

10th May, 2024

BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001. Scrip Code: 532782	National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, Plot No. C/1, G-Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051. Scrip Code: SUTLEJTEX
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Dear Sirs / Madam,

Sub: Q4 & FY24 Result Presentation

Please find enclosed herewith a copy of the presentation with respect to the audited financial results of the Company for Q4 & FY24.

Thanking you

Yours faithfully
For **Sutlej Textiles and Industries Limited**

Manoj Contractor
Company Secretary and Compliance Officer

Encl: a/a





sutlej
textiles and industries limited

Sutlej Textiles and Industries Limited

Leadership in Yarns, Establishing
a Niche in Home Textiles

Investor Presentation - Q4 & FY24



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Sustainable
Transformation



Key Highlights – Q4 & FY24



Key Business Updates

❖ Yarn Business:

The spinning industry witnessing subdued demand since last 5-6 quarters in domestic and export markets, which had a resultant impact on our overall performance in FY24. However, some respite seen from H2FY24 with moderating inflation and steady growth, likely to aid consumption growth. **Our Green Fibre unit continues to operate at optimum utilization.**

❖ Home Textiles:

Sales and Revenue have been improving consistently as our brands are strengthening foothold in domestic and export markets. Profitability is also improving albeit gradually as we continue to invest in marketing.

❖ Strengthening Balance Sheet:

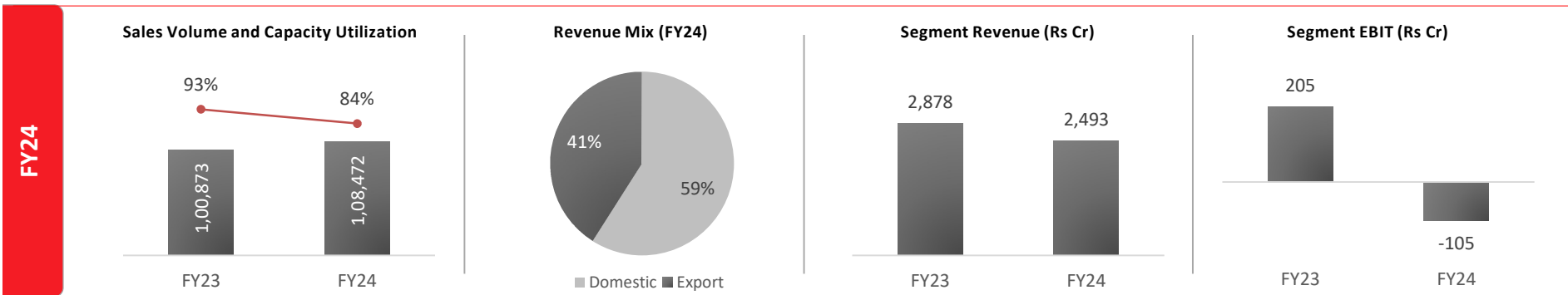
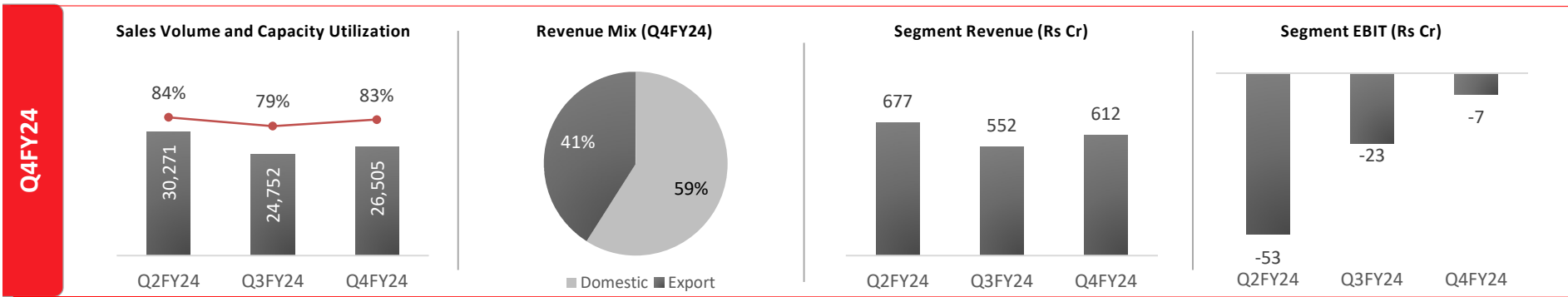
Total Debt reduced further by Rs. 932 Cr in FY23 to Rs. 821 Cr as of Mar'24. **Our D/E maintained consistently below 1x at 0.85x.**

❖ Reduced Working Capital Borrowing:

For FY24, Working Capital borrowing reduced by over 16% to Rs. 449 Cr. Working Capital utilization stands at 50% of overall authorized limit

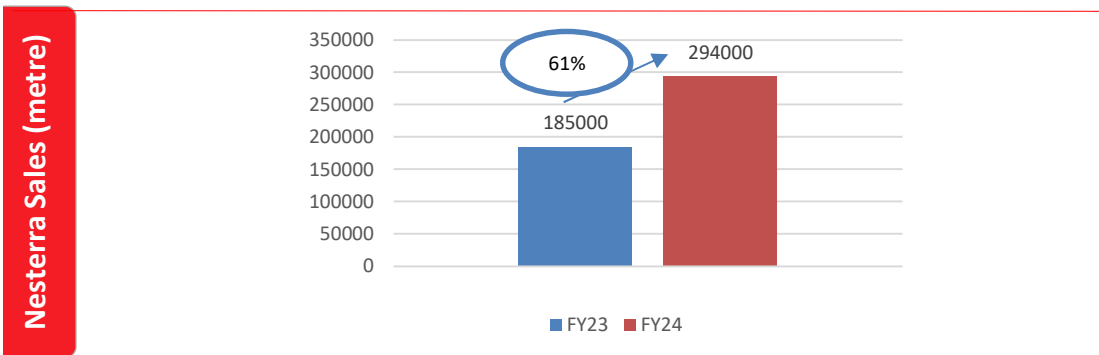
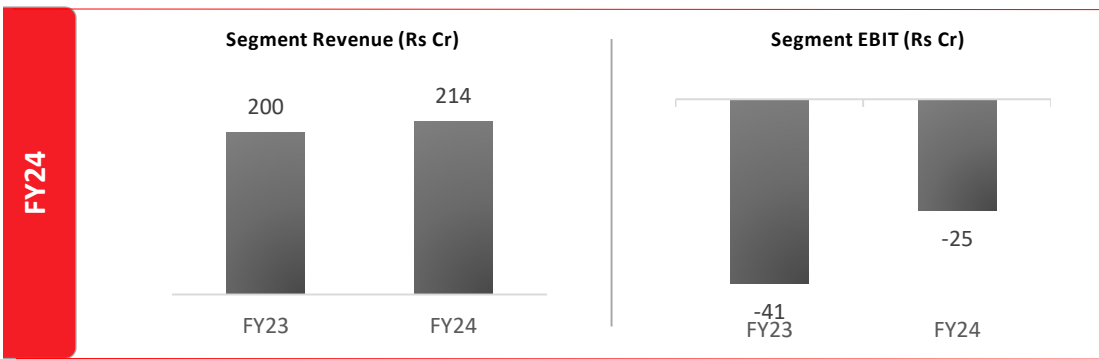


Yarn Business – Highlights





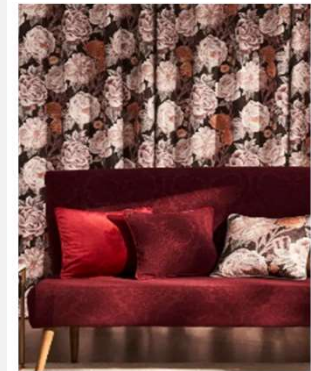
Home Textiles Business – Highlights



Record-breaking performance: Nesterra turnover increased by 61% YoY to 2,98,000 metres in FY24, showcasing remarkable growth and customer engagement

Expanded Market Presence: Nesterra's market footprint now extends to 115 cities nationwide, reflecting a strategic expansion plan which marks the sales team's ability to create partnerships and wide reach

Heimtextil-2024 Success: Heimtextil-2024 which is a prominent annual show where companies launch and present new collections. This year it brought 134 customers with 91 new prospects. The rise in footfall and the repeat customers mark Sutlej's relevance in design and product in the international arena.





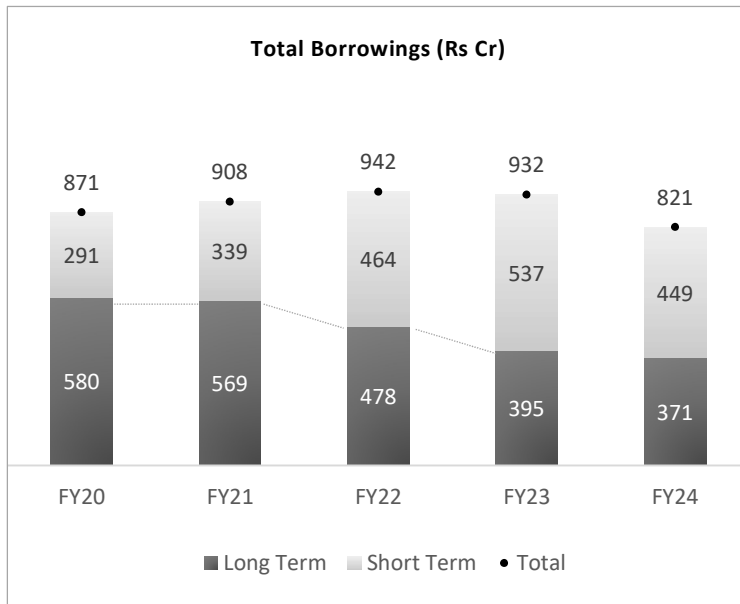
Home Textile Business – Highlights


- ❖ Improving product mix and broadening product portfolio – introduced more than **696 new SKUs in Q4FY24**
- ❖ Focus on **higher end markets** in developed countries like USA/UK
- ❖ Expanded customer base in large format retail stores in UAE and UK. **Strategically positioning ready-made products** such as Home Center in the UAE, to tap into new growth opportunities
- ❖ Continue to **acquire new customers** in new territories that cater to broader customer segments like residential, furniture manufacturing, retailers, jobbers, contract and readymade.
- ❖ Seeing good reorder percentage from **North America and the UK market.**
- ❖ **Booking orders in new markets** such as Australia, South Africa, and Russia where we have identified and selling through large wholesale customers.

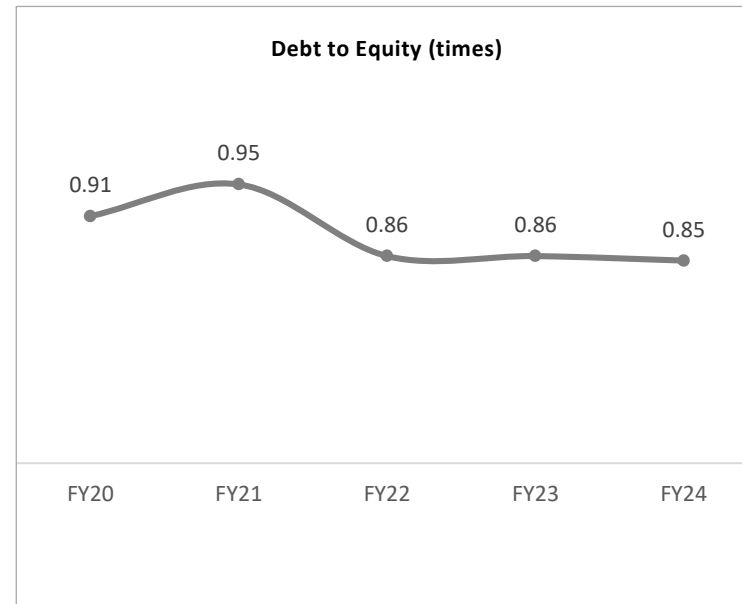




Consolidated Balance Sheet – Highlights



 Overall Debt Levels continue to be in control;
Low utilization of working capital at 50% against
sanction as on Mar'24



 Consistently keeping Debt to Equity below 1x



Consolidated Profit & Loss – Q4 & FY24

Particulars (Rs Cr)	Q4FY24	Q4FY23	YoY %	Q3FY24	QoQ%	FY24	FY23	YoY %
Total Income	665	752	-12%	612	9%	2,727	3,100	-12%
Cost of goods sold	397	457	-13%	375	6%	1,705	1,658	3%
Employee cost	96	99	-3%	97	-1%	417	436	-5%
Other expenses	159	162	-2%	141	13%	619	720	-14%
EBITDA	13	34	-61%	-1	-	-13	286	-
EBITDA Margin	2%	4%	-56%	0%	215 bps	0%	9%	(971 bps)
Depreciation	28	32	-13%	29	-4%	117	127	-8%
Interest	15	17	-9%	14	7%	65	58	12%
Profit Before Tax (Before EI)	-30	-15	94%	-45	-33%	-195	101	-
Exceptional Items	8	16	-47%	0	-	8	36	-77%
Profit Before Tax (After EI)	-39	-31	23%	-45	-14%	-204	65	-
Tax	-13	-8	73%	-14	-10%	-68	28	-
Profit After Tax	-26	-24	7%	-30	-15%	-136	37	-
PAT Margin	-4%	-3%	21%	-5%	107 bps	-5%	1%	(671 bps)



Consolidated Annual Financials - Snapshot

Particulars (Rs Cr)	FY20	FY21	FY22	FY23	FY24
Total Income	2,405	1,892	3,072	3,100	2,727
EBITDA	203	146	418	286	-13
Depreciation, Impairment and Amortization	100	94	120	127	117
Profit before Tax and Exceptional Items	59	15	249	101	-195
Exceptional Items	4	-	8	36	9
Profit before Tax	55	15	241	65	-204
Profit after Tax	36	10	156	37	-136
EPS (Rs)	2.2	0.5	9.5	2.3	-8.3
Equity Dividend (%)	30	30	185	100	-
Dividend Payout	5	5	30	30	-
Equity Share capital	16	16	16	16	16
Reserves and Surplus	955	964	1,114	1,109	945
Net worth	971	980	1,130	1,125	961
Capital Employed	1,838	1,880	2,067	2,062	1,807



Mr. C. S. Nopany

Commenting on the results, Mr. C.S. Nopany, Executive Chairman, Sutlej Textiles and Industries Limited said:

“The global economy remained subdued in the face of geo-political turmoil in different regions of the world. Consumer spending continues to be need-based due to supply chain disruptions, price volatility and an uncertain outlook. The Indian Textiles Industry, particularly the spinning sector, has been severely impacted as it depends largely on exports resulting in a glut in the domestic market and consequent reduction in capacity utilization. While the India growth story continues to gather momentum with a positive impact of Government policies, we do see some improvement in market sentiment and are hopeful on a turnaround sooner than later.

At Sutlej, we are well equipped to weather this storm and we have been focusing on improving our operating efficiencies and developing new products while diving deeper into our existing markets. These initiatives will help us improve our performance during FY 2024-25.”



Corporate Social Responsibility

Construction of a computer laboratory
in senior secondary girls school



Construction of cow shed



Contributed towards construction of
ground floor at NR Agarwal Notary
Hospital





**Sutlej – Among the Leading Integrated Textile
Manufacturers in India**



A Premier Indian Yarn Manufacturer, Growing Presence in Home Textiles



Patronage of the renowned K. K. Birla Group

- Established in 1934 by Late Dr. Krishna Kumar Birla as Sutlej Cotton Mills Ltd.
- 90 years of existence in Spinning Industry
- Excellent Corporate Governance
- Highly Experienced Management

Large Scale, World-class Yarn Capacities

- A Leading Yarn Manufacturer in India

Three Manufacturing Units

- J&K,
 - Himachal Pradesh,
 - Rajasthan
- 4,26,528 Spindles

Focus on Sustainable Transformation

Green Fibre (for captive use)

120 MT/Day

Home Textiles

8.40 Million Meters

Backward Integration

Green Fibre



Core Business

Yarn



Forward Integration

Home Textile





Creation of a Strong Foundation over the years



Spinning Excellence since 1934

- 1934:** Founded and promoted by Late Dr. Krishna Kumar Birla as Sutlej Cotton Mills Ltd.

- 1963:** Established Rajasthan Textile Mills at Bhawanimandi (Jhalawar)

- 1970:** Diversified into Synthetic Blended Yarn

- 1981:** Leased a Spinning Unit - Chenab Textile Mills (CTM) from Texmaco Ltd at J&K - manufacturing Cotton & Synthetic Yarn

- 1997:** Purchased CTM

- 2005:** Incorporated Sutlej Textiles & Industries Ltd, via demerger



Capacity Expansion

- 2006-07:** Entered into Home Textile Segment

- 2007-08:** Expansion at Rajasthan Unit
 - 7,488 spindles for PV Dyed Yarn
 - 12,672 spindles for Cotton Yarn

- 2010-11:** Expansion at J&K Unit
 - 31,104 spindles for Melange Cotton blended dyed yarn.

12MW Thermal Power at Rajasthan

- 2014:** Expansion at J&K Unit
 - 31,104 spindles for Value-added Cotton Melange and Cotton Blended Dyed Yarn

- 2015:** Acquired Birla Textile Mills 35,280 spindles – commenced commercial production for Cotton blended dyed and Mélange Yarn at Rajasthan



Sustainable Transformation

2017 (Entered into Home Textile Segment)

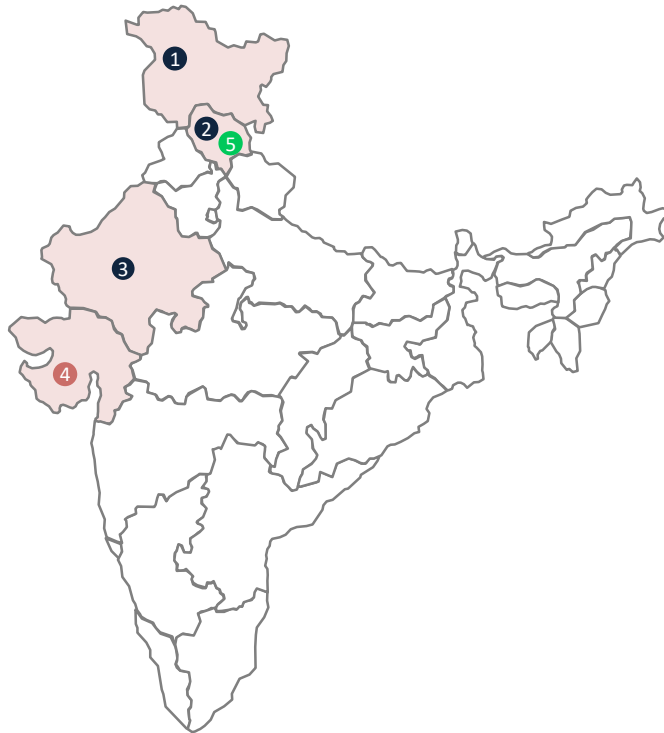
- Acquired Design, Sales, and Distribution (DS&D) business along with brand of American Silk Mills LLC (ASM)
- Invested USD 4.5 Million in Wholly Owned Subsidiary in USA

2019/2022– Backward integration

- Modernization of Home Textile Facility
- Green Fiber Plant Commenced green fiber plant in Mar 2021
- Launched “Nesterra” Home Textile Brand



Among the Leading Yarn (426,528 Spindles) and Fabric Capacities in India



- ✓ Our facilities are capable to handle a variety of Raw Material, having different Counts
- ✓ We work very closely with our Customers to fulfil requirements and on the ethos, 'Manufacture to Sale and Not to Stock'

Yarn

- 1 Kathua, J&K**
 - Cotton Mélange: 1,02,576 Spindles
 - Man-made Fibre: 1,10,880 Spindles
- 2 Baddi, Himachal Pradesh**
 - Cotton Mélange: 36,503 Spindles
 - Man-made Fibre: 46,297 Spindles
- 3 Bhawanimandi, Rajasthan**
 - Cotton Mélange: 35,280 Spindles
 - Man-made Fibre: 94,992 Spindles
 - Roof top solar plant of 2.7 MW

Home Textile

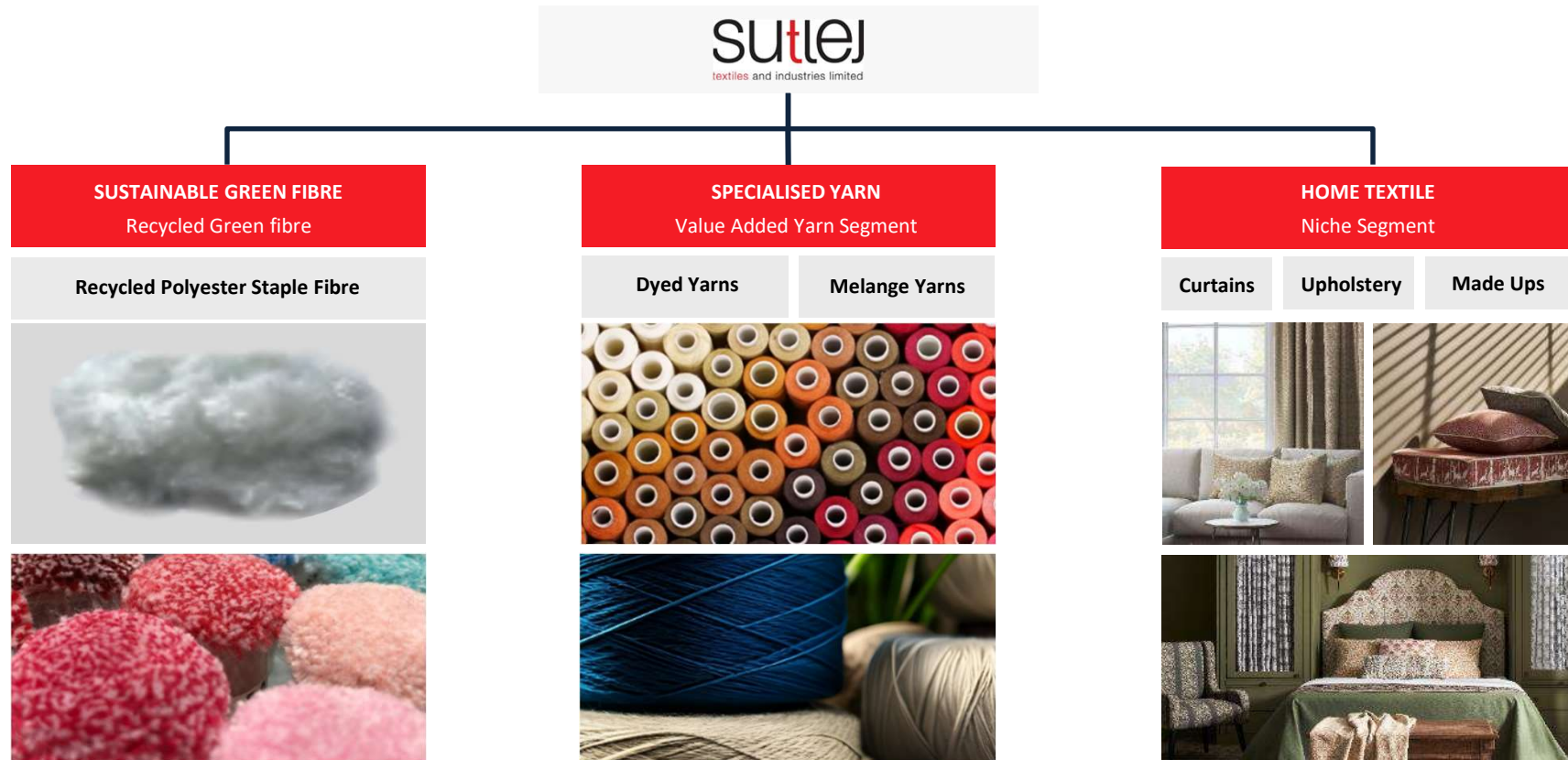
- 4 Damanganga, Gujarat**
 - Capacity of 8.40 Million Meters
 - 118 Shuttle-less looms

Green Fibre

- 5 Baddi, Himachal Pradesh**
 - Raw White & Black Recycle Fibre: 120 MT per day



Key Business Verticals

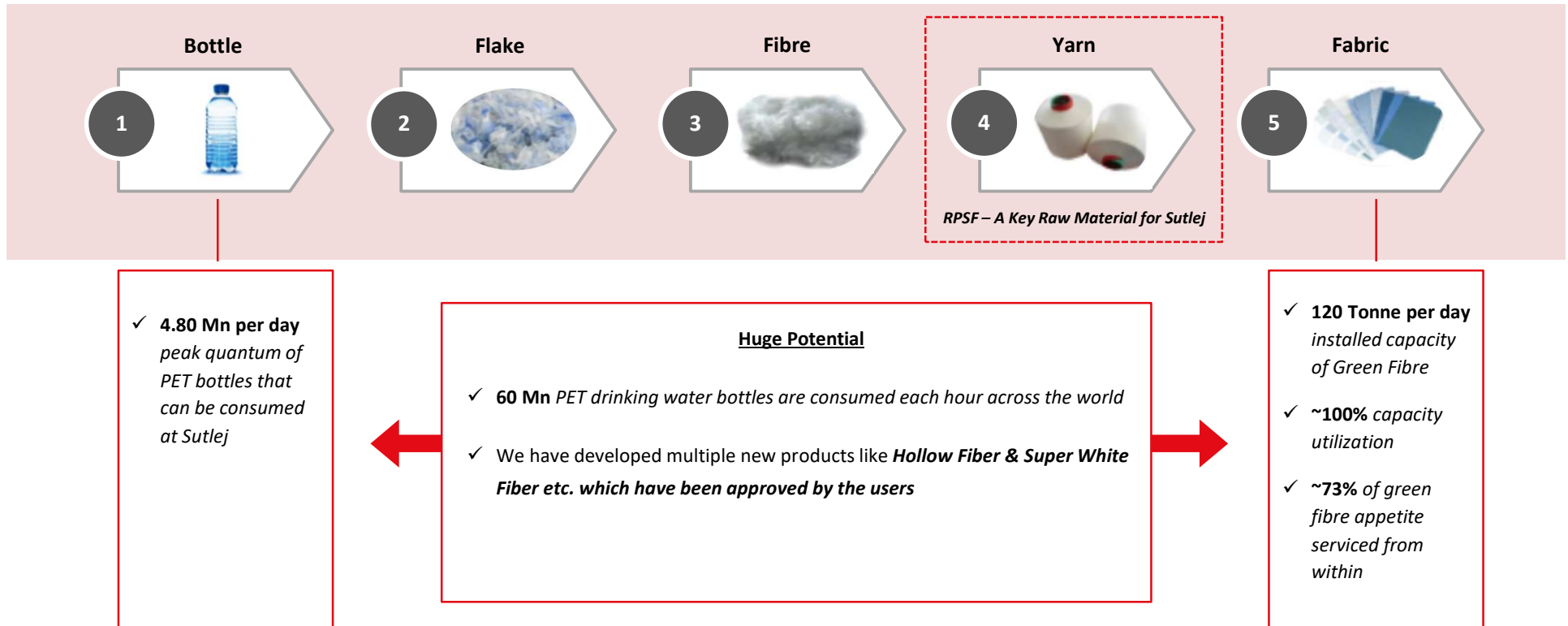




Sustainable Green Fibre



Sustainable Green Fibre - Improving Operating Efficiency by Backward Integration





Specialty Dyed Yarn



Speciality Dyed Yarns – Backbone of Our Business



Leading Yarn manufacturer in India

4,26,528 Dyed Yarn Spindles

~**41%** dedicated to Melange Yarn

~**59%** dedicated to various blends



Strong Global Footprint

Export to over **60+ countries** across

Europe

South-East Asia

USA

North & Latin America



Well Diversified Product Portfolio/geographies and customers

- Robust Business Model with **low customer concentration** and **diversified geographical spread**.
- B2B business model with around **60% revenue** from organized sector.
- Strong **Brand Recall** in Yarn Segment



Marquee Clients





Awards



1. Securing top honors at the 'SRTEPC's Export Awards 2022-23'. A Triple Triumph:

- **Gold** in Synthetic & Rayon Dyed Yarns
- **Silver** in Man-made Fibre Yarn Blended with natural fibre
- The prestigious **Bronze** SRTEPC Special Award

2. The Cotton Textiles Export Promotion Council (TEXPROCIL):

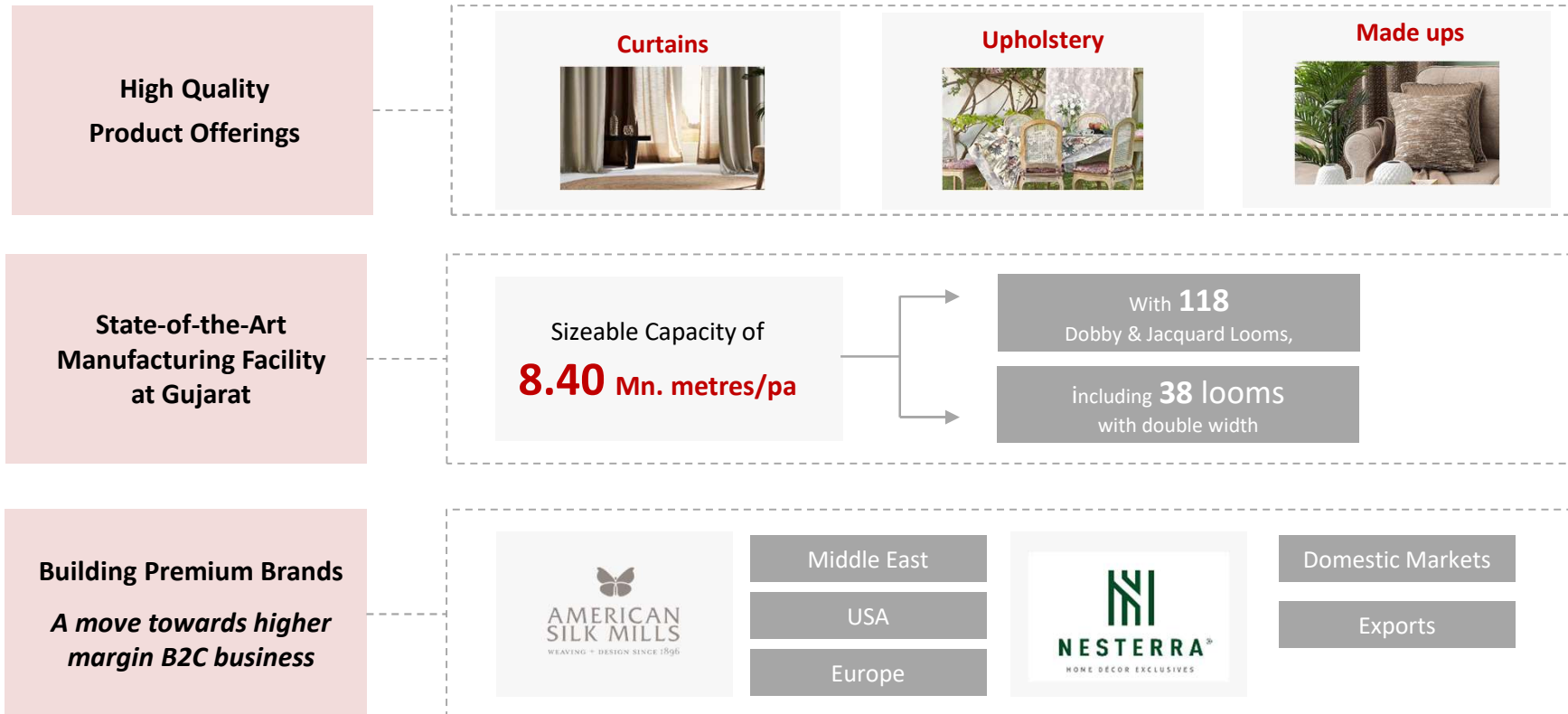
- Gold Trophy - Highest Exports of Cotton Yarn (Processed Yarn) in Category III (Export Performance > Rs. 250 Cr.) for 2020-21, 2021-22, 2022-23



Niche Home Textile



One of the Leading Producers and Exporters of Home furnishings





“Nesterra” - Building a Brand of Future



Brand Overview

- In FY21, launched the first retail brand in its existence and within a short span of time, ‘Nesterra’ has begun earning respect from top Architect and interior design community for its distinct product offering and has been tastefully found home in their major projects.
- Launched **12 new premium collections** at Home Décor Expo 2023, in addition to the **existing 24 collections** of Nesterra in the market



Capitalize Existing Expertise

- Capitalize on rich pedigree originating from the House of Sutlej by virtue of its **proprietary yarns and manufacturing capability**
- Capitalize on **long term relationship** established by the front-end team to **enter and grow in major markets**



Distribution

- ‘Nesterra’ has established itself as a prominent player in the industry through its **fastest grown distribution network**
- Have developed **seamless ordering portal** for the trade.
- Total number of **MBOs selling Nesterra Collections is over 600**. Extended our agent network to cover all locations



“Nesterra” - Marketing and Advertising Initiatives

- Nesterra's newly launched collections featured in over **40 Print and 10 Online CAT A & B publications.**
- Nesterra's key collections have featured in some of the leading décor magazines such as **ELLE Décor and Good Homes**
- Executed a social media campaign, **#YouniquelyNesterra**, with respected CAT A celebrities and lifestyle influencers, effectively showcasing our newly launched collections and amplifying our brand presence.
- Our collection heritage was featured in some of the leading décor and lifestyle magazines like **India Today Home and HELLO!**
- **Our influencer marketing collaboration continues to be a success and we continue engaging more from a variety of fields.**
- We launched the **Kidspiration** campaign across all social media platforms, further strengthening our engagement with our target audience





Thank You

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textiles and industries limited

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