

06th November, 2020

BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001. Scrip Code: 532782	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. Scrip Code: SUTLEJTEX
--	---

Sub: Outcome of Board meeting

Dear Sirs,

The Board of Directors at their meeting held today i.e. 06th November, 2020, have *inter-alia*, considered and approved the following:

1. The Un-audited Standalone Financial Results of the Company for the quarter and half year ended 30th September, 2020, along with the Limited Review Report;
2. The Un-audited Consolidated Financial Results of the Company for the quarter and half year ended 30th September, 2020 along with the Limited Review Report.

The results are enclosed as Annexure 'A'.

The meeting commenced at 12.00 noon and concluded at around 12.55 p.m.

The above results are also available on the Company's website at www.sutlejtextiles.com

You are requested to kindly take note of the above.

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 HALF YEAR ENDED 30TH SEPTEMBER, 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 to date for the period ended	Year to date for the previous period ended	Previous accounting year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from operations	460.32	188.02	629.04	648.34	1,277.68	2,379.43
	Other income	7.67	5.49	5.17	13.16	12.44	25.29
	Total income	467.99	193.51	634.21	661.50	1,290.12	2,404.72
2	Expenses						
	Cost of materials consumed	215.50	102.18	325.69	317.68	678.68	1,242.50
	Purchases of stock-in-trade	13.30	5.71	23.25	19.01	46.74	94.38
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	44.42	(2.51)	6.82	41.91	19.82	1.99
	Employee benefits expense	70.90	54.02	87.52	124.92	172.56	345.79
	Finance costs	8.26	11.72	11.08	19.98	24.14	44.94
	Depreciation and amortisation expenses	21.14	20.26	24.37	41.40	49.01	99.53
	Other expenses :						
	-Power and fuel	45.07	27.06	63.52	72.13	127.32	243.49
	-Others	51.06	26.62	64.44	77.68	131.22	273.08
	Total expenses	469.65	245.06	606.69	714.71	1,249.49	2,345.70
3	Profit before exceptional items and tax	(1.66)	(51.55)	27.52	(53.21)	40.63	59.02
	Exceptional items (refer note 3)	-	-	-	-	-	4.36
4	Profit before tax	(1.66)	(51.55)	27.52	(53.21)	40.63	54.66
	Tax expenses						
	Current tax	0.01	-	4.06	0.01	6.78	9.53
	Deferred tax	(0.56)	(17.12)	5.27	(17.68)	7.10	9.01
	Total	(0.55)	(17.12)	9.33	(17.67)	13.88	18.54
5	Profit for the period (A)	(1.11)	(34.43)	18.19	(35.54)	26.75	36.12
	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	Remeasurement of defined benefit plans	0.34	0.33	0.11	0.67	0.20	1.34
	Tax adjustment on above	(0.12)	(0.11)	(0.03)	(0.23)	(0.06)	(0.45)
6	Total other comprehensive income for the period (B)	0.22	0.22	0.08	0.44	0.14	0.89
7	Total comprehensive income for the period (A + B)	(0.89)	(34.21)	18.27	(35.10)	26.89	37.01
8	Paid-up equity share capital (Face value of Rs.1 per share)	16.38	16.38	16.38	16.38	16.38	16.38
9	Other equity						954.62
10	Earnings per equity share (Rs.)						
	- Basic and diluted	(0.07)	(2.10)	1.11	(2.17)	1.63	2.20

Cont.2



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 share data)

Sr. NO.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date for the period ended	Year to date figures for previous period ended	Previous accounting year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment revenue :						
	(a) Yarn	440.61	184.28	595.39	624.89	1,214.28	2,265.55
	(b) Home textile	19.71	3.86	33.65	23.57	63.40	114.08
	Total	460.32	188.14	629.04	648.46	1,277.68	2,379.63
	Less: Inter segment revenue	-	0.12	-	0.12	-	0.20
	Revenue from operations	460.32	188.02	629.04	648.34	1,277.68	2,379.43
2	Segment result :						
	Profit /(Loss) before tax and finance costs from each segment						
	(a) Yarn	11.90	(28.33)	39.96	(16.43)	74.17	128.41
	(b) Home textile	(5.14)	(10.97)	(2.52)	(16.11)	(8.40)	(26.12)
	Total	6.76	(39.30)	37.44	(32.54)	65.77	102.29
	Less : Finance costs	8.26	11.72	11.08	19.98	24.14	44.94
	Exceptional items	-	-	-	-	-	4.36
	Add : Other un-allocable income net of un-allocable expenditure	(0.16)	(0.53)	1.16	(0.69)	(1.00)	1.67
	Profit before tax	(1.66)	(51.55)	27.52	(53.21)	40.63	54.66
3	Segment assets:						
	(a) Yarn	1,727.63	1,776.11	1,739.66	1,727.63	1,739.66	1,872.66
	(b) Home textile	202.46	201.42	210.99	202.46	210.99	204.69
	Add: Un-allocable assets	40.65	40.22	60.01	40.65	60.01	40.17
	Total assets	1,970.74	2,017.75	2,010.66	1,970.74	2,010.66	2,117.52
4	Segment liabilities :						
	(a) Yarn	817.28	826.74	816.56	817.28	816.56	876.29
	(b) Home textile	86.82	89.55	105.05	86.82	105.05	97.36
	Add: Un-allocable liabilities	135.65	164.67	128.16	135.65	128.16	172.87
	Total liabilities	1,039.75	1,080.96	1,049.77	1,039.75	1,049.77	1,146.52

Cont.. 3



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	As at
	30th Sept., 2020	31 March, 2020
	Unaudited	Audited
A ASSETS		
1 Non-current assets :		
Property, plant and equipment	1006.02	1027.96
Capital work-in-progress	214.71	176.42
Right of use assets	4.08	4.10
Other intangible assets	2.11	2.31
Financial assets:		
(i) Investments	31.49	31.43
(ii) Loans	6.46	8.48
Non current tax assets (net)	5.89	5.75
Other non-current assets	10.36	18.44
Sub-total - non-current assets	1281.12	1,274.89
2 Current assets :		
Inventories	353.50	460.48
Financial assets:		
(i) Trade receivables	218.82	261.23
(ii) Cash and cash equivalents	4.32	2.76
(iii) Bank balances other than (ii) above	2.10	1.70
(iv) Loans	0.01	0.01
(v) Other financial assets	55.88	53.78
Other current assets	54.81	62.46
Assets classified as held for sale	0.18	0.21
Sub-total - Current assets	689.62	842.63
TOTAL - ASSETS	1970.74	2,117.52
B EQUITY AND LIABILITIES		
1 Equity:		
(i) Equity share capital	16.38	16.38
(ii) Other equity	914.61	954.62
Sub-total - Equity	930.99	971.00
2 Non-Current Liabilities:		
Financial liabilities :		
(i) Borrowings	455.43	469.55
(ii) Lease Liabilities	0.46	0.46
(iii) Other financial liabilities	15.09	13.96
Provisions	10.68	10.41
Deferred tax liabilities (net)	20.31	37.99
Other non-current liabilities	8.01	7.74
Sub-total - Non-current liabilities	509.98	540.11
3 Current Liabilities :		
Financial Liabilities:		
(i) Borrowings	217.32	285.45
(iii) Trade payables		
(a) Total outstanding dues of micro and small enterprises	4.37	2.13
(b) Total outstanding dues of creditors other than micro and small enterprises	90.50	110.59
(iv) Other financial liabilities	187.81	176.00
Other current liabilities	16.30	18.16
Provisions	13.47	14.08
Sub-total - Current Liabilities	529.77	606.41
Total Liabilities	1039.75	1,146.52
TOTAL - EQUITY AND LIABILITIES	1970.74	2,117.52



Sutlej Textiles and Industries Limited
Unaudited standalone statement of cash flows for the half year ended 30 September 2020

Particulars	Rs in Crores		
	For the half year ended 30 September 2020	For the half year ended 30 September 2019	For the year ended 31 March 2020
	Unaudited	Unaudited	Audited
A. Cash flow from operating activities			
Profit before tax	(53.21)	40.63	54.66
Adjustments for :-			
Depreciation and amortization expense	41.40	49.01	99.53
Profit on sale/discard of property, plant and equipment (net)	(0.25)	(0.09)	(0.22)
Finance cost	19.98	24.14	44.94
Dividend from preference shares	-	(2.07)	(4.05)
Interest income	(1.63)	(4.55)	(9.89)
Deferred government grants	(0.57)	(0.49)	(0.98)
Net fair value gain on financial assets measured at FVTPL	(0.05)	0.42	1.28
Provision for doubtful debts	0.33	0.19	3.06
Unrealised (gain)/ loss on foreign currency fluctuations (net)	0.55	-	-
Fair value (gains)/ loss on derivatives	(11.96)	1.47	11.31
Sundry credit balances written back (net)	(0.51)	(0.36)	(0.73)
Operating profit before working capital changes	(5.92)	108.30	198.91
Net change in			
Inventories	106.98	151.58	94.73
Trade receivables	36.20	(24.75)	34.12
Other financial assets	3.20	3.51	6.50
Other assets	7.65	11.27	2.63
Trade payables	(16.85)	(10.93)	(0.52)
Other financial liabilities	10.74	14.24	(0.02)
Provisions	0.33	3.28	(0.98)
Other liabilities	(2.03)	(4.14)	2.18
Cash generated from operations	140.30	252.36	337.55
Income tax paid (net of refund)	(0.38)	(8.47)	(17.55)
Net cash from operating activities	139.92	243.89	320.00
B. Cash flow from investing activities			
Increase in deposits with banks	(0.40)	(0.04)	0.08
Interest received	1.66	4.68	10.00
Dividend received from preference shares	-	2.07	4.05
Purchase of right-of-use of assets	-	-	(0.46)
Purchase of property, plant and equipment	(52.42)	(70.65)	(241.93)
Proceeds from redemption of preference shares	-	-	24.35
Proceeds from sale of property, plant & equipment	0.68	0.32	0.22
Grants/subsidy from government	-	-	(1.46)
Net cash used in investing activities	(50.48)	(63.62)	(205.15)
C. Cash flow from financing activities			
Net proceeds/ (repayment) of long term borrowings	1.76	(2.26)	40.28
Net proceeds/ (repayment) of short term borrowings	(63.24)	(138.22)	(95.40)
Finance costs (net of interest subsidies)	(21.45)	(24.12)	(45.21)
Repayment of lease liabilities	(0.04)	-	(0.04)
Dividend paid (including dividend distribution tax)	(4.91)	(12.84)	(12.84)
Net cash used in financing activities	(87.88)	(177.44)	(113.21)
Net increase/ (decrease) in cash and cash equivalents	1.56	2.83	1.64
Cash and cash equivalents at the beginning of the period	2.76	1.12	1.12
Cash and cash equivalents at the end of the period	4.32	3.95	2.76
	1.56	2.83	1.64

Notes:

- † 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.

Cont..5



Notes:

- 1 The above unaudited standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 5 November 2020 and 6 November 2020 and have been reviewed by the statutory auditors of the Company. 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 nationwide lockdown by the Government of India in the month of March 2020 lead to temporary shutdown of all the manufacturing facilities of the Company. Since then the Government of India has progressively relaxed lockdown conditions and has allowed the Industry to resume its operation in a phased manner.

As a result of lockdown during the quarter ended and half year ended 30 September 2020, the Company's operations and financial results have been adversely affected. Therefore, results for current quarter and half year ended are not comparable to previous corresponding period financial results. The revenue from operations and operating profit for the current quarter and half year ended have significantly decreased. The decrease is primarily attributable to COVID -19 related lockdown period, subsequent restrictions on gradual unlocking of economy and market volatility during the current period. 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 realizability of MAT credit as at 30 September 2020. The Company does not anticipate any challenge in its ability to continue as a going concern or meeting its financial obligations. The Company will continue to closely monitor any material changes in future economic conditions and its impact on the business of the Company.

- 3 Exceptional items amounting to Rs.4.36 crore for the year ended 31 March 2020 includes following in view of outbreak of COVID-19 and resultant lockdown by the Government:
 - a. Write down of finished goods to net realizable value amounting to Rs.3.32 crore due to sharp decline in raw material prices.
 - b. Marked 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 review report of the statutory auditors is being filed with BSE Limited and National Stock Exchange of India Limited. For more details on unaudited 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: 6 November 2020

B S R & Co. LLP

Chartered Accountants

Building No. 10, 12th Floor, Tower-C,
DLF Cyber City, Phase-II,
Gurugram – 122 002, India

Telephone: +91 124 719 1000
Fax: +91 124 235 8613

Limited review report on unaudited quarterly and year-to-date standalone financial results of Sutlej Textiles and Industries Limited under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

To
Board of Directors of Sutlej Textiles and Industries Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Sutlej Textiles and Industries Limited for the quarter ended and year to date results for the period from 01 April 2020 to 30 September 2020 (“the Statement”).
2. This Statement, which is the responsibility of the Company’s management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 2 to the standalone financial results, which describes the 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.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Place: Gurugram
Date: 06 November 2020

Rajiv Goyal
Partner
Membership No. 094549
ICAI UDIN: 20094549AAAAIQ6869

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

Consolidated Statement of Financial Results FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 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 to date for the period ended	Year to date for the previous period ended	Previous accounting year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from operations	465.66	191.81	638.70	657.47	1,298.30	2,416.65
	Other income	7.67	5.49	5.20	13.16	12.49	25.37
	Total income	473.33	197.30	643.90	670.63	1,310.79	2,442.02
2	Expenses						
	Cost of materials consumed	215.82	102.63	329.90	318.45	685.26	1,252.09
	Purchases of stock-in-trade	14.96	7.92	26.68	22.88	56.64	112.65
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	46.23	(2.51)	6.14	43.72	18.14	(1.88)
	Employee benefits expense	73.54	56.65	89.37	130.19	176.48	356.44
	Finance costs	8.47	11.99	11.25	20.46	24.44	45.70
	Depreciation and amortisation expenses	21.57	20.68	24.68	42.25	49.60	101.10
	Other expenses :						
	-Power and fuel	45.07	27.06	63.52	72.13	127.32	243.49
	-Others	52.91	28.20	66.19	81.11	134.83	281.73
	Total expenses	478.57	252.62	617.73	731.19	1,272.71	2,391.32
3	Profit before exceptional items and tax	(5.24)	(55.32)	26.17	(60.56)	38.08	50.70
	Exceptional items (refer note 4)	-	-	-	-	-	4.36
4	Profit before tax	(5.24)	(55.32)	26.17	(60.56)	38.08	46.34
	Tax expenses						
	Current tax	0.01	-	4.06	0.01	6.78	9.53
	Deferred tax	(0.53)	(17.09)	5.47	(17.62)	7.23	9.11
	Total	(0.52)	(17.09)	9.53	(17.61)	14.01	18.64
5	Profit for the period (A)	(4.72)	(38.23)	16.64	(42.95)	24.07	27.70
	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	Remeasurement of defined benefit plans	0.34	0.33	0.11	0.67	0.20	1.34
	Tax adjustment on above	(0.12)	(0.11)	(0.03)	(0.23)	(0.06)	(0.45)
	Items that will be reclassified subsequently to profit and loss						
	Exchange differences on translation of operations into reporting currency	(0.32)	0.08	0.57	(0.24)	0.36	1.50
	Tax adjustment on above	-	-	-	-	-	-
6	Total other comprehensive income for the period (B)	(0.10)	0.30	0.65	0.20	0.50	2.39
7	Total comprehensive income for the period (A + B)	(4.82)	(37.93)	17.29	(42.75)	24.57	30.09
8	Paid-up equity share capital (Face value of Rs.1 per share)	16.38	16.38	16.38	16.38	16.38	16.38
9	Other equity						942.72
10	Earnings per equity share (Rs.)						
	- Basic and diluted	(0.29)	(2.33)	1.02	(2.62)	1.47	1.69

Cont.2



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 share data)							
Sr. NO.	Particulars	3 months	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date for the period ended	Year to date figures for previous period ended	Previous accounting year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment revenue :						
	(a) Yarn	440.61	184.28	595.39	624.89	1,214.28	2,265.55
	(b) Home textile	25.05	7.65	43.31	32.70	84.02	151.30
	Total	465.66	191.93	638.70	657.59	1,298.30	2,416.85
	Less: Inter segment revenue	-	0.12	-	0.12	-	0.20
	Revenue from operations	465.66	191.81	638.70	657.47	1,298.30	2,416.65
2	Segment result :						
	Profit/(Loss) before tax and finance costs from each segment						
	(a) Yarn	11.90	(28.33)	39.96	(16.43)	74.17	128.41
	(b) Home textile	(8.51)	(14.47)	(3.72)	(22.98)	(10.70)	(33.76)
	Total	3.39	(42.80)	36.24	(39.41)	63.47	94.65
	Less : Finance costs	8.47	11.99	11.25	20.46	24.44	45.70
	Exceptional items	-	-	-	-	-	4.36
	Add : Other un-allocable income net of un-allocable expenditure	(0.16)	(0.53)	1.18	(0.69)	(0.95)	1.75
	Profit before tax	(5.24)	(55.32)	26.17	(60.56)	38.08	46.34
3	Segment assets:						
	(a) Yarn	1,727.63	1,776.11	1,739.66	1,727.63	1,739.66	1,872.66
	(b) Home textile	231.92	236.57	236.93	231.92	236.93	242.58
	Add: Un-allocable assets	10.00	9.57	35.17	10.00	35.17	9.53
	Total assets	1,969.55	2,022.25	2,011.76	1,969.55	2,011.76	2,124.77
4	Segment liabilities :						
	(a) Yarn	817.28	826.74	816.56	817.28	816.56	876.29
	(b) Home textile	104.85	109.41	113.19	104.85	113.19	116.24
	Add: Un-allocable liabilities	135.98	164.93	128.44	135.98	128.44	173.14
	Total liabilities	1,058.11	1,101.08	1,058.19	1,058.11	1,058.19	1,165.67



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	As at
	30th Sept., 2020	31 March, 2020
	Unaudited	Audited
A ASSETS		
1 Non-current assets :		
Property, plant and equipment	1,006.42	1,028.57
Capital work-in-progress	214.71	176.42
Right of use assets	4.52	5.11
Good will	7.05	7.17
Other intangible assets	3.01	3.29
Intangible assets under development	0.76	0.41
Financial assets:		
(i) Investments	0.85	0.79
(ii) Loans	6.57	8.59
Non current tax assets (net)	5.89	5.75
Other non-current assets	10.36	18.44
Sub-total - non-current assets	1,260.14	1,254.54
2 Current assets :		
Inventories	367.20	476.88
Financial assets:		
(i) Trade receivables	219.12	262.47
(ii) Cash and cash equivalents	7.37	10.19
(iii) Bank balances other than (ii) above	2.10	1.71
(iv) Loans	0.01	0.01
(v) Other financial assets	55.87	53.79
Other current assets	57.56	64.97
Assets classified as held for sale	0.18	0.21
Sub-total - Current assets	709.41	870.23
TOTAL - ASSETS	1,969.55	2,124.77
B EQUITY AND LIABILITIES		
1 Equity:		
(i) Equity share capital	16.38	16.38
(ii) Other equity	895.06	942.72
Sub-total - Equity	911.44	959.10
2 Non-Current Liabilities:		
Financial liabilities :		
(i) Borrowings	457.57	469.55
(ii) Lease Liabilities	0.46	1.37
(iii) Other financial liabilities	15.09	13.96
Provisions	10.68	10.41
Deferred tax liabilities (net)	20.62	38.24
Other non-current liabilities	8.02	7.74
Sub-total - Non-current liabilities	512.44	541.27
3 Current Liabilities :		
Financial Liabilities:		
(i) Borrowings	222.68	291.43
(ii) Lease Liabilities	0.50	0.14
(iii) Trade payables		
(a) Total outstanding dues of micro and small enterprises	4.37	2.13
(b) Total outstanding dues of creditors other than micro and small enterprises	99.93	121.37
(iv) Other financial liabilities	187.99	176.46
Other current liabilities	16.73	18.79
Provisions	13.47	14.08
Sub-total - Current Liabilities	545.67	624.40
Total Liabilities	1,058.11	1,165.67
TOTAL - EQUITY AND LIABILITIES	1,969.55	2,124.77

Cont., 4



Sutlej Textiles and Industries Limited
Unaudited consolidated statement of cash flows for the half year ended 30 September 2020

Particulars	Rs in Crores		
	For the half year ended 30 September 2020	For the half year ended 30 September 2019	For the year ended 31 March 2020
	Unaudited	Unaudited	Audited
A. Cash flow from operating activities			
Profit before tax	(60.56)	38.08	46.34
Adjustments for :-			
Depreciation and amortization expense	42.25	49.60	101.10
Profit on sale/discard of property, plant and equipment (net)	(0.25)	(0.09)	(0.23)
Finance cost	20.46	24.44	45.70
Dividend from preference shares	-	(2.07)	(4.05)
Interest income	(1.63)	(4.55)	(9.97)
Deferred government grants	(0.57)	(0.49)	(0.98)
Net fair value gain on financial assets measured at FVTPL	(0.05)	0.42	1.28
Provision for doubtful debts	0.33	0.19	3.06
Unrealised (gain)/ loss on foreign currency fluctuations (net)	0.55		
Fair value (gains)/ loss on derivatives	(11.96)	1.27	11.31
Sundry credit balances written back (net)	(0.51)	(0.36)	(0.73)
Operating profit before working capital changes	(11.94)	106.44	192.83
Net change in			
Inventories	109.68	149.01	88.58
Trade receivables	37.14	(20.21)	39.25
Other financial assets	3.23	3.28	6.47
Other assets	7.41	11.26	0.55
Trade payables	(17.64)	(11.92)	3.67
Other financial liabilities	9.91	16.35	1.74
Provisions	0.09	3.28	0.52
Other liabilities	(2.23)	(4.15)	2.82
Cash generated from operations	135.65	253.34	336.43
Income tax paid (net of refund)	(0.38)	(8.47)	(17.55)
Net cash from operating activities	135.27	244.87	318.88
B. Cash flow from investing activities			
Increase in deposits with banks	(0.39)	(0.04)	0.07
Interest received	1.66	4.69	10.09
Dividend received from preference shares	-	2.07	4.05
Purchase of right-of-use of assets	-	-	(2.52)
Purchase of property, plant and equipment	(52.64)	(73.11)	(243.41)
Proceeds from redemption of preference shares	-	-	24.35
Proceeds from sale of property, plant & equipment	0.68	0.32	0.23
Grants/subsidy from government	-		(1.44)
Net cash used in investing activities	(50.69)	(66.07)	(208.58)
C. Cash flow from financing activities			
Net proceeds/ (repayment) of long term borrowings	3.91	(2.24)	40.66
Net proceeds/ (repayment) of short term borrowings	(63.87)	(137.58)	(89.42)
Finance costs (net of interest subsidies)	(21.93)	(24.42)	(46.02)
Repayment of lease liabilities	(0.60)	-	(1.01)
Dividend paid (including dividend distribution tax)	(4.91)	(12.84)	(12.83)
Net cash used in financing activities	(87.40)	(177.08)	(108.62)
Net increase/ (decrease) in cash and cash equivalents	(2.82)	1.72	1.68
Cash and cash equivalents at the beginning of the period	10.19	8.51	8.51
Cash and cash equivalents at the end of the period	7.37	10.23	10.19
	(2.82)	1.72	1.68

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.



Notes:

1. The above unaudited consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 5 November 2020 and 6 November 2020 and have been reviewed by the statutory auditors of the Company. 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 financial results of the Group are in accordance with the requirements of Ind AS 110 'Consolidated Financial Statements'. The consolidated financial results include results of Sutlej Textiles and Industries Limited and Sutlej Holdings Inc. and its step down subsidiary American Silk Mills, LLC.
3. The outbreak of COVID-19 and resultant nationwide lockdown by the Government of India in the month of March 2020 lead to temporary shutdown of all the manufacturing facilities of the Group. Since then the Government of India has progressively relaxed lockdown conditions and has allowed the Industry to resume its operation in a phased manner.

As a result of lockdown during the quarter ended and half year ended 30 September 2020, the Group's operations and financial results have been adversely affected. Therefore, results for current quarter and half year ended are not comparable to previous corresponding period financial results. The revenue from operations and operating profit for the current quarter and half year ended have significantly decreased. The decrease is primarily attributable to COVID -19 related lockdown period, subsequent restrictions on gradual unlocking of economy and market volatility during the current period. 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 realizability of MAT credit as at 30 September 2020. The Group does not anticipate any challenge in its ability to continue as a going concern or meeting its financial obligations. The Group will continue to closely monitor any material change in future economic conditions and its impact on the business of the Group.

4. Exceptional items amounting to Rs.4.36 crore for the year ended 31 March 2020 includes following in view of outbreak of COVID-19 and resultant lockdown by the Government:
 - a. Write down of finished goods to net realizable value amounting to Rs.3.32 crore due to sharp decline in raw material prices.
 - b. Marked 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 review report of the statutory auditors is being filed with BSE Limited and National Stock Exchange of India Limited. For more details on unaudited financial results, visit investor relation section of our website www.sutlejttextiles.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**

Place: Mumbai
Date: 6 November 2020




(Bipeen Valame)
Whole-time Director & CFO

B S R & Co. LLP

Chartered Accountants

Building No. 10, 12th Floor, Tower-C,
DLF Cyber City, Phase-II,
Gurugram – 122 002, India

Telephone: +91 124 719 1000
Fax: +91 124 235 8613

Limited review report on unaudited quarterly and year-to-date consolidated financial results of Sutlej Textiles and Industries Limited under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

To Board of Directors of Sutlej Textiles and Industries Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Sutlej Textiles and Industries Limited (“the Parent”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”) for the quarter ended and year to date results for the period from 1 April 2020 to 30 September 2020 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:
 - a) Sutlej Holdings Inc. (Wholly owned subsidiary)
 - b) American Silk Mills, LLC (Step-down subsidiary)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6(b) below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Registered Office:

6. (a) We draw attention to Note 3 to the consolidated financial results, which describes the uncertainties, the Group is facing as a result of COVID-19 which is impacting business operations.

(b) We did not review the interim financial results of wholly owned subsidiary and its step down subsidiary included in the standalone unaudited interim financial results of the entities included in the Group, whose results reflect total assets (before consolidation adjustments) of Rs. 55.57 crores as at 30 September 2020 and total revenues (before consolidation adjustments) of Rs. 5.55 crores and Rs. 9.70 crores, total net loss after tax (before consolidation adjustments) of Rs. 3.59 crores and Rs. 7.40 crores and total comprehensive loss (before consolidation adjustments) of Rs. 3.59 crores and Rs. 7.40 crores for the quarter ended 30 September 2020 and for the period from 01 April 2020 to 30 September 2020, respectively, and cash outflows (net) (before consolidation adjustments) of Rs 4.39 crores for the period from 01 April 2020 to 30 September 2020, as considered in the respective standalone unaudited interim financial results of the entities included in the Group. These interim financial results have been reviewed by the other auditors whose reports have been furnished to us by the management and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of other auditors and the procedures performed by us as stated in paragraph 3 above.

These subsidiaries are located outside India whose financial results have been prepared in accordance with accounting principles generally accepted in the country in which the Company operates and which have been reviewed by other auditor under generally accepted auditing standards applicable in their country. The Parent Company's management has converted the financial results of such subsidiaries located outside India from accounting principles generally accepted in the country in which the Company operates to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent Company's management.

Our conclusion on the Statement is not modified in respect of the above matters.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Rajiv Goyal

Partner

Membership No. 094549

ICAI UDIN: 20094549AAAAIR2761

Place: Gurugram

Date: 06 November 2020