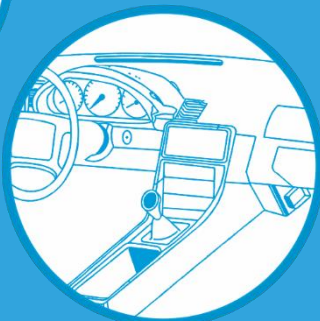




Mechatronics



Information & Connected Systems



Plastics & Interiors



Minda Corporation Limited

(NSE: MINDACORP; BSE: 538962)

Q1 FY20 Earnings Presentation

Aug 2019



Instrument Clusters



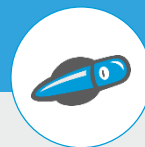
Sensors



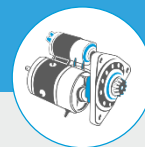
Wiring Harness



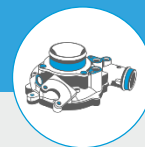
Locks



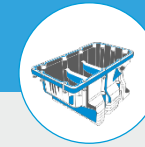
Door Handles



Starter Motors



Al & Zn Cutting Parts



Plastic Component

Table of Contents

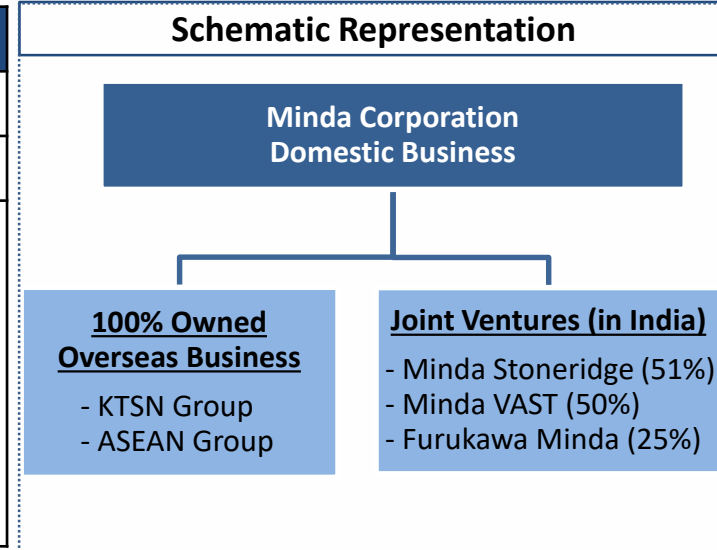
1. Minda Corporation Consolidation
2. Quarterly Updates
 - ❖ Company Snapshot
 - ❖ Industry at Glance
 - ❖ Consolidated Performance
 - ❖ Way Forward
 - ❖ Awards and CSR
3. Annexure A



**Minda Corporation received NCLT order for merger
of five domestic wholly owned subsidiary companies**

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

Rationale for Merger

Amalgamation of the Transferor Companies into and with the Minda Corp will result in consolidation of the businesses, resulting in 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 will be transferred to Minda Corp at book value, as of April 01, 2018
- Merger is equity neutral: No new equity shares will be required to be issued as Transferor Companies are wholly owned subsidiary companies

Quarterly Updates

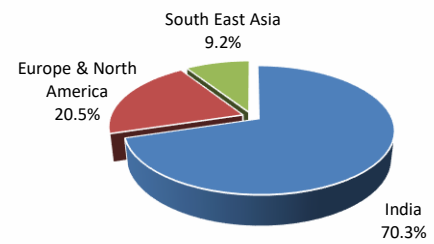
One of India's leading automotive component Companies with global footprint

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

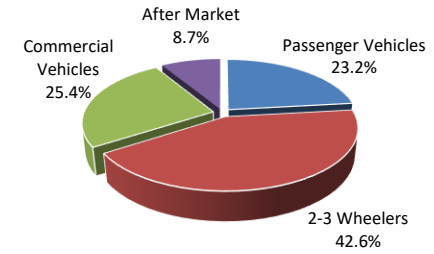
Revenue	Rs. 30,920 mn (FY2019)
Business Verticals	<ul style="list-style-type: none"> - Mechatronics - Information & Connected Systems - Plastics & Interiors - AfterMarket
Key Customers	Ashok Leyland, Bajaj Auto, CNH, Daimler, Hero Moto Corp, , Honda Motorcycle and Scooter India, Hyundai, Mahindra & Mahindra, Maruti Suzuki, Suzuki Motorcycle, TVS Motor, Tata Motors, VE Commercial Vehicles, Volkswagen, Yamaha Motor
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 28 th June 2019)	Approx. Rs. 25,100 mn

Revenue Breakdown Q1 FY20

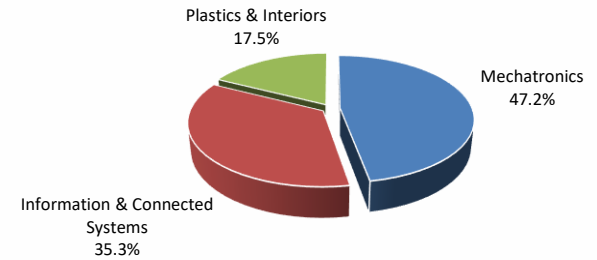
By Geography



By End Market

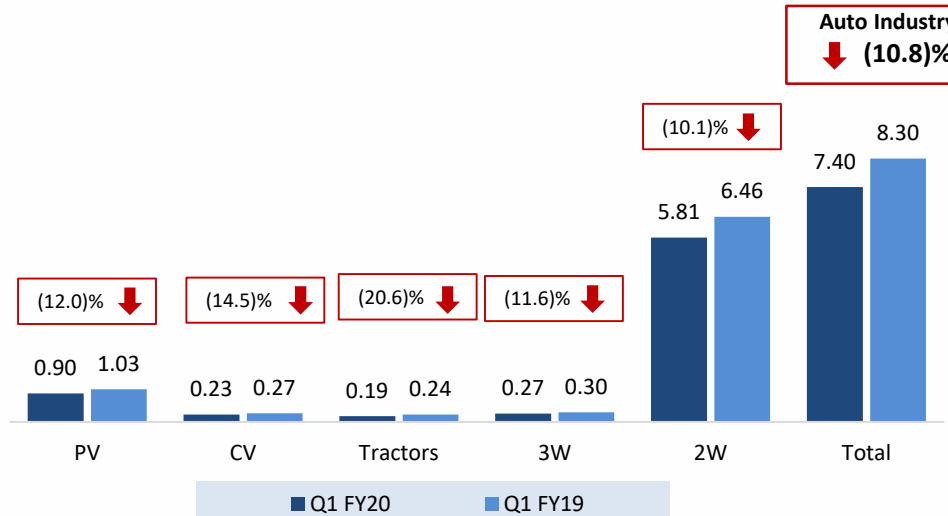


By Business Verticals



Automotive Industry in India - Q1 FY20

Q1 FY20 Y-o-Y Growth



Source: SIAM & TMA India

(Production Volumes in Million)

Commentary

- 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
- Q1FY20 production volumes decreased by 10.8% Y-o-Y with all vehicle categories on a declining trend :
 - Tractors (-20.6%)
 - Commercial Vehicles (-14.5%)
 - Passenger Vehicles (-12.0%)
 - 3-Wheelers (-11.6%)
 - 2-Wheelers (-10.1%)

Consolidated Performance – Q1 FY20

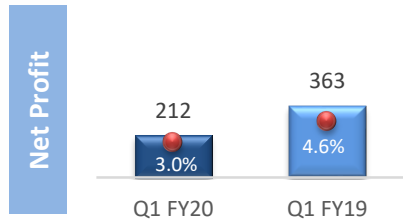
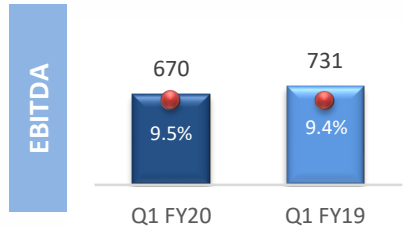
(Rs. Million)	Q1		Q4
	FY20	FY19	FY19
Operating Revenue	7,083	7,783	7,714
<i>Operating Revenue Growth</i>		(9.0)%	(8.2)%
Other Income	82	46	68
EBITDA	670	731	821
<i>Margin (%)</i>	9.5%	9.4%	10.6%
Profit Before Tax (PBT)	329	507	581
<i>Margin (%)</i>	4.6%	6.5%	7.5%
Profit After Tax (PAT)	212	363	419
<i>Margin (%)</i>	3.0%	4.6%	5.4%

Notes:

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

Consolidated Performance – Q1 FY20

(in Rs. mn)



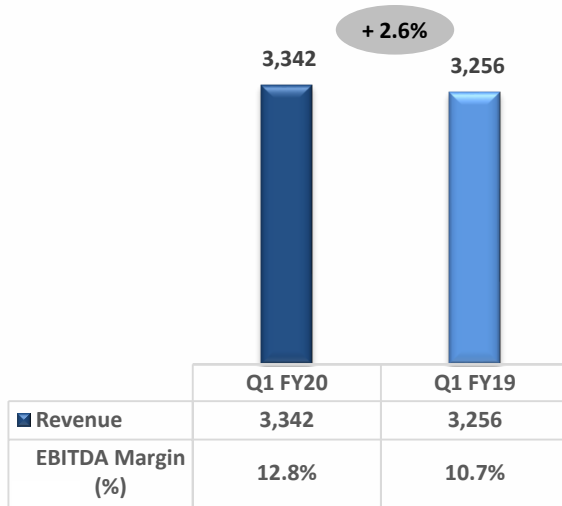
Commentary – Q1 FY20 vs Q1 FY19

- Overall revenue declined by 9.0% y-o-y in Q1 FY20 due to fall in tooling sales in Minda KTSN, as compared to same period last year
- Indian operation revenue grew by 0.9% y-o-y, outperforming the market
- EBITDA margin got positively impacted due to IndAS 116
 - The above is fully off-set by adjustments in Depreciation and Interest cost; thus negligible impact on PAT due to IndAS 116
 - Excluding the above adjustment, EBITDA margin fell by 100 bps largely due to Minda KTSN
- PAT was Rs. 212 million with margin of 3.0%; impacted by
 - Adverse profitability at Minda KTSN
 - Lower share of profits from JV
 - Higher Depreciation and Tax rate

Business Verticals Performance (Q1FY20 vs Q1FY19)

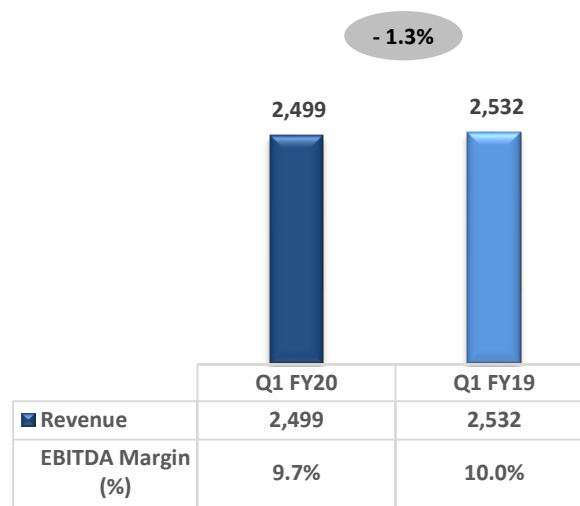
(in Rs. Mn)

Mechatronics and AfterMarket



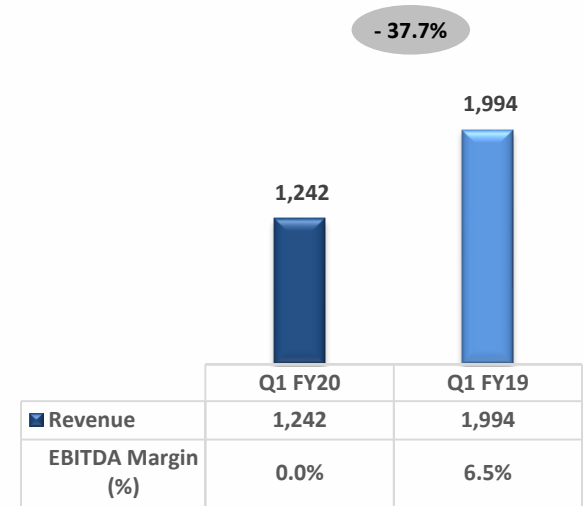
- Revenue growth supported by higher exports and increase in SOB
- EBITDA Margin improvement due to reduction in raw material cost

Information & Connected Systems



- Revenue remained flat despite OEMs production fall; due to increase in SOB mainly in 2W and 3W
- EBITDA Margin impacted due to product mix and under absorption of cost due to lower sales.

Plastics & Interiors



- Revenue fell due to sharp fall in tooling sales, as compared to Q1FY19
- EBITDA Margin is substantially impacted due to increase in raw material cost, challenges in European Operation

Business Updates – Q1 FY20

- **Mechatronics : (In Q1 Lifetime order worth approx. Rs. 430 cr, YTD 19-20 Lifetime order worth approx. Rs. 430 cr)**
 - New order received for 'Die Casting Parts' from global Tier 1s (Lifetime business order of approx. Rs. 120 cr)
 - Awarded new business by globally leading 2W OEMs to supply 'Lockset' (Lifetime business value of approx. Rs. 87 cr)
 - Awarded new business from leading OEMs in ASEAN for 'Lockset' (Lifetime business value of approx. Rs. 25 cr)

- **Information & Connected Systems: (In Q1 Lifetime order worth approx. Rs. 960 cr, YTD 19-20 Lifetime order worth approx. Rs. 960 cr)**
 - New business awarded to supply 'Wiring Harness' to global 2W OEMs (aggregate lifetime business order worth of approx. Rs. 420 cr)
 - Won prestigious order to supply 'Wiring Harness' to a leading Passenger Vehicle OEM (Lifetime business order of approx. Rs. 375 cr)
 - Awarded New Business from a Leading 2W OEMs for 'Instrument Cluster' (Lifetime business value of approx. Rs. 90 cr)

- **Plastics & Interiors : (In Q1 Lifetime order worth approx. Rs. 35 cr, YTD 19-20 Lifetime order worth approx. Rs. 35 cr)**
 - Minda KTSN was awarded new business to supply 'Cup Holders' to leading Global PV OEM (Lifetime business order approx. Rs. 24 cr)

- **Export :**
 - Export business received for Die Casting parts (Lifetime business value of Rs. 170 cr)
 - Awarded New Business from a Leading Global 2W OEM for 'Lockset' (Lifetime business value of approx. Rs. 13 cr)

Context

India

- Production cut by OEM's to align with market demand
- 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

- WLTP 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 – Q1 FY20



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



Minda SAI and Minda Corp received the appreciation award in Delivery performance from Ashok Leyland



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 – Q1 FY20



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



Minda Automotive Solutions bagged
1st Prize
at Trichy Auto Expo 2019
Organizer: Tamil Nadu Automobile &
Allied Industries Federation

Corporate Social Responsibility – Q1FY20



Technical education training session for the students of ITI



CSR Journal Award for Business Integrated Prison program



The pride of India, Bhaskar Award 2019 received from Goa Chief Minister



Installation of Reverse vending machine in Delhi for environment protection and sustainable development



Partner of CII for 'India Business Disability Network (IBDN)' Program



MoU signed between SScPWD and Spark Minda Foundation for training and skill development

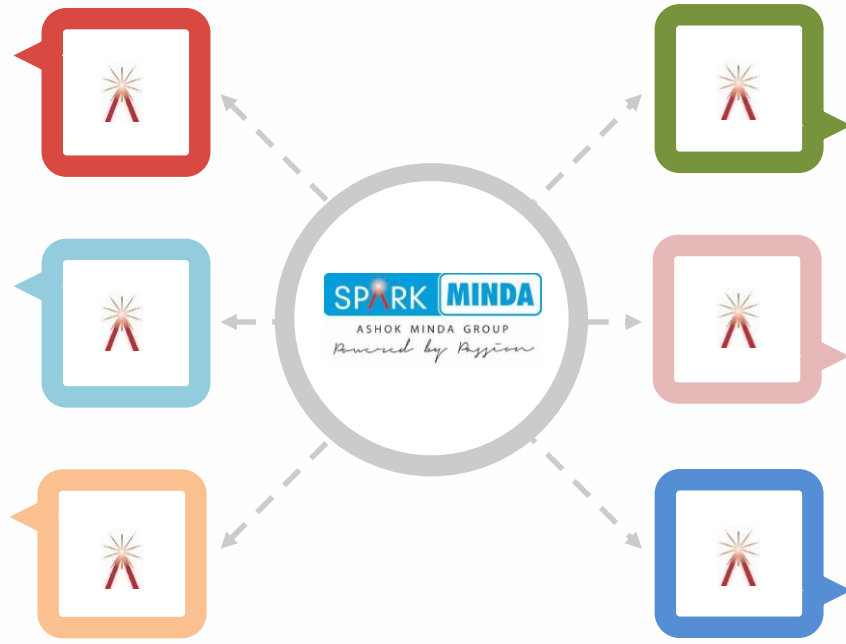
Annexure A

Competitive Strengths

WELL DIVERSIFIED customer base and product portfolio

A LEADING PLAYER in several of its product segments in India

PROFESSIONALLY MANAGED company with strong team
Experienced & independent Board

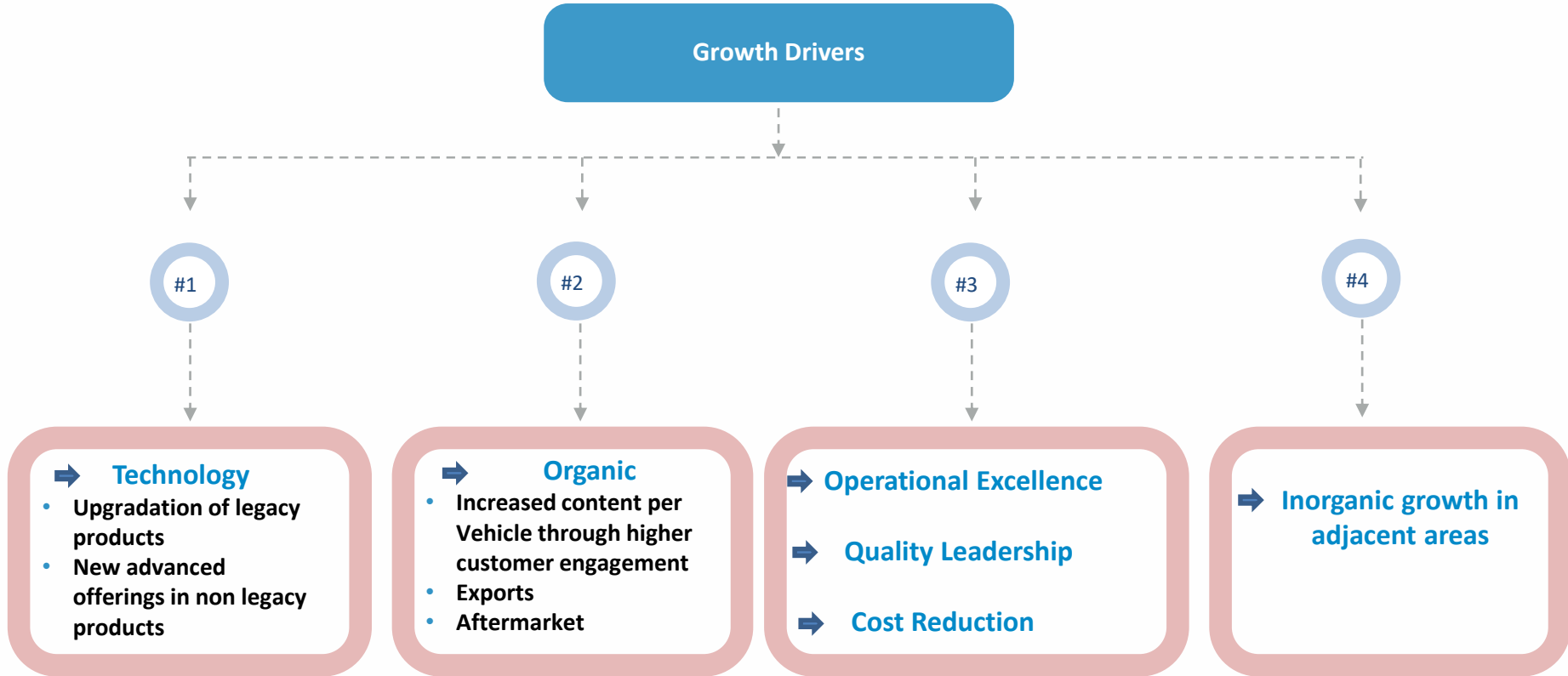


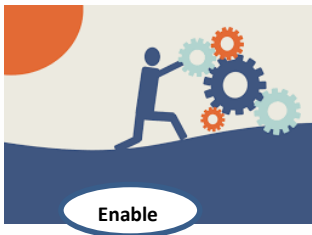
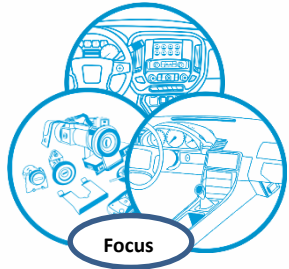
STRONG RELATIONSHIPS with major Indian and Global OEMs

TECHNOLOGICAL COLLABORATION with global automotive component manufacturers

STRONG IN-HOUSE R&D capabilities backed up by Advanced Engineering Centre for Electronics & Mechatronics

Strategic Focus – Growth Drivers





- 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

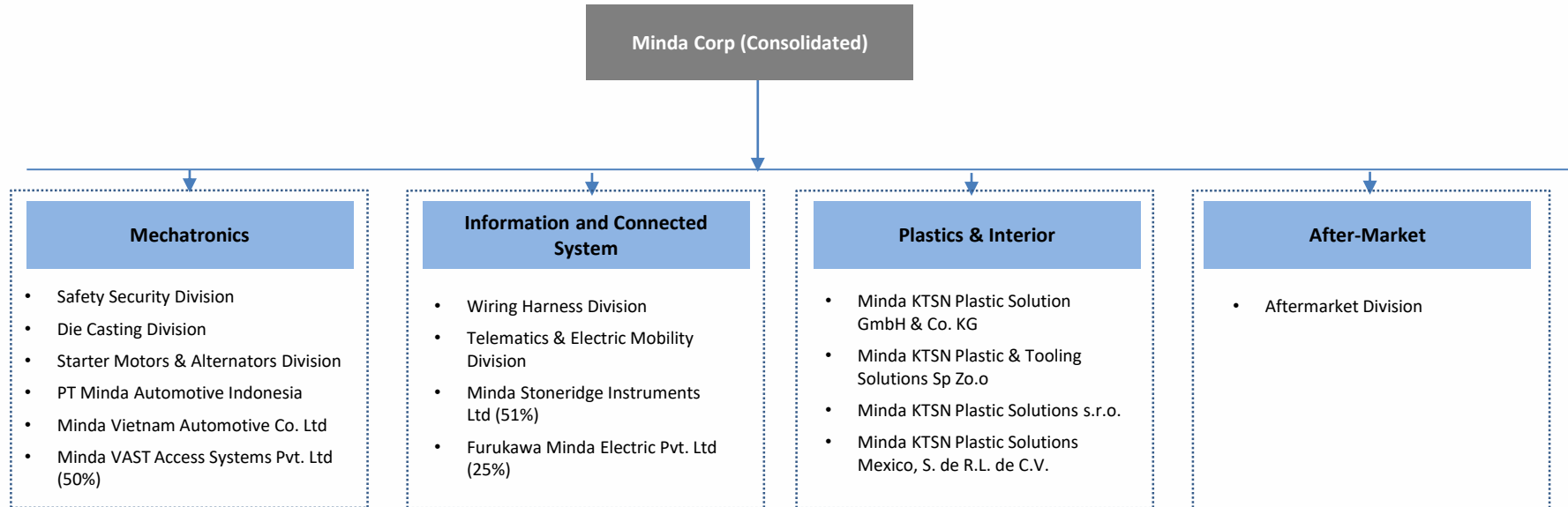
- Enabling Catalyst for accelerated profitable growth**
- Great Place to work
 - SMIT
 - KAMs
 - Leadership

Group Target





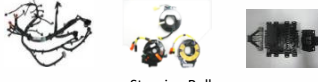




- Revenue > Market Growth
- Focus on improving EBITDA margin and ROCE
- Optimization of Working Capital



Value Creating M&A



Diversified Product Portfolio

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

Key Customers

2-3 Wheelers



Commercial & Off Highway Vehicles



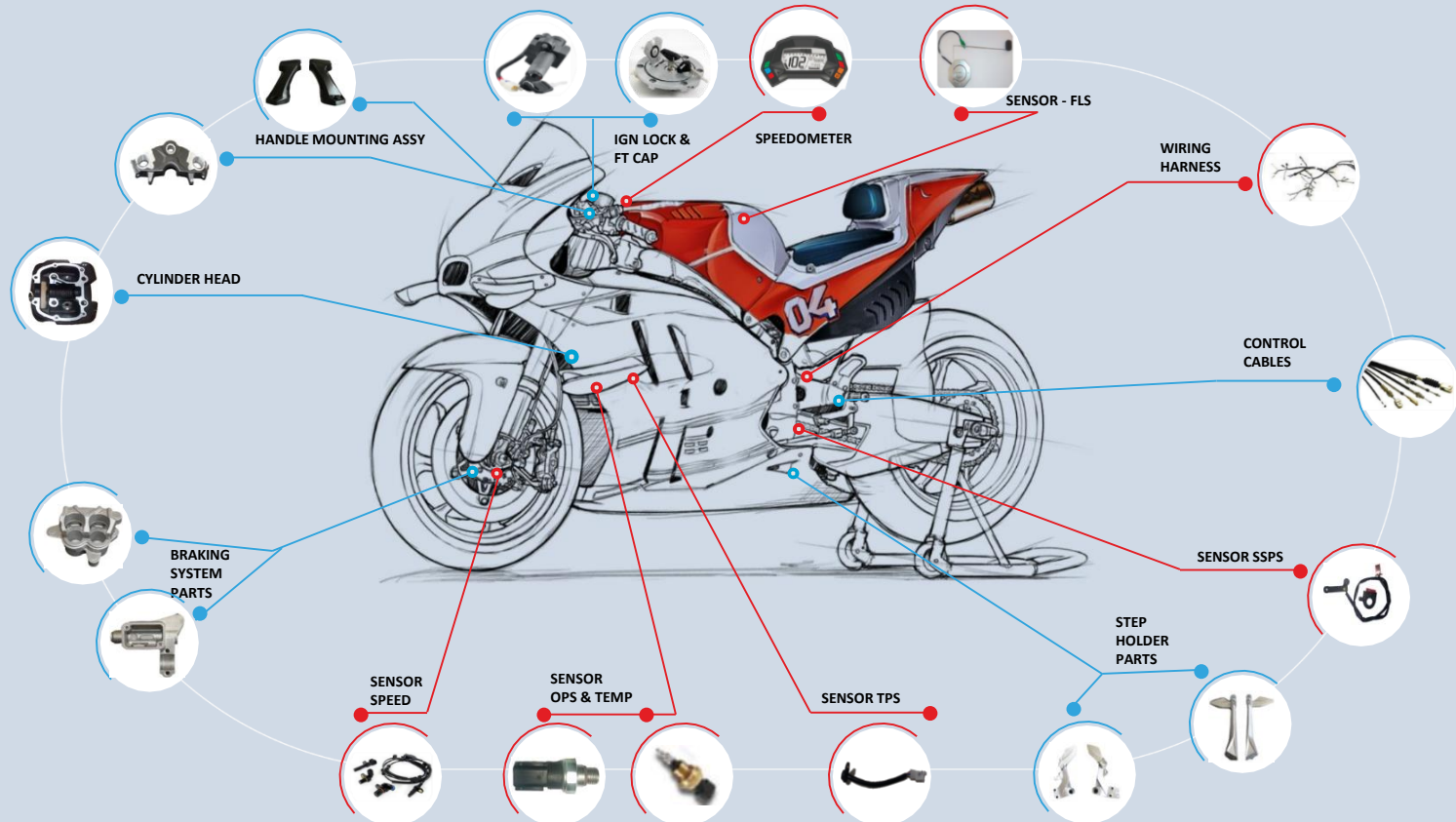
Passenger Vehicles



Other Market



Product Portfolio – 2 Wheelers



Note: Representative products

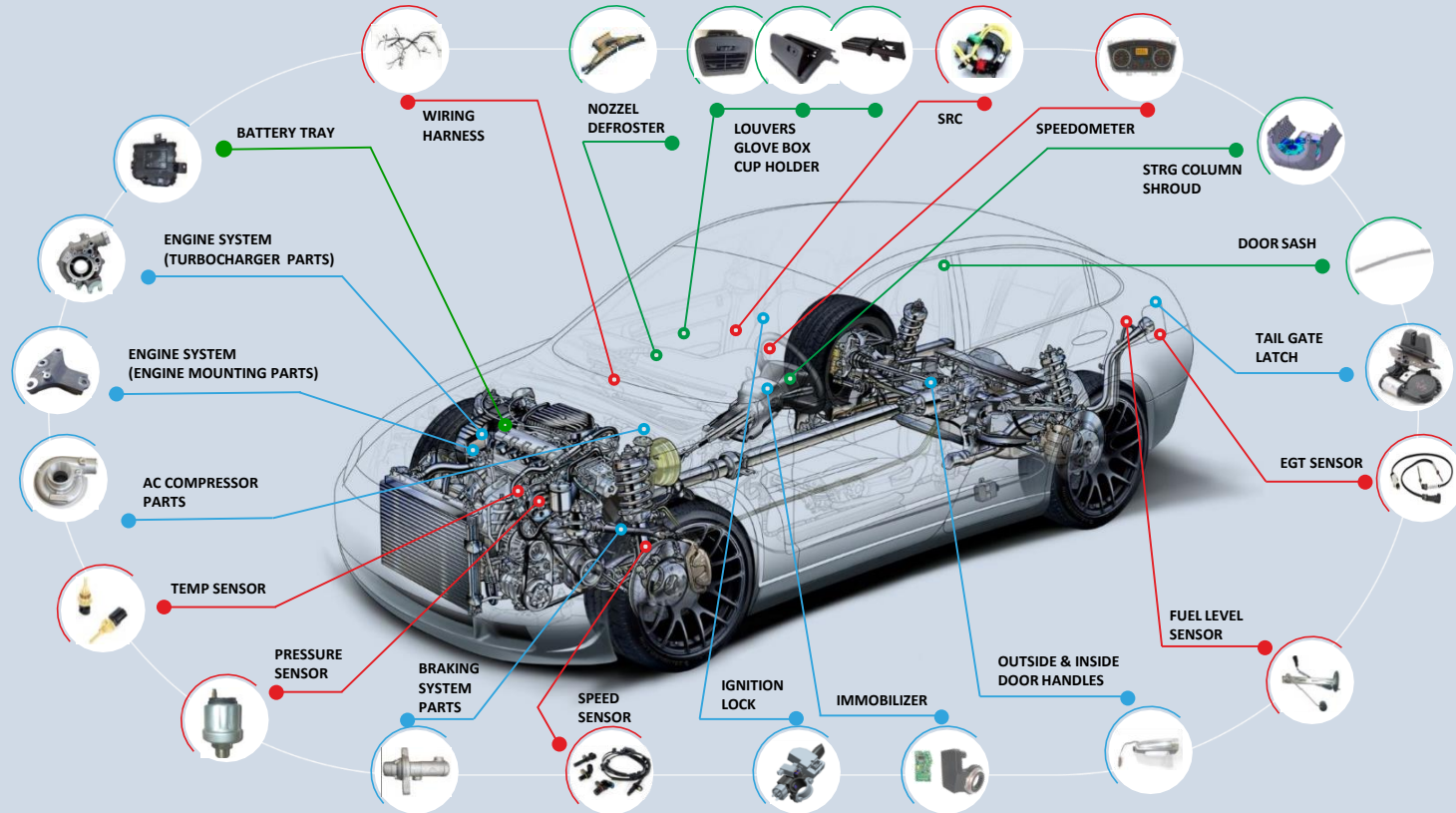


Information & Connected Systems



Mechatronics

Product Portfolio – Passenger Vehicles



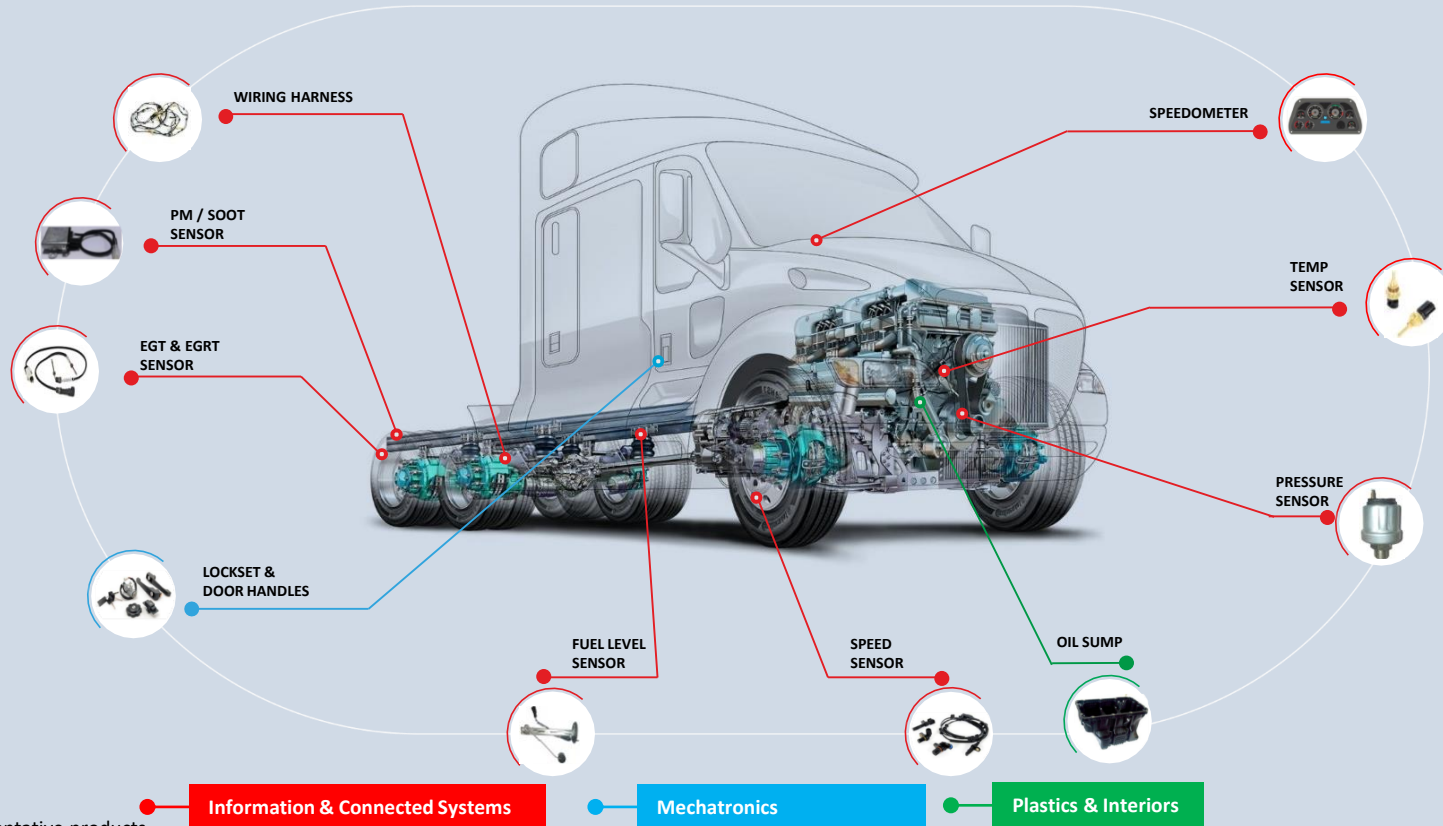
Note: Representative products

Information & Connected Systems

Mechatronics

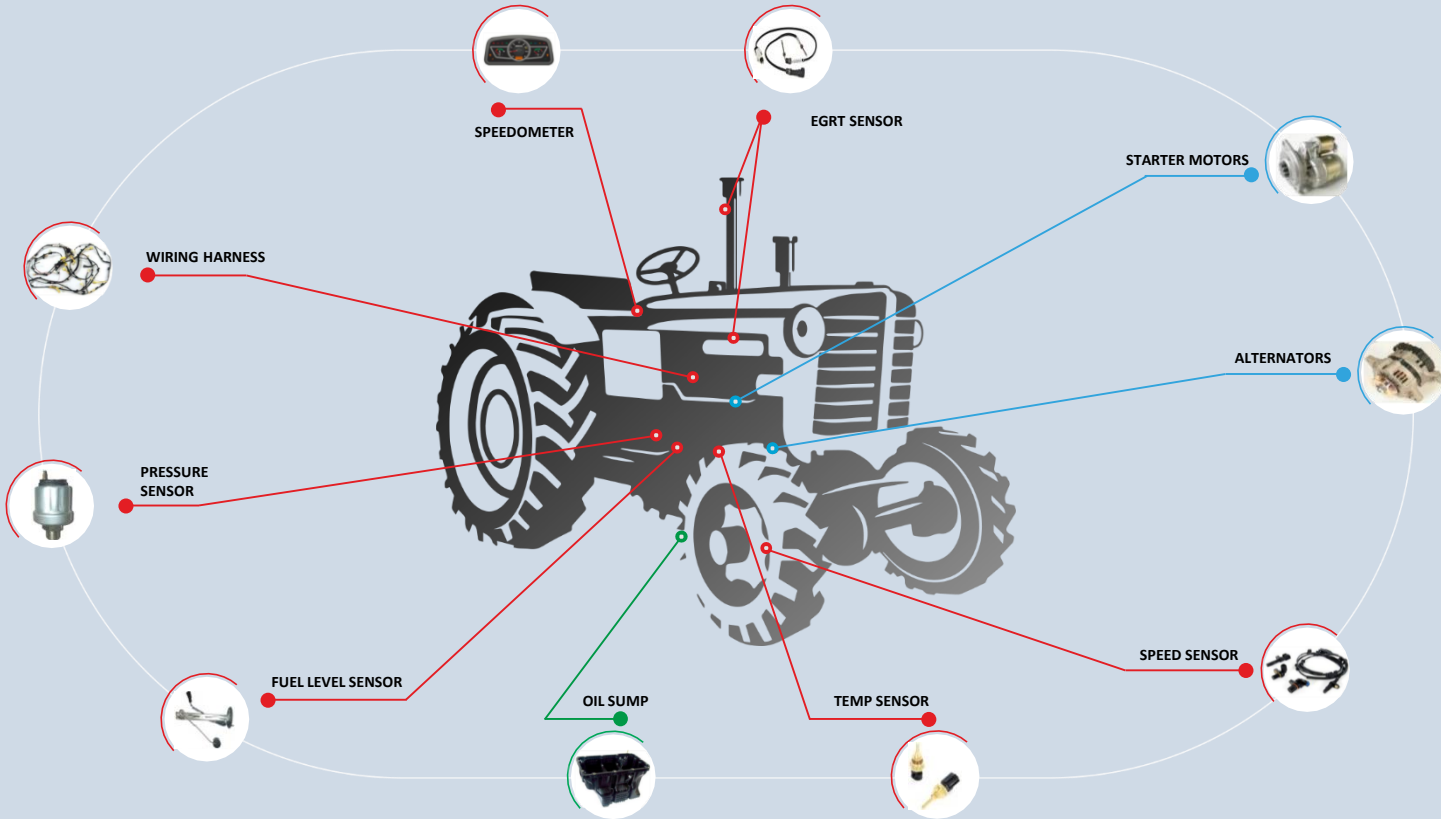
Plastics & Interiors

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. Sudhir Kashyap
Executive Director & CEO



Mr. R. Laxman
Director & Group President, Finance



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.



Corporate Office:

Plot No: 404-405, 5th Floor, Udyog Vihar, Phase-III
Sector - 20, Gurugram - 122016
Tel: +91 124 469 8400 • Fax: +91 124 469 8450

Registered Office:

A-15, Ashok Vihar, Phase – 1, Delhi – 110 052

INVESTOR RELATIONS CONTACT

Bikash Dugar
Lead-Investor Relations
Minda Corporation
Bikash.dugar@minda.co.in
+91 124 469 8485

Ravi Gothwal / Vikas Luhach
Churchgate Partners
minda@churchgatepartners.com
+91 22 6169 5988