sutlej
textiles and industries limited

SUTLEJ TEXTILES AND INDUSTRIES LIMITED
Solaris Building No. 1, D-Wing, 4th Floor, Solaris Complex,
Saki Vihar Road, Powai, Andheri (East), Mumbai - 400 072.
Phone : (022) 4219 8800 Fax : (022) 4219 8804/31
E-mail : info@rtmyarn.com Website : www.sutlejtextiles.com
CIN No. : L17124RJ2005PLC020927.

STIL/

May 07, 2015

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, 5th Floor, Plot No.C/1, G-Block, Bandra-Kurla Complex, Bandra(E), Mumbai 400 051 Fax No. (022-2659 8237/38) **Scrip Code : SUTLEJTEX**

Dear Sirs,

Please find enclosed herewith a copy of the Press Release with respect to the Audited Q4 & FY2015 Financial Results for the year ended 31st March, 2015.

Thanking you,

Yours faithfully,
For Sutlej Textiles and Industries Limited

SUTLEJ TEXTILES & INDUSTRIES LTD. Bhawanimandi (RAJ)

(D.R.Prabhu)
Company Secretary

Encl:a.a.

cc by hand delivery

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Press Release

Q4 FY 2015 Results
Net Profit rises 33% to Rs. 27.42 crore
Board of Directors recommend highest ever dividend of Rs. 10 per share translating into a 17% payout

Mumbai, May 7, 2015: Sutlej Textiles and Industries Ltd (STIL), a leading manufacturer of value added dyed yarns (synthetic & cotton mélange) and home textiles, has announced its results for the quarter and year ended 31st March 2015.

Q4 FY 2015 performance overview compared with Q4 FY 2014

- Revenue stood at Rs. 468 crore as compared to Rs. 482 crore
- EBITDA stood at Rs. 68 crore as compared to Rs. 70 crore
- Net profit stood at Rs. 27 crore as compared to Rs. 21 crore
- EPS amounted to Rs. 16.74 as compared to Rs. 12.60

FY 2015 performance overview compared with FY 2014

- Revenue stood at Rs. 1,878 crore as compared to Rs. 1,881 crore
- EBITDA stood at Rs. 272 crore as compared to Rs. 306 crore
- Net profit stood at Rs. 115 crore as compared to Rs. 131 crore
- EPS amounted to Rs. 70.48 as compared to Rs. 80.19

Commenting on the results, Mr. C.S. Nopany, Chairman, Sutlej Textiles and Industries Ltd said *"The Financial Year 2015 has been a challenging year for the textile industry across the globe. Margins were under pressure due to lackluster demand and the sharp fall in the prices of crude oil and other commodities.*

However, for Sutlej it was quite eventful. The Company has launched several initiatives to boost its top line as well as bottom line. We have exited the non-profitable segments of our business and have made considerable headway in improving margins by rationalizing our product mix.

Sutlej has entered into a MOU to acquire Birla Textile Mills with 83,376 spindles and has also started commercial operations from the new capacities that came online during the year. I am also pleased to announce that our Board has approved a brownfield project of establishing an additional 31,104 spindles to produce value added dyed mélange cotton yarn which will further increase our market share.

Looking ahead, we are excited and optimistic about our business as we believe that improving contribution from high margin value added products, coupled with prudent cash deployment and initiatives towards strengthening Home Textiles business will assist us in delivering better and consistent performance going forward."

Key Developments

Acquisition of Birla Textile Mills

- Board of Directors approved the purchase of Birla Textile Mills (BTM) as a going concern on a slump sale basis
- BTM, a unit of Chambal Fertilisers and Chemicals Ltd, is located at Baddi, Himachal Pradesh
- The consideration for purchase of BTM works out to Rs 232.63 Crores (including net current assets) subject to closing and other adjustments, if any.
- Margin accretive transaction will be funded through a mix of Internal accruals, debt & other options
- BTM's present capacity of 83,376 spindles – manufacturing cotton, synthetic & blended yarn in Grey & dyed form; STIL's total spinning capacities to reach 3,77,112 spindles post-acquisition
- During FY15, BTM reported revenues of Rs. 413 crore
- Transaction to be effective from April 1, 2015 – subject to approval from shareholders and other statutory clearances

Strong contribution from high margin Value Added Cotton Mélange and Cotton Blended Dyed Yarn

- Commenced commercial production of Value Added Cotton Mélange and Cotton Blended Dyed Yarn from its additional 31,104 spindles installed at its unit - Chenab Textile Mills, Kathua (J&K) w.e.f. 1st November 2014 at a cost of Rs 151 crore.
- Existing total spinning capacity stands at 2,93,736 spindles, of which ~96,000 spindles are utilized to manufacture Cotton Mélange and Cotton Blended Dyed Yarn
- The Company targets achieving higher utilization than planned within the first full year of operations (FY2016) following higher acceptance of product from the customers
- Higher output of value added products to enhance the Company's margins and profitability going forward

Brownfield project - capacity expansion of Value Added Products

- The Company's Board has approved brownfield capacity expansion of 31,104 spindles at its Bhawani Mandi, Rajasthan facility
- Incremental capacity would be dedicated towards producing Value Added Cotton Mélange and Cotton Blended Dyed Yarn
- Estimated Project Cost is Rs. 235 crore to be funded by mix of internal accruals and debt
- Work on the project is likely to commence from Q3 FY16

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 capacity in its existing facility will increase to 9.6 million metres p.a. from earlier 2.5 million metres p.a.
- Total project cost - Rs. 88.5 crore
- Project is to be completed in phases; with first phase to be operative in July 15 (Q2 2015)
- 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. 58 crore during FY15, towards technology up-gradation and debottlenecking, etc. this will result in further improvement of efficiencies and plant utilization. It intends to make further investment of Rs. 53 crore towards the same

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.
- 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.

About Sutlej Textiles and Industries Ltd (STIL)

CIN: L17124RJ2005PLC020927

Sutlej Textiles and Industries Ltd (STIL), an ISO 9001:2008 certified Company, is one of India's largest spun dyed yarn manufacturer. Under the leadership of Mr. C S Nopany, 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 namely – Dyed Yarn, Cotton Mélange yarn, Modal yarn, Tencil yarn, Bamboo yarn, Linen blended yarn etc. and build significant presence across the value chain. Over the years, the Company has also successfully carved out a niche for itself and emerged as a leading player in the dyed yarn segment.

STIL has a strong global clientele and exports to almost 60 countries. It has presence across major developed and emerging economies like 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.

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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AUDITED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2015

PART I (Rs. in lacs)

Sr. No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year ended	Previous accounting year ended
		31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
		Audited	Unaudited	Audited	Audited	Audited
1	**Income from Operations**					
(a)	Net Sales/ Income from Operations (Net of excise duty)	45496	44898	47033	182316	184841
(b)	Other Operating Income	1318	1000	1154	5505	3221
	Total income from Operations (net)	**46814**	**45898**	**48187**	**187821**	**188062**
2	**Expenses**					
	a) Cost of materials consumed	23571	25190	25127	102875	100283
	b) Purchases of stock-in-trade	3922	1830	4337	11149	16040
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	484	440	1110	228	(1451)
	d) Employee benefits expense	4577	4391	4013	17502	15801
	e) Depreciation, impairment and amortisation expenses	2061	1790	2350	6991	7519
	f) Other expenses	8433	8325	7603	32855	30732
	Total expenses	**43048**	**41966**	**44540**	**171600**	**168924**
3	**Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)**	**3766**	**3932**	**3647**	**16221**	**19138**
4	Other Income	977	949	956	3968	3905
5	**Profit / (Loss) from ordinary activities before finance costs and exceptional items(3+4)**	**4743**	**4881**	**4603**	**20189**	**23043**
6	Finance costs	1370	1380	1428	5298	5807
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items(5-6)**	**3373**	**3501**	**3175**	**14891**	**17236**
8	Exceptional items	68	-	64	68	64
9	**Profit/(Loss) from Ordinary Activities before tax (7-8)**	**3305**	**3501**	**3111**	**14823**	**17172**
10	Tax Expenses					
	-Current	735	735	743	3155	3589
	-MAT credit (Entitlement)/ Utilised	(263)	70	431	(300)	766
	-Earlier Years	-	-	(8)	(2)	(8)
	-Deferred (net)	91	514	(120)	424	(313)
11	**Net Profit/(Loss) from Ordinary Activities after tax (9-10)**	**2742**	**2182**	**2065**	**11546**	**13138**
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	**Net Profit/(Loss) for the period (11-12)**	**2742**	**2182**	**2065**	**11546**	**13138**
14	Paid-up equity share capital (Face value of Rs.10 per share)	**1638**	**1638**	**1638**	**1638**	**1638**
15	Reserves excluding Revaluation Reserves as per Balance Sheet				**54185**	**44610**
16	**Earnings Per Share (Not annualised) (Rs.)**					
	- Cash	**28.27**	**27.81**	**28.85**	**113.91**	**128.85**
	- Basic and diluted	**16.74**	**13.32**	**12.60**	**70.48**	**80.19**

Cont..2

SUTLEJ TEXTILES & INDUSTRIES LTD. Bhawanimandi (RAJ.)

PART II

Sr. No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year ended	Previous accounting year ended
		31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
		Audited	Unaudited	Audited	Audited	Audited
A	**PARTICULARS OF SHAREHOLDING**					
1	**Public shareholding :**					
	- No. of Shares	5926011	5926011	5926011	5926011	5926011
	- Percentage of Shareholding	36.17	36.17	36.17	36.17	36.17
2	**Promoters and promoter group shareholding:**					
	(a) Pledged/Encumbered					
	- Number of shares	1275000	1275000	2925000	1275000	2925000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	12.19	12.19	27.97	12.19	27.97
	- Percentage of shares (as a % of the total share capital of the Company)	7.78	7.78	17.85	7.78	17.85
	(b) Non-encumbered					
	- Number of Shares	9181851	9181851	7531851	9181851	7531851
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	87.81	87.81	72.03	87.81	72.03
	- Percentage of shares (as a % of the total share capital of the Company)	56.05	56.05	45.98	56.05	45.98

	Particulars	3 months ended 31.03.2015
B	**INVESTOR COMPLAINTS :**	
	Pending at the beginning of the quarter	NIL
	Received during the quarter	13
	Disposed of during the quarter	13
	Remaining unresolved at the end of the quarter	NIL

Cont.. 3

SUTLEJ TEXTILES & INDUSTRIES LTD. Bhawanimandi (RAJ)

SUTLEJ TEXTILES AND INDUSTRIES LIMITED

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

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in lacs)

Sr. N0.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year ended	Previous accounting year ended
		31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
		Audited	Unaudited	Audited	Audited	Audited
1	**Segment Revenue :**					
	(a) Yarn	44914	43620	45859	178414	178913
	(b) Fabrics	1906	2239	3031	10087	11588
	Total	46820	45859	48890	188501	190501
	Less: Inter Segment Revenue	6	(39)	703	680	2439
	Total Income from Operations (net)	**46814**	**45898**	**48187**	**187821**	**188062**
2	**Segment Result :** Profit /(Loss) before Tax, Finance costs and Exceptional items from each segment					
	(a) Yarn	4831	4621	4874	19295	21747
	(b) Fabrics	(558)	(204)	(888)	(776)	(1112)
	Total	4273	4417	3986	18519	20635
	Less : Finance costs	1370	1380	1428	5298	5807
	Exceptional items	68	-	64	68	64
	Add : Other un-allocable income net of un-allocable expenditure #	470	464	617	1670	2408
	Profit/(Loss) before tax	**3305**	**3501**	**3111**	**14823**	**17172**
3	**Capital Employed : (Segment assets - Segment liabilities)**					
	(a) Yarn	106801	100516	97352	106801	97352
	(b) Fabrics	8462	9309	11396	8462	11396
	Add: Un-allocated Corporate Assets/ (Liabilities) (net)	950	9128	1299	950	1299
	Total	**116213**	**118953**	**110047**	**116213**	**110047**

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

Cont.. 4

SUTLEJ TEXTILES & INDUSTRIES LTD. Bhawanimandi (RAJ)

SUTLEJ TEXTILES AND INDUSTRIES LIMITED

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

Statement of Assets and Liabilities

(Rs.in lacs)

	Particulars	As at 31st March, 2015 Audited	As at 31st March, 2014 Audited
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' Funds:**		
(a)	Share Capital	1638	1638
(b)	Reserves and Surplus	54185	44610
	Sub-total - Shareholders' Funds	**55823**	**46248**
2	**Deferred Government Subsidies**	**177**	**172**
3	**Non-Current Liabilities:**		
(a)	Long-term Borrowings	33918	26667
(b)	Deferred Tax Liabilities (Net)	4582	4158
(c)	Other Long-term Liabilities	435	389
(d)	Long-term Provisions	491	421
	Sub-total - Non-Current Liabilities	**39426**	**31635**
4	**Current Liabilities :**		
(a)	Short-term Borrowings	18169	24534
(b)	Trade Payables	4933	5337
(c)	Other Current Liabilities	12118	16451
(d)	Short-term Provisions	3436	2917
	Sub-total - Current Liabilities	**38656**	**49239**
	TOTAL - EQUITY AND LIABILITIES	**134082**	**127294**
B	**ASSETS**		
1	**Non-Current Assets :**		
(a)	Fixed Assets	68716	56317
(b)	Non-Current Investments	5000	5000
(c)	Long-term Loans and Advances	4112	4182
(d)	Trade Receivables	-	-
(e)	Other Non-Current Assets	-	-
	Sub-total - Non-Current Assets	**77828**	**65499**
2	**Current Assets :**		
(a)	Current Investments	-	334
(b)	Inventories	32068	38360
(c)	Trade Receivables	13855	15425
(d)	Cash and Bank balance	328	390
(e)	Short-term Loans and Advances	3829	2823
(f)	Other Current Assets	6174	4463
	Sub-total - Current Assets	**56254**	**61795**
	TOTAL - ASSETS	**134082**	**127294**

SUTLEJ TEXTILES & INDUSTRIES LTD. Bhawanimandi (RAJ)

Cont..5

Notes:

1. Consequent to the enactment of the Companies Act, 2013 (the Act) as amended and its applicability for accounting period commencing from 1st April, 2014, the Company has re-worked depreciation with reference to the economic useful life of its fixed assets as prescribed by Schedule II of the Act or re-assessed by the Company based on technical certificate and consequently there is no material impact in the depreciation for the quarter and year ended March 31, 2015.

2. During the first quarter of the financial year 2014-15, some stocks of finished goods in a godown were totally gutted by fire. In a separate incident, there was damage to some factory buildings & machinery and stocks due to a severe hailstorm. The Company has already filed claims for the above damages with the Insurance Companies and the Surveyors have also filed their reports with the respective Insurance Companies. To reflect true and fair results for the year ended, the Company had accounted for insurance claims of Rs.1334 lacs towards cost of finished goods damaged by fire and expenses incurred for replacement of the damaged assets, instead of accounting on receipt basis as per earlier policy. The Management is hopeful of recovery of the entire insurance claim. If earlier accounting policy would have been followed, other operating income for the year would have decreased by Rs.931 lacs, other expenses would have increased by Rs.403 lacs and Income Tax, Profit after Tax for the year would have reduced by Rs.453 lacs and Rs.881 lacs respectively.

3. Exceptional items include Rs.66 lacs gain on sale of Plant & Machinery pertaining to weaving unit (Part of fabric division) situated at Daheli, which was closed w.e.f 1st October, 2014 due to un-economic operations and Rs.134 lacs being provision for loss on Plant & Machineries held for sale pertaining to Power Plant of Daheli unit which was impaired in previous year due to uneconomical operation.

4. The Board of Directors at their meeting held on 14th March 2015, has approved the purchase of Birla Textile Mills (BTM) a unit of Chambal Fertilisers and Chemicals as a going concern on 'slump sale' basis effective from 1st April 2015, subject to necessary approvals. BTM is located at Baddi (Himachal Pradesh) and is having 83,376 Spindles and manufactures Cotton, Synthetic and Blended Yarn in Grey and Dyed forms.

5. The Board of Directors has recommended a dividend of Rs.10 /- per Equity Share of Rs.10 each for the year ended 31st March, 2015, subject to approval of shareholders.

6. The figures of last quarter for the current year and for the previous year are the balancing figures between the audited figures in respect of the full financial year ended 31st March and the unaudited published year to date figures up to the third quarter ended 31st December, which have been reviewed by the Statutory Auditors.

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

8. The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on May 06 and May 07, 2015.

By Order of the Board
For SUTLEJ TEXTILES AND INDUSTRIES LIMITED

Place : Mumbai
Date : 07.05.2015

SUTLEJ TEXTILES & INDUSTRIES LTD. Bhawanimandi (RAJ)

Dilip Ghorawat
Whole-time Director & CFO