

SPARK

MINDA

Powered by Passion

Minda Corporation Limited

(NSE: MINDACORP; BSE: 538962)

Q2 FY2021
Earnings Presentation

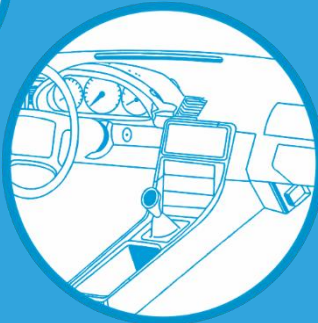
November 2020



Information & Connected
Systems



Mechatronics



Plastics & Interiors



Instrument Clusters



Sensors



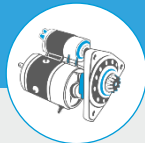
Wiring Harness



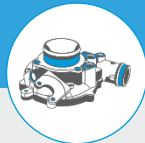
Locks



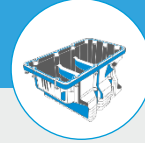
Door Handles



Starter Motors



Al & Zn Cutting Parts



Plastic Component

1. Quarterly & Half Yearly Updates

- ❖ Company Snapshot
- ❖ Industry at Glance
- ❖ Financial Performance
- ❖ Business Orders, Awards and CSR

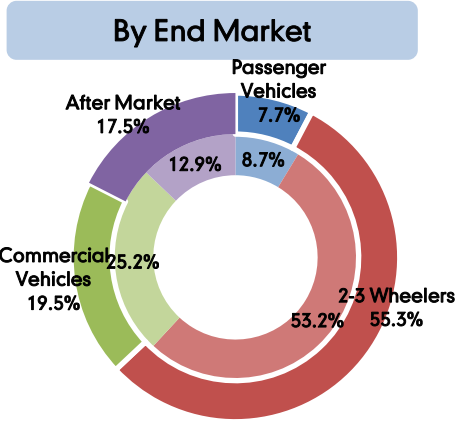
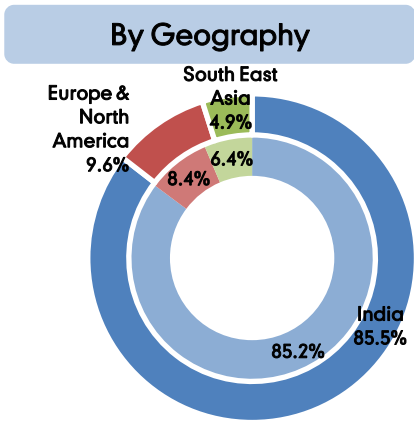


One of India's Leading Automotive Component Company

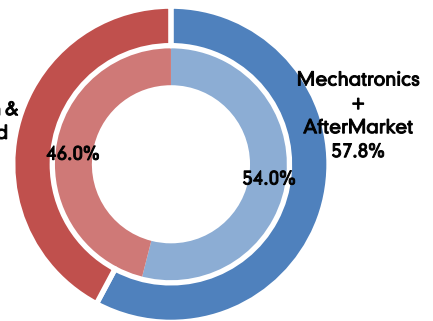
Diversified product portfolio, global customers, strong manufacturing and advanced R&D with six decades of automotive experience

Revenue	Rs. 28,131 mn (FY2020)
Business Verticals	<ul style="list-style-type: none"> - Mechatronics - Information & Connected Systems - Plastics & Interiors - Aftermarket
Key Customers	Ashok Leyland, Bajaj Auto, CNH, Hero Moto Corp, Honda Motorcycle and Scooter India, Hyundai, Mahindra & Mahindra, Maruti Suzuki, Suzuki Motorcycle, TVS Motor, Tata Motors, VE Commercial Vehicles, Yamaha Motor
Manufacturing Facilities	30 Manufacturing facilities strategically located 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 30 th Sept 2020)	Approx. Rs. 17,050 mn

Revenue Breakdown H1FY21 (and H1FY20)



By Business Verticals



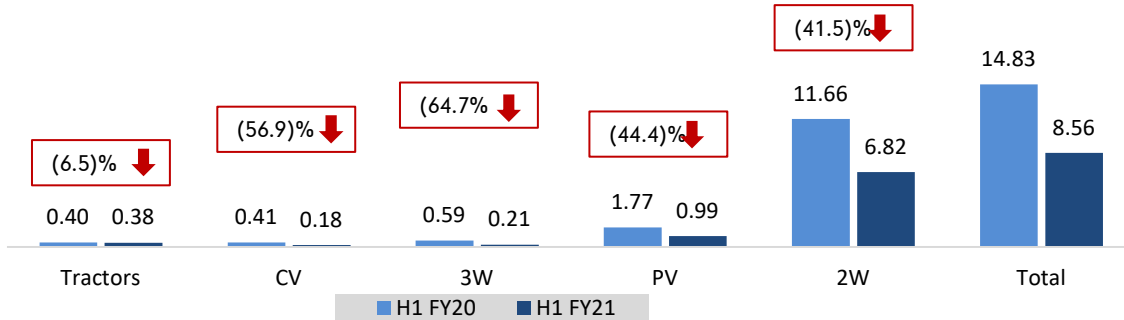
Notes:
 • Outside Ring: H1FY21
 • Inside Ring: H1FY20

Excludes MKTSN sales for all period

Indian Automotive Industry Performance – H1 & Q2 FY21

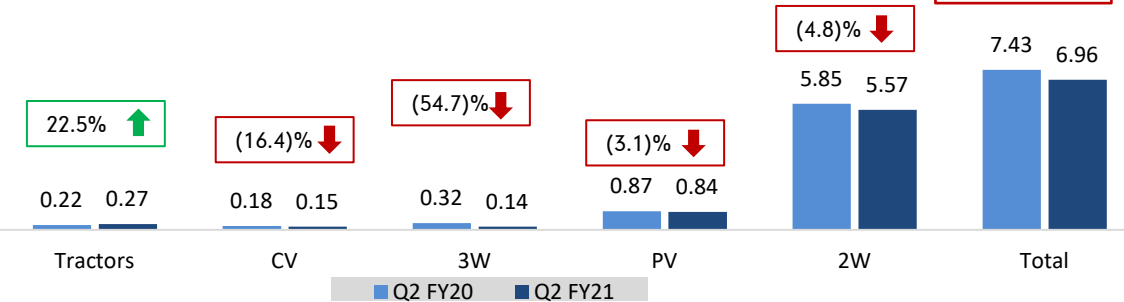
H1 FY21 Growth

**Auto Industry
(42.2)% ↓**



Q2 FY21 Growth

**Auto Industry
(6.2)% ↓**



Commentary

- In Q2FY21 we saw month on month improvement in the Automotive production as economic activity picks on sequential basis
- Positive attraction in certain segment due to:-
 - Preference for personal transport
 - Restocking of BS VI inventory
 - Agriculture sector growing
- Volumes still impacted by:-
 - Subdued economic environment
 - Lower consumer sentiment
 - Partial unlock in various states

Consolidated Performance – Q2 & H1 FY21

(Rs. Million)	Q2	Q2 FY20	Q1	Half Year	Half Year FY20
	FY21	As reported last year	FY21	FY21	As reported last year
Operating Revenue	6,561	7,355	1,780	8,341	14,437
Other Income	75	87	89	163	170
EBITDA	666	684	(203)	462	1,354
<i>Margin (%)</i>	<i>10.1%</i>	<i>9.3%</i>	<i>(11.4)%</i>	<i>5.5%</i>	<i>9.4%</i>
Profit Before Tax (PBT) - from Continued Operations	366	421	(453)	(86)	750
<i>Margin (%)</i>	<i>5.5%</i>	<i>5.7%</i>	<i>(24.2)%</i>	<i>(1.0)%</i>	<i>5.1%</i>
Profit After Tax (PAT) - from Continued Operations	258	372	(363)	(105)	584
Profit from discontinued operations (net of taxes)	-	-	9	9	-
Profit After Tax (PAT)	258	372	(354)	(96)	584
<i>Margin (%)</i>	<i>3.9%</i>	<i>5.0%</i>	<i>(18.9)%</i>	<i>(1.1)%</i>	<i>4.0%</i>

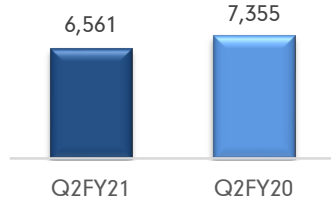
Notes: Q2 FY20 reinstated figures for continued operations are :- Revenue Rs. 5,585 mn and PBT is Rs.479 mn
H1 FY20 reinstated figures for continued operations are :- Revenue Rs. 11,426 mn and PBT is Rs.927 mn
EBITDA margins are based on Operating Revenue

Consolidated Performance – Q2 & H1 FY21

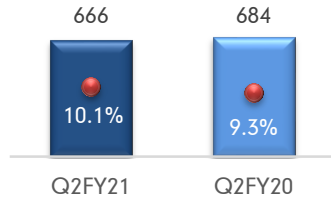
Quarterly

(in Rs. mn)

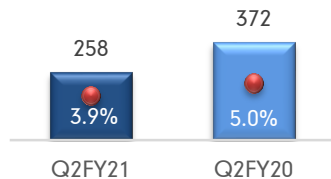
Revenue



EBITDA



Net Profit



Commentary – Q2 FY21 vs Q2 FY20*

Overall Revenue of Rs. 6561 million is lower due to:

- Discontinued operation of MKTSN
- Continued operation showed growth of 17.5% due to
 - Transition from B-IV to BS-VI led to increased wiring harness content in 2W category
 - Increase in Aftermarket Sales and Exports

EBITDA margin is 10.1% in Q2 FY21 :-

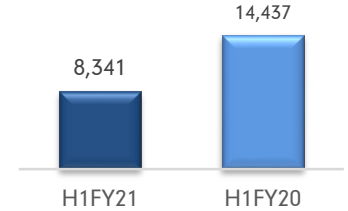
- Favorable impact of discontinued operation of MKTSN
- Continued Operation EBITDA is impacted
 - Positively by cost control measures like fixed cost expenses including personal cost.
 - Adversely by product mix, labor productivity, transition to BS VI and lag of raw material indexation

Net Profit of Rs. 258 million

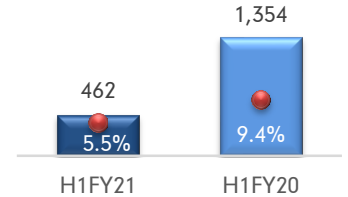
- Share of losses in JV of Rs.16.5 million as against profit of Rs.28.8 million
- Lower effective tax rate last year as the tax rate was reduced in Q2 FY20 which includes impact of Q1 FY20

Half Year

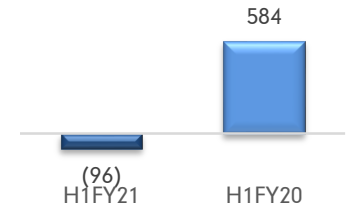
Revenue



EBITDA



Net Profit



Business Verticals Performance – Q2 & H1 FY21

(in Rs. mn)

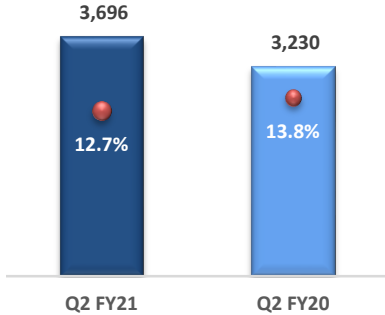
Quarterly

Commentary – Q2 FY21 vs Q2 FY20

(in Rs. mn)

Half Year

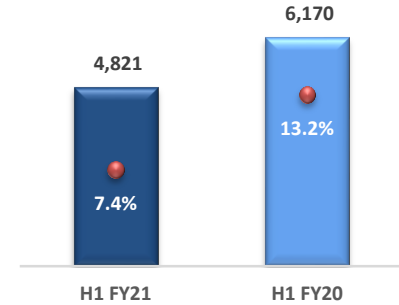
Mechatronics and Aftermarket



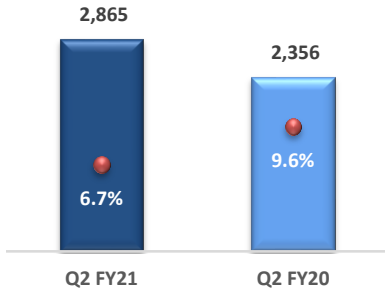
Mechatronics and Aftermarket:

- The growth in revenue was supported by higher aftermarket and exports sales
- EBITDA margin at 12.7% due to
 - Favorable impact of higher aftermarket, export sales and various cost cutting measures across the divisions
 - Adversely impacted by higher cost of operation due to Covid-19 pandemic

Mechatronics and Aftermarket



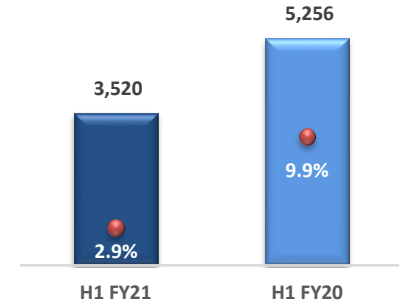
Information & Connected Systems*



Information & Connected Systems*

- The growth in revenue was supported by higher content increase in 2W due to BS VI
- EBITDA margin at 6.7% due to
 - Adversely impacted by unfavorable product mix, labor productivity, lag of RM indexation and higher cost of operation due to Covid-19 pandemic
 - Supported by various cost cutting measures across the divisions

Information & Connected Systems*



Consolidated Leverage Position

Particulars (Rs. mn)	Sept 30 th , 2020	Mar 31 st , 2020
Net Worth	9,495	9,751
Gross Debt	4,260	5,320
Less: Cash & Cash Equivalents (Inc. FDR)	4,750	4,724
Net Debt	(490)	596
Net Debt / Net Worth	N.A.	0.06 x

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

Note: For detailed financial, kindly refer to our website www.sparkminda.com

Business Orders, Awards and CSR

Business Updates – Q2 FY21

Lifetime order for Replacement business of approx. 25,258 mn and New business of approx. Rs. 5,149 mn booked in Q2 FY21

- **Mechatronics : (In Q2 Lifetime order worth approx. Rs. 5,365 mn, YTD 20-21 Lifetime order worth approx. Rs. 9,341 mn)**
 - Awarded Replacement business by leading 2W OEMs to supply Lockset (Lifetime business value of approx. Rs. 2,850 mn)
 - Awarded New business by leading 2W OEMs to supply Lockset (Lifetime business value of approx. Rs. 1,400 mn)
 - Awarded New Business by Tier 1 and OEMs to supply die-casting parts (Lifetime business value of approx. Rs. 478 mn)
 - Awarded New business in Starter motors & Alternator division (Lifetime business value of approx. Rs. 114 mn)

- **Information & Connected Systems: (In Q2 Lifetime order worth approx. Rs. 25,000 mn, YTD 20-21 Lifetime order worth approx. Rs. 28,270 mn)**
 - Replacement & New Business won to supply 'Wiring Harness' to CV OEMs (Lifetime business order of approx. Rs. 6,322 mn)
 - Won replacement prestigious order to supply 'Wiring Harness' to 2W OEMs (Lifetime business order of around Rs. 15,531 mn)
 - New Business awarded to supply 'Instrumental Cluster' to Tractor manufacturer (Lifetime business order of apx. Rs. 749 mn)
 - New Business awarded for 'Instrumental Cluster' from leading CV OEMs (Lifetime business order of approx. Rs. 220 mn)

- **Plastics & Interiors : (In Q2 Lifetime order worth approx. Rs. 42 mn, YTD 19-20 Lifetime order worth approx. Rs. 176 mn)**
 - Prestigious new business awarded to supply light weighting plastic parts to Engine manufacturer (Lifetime business order of approx. Rs. 42 mn)

- **Others & Export :**
 - Awarded New & Replacement Business in Wiring Harness Division (Lifetime business value of approx. Rs. 1,311 mn)
 - Awarded New Business in Wiring Harness in Asean Unit (Lifetime business order of approx. Rs 449 mn)

Awards/Recognition and Corporate Social Responsibility – Q2 FY2021



August 7, 2020

N.K.Modi & NITIN SAXENA
MINDA STONERIDGE INSTRUMENTS LTD.
NANEKARWADI, TALUKA- KHED
PUNE, MH. 410501

Subject: Q1 Award

Dear N.K.Modi & NITIN SAXENA:

We are pleased to inform you that MINDA STONERIDGE INSTRUMENTS LTD., PUNE, location code, GSUSA, has met the requirements of Q1 effective August 7, 2020.

To acknowledge this achievement, you will receive a Q1 plaque and flag, which we hope you will proudly display as a symbol of your accomplishment and dedication to quality.

We congratulate MINDA STONERIDGE INSTRUMENTS LTD., PUNE, for this achievement and look forward to seeing the results of your efforts in the quality of the vehicles we produce.

Please extend our congratulations and appreciation to your employees, whose hard work was critical in enabling the PUNE facility to achieve Q1. We ask that you reinforce to all employees that Q1 is not the end of the road, but the first step toward continuous improvement in the quality of our products.

Sincerely,

Thomas Mann
STA Regional Director

Linda Gill
Purchasing Director



Spark Minda is proud supplier of Mahindra & Mahindra All New Thar

Minda Stoneridge receives Q1 Award, highest designation for a Supplier from Ford Motor



Minda Stoneridge Instrument won numerous awards at QCFI Kaizen Competition



Kits distributed to around 300 families in Jammu under Sadhbhavana project, which is in collaboration with the Indian Army



Mask Production started at Pantnagar Aakarshan; around 16,000 masks are produced till date at different Aakarshan locations

Invitation

You are cordially invited to the Convocation Ceremony for the students of Aakarshan Skill Development Center, on Saturday,

12th October, 2020 at 11:30am

[View on Virtual platform, Microsoft Teams](#)

[Link and Details are attached on the Mail](#)

Aakarshan is a CSR initiative of Spark Minda Group, which focuses on skill development of the underprivileged women, children and youth

[Chief Guest: Ms. Sarika Munde \(Chairperson, Spark Minda Foundation\)](#)
[Guest of Honor: Mr. M. K. Dhanraj \(Chairman, Spark Minda Foundation\)](#)

Please grace the occasion with your valuable presence

Event
 Honorable: Team Management
 Honorable: Team Finance
 Honorable: Team Operations
 Honorable: Team Other Support
 Honorable: Team Staff Room

Cycle one of Virtual classes completed with virtual convocation, catering around 600 students



Covid-19 Awareness sessions for students conducted by Wadhvani Foundation

Thank You

This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Minda Corporation Limited (“Minda Corp” or the Company) future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Minda Corp undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.



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