

Suprajit Engineering Ltd. – Investment Update – SELL Recommendation

Dear Bajaj Capital Investors,

We are pleased to inform you that **Bajaj Capital's Research Team—recommended stock, Suprajit Engineering Ltd. had successfully achieved our target price of 540 on 10 Aug 2026.**

Notably, the **stock generated a return of 22% (stock price touched to 560 on 10 Aug 2026) within 14 months of investment duration from our recommendation**, against our envisioned 12 months of investment horizon.

Suprajit Engineering faces near-term headwinds from elevated raw-material costs, potential supply-chain disruptions and constraints in the availability of key inputs/components. Higher input and logistics costs, coupled with limited pricing flexibility, could weigh on gross margins. In addition, export-related challenges, including restrictions in certain markets and higher freight costs, may adversely affect export volumes and profitability.

A slowdown in the domestic automotive sector could have a cascading impact on Suprajit Engineering's growth, given its exposure to automotive OEMs and component demand. At the same time, the company's export business is facing headwinds, which could further moderate overall revenue growth. Weakening production volumes at OEM customers, softer demand in key overseas markets and elevated logistics costs could collectively constrain volume growth and operating leverage.

Considering these factors, we expect sales growth to moderate and margins to remain under pressure over the coming months and quarters. The combination of subdued domestic auto demand, export headwinds, elevated input costs and higher freight expenses could adversely affect near-term earnings visibility.

Therefore, we **have reassessed our investment thesis and are revising our stance on the stock to SELL at CMP of 476 as of 1st Oct 2026, representing 4% upside from our initial recommended price only.**

Recommendation Timeline & Performance Summary: -

1. 17 June 2025 – Initial BUY Recommendation: The BUY call was initiated at a price of 458 with a target price of 540, implying an upside potential of 18% over a 12 months investment horizon.

2. 10 Aug 2026 – Target Achieved: The stock achieved our target price of 540 on 10 Aug 2026 and delivered a return of 22% (stock price touched to 560 on 10 Aug 2026) in less than 14 months of investment duration from our recommendation, against our envisioned 12 months of investment horizon.

3. 1st Oct 2026 – Sell Recommendation (Profit Booking): We advised investors to book profits and SELL their entire holdings in Suprajit Engineering Ltd. stock at CMP of 476 as of 1st Oct 2026, implying realized gains of 4% since our recommendation.

Happy Investing!

Thank you and best regards,

On behalf of Bajaj Capital's Research Team