



**Suprajit
Engineering
Limited**

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Corporate Identity Number (CIN) : L29199KA1985PLC006934



National Stock Exchange of India Ltd

Exchange Plaza

Bandra – Kurla Complex

Bandra (East)

Mumbai – 400 051.

September 9, 2016

Dear Sir/Madam,

Sub : Press Release.

Enclosed please find a Press Release.

We request you to upload this Press Release to your official website.

Please treat the above as compliance pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours faithfully,

For **SUPRAJIT ENGINEERING LIMITED**


**MEDAPPA GOWDA J
COMPANY SECRETARY**

Encl : as above

Press Release**September 9, 2016.****Suprajit Announces acquisition of Wescon Controls, USA:**

Suprajit Engineering Limited (Suprajit), a leading auto component manufacturer, announced today the successful completion of acquisition of Wescon Controls, Wichita, USA, through its wholly owned subsidiary Suprajit USA Inc, by purchasing 100% outstanding equity share capital from Shell Topco LP managed by a Private Equity Fund - Nova Capital, UK.

Wescon Controls is a market leading manufacturer of control cables in the non-automotive Outdoor Power Equipment (OPE) space. It has marquee customers like MTD, Husqvarna, John Deere, TORO, Honda, etc., and is the largest manufacturer of OPE cables in North America.

With expected sales of USD 40 million and EBIDTA margin in the range of 16-18%, Wescon has its plant in Wichita, Kansas, USA and a Maquiladora facility in Juarez, Mexico. Wescon has been manufacturing cables since 1946. It has a strong management and engineering team with a leading market position in the North American non-automotive cable space.

This transaction was funded by Suprajit's cash balances and debt in an approximate ratio of 50:50. The Enterprise Value of Wescon was estimated at USD 44.4 million.

Commenting on the acquisition Mr.K. Ajith Kumar Rai, Chairman and Managing Director of Suprajit Engineering said, *"Wescon is a perfect strategic fit for Suprajit. Wescon's market leading position in North America in the OPE segment is a significant sectoral de-risk for Suprajit in its core business of cables. This will also prepare a solid ground for Suprajit to continue to increase its exposure in both automotive and non-automotive business in the Americas. With the added strength of Wescon, new plants in India and judicious augmentation of capacities across its plants, Suprajit will emerge as the second largest cable maker in the world in the near term. We will continue our endeavour of efficient capital allocation and profitable growth".*

Mr. N.S.Mohan, President, who led the transaction team of Suprajit, commented *"Wescon gives us a complementary manufacturing footprint and bringing strong engineering support to our existing customers in North America. Mutual strengths of both Wescon and Suprajit can bring significant advantages and value to both of our customers and is a 'Win-Win' deal".*

Grant Thornton, India, was the sole financial advisor to Suprajit on the transaction. Mr. Harish H V, Partner, Grant Thornton, said *“This is another marquee transaction in the sector and a defining transaction for Suprajit to transform itself into a truly global player with presence in 3 continents. The valuation is reasonable and should help Suprajit continue on its continued growth path.”*

Citibank NA was the sole financier for the transaction. Commenting on the same, Mr. Tushar Vikram, Head - Citi Commercial Bank, India, said *“We are privileged to be associated with Suprajit Group for more than a decade. This is a significant milestone for the company, with expanding global presence and enhancing product capabilities. Wishing the management and employees the very best for the future.”*

Mr. Michael Bright, CEO of Wescon Controls, said *“The strategic fit of Wescon with Suprajit Engineering, along with the complementary capabilities of the two companies, make this a compelling opportunity. It offers a strong platform to support Wescon’s growth into other non-automotive segments and to expand our geographic reach outside of North America.”*

About Suprajit Engineering Limited:

Suprajit is one of the largest cable makers in the world. Suprajit has 16 plants, 15 in India and 1 in the UK, which also operates as a Technology Centre. It increased its annual cable capacity from 75 million to 225 million cables in the last 5 years. Suprajit’s customer list includes most Indian automotive majors and exports to many marquee global customers. Suprajit acquired Shah Concabs Pvt Limited in 2002 (merged with Suprajit in 2003), CTP Gills Cables, United Kingdom in 2004 (now Suprajit Europe, 100% owned subsidiary of Suprajit Engineering Limited) and automotive cable division of Pricol Limited through a slump sale in 2014 in the control cables space. It also acquired Phoenix Lamps Limited, a Stock Exchange listed market leader in automotive halogen headlamps, in 2015 and recently announced merger of Phoenix Lamps with Suprajit Engineering. The merger process is in advanced stage of completion, awaiting various statutory and shareholders’ approval.

For further information, please contact:

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