



38th

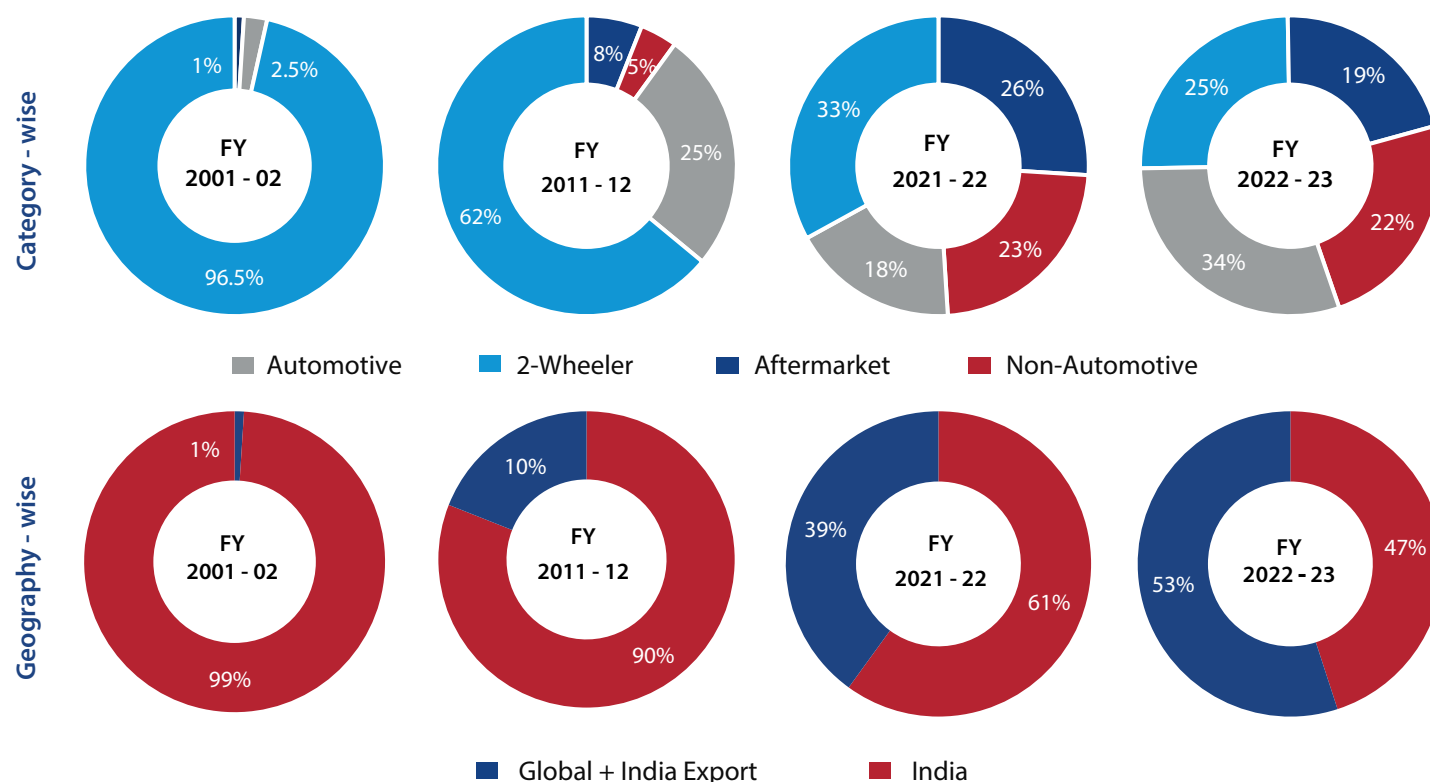
ANNUAL REPORT

2022-23



ENABLING A WORLD IN MOTION

Segmental and Geographic Synergies



Group Financial Highlights and Key Indicators

₹ in Million

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Gross Income	2270	2663	3792	4612	5107	6006	6718	10504	12954	14546	15899	15628	16409	18405	27524
Profit after tax (PAT)	90	222	333	398	471	508	503	803	1137	1385	1338	1040	1427	1731	1521
Equity and Reserves	546	702	969	1292	1667	2047	2408	4476	5242	6549	7751	8538	9897	10840	12245
ROE%	15.49	33.89	39.84	35.22	31.85	27.36	22.58	20.90	25.49	23.49	18.71	12.77	15.48	16.69	13.18
Asset Turnover Ratio (Net assets)	3.25	3.81	4.37	4.58	4.29	3.94	4.00	4.69	4.04	3.56	3.86	3.36	3.79	4.27	4.51
Debt Equity Ratio (Term debt)	0.46	0.39	0.44	0.30	0.27	0.27	0.38	0.26	0.47	0.26	0.21	0.16	0.09	0.03	0.27
Current Ratio	1.24	1.30	1.59	1.50	1.57	1.60	1.85	1.81	1.61	1.53	1.65	1.47	1.76	2.02	1.92
Operational EBITDA %	13.22	17.28	16.18	15.51	15.69	16.01	14.90	16.20	16.55	16.53	14.64	13.99	14.43	14.12	11.58
ROCE %	27.34	41.73	46.81	44.69	37.81	37.12	31.47	29.55	29.08	26.94	23.46	17.92	18.51	18.98	#16.79
Book Value of shares (Rs.)	4.54	5.85	8.07	10.76	13.89	17.05	20.06	25.96	36.81	46.82	55.41	61.04	70.76	78.33	88.48
EPS (Rs.)	0.74	1.84	2.77	3.31	3.92	4.23	4.19	6.11	8.13	9.90	9.57	7.43	10.20	12.49	10.99
Pay out Ratio (%) to PAT **	25.72	27.32	20.19	23.12	22.13	27.99	30.27	31.36	20.35	23.19	22.23	23.43	17.75	24.62	17.04

**Pay out ratio on standalone basis*
subject to shareholder's approval.

Reducing total other income from EBIT and considering only long-term loan.

K. Ajith Kumar Rai
Founder and Chairman



“ **MARCHING
AHEAD WITH
CONFIDENCE...** ”

My dear shareholder,

I have pleasure in sharing with you the performance of Suprajit for the year 2022-23. The enclosed reports and financial statements provide you with detailed and relevant information.

Last year, the global recessionary trends superseded Covid concerns. Most countries tightened monetary measures with significant interest rate hikes due to inflationary concerns. The commodity prices showed signs of abating, so did IC shortages and transportation costs/delays. Team Suprajit managed the challenging times well through focussed activities at various fronts to clock a commendable performance. While the Indian automotive industry grew at 11% in the year 2022-23, your company, on a consolidated basis grew at 49.55%

Some of the highlights of the last year are as under:

- Suprajit Electronic Division (SED) was inaugurated by Mr. Sudarshan Venu, Managing Director, TVS Motor Company Limited on November 2, 2022.
- Domestic Cable Division (DCD) crossed the milestone of ₹ 1000 crore sales.
- Light Duty Cable (LDC) entities continued their integration with Suprajit with excellent teamwork.
- Suprajit Technology Centre (STC) continued with commendable customer focussed product developments.
- A comprehensive aftermarket facility at Bommasandra was operationalised.
- Narsapura facility was enhanced to meet increased customer requirements.
- European business of PLD started its consolidation with a planned dissolution of Trifa.
- A strategic plan was put into action for the next 5 years.

Current year :

In-line with the strategic plan, your Company's business is now grouped into 4 verticals. This is done to get appropriate focus, attention, capital allocation and entrepreneurship for each of the divisions.

Suprajit Controls Division (SCD) will focus on global, outside of India, automotive and non automotive businesses, leveraging the strengths of LDC, SENA and SAL/SEU operations. This integration, while challenging, will bring much needed synergies amongst Group's Global Operations. I am confident that in about a year or two, we will see the fruits of this integration.

Domestic Cable Divisions (DCD) will focus on enhancing the market leadership in cables in India in both OE and aftermarket segments. Further, DCD will now leverage its proximity to customers by adding certain new products developed by STC in its strategically located plants, to make DCD more than just a cable maker.

Phoenix Lamps Division (PLD) will continue its "last man standing" philosophy of providing best halogen manufacturing footprint, not just to Indian markets but to many global brands. Once the European operations are streamlined under Luxlite by end of the year, PLD will emerge as a best one stop solution for halogen bulbs. In addition, PLD is aggressively pursuing drop in LED solutions in the aftermarket both in India and globally. It also use its export only facilities at Noida SEZ, for certain new products developed by STC. PLD will also use its inhouse expertise in automation to group's requirements.

Suprajit Electronics Division (SED) is the brand-new dimension of Suprajit. With fast evolving automotive technologies, it is strategically important for Suprajit to be part of this exciting fast changing segment. Some of the products developed by STC - digital clusters, electronic throttles, actuators, Rotary sensors etc., will be commercialised at this facility. The response so far has been exciting with multiple new business wins, significantly from the EV segments.

Next few years, I believe, are exciting for all of us at Suprajit, as we continue to be the preferred global cable system supplier, with significant new business wins. PLD is emerging as the best halogen bulb supplier to the world. What is more exciting will be the product range offered by STC to customers and SED scaling its current nascent operations to challenge the best in business. It reminds me of the saying "The best is yet to come....."

While these are exciting times in the coming years, the immediate short term continues to be challenging. The slowdown in discretionary spending has significantly affected the non-automotive markets that we operate on. While the new wins in automotive business has to some extent offset the overall sluggish trend, there will be a negative impact on our business for the current year, by the drop in nonautomotive business.

Going forward, as we emerge "beyond cables", the landscape is exciting but road to success will also be challenging. However, with the regrouping of our teams into 4 divisions, solid focus on new projects/products, and, continued Mantra of Customer satisfaction, I am confident that Suprajit will emerge as a dependable supplier of value for money products for a range of auto/non-auto products in the years ahead for our customers and bring significant value to all our shareholders.

To this end, I seek your continued support and good wishes.

With warm personal regards,

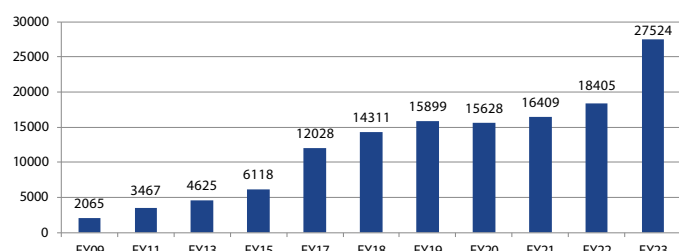
Yours sincerely,



K. Ajith Kumar Rai,
Chairman.

ROBUST FINANCIALS (GROUP)

Robust growth in net sales



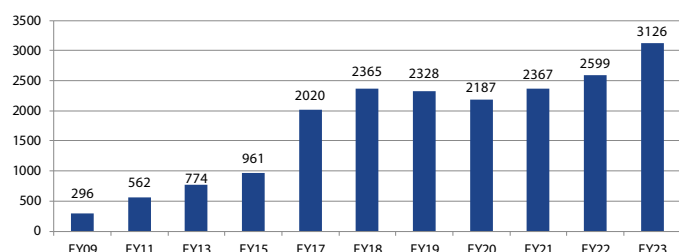
Robust growth in net sales (INR Mn)

Long Term Liabilities / Equity Ratio



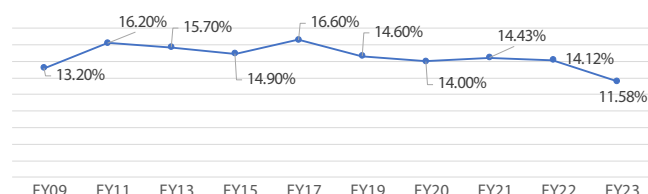
Long Term Liabilities / Equity Year

EBITDA



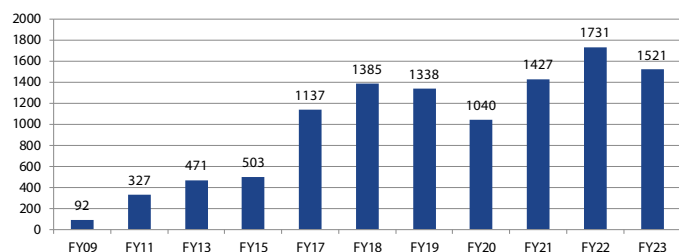
EBITDA (INR Mn)

EBITDA Margins



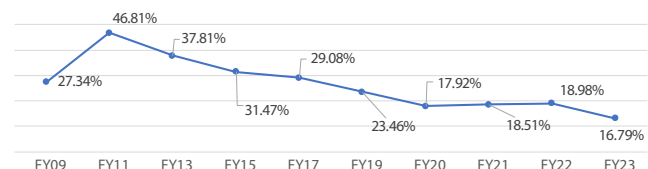
EBITDA Margins

Net profit



Net profit (INR Mn)

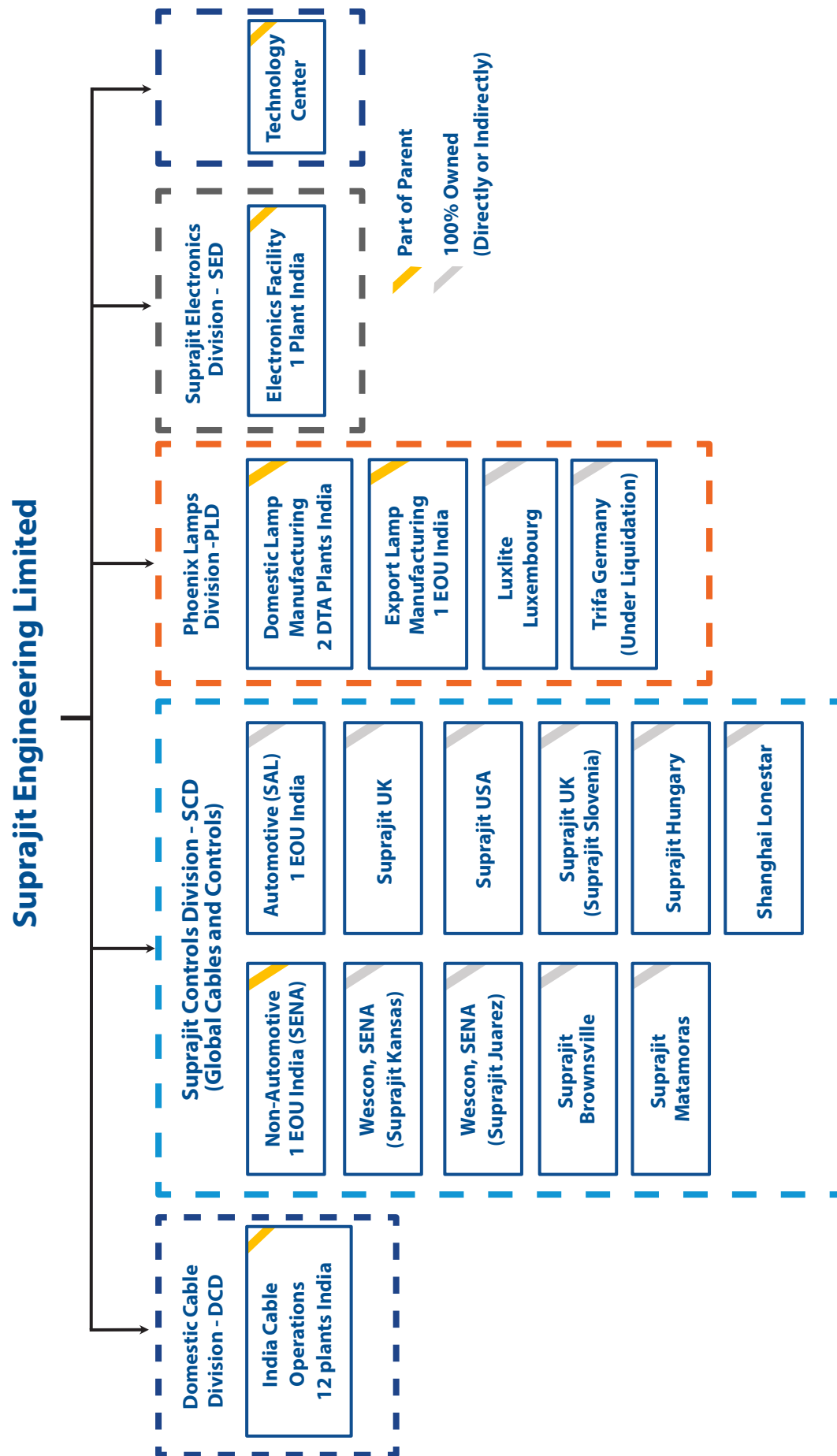
Return on Capital Employed (ROCE)



Return on Capital Employed (ROCE) %

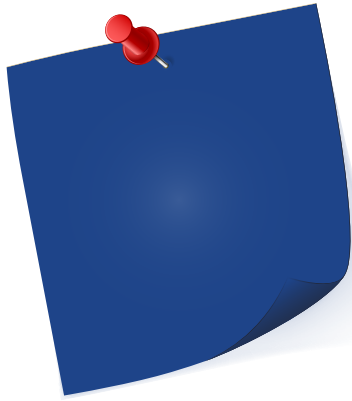
*FY23 Increased in debt due to acquisition of LDC entities

SUPRAJIT GROUP



Part of Parent
100% Owned
(Directly or Indirectly)

KEY MILESTONES IN OUR JOURNEY



- Consolidating position as established global mechanical cable maker; diversifying and de-risking revenue profile
- New plant at SAL, Bangalore and Pathredi
- Acquisition of Speedo Cable Business (PV) of Pricol
- Acquisition of Phoenix Lamps Limited
- Acquisition of Wescon Controls, Wichita, USA
- Launched two new plants in Chennai and Sanand
- Launched capex of Rs.100 crores to expand cable capacity to 300 million with 2 new plants
- Acquisition of Osram Karnai Plant (Phoenix Division)
- Acquisition of Cable Division (LDC) of Kongsberg Automotive
- Inauguration of Suprajit Electronics Division and Experience Centre
- 7 Acquisitions - 5 in cable space / 2 In Halogen bulbs space

- New plants in Pantnagar, Haridwar and Manesar
- 100% EOU for non-automotive cables in Bangalore
- Best Enterprise of the State Award by Karnataka State
- Twin Awards by CNBC/ICICI/CRISIL- SME of the year & Auto Ancillary of the year
- Acquisition of CTP Gills Cables, marquee global customers – now renamed as Suprajit Europe

2006-10

2011-23

1996-2005

- Listing of shares in NSE and BSE
- India's largest cable maker
- Acquisition of Shah Concabs – 4W cable competitor
- Plants in Bangalore, Manesar and Chakan
- 'Enterprise of the state' award by KSFC

1985-95

- Two new cable plants in Bangalore

- Proven track record of integration
- Strong organic growth

1985

- Commencement of operations

AWARDS AND RECOGNITIONS

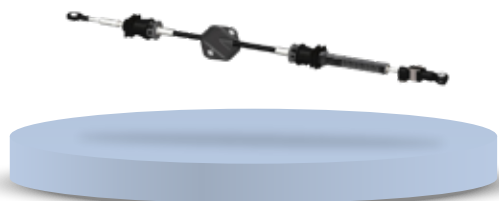
- ▶ BMW India – Best Delivery Performance.
- ▶ Maruti Suzuki – Green Supplier Status Award.
- ▶ TVS Motors – Best Supplier of the Year Award.
- ▶ Volkswagen – ‘A’ Grade Supplier Quality Performance Award.
- ▶ Mahindra MSES and SBCB Award.
- ▶ Honda Motorcycles & Scooters – Quality & Delivery Achievement.
- ▶ General Motors - Supplier Quality Excellence Award (3 years running)
- ▶ John Deere – Accelerated Global Sourcing Award.
- ▶ Brose Key Supplier Award.
- ▶ Bajaj Auto Limited – TPM Excellence Award.
- ▶ Tata Motors – Green Card for ‘0’ PPM.
- ▶ Hero MotoCorp Limited – Direct Online Supply (DOL) Award.
- ▶ Bajaj Auto Limited - Quality Consistency Gold Award.
- ▶ Yamaha - Cost Reduction & VA/VE & ‘A Grade’ Excellence Award.
- ▶ TVS, Bajaj and Mahindra – various Awards.
- ▶ Kubota Certificate of Excellence.
- ▶ Honda Cars Quality and Delivery Performance.
- ▶ Yamaha Supplier Award, China.

Other Awards:

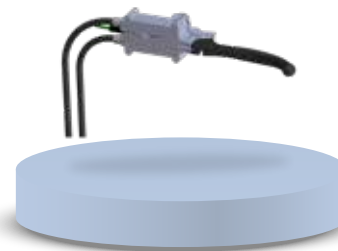
- ▶ KSFC: Entrepreneur of the year for the promoter, 1995.
- ▶ CNBC/ICICI/CRISIL: SME & Auto Ancillary of the Year, 2006.
- ▶ NASSCOM: Best IT user Award in Automotive Sector, 2007.
- ▶ KSFC: Outstanding Enterprise of the State, 2010.
- ▶ BMA – Entrepreneur of the Year, 2017.



TECHNOLOGY AND PRODUCT RANGE



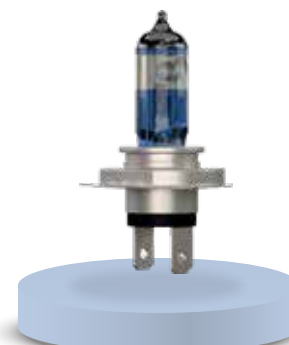
Control Cables



Combined Braking Systems



Clusters and Displays



Halogen and LED Bulbs



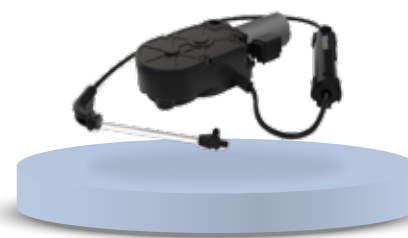
Gearboxes for Precision Farming



Electronic-Throttle Controls



Brake Shoes and Pads



Electro-Mechanical Actuators

LEADERSHIP



K. Ajith Kumar Rai
Chairman, Founder Suprajit Group
38 years of building Suprajit



Mohan N.S.
CEO, MD Suprajit Group
10 years with Suprajit
29 years with Bosch, Visteon, ZF



Akhilesh Rai
Chief Strategy Officer, Suprajit Group
12 years with Suprajit
MBA London Business School



Jim Ryan
President, Global Cables
30 years of Global Cable
Experience (Teleflex,
Kongsberg, Leggett & Platt)



Narayanshankar
COO, Suprajit DCD
35+ years with Suprajit



Medappa Gowda J.
CFO & CS, Suprajit Group
27 years with Suprajit



Akhilesh Goel
COO, Phoenix PLD
8 years with Suprajit
32+ years experience
including Philips



Steve Fricker
President & CEO SENA / Wescon
35 years in the cable industry
6 years with Suprajit



Neil Collis
Managing Director, SEU Europe Ltd.
25 years automotive experience
3 Years with Suprajit



Gopal Doraiswamy
VP Sales, Global Suprajit Group
20 years Tier 1 Automotive
7 years with Suprajit



Frank Klinkert
CEO, Trifa & Luxlite
8 years with Suprajit
16+ years with Luxlite



Praveen Rao
SVP Head SED Suprajit SED
5+ years with Suprajit
20+ years at Tier 1 Automotive



Ashutosh Rai
CTO Suprajit Tech Center
9 years with Suprajit
15 patents granted



Scott Schaffer
VP, Engineering SENA, STC
29 years of cable experience
7 years with Suprajit