SUTLEJ TEXTILES AND INDUSTRIES LIMITED

Lotus Corporate Park, 'E' Wing, 5th/6th Floor,
185/A, Graham Firth Compound, Near Jay Coach,
Goregaon (East), Mumbai 400 063, INDIA.
Phone : (022) 4219 8800/6122 8989 Fax (022) 42198830
E-mail : info@sutlejtextiles.com Website: www.sutlejtextiles.com
CIN. : L17124RJ2005PLC020927

19th June, 2020

Ms. Zarrin Rizvi, Deputy Manager
National Stock Exchange of India Limited,
Exchange Plaza, Plot No. C/1, G-Block,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400051.

Madam,

Sub: SUTLEJTEX-Q4A Results-Illegible copy

We refer to your email dated 18th June, 2020 on the captioned subject.

As desired by you, kindly find attached a legible scanned copy of the Financial Results for the quarter and year ended 31st March, 2020.

You are requested to take the same on your record.

Thanking you

Yours faithfully
For **Sutlej Textiles and Industries Limited**

Manoj Contractor
Company Secretary and Compliance Officer

Encl: a/a

SUTLEJ TEXTILES AND INDUSTRIES LIMITED

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

Standalone Statement of Financial Results

FOR THE QUARTER AND YEAR ENDED 31 MARCH 2020

(Rs. in crores except except share data)

Sr. No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year ended	Previous accounting year ended
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited (refer note 6)	Unaudited	Audited (refer note 6)	Audited	Audited
1	Revenue from operations	528.92	572.83	607.53	2,379.43	2,561.64
	Other income	8.47	4.38	9.66	25.29	27.73
	Total Income	**537.39**	**577.21**	**617.19**	**2,404.72**	**2,589.37**
2	**Expenses**					
	Cost of materials consumed	261.81	302.01	324.65	1,242.50	1,355.96
	Purchases of stock-in-trade	25.48	22.16	18.93	94.38	127.97
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	6.62	(24.45)	10.62	1.99	18.70
	Employee benefits expense	86.32	86.91	77.91	345.79	319.07
	Finance costs	10.94	9.86	12.87	44.94	56.54
	Depreciation and amortisation expenses	25.64	24.88	24.46	99.53	100.58
	Other expenses :					
	-Power and fuel	54.73	61.44	62.83	243.49	256.28
	-Others	76.51	65.35	64.90	273.08	264.42
	Total expenses	**548.05**	**548.16**	**597.17**	**2,345.70**	**2,499.52**
3	**Profit before exceptional items and tax**	**(10.66)**	**29.05**	**20.02**	**59.02**	**89.85**
	Exceptional items (refer note 3)	4.36	-	-	4.36	-
4	**Profit before tax**	**(15.02)**	**29.05**	**20.02**	**54.66**	**89.85**
	Tax expenses					
	Current tax	(1.99)	4.74	4.64	9.53	17.44
	Deferred tax	(2.85)	4.76	0.45	9.01	6.71
	Total	**(4.84)**	**9.50**	**5.09**	**18.54**	**24.15**
5	**Profit for the period (A)**	**(10.18)**	**19.55**	**14.93**	**36.12**	**65.70**
	Other comprehensive income					
	Items that will not be reclassified to profit or loss					
	Remeasurement of defined benefit plans	1.08	0.06	(3.20)	1.34	0.35
	Tax adjustment on above	(0.36)	(0.03)	1.13	(0.45)	(0.12)
6	**Total other comprehensive income for the period (B)**	**0.72**	**0.03**	**(2.07)**	**0.89**	**0.23**
7	**Total comprehensive income for the period (A + B))**	**(9.46)**	**19.58**	**12.86**	**37.01**	**65.93**
8	Paid-up equity share capital (Face value of Rs.1 per share)	**16.38**	**16.38**	**16.38**	**16.38**	**16.38**
9	Other equity				**954.62**	**930.45**
10	**Earnings per equity share (Rs.)**					
	- Basic and diluted	**(0.62)**	**1.19**	**0.91**	**2.20**	**4.01**

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SUTLEJ TEXTILES AND INDUSTRIES LIMITED

Regd. Office: Pachpahar Road,Bhawanimandi-326 502 (Rajasthan)
WebSite: www.sutlejtextiles.com, CIN - L17124RJ2005PLC020927

SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(Rs. in crores except except share data)

Sr. NO.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year ended	Previous accounting year ended
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited (refer note 6)	Unaudited	Audited (refer note 6)	Audited	Audited
1	**Segment revenue :**					
	(a) Yarn	506.71	544.56	576.67	2,265.55	2,439.59
	(b) Home textile	22.41	28.27	31.21	114.08	122.51
	Total	529.12	572.83	607.88	2,379.63	2,562.10
	Less: Inter segment revenue	0.20	-	0.35	0.20	0.46
	Revenue from operations	**528.92**	**572.83**	**607.53**	**2,379.43**	**2,561.64**
2	**Segment result :** Profit /(Loss) before tax and finance costs from each segment					
	(a) Yarn	13.24	41.00	35.18	128.41	170.71
	(b) Home textile	(14.44)	(3.28)	(6.25)	(26.12)	(30.67)
	Total	(1.20)	37.72	28.93	102.29	140.04
	Less : Finance costs	10.94	9.86	12.87	44.94	56.54
	Exceptional items (refer note 3)	4.36			4.36	
	Add : Other un-allocable income net of un-allocable expenditure	1.48	1.19	3.96	1.67	6.35
	Profit before tax	**(15.02)**	**29.05**	**20.02**	**54.66**	**89.85**
3	**Segment assets:**					
	(a) Yarn	1,872.66	1,786.94	1,878.54	1,872.66	1,878.54
	(b) Home textile	204.69	221.24	191.40	204.69	191.40
	Add: Un-allocable assets	40.17	60.29	60.62	40.17	60.62
	Total assets	**2,117.52**	**2,068.47**	**2,130.56**	**2,117.52**	**2,130.56**
4	**Segment liabilities :**					
	(a) Yarn	876.29	795.32	929.16	876.29	929.16
	(b) Home textile	97.36	104.05	94.52	97.36	94.52
	Add: Un-allocable liabilities	172.87	188.63	160.05	172.87	160.05
	Total liabilities	**1,146.52**	**1,088.00**	**1,183.73**	**1,146.52**	**1,183.73**

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SUTLEJ TEXTILES AND INDUSTRIES LIMITED

Regd. Office: Pachpahar Road,Bhawanimandi-326 502 (Rajasthan)
WebSite: www.sutlejtextiles.com, CIN - L17124RJ2005PLC020927

Standalone Statement of Assets and Liabilities

(Rs.in crores)

Particulars	As at 31 March 2020	As at 31 March 2019
	Audited	Audited
A ASSETS		
1 Non-current assets :		
Property, plant and equipment	1027.96	1,053.03
Capital work-in-progress	176.42	20.05
Right-of-use assets	4.10	-
Other intangible assets	2.31	0.95
Financial assets:		
(i) Investments	31.43	57.06
(ii) Loans	8.48	12.06
Non current tax assets (net)	5.75	0.20
Other non-current assets	18.44	6.88
Sub-total - non-current assets	**1274.89**	**1,150.23**
2 Current assets :		
Inventories	460.48	555.21
Financial assets:		
(i) Trade receivables	261.23	298.41
(ii) Cash and cash equivalents	2.76	1.12
(iii) Bank balances other than (ii) above	1.70	1.78
(iv) Loans	0.01	0.21
(v) Other financial assets	53.78	58.27
Other current assets	62.46	65.09
Assets classified as held for sale	0.21	0.24
Sub-total - Current assets	**842.63**	**980.33**
TOTAL - ASSETS	**2117.52**	**2,130.56**
B EQUITY AND LIABILITIES		
1 Equity:		
(i) Equity share capital	16.38	16.38
(ii) Other equity	954.62	930.45
Sub-total - Equity	**971.00**	**946.83**
2 Non-Current Liabilities:		
Financial liabilities :		
(i) Borrowings	469.55	436.92
(ii) Lease Liabilities	0.46	-
(iii) Other financial liabilities	13.96	10.63
Provisions	10.41	10.26
Deferred tax liabilities (net)	37.99	28.98
Other non-current liabilities	7.74	8.88
Sub-total - Non-current liabilities	**540.11**	**495.67**
3 Current Liabilities :		
Financial Liabilities:		
(i) Borrowings	285.45	380.85
(iii) Trade payables		
(a) Total outstanding dues of micro and small enterprises	2.13	1.93
(b) Total outstanding dues of creditors other than micro and small enterprises	110.59	112.04
(iii) Other financial liabilities	176.00	157.40
Other current liabilities	18.16	17.27
Provisions	14.08	16.55
Current tax liabilities (net)	-	2.02
Sub-total - Current Liabilities	**606.41**	**688.06**
Total Liabilities	**1146.52**	**1,183.73**
TOTAL - EQUITY AND LIABILITIES	**2117.52**	**2,130.56**

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Sutlej Textiles and Industries Limited
Audited Standalone statement of Cash flows for the year ended 31 March 2020

(Rs. in crore)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Cash flow from operating activities		
Profit before tax	54.66	89.85
Adjustments for :-		
Depreciation and amortization expense	99.53	100.58
Profit on sale/discard of property, plant and equipment (net)	(0.22)	(2.61)
Finance cost	44.94	56.54
Dividend from preference shares	(4.05)	(6.03)
Interest income	(9.89)	(10.48)
Deferred government grants	(0.98)	(1.05)
Net fair value gain on financial assets measured at FVTPL	1.28	0.20
Provision for doubtful debts	3.06	0.10
Fair value (gains)/ loss on derivatives	11.31	(2.36)
Sundry credit balances written back (net)	(0.73)	(0.59)
Operating profit before working capital changes	**198.91**	**224.15**
Net change in		
Inventories	94.73	(48.62)
Trade receivables	34.12	26.81
Other financial assets	6.50	(58.40)
Other assets	2.63	69.50
Trade payables	(0.52)	17.13
Other financial liabilities	(0.02)	1.10
Provisions	(0.98)	1.75
Other liabilities	2.18	1.25
Cash generated from operations	**337.55**	**234.67**
Income tax paid (net of refund)	(17.55)	(17.50)
Net cash from operating activities	**320.00**	**217.17**
B. Cash flow from investing activities		
Increase in deposits with banks	0.08	(0.03)
Interest received	10.00	10.48
Purchase of right-of-use of assets	(0.46)	
Dividend received from preference shares	4.05	6.03
Purchase of property, plant and equipment	(241.93)	(56.05)
Proceeds from redemption of preference shares	24.35	24.35
Proceeds from sale of property, plant & equipment	0.22	4.76
Grants/subsidy from government	(1.46)	-
Net cash used in investing activities	**(205.15)**	**(10.46)**
C. Cash flow from financing activities		
Net proceeds/ (repayment) of long term borrowings	40.28	(67.21)
Net proceeds/ (repayment) of short term borrowings	(95.40)	(57.26)
Finance costs (net of interest subsidies)	(45.21)	(56.37)
Repayment of lease liabilities	(0.04)	-
Dividend paid (including dividend distribution tax)	(12.84)	(25.68)
Net cash used in financing activities	**(113.21)**	**(206.52)**
Net increase/ (decrease) in cash and cash equivalents	**1.64**	**0.19**
Cash and cash equivalents at the beginning of the year	1.12	0.93
Cash and cash equivalents at the end of the year	2.76	1.12
	1.64	**0.19**

Notes:

1 The Cash flow statement has been prepared in accordance with 'Indirect Method' as set out in Ind AS-7- 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.

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Notes:

1. The above Standalone audited annual results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 11 June 2020 and 12 June 2020. These results have been prepared in accordance with Indian Accounting Standard ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

2. The outbreak of COVID-19 and resultant lockdown by Government in the month of March 2020 had significantly affected normal working of the Company due to temporary shutdown of all our manufacturing facilities. The Company's Management is monitoring the situation closely and has started operating its manufacturing facilities from 3rd week of April, 2020 onwards with partial capacity and same is being ramped up gradually and is presently operating at around 50% capacity. The Company is geared up to overcome the challenges of FY 20-21 due to the impact of COVID-19. The Company will continue to closely monitor any material changes in future economic conditions vis-à-vis its business operations.

   The Company made assessment of possible effect that may result from pandemic basis internal and external information available up to the date of approval of these results on the carrying amount of Property, Plant and Equipment, Investments, Inventories, Accounts Receivables and reassessed the realisability of Minimum Alternative Tax credit as at 31 March 2020. The actual results may differ from such estimates depending on future developments. The Company does not anticipate any challenge in its ability to continue as a going concern or meeting its financial obligations. Management is confident that it will be able to utilise MAT Credit against future tax liability.

3. Exceptional items amounting to Rs.4.36 crore for the quarter ended includes following in view of outbreak of COVID-19 and resultant lockdown by the Government:
   a. Write down of finished goods to its net realizable value amounting to Rs.3.32 crore due to sharp decline in raw material prices.
   b. Mark to market loss (MTM) of forward contracts due to non-execution of export orders amounting to Rs.0.69 crore.
   c. Interest and employee's costs capitalization for ongoing projects suspended due to lockdown amounting to Rs.0.35 crore.

4. The Company has outstanding foreign exchange exposure due to forward contracts against its export orders. As per relevant accounting standard, the Company has accounted for mark to market loss on forward contract of Rs.10.24 crore for the quarter (Rs.11.31 crore for the year) due to significant depreciation of Indian Rupee against US$ pursuant to COVID-19. Out of above Rs.0.69 crore has been classified as an exceptional item (refer note 3 (b)).

5. The Board of Directors have recommended a dividend of Rs.0.30 per Equity Share of Rs.1 each for the year ended 31 March, 2020, subject to approval of shareholders.

6. The figures for the quarter ended 31 March 2020 and 31 March 2019 are the balancing figures between the audited figures in respect of the full financial year and published year to date figures up to 31 December 2019 and 31 December 2018. Also, the figures up to the end of the third quarter were only reviewed and not subject to audit.

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7. IndAS 116- Leases, has become applicable effective annual reporting period beginning 01 April 2019. The Company has adopted the standard beginning 01 April 2019, using the modified retrospective approach for transition. Accordingly, the Company has not restated the comparative information. In respect of leases that were classified as finance leases, on applying IndAS 116, Rs. 3.70 Crores was reclassified from "Property, plant and equipment" to "Right-of-use of assets" and on 1 April 2019, the Company has recognised a lease liability measured at present value of the remaining lease payments and right-of-use (ROU) assets of Rs.0.46 Crores as on 1 April 2019. There is no material impact of the above change on profit/loss for the period on these financial results.

8. The audited report of the statutory auditors is being filed with BSE Limited and NSE Limited. For more details on Audited annual financial results, visit investor relation section of our website www.sutlejtextiles.com and financial results at Corporate section of www.bseindia.com and www.nseindia.com.

By Order of the Board

For SUTLEJ TEXTILES AND INDUSTRIES LIMITED

(Bipeen Valame)
Whole-time Director & CFO

Place: Mumbai
Date :12.06.2020

Sutlej Textiles And Industries Ltd. Mumbai 63

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B S R & Co. LLP
Chartered Accountants

Building No. 10, 8th Floor, Tower-B
DLF Cyber City, Phase-II
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Telephone: +91 124 7191000
Fax: +91 124 235 8613

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF SUTLEJ TEXTILES AND INDUSTRIES LIMITED

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of Sutlej Textiles and Industries Limited (hereinafter referred to as the ''Company") for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the Standalone annual financial results.

Emphasis of Matter

We draw attention to Note 2 in the standalone annual financial results, which describes uncertainties, the Company is facing as a result of COVID-19 which is impacting business operations. Our opinion is not modified in respect of this matter.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The standalone annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

***For* B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

Place: Gurugram
Date: 12 June 2020

Rajiv Goyal
Partner
Membership No. 094549
ICAI UDIN : 20094549AAAAEG2117

SUTLEJ TEXTILES AND INDUSTRIES LIMITED

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Consolidated Statement of Financial Results

FOR THE QUARTER AND YEAR ENDED 31 MARCH 2020

(Rs. in crores except except share data)

Sr. No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year ended	Previous accounting year ended
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited (refer note 7)	Unaudited	Audited (refer note 7)	Audited	Audited
1	Revenue from operations	536.40	581.95	618.17	2,416.65	2,613.77
	Other income	8.48	4.40	9.69	25.37	27.87
	Total income	**544.88**	**586.35**	**627.86**	**2,442.02**	**2,641.64**
2	**Expenses**					
	Cost of materials consumed	260.53	306.30	325.40	1,252.09	1,358.93
	Purchases of stock-in-trade	29.99	26.02	25.02	112.65	164.05
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	5.82	(25.84)	12.37	(1.88)	17.67
	Employee benefits expense	91.33	88.63	80.52	356.44	329.96
	Finance costs	11.17	10.09	12.87	45.70	56.54
	Depreciation and amortisation expenses	26.36	25.14	24.53	101.10	100.79
	Other expenses :					
	-Power and fuel	54.73	61.44	62.83	243.49	256.28
	-Others	79.21	67.69	67.94	281.73	274.90
	Total expenses	**559.14**	**559.47**	**611.48**	**2,391.32**	**2,559.12**
3	**Profit before exceptional items and tax**	**(14.26)**	**26.88**	**16.38**	**50.70**	**82.52**
	Exceptional items (refer note 4)	4.36	-	-	4.36	-
4	**Profit before tax**	**(18.62)**	**26.88**	**16.38**	**46.34**	**82.52**
	Tax expenses					
	Current tax	(1.99)	4.74	4.63	9.53	17.48
	Deferred tax	(2.83)	4.71	1.33	9.11	6.78
	Total	**(4.82)**	**9.45**	**5.96**	**18.64**	**24.26**
5	**Profit for the period (A)**	**(13.80)**	**17.43**	**10.42**	**27.70**	**58.26**
	Other comprehensive income					
	Items that will not be reclassified to profit or loss					
	Remeasurement of defined benefit plans	1.08	0.06	(3.20)	1.34	0.35
	Tax adjustment on above	(0.36)	(0.03)	1.13	(0.45)	(0.12)
	Items that will be reclassified subsequently to profit and loss					
	Exchange differences on translation of operations into reporting currency	0.97	0.17	0.02	1.50	2.09
	Tax adjustment on above	-	-	-	-	-
6	**Total other comprehensive income for the period (B)**	**1.69**	**0.20**	**(2.05)**	**2.39**	**2.32**
7	**Total comprehensive income for the period (A + B))**	**(12.11)**	**17.63**	**8.37**	**30.09**	**60.58**
8	Paid-up equity share capital (Face value of Rs.1 per share)	**16.38**	**16.38**	**16.38**	**16.38**	**16.38**
9	Other equity				**942.72**	**925.46**
10	**Earnings per equity share (Rs.)**					
	- Basic and diluted	**(0.84)**	**1.06**	**0.64**	**1.69**	**3.56**

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SUTLEJ TEXTILES AND INDUSTRIES LIMITED

Regd. Office: Pachpahar Road,Bhawanimandi-326 502 (Rajasthan)
WebSite: www.sutlejtextiles.com, CIN - L17124RJ2005PLC020927

SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(Rs. in crores except except share data)

Sr. NO.	Particulars	3 months	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year ended	Previous accounting year ended
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited (refer note 7)	Unaudited	Audited (refer note 7)	Audited	Audited
1	**Segment revenue :**					
	(a) Yarn	506.71	544.56	576.67	2,265.55	2,439.59
	(b) Home textile	29.89	37.39	41.85	151.30	174.64
	Total	536.60	581.95	618.52	2,416.85	2,614.23
	Less: Inter segment revenue	0.20	-	0.35	0.20	0.46
	Revenue from operations	**536.40**	**581.95**	**618.17**	**2,416.65**	**2,613.77**
2	**Segment result :** Profit /(Loss) before tax and finance costs from each segment					
	(a) Yarn	13.24	41.00	35.18	128.41	170.71
	(b) Home textile	(17.82)	(5.24)	(9.92)	(33.76)	(38.14)
	Total	(4.58)	35.76	25.26	94.65	132.57
	Less : Finance costs	11.17	10.09	12.87	45.70	56.54
	Exceptional items (refer note 4)	4.36		-	4.36	
	Add : Other un-allocable income net of un-allocable expenditure	1.49	1.21	3.99	1.75	6.49
	Profit before tax	**(18.62)**	**26.88**	**16.38**	**46.34**	**82.52**
3	**Segment assets:**					
	(a) Yarn	1,872.66	1,786.94	1,878.54	1,872.66	1,878.54
	(b) Home textile	242.58	247.73	224.16	242.58	224.16
	Add: Un-allocable assets	9.53	35.51	29.97	9.53	29.97
	Total assets	**2,124.77**	**2,070.18**	**2,132.67**	**2,124.77**	**2,132.67**
4	**Segment liabilities :**					
	(a) Yarn	876.29	795.32	929.16	876.29	929.16
	(b) Home textile	116.24	114.78	101.47	116.24	101.47
	Add: Un-allocable liabilities	173.14	188.86	160.20	173.14	160.20
	Total liabilities	**1,165.67**	**1,098.96**	**1,190.83**	**1,165.67**	**1,190.83**

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SUTLEJ TEXTILES AND INDUSTRIES LIMITED

Regd. Office: Pachpahar Road,Bhawanimandi-326 502 (Rajasthan)
WebSite: www.sutlejtextiles.com, CIN - L17124RJ2005PLC020927

Consolidated Statement of Assets and Liabilities

(Rs in crores)

Particulars	As at 31 March 2020 Audited	As at 31 March 2019 Audited
A ASSETS		
1 Non-current assets :		
Property, plant and equipment	1,028.57	1,053.73
Capital work-in-progress	176.42	20.05
Right-of-use assets	5.11	-
Good will	7.17	6.73
Other intangible assets	3.29	0.95
Intangible assets under development	0.41	0.78
Financial assets:		
(i) Investments	0.79	26.42
(ii) Loans	8.59	12.16
Non current tax assets (net)	5.75	0.20
Other non-current assets	18.44	6.88
Sub-total - non-current assets	**1,254.54**	**1,127.90**
2 Current assets :		
Inventories	476.88	565.46
Financial assets:		
(i) Trade receivables	262.47	304.78
(ii) Cash and cash equivalents	10.19	8.51
(iii) Bank balances other than (ii) above	1.71	1.78
(iv) Loans	0.01	0.21
(v) Other financial assets	53.79	58.27
Other current assets	64.97	65.52
Assets classified as held for sale	0.21	0.24
Sub-total - Current assets	**870.23**	**1,004.77**
TOTAL - ASSETS	**2,124.77**	**2,132.67**
B EQUITY AND LIABILITIES		
1 Equity:		
(i) Equity share capital	16.38	16.38
(ii) Other equity	942.72	925.46
Sub-total - Equity	**959.10**	**941.84**
2 Non-Current Liabilities:		
Financial liabilities :		
(i) Borrowings	469.55	436.92
(ii) Lease Liabilities	1.37	-
(iii) Other financial liabilities	13.96	10.63
Provisions	10.41	10.26
Deferred tax liabilities (net)	38.24	29.12
Other non-current liabilities	7.74	8.88
Sub-total - Non-current liabilities	**541.27**	**495.81**
3 Current Liabilities :		
Financial Liabilities:		
(i) Borrowings	291.43	380.85
(ii) Lease Liabilities	0.14	-
(iii) Trade payables		
(a) Total outstanding dues of micro and small enterprises	2.13	1.93
(b) Total outstanding dues of creditors other than micro and small enterprises	121.37	118.63
(iv) Other financial liabilities	176.46	157.77
Other current liabilities	18.79	17.27
Provisions	14.08	16.55
Current tax liabilities (net)	-	2.02
Sub-total - Current Liabilities	**624.40**	**695.02**
Total Liabilities	**1,165.67**	**1,190.83**
TOTAL - EQUITY AND LIABILITIES	**2,124.77**	**2,132.67**

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Sutlej Textiles and Industries Limited
Consolidated statement of cash flows for the year ended 31 March 2020

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Cash flow from operating activities		
Profit before tax	46.34	82.52
Adjustments for :-		
Depreciation and amortization expense	101.10	100.79
Profit on sale/discard of property, plant and equipment (net)	(0.23)	(2.61)
Finance cost	45.70	56.54
Dividend from preference shares	(4.05)	(6.03)
Interest received	(9.97)	(10.62)
Deferred government grants	(0.98)	(1.05)
Net fair value gain on financial assets measured at FVTPL	1.28	
Provision for doubtful debts	3.06	0.10
Fair value (gains)/ loss on derivatives	11.31	(2.36)
Sundry credit balances written back (net)	(0.73)	(0.59)
Operating profit before working capital changes	**192.83**	**216.69**
Net change in		
Inventories	88.58	(51.30)
Trade receivables	39.25	30.17
Other financial assets	6.47	(58.08)
Other assets	0.55	68.95
Trade payables	3.67	20.04
Other financial liabilities	1.74	(0.49)
Provisions	0.52	3.84
Other liabilities	2.82	4.25
Cash generated from operations	**336.43**	**234.07**
Income tax paid (net of refund)	(17.55)	(17.57)
Net cash from operating activities	**318.88**	**216.50**
B. Cash flow from investing activities		
Increase/ (decrease) in deposits with banks	0.07	0.03
Interest received	10.09	10.61
Purchase of right-of-use of assets	(2.52)	-
Dividend received from preference shares	4.05	6.03
Proceeds from redemption of preference shares	24.35	24.55
Purchase of property, plant and equipment	(243.41)	(60.14)
Proceeds from sale of property, plant & equipment	0.23	4.76
Grants/ subsidy from government	(1.44)	-
Net cash used in investing activities	**(208.58)**	**(14.16)**
C. Cash flow from financing activities		
Net proceeds /(repayment) of long term borrowings	40.66	(67.32)
Net proceeds /(repayment) of short term borrowings	(89.42)	(57.26)
Finance costs (net of interest subsidies)	(46.02)	(56.37)
Repayment of lease liabilities	(1.01)	-
Dividend paid (including dividend distribution tax)	(12.83)	(25.68)
Net cash used in financing activities	**(108.62)**	**(206.63)**
Net increase /(decrease) in cash and cash equivalents	**1.68**	**(4.29)**
Cash and cash equivalents at the beginning of the year	8.51	12.80
Cash and cash equivalents at the end of the year	10.19	8.51
	1.68	**(4.29)**

Notes:

1 The Cash flow statement has been prepared in accordance with 'Indirect Method' as set out in Ind AS-7- 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.

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Notes:

1. The above consolidated annual financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 11 June 2020 and 12 June 2020. These results have been prepared in accordance with Indian Accounting Standard ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

2. The consolidated annual financial results of the Group are in accordance with the requirements of Ind AS 110 'Consolidated Financial Statements'. The consolidated annual financial results include results of Sutlej Textiles and Industries Limited and its subsidiary Sutlej Holdings Inc. and its step down subsidiary American Silk Mills, LLC.

3. The outbreak of COVID-19 and resultant lockdown by Government in the month of March 2020 had significantly affected normal working of the Group due to temporary shutdown of all our manufacturing facilities. The Group's Management is monitoring the situation closely and has started operating its manufacturing facilities from 3rd week of April, 2020 onwards with partial capacity and same is being ramped up gradually and is presently operating at around 50% capacity. The Group is geared up to overcome the challenges of FY 20-21 due to the impact of COVID-19. The Group will continue to closely monitor any material changes in future economic conditions vis-à-vis its business operations.

   The Group made assessment of possible effect that may result from pandemic basis internal and external information available up to the date of approval of these results on the carrying amount of Property, Plant and Equipment, Investments, Inventories, Accounts Receivables and reassessed the realisability of Minimum Alternative Tax credit as at 31 March 2020. The actual results may differ from such estimates depending on future developments. The Group does not anticipate any challenge in its ability to continue as a going concern or meeting its financial obligations. Management is confident that it will be able to utilise MAT Credit against future tax liability.

4. Exceptional items amounting to Rs.4.36 crore for the quarter ended includes following in view of outbreak of COVID-19 and resultant lockdown by the Government:
   a. Write down of finished goods to its net realizable value amounting to Rs.3.32 crore due to sharp decline in raw material prices.
   b. Mark to market loss (MTM) of forward contracts due to non-execution of export orders amounting to Rs.0.69 crore.
   c. Interest and employee's costs capitalization for ongoing projects suspended due to lockdown amounting to Rs.0.35 crore.

5. The Group has outstanding foreign exchange exposure due to forward contracts against its export orders. As per relevant accounting standard, the Group has accounted for mark to market loss on forward contract of Rs.10.24 crore for the quarter (Rs.11.31 crore for the year) due to significant depreciation of Indian Rupee against US$ pursuant to COVID-19. Out of above Rs.0.69 crore has been classified as an exceptional item (refer note 4 (b)).

6. The Board of Directors have recommended a dividend of Rs.0.30 per Equity Share of Rs.1 each for the year ended 31 March, 2020, subject to approval of shareholders.

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7. The figures for the quarter ended 31 March 2020 and 31 March 2019 are the balancing figures between the audited figures in respect of the full financial year and published year to date figures up to 31 December 2019 and 31 December 2018. Also, the figures up to the end of the third quarter were only reviewed and not subject to audit.

8. IndAS 116- Leases, has become applicable effective annual reporting period beginning 01 April 2019. The Group has adopted the standard beginning 01 April 2019, using the modified retrospective approach for transition. Accordingly, the Group has not restated the comparative information. In respect of leases that were classified as finance leases, on applying Ind AS 116, Rs. 3.70 Crores was reclassified from "Property, plant and equipment" to "Right-of-use of assets" and on 1 April 2019, the Group has recognised a lease liability measured at present value of the remaining lease payments and right-of-use (ROU) assets of Rs. 2.37 Crores as on 1 April 2019. There is no material impact of the above change on profit/loss for the period on these financial results.

9. The audited report of the statutory auditors is being filed with BSE Limited and NSE Limited. For more details on Audited annual financial results, visit investor relation section of our website www.sutlejtextiles and financial results at Corporate section of www.bseindia.com and www.nseindia.com.

By Order of the Board

For SUTLEJ TEXTILES AND INDUSTRIES LIMITED

(Bipeen Valame)
Whole-time Director & CFO

Place: Mumbai
Date :12.06.2020

Sutlej Textiles And Industries Ltd. Mumbai 63

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INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF SUTLEJ TEXTILES AND INDUSTRIES LIMITED

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Sutlej Textiles and Industries Limited (hereinafter referred to as the ''Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the year ended 31 March 2020, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid consolidated annual financial results:

a. include the annual financial results of the following entities:

    1. Sutlej Holdings Inc. (wholly owned subsidiary)

        a. American Silk Mills. LLC (step-down subsidiary)

b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Emphasis of Matter

We draw attention to Note 3 in the consolidated annual financial results, which describes uncertainties, the Group is facing as a result of COVID-19 which is impacting business operations. Our opinion is not modified in respect of this matter.

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

(a) The consolidated annual financial results include the audited financial results of the wholly owned subsidiary and its step down subsidiary, whose financial statements reflect Group's share of total assets (before consolidation adjustments) of Rs. 61.89 crores as at 31 March 2020, Group's share of total revenue (before consolidation adjustments) of Rs. 38.54 crores and Group's share of total net loss after tax (before consolidation adjustments) of Rs. 8.42 crores and Group's share of net cash inflows of Rs 0.03 crores for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above. This subsidiary and its step down subsidiary are located outside of India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective country and which have been audited by other auditors under generally accepted auditing standard applicable in their respective country. The Holding Company's management has converted the financial statements of these subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

(b) The consolidated annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

***For* B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. 094549
ICAI UDIN :20094549AAAAEH1639

Place: Gurugram
Date: 12 June 2020