

STIL/

May 18, 2017

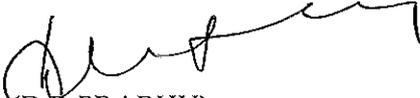
M/s. Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 001 Fax No. 022-22723121/719/22702037/39 Scrip Code: 532782	M/s. National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, Plot No.C/1, G-Block, Bandra-Kurla Complex, Bandra(E), Mumbai 400 051 Fax No. (022-2659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

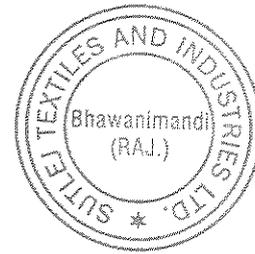
Please find herewith a copy of the Press Release with respect to the Audited Q4 & FY 2017 Financial Results for the year ended 31st March, 2017.

Thanking you,

Yours faithfully,
For SUTLEJ TEXTILES AND INDUSTRIES LIMITED


(D.R.PRABHU)

COMPANY SECRETARY AND COMPLIANCE OFFICER



Press Release

FY2017 Results
Total Income of Rs.2287 Crores, Up 9% YoY
EBIDTA of Rs.319 Crores, Up 6% YoY
Net Profit of Rs.158 Crores, Up 10% YoY
EPS of Rs.96.41 per share

Mumbai, Maharashtra, May 18, 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 and year ended 31st March 2017.

Board of Directors of the Company has recommended dividend of Rs.13/- per equity share for the year ended March 2017. The same shall be paid subject to the approval of Shareholders in the ensuing Annual General Meeting of the Company.

Board also considered and approved the sub-division of each of the Equity Shares of the Company presently having a face value of Rs.10/- (Rupees Ten only), into 10 (Ten) Equity Shares having a face value of Re. 1/- (Rupee One only) each.

The sub-division of equity shares is subject to approval of shareholders, and shall be effective only after any other statutory and regulatory approvals. Accordingly, the record date for sub-division of the equity shares will be announced in due course, in consultation with the Regulatory Authorities/Stock Exchanges.

Particulars (Rs crore)	Q4 FY17	Q4 FY16	% change wrt Q4 FY16	FY17	FY16#	% change wrt FY16
Total Income	612.03	561.32	9.03	2286.94	2107.76	8.50
EBITDA	69.85	81.07	(13.84)	319.15	302.11	5.64
EBITDA %	11.41	14.44	-303 bps	13.96	14.33	-37 bps
PBDT	58.96	69.83	(15.57)	273.48	256.54	6.60
PAT	33.27	50.91	(34.65)	157.94	143.46	10.09
PAT %	5.44	9.07	-363 bps	6.91	6.81	10 bps
EPS (Basic/Diluted)(Rs)	20.31	31.08	---	96.41	87.57	---

The financial results are exclusive of financial results of Birla Textile Mills for H1FY16 as per Ind AS

Commenting on the results, Mr. C.S. Nopany, Executive Chairman, Sutlej Textiles and Industries Ltd said *“The challenging domestic business environment continued post demonetization well into Q4 of FY2017. The industry did start witnessing a slow revival of demand along with increase in raw material prices towards the end of Q4. Strong foreign currency inflows and the consequential strengthening of INR has put a dampener on exports creating more uncertainty. It is expected that margins would continue to be under pressure during H1 of 2018.*

I am happy that Sutlej could withstand the pressure and has shown growth on YoY basis in FY2017. We continue to focus on enhancing our scale of operations in value added products, which will ensure consistent performance coupled with growth.”

Key Developments

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.
- 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**
- Capacity expansion project of Home textile division at Bhilad completed in March 2017. Installed capacity increased to 9.6 million meters p.a.
- Total project cost of Rs.88.50 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.60 crore during FY2017, 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.80 crore during FY18 towards technology up-gradation and debottlenecking, etc.

Brownfield project - Capacity Expansion of Value Added Products at Baddi, Himachal Pradesh

- The Company’s Board has approved brownfield capacity expansion of 28,800 spindles at its Baddi, Himachal Pradesh facility
- Incremental capacity would be dedicated towards manufacturing of 100% Polyester Industrial Yarn and other grey blended specialty synthetic yarn.
- Estimated Project Cost is Rs.215 crore and project is likely to commence from end of Q4FY19

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 416,616 spindles.

STIL has a strong global clientele and exports to more than 60 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 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.