	61858	45859	172174	141681	188501
	Less: Inter Segment Revenue	-	-	(39)	3	674	680
	Total Income from Operations (net)	55181	61858	45898	172171	141007	187821
2	Segment Result :						
	Profit /(Loss) before Tax, Finance costs and Exceptional items from each segment						
	(a) Yarn	5169	5420	4621	15902	14464	19295
	(b) Fabrics	212	124	(204)	419	(218)	(776)
	Total	5381	5544	4417	16321	14246	18519
	Less : Finance costs	1303	1264	1380	3942	3928	5298
	Exceptional items	-	-	-	-	-	68
	Add : Other un-allocable income net of un-allocable expenditure #	32	188	464	525	1200	1670
	Profit/(Loss) before tax	4110	4468	3501	12904	11518	14823
3	Capital Employed :						
	(Segment assets - Segment liabilities)						
	(a) Yarn	123325	126945	100516	123325	100516	106801
	(b) Fabrics	10879	10436	9309	10879	9309	8462
	Add: Un-allocated Corporate Assets/ (Liabilities) (net)	5561	5884	9128	5561	9128	950
	Total	139765	143265	118953	139765	118953	116213

Results of the other segment have not been shown separately as the same is not material.



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Notes :

1. The Company has acquired Birla Textile Mills (BTM) on 30th September, 2015 from Chambal Fertilisers and Chemicals Ltd as a going concern on slump sale basis effective from 1st April, 2015.

The above financial results for the quarter ended 31st December, 2015 and 30th September, 2015 and nine months ended 31st December, 2015 is inclusive of BTM figures in respective period and hence are not comparable with figures of previous corresponding period.

2. The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meeting held on January 29, 2016 and February 01, 2016. The statutory auditors have carried out a limited review of the above financial results.
3. Previous period/year figures have been regrouped and rearranged wherever necessary.

By Order of the Board
For SUTLEJ TEXTILES AND INDUSTRIES LIMITED



A handwritten signature in blue ink, appearing to read "Dilip Ghorawat".

(Dilip Ghorawat)
Whole-time Director & CFO

Place :Mumbai
Date :01.02.2016