



Suprajit

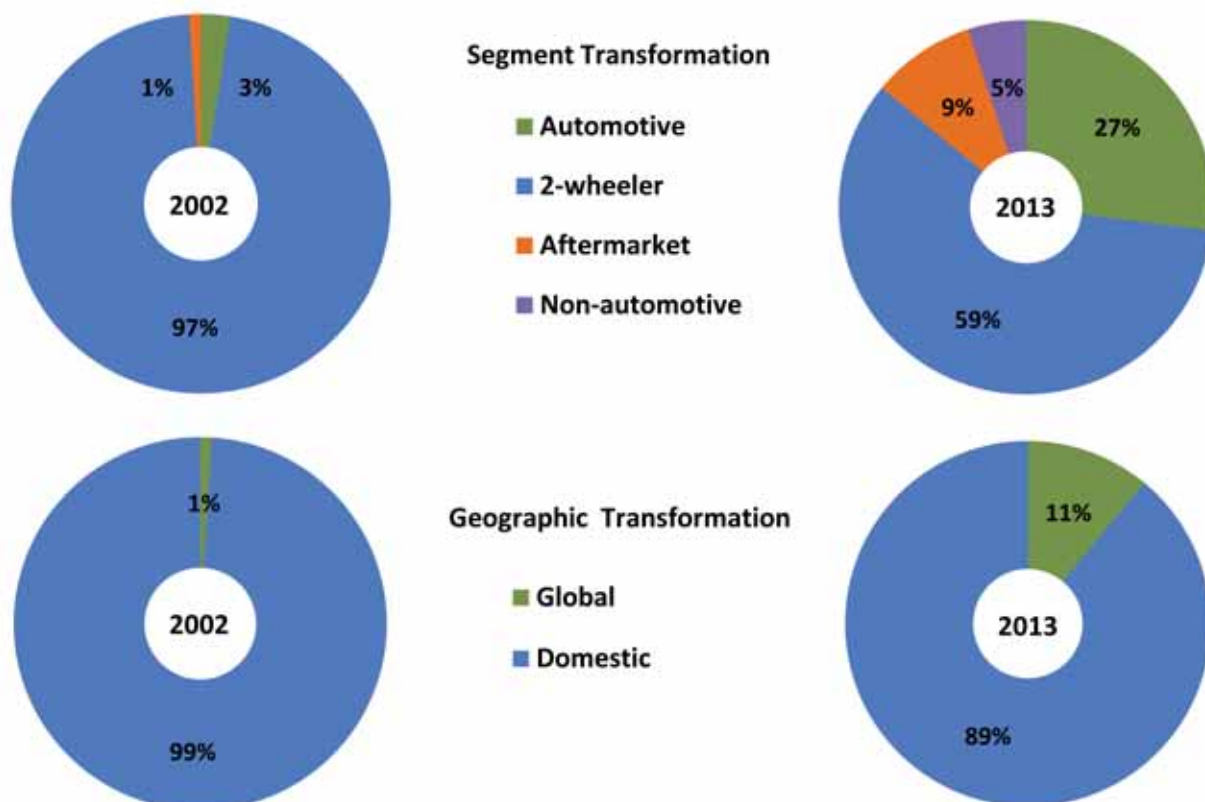


Twenty Eighth Annual Report 2012-2013



SOLID TRANSFORMATION CONSISTENT PERFORMANCE

GROUP BUSINESS TRANSFORMATION



STANDALONE HIGHLIGHTS

₹ in Million

Description	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Gross Income	826.17	1098.92	1378.12	1531.74	1594.11	1854.30	2268.94	3304.46	4149.83	4,740.90
Profit after tax (PAT)	84.85	97.88	128.00	124.80	48.83	116.27	218.10	304.95	392.21	474.51
Equity and Reserves	230.74	301.33	395.15	485.20	490.04	576.40	734.92	978.30	1279.85	1,649.37
Asset Turnover Ratio	2.61	3.01	3.43	3.40	2.35	2.37	2.66	3.05	3.22	3.09
Debt Equity Ratio	0.56	0.47	0.31	0.74	0.70	0.50	0.30	0.36	0.29	0.26
Current Ratio	1.38	1.46	1.51	1.78	1.41	1.28	1.22	1.43	1.30	1.48
EBIDTA %	17.70	16.59	16.53	15.90	11.49	15.19	18.63	16.28	16.55	17.07
Return on net worth - %	51.87	49.14	47.51	37.62	20.71	31.37	43.62	43.59	42.94	39.45
ROCE %	33.01	31.88	36.26	21.57	12.14	20.83	33.40	32.15	33.13	31.44
Book Value of shares (Rs.)*	1.91	2.51	3.29	4.04	4.08	4.80	6.12	8.15	10.26	13.74
EPS (Rs.)*	0.71	0.82	1.07	1.04	0.41	0.97	1.82	2.54	3.27	3.95
Pay out Ratio (%) to PAT	21.94	27.85	26.72	27.84	43.65	25.71	27.31	20.19	23.11	22.12

GROUP HIGHLIGHTS

₹ in Million

	2009-10	2010-11	2011-12	2012-13
Turnover	2,658	3,792	4,612	5,159
EBIDTA	461	614	716	851
Profit before tax	329	468	548	668

MARCHING AHEAD WITH CONFIDENCE



My Dear Shareholder,

I have pleasure in sharing with you yet another year of satisfying performance by your Company, despite a challenging environment. The enclosed Directors' Report and the Annual Accounts will give you full details and highlights of the Company's performance.

Suprajit 2.0, which was announced last year, started with your Company emerging as the largest 2-wheeler cable maker in the world, which I am sure all of you will concur, is a commendable and satisfying achievement. The year just ended saw your Company crossing another milestone of Rs. 500 crores of annual group sales with one of the best profit margins in the auto component sector.

As we further unfold Suprajit 2.0, I see a foundation being laid for three distinct divisions within the Company. The first is a focused domestic cable business; the second, a focused export business and the third, an emerging new products / JV / inorganic space. The last two divisions will evolve in the coming years. Suffice to say, the new products group has bagged letters of intent from customers for some of our new products. We continue to assess opportunities for JVs and inorganic growth. Export opportunities continue to be strong. I expect both automotive and non-automotive exports to gather strength in the coming years. Aftermarket plans will also see outsourced products introduced through our distribution channel to leverage "Brand Suprajit", apart from aggressive cable distribution on a Pan India basis.

Perhaps all of you are aware that the automotive industry scenario is bleak. The automotive growth in India has slowed down significantly in the second half of last year and in the end, the sector grew at 2%. The current year has started on an even bleaker note, with negative growth in the industry, so far. Added to this, India's economy grew by just 5% last year and is expected to grow at a similar pace this year. While inflation, interest rates and commodity prices seem to have peaked and have started coming down, continued weaknesses in the global economy and the weakening Indian Rupee are enormous challenges for the Indian Economy.

I expect this year to be more challenging than the year that has gone by. However, I have full confidence in Team Suprajit to continue to focus on customers, process optimization, productivity improvement, low cost automation and our evergreen motto of "Value for Money Supplier" to deliver another satisfactory year.

Over the years, your Company has relentlessly worked to de-risk its business model by closely monitoring the dynamic business environment. Your Company will focus on new applications for cables/customers, commercial breakthroughs in new product developments, introduce new outsourced products in the aftermarket, consolidate and grow with marquee global customers to tide over the current challenging market environment.

Your Company had aggressive and brisk paced capex programs all these years. It is now changed to a measured marathon race! The two plants, one in Pathredi, Rajasthan and one in Bangalore, were originally planned for full scale production in March 2013, will now be in full bloom by September 2013, at which time your Company's capacity will reach 150 million cables per year. Two planned plants for 2013-14 have now been pushed forward to 2014-15. This was decided after critical and careful assessment of our capacities and customer requirements. Capex for this year will be minimum and on a need only basis.

The major challenge for Team Suprajit is to pursue profitable growth, aggressively. Our strategies to have a diversified customer mix, new focus areas for our products, continued focus on cost effective manufacturing, focus on both automotive and non-automotive exports, desire to continue to grow aftermarket through multi products and plans for product diversification, all instill ample confidence in me that Team Suprajit will continue to perform well to deliver a strong performance during the year and add value to all our stakeholders.

As we continue to march ahead with confidence, I seek in abundance, the blessings of the Lord Almighty and your continued support and good wishes.

With warm personal regards,

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Ajith Rai", is placed above the printed name of the Chairman.

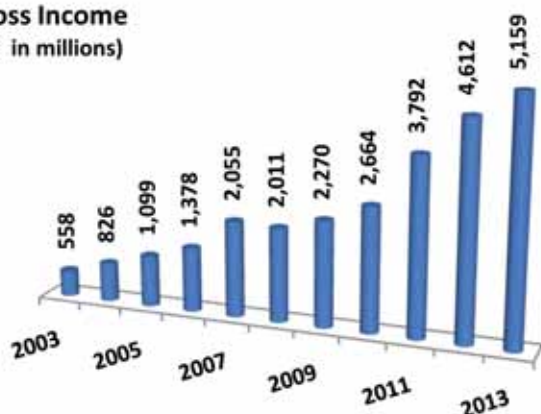
K. Ajith Kumar Rai
Chairman & Managing Director



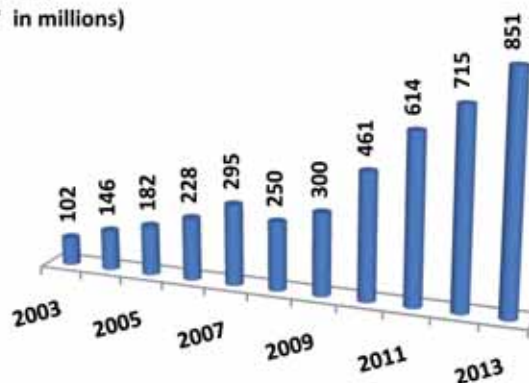


Key Financial Indicators

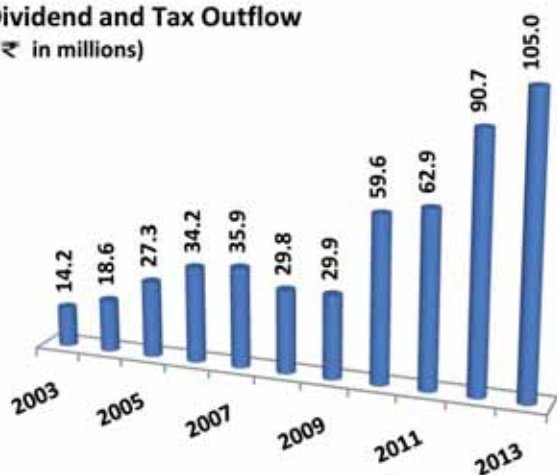
Gross Income
(₹ in millions)



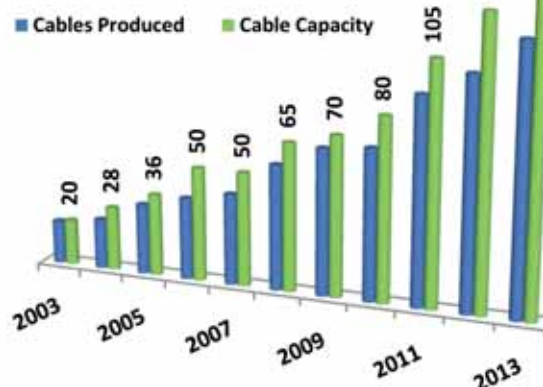
EBIDTA
(₹ in millions)



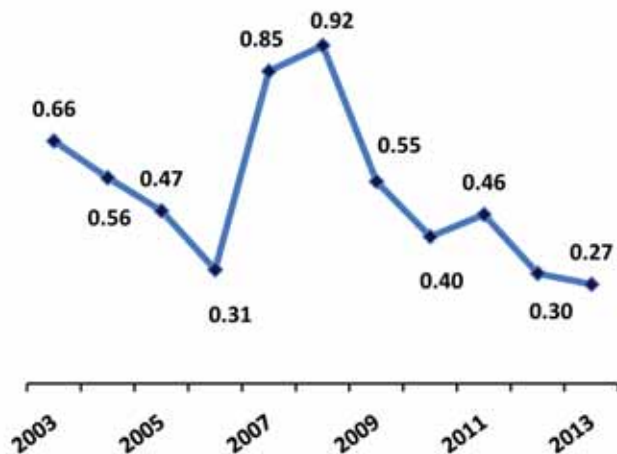
Dividend and Tax Outflow
(₹ in millions)



Cable Production
(in millions)



Long Term Debt Equity Ratio



Gross Fixed Assets
(₹ in millions)



Bharatiya Vidya Bhavan School supported by Suprajit Foundation



MOU with BVB



Dialysis Support



Blood Donation Camps
at multiple
Suprajit plants



Classroom project at
Government Elementary school
in Kusuvaiahally, Doddaballapur.



Inauguration of ITI and signing of MOU



Donation of desks to Government school in Hebbagodi, Bangalore



Girls' toilet project at elementary school



Scholarship program



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BOARD OF DIRECTORS

K Ajith Kumar Rai
Chairman & Managing Director

Dr. C Mohan
Executive Director

Diwakar S Shetty
Director

Ian Williamson
Director

B S Patil, IAS (Retd.)
Director

Surendra Kumar N Shah
Director

M Jayarama Shetty
Director

Suresh Shetty
Director

COMPANY SECRETARY
Medappa Gowda J

STATUTORY AUDITORS
Varma & Varma
Chartered Accountants

INTERNAL AUDITORS
K S Aiyar & Company
Chartered Accountants

STOCK EXCHANGES
The Stock Exchange Mumbai (BSE)
The National Stock Exchange (NSE)

REGISTRAR AND SHARE TRANSFER AGENT
Integrated Enterprises (India) Limited,
No. 30, Ramana Residency,
4th Cross, Sampige Road,
Malleswaram, Bangalore -560 003.
Phone: 080-23460815-18,
Fax: 080-23460819,
E-mail : alfint@vsnl.com

BANKERS
State Bank of India
Syndicate Bank
Citi Bank N.A.
HSBC
ICICI Bank Limited

REGISTERED OFFICE

Plot No. 100, Bommasandra Indl. Area,
Bangalore – 560 099.
Phone : 080-43421100, Fax : 080-27833279
E-mail : info@suprajit.com, investors@suprajit.com

MANUFACTURING FACILITIES AT:

Unit - 1
Bommasandra Industrial Area, Bangalore.

Unit - 2
Bommasandra Industrial Area, Bangalore.

Unit - 2A
Bommasandra Industrial Area, Bangalore.

Unit - 3
Doddaballapur Indl. Area, Bangalore.

Unit - 4
IMT Manesar, Gurgaon District, Haryana.

Unit - 5
MIIDC, Chakan Industrial Area, Pune.

Unit - 6
VAPI, Gujarat.

Unit - 7
Pantnagar, Uttaranchal.

Unit - 9 (100% EOU)
Bommasandra Industrial Area, Bangalore.

Unit - 10
Haridwar, Uttaranchal.

Unit - 11
Ahmadabad, Gujarat, (Acquired Land).

Unit - 12
Bommasandra Industrial Area, Bangalore.

Unit -14 (4 Wheeler Cable Division)
MIIDC, Chakan Industrial Area, Pune.

Unit - 15
Bhiwadi, Rajasthan.

MANUFACTURING FACILITIES OF SUBSIDIARIES AT:

Suprajit Automotive Private Limited (100% EOU)
Doddaballapur Indl. Area, Bangalore.

Suprajit Europe Limited
Tamworth, United Kingdom.

NOTICE

Notice is hereby given that the Twenty Eighth Annual General Meeting of **Suprajit Engineering Limited** will be held at Plot No. 101, Bommasandra Industrial Area, Bangalore - 560 099 on Wednesday, the 31st July, 2013 at 12.00 noon to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Statement for the year ended as on that date together with the Reports of Directors and Auditors thereon.
2. To confirm the payment of Interim Dividend and to declare Final Dividend.
3. To appoint a Director in place of Mr. Ian Williamson, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Suresh Shetty, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors of the Company and authorize the Board to fix their remuneration.
4. Final Dividend of ₹ 0.40 (40%) per Equity Share as recommended by the Board, if approved at the Meeting, will be paid to those members whose names will appear on the Register of Members of the Company/ beneficial owners as per the records of depositories as on 31st July, 2013.
5. All correspondences relating to Change of Address, Transfer and Demat of Shares may be addressed to Integrated Enterprises (India) Limited, No. 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore - 560 003; Phone : 080 - 23460815 to 818, Fax: 080 - 23460819, E-mail: alfint@vsnl.com.
6. Members are requested to quote the Folio Numbers or Demat Account Numbers and Depository Participant ID (DPID) in all correspondence to the Registrar and Share Transfer Agents of the Company.
7. Pursuant to SEBI Notification No. MED/ DOP/ Circular/05/2009 dated May 20, 2009, it has become mandatory for the transferee(s) to furnish copy of PAN Card to the Company / RTA to enable/effect transfer of Shares in physical form.
8. The Equity Shares of the Company are available for trading in dematerialized form (electronic form) through depository participants. The Company has entered in to agreements with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). ISIN Code No. INE399CO1030. All Shareholders holding Shares in physical form are requested to make use of this facility. Members are requested to open De-mat account with any of the depository participants to enable transacting in the Stock Exchanges.
9. Members are requested to bring copy of the Annual Report along with them to the Annual General Meeting.
10. Un-claimed dividends up to the year 2005-2006 have been transferred to the General Revenue Account of the Central Government. Consequent upon the amendment to Section 205A read with Section 205C of the Companies Act, 1956, the Dividend declared for the year ended 31st March, 2006 and for any financial year ending thereafter which remain unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund established by the Central Government. Members are requested to note that no claims shall lie against the Company or the said Fund in respect of any amounts which are unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.
11. As regards re-appointment of Mr. Ian Williamson referred to in item No. 3 of the notice, the following

By Order of the Board
For **Suprajit Engineering Limited**

Medappa Gowda J
Company Secretary

Place : Bangalore
Date : 25th May, 2013

NOTES

1. **A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself / herself and such proxy need not be a member of the Company. Proxies in order to be effective, must be received at the Registered Office of the Company at least 48 hours before the meeting.**
2. The Register of Members and the Share Transfer books of the Company will remain closed from 25th July, 2013 to 31st July, 2013 (both days inclusive).
3. An Interim Dividend of ₹ 0.35 (35%) as recommended at the Board Meeting held on 30th January, 2013 was paid to those members, whose names appeared on the Company's Register of Members/ beneficial owners as per the records of the depositories as on 15th February, 2013. (Record Date).

necessary disclosures are made for the information of the Shareholders:

Mr. Ian Williamson, aged about 62 years, is the Retired Chief Executive of Carclo Plc, Public Company, listed on the London Stock Exchange, since 1995. Carclo has global operations located in UK, USA, China, India and Eastern Europe and manufactures technical plastic components for medical, automotive and electronics markets worldwide. Mr. Ian Williamson has a first class degree in Electrical Science from Cambridge University and has broad experience of managing engineering businesses in UK, Europe, USA, China and India. He brings to Suprajit his vast experience in Global acquisitions, mergers and best business practices.

His other Directorships:

Name of the Company	Nature of Interest
Nil	Nil

12. As regards re-appointment of Mr. Suresh Shetty, referred to in item No. 4 of the notice, the following necessary disclosures are made for the information of the Shareholders :

Suresh Shetty aged 65 years is a Commerce Graduate and qualified Chartered Accountant, and underwent management education programme (M.E.P.) in IIM

AHMEDABAD. He had vast industrial experience in leading automobile companies, he was the first Chief Financial Officer of Hero Honda Motors Ltd. Suresh Shetty was a member of Delhi Stock Exchange Ltd and also a member of National Stock Exchange Ltd till 2004. At present he is a financial and management consultant, rendering services, in investment banking, mergers and amalgamations, and other corporate advisory services. He is also associated with Educational Institutions. He brings to Suprajit vast financial experience and corporate management.

His other Directorships:

Name of the Company	Nature of Interest
1. Emerging Securities Private Ltd	Director
2. Emerging Financial Services Ltd	Director

13. **For the convenience of the Members, the Company will provide a coach service from Bangalore on the day of the Annual General Meeting; Members are requested to report at 10.30 A.M. near Bangalore Stock Exchange, No. 51, 1st Cross, J.C. Road, Bangalore - 560 002.**

Contact persons:

1. Mr. K S Ranganath - Cellphone No. 9945108318
2. Mr. S L Satish - Cellphone No. 9342135877