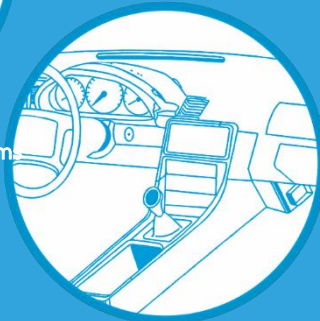




Mechatronics



Information & Connected Systems



Plastics & Interiors



Minda Corporation Limited

(NSE: MINDACORP; BSE: 538962)

Q2 FY20 Earnings Presentation

Nov 2019



Instrument Clusters



Sensors



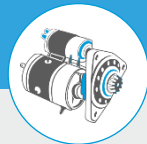
Wiring Harness



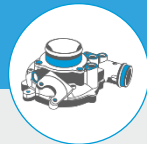
Locks



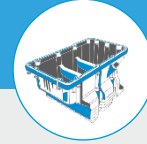
Door Handles



Starter Motors



Al & Zn Cutting Parts



Plastic Component

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1. Quarterly Updates

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Industry at Glance

Consolidated Performance

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Way Forward

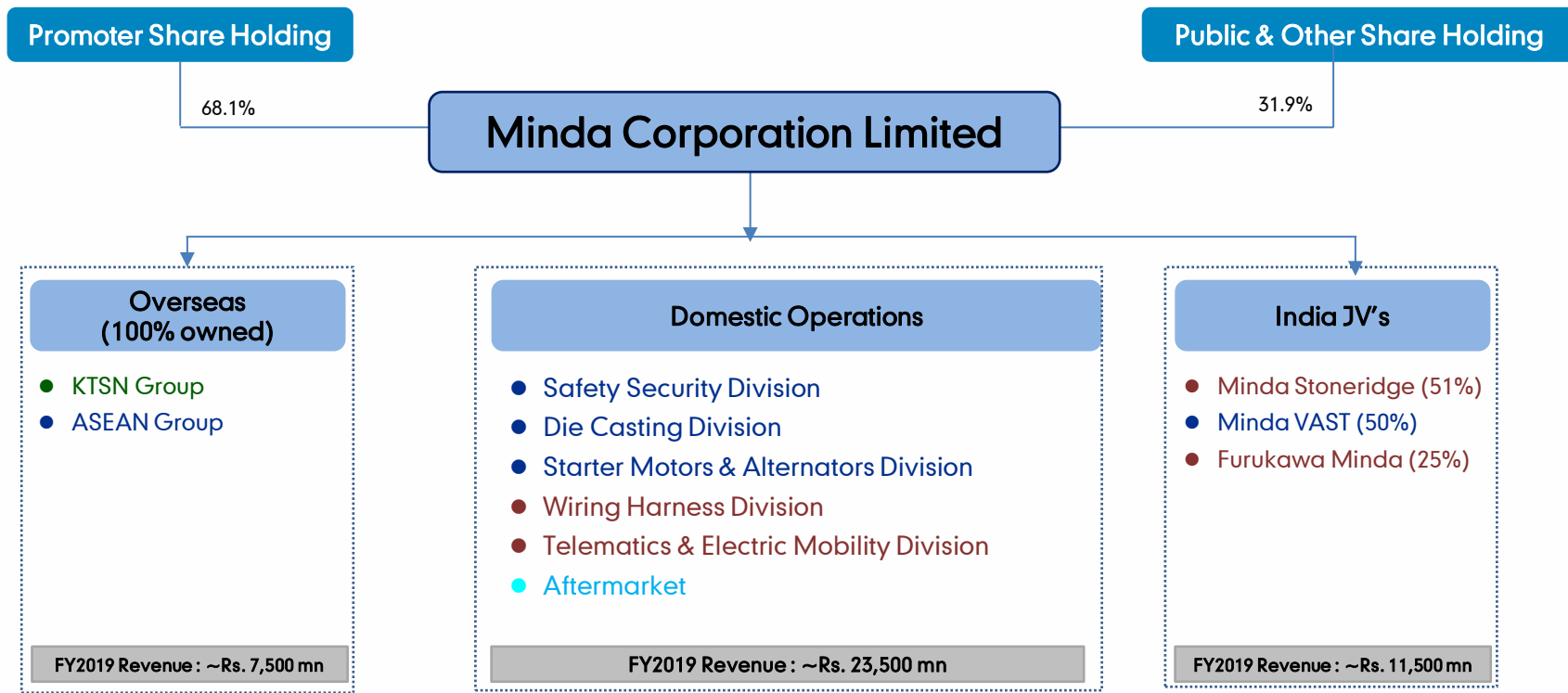
Awards and CSR

2. Annexure A (Standalone Performance)

3. Annexure B



Schematic Representation of Minda Corporation



- **Mechatronics**
- **Information and Connected System**
- **Interiors & Plastics**
- **Aftermarket**

One of India's leading automotive component companies with global footprint

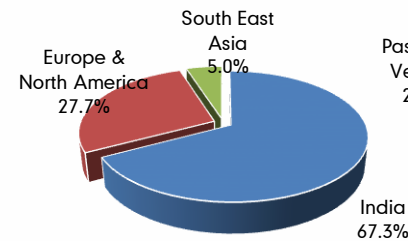


Diversified product portfolio, global customers, strong manufacturing and advanced R&D with six decades of automotive experience

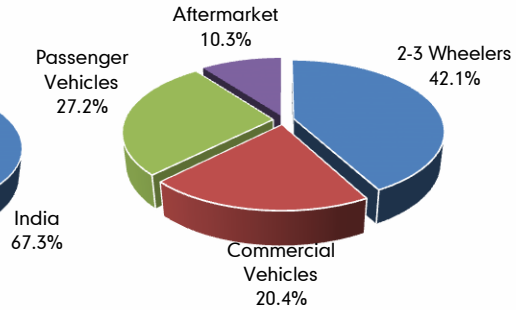
Revenue	Rs. 30,920 mn (FY2019)
Business Verticals	<ul style="list-style-type: none"> - Mechatronics - Information & Connected Systems - Plastics & Interiors - Aftermarket
Key Customers	Ashok Leyland, Bajaj Auto, CNH, Daimler, Hero Moto Corp, Honda Motorcycle and Scooter India, Hyundai, Mahindra & Mahindra, Maruti Suzuki, Suzuki Motorcycle, TVS Motor, Tata Motors, VE Commercial Vehicles, Volkswagen, Yamaha Motor etc.
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 30 th Sept 2019)	Approx. Rs. 21,630 mn

Revenue Breakdown H1 FY20

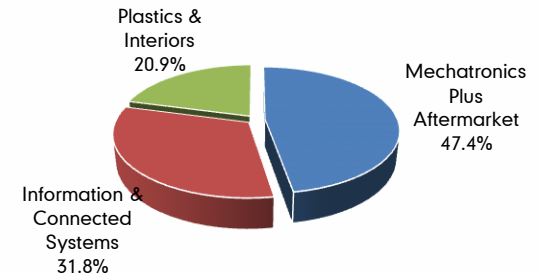
By Geography



By End Market



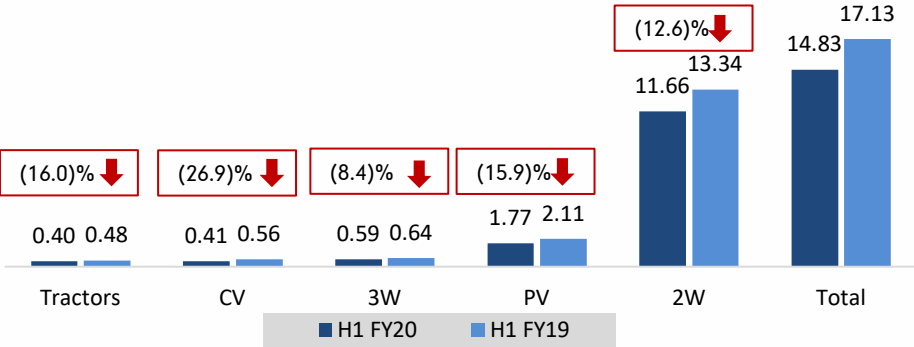
By Business Verticals



Indian Automotive Industry Performance: H1FY20

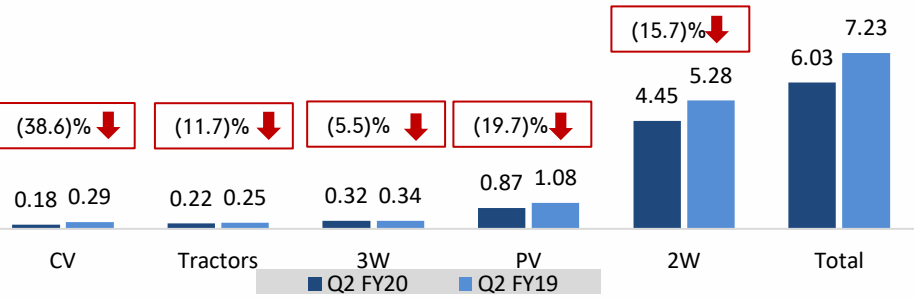
H1 FY20 Growth

Auto Industry
↓ (13.4)%



Q2 FY20 Growth

Auto Industry
↓ (16.6)%



Commentary

- The de-growth trend which started in H2FY19 accelerated its momentum for all the segments in H1FY20 for Automobile industry.
- During H1FY20, Production of vehicles declined by 13.4%
 - Commercial Vehicles (-26.9%)
 - Passenger Vehicles (-15.9%)
 - 2-Wheelers (-12.6%)
 - Tractors (-16%)
 - 3-Wheelers (-8.4%)
- Q2FY20 production volumes declined by 16.6% Y-o-Y with CV (-38.6%), PV (-19.7%) and 2W (-15.7%) were the most impacted vehicle segment
- Volumes impacted by:
 - Subdued economic environment
 - Phasing out of BS IV model before the launch of BS VI from 1st April 2020.
 - Tightening of finance availability
 - Postponement of demand due to anticipation of GST cut

Consolidated Performance – Q2 & H1 FY20

(Rs. Million)	Q2		Q1	Half Year	
	FY20	FY19	FY20	FY20	FY19
Operating Revenue	7,355	7,733	7,083	14,437	15,516
<i>Operating Revenue Growth</i>		<i>(4.9)%</i>	<i>3.8%</i>		<i>(7.0)%</i>
Other Income	87	113	82	170	160
EBITDA	684	823	670	1,354	1,554
<i>Margin (%)</i>	<i>9.3%</i>	<i>10.6%</i>	<i>9.5%</i>	<i>9.4%</i>	<i>10.0%</i>
Profit Before Tax (PBT)	421	656	329	750	1,163
<i>Margin (%)</i>	<i>5.7%</i>	<i>8.4%</i>	<i>4.6%</i>	<i>5.1%</i>	<i>7.4%</i>
Profit After Tax (PAT)	372	463	212	584	826
<i>Margin (%)</i>	<i>5.0%</i>	<i>5.9%</i>	<i>3.0%</i>	<i>4.0%</i>	<i>5.3%</i>

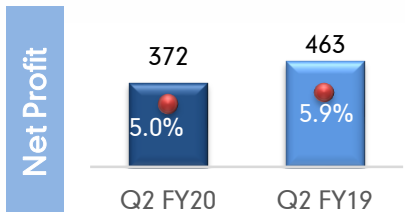
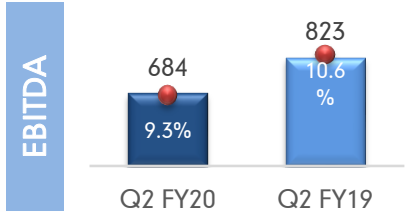
Notes:

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

Consolidated Performance – Q2 & H1 FY20

Quarterly

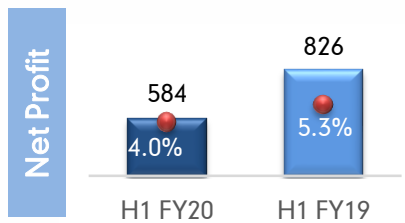
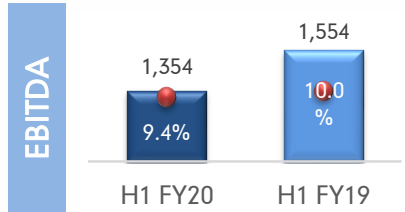
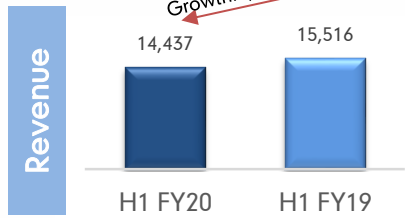
(in Rs. mn)



Commentary – Q2 FY20 vs Q2 FY19

- Overall revenue declined by 4.9% y-o-y in Q2 FY20 due to
 - Domestic sales fell by 14.8%
 - Compensated by higher tooling sales in European operations.
- EBITDA margin fell by 130 bps to 9.3% in Q2 FY20 primarily due to
 - Adverse Product mix
 - Lower absorption of fixed cost due to lower revenue
 - Higher breakeven level in European operations
 - Partially offset by 50 bps reduction in employee cost
- PAT was Rs. 372 million; margin of 5.0%; fell by 90 bps; impacted by
 - Lower EBITDA margin
 - Partially offset by lower tax rate in India

Half-Yearly



Consolidated Leverage Position

Particulars (Rs. mn)	Sep 30 th , 2019	Mar 31 st , 2019
Net Worth	12,367	11,950
Gross Debt	5,845	6,806
Less: Cash & Cash Equivalents (Inc. FDR)	4,188	3,670
Net Debt	1,657	3,136
Net Debt / Net Worth	0.13 x	0.26 x
Capital Employed	13,994	15,086
ROCE	12.2%	16.4%

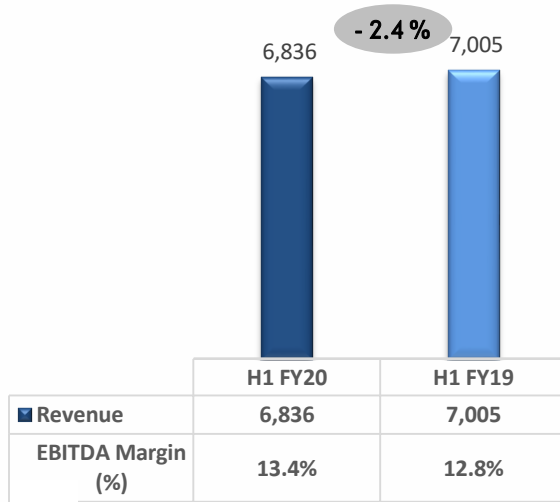
Note: ROCE excluding Exceptional Items and interest on QIP Fund

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

Business Verticals Performance (H1FY20 vs H1FY19)

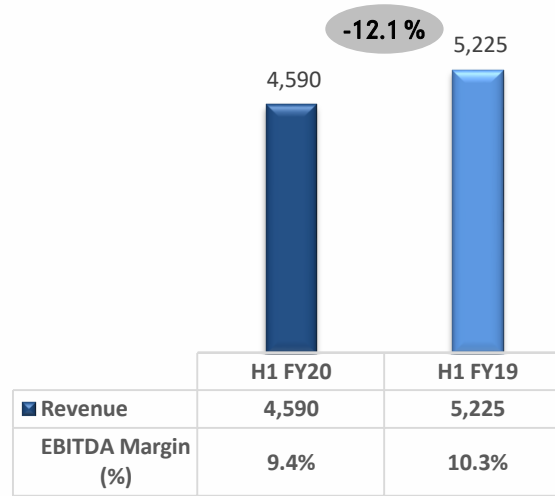
(in Rs. Mn)

Mechatronics and Aftermarket



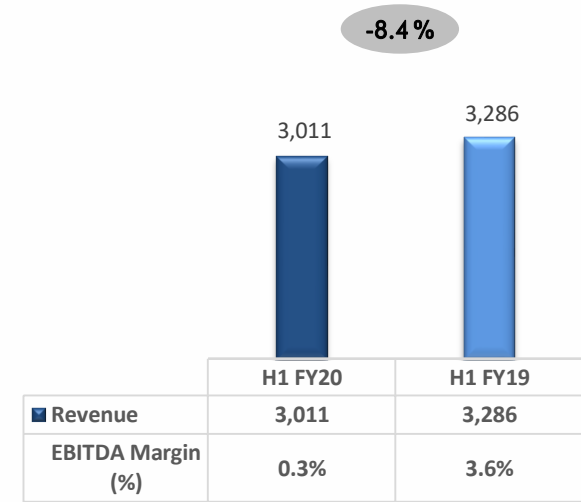
- Revenue de-growth was arrested because of higher exports and growth in Aftermarket
- EBITDA Margin changed due to;
 - Favourable impact of lower RMC cost
 - Unfavourable impact due to lower absorption of fixed cost.

Information & Connected Systems



- Revenue decline impacted by 27% fall in CV.
- EBITDA Margin impacted due to product mix and under absorption of cost due to lower sales.

Plastics & Interiors



- Revenue fell due to lower tooling sales, as compared to H1FY19
- EBITDA Margin is substantially impacted due to increase in raw material cost, challenges in European Operation

Business Updates – Q2 FY20

- **Mechatronics : (In Q2 Lifetime order worth approx. Rs. 8,500 mn, YTD 19-20 Lifetime order worth approx. Rs. 13,000 mn)**
 - Awarded new business by globally leading 2W OEMs to supply 'Lockset with Fuel Tank Caps' (Lifetime business value of approx. Rs. 1,500mn)
 - New order received for 'Alternator' from leading global tractor OEM (Lifetime business order of approx. Rs. 750 mn)
 - Awarded new business from leading Indian PV OEMs to supply 'Lockset' (Lifetime business value of approx. Rs. 500 mn)

- **Information and Connected System : (In Q2 Lifetime order worth approx. Rs. 1,200 mn, YTD 19-20 Lifetime order worth approx. Rs. 10,800 mn)**
 - New business awarded to supply 'Wiring Harness' to leading Tractor OEMs (aggregate lifetime business order worth of approx. Rs. 100 mn)
 - Won prestigious order to export 'Wiring Harness Components' (Lifetime business order of approx. Rs. 240 mn)
 - Awarded New Business from a Leading 3W OEMs for 'Instrument Cluster' (Lifetime business value of approx. Rs. 450 mn)

- **Plastics & Interiors : (YTD 19-20 Lifetime order worth approx. Rs. 350 mn)**

- **Export :**
 - Export business received for Die Casting parts (Lifetime business value of Rs. 4,400 mn)
 - Won prestigious order to export 'Wiring Harness' to a leading 2W Vehicle OEM in Europe (Lifetime business order of approx. Rs. 230 mn)

Achievements

- **Partnership with Bajaj Auto for E-mobility :**
 - Minda Corp to supply products such as Keyless system consisting of electronics steering column lock, Key FOB, Smart ECU, Seat and glove box actuation mechanism and few Die casting components for recently launched E-vehicles of Bajaj Auto.
 - Spark Minda Technical Centre, is working with Minda Corporation to introduce various breakthrough technologies and innovative ideas catering to emerging trends of e-Mobility.
- **National CSR Award :**
 - 'The National CSR Award', highest recognition in the domain of CSR by Government of India was awarded to Spark Minda Foundation for its exemplary initiatives in the field of Differently abled community support.
 - The prestigious award was received by Mrs. Sarika Minda, Chairperson, Spark Minda Foundation from Ms Nirmala Sitharaman, Honourable Minister of Finance and Corporate Affairs in presence of the President of India – His Excellency Shri Ram Nath Kovind.



Context

India

- Production cut by OEM's to align with market demand and phase out of BS IV inventory
- Uncertainty of Pre-Buying in Q3 & Q4 FY20
- Finance tightening by NBFC's
- Moving from BS IV to BS VI
- Lower Inflation and Interest Cut by RBI
- Commodity Prices have fallen or stable

Global especially Europe

- Lower economic activity impacting demand
- Slowdown in China impacting the Margin of OEM
- Brexit negotiations impacting consumer sentiments
- Deferment of hike in Interest Rate across Geographies

Response and Outlook

Mechatronics

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

Information & Connected Systems

- Exploring opportunity to Increase Export of wiring harness
- 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 KTSN
- Diversification of Customer Base

Aftermarket

- Enhancing the growth by adding new product

SMIT

- Upgrading Legacy Product and Developing New Product with the help of Technology

Awards and CSR

Awards/Recognition – H1 FY20



16th CFO Leadership Summit Award to Mr. R Laxman, Director & Group Finance, Minda Corporation, organized by EXITO



Minda SAI is now certified as Great Place to Work – 2019



Spark Minda bagged CSR Leadership Award 2019 for Best Practices in Prisons of India, by India CSR



Spark SAI- South receives 1st Runner Award on Leading Practices on Health & Wellbeing

Mahindra Annual Supplier Meet 2019



Annual Commodity Award – Electrical Proprietary, Farm Division - conferred to Minda SAI



Annual Commodity Award – Body, Closures & Chasis, Automotive Division - conferred to Minda VAST Access Systems



Best SCM Performance Award – Truck and Bus Division - conferred to Minda Stoneridge Instruments



Best Product Development Performance Award for Furio – conferred to Minda SAI



Best Product Development Performance Award for Furio - conferred to Minda Stoneridge Instruments

Awards/Recognition – H1 FY20



Inauguration of **Minda Mitra**
State of the Art – Live Garage
Training for Mechanics with practical &
theoretical fitment session under guidance of
technical experts



Inauguration of **Centre of Excellence** at
Spark Minda Technical Centre, Pune
A joint initiative with 'Ansys Software' to
improve capability of Virtual Simulation in
emerging automotive areas

Corporate Social Responsibility – Q2 FY20



Inauguration of Aakarshan Skill Development Programme at Pune, Maharashtra with target to enhance skills of over 300 learners in FY20. Aakarshan skill Development Programme has reached to 5,400+ youth, women and children with its 6 centers across India



Blood Donation Drive at Minda Corporation



Flood Relief Program in Kolhapur district of Maharashtra



Convocation Ceremony at Aakarshan Skill Development centers

Annexure A (Standalone Performance)

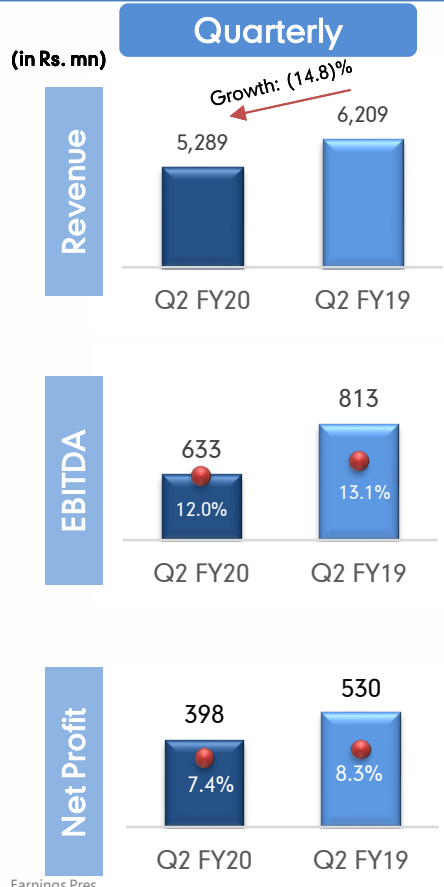
Standalone Performance – Q2 FY20

(Rs. Million)	Q2		Q1	Half Year	
	FY20	FY19	FY20	FY20	FY19
Operating Revenue	5,289	6,209	5,628	10,918	11,786
<i>Operating Revenue Growth</i>		<i>(14.8)%</i>	<i>(6.0)%</i>		<i>(7.4)%</i>
Other Income	105	194	80	185	250
EBITDA	633	813	641	1,274	1,396
<i>Margin (%)</i>	<i>12.0%</i>	<i>13.1%</i>	<i>11.4%</i>	<i>11.7%</i>	<i>11.8%</i>
Profit Before Tax (PBT)	440	781	418	859	1,200
<i>Margin (%)</i>	<i>8.2%</i>	<i>12.2%</i>	<i>7.3%</i>	<i>7.7%</i>	<i>10.0%</i>
Profit After Tax (PAT)	398	530	283	681	814
<i>Margin (%)</i>	<i>7.4%</i>	<i>8.3%</i>	<i>4.9%</i>	<i>6.1%</i>	<i>6.8%</i>

Notes:

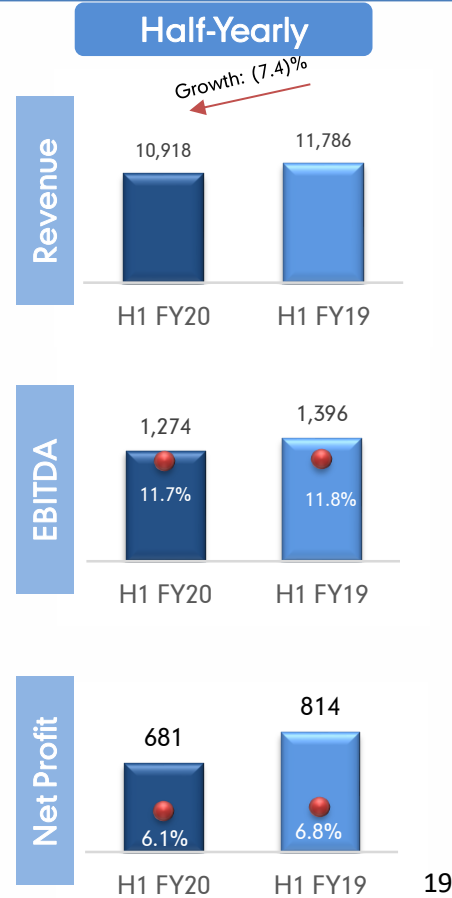
- EBITDA margins is based on Operating Revenue

Standalone Performance – Q2 & H1 FY20



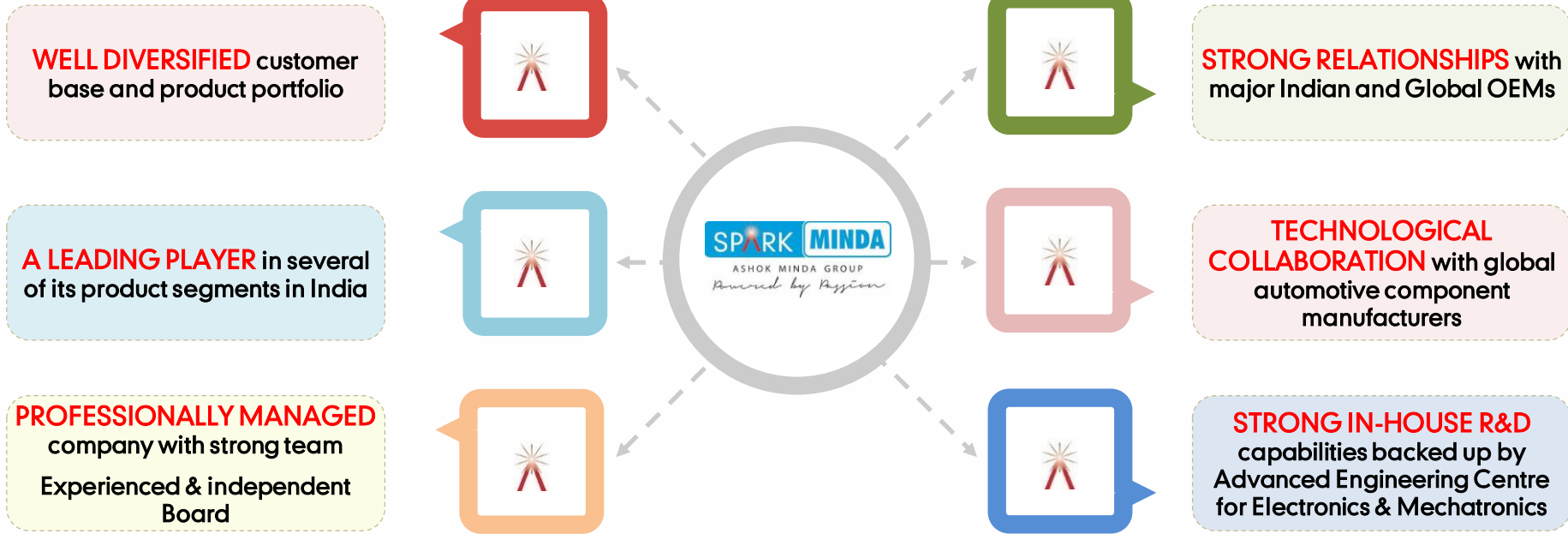
Commentary – Q2 FY20 vs Q2 FY19

- Overall revenue declined by 14.8% y-o-y in Q2 FY20 due to decline in CV by (-39%) and 2W by (-16%).
- EBITDA margin dropped by 110 bps and fell to 12% due to
 - Adverse product mix
 - Lower revenue resulting into lower fixed cost absorption
- PAT was Rs. 398 million with margin of 7.4%, which is lower by 90 bps as compare to same quarter last year; impacted by
 - Lower EBITDA margin
 - Higher Depreciation
 - Partially offset by lower tax rate

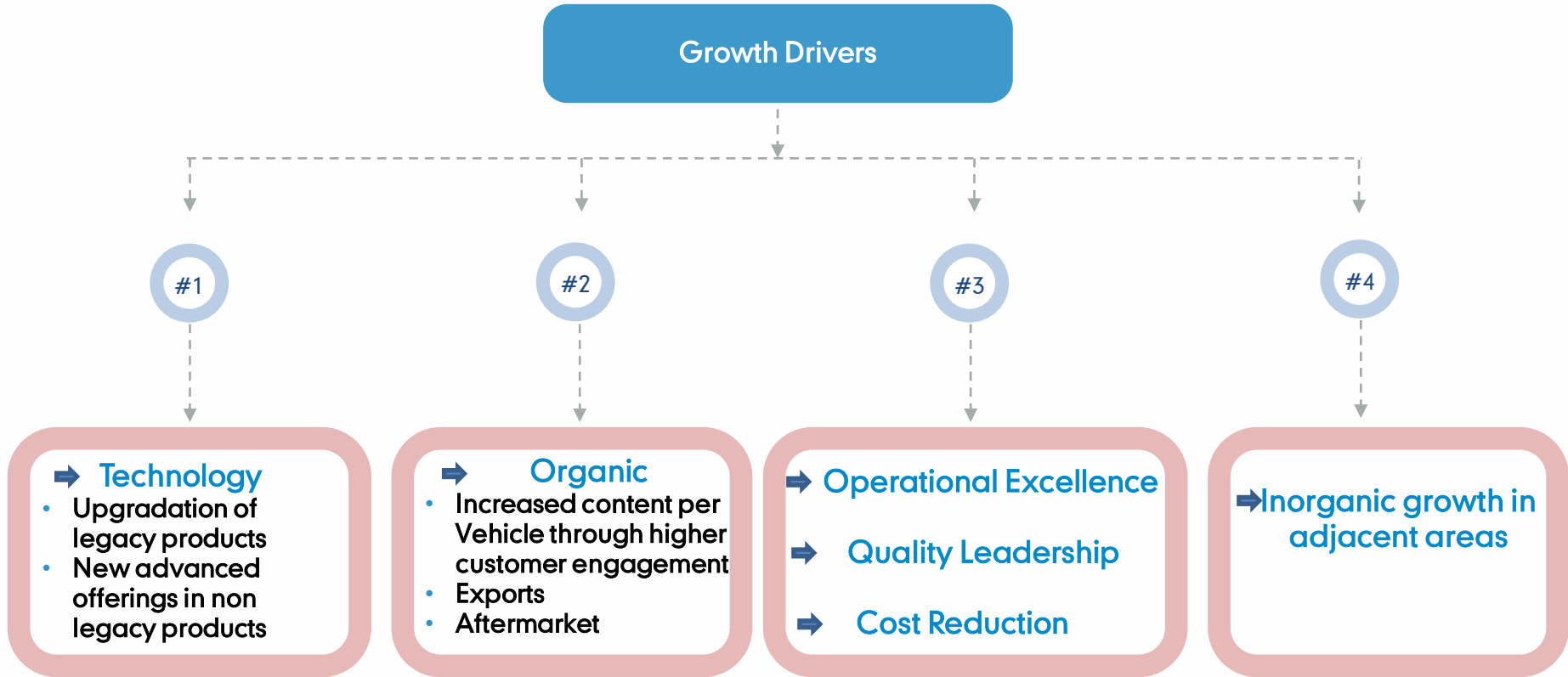


Annexure B

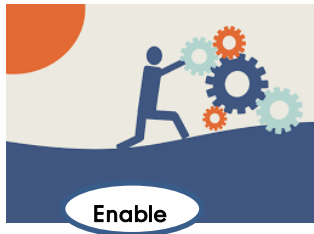
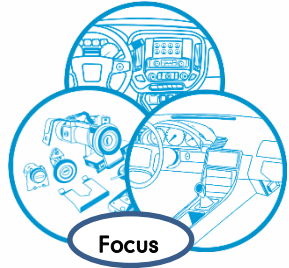
Competitive Strengths



Strategic Focus – Growth Drivers



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

Minda Corp (Consolidated)

Mechatronics

- Safety Security Division
- Die Casting Division
- Starter Motors & Alternators Division
- PT Minda Automotive Indonesia
- Minda Vietnam Automotive Co. Ltd
- Minda VAST Access Systems Pvt. Ltd (50%)

Information and Connected System

- Wiring Harness Division
- Plastic Component Division
- Telematics & Electric Mobility Division
- Minda Stoneridge Instruments Ltd (51%)
- Furukawa Minda Electric Pvt. Ltd (25%)







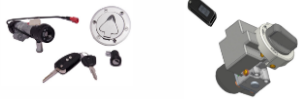



























Plastics & Interior

- Minda KTSN Plastic Solution GmbH & Co. KG
- Minda KTSN Plastic & Tooling Solutions Sp Zo.o
- Minda KTSN Plastic Solutions s.r.o.
- Minda KTSN Plastic Solutions Mexico, S. de R.L. de C.V.

Aftermarket

- Aftermarket Division

Diversified Product Portfolio

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

Key Customers

2-3 Wheelers



Commercial & Off Highway Vehicles



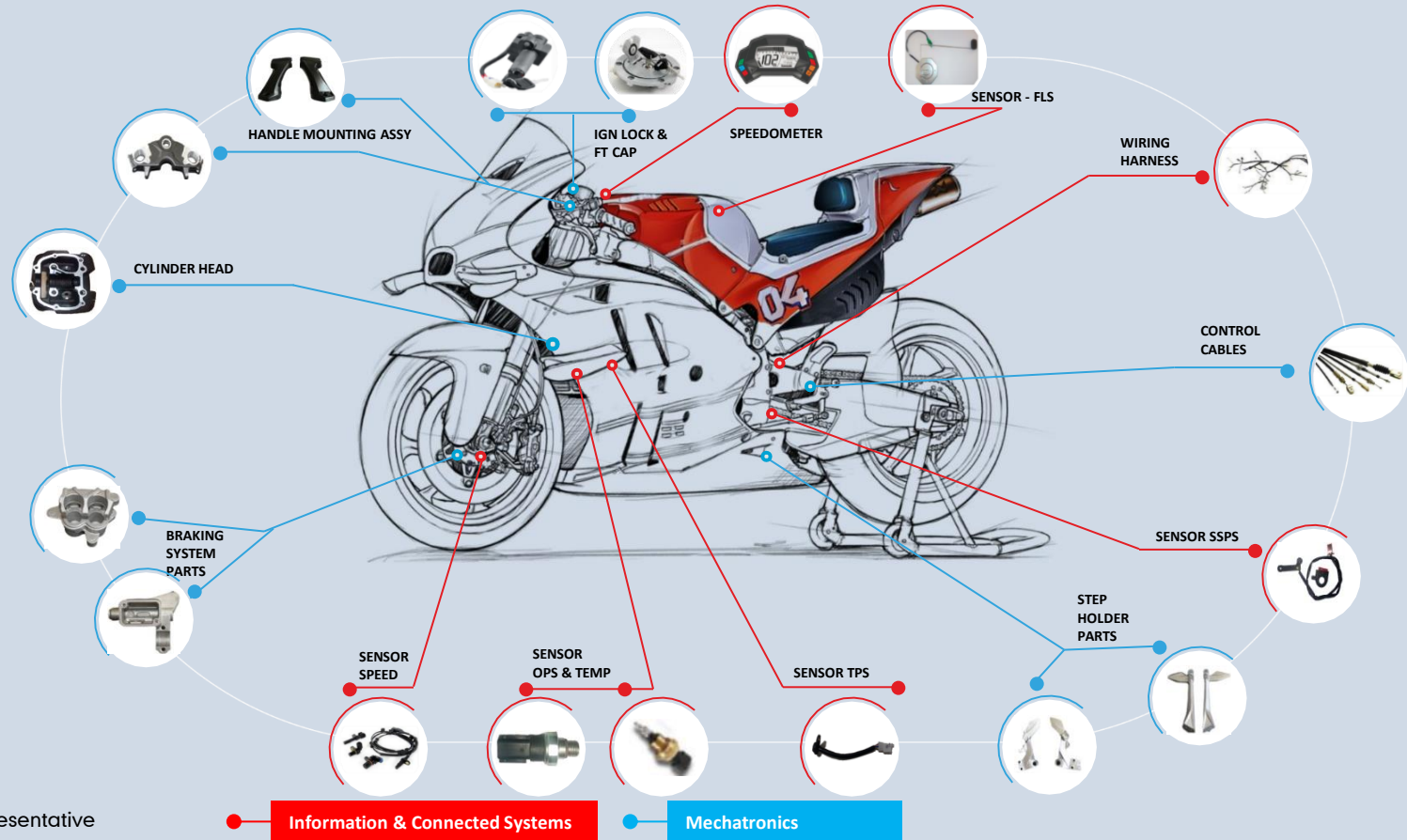
Passenger Vehicles



Other Market

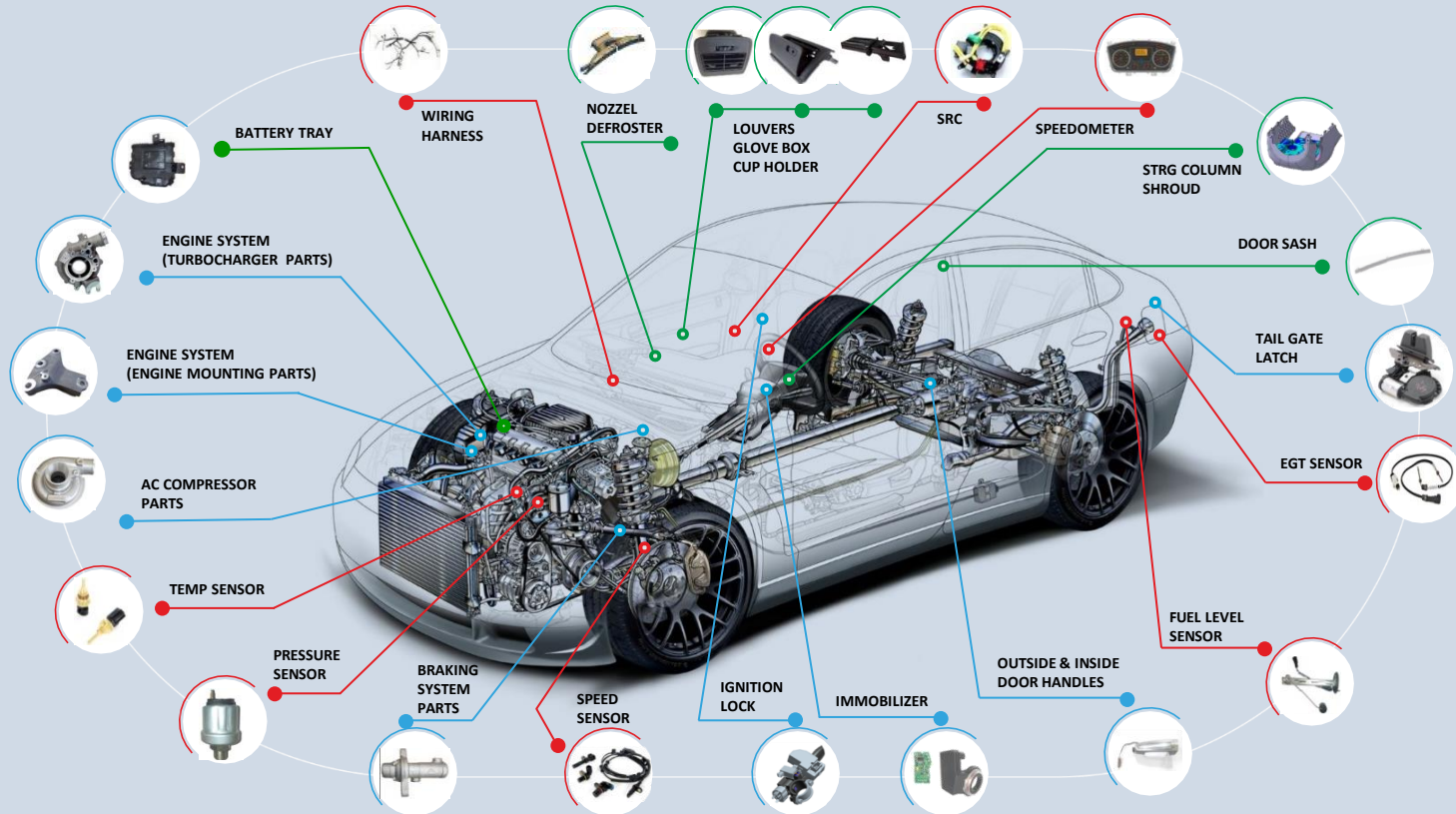


Product Portfolio – 2 Wheelers



Note: Representative products

Product Portfolio – Passenger Vehicles



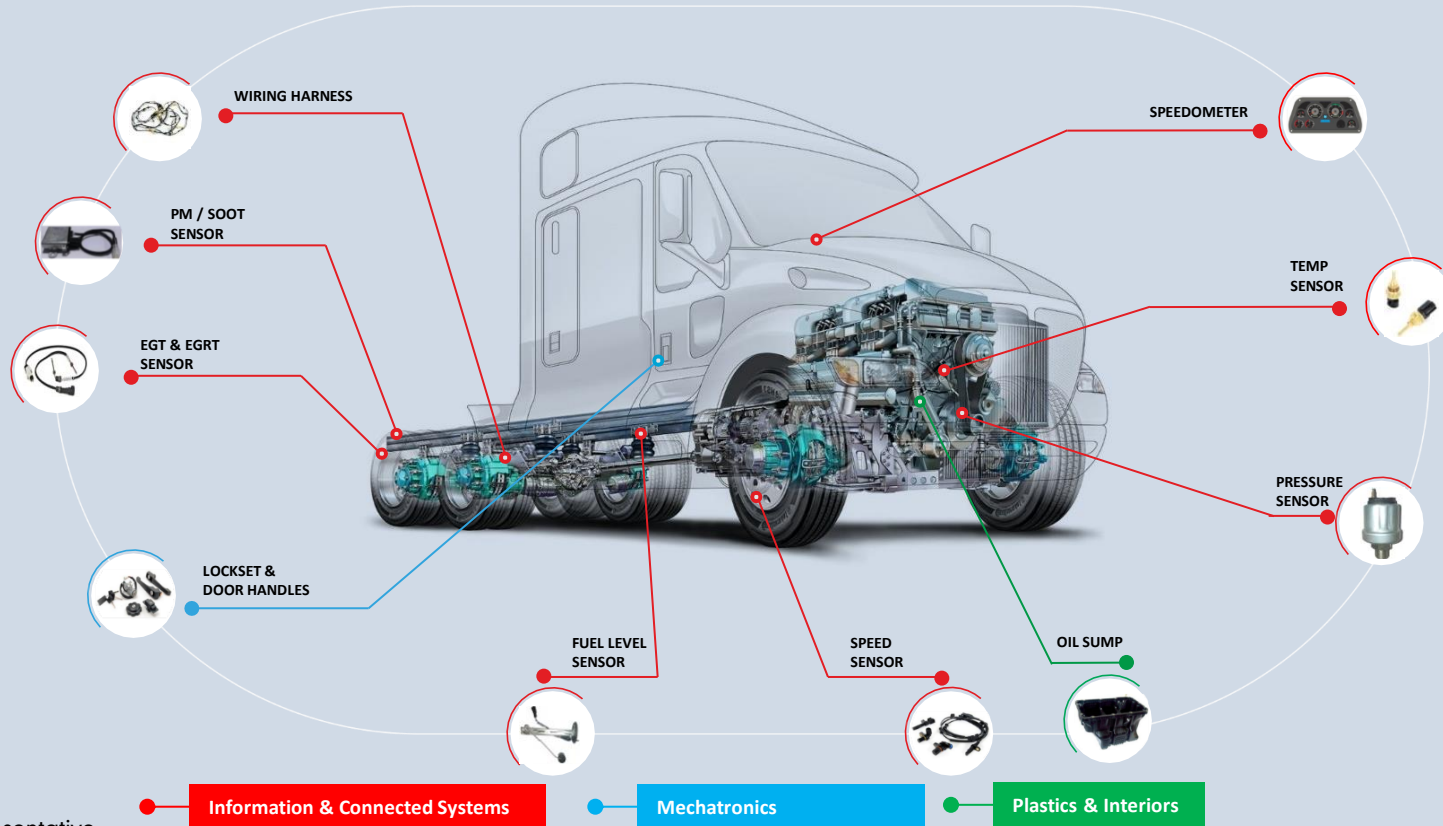
Note: Representative products

Information & Connected Systems

Mechatronics

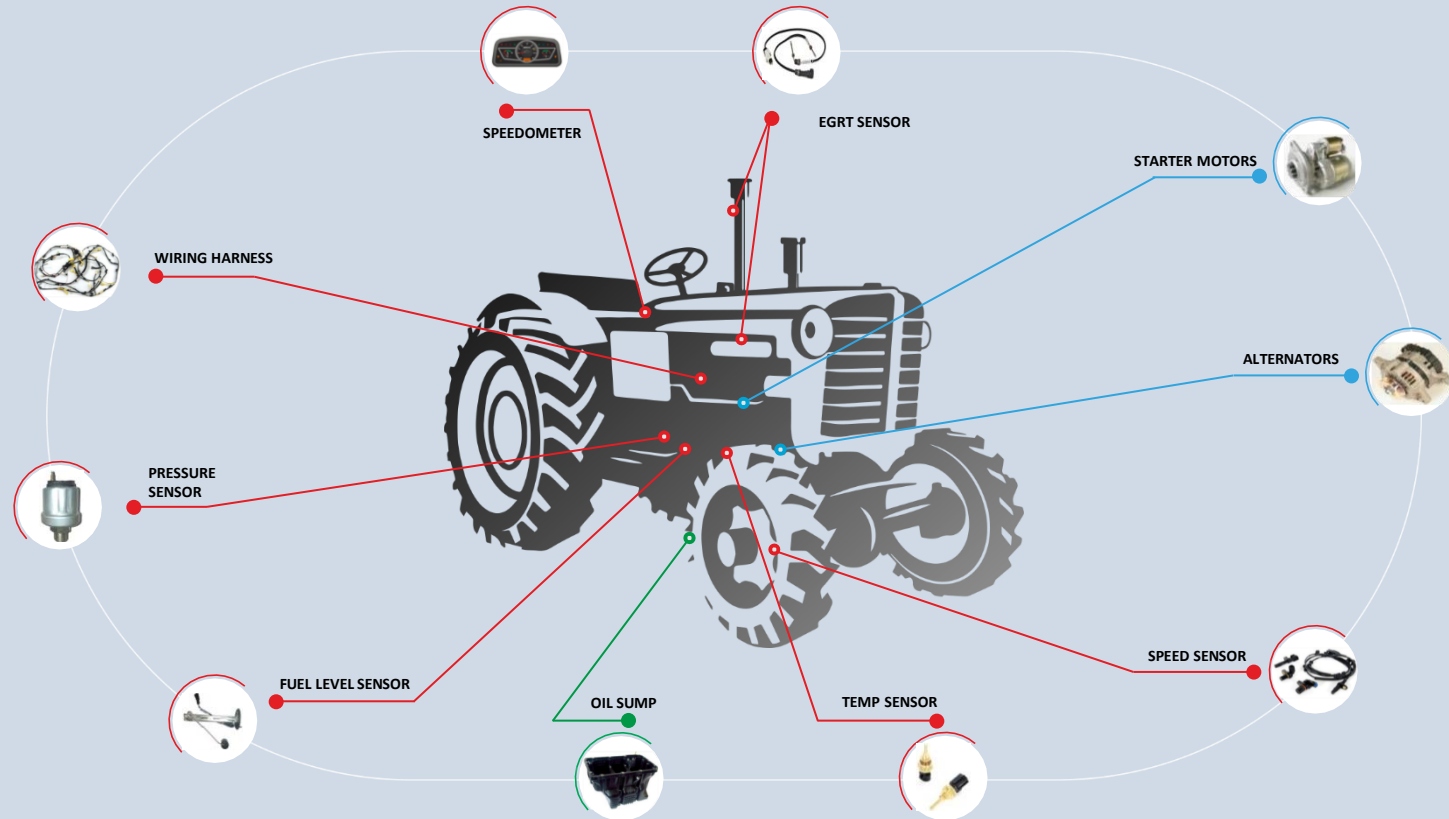
Plastics & Interiors

Product Portfolio – Commercial Vehicles



Note: Representative products

Product Portfolio – Tractors



Note: Representative products

Information & Connected Systems

Mechatronics

Plastics & Interiors

Manufacturing facilities strategically located globally providing support to OEMs



Manufacturing Facilities	Mechatronics	Information & Connected Systems	Plastics & Interiors
Total – 34 Plants	15	15	4

Eminent and Experienced Board of Directors



Mr. Ashok Minda
Chairman and Group CEO



Mr. R. Laxman
Executive Director & Group CFO



Mr. Avinash P. Gandhi

On the Board of Lumax Industries, Indo Alusys, Hyundai Motors, EV Motors, Schaeffler India and QRG Enterprises



Mr. Rakesh Chopra

On the Board of GPR Enterprises, Kempty Cottages, Bharat Gears, Axles India and Cleantec Infra



Mr. Ashok Kumar Jha

On the Board of Setco Automotive, Great Eastern Energy Corporation, Nuziveedu Seeds & Xpro India



Ms. Pratima Ram

On the Board of Havells India, Suzlon Energy, Deccan Gold Mines Limited, SF Forge Limited

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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Registered Office:

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