

09th August, 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: Q1FY25 Result Presentation

Please find enclosed herewith a copy of the presentation with respect to the Un-audited Financial Results (Standalone and Consolidated) of the Company for the quarter ended 30th June, 2024.

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

Leadership in Yarns, Establishing
a Niche in Home Textiles

Investor Presentation – Q1FY25





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1. Q1FY25 Result Updates

2. STIL – Company Overview

3. Sustainable Green Fibre

4. Specialised Yarn

5. Home Textiles

WEATHERING THE
STORM



Key Highlights – Q1FY25





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 Q1FY25. However, some respite seen with moderating inflation and steady growth is 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 product portfolios.

❖ Strengthening Balance Sheet:

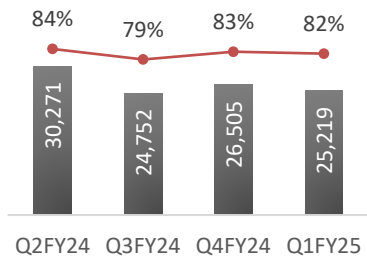
Total Long-term Debt reduced further by Rs. 22 Cr in Q1FY25. Our D/E maintained consistently below 1x at 0.81x.

❖ Reduced Working Capital Borrowing:

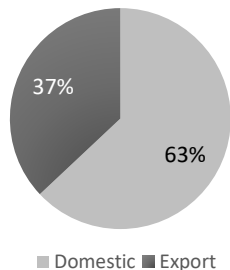
From Q4FY24, Working Capital borrowing reduced by Rs. 27 Cr. Working Capital utilization stands at 60% of overall authorized limit

Q1FY25

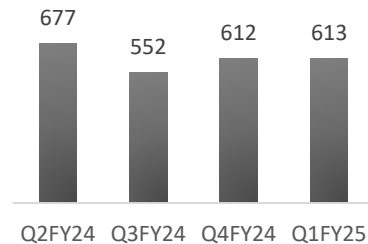
Sales Volume and Capacity Utilization



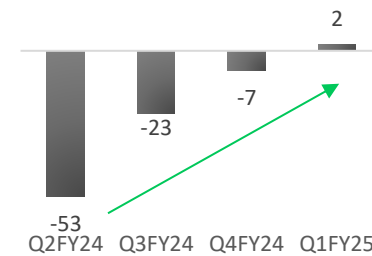
Revenue Mix (Q1FY25)



Segment Revenue (Rs Cr)

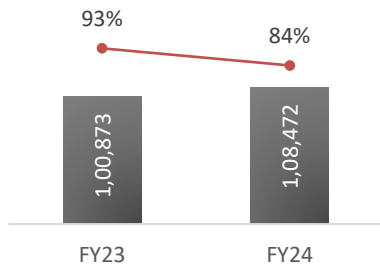


Segment EBIT (Rs Cr)

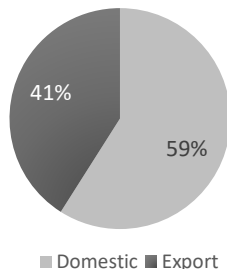


FY24

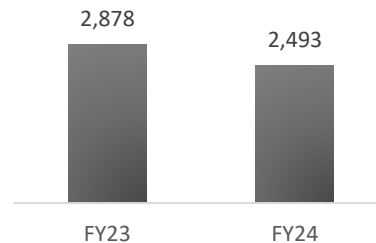
Sales Volume and Capacity Utilization



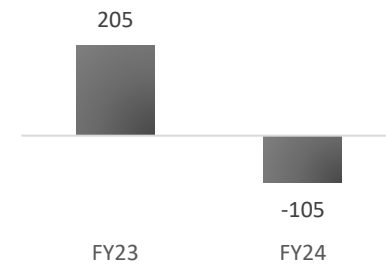
Revenue Mix (FY24)



Segment Revenue (Rs Cr)



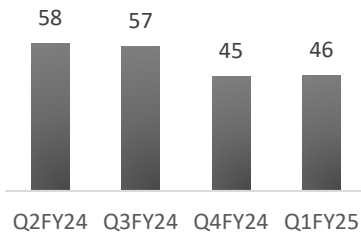
Segment EBIT (Rs Cr)



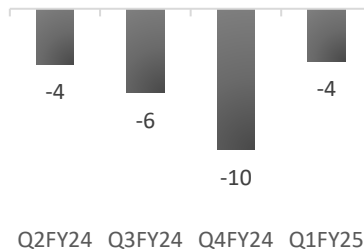


Q1FY25

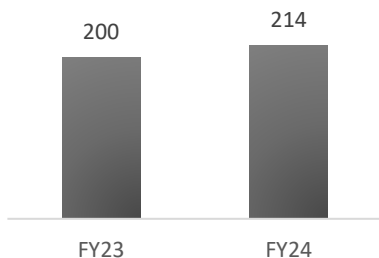
Segment Revenue (Rs Cr)



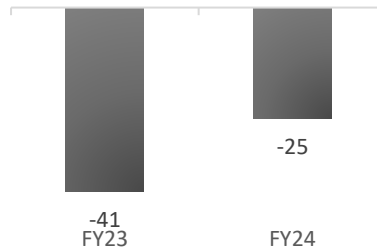
Segment EBIT (Rs Cr)



Segment Revenue (Rs Cr)



Segment EBIT (Rs Cr)



Enhanced Value Proposition:
Improvement in realization per meter

Substantial improvement in our new to repeat business ratio: Increased to 40:60. This trend reflects our product is resonating and market relevance to our product has been developed significantly.

Impressive Growth and Profitability:
Nesterra achieved sales of 1.27 lakh meters of fabric, within the home textile retail chain in India.

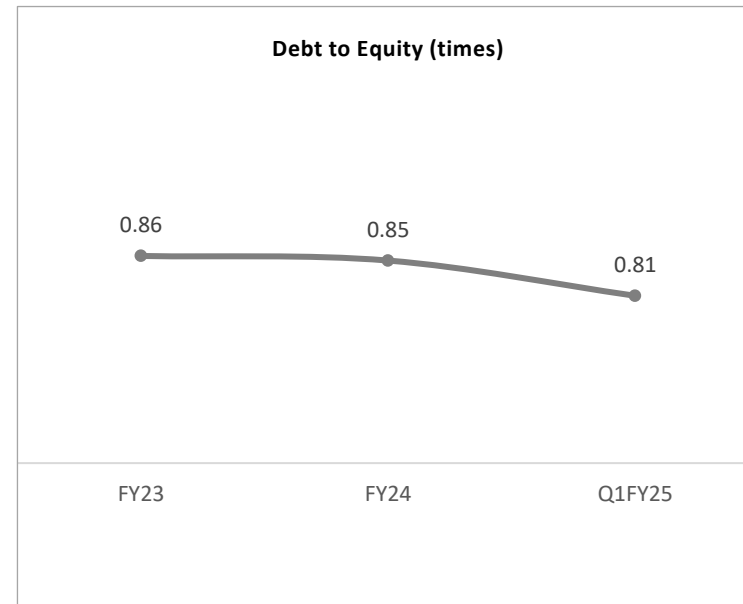
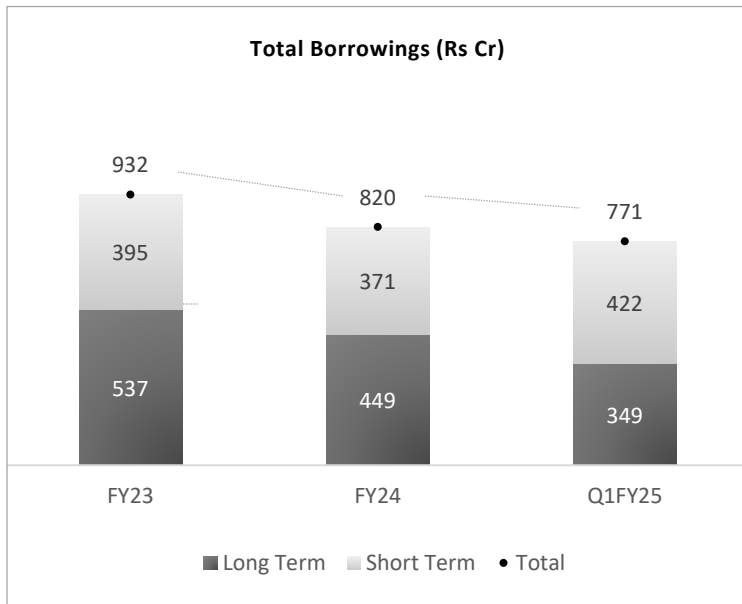
Witnessed significant expansion in our store network. The number of active stores increased, and onboarded 22 new customers, bringing the total number of retail stores to 692 since the brand's inception.





- ❖ **Product Innovation:** Introduction of several new product categories, such as 3-pass coating blackout fabric, velvet fabric, and digital print fabric.
- ❖ **SKU Expansion:** Increased placement of new SKUs, thereby broadening our product range.
- ❖ **Enhanced Value Proposition:** Improvement in realization per meter, strengthening our overall value proposition.
- ❖ **New Customer Acquisition:** Secured six new export customers—Aris Textiles SAS, Draperie Normandie, Jetrich Canada Ltd, Richloom Far East India, Globaltecs LLC, and Eustergerling Textile Group.
- ❖ **Repeat Business:** A highlight of this quarter was the substantial improvement in our repeat business ratio, which increased to 38:62.





Overall Debt Levels continue to be in control;
Low utilization of working capital at 60% against
sanction as on June 2024



Consistently keeping Debt to Equity below 1x



Consolidated Profit & Loss – Q1FY25

Particulars (Rs Cr)	Q1FY25	Q4FY24	QoQ%	Q1FY24	YoY %	FY24
Total Income	665	665	-	711	-6%	2,727
Cost of goods sold	372	397	-6%	429	-13%	1,705
Employee cost	112	96	17%	113	-1%	417
Other expenses	155	159	-2%	164	-5%	619
EBITDA	25	13	93%	5	429%	-13
EBITDA Margin	3.8%	2%	183 bps	0.67%	313 bps	0%
Depreciation	28	28	1%	31	-10%	117
Interest	16	15	4%	18	-14%	65
Profit Before Tax (Before EI)	-19	-30	-38%	-45	58%	-195
Exceptional Items	0	8	-	0	-	8
Profit Before Tax (After EI)	-19	-39	51%	-45	58%	-204
Tax	-7	-13	43%	-14	49%	-68
Profit After Tax	-11	-26	55%	-30	63%	-136
PAT Margin	-1.7%	-4%	213 bps	-4.3%	258 bps	-5%



Mr. C. S. Nopany

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

“The recent developments of heightened geo-political tensions in West Asia, disturbing conditions in neighbouring Bangladesh, increased ocean freights, supply chain disruptions and recession fears in USA have exacerbated the already challenging business environment faced by textile industries in general and spinning industry in particular. While the Indian domestic story remains largely intact, we witnessed a lower than expected spur in demand ahead of the festive season.

At Sutlej, while we remain cautious, we are confident of weathering all the challenges backed by our strong foundation, an agile organization, a strong balance sheet and customer-centric focus.”



**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

- 4,13,088 Spindles

Focus on Sustainable Transformation

Green Fibre (for captive use)

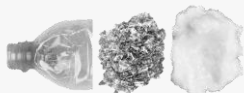
120 MT/Day

Home Textiles

8.40 Million Meters

Backward Integration

Green
Fibre



Core Business

Yarn



Forward Integration

Home
Textile





Sustainable Transformation



Spinning Excellence since 1934



Capacity Expansion

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

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

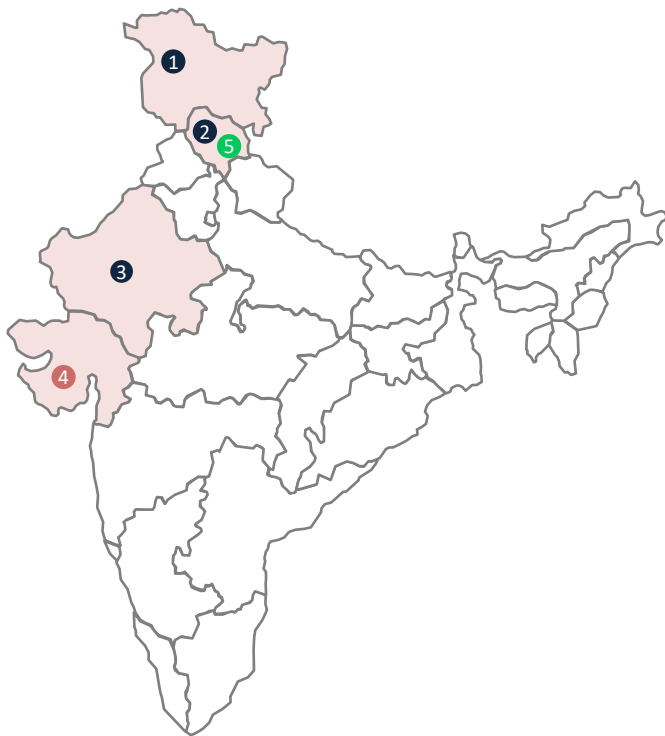
2015: Acquired Birla Textile Mills 35,280 spindles – commenced commercial production for Cotton blended dyed and Mélange Yarn at Rajasthan

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



- ✓ 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: 81,552 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



SUSTAINABLE GREEN FIBRE

Recycled Green fibre

Recycled Polyester Staple Fibre



SPECIALISED YARN

Value Added Yarn Segment

Dyed Yarns

Melange Yarns



HOME TEXTILE

Niche Segment

Curtains

Upholstery

Made Ups



Guided by Industry Veterans and Experienced Management

Board of Directors

Mr. C.S. Nopany

Executive Chairman

Mr. U.K. Khaitan

Independent

Non-Executive Director

Mr. Amit Dalal

Independent

Non-Executive Director

Mr. Rajan Dalal

Independent

Non-Executive Director

Ms. Sonu Bhasin

Independent

Non-Executive Director

Mr. Rajiv K. Podar

Independent

Non-Executive Director

Mr. Rohit Dhoot

Independent

Non-Executive Director

Mr. Ashok Mittal

Independent

Non-Executive Director

Mr. Samir Kaji

Independent

Non-Executive Director

Ms. Deepa Kapoor

Independent

Non-Executive Director

Mr. Arhant Vikram Nopany

Non-Executive Director

Key Executives

Mr. S. K. Khandelia

Advisor

Mr. Rajib Mukhopadhyay

WTD and CFO

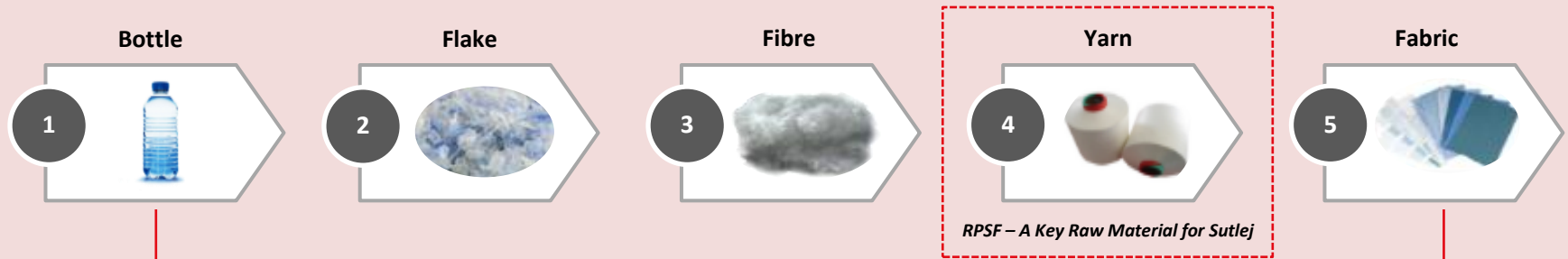
Mr. Manoj Contractor

CS & Compliance Officer





Sustainable Green Fibre



✓ **4.80 Mn per day** peak quantum of PET bottles that can be consumed at Sutlej

Huge Potential

- ✓ **60 Mn** PET drinking water bottles are consumed each hour across the world
- ✓ We have developed multiple new products like **Hollow Fiber & Super White Fiber etc. which have been approved by the users**

- ✓ **120 Tonne per day** installed capacity of Green Fibre
- ✓ **~100%** capacity utilization
- ✓ **~73%** of green fibre appetite serviced from within



Specialty Dyed Yarn



Speciality Dyed Yarns – Backbone of Our Business



Leading Yarn manufacturer in India

4,13,088 Dyed Yarn Spindles

~**42%** dedicated to Melange Yarn

~**58%** 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





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.
- Successfully launched **12 new premium collections** in addition to the **existing 36 collections** of Nesterra in the market at Home Décor Expo 2024, at Jio Convention Centre, BKC, Mumbai



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**



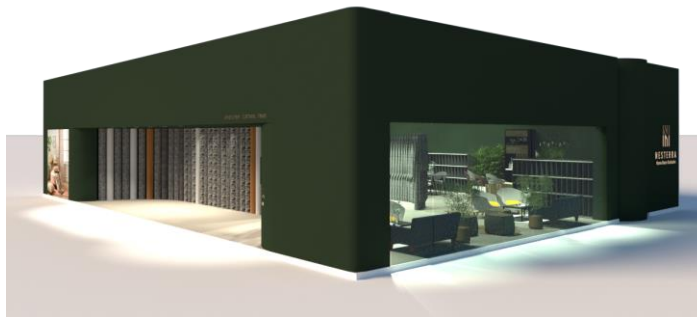
Distribution

- ‘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.
- 53 new stores added in Q1 FY25. The total no. of stores is 600+



“Nesterra” - Marketing and Advertising Initiatives

- Nesterra's newly launched collections featured in over **48 Print and 31 Online CAT A & B publications.**
- Nesterra's key collections have featured in some of the leading national publications such as **Architect and Interiors India, PTI, The Week, The Print.**
- Social Media buzz during the exhibition was created **through diverse formats on different platforms**
- Strategic mix of **lifestyle, architecture and interior design influencers** was chosen to cover the vent, targeting different audience segments and it continued to be a success and we continue engaging more from a variety of fields
- Additionally, **regional publications were explored** to expand Nesterra's reach and cater to diverse audiences. This strategic approach helped amplify the brand's visibility in key regional markets, enhancing brand recall and engagement.





Thank You

sutlej
textiles and industries limited

Mr. Rajib Mukhopadhyay

Investor Relations Email Id: investor.relations@sutlejtextiles.com

Sutlej Textiles & Industries Ltd. CIN. : L17124RJ2005PLC020927

Lotus Corporate Park, Goregaon (East), Mumbai 400 063

For more information visit: www.sutlejtextiles.com

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