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(022-2659 8237/38)

STIL/

February 06, 2015

M/s.National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor
Plot No.C/1, G-Block
Bandra-Kurla Complex
Bandra(E)
Mumbai 400 051

Dear Sirs,

Please find enclosed herewith a copy of the Presentation with respect to the
Unaudited Financial Results for the quarter ended 31st December, 2014.

Thanking you,

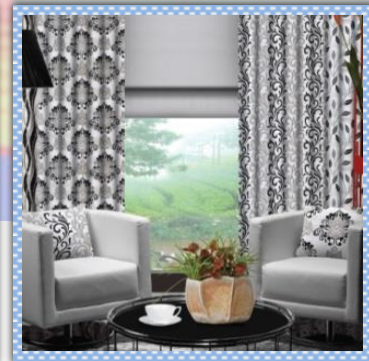
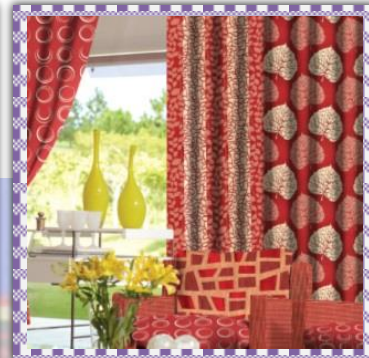
Yours faithfully,
For Sutlej Textiles and Industries Limited



(D.R.Prabhu)
Company Secretary

Encl:a.a.

cc by hand delivery



SUTLEJ TEXTILES AND INDUSTRIES LTD

Q3 & 9M FY15 Results Presentation – 6th February, 2015



Disclaimer

Certain statements in this document may be forward-looking statements which are based on some assumptions and expectations of future events. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, domestic or international economic developments, and many other factors that could cause the 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, amend, modify or revise these forward-looking statements to reflect subsequent events or developments.



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Q3 & 9M FY15 – Performance Update



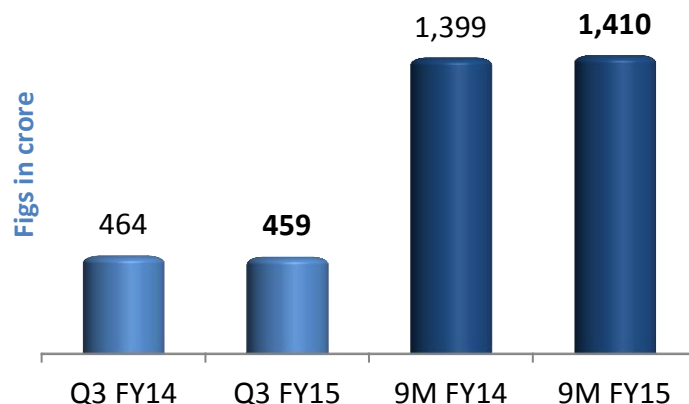
Results Snapshot – Q3 & 9M FY15

INR crore	Q3 FY15	Q3 FY14	% Change wrt Q3 FY14	9M FY15	9M FY14	% Change wrt 9M FY14
Net Sales	459	464	-1%	1,410	1,399	1%
EBITDA	67	86	-22%	204	236	-14%
<i>EBITDA Margin</i>	14.6%	18.5%		14.5%	16.9%	
EBIT	49	69	-29%	154	184	-16%
<i>EBIT Margin</i>	10.7%	14.9%		10.9%	13.2%	
PAT	22	40	-45%	88	111	-21%
<i>PAT margin</i>	4.8%	8.6%		6.2%	7.9%	

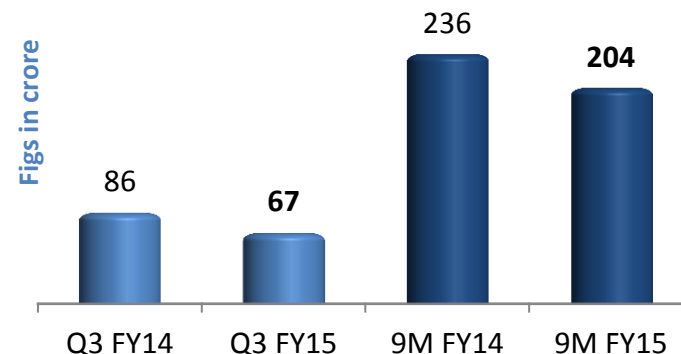


Financial Performance – Q3 & 9M FY15

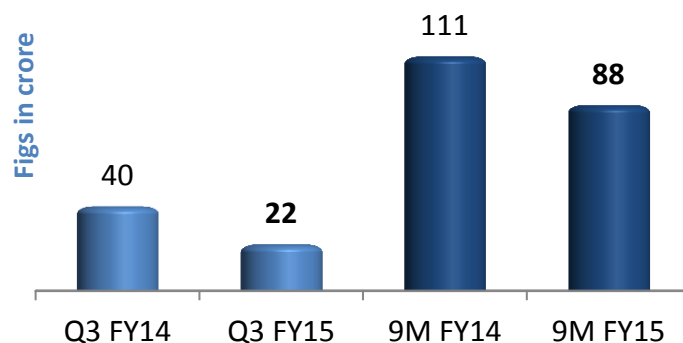
Revenue



EBITDA



PAT



- Higher output of value added cotton mélange and cotton blended dyed yarn following commissioning of operations from new capacities located at unit in Jammu, resulted in sustenance of top line expansion.
- Lower realisation rates and inventory loss on account of declining raw material prices impacted operating margins.
- Restrained profitability, given modest top line growth and increased tax outgo on account of higher deferred tax provision.

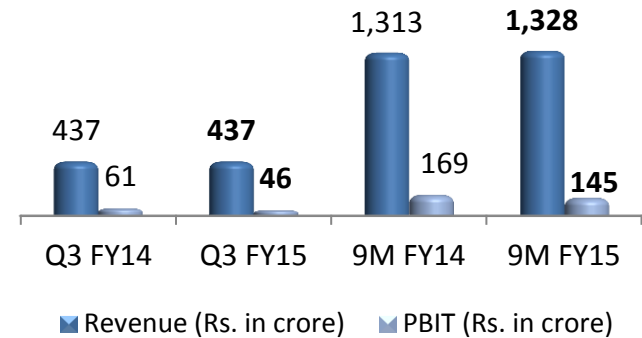


Segment-wise Performance – Q3 & 9M FY15

Yarns

- Q3 FY15 PBIT stood at Rs. 46 crore as against Rs. 61 crore in Q3 FY14 and Rs. 145 crore during 9M FY15 as against Rs. 169 crore in 9M FY14.
- During 9M FY15, the Company produced 56,041 MT as against 54,249 MT during corresponding period last year.
- Proportion of high margin Cotton Mélange product increased in the overall product mix post commissioning of operations from new capacities.

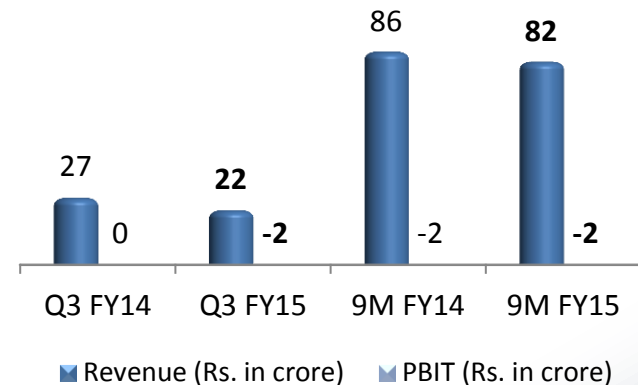
Yarns



Home Textiles

- Revenues during 9M FY15 stood at Rs. 82 crore as against Rs. 86 crore during 9M FY14.
- Expect the segment to deliver growth post completion of planned expansion.

Home Textiles





Chairman's Comments

Commenting on the results, Mr. C.S. Nopany, Chairman, Sutej Textiles and Industries Ltd said, “Our focus in the value added dyed yarn segment has enabled us to maintain business momentum despite the severe challenges being faced by the Textile Industry. In addition, renewed focus on increasing presence in Home Textile segment should help improve our product mix going ahead.

Despite some near-term headwinds, we believe that our efforts towards optimizing utilization levels, adherence to stringent cost discipline along with continuing strategic initiatives should help us deliver sustainable growth going forward.”



Key Highlights – 9M FY15

Capacity Expansion and Modernization Programme

- Commenced commercial production of Value Added Cotton Mélange and Cotton Blended Dyed Yarn from its additional 31,104 spindles at its unit - Chenab Textile Mills, Kathua (J&K) w.e.f. 1st November 2014
- Total yarn spinning capacity stands at 293,544 spindles, of which ~96,000 spindles are utilized to manufacture Cotton Mélange and Cotton Blended Dyed Yarn
- Onset of operations from this additional capacities will result in improving the proportion of high margin niche Cotton Mélange and Cotton Blended Dyed Yarn product in the overall product mix
- Further, the Company has invested ~Rs. 55 crore as on December 31, 2014 out of Rs. 80 crore earmarked for FY 2015 towards technology up-gradation and debottlenecking, etc. which shall lead to increase in efficiency and cost reduction

Augmenting Home Textiles Division

- Expanding operations in Home Textiles division at one of the Company's units viz, Damanganga Home Textiles, Daheli, Bhilad, Gujarat. Post completion, the capacities in its existing facility will increase to 9.6 million metres p.a. from 2.5 million metres p.a. at present
- Project cost - Rs. 88.50 crore
- Work on the project is progressing as per schedule; expect to be complete by FY 2016
- Increased presence in Home Textile segment will result in further strengthening of Company's end to end operations – Yarn to Home Textile



Key Highlights – 9M FY15

Commercial Paper

- Post successful repayment, the Company re-issued Commercial Paper (CP) of the same quantum amounting to Rs. 60 crore at a reduced rate of interest
- The CP carried a rating of CARE A1+ by Credit Analysis & Research Limited (CARE) – indicative of strong degree of safety regarding timely payment of financial obligations. Instruments with this rating are considered to carry lowest credit risk
- The issuances of CP will enable the Company to lower interest outgo

Award for Export Performance

- The Company was felicitated with the esteemed **“Niryat Shree”** award by Hon'ble President of India on December 01, 2014 at Vigyan Bhawan, New Delhi for achieving 71% growth in exports in FY 2010-11 over 77% exports in FY 2009-10
- The Company was also presented the prestigious **“SRTEPC”** award by Shri Santosh Kumar Gangwar, Hon'ble Minister of State for Textiles (Independent Charge) on December 09, 2014 in Mumbai for second highest exports of Spun yarn for the year 2013-14

Company Overview



At a Glance

#1

Spun Dyed
Yarn Manufacturer

293,544

Total Capacity
(Spindles)

~96,000

Cotton Mélange Yarn
(Spindles)

62

Total Capacity
(Looms)

CARE A+ / IND A+

Credit Rating
(CARE / India Ratings, A Fitch Group Co.)

13% CAGR

Last 4 years
Revenue Growth

19% CAGR

Last 4 Years
EBITDA Growth

49% CAGR

Last 4 Years
PAT Growth

49% CAGR

Last 4 Years
EPS Growth



Company Overview

Sutlej Textiles and Industries Ltd (STIL) is India's largest Spun Dyed Yarn manufacturer and leading player in Value added / Specialty yarns

Product Mix

- One stop shop for all types of yarn
- Focus on Value added yarns – Spun Dyed Yarn, Cotton Mélange
- Diversified offerings with presence across value chain with – Yarns, & Home textile

Marquee Clients



Manufacturing Snapshot

- Manufacturing units (4) – Jammu & Kashmir, Rajasthan & Gujarat
- Total Capacity: Spindles – 293,544; Home Textile looms – 62;
- Employs over 12,000 people

Domestic and Global Presence

- Marquee clients in domestic markets
- Global footprint with presence across 60 countries across
 - Europe,
 - North America,
 - South East Asia



Operating Levers

Sourcing Raw Material Efficiencies



Multiple Raw Material inputs – efficiently manage input volatility

Innovative R&D in sourcing Raw Materials – Focused approach to increase the breadth of raw material sources to lower dependency risk

Procurement management – sourcing from reputed manufacturers resulting in lower process losses

Proficient Manufacturing Processes



Best-in-industry utilization levels – Continuous modernization with ~69% of spindles less than 10 years old; latest and highly automated system in place

Strategically located units – Availing various Central Government & State Government incentives

Access to captive and continuous power supply – low process losses & downtime

Strong R&D



In-house success – Strong in-house R&D capabilities facilitates higher efficiency & performance

State of the art technology - The Company development and design centers are well equipped with latest technological equipment's like Evenness Testers, HVI Spectrum, Tenso Jet-4, AFISPRO LMNT, Yarn Classmate,

Robust Order Booking and Distribution Strategies



Well-organized order booking procedure – negligible order cancellation and better working capital management

Strong marketing network – own offices, tie up with dealers & brokers throughout the country and international

Global footprint – presence across 60 countries with an impressive client list

Focus on Niche & Value added Products



Key Growth Drivers





Key Financial Highlights

INR Million

USD Million

Particulars	FY12	FY13	FY14	FY12	FY13	FY14
Revenues	15,370	16,802	18,806	320	317	330
EBITDA	1,783	2,343	3,056	37	44	54
Margin %	12%	14%	16%	12%	14%	16%
PBT	396	928	1,717	8	18	30
Margin %	3%	6%	9%	3%	6%	9%
PAT	317	770	1,314	7	15	23
Margin %	2%	5%	7%	2%	5%	7%
Total Assets	11,448	11,492	12,729	238	217	223
Net Worth	2,759	3,464	4,625	57	65	81
Long Term Debt	4,115	3,377	2,667	86	64	47
Total Debt	7,242	6,517	6,303	151	123	111
EV as at year end	8,920	8,680	9,830	186	164	172
ROCE	18%	23%	28%	18%	23%	28%
ROE	12%	22%	28%	12%	22%	28%
Debt – Equity	1.5	1.0	0.6	1.5	1.0	0.6
EV/EBITDA	5.0	3.7	3.2	5.0	3.7	3.2
EPS* - Basic & Diluted	19	47	80	0.4	0.9	1.4

- *Adjusted figs post incorporating bonus effect (During June 2013, STIL allotted bonus shares in the ratio 1:2)
- USD calculations based on Avg rate: FY12: Rs.48 /USD; FY13: Rs. 53/ USD; FY14: Rs. 57/USD

Business outlook



Outlook – Sector

Pillar of Growth

The Indian Textile Industry is the world's second largest producer of textiles and plays a pivotal role in the growth of the Indian economy, accounting for -

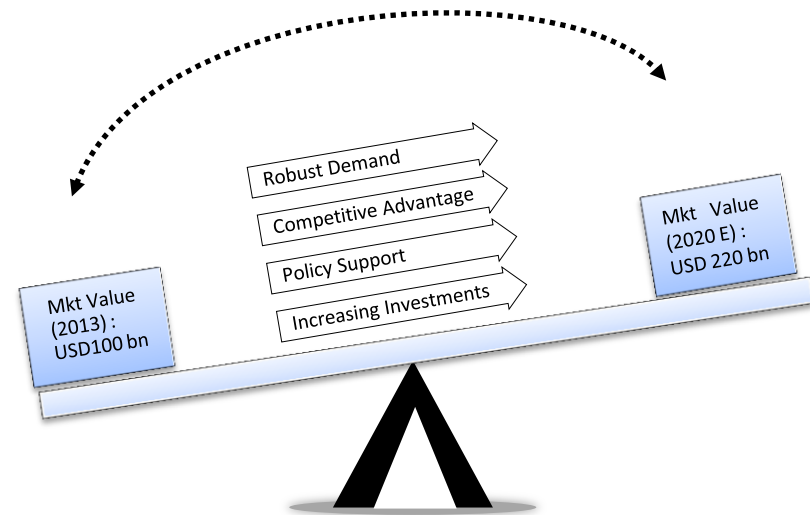
- ~4.5% share in the world total exports
- ~4% of GDP
- ~11% of Country's export earnings
- ~14% of Industrial Production

Manifold Growth

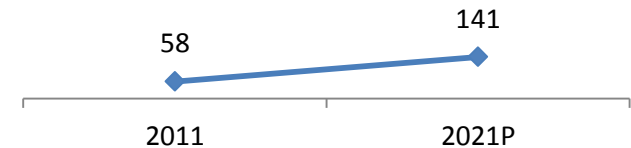
The sector is expected to witness significant growth resulting in expanding from present size - \$100bn in 2013 to \$220bn by 2020

Government Initiatives

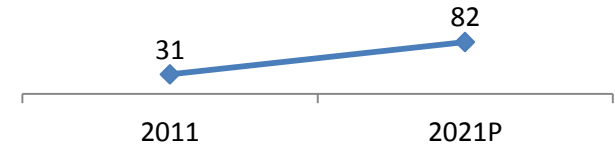
- Setting up of Textile parks across the country
- Setting up of venture capital fund (USD 16.53 mn) to provide equity support to start-ups in the Sector
- Integrated Skill Development scheme to train people covering all sub-segments of the sector, such as Textiles, Apparels
- Measures directed towards increasing Share of India's exports over the next decade



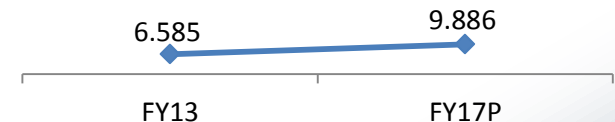
Domestic textile & apparel industry (\$ bn)



Textile & apparel exports (\$ bn)



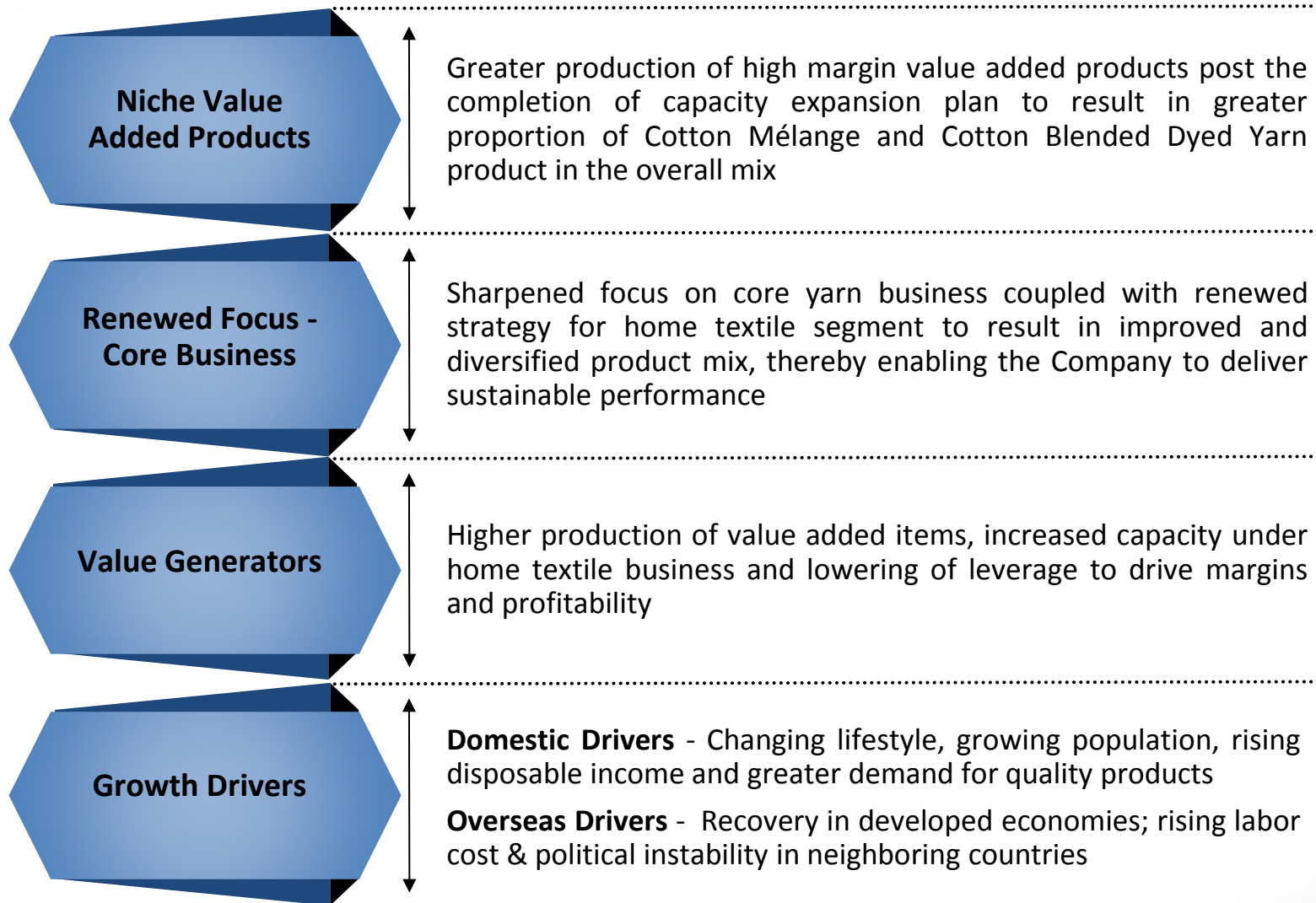
Total Fibre Production (Mn Kg)



Source: Ministry of Textiles, Planning Commission, Technopak, Aranca Research



Business Outlook





About Us

Sutlej Textiles and Industries Ltd (STIL):

CIN: L17124RJ2005PLC020927

Sutlej Textiles and Industries Ltd (STIL) (part of S&P BSE SMALL CAP Index) was incorporated in 2005 out of a corporate restructuring exercise wherein the textile divisions of Sutlej Industries Ltd and Damanganga Processors Ltd were demerged to create a single cohesive Company. STIL an ISO 9001:2008 certified is India's largest Dyed Yarn manufacturer and a leading player in value added yarn segment. The Company is focused on value added yarns namely – Dyed Yarn, Cotton Mélange yarn, Modal yarn, Tencel yarn, Bamboo yarn, Linen blended yarn etc., and has a presence across the value chain.

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.

STIL, by virtue of its presence across globe exports to 60 countries and have presence across Australia, Argentina, Bangladesh, Brazil, Canada, China, Egypt, Germany, Greece, Hong Kong, Morocco, Pakistan, Panama, Philippines, Poland, Portugal, Sri Lanka, Turkey, United States of America, the United Arab Emirates (UAE), The United Kingdom and Vietnam, among others.

For further information, please contact:

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THANK YOU

