

10th August, 2023

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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Sub: Outcome of Board meeting

Dear Sirs,

The Board of Directors at their meeting held today i.e. 10th August, 2023, have *inter-alia*, considered and approved the following:

1. The Un-audited Standalone Financial Results of the Company for the quarter ended 30th June, 2023, along with the Limited Review Report;
2. The Un-audited Consolidated Financial Results of the Company for the quarter ended 30th June, 2023 along with the Limited Review Report.

The results are enclosed.

The meeting commenced at 12.00 noon and concluded at around 1.45 p.m.


The above results will also be available on the Company's website at www.sutlejtextiles.com

You are requested to kindly take note of the above.

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

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

Tel.: (07433) 222052/82/90, Email : hoffice@sutlejtextiles.com

WebSite: www.sutlejtextiles.com, CIN - L17124RJ2005PLC020927

Consolidated Statement of Financial Results FOR THE QUARTER ENDED 30 JUNE 2023

(Rs. in crores except share data)					
Sr. No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Previous accounting year ended
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		Unaudited	Audited (Refer Note 5)	Unaudited	Audited
1	Revenue from operations	704.48	744.06	845.99	3,074.23
	Other income	6.22	7.79	6.70	26.23
	Total income	710.70	751.85	852.69	3,100.46
2	Expenses				
	Cost of materials consumed	404.07	396.48	474.47	1,801.76
	Purchases of stock-in-trade	18.63	20.55	14.35	56.29
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	6.08	39.92	(83.58)	(199.84)
	Employee benefits expense	113.34	99.13	113.48	436.26
	Finance costs	18.48	16.79	13.32	57.92
	Depreciation and amortisation expenses	31.19	32.24	31.12	126.88
	Other expenses :				
	-Power and fuel	78.72	73.69	79.86	311.81
	-Others	85.09	88.54	116.50	408.06
	Total expenses	755.60	767.34	759.52	2,999.14
3	Profit before exceptional items and tax	(44.90)	(15.49)	93.17	101.32
	Exceptional items (refer note 3)	-	15.87	23.66	36.38
4	Profit before tax	(44.90)	(31.36)	69.51	64.94
	Tax expenses				
	Current tax	0.13	(10.07)	23.79	14.54
	Deferred tax	(14.54)	2.56	0.34	13.12
	Total	(14.41)	(7.51)	24.13	27.66
5	Profit for the period (A)	(30.49)	(23.85)	45.38	37.28
	Other comprehensive income				
	Items that will not be reclassified to profit or loss				
	Remeasurement of defined benefit plans	0.38	2.19	(0.24)	1.52
	Tax adjustment on above	(0.13)	(0.76)	0.08	(0.53)
	Items that will be reclassified subsequently to profit and loss				
	Exchange differences on translation of operations into reporting currency	-	(0.35)	0.86	1.47
	Tax adjustment on above	-	-	-	-
6	Total other comprehensive income for the period (B)	0.25	1.08	0.70	2.46
7	Total comprehensive income for the period (A + B)	(30.24)	(22.77)	46.08	39.74
8	Paid-up equity share capital (Face value of Re.1 per share)	16.38	16.38	16.38	16.38
9	Other equity				1093.02
10	Earnings per equity share (Rs.)				
	- Basic and diluted	(1.86)	(1.46)	2.77	2.28

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SUTLEJ TEXTILES AND INDUSTRIES LIMITED

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

WebSite: www.sutlejtextiles.com, CIN - L17124RJ2005PLC020927

SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(Rs. in crores except share data)

Sr. NO.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Previous accounting year ended
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		Unaudited	Audited (Refer Note 5)	Unaudited	Audited
1	Segment revenue :				
	(a) Yarn	651.23	700.02	798.38	2,877.73
	(b) Home textile	53.65	44.57	48.27	199.66
	Total	704.88	744.59	846.65	3,077.39
	Less: Inter segment revenue	0.40	0.53	0.66	3.16
	Revenue from operations	704.48	744.06	845.99	3,074.23
2	Segment result :				
	Profit /(Loss) before tax and finance costs from each segment				
	(a) Yarn	(21.71)	14.12	113.61	204.69
	(b) Home textile	(3.92)	(13.27)	(6.62)	(40.91)
	Total	(25.63)	0.85	106.99	163.78
	Less : Finance costs	18.48	16.79	13.32	57.92
	Exceptional items (refer note 3)	-	15.87	23.66	36.38
	Add : Other un-allocable income net of un-allocable expenditure	(0.79)	0.45	(0.50)	(4.54)
	Profit before tax	(44.90)	(31.36)	69.51	64.94
3	Segment assets:				
	(a) Yarn	2,106.47	2,137.19	2,179.86	2,137.19
	(b) Home textile	273.15	268.12	288.29	268.12
	Add: Un-allocable assets	27.58	26.98	12.79	26.98
	Total assets	2,407.20	2,432.29	2,480.94	2,432.29
4	Segment liabilities :				
	(a) Yarn	729.48	709.32	796.54	709.32
	(b) Home textile	104.99	106.54	116.27	106.54
	Add: Un-allocable liabilities	493.57	507.03	422.09	507.03
	Total liabilities	1,328.04	1,322.89	1,334.90	1,322.89

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Notes:

1. The above unaudited consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 09 August, 2023 and 10 August, 2023 and have been reviewed by the statutory auditors of the Company. These results have been prepared in accordance with Indian Accounting Standard ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
2. The consolidated financial results of the Group are in accordance with the requirements of Ind AS 110 'Consolidated Financial Statements'. The consolidated financial results include results of Sulej Textiles and Industries Limited and Sulej Holdings Inc. and its step down subsidiary American Silk Mills, LLC.
3. **Exceptional items (pertaining to the previous year):**
 - (a) The Group discarded Captive Co-Generation Power Plant ('CGPP') during the corresponding previous quarter ended 30 June 2022 since it was not considered viable to operate and carried it at the estimated net recoverable value of Rs. 11.85 crores which resulted in a loss of Rs. 23.66 crores. Subsequently, the Group entered into an agreement to sell the CGPP at a valuation of Rs. 15 crores which resulted in a gain of Rs.3.15 crores. Accordingly, the loss on sale /discard for the entire previous year ended 31 March 2023 was Rs. 20.51 crores.
 - (b) As at 31 March 2023, the Group carried out an impairment assessment of Goodwill pertaining to the business of overseas subsidiaries and recorded an impairment loss of Rs. 7.56 crores recognised during the quarter and previous year ended 31 March 2023.
 - (c) In the previous year ended 31 March 2023, the Group has reversed excess interest subsidy claimed in earlier years amounting to Rs 8.31 crores including interest thereon in relation to a claim under Technology Upgradation Fund Scheme basis additional disallowances considered by the Ministry of Textiles.
4. **Employee retention credit scheme (pertaining to the previous year):**
During the corresponding previous quarter ended 30 June 2022, the US Federal Government provided support to the business in the wake of COVID-19 pandemic through the employee retention credit scheme ('ERC'). American Silk Mills, LLC (USA) (wholly owned step-down subsidiary of the Parent Company) availed a benefit under this scheme amounting to Rs.1.65 crore and this benefit was recognized as other income.
5. The figures for the preceding 3 months ended 31 March 2023 as reported in the above consolidated financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of the previous financial year had only been reviewed and not subjected to audit.
6. The review report of the statutory auditors is being filed with BSE Limited and the National Stock Exchange of India Limited. For more details on unaudited financial results, visit the investor relation section of our website www.sulejtextiles.com and financial results at the Corporate section of www.bseindia.com and www.nseindia.com.

By Order of the Board
For SUTLEJ TEXTILES AND INDUSTRIES LIMITED

Rajib Mukhopadhyay

(Rajib Mukhopadhyay)
Whole-time Director & CFO

Place: Mumbai
Date: 10 August 2023

B S R & Co. LLP

Chartered Accountants

Building No. 10, 12th Floor, Tower-C,
DLF Cyber City, Phase - II,
Gurugram - 122 002, India
Tel: +91 124 719 1000
Fax: +91 124 235 8613

Limited Review Report on unaudited consolidated financial results of Sutlej Textiles and Industries Limited for the quarter ended 30 June 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Sutlej Textiles and Industries Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Sutlej Textiles and Industries Limited (hereinafter referred to as "the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 June 2023 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:
 - a. Sutlej Textiles and Industries Limited (Parent Company)
 - b. Sutlej Holdings Inc. (Wholly owned subsidiary)
 - c. American Silk Mills, LLC (Step-down subsidiary)
5. Attention is drawn to the fact that the figures for the three months ended 31 March 2023 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

Registered Office:

Limited Review Report (Continued)
Sutlej Textiles and Industries Limited

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditor referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We did not review the interim financial information of wholly owned subsidiary and its step down subsidiary included in the Statement, whose interim financial information reflect total revenues (before consolidation adjustments) of Rs. 11.51 crores, total net loss after tax (before consolidation adjustments) of Rs. 1.42 crores and total comprehensive loss of Rs. 1.42 crores (before consolidation adjustments) for the quarter ended 30 June 2023, as considered in the Statement. These interim financial information have been reviewed by other auditor whose report has been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

The wholly owned subsidiary and its step-down subsidiary referred in paragraph above are located outside India whose interim financial information have been prepared in accordance with accounting principles generally accepted in their country and which have been reviewed by other auditor under generally accepted auditing standards applicable in their country. The Parent's management has converted the interim financial information of such subsidiaries located outside India from accounting principles generally accepted in their country to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Parent and reviewed by us.

Our conclusion is not modified in respect of this matter.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rajiv Goyal

Partner

Mumbai

10 August 2023

Membership No.: 094549

UDIN:23094549BGYNUZ7241

SUTLEJ TEXTILES AND INDUSTRIES LIMITED

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

Tel.: (07433) 222052/82/90, Email : hoffice@sutlejtextiles.com

WebSite: www.sutlejtextiles.com, CIN - L17124RJ2005PLC020927

Standalone Statement of Financial Results

FOR THE QUARTER ENDED 30 JUNE 2023

Sr. No.	Particulars	(Rs. in crores except share data)			
		3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Previous accounting year ended
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		Unaudited	Audited (Refer Note 3)	Unaudited	Audited
1	Revenue from operations	694.06	736.20	837.30	3,039.17
	Other income	6.22	7.79	5.03	24.72
	Total income	700.28	743.99	842.33	3,063.89
2	Expenses				
	Cost of materials consumed	402.30	391.29	472.35	1,790.30
	Purchases of stock-in-trade	13.51	19.63	8.69	37.97
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	5.94	39.65	(80.93)	(193.54)
	Employee benefits expense	111.48	97.10	111.32	427.31
	Finance costs	17.96	16.40	13.02	56.63
	Depreciation and amortisation expenses	30.80	31.73	30.91	125.41
	Other expenses :				
	-Power and fuel	78.72	73.69	79.86	311.81
	-Others	83.04	86.74	114.63	400.98
	Total expenses	743.75	756.23	749.85	2,956.87
3	Profit before exceptional items and tax	(43.47)	(12.24)	92.48	107.02
	Exceptional items (refer note 2)	-	35.49	23.66	56.00
4	Profit before tax	(43.47)	(47.73)	68.82	51.02
	Tax expenses				
	Current tax	0.13	(10.04)	23.74	14.57
	Deferred tax	(14.54)	2.96	0.37	13.61
	Total	(14.41)	(7.08)	24.11	28.18
5	Profit for the period (A)	(29.06)	(40.65)	44.71	22.84
	Other comprehensive income				
	Items that will not be reclassified to profit or loss				
	Remeasurement of defined benefit plans	0.38	2.19	(0.24)	1.52
	Tax adjustment on above	(0.13)	(0.76)	0.08	(0.53)
6	Total other comprehensive income for the period (B)	0.25	1.43	(0.16)	0.99
7	Total comprehensive income for the period (A + B)	(28.81)	(39.22)	44.55	23.83
8	Paid-up equity share capital (Face value of Re.1 per share)	16.38	16.38	16.38	16.38
9	Other equity				1107.32
10	Earnings per equity share (Rs.)				
	- Basic and diluted	(1.77)	(2.48)	2.73	1.39

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SUTLEJ TEXTILES AND INDUSTRIES LIMITED

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

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SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(Rs. in crores except share data)

Sr. NO.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Previous accounting year ended
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		Unaudited	Audited (Refer Note 3)	Unaudited	Audited
1	Segment revenue :				
	(a) Yarn	651.23	700.02	798.38	2,877.73
	(b) Home textile	43.23	36.71	39.58	164.60
	Total	694.46	736.73	837.96	3,042.33
	Less: Inter segment revenue	0.40	0.53	0.66	3.16
	Revenue from operations	694.06	736.20	837.30	3,039.17
2	Segment result :				
	Profit /(Loss) before tax and finance costs from each segment				
	(a) Yarn	(21.71)	14.12	113.61	204.69
	(b) Home textile	(3.01)	(10.41)	(7.61)	(36.50)
	Total	(24.72)	3.71	106.00	168.19
	Less : Finance costs	17.96	16.40	13.02	56.63
	Exceptional items (refer note 2)	-	35.49	23.66	56.00
	Add : Other un-allocable income net of un-allocable expenditure	(0.79)	0.45	(0.50)	(4.54)
	Profit before tax	(43.47)	(47.73)	68.82	51.02
3	Segment assets:				
	(a) Yarn	2,106.47	2,137.19	2,179.86	2,137.19
	(b) Home textile	237.65	230.94	250.05	230.94
	Add: Un-allocable assets	53.24	52.64	65.62	52.64
	Total assets	2,397.36	2,420.77	2,495.53	2,420.77
4	Segment liabilities :				
	(a) Yarn	729.48	709.32	796.54	709.32
	(b) Home textile	79.42	80.72	102.71	80.72
	Add: Un-allocable liabilities	493.57	507.03	421.55	507.03
	Total liabilities	1,302.47	1,297.07	1,320.80	1,297.07

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Notes:

1. The above unaudited standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 9 August, 2023 and 10 August, 2023 and have been reviewed by the statutory auditors of the Company. These results have been prepared in accordance with Indian Accounting Standard ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
2. **Exceptional items (pertaining to the previous year):**
 - (a) The Company discarded Captive Co-Generation Power Plant ('CGPP') during the corresponding previous quarter ended 30 June 2022 since it was not considered viable to operate and carried it at the estimated net recoverable value of Rs. 11.85 crores which resulted in a loss of Rs. 23.66 crores. Subsequently, the Company entered into an agreement to sell the CGPP at a valuation of Rs. 15 crores which resulted in a gain of Rs.3.15 crores. Accordingly, the loss on sale /discard for the entire previous year ended 31 March 2023 was Rs. 20.51 crores.
 - (b) As at 31 March 2023, the Company carried out an impairment assessment of its investment in wholly-owned subsidiary (including step down subsidiary) in accordance with Ind AS 36 and compared the carrying value of investments with their recoverable amounts. The recoverable amount is determined based on the value in use derived from discounted forecast cash flow model performed by an independent valuer. The carrying amount of the investment in wholly owned subsidiary (including step down subsidiary) was determined to be higher than its recoverable amount and an impairment loss of Rs. 27.18 crores was recognised during the quarter and previous year ended 31 March 2023.
 - (c) In the previous year ended 31 March 2023, the Company has reversed excess interest subsidy claimed in earlier years amounting to Rs 8.31 crores including interest thereon in relation to a claim under Technology Upgradation Fund Scheme basis additional disallowances considered by the Ministry of Textiles.
3. The figures for the preceding 3 months ended 31 March 2023 as reported in the above standalone financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of the previous financial year had only been reviewed and not subjected to audit.
4. The review report of the statutory auditors is being filed with BSE Limited and National Stock Exchange of India Limited. For more details on unaudited financial results, visit investor relation section of our website www.sutlejtextiles.com and financial results at Corporate section of www.bseindia.com and www.nseindia.com.

By Order of the Board
For SUTLEJ TEXTILES AND INDUSTRIES LIMITED

Rajib Mukhopadhyay

Place: Mumbai
Date: 10 August 2023

(Rajib Mukhopadhyay)
Whole-time Director & CFO

B S R & Co. LLP

Chartered Accountants

Building No. 10, 12th Floor, Tower-C,
DLF Cyber City, Phase - II,
Gurugram - 122 002, India
Tel: +91 124 719 1000
Fax: +91 124 235 8613

Limited Review Report on unaudited standalone financial results of Sutlej Textiles and Industries Limited for the quarter ended 30 June 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Sutlej Textiles and Industries Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Sutlej Textiles and Industries Limited (hereinafter referred to as "the Company") for the quarter ended 30 June 2023 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the three months ended 31 March 2023 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it

B S R & Co. LLP

Limited Review Report (*Continued*)
Sutlej Textiles and Industries Limited

contains any material misstatement.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rajiv Goyal

Partner

Membership No.: 094549

UDIN:23094549BGYNUY9247

Mumbai

10 August 2023