



Minda Corporation Limited  
Chairman's FY2019 AGM Speech

**Dear Ladies and Gentlemen,**

A warm welcome to you all on behalf of the Board of Directors at this 34<sup>th</sup> Annual General Meeting of your Company. I thank for your kind presence which reflects the confidence you continue to repose 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 2018-19 has already been circulated to you, with your permission; I shall take it as read.

As you are aware that lot of changes and disruption are taking place in Automobile Industry and to keep pace the Company also made lot of change & realignment in the working of organization last year so that we can keep the Company agile and nimble. The Company is in the process of pursuing the transformation and the benefits will manifest in the coming period into enhanced value for all our stakeholders.

FY2018-19 was a year which started with great hope on back of good growth in GDP in FY18 as well as strong automobile growth of 14.8% in FY18. The automobile growth of FY19 was a story of two half where in first half we saw good growth of 14.3% in H1FY19 and decline of 1% in H2FY19. So, overall the automobile grew by 6.2% in FY2019. The growth in the automobile sector reflected the GDP growth which grew by 8.0% in Q1 FY19 but declined to 5.8% in Q4 FY19.

Despite operating in such volatile market environment, it is heartening to note that we continued to deliver above industry growth rate, growing at 19.2% in FY19 resulting in operating revenue of Rs. 30,920 million. Our Indian operations driven by Mechatronics along with Aftermarket and Information & Connected Systems saw revenue growth along with improvement in EBITDA margins. Our third vertical i.e. Plastics & Interiors witnessed challenges in profitability due to slowdown and high fixed cost in Europe.

We have a well-capitalized consolidated balance sheet with Net Debt of Rs. 3,276 million and Net Worth of Rs. 11,951 million with a Net Debt to Equity ratio of 0.27 times as of March 31, 2019.

Dear shareholders, considering the financial performance in FY19, your Directors have recommended a total dividend of 35% for the year compared to 30% during FY2018 and 25% during FY2017.

During the year, we continued our journey to strengthen the relationship with our Customers and various awards & appreciation received by your Company is testimony of the same. Customer focus is the core of our future growth strategy and thus we have adopted Key Account Management strategy in order to increase existing customer penetration and help new customer acquisitions.

We see the current financial year to be challenging year as the Industry faces issues like demand slowdown, inventory pileup and liquidity crunch. During this tough time, we have started analysing our Capex requirements and will be only focusing on spending in areas which are critical for our future growth. Further, we are analyzing all significant cost items and taking appropriate actions to reduce them.

At Minda Corporation, we are committed to enhance our technological competencies through continued investments in R&D and innovations. SMIT, our full-fledged technology powerhouse in Pune has achieved several key milestones and filed multiple patents which are reflective of the technical capability of the centre.

At Minda Corporation, we strongly believe in sharing our growth with the society at large. Our CSR activities are focused across training under privileged people in livelihood promotion, health and sanitation, care for the differently abled, environment sustainability and women empowerment. Our CSR Programmes are supplementing to Government of India Programmes and Sustainable Development Goals like digital India, Right to education, green India, national water mission etc.

Before I conclude, I take this opportunity to thank all the shareholders for the continued trust and support that you have placed in Minda Corporation. I would once again like to state that in our relentless journey to keep the organization mature, we are consistently and continuously transcending, transforming and translating each of our process and activities, so that we can lead from the front in the age of mobility.

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

We all look forward to a bright future. Thank you.

With warm regards

**Ashok Minda**  
**Chairman and Group CEO**