



Safety, Security and  
Restraint Systems



Driver Information and  
Telematics Systems



Interior Systems



ASHOK MINDA GROUP

*Powered by Passion*

**Minda Corporation Limited**

(NSE: MINDACORP)

**Q1 FY2015 Consolidated Earnings  
Presentation  
August 21, 2014**

# Cautionary Statement

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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

# Financial Highlights

## Highlights – Q1 FY2015 vs. Q1 FY2014

- Total Revenue increased by 30.0% to Rs. 4584 million
- EBITDA increased by 68.5% to Rs. 419 million; margins expanded by 209 bps
- Profit after Tax increased by 88.9% to Rs. 174 million, margins expanded by 120 bps
- Net Debt of Rs. 4052 million (Q4 FY2014: Rs. 4139 million)
- Debt / Equity ratio of 1.12x (Q4 FY2014: 1.20x )

## Management Commentary

Commenting on the results and performance, **Mr. Ashok Minda, Chairman and Group CEO** said:

*“The last one year has been an exciting time for us. Our corporate initiatives towards simplifying the organizational structure, integrating new acquisitions and partnerships, rationalizing less profitable units and streamlining of internal operations have all been successfully achieved.*




*Minda Corporation is pleased to announce a robust set of financials during the quarter with a strong topline growth. The domestic auto industry has shown signs of improvement particularly in the Passenger Vehicle and 2/3 Wheeler segment although the Commercial Vehicle segment continued to remain under pressure. We are expecting the auto industry to benefit from overall stronger consumer confidence especially as we approach the upcoming festive season in India.*

*Management’s focus remains on increasing utilization levels, cost optimization and enhancing our global presence. Minda Corporation is stepping towards the next level of growth and we remain committed to create value for all our stakeholders”.*



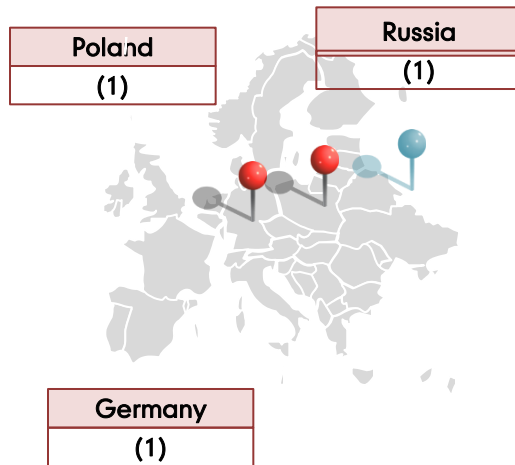
# Minda Corp: Company Overview

- Leading automotive component and flagship company of SPARK MINDA, Ashok Minda Group, which was founded in 1958 by Late Shri S. L. Minda
- A diversified product portfolio that encompasses Safety, Security & Restraint Systems (42%); Driver Information & Telematics Systems (34%) and Interior Systems for auto OEMs (24%)
- End market focus on 2/3 wheelers (39%), passenger vehicles (27%) and off-road vehicles (18%)
- International business accounts for 32% of revenues
- Strong customer base including key OEMs: Ashok Leyland, Bajaj, BMW, Daimler, Hero Motocorp, Honda Motorcycle, Mahindra & Mahindra, Maruti Suzuki, Renault- Nissan, Tata Motors, TVS Motors, Yamaha and VW Group
- The Company has 24 state of the art manufacturing facilities - India (20), South-East Asia (2) and Europe (2) with workforce of over 10,000 employees
- As at the end of June 2014, Promoters held 59.2% of the Company. Domestic Institutional Investors and Foreign Institutional Investors held 11.8% and 3.0%, respectively, while the balance 26.0% was held by other shareholders

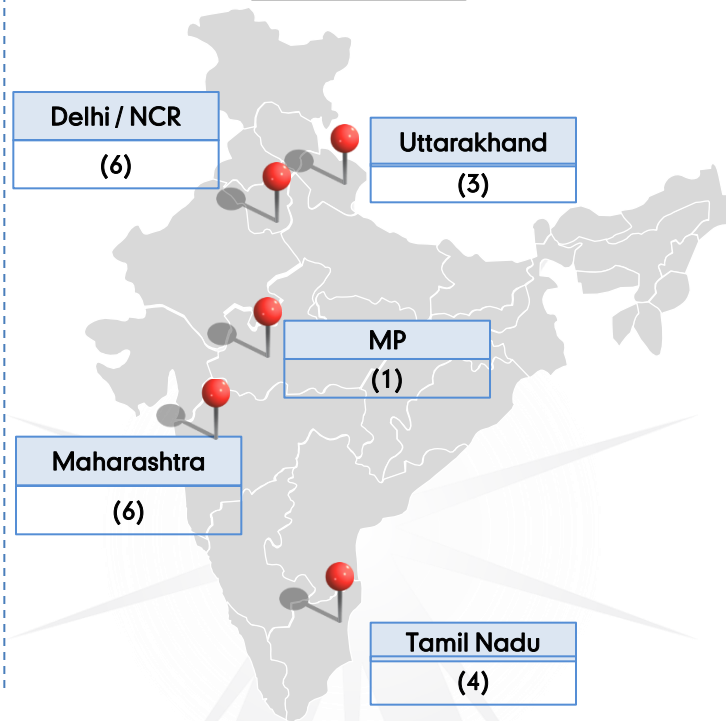
Category	Products Portfolio	
Safety, Security and Restraint Systems	Electronic & Mechanical locks, Door Handles, Die Casting Parts, Latches, Door Checker, Key (Mechanical & Electronics), Key Duplicating Machine, etc	
Driver Information and Telematics Systems	Wiring Harness, Connectors, Terminals, Steering Roll Connectors, Relay Box, Fuse Box, etc	
Interior Systems	Interior Trim & Sub-Systems, Kinematic Modules, Structural Modules, Soft Touch Technology, etc	

# Minda Corp: Global Footprint

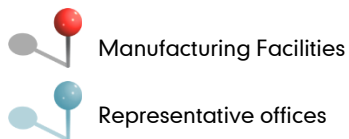
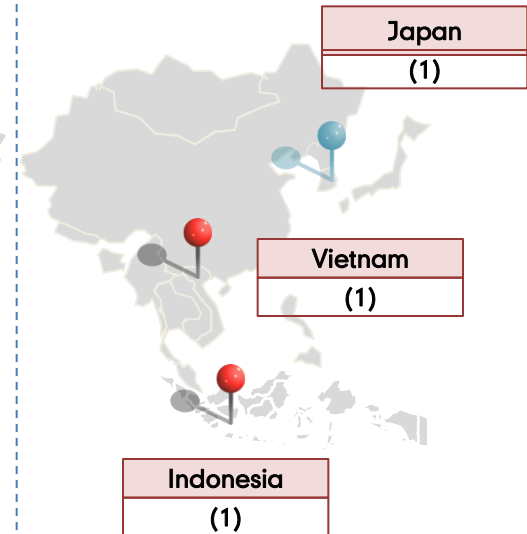
## Europe (3)



## India (20)



## South East Asia (3)



Location	Safety and Security Systems	Driver Information and Telematics Systems	Interior Systems	Representative Offices	Total
India	10	10			20
Germany			1		1
Poland			1		1
Indonesia	1				1
Vietnam	1				1
Japan and Russia				2	2
<b>Total</b>	<b>12</b>	<b>10</b>	<b>2</b>	<b>2</b>	<b>26</b>

# Financial Performance

## Key Financial Statistics

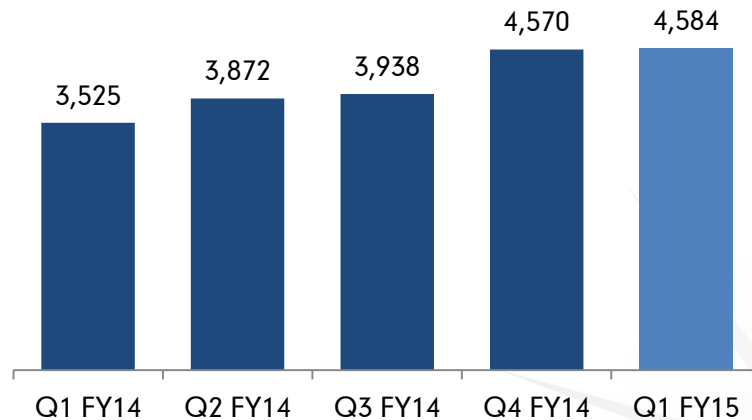
(Rs. million)	Q1		y-o-y Growth (%)
	FY2015	FY2014	
Total Revenue	4,584	3,525	30.0%
EBITDA	419	249	68.5%
<i>Margin %</i>	<i>9.1%</i>	<i>7.1%</i>	
Profit Before Tax (PBT)	223	117	90.2%
<i>Margin %</i>	<i>4.9%</i>	<i>3.3%</i>	
Profit After Tax (PAT)	174	92	88.9%
<i>Margin %</i>	<i>3.8%</i>	<i>2.6%</i>	
Basic EPS (Rs.)	8.30	4.40	88.9%

## Highlights – Q1 FY2015 vs. Q1 FY2014

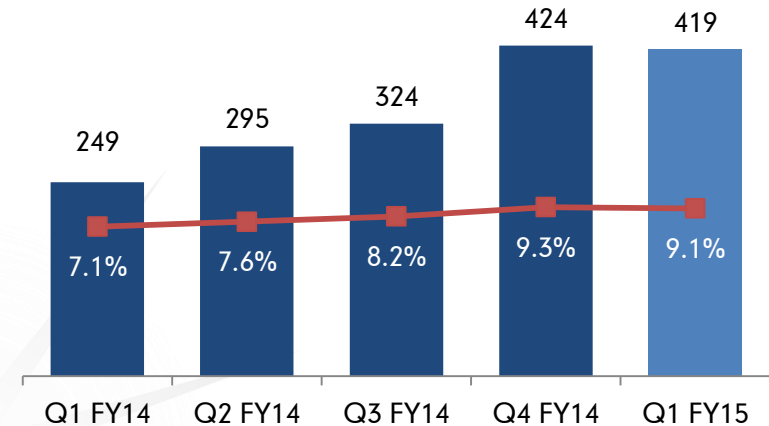
- Domestic operations increased by 29% y-o-y and international by 33% y-o-y. During the quarter, Safety Security & Restraint Systems have increased by 33% y-o-y and Driver Information & Telematics Systems by 57% y-o-y
- Q1 FY2015 EBITDA increased by 68.5% on a y-o-y basis with margins expanding by 209 bps. During the quarter, cost of goods sold as a percentage of sales has remained relatively flat as compared to the same period last year
- Q1 FY2015 PAT increased by 88.9% with margins expanding by 120 bps. Interest expense during the quarter increased from Rs. 85.8 million in Q1 FY2014 to Rs. 111.9 million in Q1 FY2015. This increase was primarily due to group reorganizational activities. The Q1 FY2014 effective tax rate of 18.8% is a result of MAT credit from last year
- Financials for FY2014 include exceptional items due to the group reorganization, acquisition and consolidation initiatives. During FY2014, Minda Corp acquired 49% of Minda Furukawa, 100% of Almighty International PTE and 50% of Minda Valeo Security Systems. During the year, Minda Corp also exited from relatively lower profitable units to unlock value

# Financial Performance

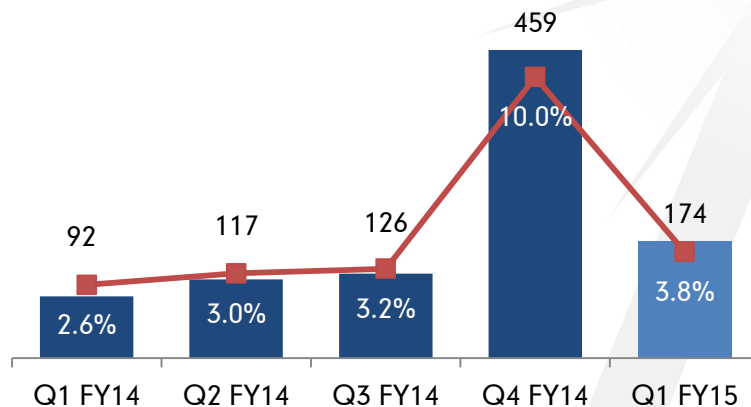
## Revenue (Rs. million)



## EBITDA (Rs. million) and Margin (%)



## PAT (Rs. million) and Margin (%)

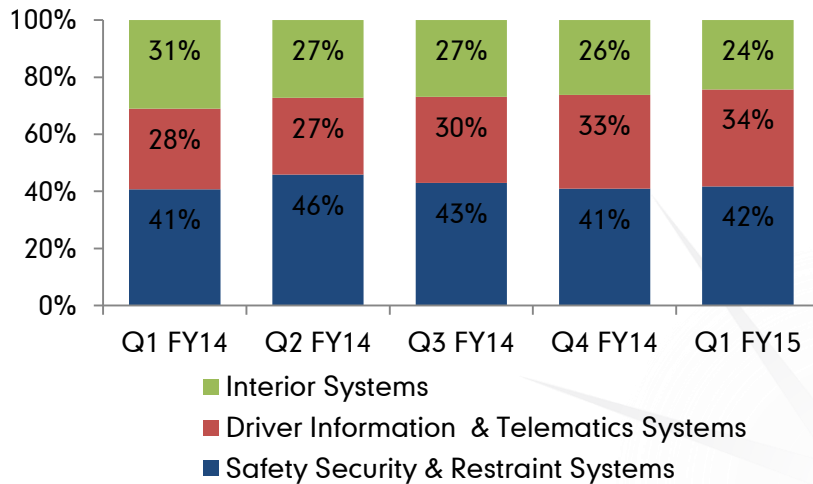


## Performance Discussion

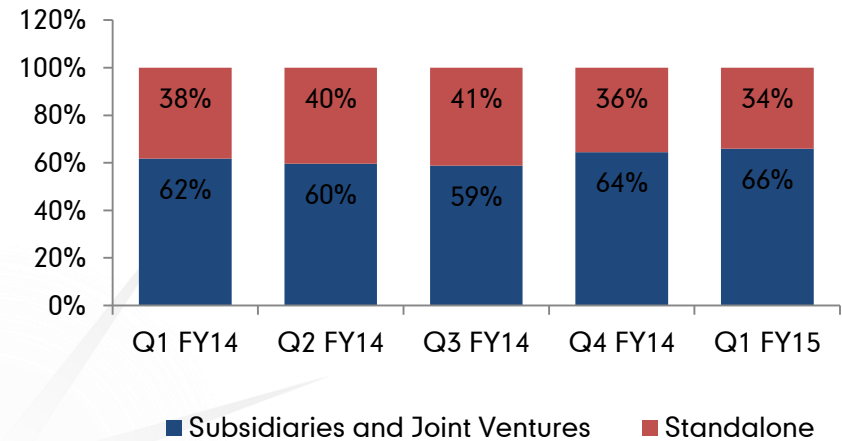
- EBITDA for Q4 FY2014 includes lease income of Rs. 33.53 million in one of the subsidiary companies
- PAT for Q4 FY2014 includes Rs. 112.20 million on account of lease income and Rs. 94.50 million on account of disposal of investment in one of the subsidiary companies

# Revenue Metrics

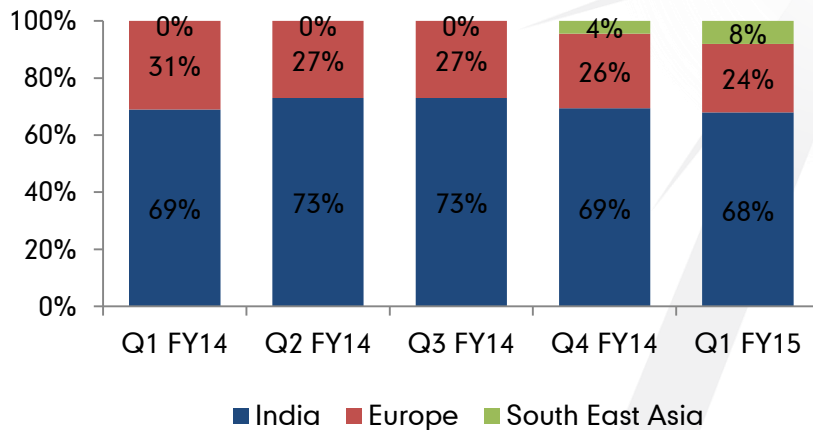
## Revenue Breakdown by Product Category



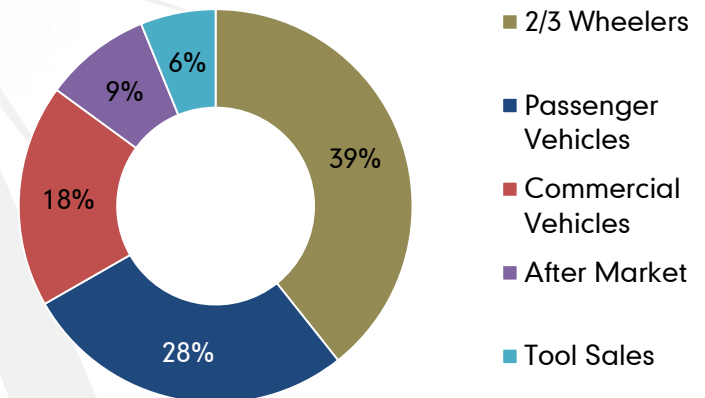
## Revenue Breakdown by Businesses



## Revenue Breakdown by Geography



## Revenue Breakdown by End User Market\*



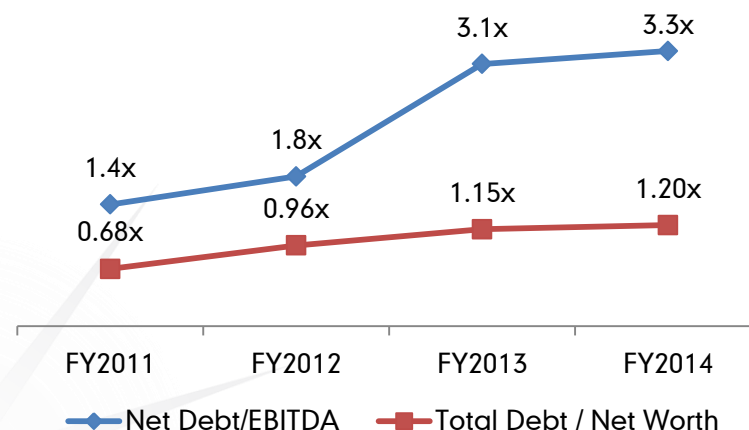
\*Q1 FY2015



# Capital Structure

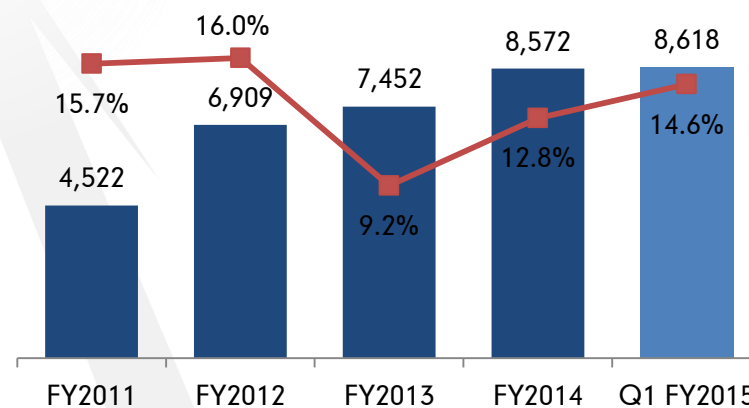
Particulars (Rs. million)	30 June 14	31 March 14
Short Term Borrowings	2,167	2,326
Long Term Borrowings	2,383	2,353
<b>Total Debt</b>	<b>4,550</b>	<b>4,679</b>
Less: Cash & Cash Equivalents	498	540
<b>Net Debt / (Net Cash)</b>	<b>4,052</b>	<b>4,139</b>
<b>Net Worth</b>	<b>4,068</b>	<b>3,894</b>
<b>Total Debt / Net Worth</b>	<b>1.12x</b>	<b>1.20x</b>

## Net Debt / EBITDA(x) & Total Debt / Net Worth(x)



Agency	Instrument	Rating
CRISIL	Short-Term Funds	A2+
CRISIL	Long-Term Funds	A- / Stable

## Capital Employed (Rs. million) and ROCE (%)



Note:

1. Capital Employed: Total Asset – Current Liabilities
2. ROCE (Return on Capital Employed): Earnings before interest and taxes / Opening Capital Employed

## Un-audited Consolidated Results for the quarter ended 30<sup>th</sup> June 2014 (All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Rs in Lacs				
PART I  Particulars	Quarter ended 30 June 2014	Quarter ended 31 March 2014	Quarter ended 30 June 2013	Year ended 31 March 2014
	UNAUDITED	UNAUDITED *	UNAUDITED	AUDITED
<b>1. Income From Operations</b>				
(a) Net Sales/Income from operations (Net of excise duty)	45,256	44,916	34,592	156,425
(b) Other operating income	579	780	660	2,966
<b>Total income from operations (net)</b>	<b>45,835</b>	<b>45,696</b>	<b>35,252</b>	<b>159,391</b>
<b>2. Expenses</b>				
a) Cost of materials consumed (including packaging material)	26,849	26,268	21,418	95,274
b) Purchases of stock-in-trade	688	547	202	1,086
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	37	1,386	144	972
d) Employee benefits expense	7,875	6,875	6,150	26,574
e) Depreciation and amortisation expense (refer to note 6)	1,306	1,392	1,050	4,780
f) Other expenditure	6,225	6,517	4,822	22,911
<b>Total expenses</b>	<b>42,980</b>	<b>42,985</b>	<b>33,786</b>	<b>151,597</b>
<b>3. Profit from operations before other income, interest and exceptional Items (1-2)</b>	<b>2,855</b>	<b>2,711</b>	<b>1,466</b>	<b>7,794</b>
4. Other Income	253	2,079	313	3,038
<b>5. Profit from ordinary activities before finance cost and exceptional Items (3+4)</b>	<b>3,108</b>	<b>4,790</b>	<b>1,779</b>	<b>10,832</b>
6. Finance costs	1,119	586	858	2,751
<b>7. Profit from ordinary activities after finance cost but before exceptional Items (5-6)</b>	<b>1,989</b>	<b>4,204</b>	<b>921</b>	<b>8,081</b>
8. Exceptional Items (refer to note 5)	238	945	250	1,475
<b>9. Profit from ordinary activities before tax (7+8)</b>	<b>2,227</b>	<b>5,149</b>	<b>1,171</b>	<b>9,556</b>
10. Tax Expenses	516	692	221	1,720

**Un-audited Consolidated Results for the quarter ended 30<sup>th</sup> June 2014**  
(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

PART I	Rs in Lacs				
		Quarter ended 30 June 2014	Quarter ended 31 March 2014	Quarter ended 30 June 2013	Year ended 31 March 2014
	Particulars	UNAUDITED	UNAUDITED *	UNAUDITED	AUDITED
<b>11. Net profit from ordinary activities after tax (9-10)</b>	<b>1,711</b>	<b>4,457</b>	<b>950</b>	<b>7,836</b>	
12. Extraordinary item (net of tax expenses)	-	-	-	-	
<b>13. Net profit/(Loss) for the period (11-12)</b>	<b>1,711</b>	<b>4,457</b>	<b>950</b>	<b>7,836</b>	
14. Share of profit / (loss) of associates	27	136	(30)	98	
15. Minority interest	-	-	-	-	
<b>16. Net Profit after taxes, minority, interest and share of profit / (loss) of associates (13 + 14 - 15)</b>	<b>1,738</b>	<b>4,593</b>	<b>920</b>	<b>7,934</b>	
17. Paid-up equity share capital ( Face value Rs 10 per Share )	<b>2,093</b>	<b>2,093</b>	<b>2,093</b>	<b>2,093</b>	
18. Reserve excluding revaluation reserves as per balance sheet of previous accounting year.				34,934	
<b>19 i. Earning Per Share (before extraordinary items) (in Rs)- (Not annualised)</b>					
<b>a) Basic</b>	8.30	21.94	4.40	37.91	
<b>b) Diluted</b>	8.30	21.94	4.40	37.91	
<b>19 ii. Earning Per Share (after extraordinary items) (in Rs)- (Not annualised)</b>					
<b>a) Basic</b>	8.30	21.94	4.40	37.91	
<b>b) Diluted</b>	8.30	21.94	4.40	37.91	

## Un-audited Consolidated Results for the quarter ended 30<sup>th</sup> June 2014 (All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Particulars	Quarter ended 30 June 2014	Quarter ended 31 March 2014	Quarter ended 30 June 2013	Year ended 31 March 2014
	UNAUDITED	UNAUDITED *	UNAUDITED	AUDITED
<b>PART II- SELECT INFORMATION FOR THE QUARTER ENDED 30 JUNE 2014</b>				
<b>A. PARTICULARS OF SHAREHOLDING</b>				
1. Public Shareholding				
- Number of Shares	8,533,456	8,533,456	9,641,636	8,533,456
- Percentage of Shares	40.77%	40.77%	46.06%	40.77%
2. Promoters and Promoter Group Shareholding				
<b>a) Pledged / Encumbered</b>				
- Number of Shares	Nil	Nil	Nil	Nil
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)				
- Percentage of Shares (as a % of the total share capital of the Company)				
<b>b) Non-Encumbered</b>				
- Number of Shares	12,397,708	12,397,708	11,289,528	12,397,708
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%
- Percentage of Shares (as a % of the total share capital of the Company)	59.23%	59.23%	53.94%	59.23%
<b>B INVESTOR COMPLAINTS</b>				
Pending at the beginning of the quarter	NIL			
Received during the quarter	NIL			
Disposed during the quarter	NIL			
Remaining unresolved at the end of the quarter	NIL			

\*Figures for the three months ended 31 March 2014 are balancing figures between audited figures in respect of full financial year and the published year to date figures up the third quarter of the relevant year. The figures upto the end of the third quarter were only reviewed and were not audited.

## Un-audited Consolidated Results for the quarter ended 30<sup>th</sup> June 2014 (All amounts are in Lacs of Indian Rupees, unless otherwise stated)

### Notes:

- 1) The above results were reviewed by the Audit committee and approved by the Board of Directors at their meeting held on 12 August 2014.
- 2) The consolidated financial results of Minda Corporation Limited (the Company), its Subsidiaries, an Associate and a Joint Venture (collectively known as "the Group") are prepared in accordance with Accounting Standard (AS-21) " Consolidated Financial Statements", Accounting Standard (AS-23) "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard (AS-27) " Financial Reporting of Interests in Joint Venture" as specified in the Companies (Accounting Standard) Rules, 2006
- 3) The Company's business activities fall within single primary business segment, viz, manufacturing of Automobile Component and Parts thereof. Accordingly, disclosure requirement of Accounting Standard 17, Segment Reporting, specified in the Companies (Accounting Standard) Rules, 2006 is not applicable.
- 4) During the current quarter, the Company has decided to discontinue its plastics business, as also approved by its Board of Directors in their meeting held on 29 May 2014. The Company carries fixed assets of Rs 1,374 lakhs (WDV as at 30 June 2014). Out of this, subsequent to the end of the current quarter, the Company has sold off majority of the fixed assets at a sale consideration of Rs 1,193 lakhs to one of its subsidiary, arrived at on the basis of a fair valuation carried out by the Company. Also, the Company has written off assets amounting to Rs 119 lakhs in the current quarter.

The required relevant information for the above mentioned discontinuing operation for all periods presented is as below:

	Rs in Lacs			
Particulars	Quarter ended 30 June 2014	Quarter ended 31 March 2014	Quarter ended 30 June 2013	Year ended 31 March 2014
Total Revenue	879	841	1,191	4,202
Total Expenditure	912	1,051	1,307	4,952
(Loss) Before Tax	(33)	(210)	(116)	(750)
Tax Expense	(11)	(69)	(28)	(226)
(Loss) After Tax	(22)	(141)	(88)	(524)

5) Exceptional items comprise the following:

- a) During the current quarter, one of the subsidiary company has disposed off the investment in equity shares of Minda Schenk Plastic Solutions s.r.o. Czech Republic at a profit of Euro 291000 (equivalent to Rs 238 lacs).
- b) During the previous year, the Company had disposed off certain fixed assets / other assets due to discontinuance of Plating Business with certain customers. As a result, the Company recorded a loss on disposal of such assets amounting to Rs 225 lacs in the previous year (Rs 26 lacs for the quarter ended 31 March 2014 and Rs 154 lacs for the quarter ending 30 June 2013).
- c) During the previous year, the Company (including through its Subsidiaries / step down Subsidiary) acquired stake in Minda Furukawa Electric Private Limited, India, Almighty International PTE Limited, Singapore (including three step down Subsidiaries) and Minda Valeo Security Systems Private Limited for a consideration of Rs 4,244.21 lacs, Rs 5,600 lacs and Rs 901 respectively, pursuant to which these became a Joint Venture, Subsidiary and Associate of the Company / its Subsidiary. Further, during the previous year, one of the Company's step down subsidiary (in which two of the Company's subsidiaries held investment) was disposed off in two tranches at a total consideration of Rs 6,438 lacs, resulting in total gain of Rs 1,700 lacs.

## Un-audited Consolidated Results for the quarter ended 30<sup>th</sup> June 2014 (All amounts are in Lacs of Indian Rupees, unless otherwise stated)

6) Pursuant to Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Company has revised depreciation rates on certain fixed assets as per the useful life specified in part 'C' of Schedule II of the Act or as per management's estimate based on internal evaluation. As a result of this change, the depreciation charge for the quarter ended 30 June 2014 is lower by Rs 41 lacs. In respect of those assets whose useful life is already exhausted as on 1 April 2014, depreciation of Rs 16 lacs (net of tax impact of Rs 8 lacs) has been adjusted in Reserves and Surplus in accordance with the requirements of Schedule II of the Act.

7) Mr. S B Mathur has resigned from the directorship of the Company effective from 13 August 2014.

8) Pursuant to ongoing derecognition of Madras Stock Exchange, the Company has filed application for listing of its shares on National Stock Exchange under diluted eligibility criteria for listing companies exclusively listed on de-recognised/non-operational stock exchanges.

9) The figures of the previous year/ period have been regrouped and adjusted wherever necessary.

10) The Standalone results of the Company are available on Company's website [www.minda.co.in](http://www.minda.co.in). The key stand alone financial information of the Company is given below :-

Particulars	Quarter ended 30 June 2014	Quarter ended 31 March 2014	Quarter ended 30 June 2013	Year ended 31 March 2014
	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
Total income from operation (net)	15,618	16,254	13,413	61,676
Profit from ordinary activities before tax	966	978	173	3,113
Net profit from ordinary activities after tax	656	658	131	2,177

**For and on behalf of the Board of Directors  
Minda Corporation Limited**

**Place: Gurgaon  
Date: 12 August 2014**

**Ashok Minda  
Chairman & Group CEO**

**M/s. Minda Corporation Limited is a Company of Spark Minda- Ashok Minda Group and engaged in the business of Automotive Components.**



ASHOK MINDA GROUP

*Powered by Passion*

## Minda Corporation Limited

(CIN: L74899DL1985PLC020401)

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