

Dear Shareholder,

22nd December 2014

Mid Year Review

With the New Year round the corner, I take this opportunity to brief you on the performance of your Company during the first eight months of this year. I have pleasure in enclosing the half -yearly results.

On a consolidated basis, sales for the half year ended 30th September 2014 was Rs. 319.05 crores as against Rs. 252.96 crores for the same period last year, an increase of 26.13%. The pre-tax profit was Rs. 35.62 crores against Rs. 31.37 crores for the same period last year, an increase of 13.52%. I am delighted that your Company's growth has exceeded the domestic auto sector's growth of 14%. Your Company's half year performance has been good, considering the tough market conditions, although margins have slightly dropped due to significantly higher inflationary effects on salaries, overheads and certain restructuring costs.

After many years of coalition Governments, absolute majority has returned at the centre with lots of hope and expectations. I do hope that reform measures, particularly relating to GST, labour laws and land reforms will see the light of day and transform the landscape of India for investments and growth. There are signs of moderation in the rate of inflation. It is also expected that interest rates will come down in the near future. A significant moderation in oil prices and certain commodities will further add to the growth momentum. I do hope that the much awaited `Acche Din Aayenge`!

With this in the background, your Company has taken effective steps to gear-up for the much anticipated future growth, some of which I am pleased to share with you:

- *Significant capacity expansion at our Pathredi plant is in an advanced stage of completion.*
- *The groundbreaking for a new cable plant at Vallam Vadagal, Chennai took place in November 2014.*
- *A new plant in Sanand for Gujarat based customers is planned, wherein land is being acquired.*
- *Tech centres, both in India and the US are in the advanced stages of being setting up.*
- *Restructuring of the cable plants into a single plant for the aftermarket to meet increased requirements.*
- *European automotive aftermarket business is being addressed through a partner.*
- *Completion of acquisition of speedo cable business from Pricol.*

Your Company's annual cable capacity will further increase from 150 million to 225 million by March 2016. To increase our presence in the North American market, an US tech and business development centre will be of great help. The India tech centre will establish systems, manage large projects and work on developing new products, in line with Company's long term plans.

Your Company's subsidiaries have continued to perform well. The focus on the aftermarket and nonautomotive export business continue to garner lucrative new businesses.

Global concerns continue. The European economy has slowed down with significant currency depreciation. American Agri based industries, wherein we have a large customer, have also slowed down. While these concerns will have a short-term impact, your Company is confident that with its focused derisking strategy of the past many years, will stand in good stead to manage sectoral business variances.

Team Suprajit's ability to focus on operational efficiencies, enhanced customer satisfaction and focused attention to cost management, I believe, will continue to ensure that Suprajit will outperform its peers in its business.

You have been a valued shareholder and I seek your continued support and good wishes. I take this opportunity to wish you and every member of your family a Happy, Healthy and Prosperous New Year.

With warm regards,



K. Ajith Kumar Rai,
Chairman & Managing Director.

