



www.suryalakshmi.com

Suryalakshmi Cotton posts robust Q2 FY17 revenue of Rs. 201 crore and PAT of Rs. 9.4 crore; a 12% and 35% respective increase, EBIDTA at Rs. 30.6 crore in Q2 registering 22% growth

- The company's continued efforts in process improvements resulted in operational gains and improved profitability during the quarter
- EBIDTA margin expands by 121 bps to 15.2% from 13.9% registered in Q2 of last year
- Net Profit margin improves by 80 bps to 4.7% vs. 3.9% achieved in Q2 of FY16
- Both the domestic and export markets performed buoyantly; new design and fashion lines were launched across key segments

Nov 11, 2016 | Secunderabad: Suryalakshmi Cotton Limited, one of India's largest denim producer and leading player in premium denims, today announced its unaudited Q2 results for Financial Year 2016-17.

Financials

Particulars	(in Rs. Crs.)					
	Q2 FY 17	Q2 FY 16	Growth(%)	H1 FY 17	H1 FY16	Growth(%)
Total Revenues	200.8	180.0	12%	391.0	367.2	6%
EBIDTA	30.6	25.2	22%	59.7	50.7	18%
PAT	9.4	7.0	35%	17.2	13.9	24%
EPS (in Rs.)	5.65	4.18	35%	10.30	8.34	24%

Suryalakshmi Cotton recorded total revenues of Rs. 201 crore as compared to Rs. 180 crore in the corresponding period of the previous year, an increase of 12%. EBIDTA increased by 22% to Rs. 30.6 crore from Rs. 25.2 crore in the same period of the previous year. Profit after Tax and EPS are at Rs. 9.4 crore and Rs. 5.65, higher by 35% from Rs. 7.0 crore and Rs. 4.18 respectively, recorded in second quarter of the previous year.

Sustained efforts to drive efficiency in manufacturing resulted in significant savings. In spite of the rising competition and slow increase in global demand, the company performed exceptionally well. Consistent improvement across the financial metrics of sales, margins and profitability validates the company's sustainable growth strategy.

Management Speak

Mr. Paritosh Agarwal, Managing Director said, "Our performance in this quarter has been commendable in spite of various macro challenges. We have achieved the twin

objectives of sustained growth with improved profitability through performance efficiency and reduced raw material costs. Premium price realization from customers is a proof of our brand salience built on superior quality, latest designs and manufacturing excellence.

Going ahead, we look forward to continued good performance owing to improved consumer sentiments, higher spending power and rise in retail level demand. Our focus on delivering products that are in line with global and domestic fashion trends continues to be our key strength.”

Manufacturing Excellence

In Q2, three divisions of the company – yarn, denim and garments performed to optimum capacity. Across our facilities, we performed on an average capacity utilization of **95%** during the quarter. Safety, R&D and training of workers remain the key focus areas to ensure continuous learning and skill development.

The company’s increased improvement in margins and profits as compared to revenues indicates that manufacturing assets are being utilized to optimum levels.

+++

For editorial queries, please contact

E.V.S.V. Sarma, Company Secretary

E: cs@suryalakshmi.com

M: +91 98480 76219

About Suryalakshmi Cotton Limited (www.suryalakshmi.com)

Suryalakshmi Cotton is one of India’s leading integrated premium yarn-to-denim-to - garment manufacturing company with over five decades of market leadership. Since the past two decades, it has become the Original Denim Manufacturer (ODM) to leading global and domestic brands with a dominant market share in the premium denim sector. With cutting-edge design, latest spinning technology and end-to-end manufacturing plants, we create the finest yarn, premium denim and garments for leading private labels, fashion brands and retail chains in **31 countries** across the globe.

+++