

Tata Group Coup, Havells, Bharti Infratel, Idea Cellular, Monsanto, Minda Corp.

Corporate Scoreboard:
1250 plus Companies

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Corporate India

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MEDIUM-PRICED SCRIP

growth

couple of years the management expects the top line to grow between 5-10 per cent. However the company expects margins to continue to improve gradually with old loss making projects completed and the commodity price fluctuation has significantly reduced over the past few months.

The 12th five-year plan envisages an investment of around Rs. 9,145 crore towards roads and bridges, Rs 2,553 crore towards water supply and sanitation, Rs. 15,016 crore towards power and electricity and around Rs. 877 crore towards airports. Reduction of interest rates, softening of commodity prices, government push towards private industrial capex and re-engineering of PPP contracts would auger well for the company.

Higher profitability continues to remain focus of the management. Any strategic divestment in road BOOT projects will lead to de-leveraging the business.

Total standalone debt of JMC Projects was reduced to Rs 629 crore as of March '16 from Rs 669 crore as of March '15. The debt is expected to reduce further in FY17 as KPTL infuses more equity in the company.

For the 12 months ended March '16, net sales were up by three per cent y-o-y to Rs. 2,483.74 crore and net profit rose 37 per cent to Rs. 41.02 crore. In FY17 we expect the company to register an EPS of Rs. 14.5. The scrip trades at Rs. 258 with a P/E of around 17.8.

(Rs. in Crore)

EPS (Rs)	Div (%)	BV (Rs)	RONW (%)
8.9	10.00	174.55	6.41
12.2	10.00	196.83	7.21
14.5	10.00	210.34	7.79

MINDA CORPORATION

SMALL-PRICED SCRIP

Better prospects ahead

SNAPSHOT

BSE ticker code	: 538962
NSE ticker code	: MINDACORP
Major activity	: Auto Ancillaries
Chairman	: Ashok Minda
Equity capital	: Rs 41.86 crore; FV Rs 2
52 week high/low	: Rs 144/ Rs 75
CMP	: Rs 114
Market Capitalisation	: Rs 2386.02 crore
Recommendation	: Buy

Minda Corporation is a leading automotive component manufacturing company with 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. And the automobile industry is poised for growth. **This is a safe bet with good prospects for appreciation. Just consider:**

- Minda is the only company in India to have its own patented magnetic shutters for 2 wheeler application. To enhance the vehicle security it manufactures lock sets with conventional keys, 2 track keys, 4 track keys & snake biting keys for 2 wheeler applications. The company has 32 state-of-the-art manufacturing facilities, 26 in India, 2 in South-East Asia, 3 in Europe, 1 in North America and a representative office in Japan with a total global workforce of over 10,000.

- The company has strong customer base which includes key OEMs

such as Ashok Leyland, Bajaj, BMW, Daimler, Hero Moto Corp, Honda Motorcycle, Mahindra & Mahindra, Maruti Suzuki, Renault Nissan, Tata Motors, TVS Motors, Yamaha and VW Group, Eicher, Escorts, Greaves, HMT, Magneton, New Holland, Polaris, Sonalika and TAFE among others.

- Apart from adding new high value added products to its product portfolio, it has also ventured into Mexico with a greenfield manufacturing plant, which will be manufacturing plastic interior components and will cater to the American market. The company has further two new growth engines - 1) Panalfa Autoelektrik, acquired in April 2016 and 2) first manufacturing plant in North America (Mexico), which is likely to commence commercial production by the end of FY2017.

- The company exports about 20 per cent of its production starting exports of soot sensors to the U.S and won an export order to Europe for Compressor Housing, the company has also received an order for speed sensors in the 2W Segment. Furthermore, the company won orders for tandem master cylinders (gravity die casting) for brake applications.

FY 2016 saw fast growth due to focus on profitable customer engagements and stringent cost efficiencies.

For FY'17, we expect the company to register an EPS of Rs 5.9. At the current market price of Rs 114, P/E works out to 19.4.

PERFORMANCE INDICATORS

(Rs. in Crore)

Year	Net Sales	Net profit	EPS (Rs)	Div (%)	BV (Rs)	RONW (%)
2014-15	1970.64	89.53	4.2	20.00	15.02	11.63
2015-16	2445.51	107.26	4.6	20.00	16.64	14.12
2016-17 (E)	2981.22	123.29	5.9	20.00	22.4	14.66