

Despite a subdued market demand, Minda Corporation sustained its topline growth at 10.1% y-o-y

Credit Rating upgraded by India Ratings & Research (Fitch)

The Board has declared an interim dividend of Rs. 0.20 per equity share (10% of face value)

New Delhi, India, February 13, 2017 – Minda Corporation Limited (referred to as “Minda Corp” or the “Company”; NSE: MINDACORP, BSE: 538962), a leading automotive component and flagship company of Spark Minda, Ashok Minda Group, announces its Q3 FY2017 results, in accordance with Indian GAAP.

Standalone Performance Highlights: Q3 FY2016-17 vs. Q3 FY2015-16

- Total Revenue increased by 6.9% Y-o-Y to Rs. 1,919 million
- EBITDA increased by 15.0% Y-o-Y to Rs. 232 million; Margin at 12.1%
- Net Profit increased by 57.3% to Rs. 176 million, Margin at 9.2%

Consolidated Performance Highlights: Q3 FY2016-17 vs. Q3 FY2015-16

- Total revenue increased by 10.1% Y-o-Y to Rs. 7,230 million
- EBITDA at Rs. 416 million. EBITDA margin at 5.8%
- Net profit at Rs. 201 million. Margin at 2.8%
- Total Debt of Rs. 5,985 million (Q2 FY2017: Rs. 5,906 million)
- Net Debt / Equity ratio of 0.86x (Q2 FY2017: 0.86x)

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



“On the backdrop of demonetization which drastically reduced the liquidity in the market, sales volume for the quarter across the automobile sector were down by (4.0)% on a y-o-y basis in comparison to the 19.1% y-o-y growth in the last quarter. Despite a sustained pressure on the overall business demand and a slow global recovery, our topline during Q3 FY2017 was resilient, registering an increase of 10.1% on a y-o-y basis. Besides, the quarter marked continuing addition of new blue chip customers globally and received additional orders worth Rs. 180 crore.”

We are optimistic of the various pro-reformative measures of the Government being undertaken and also reflected in the recent fiscal Budget augurs well for the auto component sector as a whole in the long term, and we expect the automobile market to revive over the next two quarters”

Commenting on the results, Mr. D.C. Sharma, Group CFO said:



“This quarter has been a mixed bag for the Company. During the quarter, our financial performance was temporarily impacted on account of demonetization, high raw material cost, adverse product mix and delay in price actualization of one of the subsidiaries. We are also in the process of incurring pre-operating expenses towards new greenfield plants at Mexico and Pune and setting up of the technical centre. However, I am pleased to inform you that our credit rating has been upgraded to ‘IND A+’ for long term bank facilities by Fitch Ratings, reinforcing the credit worthiness of the Company.

We are also closely watching the developments to the full roll out of the GST and continue to be hopeful of its positive implications for the automotive and automotive component industries.”

Consolidated Financial Overview

(Rs. Million)	Q3		y-o-y	Nine Months Ended		y-o-y
	FY2017	FY2016	Growth (%)	FY2017	FY2016	Growth (%)
Total Revenue	7,230	6,565	10.1%	22,007	18,008	22.2%
EBITDA	416	658	(36.7)%	1,833	1,700	7.8%
Margin (%)	5.8%	10.0%		8.3%	9.4%	
Net Profit	201	316	(36.3)%	770	809	(4.8)%
Margin (%)	2.8%	4.8%		3.5%	4.5%	
Basic EPS (Rs)	0.96	1.51	(36.3)%	3.68	3.86	(4.7)%

About Minda Corporation

Minda Corporation is a leading automotive component and flagship company of Spark Minda, Ashok Minda Group, which was founded in 1958 by Late Shri S. L. Minda. The Company has a diversified product portfolio that encompasses Safety, Security & Restraint Systems; Driver Information & Telematics Systems and Interior Systems for auto OEMs. These products cater to 2/3 wheelers, passenger vehicles, commercial vehicles and after-market.

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 34 state of the art manufacturing facilities - India (27), South-East Asia (3), Europe (3) and North America (1) and a representative office in Japan with a workforce of over 10,000.

The turnover of Minda Corporation was Rs. 24,455 Million in FY2015-16 with international business accounting for 21% of revenues.

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Safe Harbour

This release 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 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 Corporation undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.