

December 22, 2021

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

Dear Sir / Madam,

Sub: Half Yearly Report 2021-22

We enclosed herewith a copy of Season's Greetings, Half Yearly Report 2021-22 and Chairman's message to be sent to the Shareholders.

This is also available on website of the Company.

This is for your information and records.

Thanking you,

Yours faithfully,
For Suprajit Engineering Limited


Medappa Gowda. J
CFO & Company Secretary



Encl : As above

Season's Greetings !



**HALF YEARLY REPORT
2021 - 22**



**Marching
ahead with
Confidence...**



Suprajit Engineering Limited

22nd December 2021



My Dear Shareholder,

I have pleasure in sharing with you a mid-year review, half-yearly financial highlights and recent business update of your Company.

The year 2020 was a year of Covid. The year 2021 will go down in the history as the 'Year of Vaccines' in the global fight against this pandemic. I am happy to inform you that most of the members of Team Suprajit are fully vaccinated.

The first quarter of the year was disrupted due to sporadic lockdowns. Post that, business at Suprajit has been fairly steady. The reports enclosed give you all the information on the half yearly performance and the recently signed agreement to acquire Light Duty Cable (LDC) division from Kongsberg Automotive in a trans-border transaction. This acquisition is expected to be not only strategic, but also transformative, as Suprajit will emerge as a true global leader in the mechanical control cable systems. Electro Mechanical Actuator (EMA) will be a new product for the group and we expect to capitalize with a range of our customers. With this acquisition, a year down the line, Suprajit's dependency on two wheeler segment will drop to 20-25% from the current 35-40% and increase our exposure to global automotive passenger vehicles to beyond 30%. It will also strengthen our non-automotive portfolio, making Suprajit a balanced global player in all the segments of our business.

I am happy to inform you that STC has taken a strong foothold and has relocated to a brand new premises. The products developed at STC have received new contracts and is expected to bag more in the years to come, further adding newer products and customers.

These two developments are significant steps in Suprajit's philosophy of "Derisk and Grow Profitably" as we "March Ahead with Confidence" to deepen our foothold with customers in diverse fields across the world. I am confident that irrespective of changing technological landscapes in the two wheeler and the automotive world, Suprajit will continue to enjoy strong market position, customers confidence and solid new businesses in our aim to outperform. Team Suprajit has been working strongly across our group companies to make this happen.

Suprajit continues its journey on cost optimization, productivity improvement, new products launch, etc., with continued focus on customers. This, I believe, will ensure Suprajit to outperform industry in terms of growth and profitability.

I take this opportunity to wish you and every member of your family - Season's Greetings and a Happy, Healthy and Prosperous New Year.

With warm regards,

A handwritten signature in blue ink, appearing to read 'Ajith Rai', with a horizontal line underneath.

K. Ajith Kumar Rai,
Founder & Chairman.

**RESULTS AND BUSINESS UPDATE FOR THE QUARTER AND
HALF YEAR ENDED SEPTEMBER 30, 2021.**

RESULTS UPDATE:

(Rs. in Million)

Consolidated unaudited results for the quarter ended:

PARTICULARS	Q2 SEP 2021		Q2 SEP 2020		Growth
	Amount	%	Amount	%	
OPERATING REVENUE (Net of taxes)	4,936.7		4,431.4		11.4%
EBIDTA (Operational)	800.6	16.2%	734.8	16.6%	8.9%

Standalone unaudited results for the quarter ended:

PARTICULARS	Q2 SEP 2021		Q2 SEP 2020		Growth
	Amount	%	Amount	%	
OPERATING REVENUE (Net of taxes)	3,547.8		3,117.2		13.8%
EBIDTA (Operational)	723.4	20.4%	580.0	18.6%	24.7%

Phoenix Lamps Division (Including Trifa & Luxlite) for the quarter ended:

PARTICULARS	Q2 SEP 2021		Q2 SEP 2020		Growth
	Amount	%	Amount	%	
OPERATING REVENUE (Net of taxes)	925.4		921.7		0.4%
EBIDTA (Operational)	89.2	9.6%	136.3	14.8%	(34.5%)

Suprajit Engineering Limited Non-automotive (SENA) Division (including India and Wescon US) for the quarter ended:

PARTICULARS	Q2 SEP 2021		Q2 SEP 2020		Growth
	Amount	%	Amount	%	
OPERATING REVENUE (Net of taxes)	1,010.7		786.2		28.5%
EBIDTA (Operational)	115.1	11.4%	108.7	13.8%	5.8%

Suprajit Engineering Limited - Automotive Cable division (including Suprajit Automotive and Suprajit Europe) for the quarter ended:

PARTICULARS	Q2 SEP 2021		Q2 SEP 2020		Growth
	Amount	%	Amount	%	
OPERATING REVENUE (Net of taxes)	3,000.7		2,723.6		10.2%
EBIDTA (Operational)	596.3	19.9%	489.8	18.0%	21.7%

Above Operational EBITDA information are without considering all non-operational income, forex gain / loss.

Consolidated unaudited results for the half year ended:

PARTICULARS	SEPTEMBER 2021		SEPTEMBER 2020		Growth
	Amount	%	Amount	%	
OPERATING REVENUE (Net of taxes)	8,552.9		6,206.1		37.8%
EBIDTA (Operational)	1,292.8	15.1%	686.5	11.1%	88.3%

Standalone unaudited results for the half year ended:

PARTICULARS	SEPTEMBER 2021		SEPTEMBER 2020		Growth
	Amount	%	Amount	%	
OPERATING REVENUE (Net of taxes)	5,638.5		3,992.0		41.2%
EBIDTA (Operational)	1,042.6	18.5%	502.4	12.6%	107.5%

Phoenix Lamps Division (Including Trifa & Luxlite) for the half year ended:

PARTICULARS	SEPTEMBER 2021		SEPTEMBER 2020		Growth
	Amount	%	Amount	%	
OPERATING REVENUE (Net of taxes)	1,535.3		1,259.0		21.9%
EBIDTA (Operational)	127.9	8.3%	80.1	6.4%	59.7%

Suprajit Engineering Limited Non-automotive (SENA) Division (including India and Wescon US) for the half year ended:

PARTICULARS	SEPTEMBER 2021		SEPTEMBER 2020		Growth
	Amount	%	Amount	%	
OPERATING REVENUE (Net of taxes)	2,048.2		1,419.1		44.3%
EBIDTA (Operational)	276.7	13.5%	148.9	10.5%	85.8%

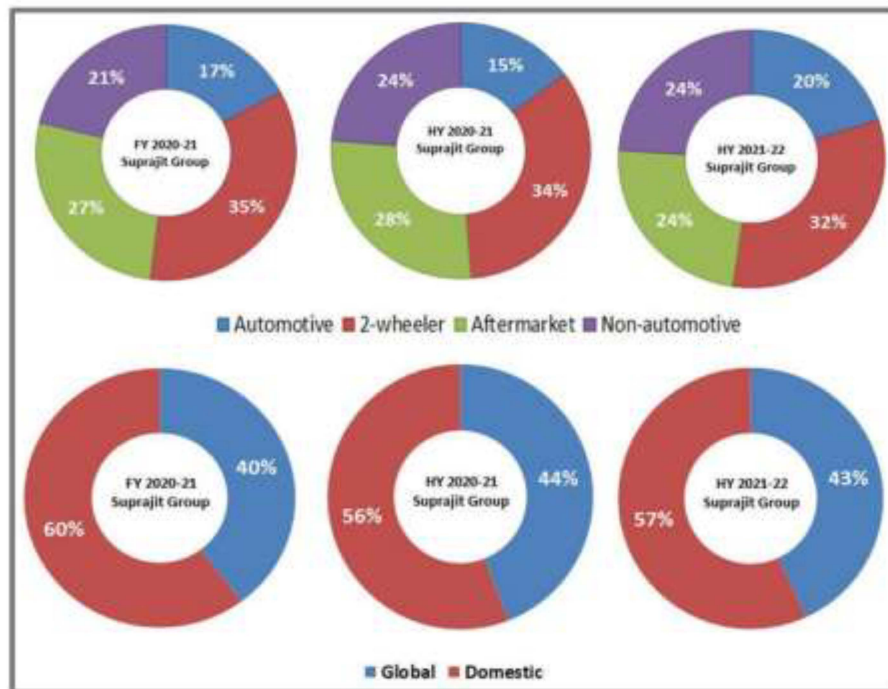
Suprajit Engineering Limited - Automotive Cable division (including Suprajit Automotive and Suprajit Europe) for the half year ended:

PARTICULARS	SEPTEMBER 2021		SEPTEMBER 2020		Growth
	Amount	%	Amount	%	
OPERATING REVENUE (Net of taxes)	4,969.4		3,528.1		40.9%
EBIDTA (Operational)	888.2	17.9%	457.5	13.0%	94.1%

Above Operational EBITDA information are without considering all non-operational income, forex gain / loss.

Group debt level (Rs. in Million):

DEBT LEVEL (Group)	Sep-21	Mar-21
Long Term	495	923
Short Term	2,669	2,354
TOTAL	3,164	3,277



OPERATIONS:

Demand - Supply Constraints and Covid-19:

- The chip shortage, both in India and worldwide, outweighed the disruption caused by the pandemic during this quarter.
- Production disruptions, both planned and unplanned, at various OEMs in India and elsewhere in the world, caused significant reduction in business volumes. This chip shortage is expected to continue its disruption during the rest of this year.
- Covid-19 pandemic had lesser impact during the quarter with vaccination drive gathering good pace across the world and India, in particular.
- Covid vaccination coverage across the Suprajit group of companies has been at significantly higher levels, thereby creating better operating environment within the group.
- The other major disruptions relating to supply chain constraints, port congestion, container shortages and significant material cost increases have had an abnormal impact on the margins.
- Q2 performance has been satisfactory despite these factors.

BUSINESS & FINANCIAL UPDATE:

Highlights of the Results :

(Rs. In million)

	Q2 Sep 21-22	Q2 Sep 20-21	Growth	HY Sep 21-22	HY Sep 20-21	Growth
Standalone:						
Operating Revenue	3,547.8	3,117.2	13.8%	5,638.5	3,992.0	41.2%
Operating EBIDTA	723.4	580.0	24.7%	1,042.6	502.4	107.5%
Consolidated:						
Operating Revenue	4,936.7	4,431.4	11.4%	8,552.9	6,206.1	37.8%
Operating EBIDTA	800.6	734.8	8.9%	1,292.8	686.5	88.3%

- The overall H1 performance has been satisfactory, despite headwinds, with improvements in operational revenue and EBIDTA.
- The results for the first half had certain one-off impacts relating to Wescon paycheck protection program, reversal of provision for Mutual Funds, expenses, certain price increase impacts relating to previous period, etc.
- Pricing pressure was felt in the Phoenix Lamps Division (PLD), wherein abnormal material cost increases had to be partially absorbed by the Company, in certain segments.
- The planned expansion at Narsapura, near Bangalore, as well as PLD will be completed before end of this financial year.
- The festival season sales, which is critical for the automotive business, has been muted in the passenger and 2 wheeler sectors, due to chip shortage and low offtake in certain 2 wheeler segments.

The Group Companies:

- Suprajit Automotive (SAL) and Suprajit Europe (SEU) together had a good quarterly sales growth with improved margins.
- SENA sales performance had a good improvement for the quarter and the margins have been stable for the half year.
- Businesses at Trifa and Luxlite continue to be challenging as informed in the previous quarterly update. Management critically reviewed the provisions related to Luxlite, and have fully written down the investment value of Rs. 484.79 million in Luxlite. A provision for impairment of Rs. 127.25 million towards goodwill is also made.
- The consolidated results of the company show healthy topline growth and stable margins.

COMMENTARY ON THE CURRENT QUARTER AND BALANCE YEAR :

- The chip shortage is expected to continue throughout this quarter and the year and will have disruptions both planned and unplanned at the customers end. This is expected to have certain impact on the business during the second half of the year.
- The continued challenges of high material prices, port congestion and container costs, shipment delays, etc., will also have an impact on the margins for the balance year.
- The festival season has clocked below normal offtake of vehicles across the segments.
- Company is taking every step to minimize the headwinds and expected to have a reasonable quarter and the balance year going forward, in line with its guidelines.
- Company is planning an additional capex of about Rs. 125 crores for various new projects in hand, for the next 18 months. A groundbreaking ceremony for a new plant (≈140,000 SFT) for a comprehensive aftermarket facility at Bommsandra Indl. Area was conducted during the quarter.

ACQUISITION OF LIGHT DUTY CABLE (LDC) UNIT OF KONGSBERG AUTOMOTIVE :

- As notified earlier, the Company has signed a Definitive Share and Asset Purchase Agreement and Technical Support Agreement (TSA) with Kongsberg, to acquire LDC business unit. The Management believes that this is a transformational transaction in the coming years, in line with its overall strategy of 'Derisk and grow profitably' and to emerge as a global leader in the control cables business.
- The transaction is expected to close by end of February 2022. On completion, Suprajit's overall cable capacity will be 400 million / year with manufacturing footprints in China, Hungary and Mexico along with tech centre in Detroit.
- In addition, LDC will also have engineering / business development support from multiple countries for customers. This will make Suprajit a truly a global leader in this business.
- Electro-Mechanical Actuators (EMA) will be a good complementary fit into Company's product portfolio. EMA will be a key new technology for Indian customers.
- Company will use a portion of the cash available and take some debt, ensuring optimal capital allocation to complete this transaction.

UPDATE ON SUPRAJIT TECHNOLOGY CENTRE (STC) :

- STC, which was launched at the new location (as announced earlier) is now fully operational.
- STC has multiple products under development and has made significant progress.
- The following products are now in the final stage of multiple commercial launches over the next 12 months:
 - Digital Speedo Meter
 - Throttle position sensor
 - Rotary sensor
 - CBS Mechanisms
 - Seeder gear boxes with electromechanical clutches.
- Initial businesses won and orders expected on these products on an annualised basis are in excess of Rs. 100 crores / year, to start with.
- Further businesses are being negotiated with various customers.
- STC is expected to contribute significantly to the future growth plans of the Company.

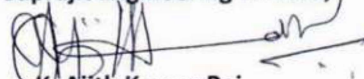
About Suprajit Engineering Limited:

Suprajit is India's largest automotive cable and halogen bulb maker with an annual global capacity of 300 million cables and 110 million halogen bulbs. Suprajit's customers list includes most Indian automotive majors. It also exports to many marquee global customers.

For further information, please contact:

Mr. Medappa Gowda J Chief Financial Officer & Company Secretary Suprajit Engineering Limited Email: medappagowdaj@suprajit.com	Mrs. Bhargavi Aithal AGM - Corporate Communications Suprajit Engineering Limited Email: bhargavi@suprajit.com
https://www.suprajit.com/financials/	

For Suprajit Engineering Limited,


K. Ajith Kumar Rai,
Chairman.

PRESS RELEASE

Suprajit Engineering Ltd. (Suprajit) set to acquire Light Duty Cable (LDC) business unit of Kongsberg Automotive ASA.

Suprajit is pleased to announce that it has signed a Definitive Share and Asset Purchase Agreement to acquire Light Duty Cable (LDC) business unit on October 28, 2021 with Kongsberg Automotive ASA, listed on the Oslo Stock Exchange, Norway. The LDC business unit of Kongsberg Automotive Group consists of cable business, supplying to automotive, non-automotive and 2-wheeler segments along with Electro-Mechanical Actuators (EMA). This transaction also involves the transfer of global sales and engineering expertise related to this business to Suprajit. The transaction is expected to close by end of January 2022.

LDC consists of 3 manufacturing plants located in Matamoros - Mexico, Siofok - Hungary, and Shanghai - China, and a warehouse in Brownsville - USA. LDC's global business development and engineering teams are at plants and other key geographies including the US, Germany, France, Norway, Sweden and the UK, and will come under the fold of Suprajit.

The total employee strength of LDC is approximately 1300 employees at the end of Q2. The current year sale is expected to be in the range of US\$ 90 million. Enterprise value of the transaction is pegged at US\$ 42.00 million.

LDC has marquee global customers in automotive, non-automotive and 2-wheeler businesses and is a segment leader in its own right. With this, Suprajit will emerge a global leader in control cables in all these segments with strong global presence. LDC will be a very complimentary fit in its manufacturing footprint, customer base, product and technology. Through this transaction, Suprajit will also add key actuation technologies that can be brought to other customers of Suprajit. EMA will emerge as a new product segment in the future, for the group.

Kongsberg Automotive is a global automotive supplier, headquartered in Zurich. Through this divestment, Kongsberg Automotive will realign its product portfolio and this transaction will provide a strong focus to the cables business as part of Suprajit. Suprajit is confident to grow the LDC business unit profitably, giving necessary focus to enhance the scale and optimize synergies for maximum customer comfort.

Ajith Rai, Founder and Chairman of Suprajit, said – “The LDC business unit of Kongsberg Automotive is a perfect fit for Suprajit. With LDC’s manufacturing footprint in 3 continents with sales, business development and engineering support across the world, and, with the annual cable capacity of 400+ million, would make Suprajit a truly global major in the cables business”

Joerg Buchheim, President & CEO of Kongsberg Automotive, said – “We strongly believe that this transaction is in the best interest of all involved parties as it offers a great opportunity for the LDC employees and the new owner Suprajit to achieve economies of scale and realize growth potential.”

N.S.Mohan, Managing Director and Group CEO, said – “As Control Cable is our core product, this acquisition adds to our strength as a global player with scale, reach and technology”.

Akhilesh Rai, Director and Chief Strategy Officer, said – “LDC is a renowned supplier in cable and actuation technology and apart from improved customer centricity, it brings new markets for Suprajit and new technology for our customers.”

Jim Ryan, President, Suprajit USA, said – “This natural combination of Suprajit and Kongsberg Automotive cables benefits all stakeholders, but especially customers who will realize a stronger and uniquely expert supply partner.”

Grant Thornton Bharat LLP, India are the sole financial advisors and **Oppenhoff & Partner, Germany**, are the lead legal advisors to Suprajit for this transaction.

About Suprajit Engineering Limited: Suprajit is India’s largest automotive cable and halogen bulb maker with an annual global capacity of 300 million cables and 110 million halogen bulbs. Suprajit’s customer list includes most Indian automotive majors. It also exports to many marquee global customers. For further information, visit www.suprajit.com or please contact:

<p>Mr. Medappa Gowda J Chief Financial Officer & Company Secretary Suprajit Engineering Limited Email: medappagowdaj@suprajit.com</p>	<p>Mrs. Bhargavi Aithal AGM - Corporate Communications Suprajit Engineering Limited Email: bhargavi@suprajit.com</p>
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Suprajit to acquire Light Duty Cable (LDC) business unit from Kongsberg Automotive

Investor Call
Date: October 29, 2021

Acquisition deal highlights



- Suprajit Engineering Ltd has signed a definitive agreement to acquire all the legal entities and assets of Kongsberg Automotive's Light Duty Cables (LDC) Business Unit.
- Kongsberg Automotive is a 1.1 Billion US\$ (FY20), publicly listed (Oslo Stock Exchange), Company.
- LDC is a part of the Interior Comfort Systems business unit Group of Kongsberg Automotive.
- LDC is expected to have close to US\$ 100 Mil + in revenue with double digit EBITDA next year.
- All Legal entities of LDC in Mexico, USA, Hungary and China, will be part of this acquisition.
- LDC adds to Suprajit automotive footprint in Americas and China and expands the footprint in Europe.
- Product portfolio of LDC will strengthen both automotive and non-automotive cables.
- Electro-mechanical Actuators will become new product segment to Suprajit with significant new opportunities.
- The Closure is expected to be by the end of January 2022.
- Jim Ryan, President Global Operations will lead the acquired entities in addition to his current responsibilities at Wescon Controls LLC (USA) and Suprajit Europe Ltd.
- The current installed capacity of LDC division is 106 Million cables per annum. With this acquisition the group's cable installed capacity will increase to 400+ Million cables per year.
- The Enterprise value is pegged at 42.00 Million USD.

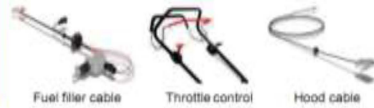
LDC is a successful and leading Tier 1 and OEM supplier providing one stop shop for cost effective and efficient Cable and Cable-based Actuation Systems for Automotive and Off-Highway applications

Business Overview

- Leading provider of Light Duty Cable systems for Automotive and Off-Highway ("OFH") applications.
- Broad product portfolio covering mechanical cables and electromechanical actuation ("EMA") systems
- Various uses in Automotive seats, body and other interior products, as well as in Outdoor Power Equipment ("OPE"), Motorcycles and other industrial, agriculture and construction machinery
- Global footprint supported by approx. 1,300 employees across 3 production facilities, 1 R&D center and 9 sales offices
- Strong forecasted growth after recovery from the Corona effects from 2021-22 onwards.

Select Products

Mechanical systems



EMA systems



Select Customers








Global Leader in Cable Systems

Key Highlights

1	One stop shop for cost effective and efficient cabling solutions for remote applications and a full range of electromechanical actuation products	
2	Deep product know-how and engineering capability based on long-standing industry experience and understanding of customer needs	26 Global Design Engineers 20+ Patents
3	Optimized global footprint ensuring high proximity to customers and efficient supply chain	3 Production Facilities in Competitive Cost Countries Mexico, China and Hungary 1 Global R&D Centre in USA
4	Well placed to benefit from favourable industry trend combined with expected market share gains in seat cables and EMA	Significant growth in Seat Cable and EMA market 2020-2025
5	Strong relationships with global customer base and diversification across end markets	72% of revenue from Automotive applications 28% from off-highway applications
6	Strong revenue visibility supported by solid New Business Wins ("NBW") performance combined with attractive cash generation	10-15% Sales CAGR 2021-2025F ~10%+ Historical and Forecasted EBITDA margin

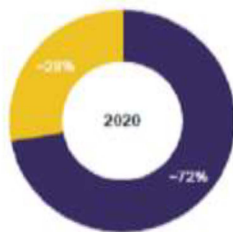
Broad and modular product portfolio addressing specific customer needs enables one stop shop solution

Product	Description	Application
Mechanical Systems	 <ul style="list-style-type: none"> Mechanical driven actuation and cable systems, used e.g. to release the latch/lock to fold the seat or to open car doors by hand Systems typically consist of control cables and other mechanical parts, e.g. handles for door release LDC products are used in a wide range of applications e.g. car seats, car body parts, outdoor power equipment, motorcycles, etc 	 <p><i>Cables (Seat, Hood/Bonnet, Window, Sunroof, Trunk, Fuel filler, door)</i></p>
EMA Systems	 <ul style="list-style-type: none"> For automatic control or actuation e.g. to adjust car seat position by pushing buttons (electric impulse) Systems usually consist of an electric actuator, control cables, and other parts LDC product offering focuses on medium to high force actuators for car seat applications Further innovations under development 	 <p><i>Controls (Throttle)</i></p>  <p><i>Controls (Throttle, drive, choke, brake)</i></p>

Only player covering electro-mechanical and mechanical seat and body solutions globally

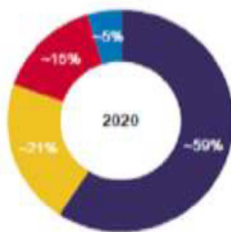
Strong customer relationships with global customer base provides diversification across end markets

Revenue split by application (20A)



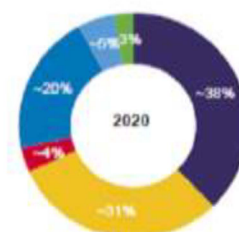
■ Automotive ■ Off-highway

Revenue split by region (20A)



■ Americas ■ Europe ■ APAC ■ Other

Revenue split by product group (20A)



■ Automotive - Seat ■ Automotive - Body
 ■ Other automotive ■ Outdoor power equipment
 ■ Motorcycle ■ Other¹

Customised Design and Solutions



- Cables are customized for each application.
- High modularity.
- Full-cycle from design to manufacturing in-house

Standard components



Customised assembled systems



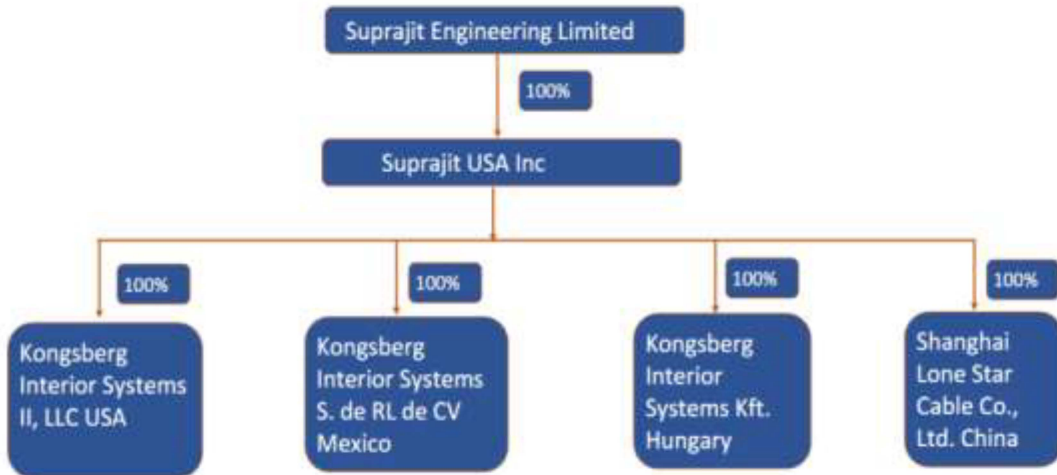
Optimized global footprint ensure closeness to customers and efficient supply chain



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- Enhances Suprajit's Core products (Cables) global presence significantly.
- Enhances Engineering capabilities, Manufacturing footprint and manufacturing Capacities.
- Deeper penetration into the Automotive market worldwide.
- Deeper penetration into the Non-automotive market in North America.
- Stronger relationships with existing customers and on-boarding of new customers.
- LDC will have clear focus on Cables and Electromechanical Actuators, under Suprajit Management.
- Combined entity with manufacturing footprints in India, Mexico, USA, Hungary and China will become a strong global leader in cable business, with complimentary capabilities worldwide enhancing customer comfort in terms of Quality, Cost, Development and Delivery.

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Thank You