



**PRESS RELEASE FOR Q2, FY 2016**

**SURYALAKSHMI COTTON MILLS LTD. REPORTS  
STRONG 2<sup>nd</sup> QTR. RESULTS – PBT UP BY 18%,  
NET PROFIT AND EPS UP BY 19%**

Q2 FY16	Q2 FY15	Growth	in INR Crs.	H1 FY16	H1 FY15	Growth
180.36	185.26	-2.6%	<b>Revenue</b>	367.72	367.16	0.2%
25.15	24.78	1.5%	<b>EBIDTA</b>	51.70	49.63	4.2%
9.50	8.03	18.3%	<b>PBT</b>	20.10	16.18	24.2%
6.97	5.85	19.1%	<b>Net Profit</b>	13.90	11.79	17.9%
4.18	3.51	19.1%	<b>EPS (in INR)</b>	8.34	7.07	18.0%

Hyderabad 7<sup>th</sup> Nov. – Suryalakshmi Cotton Mills Ltd., country’s 3<sup>rd</sup> largest Denim fabric producer announced its 2<sup>nd</sup> Qtr. results for the Financial Year 2015-16.

The Company reported revenues of INR 180 crores for the quarter, down by 3% in comparison to the corresponding quarter of previous year. Profit before tax increased by a healthy 18% and stood at INR 9.50 crores, as against INR 8.03 crores from the year-ago period. The company achieved Profit after tax and EPS of INR 6.97 crs. and INR 4.18 respectively for the quarter as compared to INR 5.85 crs. and INR 3.51 recorded in the 2<sup>nd</sup> quarter of FY 2014-15, thereby registering a robust growth of 19%.

Commenting on the results, Mr. Paritosh Agarwal, Managing Director, Suryalakshmi Cotton said, “The achievement of enhanced profitable growth in the current quarter validates company’s strategic focus on delivering innovative and value-added Denim solutions to our customers. Over the last 6 months, we have launched over 100 new Denim fabric variants with a combination of new dyeing and fiber technologies. The new offerings have received a very positive response from our existing as well as new customers and we have obtained additional orders from them.”

“Also, the company’s major capacity expansion of 26,000 spindles at Amravati in Maharashtra has been completed during the quarter and production of value-added fancy yarns has commenced. The yarns manufactured at this unit shall help us enhance our product portfolio, add to our revenues and increase our profitability.”

The Amravati unit will meet most of company’s fancy yarn requirements and 40% of its production will be for captive use at the denim fabric plant in Nagpur. These fancy yarns being a premium product, annual revenue of INR 150 crore plus is expected from this plant alone. Further this in-house unit expands company’s scope to invest in R&D enabling it to be in sync with the latest trends in the world of denim and to

cater to international and domestic fashion demands more effectively. The balance 60% production of these high-end yarns would be sold to global and domestic customers. The plant shall also utilize power from the 25 MW captive power unit, further adding to the Company's bottom line.

Over the last 6 months Suryalakshmi Cotton has actively participated in industry and fashion 'Trade Fairs' in India as well as overseas - Kingpins Show (New York, USA), Denim Fair 2015 (Dhaka, Bangladesh), Iran Tex 2015 (Tehran, Iran). The company showcased its new **Fall / Winter 2016 and Spring / Summer 2017** collections at these events and its offerings have received an excellent response from international customers.

#### **About Suryalakshmi Cotton -**

Founded in 1962, Suryalakshmi Cotton is a vertically integrated business leveraging five decades of successful spinning, denim and garment operations. With cutting-edge design, latest spinning technology and end-to-end manufacturing plants, the company manufactures the finest yarn, premium denim fabric and garments for leading private labels, fashion brands and retail chains in 31 countries across the globe.

For further information, please contact-

#### **Mr. Nikhil Mehta (Investor Relations)**

Contact No. - +91 98928 13552

Email ID - [nikhil@suryalakshmi.com](mailto:nikhil@suryalakshmi.com)

#### **Mr. E V S Sarma (Company Secretary)**

Contact No. - +91 40 3057 1600, +91 98480 76219

Email ID - [cs@suryalakshmi.com](mailto:cs@suryalakshmi.com)