



HOME  
APPLIANCES



SECURITY  
SYSTEM



REVERSE  
LOGISTICS



MOBILE  
PHONES

LIGHTING  
SOLUTIONS



# UNFURLING POSSIBILITIES

with Dixon

Dixon Technologies (India) Ltd.  
Annual Report 2019-20

**Dixon**<sup>®</sup>

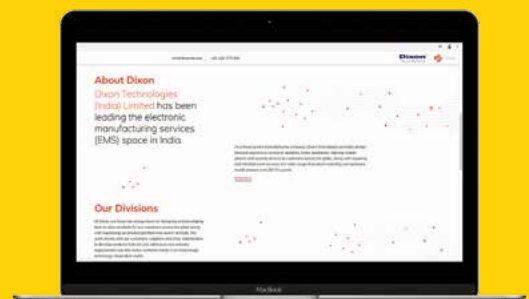
The brand behind brands

# For the ambitious, possibilities are pathways to success.

Leading to new avenues of success, every possibility is an opportunity to grow and expand further. Brimming with an enthusiasm to make a mark, we believe in unfurling possibilities for sustainable growth, aiming for greater glory and cementing our position as market leaders.

Focusing on future growth and innovation we have successfully laid the foundation for sustaining a lasting momentum. We, at Dixon, believe in unearthing opportunities and are upbeat about translating our thoughts into action. Our stellar growth and impressive numbers are nothing short of a crystal clear reflection of our zeal to outperform and stand taller than the rest.

At Dixon, we believe in unfurling possibilities, to improve, innovate and explore trajectories that behold the assurance of a promising future.





# INSIDE THE REPORT

## 02

### CORPORATE OVERVIEW

02	Our Progress in FY 2019-20
04	Introducing Dixon Technologies
06	Business Segment Review
12	Chairman's Message
14	Q&A with Managing Director
16	Message from CFO
17	Empowering our people
18	Performance Over the Years
20	Creating Value Across Operations
22	Multiplying Opportunities
24	Strategically Moving Ahead
26	CSR Initiatives
28	Profile of Board of Directors
30	Management Team
31	Corporate Information

## 32

### STATUTORY REPORTS

32	Directors' Report
87	Management Discussion & Analysis
96	Corporate Governance Report

## 119

### FINANCIAL STATEMENTS

119	Standalone Financial Statements
195	Consolidated Financial Statements

Throughout the  
report look out  
for this.



Reference to other  
pages within the report

# OUR PROGRESS IN FY 2019-20

## Product Diversity

Dixon is renowned for its ability to constantly introduce innovative and improved products across segments. Riding on the back of new-edge technologies, we continued to take our company forward. This year too was no different. We continue to invest in research and development, bringing new products that meet our customer's needs and exceed their expectations.



**Page 6-11**  
to read more

## Empowering People

One of the key pillars of our success is our human resource. Over the years, we have tried to build a talent pool, committed and dedicated to learn, improve and develop new skills and apply them to honour our vision, strategies and core values.



**Page 17**  
to read more



# 102%

YoY growth in  
operating profit

**Consumer  
Electronics**



# 25%

YoY growth in  
operating profit

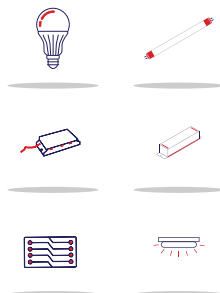
**Home  
Appliance**



# 48%

YoY growth in  
operating profit

**Lighting  
Solutions**



# 157%

YoY growth in  
operating profit

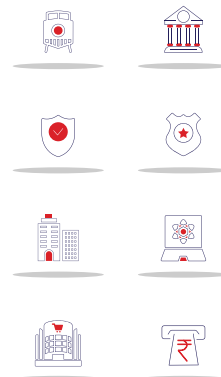
**Mobile  
Phones**



# 497%

YoY growth in  
operating profit

**Security  
surveillance  
system**



## Exploring Horizons

In our endeavour to emerge as a 'one-stop-solution' across our verticals, we have constantly improved our capacities and capabilities through operational efficiency.

# 254%

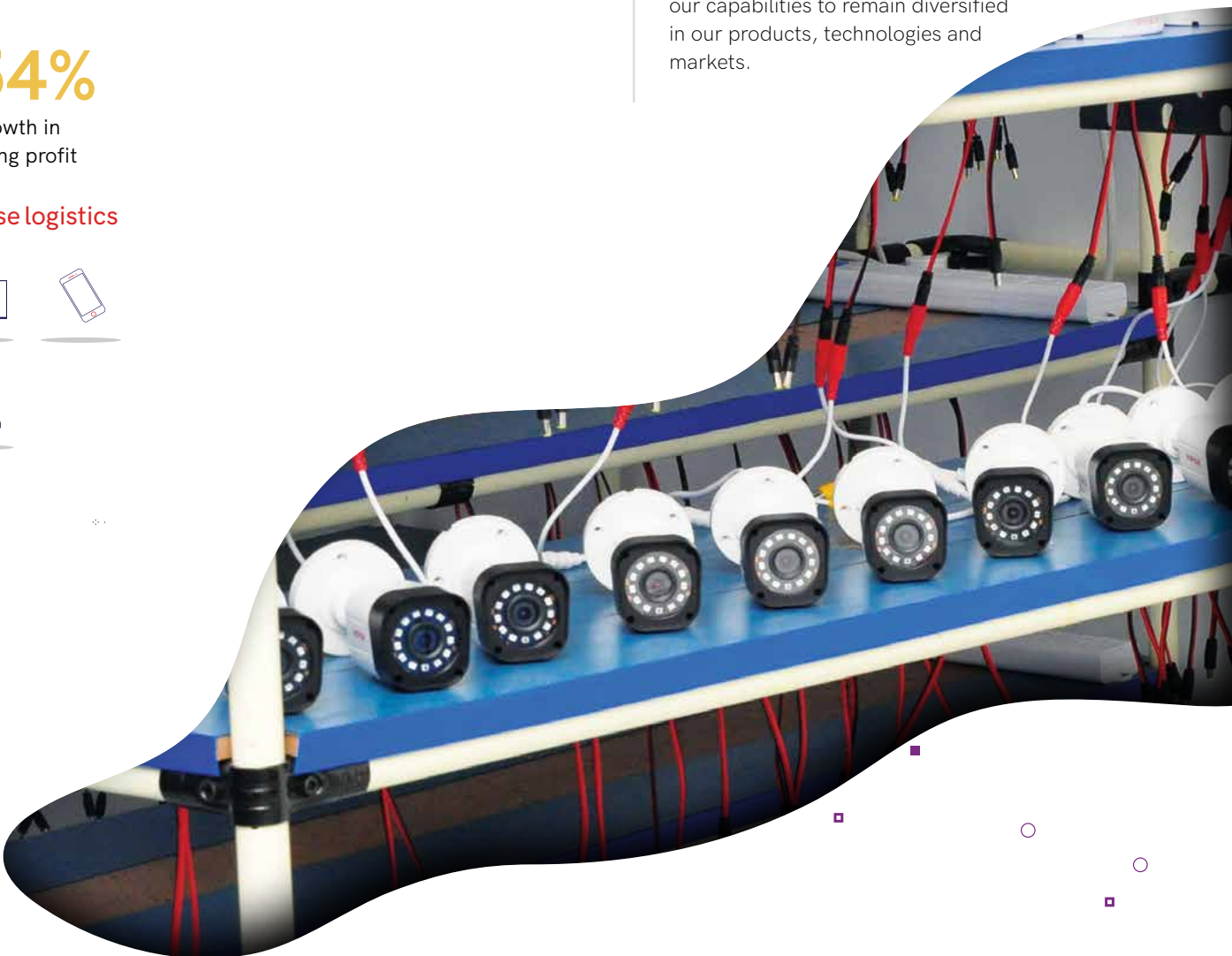
YoY growth in operating profit

Reverse logistics



## Building on Capabilities

At Dixon, we have been exploring export opportunities in various countries and have allied with leading international brands to create a market for our products. Our growing presence in the global market boost our capabilities to remain diversified in our products, technologies and markets.



# INTRODUCING DIXON TECHNOLOGIES

For over two decades, Dixon Technologies (India) Limited (Dixon) has stood firm against changing economic trends to emerge as India's leading electronic manufacturing service provider.

Dixon has positioned itself to deliver on the ever-changing needs of customers globally, across all the verticals including consumer electronics, home appliance, lighting solutions, mobile phones, security devices and reverse logistics. We focus on providing innovative, design oriented and technology-backed solutions to leading domestic and international brands resting on our exceptional manufacturing capacities and robust R&D centres.



## Motivated by our Vision

“To be the most preferred & trusted manufacturing & solution partner to brands operating across verticals”

## Guided by our Mission

Our Mission is our guiding force and here's what keeps us moving ahead.

**Customer First** – Strengthen customer partnerships by providing products and services of the greatest value through innovation and excellence.

**Respect for the Individual** – Emphasis on dignity, equality and individual growth.

**Quality** – Execute with excellence; exceed customer expectations.



## Powered by Values

We, at Dixon, strictly adhere to our values, and emphasize on:

### Quality, Customer's trust

- Offering innovative products and services that meet customer expectation.

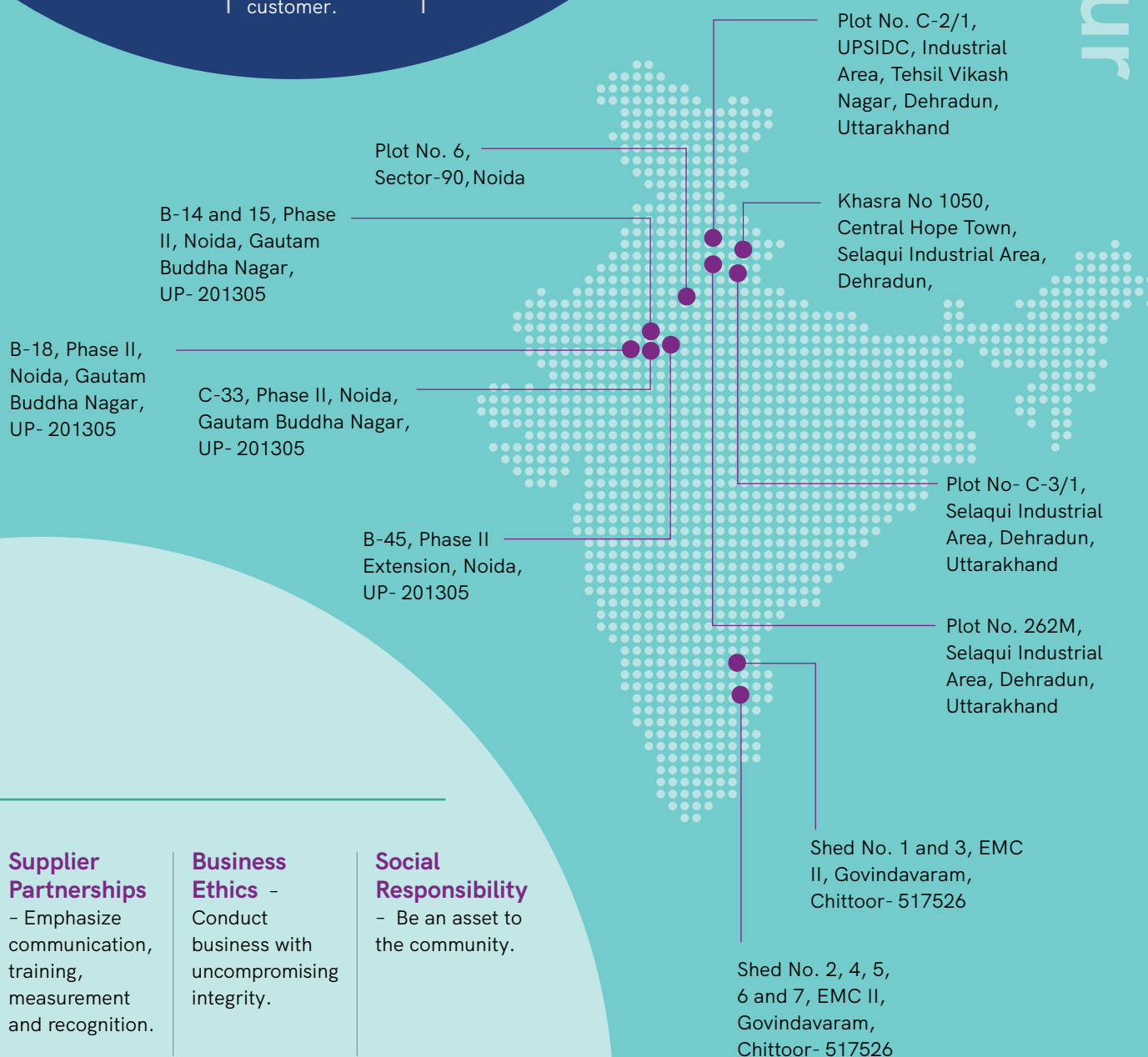
### Trust (nurturing relationships)

- Laying the foundation for a trust-based and long-term relationship with each and every customer.

### Passion (to innovate and excel)

- The constant desire to come up with something bigger and better every time.

## Building our Presence



### Supplier Partnerships

- Emphasize communication, training, measurement and recognition.

### Business Ethics

- Conduct business with uncompromising integrity.

### Social Responsibility

- Be an asset to the community.

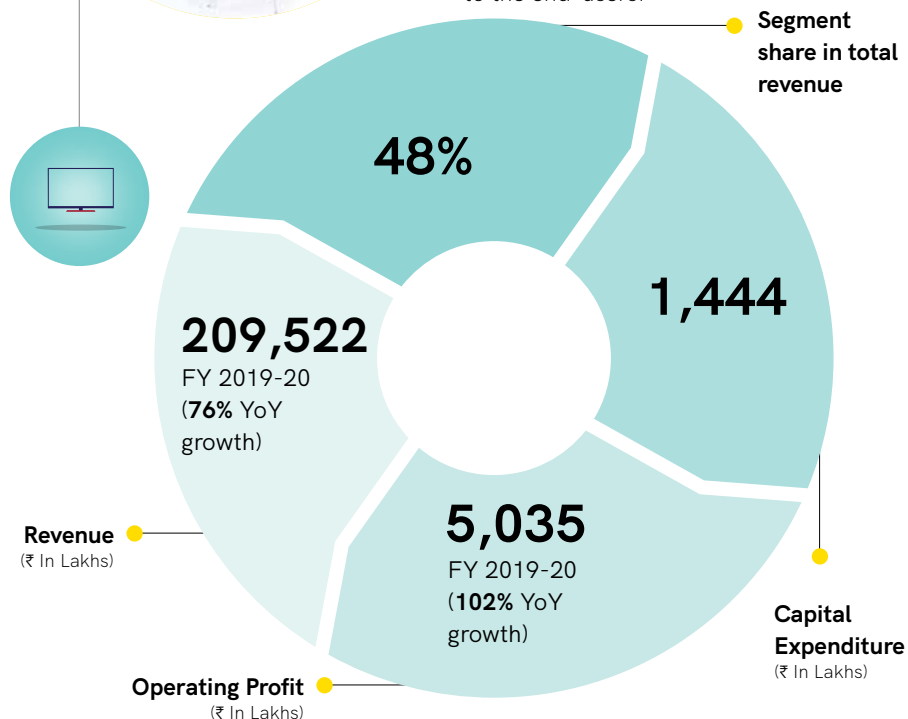
# BUSINESS SEGMENT REVIEW

At Dixon, we remained buoyant about protecting our diverse business segments by adding new products across vertical. Strategic management, execution and capital allocation across each vertical has also helped us reap industry leading profitability and margins.



## Consumer Electronics

We offer a wide range of products under Original Equipment Manufacturing ('OEM') and Original Design Manufacturing ('ODM') models, delivering smart TVs, ultrahigh definition, commercial display and signage display. The innovative products help our customers provide more value to the end-users.



Manufacturing capacity



## 3.6 million

TV Units per annum  
as on March 31, 2020

## Largest

Manufacturer of TV sets in India  
at a single Location

## “

“We are constantly developing new products to meet end-user requirements. Being the largest manufacturer of TV sets in India, we expect to increase the production further by 40% in the coming fiscal, capturing almost 30% of the TV sets manufacturing market. Further, as brands look to reduce their refurbishment cost, more and more companies will outsource such operations to established players like us for addressing end-user queries.”

**Abhijit Kotnis**

President- COO - Consumer Electronics & Reverse logistics



### Highlights for Consumer Electronics FY 2019-20

We improved the order book for our prominent smart TV anchor customer

Scaled up order book for existing customers

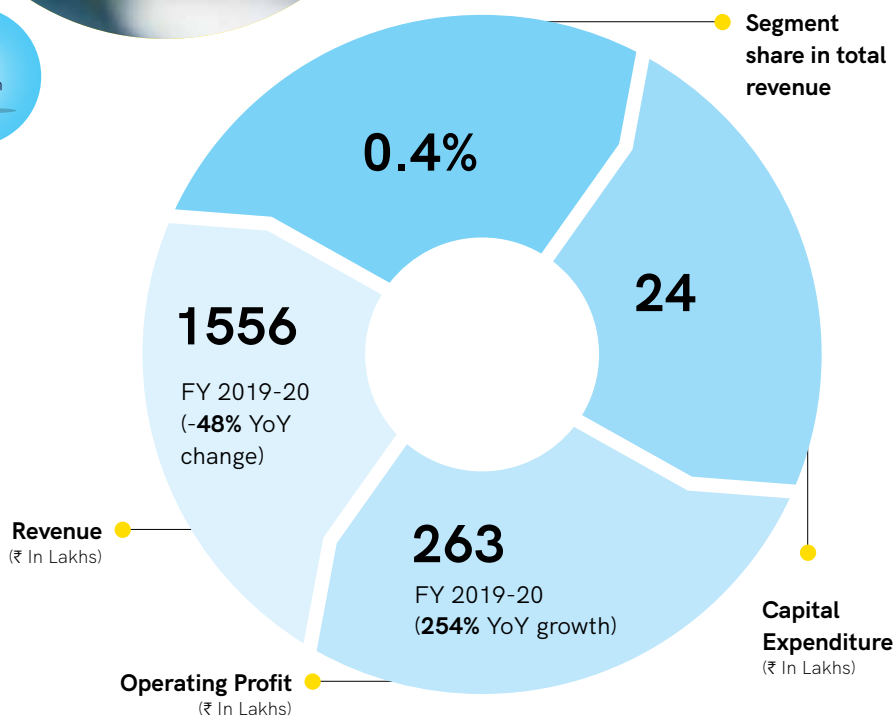
Added new products like LED and Smart TVs.

Discussion with major brands to make our foray in the export market in the short-term



### Reverse Logistics

We widened our repair and refurbishment services for products, including Set top boxes, Mobile phones, LCD and LED TVs, LED Panels, currency-counting machines and PoS terminals (Card machines)



### Highlights for Reverse Logistics FY 2019-20

Alliance with renowned a TV brand to address repair and refurbishment queries

Widened offerings to include PoS terminals and other key consumer-centric electronic goods



# 220

Technicians and workers

# BUSINESS SEGMENT REVIEW



## Manufacturing capacity

# 240

Bulbs per annum as on March 31, 2020 (in million)

# 24

Batens per annum as on March 31, 2020 (in million)

# 6

Downlighters per annum as on March 31, 2020 (in million)

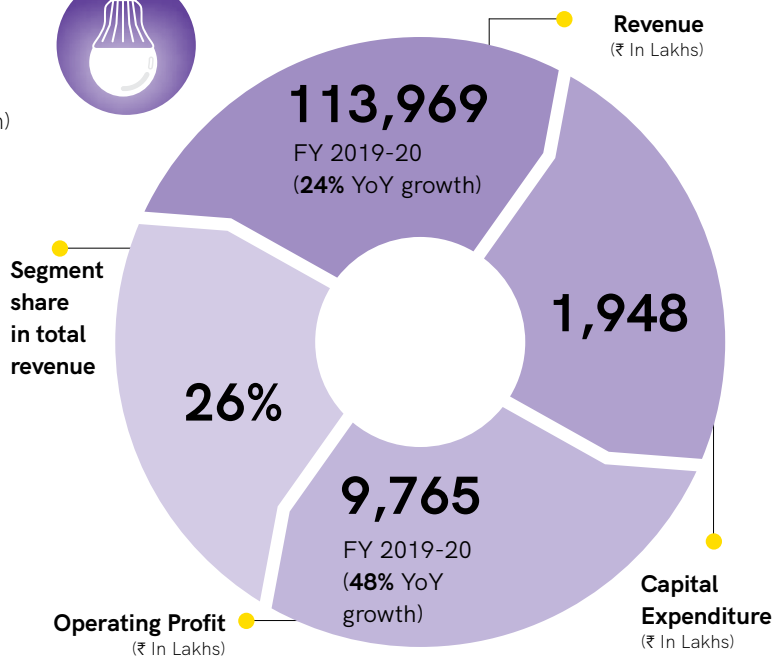
# 98%

Of production under ODM model for all major brands



## Lighting Solutions

We are one of the top global manufacturers of indoor lighting and LED bulbs. We have expanded our product offerings to include main electronic board designing, mechanical and light source and package designing.



## Highlights for Lighting Solutions FY 2019-20

Successfully completed the backward integration of all major products in the vertical

Enhanced the skill set of our team to introduce innovative technology-led products like Internet of Things (IoT)

Started exports to countries like Malaysia, Indonesia and Mexico with strategic tie-ups

Invested in process automation for key products to help reduce operational cost significantly



# “

“Our ability to expand our capacities and product offerings under ODM model has helped build the order book significantly, with the addition of new customers. For example, we manufacture almost 45% of the bulbs in the Indian market and are among the leading companies at a global level, delivering large quantities of superior quality products.”

**Vineet Kumar Mishra**  
President- COO - Lighting Solution