

STIL/

August 05, 2016

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
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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 ended 30th June, 2016.

Thanking you,

Yours faithfully,
For Sutlej Textiles and Industries Limited



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



Encl:a.a.

Press Release

Total Income of Rs. 561 Crores, Up 20% YoY
EBIDTA of Rs. 86 Crores, Up 23% YoY
Net Profit of Rs. 45 Crores, Up 43% YoY
EPS of Rs. 27.52 per share

Mumbai, Maharashtra, August 05, 2016: 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 performance for the quarter ended 30th June 2016. Highlights of the Un-audited financial results as compared with corresponding quarter of previous year are:-

Particulars (Rs crore)	Q1* FY17	Q1* FY16#	% change wrt Q1 FY16
Total Income	561.45	469.58	19.56
EBITDA	86.44	70.20	23.13
EBIDTA %	15.40	14.95	45 bps
PBDT	73.16	58.36	25.36
PAT	45.09	31.55	42.92
PAT%	8.03	6.72	131 bps
EPS(Diluted) (Rs.)	27.52	19.26	---

*Based on Ind AS

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 Company's concentrated efforts of focusing on specialty yarn products and enhancing home textile capacity facilitated in maintaining the growth momentum during this quarter, as the world grappled with new dimensions of economic uncertainty and stressed rural economy in the country. Our consistent & healthy financial performance enabled upgrading of credit rating to CARE AA for long term bank facilities (Term Loan / Fund based facilities).

With forecast of above-normal monsoon, implementation of 7th pay commission 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 as per schedule. The project is likely to commence commercial production in Q4 FY 2017.
- Process of Trial run on first 9,000 spindles has commenced today i.e. 5th Aug 2016.
- Project is being funded by mix of internal accruals and term loans sanctioned under TUFS.
- Dedicated capacity focused towards producing Value Added 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 FY2017.
- 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. 17 crore during the quarter, towards technology up-gradation and debottlenecking, etc. This will result in improvement of efficiency and sustaining plant utilization.
- Acquired 13 acres of Freehold land near Birla Textile Mills, Baddi at a cost of around Rs 14 crore.
- Intends to deploy further amount of ~Rs. 67 crore during the year towards technology up-gradation and debottlenecking, etc.

Credit rating upgrade during the year

- CARE upgrades 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.
- For FY 2016-17, Company has discontinued rating engagement with India Ratings and Research Pvt Ltd in view of non-requirement of the same under Basel II norms of RBI.

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:

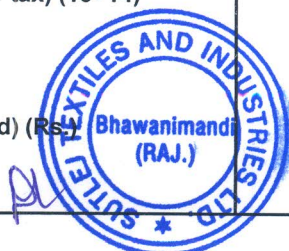
Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from 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

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 WebSite: www.sutlejtextiles.com, CIN - L17124RJ2005PLC020927

Statement of Unaudited Financial Results FOR THE QUARTER ENDED 30TH JUNE, 2016

Sr. No.	Particulars	(Rs. in lacs)	
		3 months ended	Corresponding 3 months ended in the previous year
		30.06.2016	30.06.2015
		Unaudited	Unaudited
1	Income from Operations		
(a)	Net Sales/ Income from Operations (Net of excise duty)	53965	45528
(b)	Other Operating Income	1298	732
	Total income from Operations (net)	55263	46260
2	Expenses		
a)	Cost of materials consumed	28593	25247
b)	Purchases of stock-in-trade	2321	2854
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(246)	(1222)
d)	Employee benefits expense	6334	4761
e)	Depreciation and amortisation expenses	2118	1859
f)	Other expenses	10499	8298
	Total expenses	49619	41797
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	5644	4463
4	Other Income	882	698
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items(3+4)	6526	5161
6	Finance costs	1328	1184
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items(5-6)	5198	3977
8	Exceptional items	-	-
9	Profit/(Loss) from Ordinary Activities before tax (7-8)	5198	3977
10	Tax Expenses		
	-Current	1109	756
	-MAT credit (Entitlement)/ Utilised	(283)	5
	-Deferred (net)	(137)	61
11	Net Profit/(Loss) from Ordinary Activities after tax (9-10)	4509	3155
12	Extraordinary items (net of tax expense)	-	-
13	Net Profit/(Loss) for the period (11-12)	4509	3155
14	Other Comprehensive income (net of tax)	(25)	(22)
15	Total Comprehensive income (after tax) (13+14)	4484	3133
16	Paid-up equity share capital (Face value of Rs.10 per share)	1638	1638
17	Earnings Per Share (Not annualised) (Rs.)		
	- Cash	37.89	31.01
	- Basic and diluted	27.52	19.26



SUTLEJ TEXTILES AND INDUSTRIES LIMITED

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

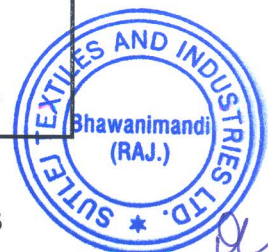
SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in lacs)

Sr. NO.	Particulars	3 months ended	Corresponding 3 months ended in the previous year
		30.06.2016	30.06.2015
		Unaudited	Unaudited
1	Segment Revenue :		
	(a) Yarn	52456	44365
	(b) Home Textiles	2807	1898
	Total	55263	46263
	Less: Inter Segment Revenue	-	3
	Total Income from Operations (net)	55263	46260
2	Segment Result :		
	Profit /(Loss) before Tax, Finance costs and Exceptional items from each segment		
	(a) Yarn	5892	4721
	(b) Home Textiles	269	92
	Total	6161	4813
	Less : Finance costs	1328	1184
	Exceptional items	-	-
	Add : Other un-allocable income net of un-allocable expenditure #	365	348
	Profit/(Loss) before tax	5198	3977
3	Capital Employed :		
	(Segment assets - Segment liabilities)		
	(a) Yarn	141756	114739
	(b) Home Textiles	13094	9670
	Add: Un-allocated Corporate Assets/ (Liabilities) (net)	8133	7636
	Total	162983	132045

Results of the other segment have not been shown separately as the same is not material.

Cont.- 3



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 thereunder 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 ended 30th June, 2015 excludes results of BTM.
3. The expansion project of 35,280 spindles for producing value added cotton and cotton blended dyed and mélange dyed yarn at Bhawanimandi, Rajasthan and capacity expansion project of Home Textiles at Bhilad, Gujarat are 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 August 04, 2016 and August 05, 2016. The Limited Review for the quarter ended 30th June 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 ended June 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 ended 30.06.2015 is provided as below :-

Sr. No.	Particulars	Rs. In lakhs
		Quarter Ended 30.06.2015 (Unaudited)
	Net Profit under Previous GAAP (after tax)	3495
(a)	Interest income (accrued but not due) on 8.50% Cumulative Redeemable Preference Shares fully paid-up in The Oudh Sugar Mills Ltd.	94
(b)	Deconsolidation impact of BTM	-516
(c)	Others	188
(d)	Deferred tax on above adjustments (net)	-106
	Net Profit under Ind-AS (after tax)	3155
	Other Comprehensive income (net of tax)	-22
	Total Comprehensive income (after tax)	3133

7. The previous period figures have been regrouped / rearranged wherever considered necessary.

By Order of the Board
For SUTLEJ TEXTILES AND INDUSTRIES LIMITED

Place : Mumbai
Date : 05.08.2016




(Dilip Ghorawat)
Wholetime Director & CFO