



**MINDA CORPORATION LIMITED**  
(GROUP CORPORATE OFFICE)

September 26, 2019

<b>The Officer-In-Charge (Listing)</b> Listing Department National Stock Exchange of India Ltd., Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol: MINDACORP	<b>Head - Listing Operations,</b> BSE Limited, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001 Scrip Code: 538962
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**Sub: Proceedings of 34th Annual General Meeting of Minda Corporation Limited**

Dear Sir,

This is to inform you that the 34th Annual General Meeting of the Shareholders of Minda Corporation Limited was held on Thursday, September 26, 2019 at 10.00 a.m. at Lakshmiapat Singhania Auditorium, PHD House, PHD Chamber of Commerce & Industry, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi – 110016. In the meeting, following persons were present apart from the members of the Company:-

1. Mr. Ashok Minda, Chairman & Group CEO
2. Mr. Rakesh Chopra, Director & Chairman of Audit Committee
3. Mr. Avinash Parkash Gandhi, Director & Chairman of Nomination & Remuneration Committee
4. Mr. Ashok Kumar Jha, Director & Chairman of Stakeholders Relationship Committee
5. Ms. Pratima Ram, Director & Chairperson of CSR Committee
6. Mr. Sudhir Kashyap, Executive Director & CEO
7. Mr. R. Laxman, Executive Director & Group CFO
8. Mr. Ajay Sancheti, Company Secretary & Compliance Officer
9. Mr. Shashank Agarwal, Representative of M/s B S R & Co., LLP, Statutory Auditor
10. Mr. Sanjay Grover, Managing Partner of (M/s Sanjay Grover & Associates), Secretarial Auditor & Scrutinizer

The requisite quorum was present in the meeting.

**MINDA CORPORATION LIMITED (GROUP CORPORATE OFFICE)**

CIN: L74899DL1985PLC020401

Office Address: Plot No. 404 & 405, 5th Floor, Sector-20, Udyog Vihar, Phase-III, Gurugram, Haryana (India) - 122016.

TEL: +91 – 124 – 4698400; FAX: +91 – 124 – 4698450

Registered Office: A-15, Ashok Vihar, Phase-I, Delhi - 110052.

Website: [www.sparkminda.com](http://www.sparkminda.com)

Mr. Ajay Sancheti, Company Secretary/Compliance Officer informed to the shareholders that the Company is doing live coverage of AGM using digital reach to shareholders. It was also requested to the members to claim their dividend for the past financial years if still it is unclaimed.

The Members were further informed that the Company is continuously raising the level of Corporate Governance year on year and has been awarded special commendation excellence Corporate Governance - golden peacock award introduced by Institute of Directors last year.

The Executive Director & CFO - Mr. R. Laxman addressed the members and shared significant business updates and Company's annual financial performance (Copy Enclosed).

Thereafter, Mr. Ashok Minda, Chairman & Group CEO delivered his speech (Copy Enclosed).

Mr. Ajay Sancheti, Company Secretary/Compliance Officer informed to the shareholders that the Company had provided to the Members with the facility to cast their votes electronically, on all resolutions set forth in the Notice. Members who were present at the AGM and had not casted their votes electronically were provided an opportunity to cast their votes during the meeting by way of the poll by using Tablet Based Electronic Voting System in the AGM in the presence of Mr. Sanjay Grover(Scrutinizer) for the approval of the following agenda items:-

#### **ORDINARY BUSINESS:**

##### **Ordinary Resolution For:-**

1. Adoption of Financial Statements, Directors' and Auditor's Report for the financial year 2018-19.
2. Confirmation of payment of interim dividend and declaration of final dividend on equity shares.
3. Re-appointment of Mr. Laxman Ramnarayan (DIN: 03033960) as a director, who retires by rotation and being eligible offers himself for re-appointment.

#### **SPECIAL BUSINESS:**

##### **Ordinary Resolution For:-**

4. Ratification of remuneration of Chandra Wadhwa & Co., Cost Accountants as Cost Auditors of the Company.

##### **Special Resolution For:-**

5. Re- appointment of Mr. Ashok Minda (DIN: 00054727) as Chairman & Group CEO of the Company and fixation of Remuneration.
6. Appointment of Mr. Laxman Ramnarayan (DIN: 03033960) as Executive Director of the Company and approval of remuneration.
7. Re-appointment of Mr. Ashok Kumar Jha (DIN: 00170745) as an Independent Director of the Company for a period of five years.
8. Approval for payment of Commission to Non-Executive Director(s) of the Company.
9. Enhancement of borrowing limits of the Board of Directors of the Company under section 180(1)(c) of the Companies Act, 2013.

10. Authorization to the Board of Directors or a committee thereof to create mortgage and/or charge on all or any of the movable and/or immovable properties of the company both present and future under section 180(1)(a) of the Companies Act, 2013.

Mr. Shashank Agarwal, Representative of M/s B S R & Co., LLP, Statutory Auditors provided the gist of the Auditors' Report for the financial year 2018-19, which was taken as read by the shareholders of the Company present in the meeting.

Mr. Ajay Sancheti, Company Secretary/Compliance Officer informed that remote e-voting commenced at 09:00 a.m. on Monday, September 23, 2019 and concluded at 05:00 p.m. on Wednesday, September 25, 2019.

The Dividend declared at the Meeting will be paid to the Members on or before October 24, 2019.

The Board of Directors had appointed M/s. Sanjay Grover & Associates as the Scrutinizer for the e-voting and for Tablet based Electronic Voting Facility at the AGM. Mr. Ajay Sancheti, Company Secretary/Compliance Officer informed the members that the results of voting i.e remote e-voting results and results of voting done at the AGM alongwith the Scrutinizer's Report shall be submitted to Stock Exchanges within 48 hours of conclusion of the AGM.

The meeting concluded at 10:30 a.m. after the Members present at the meeting casted their votes.

This is for your information and record.

Thanking You,

Yours Faithfully,

For Minda Corporation Limited

Ajay Sancheti  
Company Secretary  
Membership No. F5605





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**



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2. Significant Events in FY 2019
3. Our Technological Push
4. Industry & Financials
5. Key Focus Areas





# One of India's leading automotive component Companies with global footprint

Diversified product portfolio, global customers, strong manufacturing, and advanced R&D with six decades of automotive experience

**Revenue** Rs. 30,920 mn (FY2019)

**Business Verticals**

- Mechatronics
- Information & Connected Systems
- Plastics & Interiors
- AfterMarket

**Key Customers**



**Manufacturing Facilities**

34 Manufacturing facilities strategically located globally providing support to OEMs

**R&D Capabilities**

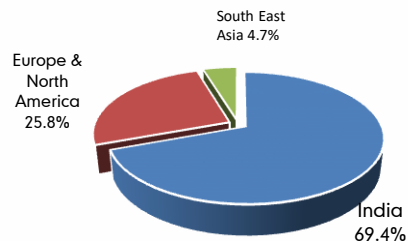
Advanced Engineering Centre of Electronics & Mechatronics in Pune (SMIT) and multiple specialised R&D Centre across India

**Market Capitalisation**  
(as of 31<sup>st</sup> March 2019)

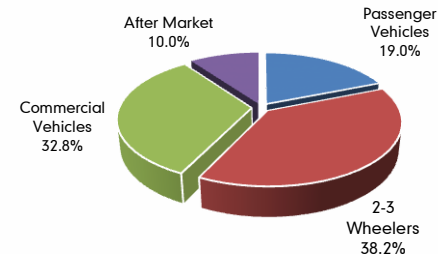
Approx. Rs. 30,959 mn

**Revenue Breakdown FY2019**

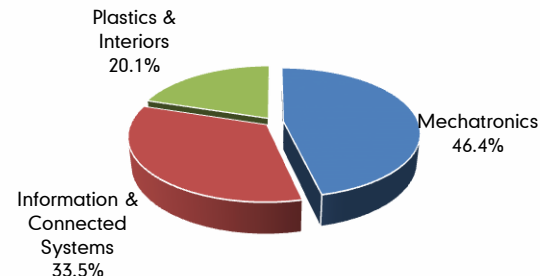
**By Geography**



**By End Market**



**By Business Verticals**



# Diversified product portfolio

<p><b>Mechatronics</b></p>	 <p>Ignition Switch Cum Steering Lock</p> <p>Smart Key System</p>	 <p>Mechanics Handles</p> <p>Immobilizers System</p>	 <p>Aluminium Die Casting</p> <p>Compressor Housing</p>	 <p>Alternator</p> <p>Starter Motor</p>			
<p>Electronic and mechanical security systems</p>		<p>Die casting components</p>		<p>Starter motors and alternators</p>			
<p><b>Information &amp; Connected Systems</b></p>	 <p>Instrument Clusters</p>	 <p>Wiring Harness</p> <p>Steering Roll Connector</p> <p>Junction Box</p>	 <p>Speed</p> <p>EGT &amp; EGRT</p> <p>PM / SOOT Sensor</p>	 <p>ITS</p> <p>EKO</p>			
<p>Instrument Clusters</p>		<p>Wiring Harness</p>		<p>Sensors</p>		<p>ITS &amp; IOT</p>	
<p><b>Plastics &amp; Interiors</b></p>	 <p>Cup Holder</p>	 <p>Ash Tray</p> <p>Louvers</p> <p>Glove Box</p>	 <p>Steering Column Shroud</p> <p>Seat Panel</p> <p>Structural Parts</p>	 <p>Oil Sump</p> <p>Cylinder Head</p> <p>Battery Tray</p>			
<p><b>AfterMarket</b></p>	<p>Major products of Mechatronics</p>	<p>Major products of Information &amp; Connected Systems</p>	 <p>Filters</p> <p>Clutch Plates</p> <p>Bearings</p> <p>Wiper Blades</p> <p>Brake Shoe</p>				
			<p>Other Contract Manufactured Products</p>				

# Manufacturing facilities strategically located globally providing support to OEMs



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Powered by Passion is our Brand's positioning.

It captures the essence of our promise to ourselves and to all stakeholders.

## Business Vertical 1 : Mechatronics

Safety Security & Restraint System

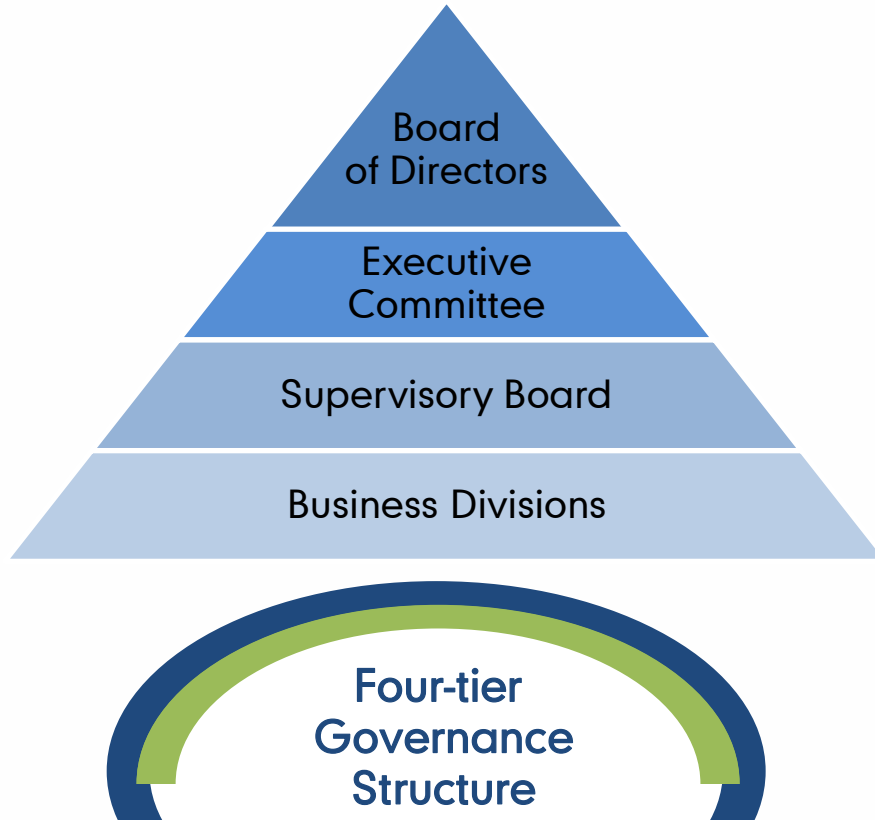
## Business Vertical 2 : Information & Connected Systems

Driver Information & Telematics System

## Business Vertical 3 : Plastics & Interiors

Interior System

## Business Vertical 4 : AfterMarket



## Introduction of Key Account Management (KAMs)

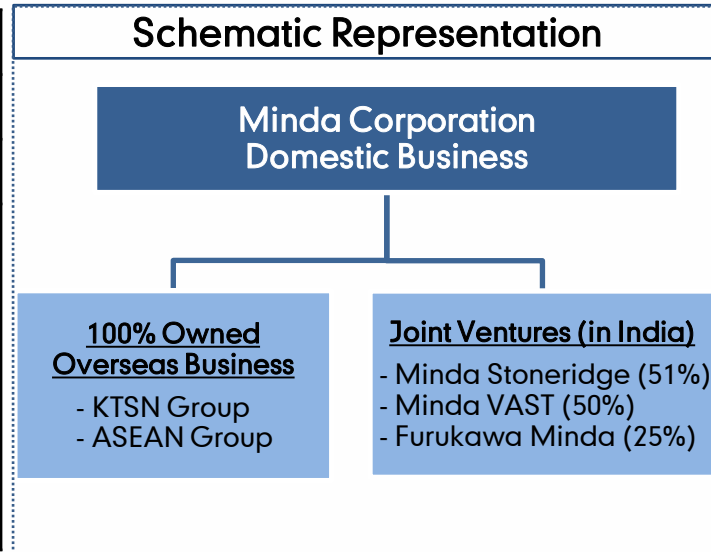
- Identification of global KAMs by Minda group based on following factors
- ❖ Potential future business ( Technology, Product Volume & value basis)
  - ❖ Percentage of existing Revenue share (>5%)
  - ❖ Business relationships with customers

# Merger of wholly owned domestic subsidiaries

Five domestic wholly owned subsidiary companies of Minda Corporation have been merged after receiving order from NCLT effective 1<sup>st</sup> September, 2019

Unified entity to benefit from efficiencies of scale along with simplification of corporate structure

Impact on Revenue – FY2019 (in Rs. Mn)		
1. MCL Standalone Pre-Merger		11,338
2. MCL Standalone Post-Merger		23,708
2.a. Minda SAI	10,324	
2.b. Minda Automotive Solutions Limited	2,953	
2.c. Minda Autoelektrik Limited	1,241	
2.d. Minda Management Services	399	
2.e. Minda Telematics and Electric Mobility Solutions	34	



Revenue size of the standalone entity will increase two-fold, post merger. Based on FY19, the post-merger revenue of the standalone entity has increased to Rs. 23,708 mn as compared to revenue of Rs.11,338 mn

# Merger of wholly owned domestic subsidiaries

Amalgamation of the Transferor Companies into and with the Minda Corp resulted in consolidation of the businesses. This will have following benefits:

- 1 Create greater synergies among the businesses
- 2 Increase in managerial efficiencies & higher transparency
- 3 Access to wider financial resources
- 4 Lowering of cost structure

- All assets and liabilities of the transferor companies has been transferred to Minda Corp at book value, as of April 01, 2018
- Merger is equity neutral: No new equity shares has been issued as Transferor Companies are wholly owned subsidiary companies



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# Mega Trends Leading to Opportunities



Connected Mobility



ADAS, Autonomous & AI, Safety



Shared Mobility



Electrification



Electronification ( Implementation )



Regulatory ( Push )

“CASE” is seen as a driver towards the future of mobility

 Priority Items

# Spark Minda Technical Centre (SMIT)



~100 Engineers !!

> 30% Masters Degree

EMC Lab

2 PhD's

Diverse work force

HIL / SIL Lab

**SMIT is able to attract talent resources from automotive industry !!**

# Technology push summary

- 1 | Minda Corporation is equipped to provide end-to-end system solutions
- 2 | Have identified opportunity in Electric Vehicle and Connected Mobility
- 3 | Focus on localization of high value components
- 4 | “CASE” is seen as a driver towards the future of the mobility
- 5 | Developing manufacturing processes & technologies to cater new developments

**Minda Corporation is exploring strong partnership with OEM's for the futuristic and new technology products**

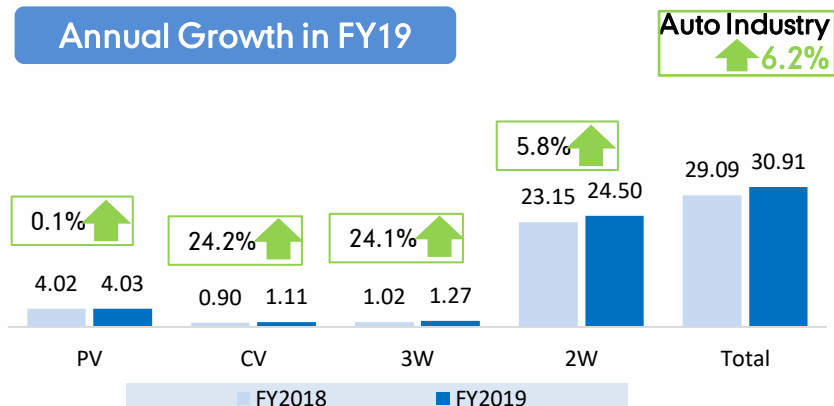
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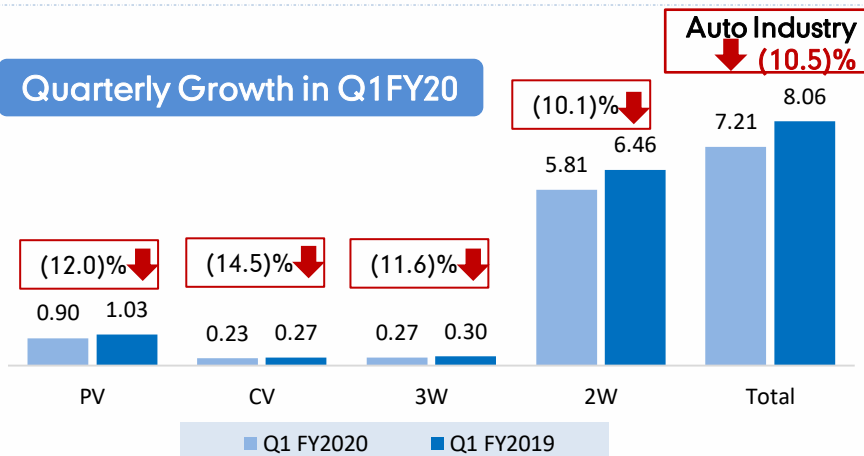


# Automotive Industry in India FY19 and Q1 FY20

## Annual Growth in FY19



## Quarterly Growth in Q1FY20



Source: SIAM

(Production Volumes in Millions)

## Commentary

- Automobile industry in FY2019 was a story of two half, H1 FY2019 had a good growth across all segments whereas H2FY2019 was challenging
- The de-growth trend which started in H2FY19 in certain segments is now visible across all the segments in the Q1FY20 for Automobile industry
- Volumes impacted by:
  - Subdued economic environment
  - Low consumer sentiment
  - Tightening of finance availability
  - Delayed monsoon

# Consolidated Performance

(Rs. Million)	Full Year		Q1	
	FY2019	FY2018	FY20	FY19
Operating Revenue (net of excise)	30,920	25,935	7,083	7,783
<i>Operating Revenue Growth</i>		19.2%		(9.0)%
Other Income	355	163	82	46
EBITDA	2,924	2,729	670	731
<i>Margin (%)</i>	9.5%	10.5%	9.5%	9.4%
Profit Before Tax (PBT)	2,361	1,914	329	507
<i>Margin (%)</i>	7.5%	7.3%	4.6%	6.5%
Profit After Tax (PAT)	1,692	1,427	212	363
<i>Margin (%)</i>	5.4%	5.5%	3.0%	4.6%

Notes:

- EBITDA margins is based on Operating Revenue
- PBT and PAT includes Share of profit of Joint Ventures

# Consolidated Leverage Position

Particulars (Rs. mn)	Mar 31 <sup>st</sup> , 2018	Mar 31 <sup>st</sup> , 2019
<b>Net Worth</b>	<b>7,407</b>	<b>11,951</b>
<b>Gross Debt</b>	<b>7,232</b>	<b>6,806</b>
Less: Cash & Cash Equivalents	261	3,530
<b>Net Debt</b>	<b>6,971</b>	<b>3,276</b>
<b>Net Debt / Net Worth</b>	<b>0.94 x</b>	<b>0.27 x</b>
<b>Capital Employed</b>	<b>14,378</b>	<b>15,227</b>
<b>ROCE</b>	<b>15.9%</b>	<b>16.4%</b>

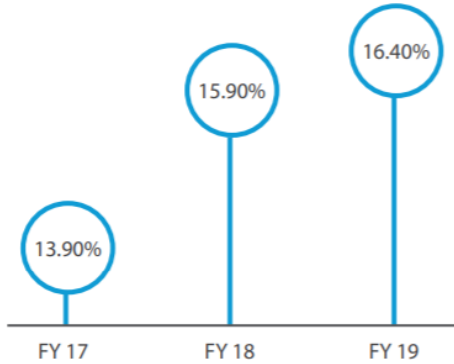
Note: ROCE excluding Exceptional Items and interest on QIP Fund

Rating Agencies	Instrument	Rating
India Ratings & Research	Term Loan	IND AA- / Stable
	Working capital limits (Fund-based and Non-fund-based)	IND AA-/Stable/IND A1+
	Commercial paper	IND A1+
CRISIL	Long Term	CRISIL A+/Stable
	Short Term	CRISIL A1

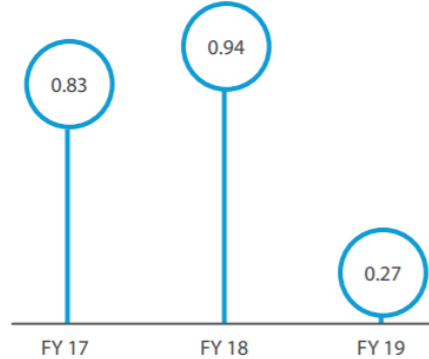


# Strong Balance Sheet and Better Cash Flow

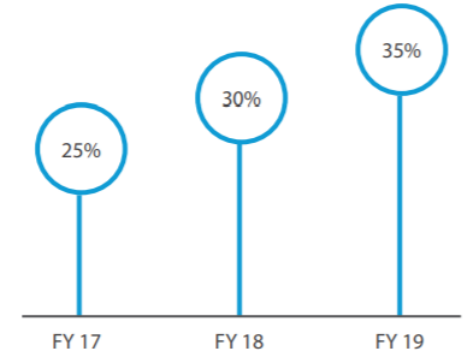
## ROCE



## Net Debt/Equity



## Dividend Payout



- Working Capital Days in FY19 reduced to 70 days from 81 days in FY18
- Free Cash flow generation of Rs. 912 million in FY19

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# Key Focus Area



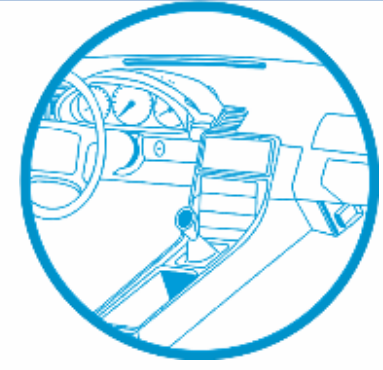
## Mechatronics

- Grow the Die-Casting Business through Export
- Adding new customer to gain Market share
- Premiumization of products to increase content per vehicle



## Information & Connected System

- Gearing up well to capitalise on opportunity on wiring harness & sensor due to BS VI
- Exploring opportunity to Increase Export
- Gaining Market share by increase in SOB and adding new customer
- Exploring opportunity for Acquisition in wiring harness

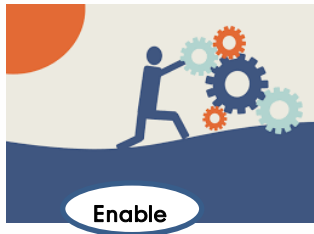
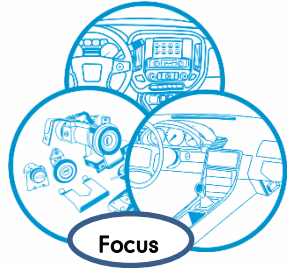


## Plastics & Interiors

- Reducing the Breakeven level in Minda KTSN and stabilizing the business
- Diversification of Customer Base
- Shifting the technology in India and exploring business opportunity with customers

**Aftermarket:** Scaling up the business for the products introduced in last few years

# Roadmap



- To Enhance Shareholders Wealth
  - By having a profitable growth better than Industry

**Organic growth enhanced by:**

- Premiumization & Regulation
- Increasing content per vehicle
- Export
- Aftermarket

**Inorganic growth:**

- Adjacent Segment
- Focus on Technology and/or Customer
- Financially Stable Company

**Enabling Catalyst for accelerated profitable growth**

- Great Place to work
- SMIT
- KAMs
- Leadership

## Group Target

Revenue > Market Growth

Focus on improving EBITDA margin and ROCE

Optimization of Working Capital



Value Creating M&A



*Warm Welcome to Minda Corporation's  
34<sup>th</sup> Annual General Meeting*

## *Economy and Industry*

- FY2019 started on positive note on back of good growth in GDP in FY2018 and strong automobile growth of 14.8% in FY2018.
- Indian automotive industry's sales registered a growth of only 6.2% during FY2019.
  - Automobile growth was a story of two halves: H1FY19 saw good growth of 14.3% while H2FY19 declined by 1%.
  - Volumes impacted by both macro and micro-economic factors.

## *Consolidated Financial Performance*

- In FY2019, Minda Corp grew above industry growth rate.
- Consolidated net sales for FY2019 stood at Rs. 3,092 Crore representing a strong growth of 19.2%.
- Consolidated EBITDA margins declined to 9.5% in FY2019 from 10.5% in FY2018.
- Indian operations were driven by Mechatronics, Aftermarket and Information & Connected Systems with growth in revenues and improvement in EBITDA margins.
- Plastics & Interiors' profitability faced headwinds due to slowdown and high fixed cost in Europe.



## *Leverage*

- Well-capitalized balance sheet with Net Debt of Rs. 328 Crore and Net Worth of Rs. 1,195 Crore with a Net Debt to Equity ratio of 0.27 times as of March 31, 2019.

## *Value Creation*

- Recommendation of a total dividend of 35% for the year compared to 30% in FY2018 and 25% in FY2017.

## *Going Forward*

- In the current economic slowdown, automobile industry is facing multiple challenges like demand slowdown, inventory pileup and liquidity crunch.
- Implementing several strategic initiatives to ensure sound financial performance in the volatile economic environment.
- Evaluating Capex requirements and will be only focusing on spending in areas which are critical for future growth.
- Analyzing cost structure for all significant cost items and taking appropriate actions to reduce them.

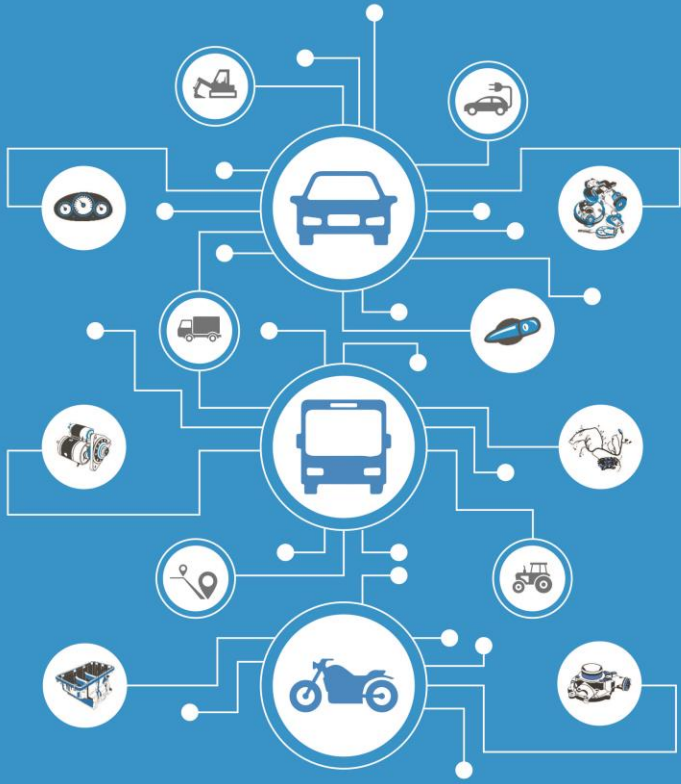
## *Operations and R&D*

- Minda Corporation is committed to enhance the 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.

## *CSR and Sustainability*

- Corporate Social Responsibility has been at the core of Minda Corporation with our ideology of sharing the growth with the society at large.
- 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.
- CSR Programmes are complementing several of Government of India Programmes and Sustainable Development Goals like Digital India, Right to Education, Green India, National water mission etc.

*Appreciation and Acknowledgment for continued trust  
and support*



# MINDA CORPORATION LIMITED

**34<sup>th</sup> ANNUAL GENERAL MEETING**  
**26<sup>th</sup> September 2019**

**PHD Chamber of Commerce & Industry**  
**New Delhi-110016**

**Transcend. Transform. Translate.**