

STIL/

October 25, 2017

M/s. Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 001 Fax No. 022-22723121/719/22702037/39 Scrip Code: 532782	M/s. 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 Fax No. (022-2659 8237/38) Scrip Code : SUTLEJTEX
---	--

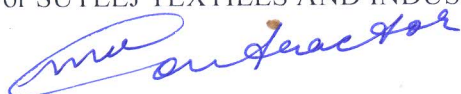
Dear Sirs,

Please find enclosed herewith a copy of the Press Release with respect to the Un-audited Financial Results for the quarter and half-year ended 30th September, 2017.

Thanking you,

Yours faithfully,

For SUTLEJ TEXTILES AND INDUSTRIES LIMITED



(MANOJ CONTRACTOR)

COMPANY SECRETARY AND COMPLIANCE OFFICER



H1 FY2018 Results
Total Income at Rs. 1273 Crores, Up 13% YoY
EBITDA at Rs. 161 Crores
PAT at Rs. 87 Crores
EPS of Rs. 5.31 per share

Mumbai, Maharashtra, October 25, 2017: Sutlej Textiles and Industries Limited (BSE: 532782 / NSE: SUTLEJTEX), a leading manufacturer and exporter of value added dyed yarns (synthetic & cotton mélange) with presence in Home Textiles, today reported its financial results for the quarter ended 30th September 2017. Pursuant to the approval of the Shareholders of the Company w.e.f. 27th September, 2017 ("Record date ") 1,63,82,862 equity shares of face value of Rs.10/- each were sub-divided into 16,38,28,620 equity shares of face value of Rs.1/- each and the Earnings per Share (EPS) has been arrived at for all reporting periods after considering such sub division.

Particulars (Rs crore)	Q2 FY18	Q2 FY17	% change wrt Q2 FY17	H1 FY18	H1 FY17	% change wrt H1FY17
Total Income	614.02	567.38	8.22	1272.75	1128.86	12.75
EBITDA	84.80	92.20	(8.03)	161.08	178.64	(9.83)
EBITDA %	13.81	16.25	244 bps	12.66	15.82	317 bps
PBDT	69.47	82.60	(15.90)	129.92	155.76	(16.59)
PAT	63.42	51.90	22.20	87.00	96.99	(10.30)
PAT %	10.33	9.15	118 bps	6.84	8.59	-175 bps
EPS(Diluted) (Rs.)	3.87	3.17		5.31	5.92	

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

"The challenging domestic business environment continued in Q2FY18 due to the lingering effect of demonetization and disruptions caused by implementation of the GST. The unorganized sector which constitutes a large portion of the market was especially adversely affected with activity coming to virtually a standstill. The decision by the GST council to reduce the rate of duty on man-made yarn is certainly a positive which should improve the negative sentiment. Furthermore, a strong rupee and increasing input costs continued to put pressure on margins as product prices remained subdued. I am hopeful that confidence will be soon restored in the marketplace and will result in demand coming back.



I am happy that Sutlej has successfully completed its acquisition of operations related to marketing and distribution business along with the brands of American Silk Mills which will add strength to our Home Textiles portfolio.”

Key Developments

Home Textiles Division – Acquisition of business in USA

- Company to Invest up to USD 5 Million in Wholly Owned Subsidiary in USA.
- Acquisition of Design, Sales, and Distribution (DS&D) business along with brand of America Silk Mills LLC (ASM) based at Plains, Pennsylvania. The acquisition will increase foot-print in the US market and will add strength of ASM to our Home textile portfolio.

Brownfield project - Capacity Expansion of Value Added Products at Bhawanimandi, Rajasthan

- Commenced commercial production of 35,280 spindles at Bhawanimandi, Rajasthan facility at a project cost of Rs. 270 crores.
- Commercial production of 17 no. Circular Knitting Machines is expected in Q3FY18.
- Project was funded by mix of internal accruals and term loans sanctioned under TUFS.
- Dedicated capacity focused towards producing Value Added Cotton and Cotton blended dyed and Mélange Yarn.

Brownfield project - Capacity Expansion of specialty synthetic yarn at Baddi, H.P.

- Brownfield capacity expansion plan of 28,800 spindles at Baddi, Himachal Pradesh facility.
- Estimated Project Cost is Rs.215 crore and project is likely to have commercial production in FY20.
- Incremental capacity would be dedicated towards manufacturing of 100% Polyester Industrial Yarn and other grey blended specialty synthetic yarn.

Modernization Update

- Invested around Rs. 31 crore during H1 FY 18 towards technology up-gradation and debottlenecking, etc. This will result in further improvement in efficiency and sustaining plant utilization.
- Intends to deploy further amount of Rs. 49 crore during FY18 towards technology up-gradation and debottlenecking etc.

Credit rating update during the year

- CARE affirmed STIL rating to CARE AA (Double A) for Long Term Bank Facilities (Term Loan) signifying high degree of safety regarding timely servicing of financial obligations. Such facilities carry very low credit risk.



- CARE A1+ (A One Plus) for Short Term Bank Facilities (Fund and Non-Fund based) and Commercial Paper is affirmed signifying very strong degree of safety regarding timely payment of financial obligations. Such facilities carry lowest credit risk.

About Sutlej Textiles and Industries Limited

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, Executive 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 and home textiles. 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 presently stands at 4,16,616 spindles.

STIL has a strong global clientele and exports to more than 65 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:

Bipeen Valame

CFO and Whole Time Director

Sutlej Textiles and Industries Ltd

Tel: +91 22 4219 8800

Email: bipeenvalame@sutlejitextiles.com

Vikash Verma / Abhishek Bhatt

Vice President / Business Analyst

Stellar IR Advisors Private Limited

Tel: +91 22 2823 03881

Email: vikash.verma@stellar-ir.com / abhishek@stellar-ir.com

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.