

**Press Release**

**H1 FY 2016 Results**  
**Total Income stood at Rs. 1185.06 crore**  
**EBITDA stood at Rs.157.82 crore**  
**PAT stood at Rs. 68.15 crore**

**Mumbai, Maharashtra, November 03, 2015:** Sutlej Textiles and Industries Limited (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 half year ended 30<sup>th</sup> September 2015.

Particulars	(Rs in Crs)					
	Q2 FY16 #	Q2 FY15	% change wrt Q2 FY15	H1 FY16#	H1 FY15	% change wrt H1 FY15
<b>Total Income</b>	<b>626.44</b>	<b>467.63</b>	33.96	<b>1185.06</b>	<b>971.51</b>	21.98
<b>EBITDA</b>	<b>79.18</b>	<b>68.16</b>	16.17	<b>157.82</b>	<b>137.05</b>	15.16
<i>EBITDA Margin (%)</i>	<i>12.64%</i>	<i>14.58%</i>	---	<i>13.32%</i>	<i>14.11%</i>	----
<b>PBDT</b>	<b>66.54</b>	<b>56.16</b>	18.48	<b>131.43</b>	<b>111.57</b>	17.80
<b>PAT</b>	<b>33.20</b>	<b>30.48</b>	8.92	<b>68.15</b>	<b>66.22</b>	2.91
<b>EPS( Diluted) (Rs.)</b>	<b>20.27</b>	<b>18.60</b>	---	<b>41.60</b>	<b>40.42</b>	---

# The financial results for Q2 FY16 and H1 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 Second Quarter of the year continued to witness challenges being faced by the economy at large due to global slowdown and stressed rural economy. As the outlook for the year 2015-16 continues to be grim, our focus on the value added dyed yarn products and additional capacity created last year for producing Cotton Mélange, Cotton Blended Dyed Yarns and acquisition of Birla Textile Mills (BTM) enabled us to sustain profitability.*

*Despite challenging headwinds for the sector with margins under pressure, we continue to concentrate on enhancing scale of operation which will allow us to deliver a consistent performance. Work on creating new capacities in our Rajasthan Textile Mills for producing value added products and expansion of Home Textiles is progressing as per schedule. Once completed, these will enable us enhance our domestic as well as global foot-print.”*

## Key Developments

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### Acquisition of Birla Textile Mills (BTM)

- The transaction for 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
- Project to be funded by mix of internal accruals and debt
- Financial closure achieved
- Dedicated capacity focused towards producing Value Added Cotton Mélange, Cotton Blended Dyed Yarn.

### Home Textiles Division expansion on track

- Expanding operations in Home Textiles division at one of the Company's units viz, Damanganga Home Textiles, Daheli, Bhilad, Gujarat.
- Post completion, the capacity in its existing facility will increase to 9.6 million metres p.a. from present 5 million metres p.a.
- Total project cost - Rs. 88.5 crore
- Project is to be completed in phases; with first phase of 16 looms installed and commissioned in July 2015
- 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.34 crore during H1 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. 62 crore during the year towards the same.
- The Board has also approved Rs 29 Crores for balancing equipments, etc in Birla Textile Mills.

## Credit rating upgrade

- 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.

## About Sutlej Textiles and Industries Ltd (STIL)

CIN: L17124RJ2005PLC020927

Sutlej Textiles and Industries Ltd, 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 almost 61 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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Whole -Time Director & Chief Financial Officer

**Sutlej Textiles and Industries Ltd**

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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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Tel.: (07433) 222052/82/90, Fax (07433) 222354, Email : hoffice@sutlej-rtm.co.in  
WebSite: www.sutlejtextiles.com, CIN - L17124RJ2005PLC020927

### UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPT., 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
		30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Income from Operations</b>						
(a)	Net Sales/ Income from Operations (Net of excise duty)	60606	54327	44931	114933	91922	182316
(b)	Other Operating Income	1252	805	972	2057	3187	5505
	<b>Total income from Operations (net)</b>	<b>61858</b>	<b>55132</b>	<b>45903</b>	<b>116990</b>	<b>95109</b>	<b>187821</b>
<b>2</b>	<b>Expenses</b>						
a)	Cost of materials consumed	30901	31284	26651	62185	54114	102875
b)	Purchases of stock-in-trade	4373	2854	2034	7227	5397	11149
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	2157	(1826)	(964)	331	(696)	228
d)	Employee benefits expense	5903	5547	4401	11450	8534	17502
e)	Depreciation and amortisation expenses	2186	2163	1639	4349	3140	6991
f)	Other expenses	11392	10139	7825	21531	16097	32855
	<b>Total expenses</b>	<b>56912</b>	<b>50161</b>	<b>41586</b>	<b>107073</b>	<b>86586</b>	<b>171600</b>
<b>3</b>	<b>Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>4946</b>	<b>4971</b>	<b>4317</b>	<b>9917</b>	<b>8523</b>	<b>16221</b>
<b>4</b>	<b>Other Income</b>	<b>786</b>	<b>730</b>	<b>860</b>	<b>1516</b>	<b>2042</b>	<b>3968</b>
<b>5</b>	<b>Profit / (Loss) from ordinary activities before finance costs and exceptional items(3+4)</b>	<b>5732</b>	<b>5701</b>	<b>5177</b>	<b>11433</b>	<b>10565</b>	<b>20189</b>
<b>6</b>	<b>Finance costs</b>	<b>1264</b>	<b>1375</b>	<b>1200</b>	<b>2639</b>	<b>2548</b>	<b>5298</b>
<b>7</b>	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items(5-6)</b>	<b>4468</b>	<b>4326</b>	<b>3977</b>	<b>8794</b>	<b>8017</b>	<b>14891</b>
<b>8</b>	<b>Exceptional items</b>	-	-	-	-	-	<b>68</b>
<b>9</b>	<b>Profit/(Loss) from Ordinary Activities before tax (7-8)</b>	<b>4468</b>	<b>4326</b>	<b>3977</b>	<b>8794</b>	<b>8017</b>	<b>14823</b>
<b>10</b>	<b>Tax Expenses</b>						
	-Current	901	877	888	1778	1685	3155
	-MAT credit (Entitlement)/ Utilised	(50)	5	5	(45)	(107)	(300)
	-Earlier Years	-	-	(2)	-	(2)	(2)
	-Deferred (net)	297	(51)	38	246	(181)	424
<b>11</b>	<b>Net Profit/(Loss) from Ordinary Activities after tax (9-10)</b>	<b>3320</b>	<b>3495</b>	<b>3048</b>	<b>6815</b>	<b>6622</b>	<b>11546</b>
<b>12</b>	<b>Extraordinary items (net of tax expense)</b>	-	-	-	-	-	-
<b>13</b>	<b>Net Profit/(Loss) for the period (11-12)</b>	<b>3320</b>	<b>3495</b>	<b>3048</b>	<b>6815</b>	<b>6622</b>	<b>11546</b>
<b>14</b>	<b>Paid-up equity share capital (Face value of Rs. 10 per share)</b>	<b>1638</b>	<b>1638</b>	<b>1638</b>	<b>1638</b>	<b>1638</b>	<b>1638</b>
<b>15</b>	<b>Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year</b>						<b>54185</b>
<b>16</b>	<b>Earnings Per Share (Not annualised) (Rs.)</b>						
	- Cash	35.12	34.26	28.87	69.37	57.83	113.91
	- Basic and diluted	20.27	21.33	18.60	41.60	40.42	70.48



PART II		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
Sr. No.	Particulars	30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>						
1	Public shareholding :	5926011	5926011	5926011	5926011	5926011	5926011
	- No. of Shares	36.17	36.17	36.17	36.17	36.17	36.17
	- Percentage of Shareholding						
2	Promoters and promoter group shareholding:						
	(a) Pledged/Encumbered	1275000	1275000	2175000	1275000	2175000	1275000
	- Number of shares	12.19	12.19	20.80	12.19	20.80	12.19
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	7.78	7.78	13.28	7.78	13.28	7.78
	- Percentage of shares (as a % of the total share capital of the Company)						
	(b) Non-encumbered	9181851	9181851	8281851	9181851	8281851	9181851
	- Number of Shares	87.81	87.81	79.20	87.81	79.20	87.81
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	56.05	56.05	50.55	56.05	50.55	56.05
	- Percentage of shares (as a % of the total share capital of the Company)						

Particulars		3 months ended
		30.09.2015
<b>B</b>	<b>INVESTOR COMPLAINTS :</b>	
	Pending at the beginning of the quarter	NIL
	Received during the quarter	10
	Disposed of during the quarter	10
	Remaining unresolved at the end of the quarter	NIL



**SUTLEJ TEXTILES AND INDUSTRIES LIMITED**

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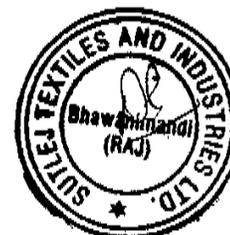
**SEGMENTWISE REVENUE, RESULTS AND  
CAPITAL EMPLOYED**

(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
		30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Segment Revenue :</b>						
	(a) Yarn	59221	53225	43328	112446	89880	178414
	(b) Fabrics	2637	1910	2855	4547	5942	10087
	Total	61858	55135	46183	116993	95822	188501
	Less: Inter Segment Revenue	-	3	280	3	713	680
	<b>Total Income from Operations (net)</b>	<b>61858</b>	<b>55132</b>	<b>45903</b>	<b>116990</b>	<b>95109</b>	<b>187821</b>
<b>2</b>	<b>Segment Result :</b>						
	Profit /(Loss) before Tax, Finance costs and Exceptional items from each segment						
	(a) Yarn	5420	5313	4847	10733	9843	19295
	(b) Fabrics	124	83	(93)	207	(14)	(776)
	Total	5544	5396	4754	10940	9829	18519
	Less : Finance costs	1264	1375	1200	2639	2548	5298
	Exceptional items	-	-	-	-	-	68
	Add : Other un-allocable income net of un-allocable expenditure #	188	305	423	493	736	1670
	<b>Profit/(Loss) before tax</b>	<b>4468</b>	<b>4326</b>	<b>3977</b>	<b>8794</b>	<b>8017</b>	<b>14823</b>
<b>3</b>	<b>Capital Employed :</b>						
	<b>(Segment assets - Segment liabilities)</b>						
	(a) Yarn	126945	127999	102926	126945	102926	106801
	(b) Fabrics	10436	9658	10328	10436	10328	8462
	Add: Un-allocated Corporate Assets/ ( Liabilities ) (net)	5884	4710	6379	5884	6379	950
	<b>Total</b>	<b>143265</b>	<b>142367</b>	<b>119633</b>	<b>143265</b>	<b>119633</b>	<b>116213</b>

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

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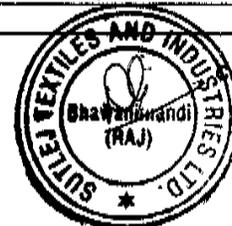
**SUTLEJ TEXTILES AND INDUSTRIES LIMITED**

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

**Statement of Assets and Liabilities**

(Rs.in lacs)

Particulars	As at	As at
	30th Sept., 2015	31st March, 2015
	Unaudited	Audited
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' Funds:</b>		
(a) Share Capital	1638	1638
(b) Reserves and Surplus	60999	54185
<b>Sub-total - Shareholders' Funds</b>	<b>62637</b>	<b>55823</b>
<b>2 Deferred Government Subsidies</b>	<b>175</b>	<b>177</b>
<b>3 Non-Current Liabilities:</b>		
(a) Long-term Borrowings	41730	33918
(b) Deferred Tax Liabilities (Net)	4829	4582
(c) Other Long-term Liabilities	538	435
(d) Long-term Provisions	724	491
<b>Sub-total - Non-Current Liabilities</b>	<b>47821</b>	<b>39426</b>
<b>4 Current Liabilities :</b>		
(a) Short-term Borrowings	28541	18169
(b) Trade Payables	6970	4933
(c) Other Current Liabilities	16370	12118
(d) Short-term Provisions	2544	3436
<b>Sub-total - Current Liabilities</b>	<b>54425</b>	<b>38656</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>165058</b>	<b>134082</b>
<b>B ASSETS</b>		
<b>1 Non-Current Assets :</b>		
(a) Fixed Assets	81589	68716
(b) Non-Current Investments	5000	5000
(c) Long-term Loans and Advances	5343	4112
(d) Trade Receivables	-	-
(e) Other Non-Current Assets	-	-
<b>Sub-total - Non-Current Assets</b>	<b>91932</b>	<b>77828</b>
<b>2 Current Assets :</b>		
(a) Current Investments	-	0
(b) Inventories	38378	32068
(c) Trade Receivables	20433	13855
(d) Cash and Bank balance	684	328
(e) Short-term Loans and Advances	8372	3829
(f) Other Current Assets	5259	6174
<b>Sub-total - Current Assets</b>	<b>73126</b>	<b>56254</b>
<b>TOTAL - ASSETS</b>	<b>165058</b>	<b>134082</b>



Notes :

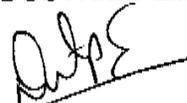
1. The Company has acquired Birla Textile Mills (BTM) on 30<sup>th</sup> September, 2015 from Chambal Fertilisers and Chemicals Ltd as a going concern on slump sale basis effective from 1<sup>st</sup> April, 2015.

The above financial results for the quarter ended 30.09.15 & 30.06.15 and half year ended 30.09.15 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 meeting held on November 03, 2015. 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



  
(Dilip Ghorawat)  
Wholetime Director & CFO

Place :New Delhi  
Date :03.11.2015

# Singhi & Co.

Chartered Accountants

402-403, Pragati House, 47-48, Nehru Place, New Delhi-110 019 (India) Ph.: (011) 30820179, 30820180, 41018091  
e-mail : newdelhi@singhico.com Website : www.singhico.com

## Review Report

The Board of Directors,  
Sutlej Textiles and Industries Ltd.  
Pachpahar Road,  
Bhawanimandi - 326502  
Rajasthan

We have reviewed the accompanying statement of unaudited financial results of Sutlej Textiles and Industries Ltd. for the quarter and half year ended 30<sup>th</sup> Sept, 2015, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) ) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For SINGHI & CO.  
Chartered Accountants  
Firm Reg.No. 302049E



Place: New Delhi  
Date: 3<sup>rd</sup> November, 2015

B.K. Sipani  
Partner  
Membership No. 088926