

STIL/

08<sup>th</sup> November , 2016

<b>M/s. Bombay Stock Exchange Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 001 Fax No. 022-22723121/719/22702037/39 <b>Scrip Code: 532782</b>	<b>M/s. National Stock Exchange of India Ltd.</b> Exchange Plaza, 5 <sup>th</sup> Floor, Plot No.C/1, G-Block, Bandra-Kurla Complex, Bandra(E), Mumbai 400 051 Fax No. (022-2659 8237/38) <b>Scrip Code : SUTLEJTEX</b>
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Dear Sirs,

Please find enclosed herewith a copy of the Press Release with respect to the Unaudited Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2016.

Thanking you,

Yours faithfully,  
For Sutlej Textiles and Industries Limited



(D.R.Prabhu)  
Company Secretary and Compliance Officer



Encl:a.a.

Press Release

**H1 FY 2017 Results**  
**Total Income of Rs. 1129 Crores, Up 14% YoY**  
**EBITDA of Rs. 179 Crores, Up 24% YoY**  
**Net Profit of Rs. 97 Crores, Up 50% YoY**  
**EPS of Rs. 59.20 per share**

**Mumbai, Maharashtra, November 08, 2016:** Sutlej Textiles and Industries Limited (BSE: 532782 / NSE: SUTLEJTEX), a leading manufacturer and exporter of value added dyed yarns (synthetic & cotton mélangé) with presence in Home Textiles, today reported its financial results for the quarter and half year ended 30<sup>th</sup> September 2016.

Particulars (Rs crore)	Q2 FY17	Q2 FY16#	% change wrt Q2 FY16	H1 FY17	H1 FY16#	% change wrt H1 FY16
<b>Total Income</b>	<b>567.38</b>	<b>517.81</b>	9.57	<b>1128.86</b>	<b>987.57</b>	14.31
<b>EBITDA</b>	<b>92.20</b>	<b>73.78</b>	24.97	<b>178.64</b>	<b>143.98</b>	24.07
<b>EBITDA %</b>	<b>16.25</b>	<b>14.25</b>	200 bps	<b>15.82</b>	<b>14.58</b>	124 bps
<b>PBDT</b>	<b>82.60</b>	<b>63.09</b>	30.92	<b>155.76</b>	<b>121.45</b>	28.25
<b>PAT</b>	<b>51.90</b>	<b>32.91</b>	57.70	<b>96.99</b>	<b>64.46</b>	50.47
<b>PAT %</b>	<b>9.15</b>	<b>6.36</b>	279 bps	<b>8.59</b>	<b>6.53</b>	206 bps
<b>EPS (Diluted) (Rs.)</b>	<b>31.68</b>	<b>20.09</b>	---	<b>59.20</b>	<b>39.35</b>	---

# The financial results are exclusive of financial results of Birla Textile Mills as per Ind As

**Commenting on the results, Mr. C.S. Nopany, Chairman, Sutlej Textiles and Industries Ltd said** “The Second Quarter of the year continued to witness challenges due to global slowdown and stressed rural economy. Sutlej was able to offset these strong headwinds by its prudent raw material purchasing policy in a volatile cotton fiber market by maintaining sufficient cotton inventory at lower prices.

With normal monsoon, implementation of 7<sup>th</sup> pay commission, one rank one pension and other Government initiatives, we are optimistic about the future. I hope with ongoing expansion projects to scale up the production of value added yarns and Home Textiles the Company will be able to deliver better performance in coming years.”

## Key Developments

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

- Work on the expansion project for adding 35,280 spindles at Bhawanimandi, Rajasthan facility at a project cost of Rs.270 crores is progressing satisfactorily.
- At present, Trial run is going on 33,840 spindles. The project is likely to commence commercial production in Q4 FY 2017 as per the schedule.
- 17 no. Circular Knitting Machines will also be installed by June 2017.
- Project is being 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.

### Home Textiles Division expansion on track

- Expansion project to increase installed capacity to 9.6 million metres p.a. is progressing as per schedule and likely to complete by Q4 FY 2017.
- Out of 54 looms to be installed, the Company has installed 36 looms and has placed order for 18 looms. The present installed capacity has reached to 8.4 million metres p.a.
- Total project cost of Rs. 88.5 crore is being funded by mix of internal accruals and term loans sanctioned under TUFS.
- 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.38 crore during H1 FY 2017, 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.46 crore during the year towards technology up-gradation and debottlenecking, etc.

### Credit rating upgrade during the year

- CARE upgraded STIL rating to **CARE AA (Double A)** for Long Term Bank Facilities (Term Loan) and for Long Term Bank facilities (Fund based) from CARE AA- (Double A minus) 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 377,688 spindles.

STIL has a strong global clientele and exports to more than 55 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:

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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

Regd. Office: Pachpahar Road, Bhawanimandi-326 502 (Rajasthan)  
 Tel.: (07433) 222052/82/90 , Fax (07433) 222916, Email : hoffice@sutlej-rtm.co.in  
 WebSite: www.sutlejtextiles.com, CIN - L17124RJ2005PLC020927

## Statement of Unaudited Financial Results FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2016

Sr. No.	Particulars	( Rs. in lacs )				
		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
		30.09.2016 Unaudited	30.06.2016 Unaudited	30.09.2015 Unaudited	30.09.2016 Unaudited	30.09.2015 Unaudited
<b>1</b>	<b>Income from Operations</b>					
(a)	Net Sales/ Income from Operations	54901	53968	50120	108869	95666
(b)	Other Operating Income	1035	1298	1027	2333	1759
	<b>Total income from Operations (net)</b>	<b>55936</b>	<b>55266</b>	<b>51147</b>	<b>111202</b>	<b>97425</b>
<b>2</b>	<b>Expenses</b>					
a)	Cost of materials consumed	29609	28593	24986	58202	50233
b)	Purchases of stock-in-trade	1601	2321	4234	3922	7088
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(782)	(246)	1118	(1028)	(104)
d)	Employee benefits expense	6602	6334	5058	12936	9819
e)	Depreciation and amortisation expenses	2058	2118	1884	4176	3743
f)	Other expenses	10488	10502	9007	20990	17323
	<b>Total expenses</b>	<b>49576</b>	<b>49622</b>	<b>46287</b>	<b>99198</b>	<b>88102</b>
<b>3</b>	<b>Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>6360</b>	<b>5644</b>	<b>4860</b>	<b>12004</b>	<b>9323</b>
<b>4</b>	<b>Other Income</b>	<b>802</b>	<b>882</b>	<b>634</b>	<b>1684</b>	<b>1332</b>
<b>5</b>	<b>Profit / (Loss) from ordinary activities before finance costs and exceptional items(3+4)</b>	<b>7162</b>	<b>6526</b>	<b>5494</b>	<b>13688</b>	<b>10655</b>
<b>6</b>	<b>Finance costs</b>	<b>960</b>	<b>1328</b>	<b>1069</b>	<b>2288</b>	<b>2253</b>
<b>7</b>	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items(5-6)</b>	<b>6202</b>	<b>5198</b>	<b>4425</b>	<b>11400</b>	<b>8402</b>
<b>8</b>	<b>Exceptional items</b>	-	-	-	-	-
<b>9</b>	<b>Profit/(Loss) from Ordinary Activities before tax (7-8)</b>	<b>6202</b>	<b>5198</b>	<b>4425</b>	<b>11400</b>	<b>8402</b>
<b>10</b>	<b>Tax Expenses</b>					
	-Current	1368	1109	862	2477	1618
	-MAT credit (Entitlement)/ Utilised	(448)	(283)	(50)	(731)	(45)
	-Deferred (net)	92	(137)	322	(45)	383
<b>11</b>	<b>Net Profit/(Loss) from Ordinary Activities after tax (9-10)</b>	<b>5190</b>	<b>4509</b>	<b>3291</b>	<b>9699</b>	<b>6446</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>5190</b>	<b>4509</b>	<b>3291</b>	<b>9699</b>	<b>6446</b>
<b>14</b>	<b>Other Comprehensive income (net of tax)</b>	<b>(25)</b>	<b>(25)</b>	<b>(22)</b>	<b>(50)</b>	<b>(44)</b>
<b>15</b>	<b>Total Comprehensive income (after tax) (13+14)</b>	<b>5165</b>	<b>4484</b>	<b>3269</b>	<b>9649</b>	<b>6402</b>
<b>16</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>17</b>	<b>Earnings Per Share (Not annualised) (Rs.)</b>					
	- Cash	42.07	37.89	33.25	79.96	64.26
	- Basic and diluted	31.68	27.52	20.09	59.20	39.35

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# SUTLEJ TEXTILES AND INDUSTRIES LIMITED

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

## 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
		30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
<b>1</b>	<b>Segment Revenue :</b>					
	(a) Yarn	53245	52459	48509	105704	92891
	(b) Home textile	2691	2807	2638	5498	4537
	Total	55936	55266	51147	111202	97428
	Less: Inter Segment Revenue	-	-	-	-	3
	<b>Total Income from Operations (net)</b>	<b>55936</b>	<b>55266</b>	<b>51147</b>	<b>111202</b>	<b>97425</b>
<b>2</b>	<b>Segment Result :</b>					
	Profit /(Loss) before Tax, Finance costs and Exceptional items from each segment					
	(a) Yarn	6580	5892	5219	12472	9940
	(b) Home textile	339	269	122	608	214
	Total	6919	6161	5341	13080	10154
	Less : Finance costs	960	1328	1069	2288	2253
	Exceptional items	-	-	-	-	-
	Add : Other un-allocable income net of un-allocable expenditure #	243	365	153	608	501
	<b>Profit/(Loss) before tax</b>	<b>6202</b>	<b>5198</b>	<b>4425</b>	<b>11400</b>	<b>8402</b>
<b>3</b>	<b>Segment Assets:</b>					
	(a) Yarn	162374	158569	145091	162374	145091
	(b) Home textile	15945	14887	12340	15945	12340
	Add: Un-allocated Corporate Assets	7083	11040	6974	7083	6974
	<b>Total Assets</b>	<b>185402</b>	<b>184496</b>	<b>164405</b>	<b>185402</b>	<b>164405</b>
<b>4</b>	<b>Segment Liabilities :</b>					
	(a) Yarn	17032	16813	14143	17032	14143
	(b) Home textile	1817	1793	1750	1817	1750
	Add: Un-allocated Corporate Liabilities	1286	2907	2738	1286	2738
	<b>Total Liabilities</b>	<b>20135</b>	<b>21513</b>	<b>18631</b>	<b>20135</b>	<b>18631</b>
<b>5</b>	<b>Capital Employed :</b>					
	<b>(Segment assets - Segment liabilities)</b>					
	(a) Yarn	145342	141756	130948	145342	130948
	(b) Home textile	14128	13094	10590	14128	10590
	Add: Un-allocated Corporate Assets/ ( Liabilities ) (net)	5797	8133	4236	5797	4236
	<b>Total</b>	<b>165267</b>	<b>162983</b>	<b>145774</b>	<b>165267</b>	<b>145774</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**

Particulars	As at
	30th Sept., 2016
	Unaudited
<b>A ASSETS</b>	
<b>1 Non-Current Assets :</b>	
a Property, plant & equipment	85778
b Other Intangible Assets	51
c Capital Work-in-Progress	19625
d Financial Assets:	
(i) Investments	2696
(ii) Other Financial Assets	554
e Other Non-Current Assets	2366
<b>Sub-total - Non-Current Assets</b>	<b>111070</b>
<b>2 Current Assets :</b>	
a Inventories	39742
b Financial Assets:	
(i) Trade Receivables	21648
(ii) Cash and cash equivalents	139
(iii) Bank balances other than (ii) above	172
(iv) Loans	4000
(v) Other Financial Assets	381
c Current Tax Assets (Net)	2
d Other Current Assets	8247
<b>Sub-total - Current Assets</b>	<b>74331</b>
<b>TOTAL - ASSETS</b>	<b>185401</b>
<b>B EQUITY AND LIABILITIES</b>	
<b>1 Equity:</b>	
(i) Equity Share capital	1638
(ii) Other Equity	74111
<b>Sub-total - Equity</b>	<b>75749</b>
<b>2 Deferred Government Subsidies</b>	<b>262</b>
<b>3 Non-Current Liabilities:</b>	
a Financial Liabilities	
(i) Borrowings	50138
(ii) Other financial liabilities	572
b Provisions	726
c Deferred Tax Liabilities (Net)	601
d Other Non-Current Liabilities	-
<b>Sub-total - Non-Current Liabilities</b>	<b>52037</b>
<b>4 Current Liabilities :</b>	
a Financial Liabilities:	
(i) Borrowings	29789
(ii) Trade Payables	7073
(iii) Other financial liabilities	16101
b Other Current Liabilities	1483
c Provisions	2391
d Current Tax Liabilities (Net)	516
<b>Sub-total - Current Liabilities</b>	<b>57353</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>185401</b>

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Notes :

1. The Company adopted Indian Accounting Standards (Ind AS) from 01st April, 2016 (transition date being April 1, 2015) and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial reporting as prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.
2. The Company has acquired Birla Textile Mills (BTM) from Chambal Fertilisers and Chemicals Ltd as a going concern on slump sale basis effective from 1st April, 2015. However, control as defined in Ind AS 103 (Business Combinations) including various approvals was obtained by the Company and control vests with the Company on 30th September, 2015. Accordingly, accounting for business combination was made on 30th September, 2015 and hence results for the quarter / half year ended 30th , September, 2015 excludes results of BTM.
3. The expansion project of 35280 spindles for producing value added Cotton Mélange and Cotton Blended Dyed Yarn at Bhawanimandi is going as per the schedule and has started it's partial trial run during the quarter and Capacity expansion project of Home textile at Bhilad is also progressing as per schedule.
4. The above Unaudited Financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meeting held on November 07, 2016 and November 08, 2016. The Limited Review for the quarter/ half year ended 30th September, 2016, has been carried out by the Statutory Auditors, as required under Regulation 33 of SEBI (LODR) Regulation, 2015.
5. The Ind AS financial results and financial information for the quarter/ half year ended September 30, 2015 have not been subjected to any limited review and have been presented based on the information compiled by the Management. However, the Management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
6. Consequent to transition to Ind AS, in accordance with the requirements of paragraph 32 of Ind AS 101 – First time adoption of Ind AS , the reconciliation between net profit (after tax) as previously reported ( referred to "Previous GAAP" ) and now reported under "Ind AS" for the quarter/ half year ended 30.09.2015 is provided as below :-

Sr. No	Particulars	Rs. In lakhs	
		Quarter ended on 30.09.2015	Half year ended on 30.09.2015
		Unaudited	
	Net Profit under Previous GAAP (after tax)	3320	6815
(a)	On account of measuring investment at Fair Value through Profit and Loss account	16	109
(b)	Deconsolidation impact of BTM	-171	-687
(c)	Others	159	359
(d)	Deferred tax on above adjustments (net)	-33	-150
	Net Profit under Ind-AS (after tax)	3291	6446
	Other Comprehensive income (net of tax)	-22	-44
	Total Comprehensive income (after tax)	3269	6402

7. Previous period/year figures have been regrouped and rearranged wherever necessary.

By Order of the Board  
For SUTLEJ TEXTILES AND INDUSTRIES LIMITED



*(Signature)*

(C.S Nopany)  
Executive Chairman

Place :Mumbai  
Date :08.11.2016