

Samtel Display Systems bags the 'Hot Investment Opportunity' award by Frost & Sullivan

- *The first Indian company to be acknowledged in the aerospace segment*
- *SDS awarded for its outstanding business model and for providing a significant cost benefit to its clients vis-à-vis its competitors*

London, September 24: The Indian avionics leader, Samtel Display Systems (SDS), has been awarded the Frost & Sullivan '**Hot Investment Opportunity Award 2009**' in the Indian Aviation Suppliers Market. This award recognizes the Company's outstanding business model based on unique and differentiated products, continuous upgrades of systems, long-term client contracts and industry certifications such as SAE/AS 9100 Rev-B. This is the first time that Business Financial Services (BFS) at Frost & Sullivan is awarding an Indian participant in Aerospace Sector.

Speaking at the award ceremony organized at The Marriott Marble Arch Hotel (London), Gary Jeffery, Partner & Director, UK Operations for Frost & Sullivan, congratulated all the award recipients including SDS for their excellence.

A delighted Puneet Kaura – Executive Director, Samtel Display Systems said- *"The Indian defense and aviation industry is extremely dynamic and has tremendous business potential, while Samtel Display Systems is the only privately owned company manufacturing high-end avionics products in the country. We are extremely honored to receive the Frost & Sullivan Hot Investment Opportunities Award as it is an acknowledgement of the accomplishments and potential of Samtel Display Systems, and also gives the Indian Aerospace industry the global recognition it truly deserves."*

"The company has a differentiated product portfolio and commands a very high market share (more than 85.0 per cent) in the segments in which it operates," remarks Frost & Sullivan Research Analyst Madusudan Ramani. *"SDS offers a significant cost benefit to customers as compared to its competitors from developed economies such as the United States and Europe."*

"The offset policy in the defence segment (according to which companies that get a defense contract from the Indian Government have to invest 30 per cent back into the country, either by way of purchases from the local participants or as investment into the sector) coupled with intensifying pressure on OEMs to source more from low-cost destinations such as India is expected to strongly drive revenues for SDS in the future.", concludes Frost & Sullivan Research Analyst Madusudan Ramani.

The major challenges faced by companies in the Indian aviation suppliers market are inconsistent order flow, long gestation period of projects, and lack of competitive technology. SDS has addressed these challenges by signing long-term contracts with its customers ranging from a period of eight years to a lifetime to ensure consistent supply.

SDS has forged partnerships with many large companies for the development and supply of key parts, such as Hindustan Aeronautics Limited (HAL), Thales Aerospace, Honeywell Aerospace and Defence Research and Development Organisation (DRDO). SDS is currently a tier 2 supplier to many global participants, and Tier 1 supplier to the only significant Indian player – HAL.

"The sales contracts with foreign clients are for a 20-year period and the Indian sales contracts are for a period ranging from eight to ten years," notes Ramani. *"The deal between Samtel and HAL for Sukhoi runs for the entire lifetime. The repeat business ratio for SDS is expected to be very high because of the company's differentiated product line and substantial order book."*

About the award

The Frost & Sullivan Hot Investment Opportunity Award in the Indian Aviation Suppliers Market is bestowed each year upon the private company that has demonstrated excellence in managing its growth, attracting venture capital funding, maintaining a strong management team, and establishing a sustainable competitive advantage in an attractive market. The Award recipient must be well positioned in a growing market and have demonstrated the potential to obtain market leadership in the near-term. Finally, clear exit paths must exist, along with the potential for exceptional investment returns at an acceptable risk level for potential investors.

Frost & Sullivan Best Practices Awards recognise companies in a variety of regional and global markets for demonstrating outstanding achievement and superior performance in areas such as leadership, technological innovation, customer service, and strategic product development. Industry analysts compare market participants and measure performance through in-depth interviews, analysis, and extensive secondary research in order to identify best practices in the industry.

About Samtel Display Systems

Samtel Display Systems (SDS) is a key Indian player in high-technology products for avionics and military applications in both domestic and international markets. SDS straddles the entire value chain from design, development, manufacture, testing, qualification, repair & maintenance and obsolescence management of avionics products and equipment for military as well as commercial aircraft. Its products include Color Avionic Tubes (CAT), Multi Function Displays (MFD), Head Up Displays (HUD), Helmet Mounted Displays (HMD), Automated Test Equipments (ATE) and IADS, as well as Control Displays for Armored Military Vehicles. SDS is a part of the Samtel Group, India's largest integrated manufacturer of a wide range of displays for television, avionics, industrial, medical and professional applications, TV glass, components for displays, machinery and engineering services.

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