

SUPRAJIT ENGINEERING LIMITED

Regd Office: No. 100 & 101, Bommasandra Industrial Area, Bengaluru-560 099.

Website - www.suprajit.com, email - info@suprajit.com

CIN - L29199KA1985PLC006934

Statement of Unaudited Consolidated Financial Results for the Quarter and half year ended September 30, 2022

(Rs. in million)

	Particulars	Consolidated					
		Quarter ended			Half year ended		Year ended
		September 30, 2022 (Unaudited)	June 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)*	September 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)*	March 31, 2022 (Audited)*
I	Revenue from operations	7,160.63	6,451.84	4,936.68	13,612.47	8,552.86	18,404.77
II	Other income	217.43	181.42	151.81	398.85	217.91	366.47
III	Total income (I+II)	7,378.06	6,633.26	5,088.49	14,011.32	8,770.77	18,771.24
IV	Expenses						
	Cost of materials consumed	4,364.44	3,869.19	2,878.00	8,233.63	4,804.64	10,484.07
	Purchases of stock-in-trade	124.23	115.06	86.77	239.29	172.05	359.33
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(152.95)	(137.52)	(128.83)	(290.47)	(139.35)	(56.06)
	Employee benefits expense	1,443.45	1,427.55	865.86	2,871.00	1,644.35	3,363.75
	Finance costs	76.83	60.52	35.35	137.35	82.64	145.23
	Depreciation and amortization expense	239.09	237.02	146.26	476.11	289.69	585.11
	Other expenses	594.75	638.01	434.29	1,232.76	778.35	1,654.64
	Total expenses	6,689.84	6,209.83	4,317.70	12,899.67	7,632.37	16,536.07
V	Profit before exceptional items and tax expenses (III-IV)	688.22	423.43	770.79	1,111.65	1,138.40	2,235.17
VI	Exceptional Items [Refer Note 4 (a), 4 (b) & 4 (c)]	-	-	(44.75)	-	116.46	116.46
VII	Profit before tax expenses (V+VI)	688.22	423.43	726.04	1,111.65	1,254.86	2,351.63
VIII	Tax expense (net):						
	Current tax	217.71	161.75	195.91	379.46	313.32	629.47
	Deferred tax credit	13.05	(11.48)	34.60	1.57	14.37	(8.61)
	Total tax expenses (net)	230.76	150.27	230.51	381.03	327.69	620.86
IX	Profit for the period (VII-VIII)	457.46	273.16	495.53	730.62	927.17	1,730.77
X	Other comprehensive income/ (loss), net of taxes						
A	Items that will not be reclassified to profit or loss						
	Re-measurement gain/(loss) on defined benefit plan	(11.79)	(0.79)	(9.77)	(12.58)	(9.74)	(3.19)
B	Items that will be reclassified to profit or loss						
	Net exchange differences on translation of foreign operations	(66.22)	(61.17)	(23.46)	(127.39)	14.95	42.31
	Net change in fair value of Hedging instrument	-	-	(0.81)	-	-	3.04
		(78.01)	(61.96)	(34.04)	(139.97)	5.21	42.16
XI	Total comprehensive income for the period (IX+X)	379.45	211.20	461.49	590.65	932.38	1,772.93
XII	Paid-up equity share capital (Face value: Re.1/- each)	138.39	138.39	138.38	138.39	138.38	138.39
XIII	Other equity	-	-	-	-	-	10,701.30
XIV	Earnings per share (Face value: Re.1/- each) (in Rs.) (Not annualised in case of interim periods)						
	Basic	3.31	1.97	3.58	5.28	6.68	12.49
	Diluted	3.30	1.97	3.58	5.27	6.68	12.48

* Refer note 5 (b)

For Suprajit Engineering Limited


 K Ajith Kumar Rai
 Chairman

Statement of Consolidated Assets and Liabilities

(Rs. in million)

Particulars	As at September 30, 2022 (Unaudited)	As at March 31, 2022 (Audited)*
I ASSETS		
Non-current assets		
Property, plant and equipment	4,064.25	3,510.85
Capital work in progress	408.32	93.90
Right-of-use assets	617.73	402.26
Goodwill	1,337.94	1,261.00
Other intangible assets	1,444.96	702.03
Intangible assets under development	15.48	7.82
Financial assets		
Investments	27.88	30.71
Other financial assets	121.54	72.94
Income tax assets (net)	22.68	22.06
Other non-current assets	206.32	105.37
Current assets	8,267.10	6,208.94
Inventories	5,181.47	3,432.83
Financial assets		
Investments	2,821.92	2,588.19
Trade receivables	4,698.69	2,971.86
Cash and cash equivalents	949.42	1,860.73
Other bank balances	165.76	18.47
Loans	13.42	14.22
Other financial assets	138.00	82.56
Other current assets	705.11	207.45
Total assets	14,673.79	11,176.31
	22,940.89	17,385.25
II EQUITY AND LIABILITIES		
A EQUITY		
Equity share capital	138.39	138.39
Other equity	11,456.74	10,701.30
	11,595.13	10,839.69
B LIABILITIES		
Non-current liabilities		
Financial liabilities		
Borrowings	2,251.97	138.40
Lease liabilities	262.48	205.87
Other financial liabilities	27.06	29.99
Provisions	105.85	64.76
Deferred tax liability (net)	501.19	553.83
Other non-current liabilities	9.66	10.56
Current liabilities	3,158.21	1,003.41
Financial liabilities		
Borrowings	3,417.27	2,976.64
Lease liabilities	196.51	44.45
Trade payables		
Total outstanding dues of micro and small enterprises	274.76	310.02
Total outstanding dues of creditors other than micro and small enterprises	2,959.25	1,629.64
Other financial liabilities	623.38	198.76
Other current liabilities	243.91	125.81
Provisions	257.06	141.67
Current tax liabilities (net)	215.41	115.16
Total equity and liabilities	8,187.55	5,542.15
	22,940.89	17,385.25

* Refer note 5 (b)

For Suprajit Engineering Limited


 K Ajith Kumar Rai
 Chairman

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CIN - L29199KA1985PLC006934

Consolidated Statement of Cash Flows

(Rs. in million)

Particulars	Half year ended	
	September 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)*
A Operating activities		
Profit before tax expense	1,111.65	1,254.86
Adjustments to reconcile profit before tax expense to net cash flows:		
Depreciation and amortization expense	476.11	289.69
Allowance for doubtful receivables (net)	2.65	8.03
Loss/(profit) on disposal of property, plant and equipment (net)	(1.45)	2.05
Liabilities no longer required written back	(3.21)	-
Fair value gain in financial instruments	(41.96)	(103.80)
Finance cost	137.35	82.64
Interest income	(2.17)	(1.07)
Employee share based payments	12.99	9.02
Exceptional Items	-	(116.46)
Operating profit before working capital changes	1,691.96	1,424.96
Working capital adjustments:		
(Increase)/decrease in inventories	(617.39)	(234.56)
(Increase)/decrease in trade receivables	42.63	264.87
(Increase)/decrease in loans	6.59	(2.37)
(Increase)/decrease in other financial assets	(106.16)	(51.61)
(Increase)/decrease in other assets	(255.63)	28.84
Increase/(decrease) in trade payables	359.86	(355.37)
Increase/(decrease) in other financial liabilities	257.81	63.56
Increase/(decrease) in provisions	(341.68)	19.85
Increase/(decrease) in other liabilities	119.07	70.91
Cash generated from/ (used) operations	1,157.06	1,229.08
Direct taxes paid (net of refund)	(300.59)	(246.13)
Net cash flows from/ (used) operating activities	856.47	982.95
B Investing activities		
Purchase of property, plant and equipment	(532.41)	(218.93)
Proceeds from sale of property, plant and equipment	1.94	0.26
Consideration paid towards acquisition of Light Duty Cable (LDC) business unit	(3,167.77)	-
Purchase of investments	(220.95)	(1,070.01)
Sales of investments	32.01	960.29
Movement in deposits (net)	(148.45)	120.28
Interest received	6.88	1.93
Net cash flows used in investing activities	(4,028.75)	(206.18)
C Financing activities		
Movement in working capital loans (net)	150.21	308.36
Movement in long term borrowings (net)	2,070.61	(266.94)
Interest paid	(129.70)	(85.00)
Payment of lease liabilities	(73.05)	(29.05)
Dividend paid to equity shareholders	(0.05)	(129.38)
Issue of share capital	-	0.01
Buy-back of equity shares	-	(480.00)
Tax on buy-back of equity shares	-	(110.95)
Net cash flows from/ (used) in financing activities	2,018.02	(792.95)
D Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(1,154.26)	(16.18)
Net foreign exchange difference on cash and cash equivalents	36.04	1.04
Cash and cash equivalents at the beginning of the year	1,860.73	770.75
Cash and cash equivalents on business acquisition	206.91	-
E Cash and cash equivalents at the end of half year	949.42	755.61
Cash and cash equivalents at end of half year comprises -		
Cash on hand	1.69	1.22
Balance with banks on		
Current accounts	918.66	701.62
EEFC accounts	29.07	52.77
Total cash and cash equivalents	949.42	755.61

* Refer note 5 (b)

For Suprajit Engineering Limited



K Anith Kumar Rai
Chairman

Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on November 14, 2022.
- 2 The consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 3 The Group is engaged in the business of manufacturing and selling of automotive and other components, which are monitored as a single segment by the chief operating decision maker, accordingly, these, in the context of Ind AS 108 on operating segments reporting are considered to constitute one segment and hence the Company has not made any additional segment disclosure.
- 4 (a) The US Federal government in the wake of COVID-19 pandemic provided support to business through Paycheck Protection Program (PPP). Wescon Controls LLC (Wescon), a wholly owned subsidiary obtained a benefit under this scheme for USD 2.16 Million (₹ 158.98 Million) during May 2020. The loan was eligible for forgiveness on fulfilment of certain conditions. Wescon had applied for forgiveness and application was pending with Small Business Administration, United States government agency for review and approval. During the quarter ended June 30, 2021, Wescon obtained complete waiver of the loan amount and accordingly the loan and interest accrued thereon has been recognised by the group as an exceptional item during the quarter ended June 30, 2021.

(b) The Group carried out the impairment exercise in respect of carrying value of Goodwill and basis valuation, the management had made an impairment provision of ₹ 127.25 Million towards carrying value of goodwill in relation to Luxlite Lamp SARL during the quarter ended September 30, 2021.

(c) The Group evaluated the provision made towards investment in Franklin Templeton Mutual Fund (FTMF) and reversed the provision of ₹ 82.09 Million out of the total provision of ₹ 108.53 Million during the quarter ended September 30, 2021 considering the redemption and realisation of significant portion of investments in FTMF.
- 5 Business combination
(a) The Group entered into a definitive Share and Asset Purchase Agreement to acquire Light Duty Cable (LDC) business unit with Kongsberg Automotive ASA, listed on the Oslo Stock Exchange, Norway on October 28, 2021. The transaction was consummated with the economic completion date of April 1, 2022 and a total cash consideration of ₹ 3,167.77 Million was paid. The Group has accounted for business acquisition basis provisional purchase price allocation.

(b) Considering the effect of consolidation of LDC business beginning April 1, 2022, the comparative amounts for the quarter and half year ended September 30, 2021 and year ended March 31, 2022 are not comparable.

For and on behalf of the Board of Directors


K. ANITH KUMAR RAJ
Chairman
(DIN - 01160327)

Place : Bengaluru

Date: November 14, 2022

Statement of Unaudited Standalone Financial Results for the Quarter and half Year Ended September 30, 2022

(Rs. in million)

	Particulars	Standalone					
		Quarter ended			Half year ended		Year Ended
		September 30, 2022 (Unaudited)	June 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)	September 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)	March 31, 2022 (Audited)
I	Revenue from operations	3,865.64	3,366.25	3,547.75	7,231.89	5,638.52	12,712.84
II	Other income	166.05	132.82	96.32	298.87	186.62	296.89
III	Total income (I+II)	4,031.69	3,499.07	3,644.07	7,530.76	5,825.14	13,009.73
IV	Expenses						
	Cost of materials consumed	2,477.31	2,244.93	2,199.99	4,722.24	3,488.99	8,067.09
	Purchases of stock-in-trade	8.92	8.20	8.58	17.12	9.48	20.58
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1.30)	(94.35)	(40.02)	(95.65)	(73.98)	16.67
	Employee benefits expense	476.48	456.02	434.47	932.50	778.67	1,662.12
	Finance costs	35.46	32.07	21.64	67.53	53.19	95.88
	Depreciation and amortization expense	72.61	70.31	65.97	142.92	128.15	265.27
	Other expenses	241.97	236.68	221.33	478.65	392.74	819.69
	Total expenses	3,311.45	2,953.86	2,911.96	6,265.31	4,777.24	10,947.30
V	Profit before exceptional items and tax expenses (III-IV)	720.24	545.21	732.11	1,265.45	1,047.90	2,062.43
VI	Exceptional Items [Refer Note 4 (a) and 4 (b)]	-	-	(413.29)	-	(413.29)	(413.29)
VII	Profit before tax expenses (V-VI)	720.24	545.21	318.82	1,265.45	634.61	1,649.14
VIII	Tax expense (net):						
	Current tax	173.46	139.73	177.77	313.19	251.85	519.28
	Deferred tax charge/ (credit)	16.64	(1.61)	25.51	15.03	21.05	5.67
	Total tax expenses (net)	190.10	138.12	203.28	328.22	272.90	524.95
IX	Profit for the period (VII-VIII)	530.14	407.09	115.54	937.23	361.71	1,124.19
X	Other comprehensive income/ (loss), net of taxes						
	Items that will not be reclassified to profit or loss						
	Re-measurement gain/(loss) on defined benefit plan	(9.93)	(0.76)	(8.74)	(10.69)	(8.99)	(3.06)
		(9.93)	(0.76)	(8.74)	(10.69)	(8.99)	(3.06)
XI	Total comprehensive income for the period (IX+X)	520.21	406.33	106.80	926.54	352.72	1,121.13
XII	Paid-up equity share capital (Face value: Re.1/- each)	138.39	138.39	138.38	138.39	138.38	138.39
XIII	Other equity	-	-	-	-	-	9,267.61
XIV	Earnings per share (Face value: Re.1/- each) (in Rs.) (Not annualised in case of interim periods)						
	Basic	3.83	2.94	0.83	6.77	2.61	8.11
	Diluted	3.83	2.94	0.83	6.76	2.61	8.10

For Suprajit Engineering Limited


 Kaalith Kumar Rai
 Chairman

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Statement of Standalone Assets and Liabilities

(Rs. in million)

Particulars	As at September 30, 2022 (Unaudited)	As at March 31, 2022 (Audited)
I ASSETS		
Non-current assets		
Property, plant and equipment	2,681.34	2,645.19
Capital work in progress	237.38	79.08
Right-of-use assets	214.55	223.74
Intangible assets	22.13	11.88
Intangible assets under development	7.95	7.82
Financial assets		
Investments	1,943.67	1,945.18
Loans	1,549.49	1,440.33
Other financial assets	60.69	52.59
Income tax assets (net)	22.68	22.06
Other non-current assets	199.17	100.81
	6,939.05	6,528.68
Current assets		
Inventories	2,221.49	1,855.16
Financial assets		
Investments	2,399.92	2,190.37
Trade receivables	2,987.26	2,643.19
Cash and cash equivalents	209.85	273.56
Other bank balances	165.76	18.47
Loans	12.09	13.43
Other financial assets	87.62	16.24
Other current assets	204.16	112.97
	8,288.15	7,123.39
Total assets	15,227.20	13,652.07
II EQUITY AND LIABILITIES		
A EQUITY		
Equity share capital	138.39	138.39
Other equity	10,054.91	9,267.61
	10,193.30	9,406.00
B LIABILITIES		
Non-current liabilities		
Financial liabilities		
Borrowings	50.06	105.83
Lease liabilities	53.71	58.56
Other financial liabilities	27.53	27.46
Provisions	88.60	51.66
Deferred tax liability (net)	172.67	161.24
Other non-current liabilities	6.21	6.97
	398.78	411.72
Current liabilities		
Financial liabilities		
Borrowings	2,227.01	2,015.14
Lease liabilities	12.25	14.26
Trade payables		
Total outstanding dues of micro and small enterprises	252.95	295.45
Total outstanding dues of creditors other than micro and small enterprises	1,299.04	1,070.74
Other financial liabilities	389.57	172.25
Other current liabilities	195.22	106.23
Provisions	71.50	80.05
Current tax liabilities (net)	187.58	80.23
	4,635.12	3,834.35
Total equity and liabilities	15,227.20	13,652.07

For Suprajit Engineering Limited

K Ajith Kumar Rai
 Chairman

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 CIN - L29199KA1985PLC006934
 Standalone Statement of Cash Flows

Particulars	(Rs. in million)	
	Half year ended	
	September 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)
A Operating activities		
Profit before tax expense	1,265.45	634.61
Adjustments to reconcile profit before tax expense to net cash flows:		
Depreciation and amortization expense	142.92	128.15
Allowance for doubtful receivables (net)	(4.02)	9.25
Loss /(profit) on disposal of property, plant and equipment (net)	(0.53)	0.01
Liabilities no longer required written back	(3.20)	-
Fair value gain in financial instruments	(35.83)	(93.41)
Finance cost	67.53	53.19
Interest income	(52.33)	(0.94)
Dividend income	(29.85)	(40.06)
Exceptional Items	-	413.29
Financial guarantee income	(11.96)	-
Employee share based payments	11.67	8.15
Operating profit before working capital changes	1,349.85	1,112.24
Working capital adjustments:		
(Increase)/decrease in inventories	(366.33)	(72.66)
(Increase)/decrease in trade receivables	(340.05)	35.70
(Increase)/decrease in loans	(107.82)	(6.09)
(Increase)/decrease in other financial assets	(13.83)	(11.36)
(Increase)/decrease in other assets	(90.85)	(0.28)
Increase/(decrease) in trade payables	189.00	(236.18)
Increase/(decrease) in other financial liabilities	65.31	57.49
Increase/(decrease) in provisions	14.11	14.71
Increase/(decrease) in other liabilities	88.23	61.85
Cash generated from operations	787.62	955.42
Direct taxes paid (net of refund)	(206.47)	(194.62)
Net cash flows from operating activities	581.15	760.80
B Investing activities		
Purchase of property, plant and equipment	(437.14)	(170.82)
Proceeds from sale of property, plant and equipment	0.61	0.24
Purchase of investments	(200.00)	(920.00)
Sales of investments	29.11	914.21
Movement in deposits (net)	(148.45)	120.28
Interest received	0.86	1.80
Dividend received from subsidiary companies	29.85	40.06
Net cash flows used in investing activities	(725.16)	(14.23)
C Financing activities		
Movement in working capital loans (net)	217.55	104.13
Movement in long term borrowings (net)	(61.45)	(53.69)
Interest paid	(68.89)	(55.46)
Payment of lease liabilities	(6.86)	(2.97)
Dividend paid to equity shareholders	(0.05)	(129.39)
Issue of share capital	-	0.01
Buy-back of equity shares	-	(480.00)
Tax on buy-back of equity shares	-	(110.95)
Net cash flows from/ (used) in financing activities	80.30	(728.32)
D Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(63.71)	18.25
Cash and cash equivalents at the beginning of the year	273.56	329.28
E Cash and cash equivalents at the end of half year	209.85	347.53
Cash and cash equivalents at end of half year comprises -		
Cash on hand	1.23	1.06
Balance with banks on		
Current accounts	194.00	298.29
EEFC accounts	14.62	48.18
Total cash and cash equivalents	209.85	347.53

For Suprajit Engineering Limited


K Ajith Kumar Rai
Chairman

Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on November 14, 2022.
- 2 The standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 3 The Company is engaged in the business of manufacturing and selling of automotive and other components, which are monitored as a single segment by the chief operating decision maker, accordingly, these, in the context of Ind AS 108 on operating segments reporting are considered to constitute one segment and hence the Company has not made any additional segment disclosure.
- 4 (a) The Company carried out the impairment exercise in respect of investment in Luxlite Lamp SARM and basis valuation, the Company had made impairment provision of ₹ 484.79 Million towards carrying value of investment during the quarter ended September 30, 2021.

(b) The Company evaluated the provision made towards investment in Franklin Templeton Mutual Fund (FTMF) and reversed the provision of ₹ 71.50 Million out of the total provision of ₹ 97.95 Million during the quarter ended September 30, 2021 considering the redemption and realisation of significant portion of investments in FTMF.
- 5 The Company entered into 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 transaction completed with economic completion date of April 1, 2022, whereby the Company, through its wholly owned subsidiary, Suprajit USA Inc, acquired 100% equity interest in Kongsberg Interior Systems II LLC, Kongsberg Interior Systems S de RL de CV, Kongsberg Interior Systems Kft. and Shanghai Lone Star Cable Co., Ltd. and a total cash consideration of ₹ 3,167.77 Million was paid.

For and on behalf of the Board of Directors


K. JITH KUMAR RAO
Chairman
(DIN - 01160327)

Place : Bengaluru

Date: November 14, 2022