



September 28, 2020

Ref: 532509 BSE Limited Department of Corporate Services P. J. Towers, 25th Floor, Dalal Street, Mumbai- 400 001	Ref: SUPRAJIT National Stock Exchange of India Ltd Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (E) Mumbai- 400 051
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Dear Sir / Madam,

Sub: Chairman's Speech – 35th Annual General Meeting

We are enclosing herewith Chairman's Speech at the 35th Annual General Meeting of the Company held on Saturday, September 26, 2020.

Please take the same on your records.

Thanking you,

Yours faithfully,
For Suprajit Engineering Limited

Medappa Gowda J
CFO & Company Secretary



Encl: as above

CHAIRMAN'S SPEECH

Ladies and Gentlemen,

Good afternoon to you all.

It is a privilege for me to welcome you all and address you at this Thirty Fifth Annual General Meeting of Your Company, through a virtual meeting organized by CDSL.

The Directors' Report and Audited Accounts of your Company for the year ended 31st March 2020 have been with you for a while and I am sure you had the opportunity of peruse the same.

The slowdown started in FY 2018-19 continued in FY 2019-20. Automotive Industry, overall had a de-growth of 14.83% in FY 2019-20. Added to that Covid-19 pandemic hit during Q4. This impacted overall performance of your Company.

Consolidated operational revenue was Rs. 15,628 Million, against Rs. 15,899 Million of previous year. Profit After Tax was Rs. 1,040 Million against Rs. 1,338 Million.

Your Company has been paying dividend without any break for more than 30 years. For the year gone by, two (2) interim dividends are given, one 75 % (Re. 0.75) per share in February and another 100 % (Re. 1.00) per share in March. Total 175 % against 155 % of previous year, an increase of 20% against last year. These need to be confirmed by you.

The year gone by should be considered as a year of consolidation and restructuring of the group businesses in preparation for the future. Some of the significant events across the group were:

- The Domestic Cable Division (DCD) established its greenfield cable plant at Narsapura, Bangalore and consolidated its position further as the leader, both in OE and aftermarket, in India.
- Phoenix Lamps Division (PLD) concluded the purchase and integration of India Halogen Assets of Osram at Chennai successfully, to de-risk its footprints geographically. PLD has also signed a long term buy-back agreement with Osram and started deliveries.
- Consolidated Trifa and Luxlite warehouses into one larger facility under a single CEO, thereby streamlining our European operations of PLD.
- At Wescon, we regrouped and refocused the Company with organisational changes to focus on growth and profitability under the new CEO, with clear plans to energise the SENA strategy.



- Suprajit Europe (SEU), under the de-risk Brexit plan, set up an owned warehouse at Koper, Slovenia. The capacity at Suprajit Automotive Limited was increased by setting up a brand new plant at Doddaballapura to meet increasing new business.
- The Group's cable capacity at 300 mn cable / year and lamps capacity at 110 mn / year, are amongst the top capacities in the world.

Current year:

The current year should be seen as a year of the Covid – 19 pandemic, with unprecedented lockdowns and business disruptions worldwide. The outlook remains very uncertain with no cure or vaccine in the near term. We are on a protracted battle with the virus, with continued localised lockdowns due to the expected resurgence of the virus. In view of this, it is difficult to give any guidance on the outcome of the current year.

This has affected the Q1 results of the Company adversely. However, there is good recovery from July. August saw record sales for the Group and that trend continues in September. If this trend continues and if no major resurgence of Covid-19 across the Country and world, I hope that the balance year may be satisfactory. However, this pandemic will remain a major concern in the near to medium term.

De-risk and grow profitably continues to be the Mantra of your Company. Under the current difficult condition, everyone at Suprajit is working efficiently and productively to cut costs to sail through the difficult period. We continue to be the market leader in our business of cables and halogen bulbs as a value for money supplier with the philosophy of Complete Customer Care through Quality, Cost, Delivery and Development. Group companies – PLD, Wescon, Trifa, Luxlite, SAL, SEU, continue to consolidate their business models. I continue to believe that our 3 brand strategy of Suprajit, Phoenix and Wescon, given a reasonable time, will perform well to your satisfaction.

Our consistent performance would not have been possible without the wonderful teamwork across the entire Suprajit group. I would like to specially thank Team Suprajit for continuing our journey of profitable growth in the trying times.

I wish to thank my colleagues on the Board, customers, suppliers, Bankers and all stakeholders for their continued support during the year.

Finally I thank all of you, for your continued support and confidence and sparing your valuable time to be here with us, today.

K. Ajith Kumar Rai
Chairman

Place: Bangalore.

Date: September 26, 2020

