

CHAIRMAN'S SPEECH FOR 35TH ANNUAL GENERAL MEETING

Dear Ladies and Gentlemen,

I hope that each one of you and your family members are safe. On behalf of the Board of Directors, it is my privilege to welcome you to the 35th Annual General Meeting of your Company which is happening on a virtual platform. I thank you for your kind presence which reflects the confidence you continue to repose on us and this motivates us to continue the journey of creating value for all the stakeholders.

The notice for the AGM and Annual Report for the year 2019-20 has already been circulated to you, with your permission; I shall take it as read.

The sluggishness which we saw in the second half of FY 2019 in Indian economy and Automobile sector was thought by most of the economists as a temporary phenomenon, however that was not the case. The challenges faced by the Industry in FY2020 such as overall economic slowdown, liquidity crisis, poor consumer sentiments and finally the COVID-19 pandemic dented any hopes and eventually the automobile industry fell by 14.7%.

Despite operating in such an environment where the pace of change is increasing, our focus remains in keeping things simple which is making the organization more nimble, agile and doing right capital allocation for creating value for all the stakeholders.

Amidst all the challenges, Minda Corporation reported revenue of Rs. 28,131 million, a decline of 9% on year-on-year basis. During the year, the EBIDTA margin was 8.9%. An exceptional loss of Rs.2,933 million saw the Company posting a net loss of Rs.1,998 million for the financial year 2020.

After extensive deliberations and considerations on current and future cash flow requirement of Minda KTSN (Germany) clubbed with COVID19 pandemic impact the Board of Directors decided not to undertake further financial exposure in MKTSN and advised that the capital be allocated for growth profitable business opportunities. Thereafter, MKTSN has filed for insolvency in Germany. We expect a positive outcome for all our stakeholders in the long run. We are focusing on channelizing our precious capital towards tremendous business opportunities of profitable growth with the view of enhancing EBIDTA Margin and ROCE.

Further, the Company's focus on reducing working capital and tightening capital expenditure has resulted in strong balance sheet and net debt to equity position improving to 0.06 in FY2020 from 0.26 in FY2019.

Dear shareholders, during the year the interim dividend of 17.5% was paid to the shareholders.

The focus of the management and Board of the Directors are on sustainability, growth and governance so that right capital allocation is done to generate consistent performance which has high ROCE and Free Cash Flow. Covid-19 pandemic is helping us to learn and strengthen

our business model by focusing on cost and capex spent as well as keeping basic hygiene in operations. During this challenging time we have further strengthen our framework for risk mitigation, maintaining high level of governance and transparency which we hope will help us in delivering consistent superior performance.

I would also like to briefly mention about our CSR initiatives. It is something which is close to my heart and I am proud of the work that the teams are doing to empower the communities and support people with disabilities. During the financial year, we continued with our multiple programmes around Education and Livelihood Promotion, Empowerment of Persons with Disability, Healthcare, Community Infrastructure and Environment. It is heartening to note these efforts are being recognized at various state and national levels. We were honoured with the 'National CSR Award 2019-20', as well as Best Corporate Foundation award by the CSR Times.

Minda Corporation is Future Ready and well positioned to address the technological shift due to change in customer requirements, new trends and government regulation. We are focusing on being a system solution provider to our esteemed customers. We are investing in new technologies such as light weighting, electronics and EV related products. Our presence in chosen products and customer segments will help us in sustainable profitable growth. Minda Corporation remains committed to its customers to provide best-in-class leading quality of products through innovation.

The year ahead continues to be uncertain but we think the worst is behind us. I can assure you that Minda Corporation with its unique value proposition, Research and Development driven products, support from customer and a strong balance sheet is well placed to navigate through this difficult times.

Our greatest assets are our employees across the group and I would like to place on record my sincere appreciation for their dedicated efforts and contribution throughout the year.

As we continue to confidently face the challenges in this year and beyond, we remain committed and sincere in our efforts in creating and delivering value for all stakeholders.

Thank you.

Now I would request Mr. Laxman to share significant business updates and Company's performance for the benefit of the existing as well as prospective stakeholders.