



PRESS RELEASE FOR Q3, FY 2016

**SURYALAKSHMI COTTON MILLS LTD. REPORTS STRONG 3<sup>rd</sup>  
QTR.RESULTS  
EBIDTA UP BY 18.5%, NET PROFIT AND EPS UP BY 43.1%**

Q3 FY16	Q3 FY15	Growth	in INR Crs.	9 months FY16	9 months FY15	Growth
183.16	178.01	2.9%	<b>Revenue</b>	550.88	545.17	1.0%
27.36	23.09	18.5%	<b>EBIDTA</b>	79.03	72.71	8.7%
10.07	6.91	45.8%	<b>PBT</b>	30.17	23.09	30.7%
7.02	4.91	43.1%	<b>Net Profit</b>	20.92	16.70	25.3%
4.21	2.95	43.1%	<b>EPS(in INR)</b>	12.55	10.02	25.2%

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

The Company reported INR 183 crs. in revenues for the 3<sup>rd</sup> quarter of FY 16 against INR 178 crs. in 3<sup>rd</sup> quarter of FY 15. EBIDTA climbed to INR 27.4 crs. recording a double-digit increase of 18.5% in the 3<sup>rd</sup> quarter. Net profit and EPS came at INR 7.02 crs. and INR 4.21 respectively achieving a net growth of 43.1% over corresponding quarter of preceding year.

Explaining the results, Mr. Paritosh Agarwal, Managing Director, Suryalakshmi Cotton said, “Suryalakshmi is on track to deliver on its FY 2015-16 goals. We are focusing on our core strengths and building up the portfolio in both Spinning and Denim fabric verticals. Over the last few months we have added more than 150 innovative and value-added Denim solutions for our customers. Now with the fully functional spinning unit at Amravati we are introducing new products in the yarn segment as well.”

“Company’s backward integration strategy into value-added yarns via. the new Amravati unit has added to our strength in Denim fabrics by producing high-quality specialty yarns, trimming the supply bottle-necks and also reducing our dependence on outside suppliers. In the last qtr. our Denim divisions’ purchase of 3<sup>rd</sup> party yarns have been reduced by nearly 70%. The Amravati unit

commenced commercial production during the third quarter and has already achieved more than 90% capacity utilization.”

“During the quarter company’s EBIDTA margins have expanded by 197 basis points and PAT margins by 108 basis points. This growth in margins and profitability is being fuelled by our long-term strategy to build on the value-addition business. Over the last few quarters the company has been making a conscious shift from the basic / core products into high quality / high margin products. We are working on transforming Suryalakshmi into a premier partner of international as well as domestic fashion brands both in the fast fashion and high-end markets. The company has placed itself in a unique position wherein it has been able to drive outcomes for it’s customers and also enhance its margins. Further, the company is receiving tremendous response from new export markets and brands based in USA, UK, France and South America.”

#### 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.

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A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "SURYALAKSHMI COTTON MILLS LTD." around the perimeter and "SEC. OFFICE" in the center. The signature is a cursive script that extends across the stamp and to the right.