

**Minda Industries Ltd.**

**Corporate Office**



Date: 10/02/2017

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001	NSE Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051
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Dear Sir(S),

**Sub: Revised Investor Presentation for Q3 FY 2017**

Enclosed is the investor presentation file for Q3 2017 with certain updates. Please upload the same on your website.

This is for your information & record please.

Thanking You

Tours faithfully  
For Minda Industries Limited

Tripurari Kumar  
DGM Finance & Investor Relations



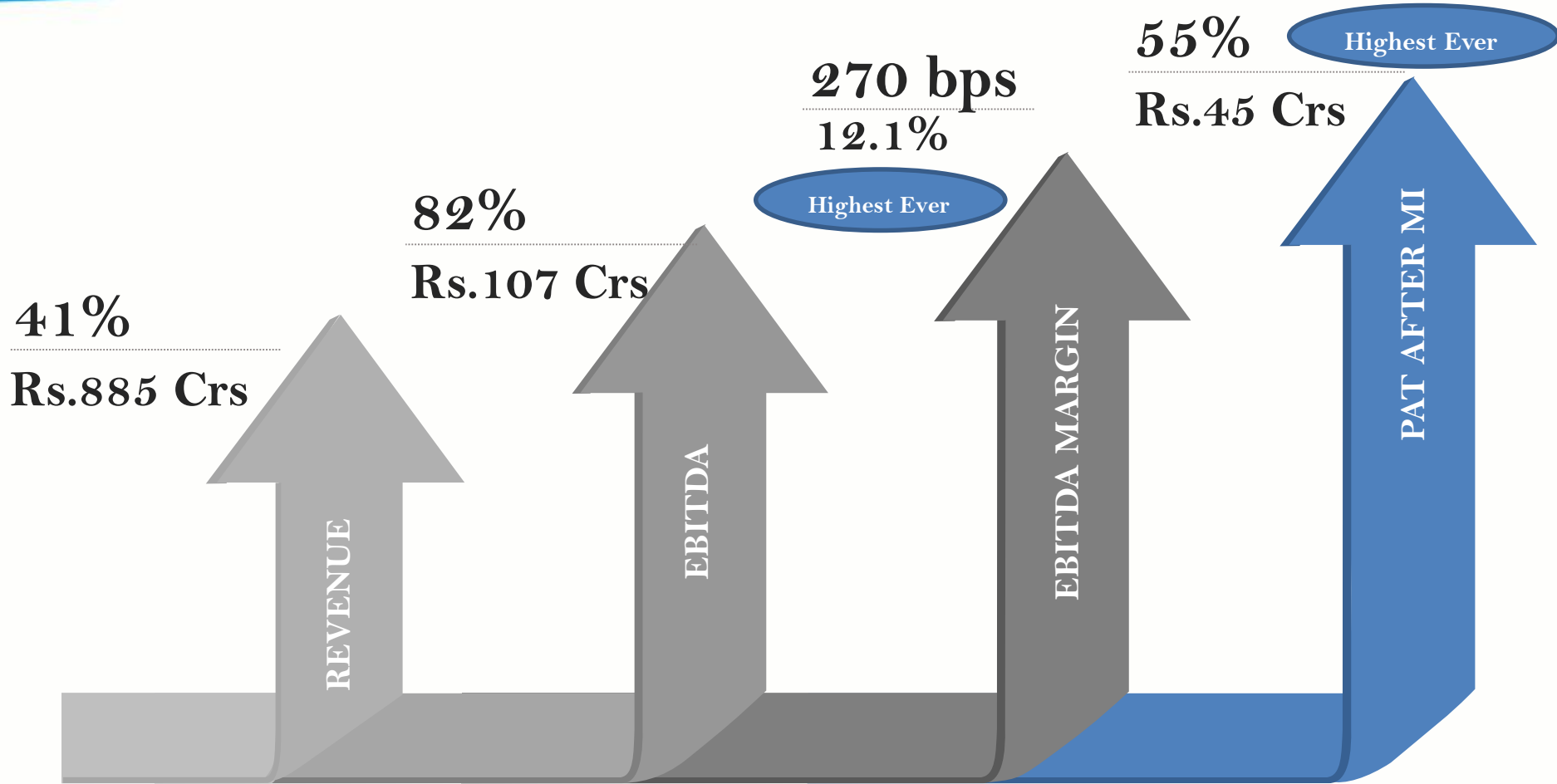
**MINDA INDUSTRIES LIMITED**

*Investor Presentation Feb'17 ( Q3 FY17)*

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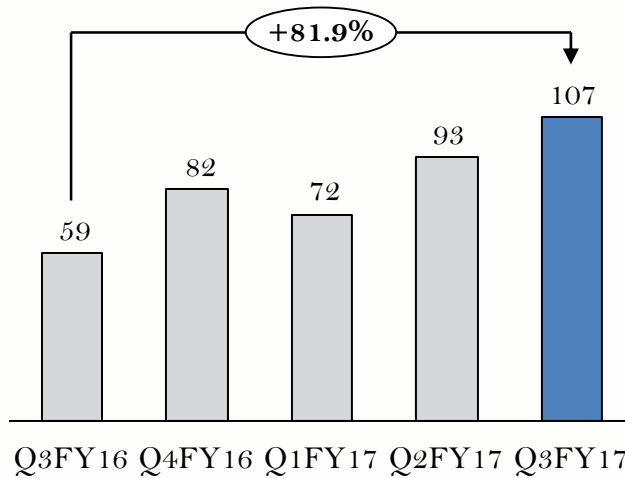
*Announced Interim Dividend of Rs. 1.20 per share (60% of FV)*

Note:

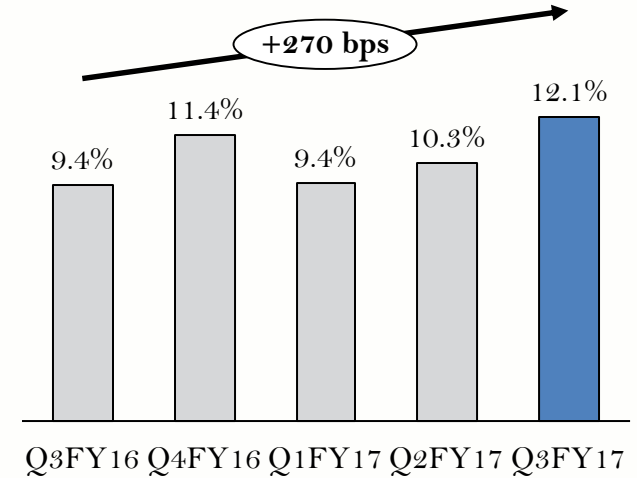
- Consolidated Results
- All comparison are year on year

*Rs.Crs*

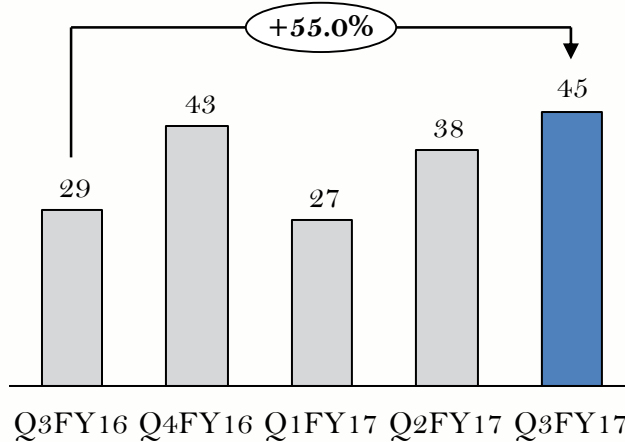
### EBIDTA



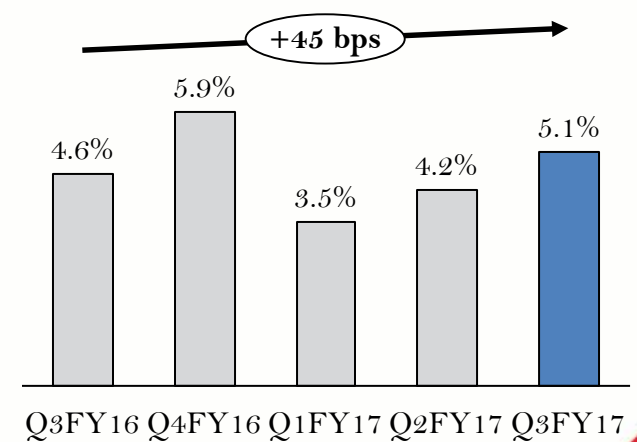
### EBIDTA Margin



### PAT After MI



### PAT Margin



## **Consolidated Revenue grew by 41% YoY**

- Primarily driven by Consolidation of Roki Minda, Minda TG, Minda Kosei Aluminum Wheel Pvt Ltd, & Acquisition of Rinder Group.
- Standalone business grew by 8.09% Y-o-Y, despite demonetization impact in second half of previous quarter

## **Consol. EBITDA Margin expanded by 270 bps to 12.1%:**

- Improvement in margins on account of higher efficiency & operating leverage
- Better performance coming through from Minda Kosei, MJCL and Roki Minda

## **YoY Increase in Interest cost on account of :**

- On account of consolidation of Rinder, Minda Kosei, Minda TG and Roki Minda & acquisition loan for Rinder
- Net interest with respect to previous quarter has reduced by Rs. 83 lacs on account of improvement in credit rating and repayment of certain term loans

## New Entities consolidated in this Quarter:

- Roki Minda has been consolidated as a Joint Venture company from the current Quarter (49%)

## Entities – to consolidated from Q1 2017-18:

- PTMA & MIVCI (ASEAN Business) to become 100%
- Consolidation exercise is expected to be completed by 2017-18

## MKAWL Capacity Expansion

- To set up a new Alloy Wheels plant in Gujarat with investment outlay of ~ Rs. 300 Cr
- Capacity of 120,000 wheels per month

- Additional Line Approved for Expansion in Mexico
- Additional outlay of ~Rs 20 Crs

## Carlton Horns Capacity Expansion

Mexico

## Rinder India Ltd.:

### New orders

- New Orders from Hero Motors
- Including Head Lamps

- New Product Speaker under Infotainment segment approved
- Total outlay of ~Rs. 40 Crs

## JV with Onkyo Japan

### New Speaker Unit



# Consolidated Profit & Loss Statement

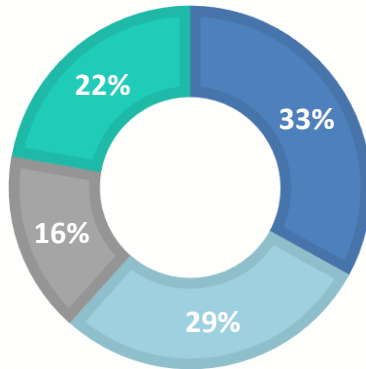
Rs. Crs	Q3 FY17	Q3 FY16	YoY	9M FY17	9M FY16	YoY	FY16
Sales	876	623	40.6%	2,537	1,797	41.2%	2,506
Other Operating Income	9	3		20	13		21
<b>Total Operating Income</b>	<b>885</b>	<b>626</b>	<b>41.4%</b>	<b>2,557</b>	<b>1,810</b>	<b>41.3%</b>	<b>2,527</b>
Cost of Material consumed	539	390		1,590	1,163		1,610
Employee Cost	122	89		337	239		326
Other Expenses	117	88		357	252		353
<b>Operating EBITDA</b>	<b>107</b>	<b>59</b>	<b>89.1%</b>	<b>273</b>	<b>156</b>	<b>74.5%</b>	<b>238</b>
<b>Margin</b>	<b>12.12%</b>	<b>9.42%</b>	<b>2.70%</b>	<b>10.67%</b>	<b>8.64%</b>	<b>2.03%</b>	<b>9.40%</b>
Other Income	4	8		10	17		14
Interest	9	7		32	20		26
Depreciation	38	22		100	64		93
<b>PBT before exceptional item</b>	<b>65</b>	<b>38</b>	<b>71.2%</b>	<b>151</b>	<b>89</b>	<b>70.5%</b>	<b>134</b>
<b>Margin</b>	<b>7.31%</b>	<b>6.04%</b>	<b>1.27%</b>	<b>5.91%</b>	<b>4.90%</b>	<b>1.01%</b>	<b>5.30%</b>
Exceptional Item	-	3		-	3		5**
PBT	65	39	60.0%	151	91	65.6%	139
<b>Margin</b>	<b>7.31%</b>	<b>6.19%</b>	<b>0.85%</b>	<b>5.91%</b>	<b>5.04%</b>	<b>0.87%</b>	<b>5.50%</b>
Tax	13	9		36	21		28
<b>PAT After Minority Interest</b>	<b>45</b>	<b>29</b>	<b>55.0%</b>	<b>110</b>	<b>69</b>	<b>60.8%</b>	<b>111</b>
<b>Margin</b>	<b>5.06%</b>	<b>4.61%</b>	<b>0.45%</b>	<b>4.31%</b>	<b>3.79%</b>	<b>0.52%</b>	<b>4.40%</b>
<b>EPS (In Rs.)*</b>	<b>5.6</b>	<b>3.6</b>		<b>13.9</b>	<b>8.6</b>		<b>70</b>
<b>Cash PAT</b>	<b>82</b>	<b>51</b>	<b>62.9%</b>	<b>210</b>	<b>133</b>	<b>57.9%</b>	<b>204</b>
<b>Margin</b>	<b>9.31%</b>	<b>8.07%</b>	<b>1.23%</b>	<b>8.21%</b>	<b>7.35%</b>	<b>0.86%</b>	<b>8.10%</b>

\* Face Value of Rs.2 per equity share \*\* Exceptional item pertaining to profit on sale of land in PT Minda Asean

Rs. Crs.	Sep-16	Mar-16	Rs. Crs.	Sep-16	Mar-16
<b><i>Shareholder's Fund</i></b>	<b>647</b>	<b>472</b>	<b><i>Non-Current Assets</i></b>	<b>1,018</b>	<b>787</b>
Share capital	19	19	Fixed assets	910	697
Reserves & Surplus	628	452	Goodwill	0	6
<b><i>Minority Interest</i></b>	<b>127</b>	<b>110</b>	Non Current Investments	50	44
<b><i>Non-current liabilities</i></b>	<b>283</b>	<b>212</b>	Long-term loans and advances	40	25
Long term borrowings	214	169	Other Non-Current Assets	17	15
Other long-term liabilities	7	9	<b><i>Current assets</i></b>	<b>984</b>	<b>700</b>
Long Term Provisions	62	34	Inventories	234	184
<b><i>Current liabilities</i></b>	<b>945</b>	<b>694</b>	Trade receivables	512	364
Short term borrowings	292	184	Cash and bank balances	139	57
Trade Payables	481	321	Short-term loans and advances	90	87
Other current liabilities	153	169	Other current assets	9	8
Short-term provisions	18	19			
<b>Total Liabilities</b>	<b>2,002</b>	<b>1,487</b>	<b>Total Assets</b>	<b>2,002</b>	<b>1,487</b>

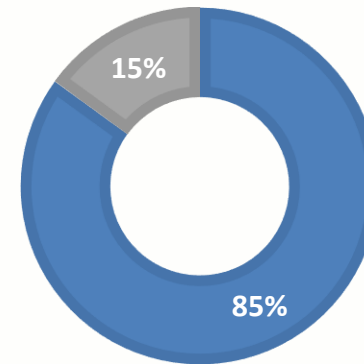
## Product-wise Breakup

■ Switch ■ Lighting ■ Horns ■ Others



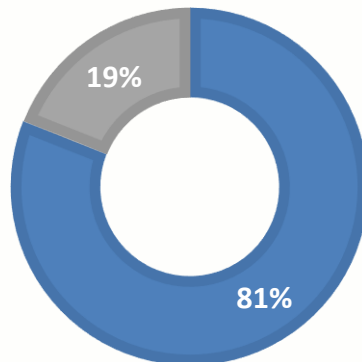
## Channel-wise Breakup

■ OEM ■ Replacement



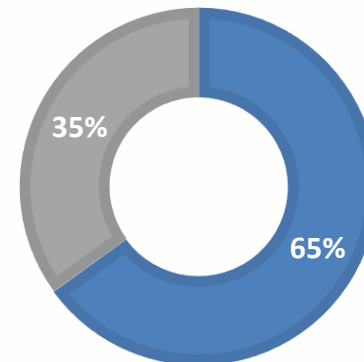
## Geography-wise Breakup

■ India ■ International



## Segment -wise Breakup

■ 2Wheeler ■ 4Wheeler



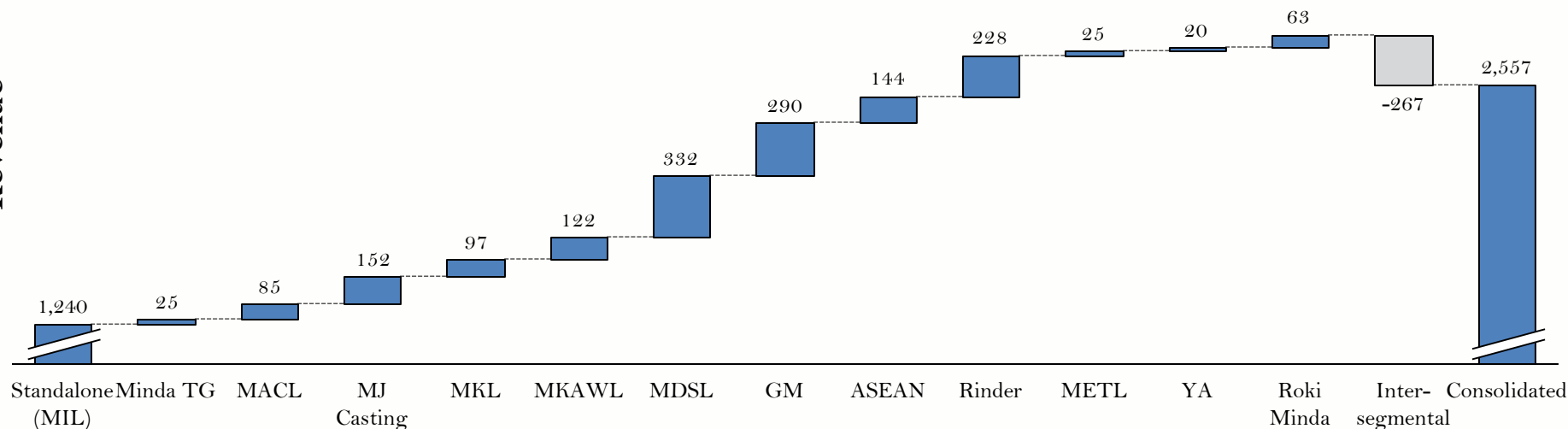
Rs. Crs.	Revenue	EBIDTA	EBIDTA Margin %	PBT Before Exceptional Items	PBT Before Exceptional Items Margin %
MDSL	332.3	2.25	0.70%	2.3	0.70%
GM*	290.3	25.1	8.60%	10.7	3.70%
Rinder	228.2	22.77	10.00%	7.7	3.40%
MJ Casting	151.7	24.05	15.90%	4.9	3.20%
ASEAN**	143.8	21.6	15.00%	18.2	12.70%
MKAWL	122.1	28.23	23.10%	13.7	11.20%
MKL	97.2	19.09	19.60%	11.4	11.70%
MACL	85.1	2.96	3.50%	2.4	2.90%
Roki Minda	63.4	9.72	15.30%	3.4	5.40%
Minda TG	25.2	1.06	4.20%	-3.4	-13.40%
METL	24.9	1.21	4.80%	-0.3	-1.30%
YA	19.9	3.69	18.60%	3.5	17.50%

Note:

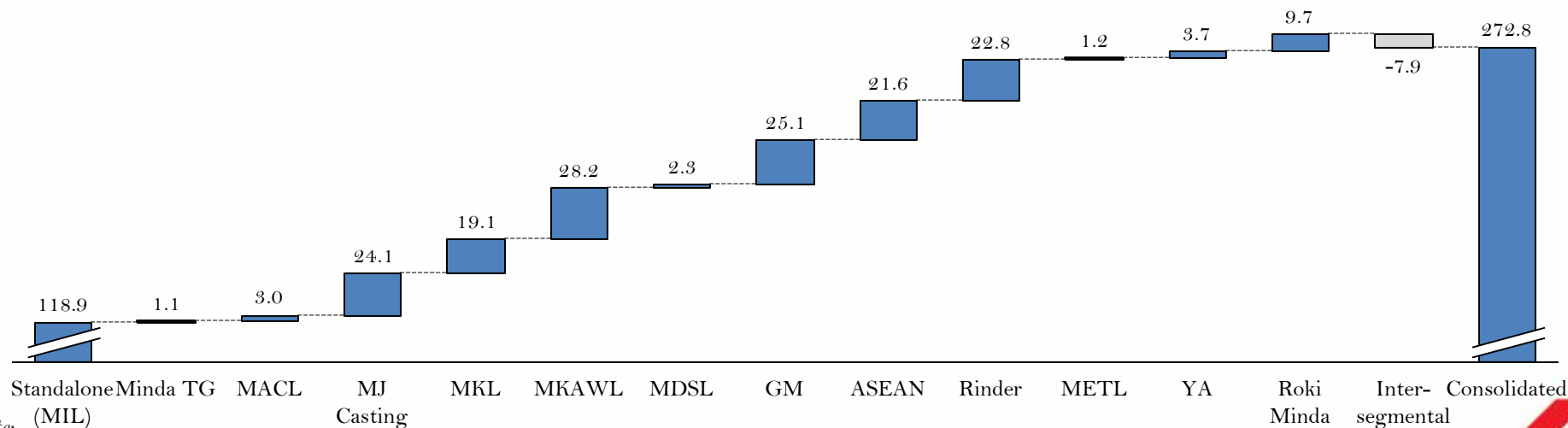
- \*GM includes businesses of Carlton Horns (Spain), LSTC and Rinder Riduco (50% JV)
- \*\*ASEAN includes business of MIVCL (Vietnam) and PTMT (Indonesia)

Rs.Crs

Revenue



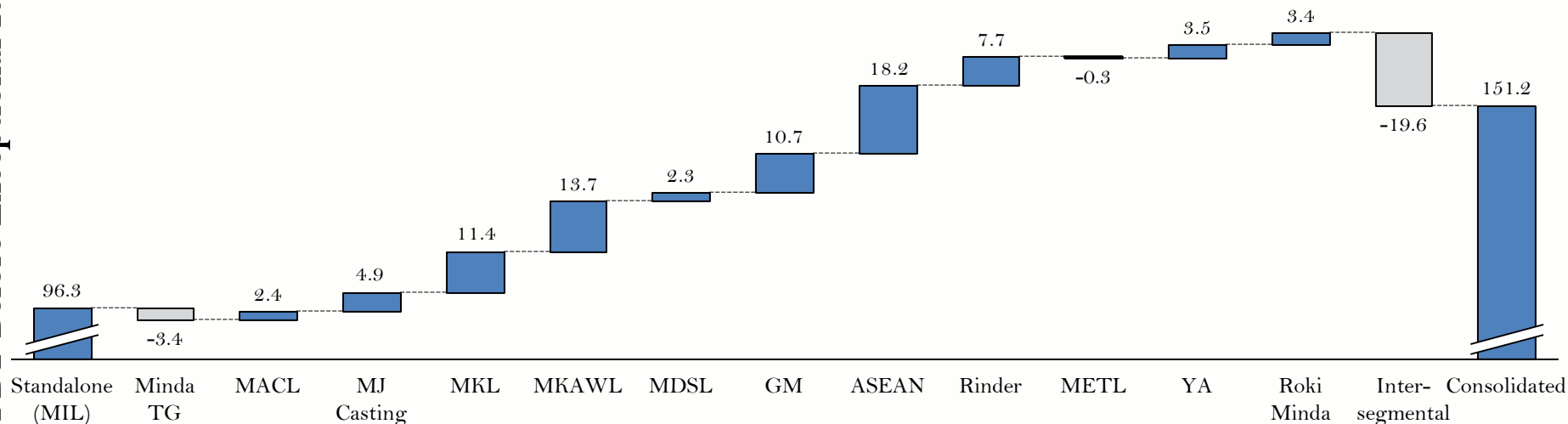
EBIDTA



Note:

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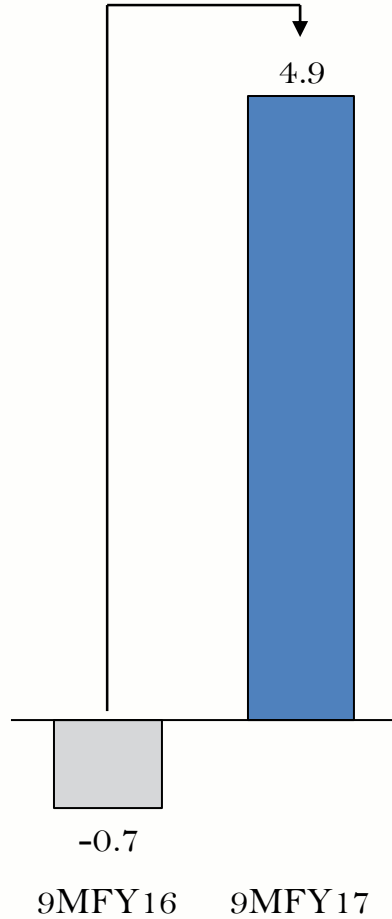
**PBT Before Exceptional Items**



*Note:*

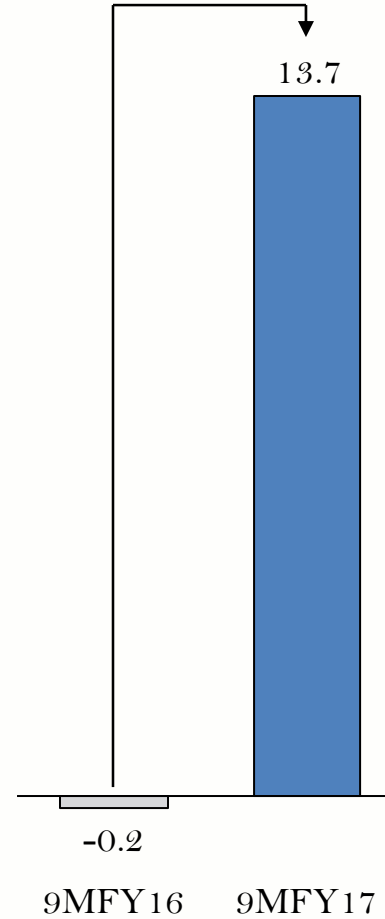
- GM includes businesses of Carlton Horns (Spain), LSTC and Rinder Riduco (50% JV)
- ASEAN includes business of MIVCL (Vietnam) and PTMT (Indonesia)

**PBT – MJ Casting**

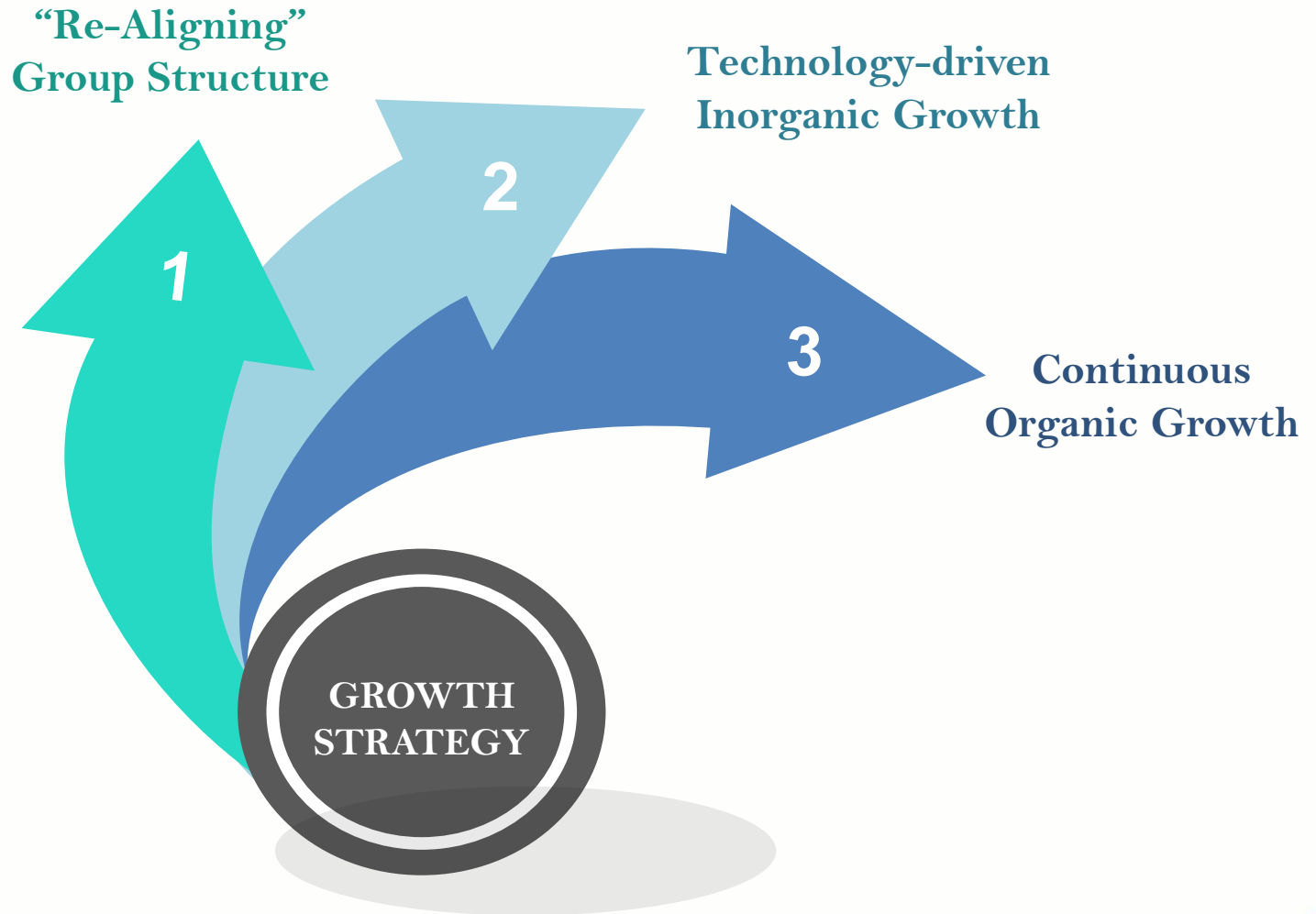


**PBT – MKAWL**

*Rs.Crs*

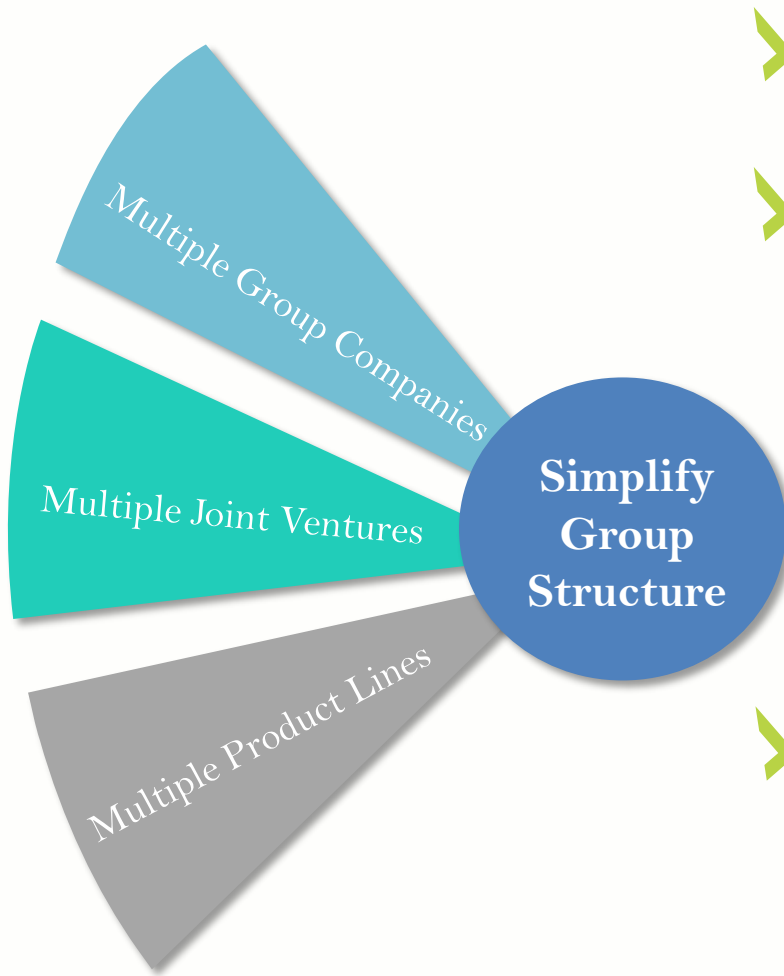


# Our Three Pronged Strategy for Growth





# 1. “Re-Aligning” Group Structure...



- Consolidate product lines across UNO MINDA Group
- Rationale:
  - Creation of single entity with better financial strength resulting in improved competitive position of the businesses of combined entity
  - Help in cost optimization / operating leverage
  - Enable company to optimize resources resulting in elimination of overlapping activities
- Appointed KPMG to work on scheme to simplify corporate structure in tax efficient manner
  - KPMG laid out 1<sup>st</sup> phase of Consolidation
  - Implementation of Phase 1 currently underway

## Phase 1, Stage 1 - Increasing MIL stake through Investment in JV companies & Group Companies

- Additional 48% in MJ Castings for Rs.14.04 Crs, increasing stake to 98%
- Invested Rs.19.41 Crs SAM Global Pte Ltd, Singapore for 51% equity stake  
  
SAM Global Pte Ltd, Singapore holds 37% equity shares in PT Minda Asean Automotive, Indonesia (PTMA)
- Invested Rs. 6.13 Crs for additional 13% in PT Minda Asean Automotive (Indonesia), increasing holding to 32%
- Invested Rs. 17.85 Crs in Minda TG Rubber for 51% equity stake
- Invested Rs. 12.28 Crs in Kosei Minda Aluminum Co. for 30% shareholding

## Phase 1, Stage 2 - Increasing MIL stake in JV companies & Group Companies

- PTMA, Indonesia will become 100% subsidiary of Minda Industries Limited
- MIVCL, Vietnam will become 100% subsidiary of Minda Industries Limited
- 49% interest in Roki Minda has been purchased for a consideration of ~Rs 42.9 Cr, the entity has been consolidated from October 1, 2016
- Minda Storage Batteries Pvt Ltd (Erstwhile Panasonic Minda Storage Batteries India Pvt Ltd) will become 100% subsidiary
- Battery Division of Minda Industries is being hived off to Minda Storage batteries (A WOS of MIL)

*All investments have been done at Book Value or close to Book Value to maximize shareholder's value*

### Technology & Know-how

- Access to well-developed R&D base of Clarton Horns & Rinder Group
- Access to New Technologies viz., Electronic Horn in Clarton, LED lighting in Rinder Group



### Achieve Leadership Position

- World's 2nd largest Horns Player, post-acquisition of Clarton Horns
- India's 3rd largest Automotive Lighting Player, post-acquisition of Rinder Group

### Synergistic Fit

- Product Portfolio and Customer mix - complementary in nature

### Economies of Scale

- Cost Efficiency
- Operational Efficiency

# 3. Continuous Organic Growth

## 2W / 3W Switches



**Extend**  
leadership  
position  
across OEMs  
& global  
platforms

## Lighting



**Widen**  
presence  
across OEM  
to improve  
utilization  
levels across  
units

## Horns



**Strengthen**  
with  
synergies  
from Clarton  
Horn across  
globe

## Alloy Wheels



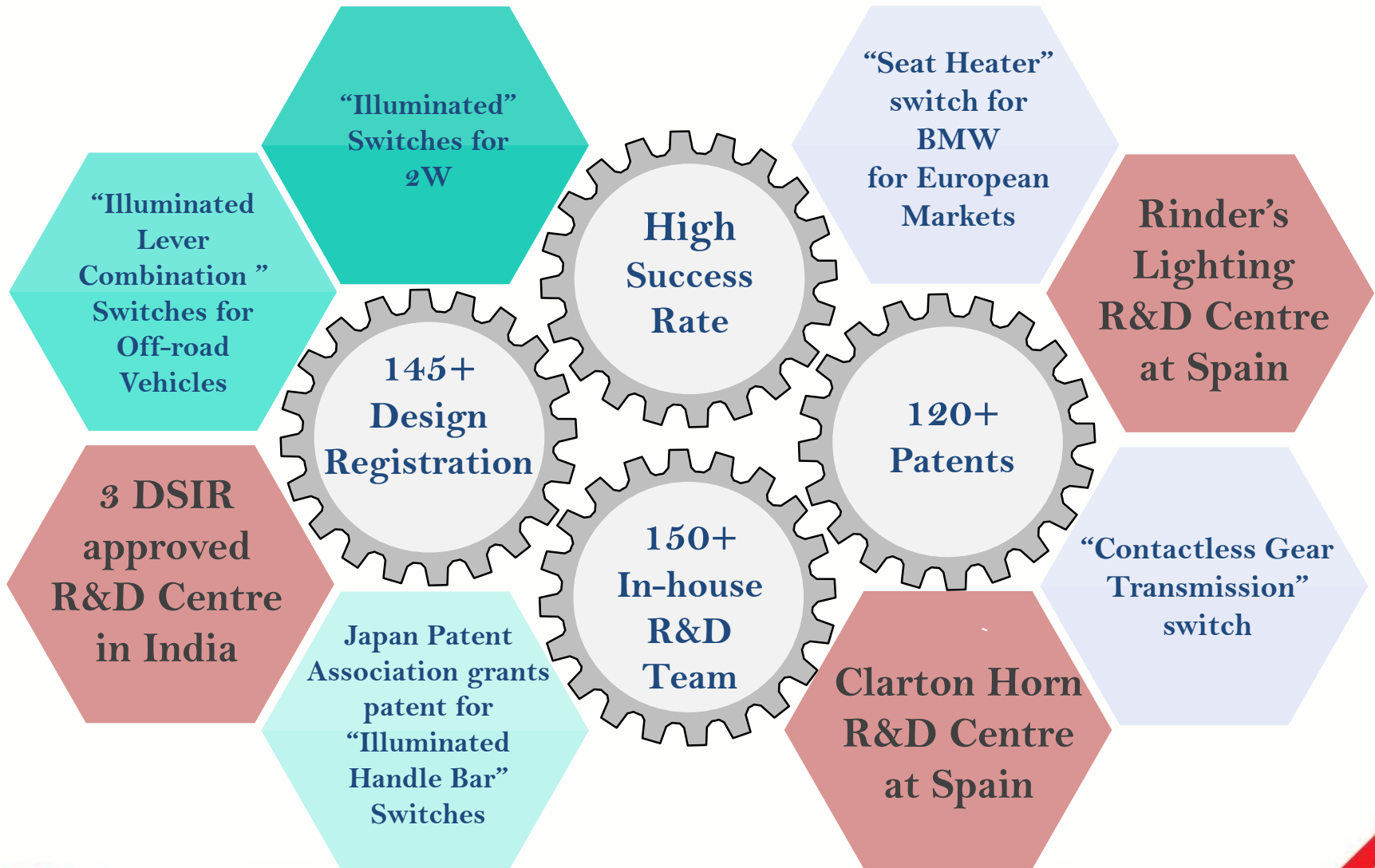
**Leverage**  
existing  
OEM  
relationships  
&  
JV  
relationship








## Others



**Leverage**  
existing  
OEM  
relationships  
&  
Distribution  
network

*...Across Existing Business Domains*



Technology partner	Country	Year of JV	Segment	Comments
	Japan	1992	4W switches	<ul style="list-style-type: none"> <li>● Tokai Rika is amongst global leaders in 4W switches with widest product portfolio in E&amp;M lockset segment</li> <li>● JV is India's largest 4W switches manufacturer with ~ 47% market share in OEM segment</li> </ul>
	Italy	2001	CNG	<ul style="list-style-type: none"> <li>● Emer, a subsidiary of Westport is a global leader in natural gas vehicle technology</li> <li>● JV is the only domestic manufacturer of electronic cylinder valves</li> </ul>
	Japan	2008	Hoses	<ul style="list-style-type: none"> <li>● #1 manufacturer of Hoses in Japan; #2 globally for Brake hoses; #3 globally for Fuel hoses</li> <li>● TG is one of the key ancillaries of Toyota with market leading technology in 4W hoses</li> </ul>
	Japan	2008	Blow Moulding	<ul style="list-style-type: none"> <li>● Kyoraku is a leading moulding company with strong OEM relationships</li> </ul>
	Japan	2011	Procurement	<ul style="list-style-type: none"> <li>● Torica is a subsidiary of Tokai Rika</li> <li>● JV procures raw materials, primarily plastic related, for Minda Industries and other group companies</li> </ul>
	Japan	2015	Alloy wheels	<ul style="list-style-type: none"> <li>● Kosei Aluminium, Japan is amongst the largest players globally in alloy wheels</li> <li>● Kosei is global supplier for Toyota and Honda; in India the JV has started receiving orders from Maruti and M&amp;M</li> </ul>
	Japan	2016	Infotainment	<ul style="list-style-type: none"> <li>● Onkyo Corporation, Japan is among the leading manufacturers of sound amplifier systems (speakers) with proven capabilities in audio technology with state of the art technology like WRAT, VLSC and Cinema Filter etc</li> </ul>

## Leadership Position

India's largest player in 2W / 3W Switches  
 Among Top 3 players in Automotive Lighting  
 World's 2nd largest player in Horns

## Established OEM Presence

Dominant among Domestic OEMs  
 viz., MSIL, HMCL, Bajaj, TVS  
 Established Global presence across  
 OEMs viz., Yamaha, Suzuki,  
 Kawasaki, Hyundai, etc

## Strong Financial Profile

Historically low D/E ratio  
 Improving Return Ratios  
 Credit Rating Upgraded to "ICRA A+"

## Strong R&D Capabilities

120+ product patents registered  
 145+ design registrations  
 5 R&D Centers Globally

## Global Technology

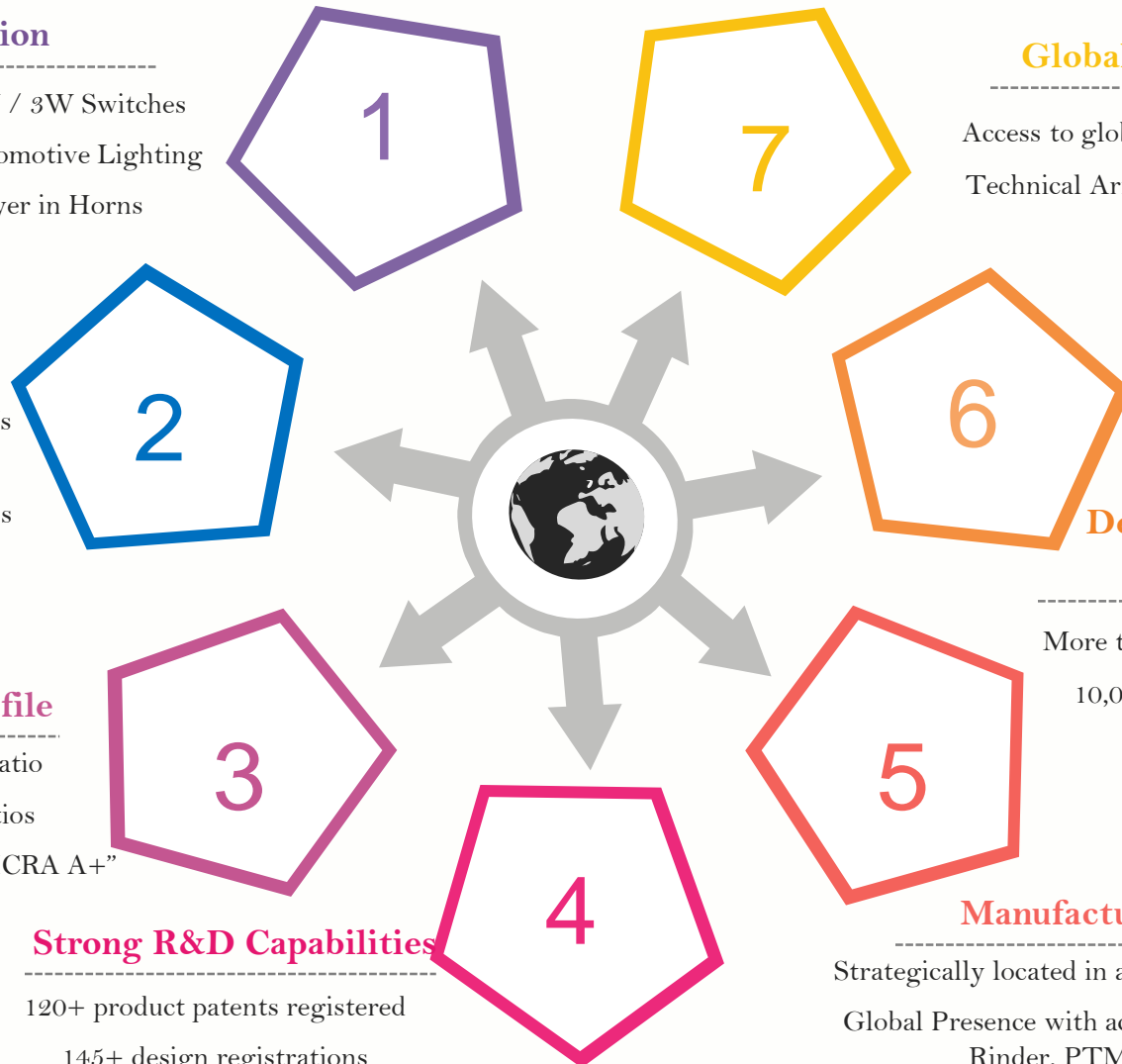
Access to global technology through  
 Technical Arrangement with world  
 leaders

## Deep Foothold in Aftermarket

More than 700 business partners &  
 10,000 retailers/ Touchpoints

## Manufacturing Locations

Strategically located in all automotive hubs in India  
 Global Presence with acquisition of Clarton Horn,  
 Rinder, PTMA, SAM Global

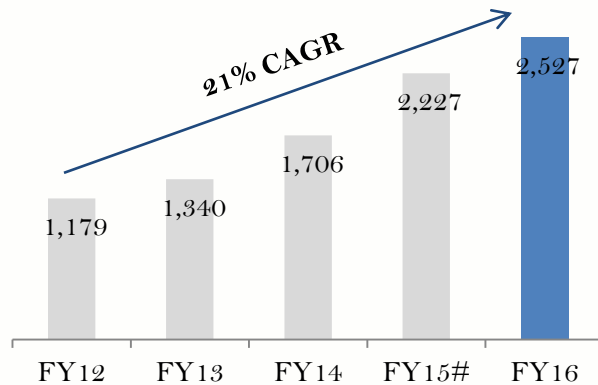


# Annual Performance

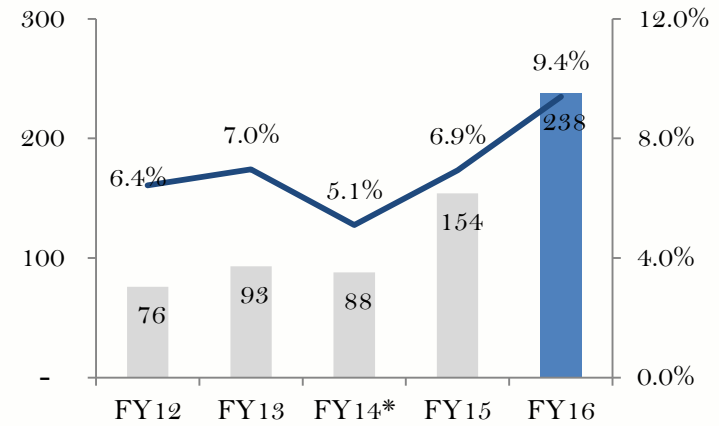




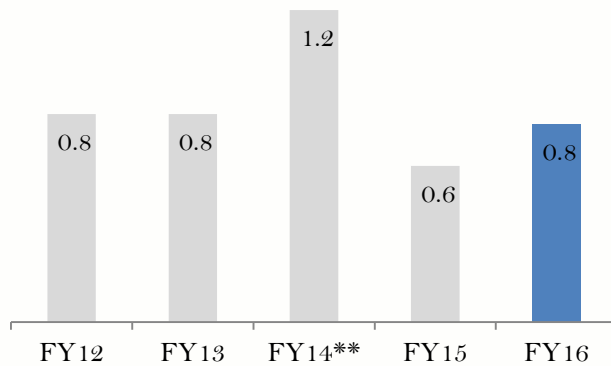
### Revenue



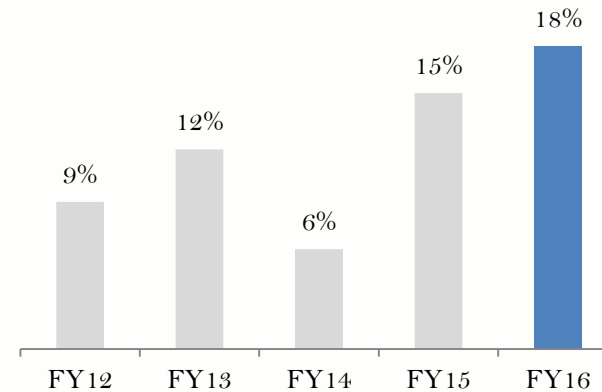
### EBITDA & EBITDA Margin



### Debt : Equity



### ROCE (%)



Notes;

# FY15 Sales inclusive of 15M Clarton Sales

\* FY14 EBITDA is Adjusted for acquisition related one-time expenses

\*\* FY14 debt increased on account of acquisition related debt

Consolidated

# Consolidated Profit & Loss

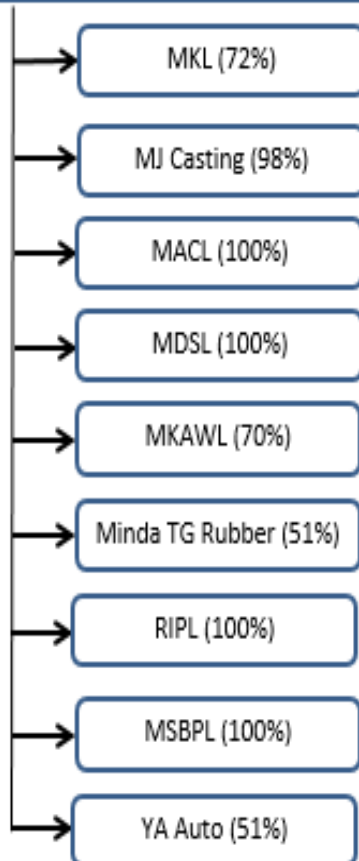
Rs.Crs	FY16	FY15	YoY%
Sales	2,506	2,206	
Other Operating Income	21	26	
<b>Total Operating Income</b>	<b>2,527</b>	<b>2,232</b>	<b>13%</b>
Cost of Material consumed	1,610	1,483	
Employee Cost	326	288	
Other Expenses	353	307	
<b>Operating EBITDA Margin</b>	<b>238</b> <b>9.4%</b>	<b>154</b> <b>6.9%</b>	<b>54%</b> <b>250 bps</b>
Other Income	14	17	
Interest	26	25	
Depreciation	93	83	
<b>PBT before exceptional item Margin</b>	<b>134</b> <b>5.3%</b>	<b>63</b> <b>2.8%</b>	<b>112%</b> <b>247 bps</b>
Exceptional Item	5**	16*	
PBT Margin	139 5.5%	79 3.5%	
Tax	28	19	
<b>PAT After Minority Interest Margin</b>	<b>111</b> <b>4.4%</b>	<b>68</b> <b>3.0%</b>	<b>64%</b> <b>135 bps</b>
<b>Cash PAT Margin</b>	<b>204</b> <b>8.1%</b>	<b>151</b> <b>6.8%</b>	<b>35%</b> <b>128 bps</b>

\*Exceptional Item pertaining to reversal of impairment charge of Rs. 15.76 Crs in battery division

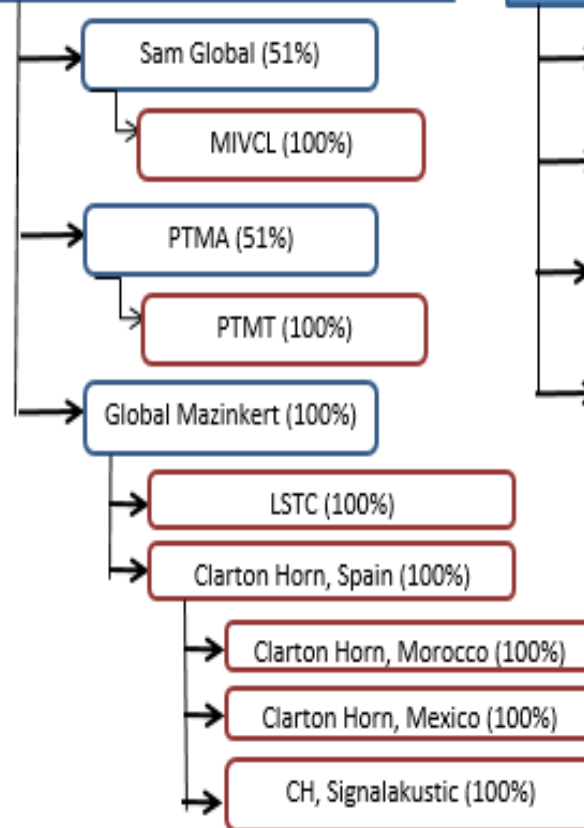
\*\* Exceptional Item pertaining to profit on sale of land in PT Minda Asean

## MIL'S SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

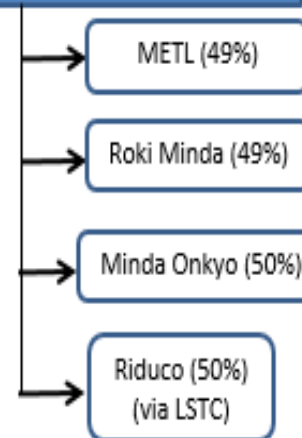
### DOMESTIC SUBSIDIARIES



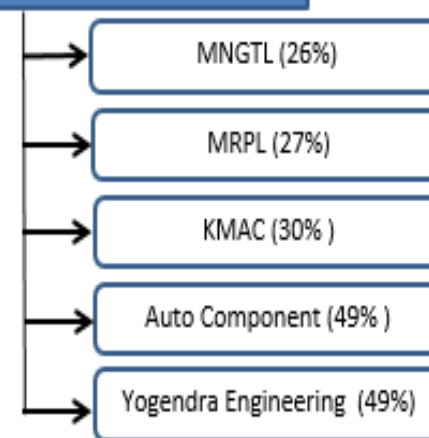
### OVERSEAS SUBSIDIARIES



### JOINT VENTURES



### ASSOCIATES



#### Glossary:

**MIL:** Minda Industries Limited  
**MKL:** Minda Kyoraku Limited  
**MACL:** Minda Auto Component Limited  
**MDSL:** Minda Distribution and Services Limited  
**MKAWL:** Minda Kosei Aluminum Wheel Private Limited  
**RIPL:** Rinder India Private Limited  
**MSBPL:** Minda Storage Batteries Private Limited  
**PTMA:** PT Minda Asean Automotive, Indonesia  
**MIVCL:** Minda Industries Vietnam Company Limited  
**PTMT:** PT Minda Trading, Indonesia  
**LSTC:** Light & Systems Technical Centre S.L. Spain  
**METL:** Minda Emer Technologies Limited  
**Riduco:** Rinder Riduco, S.A.S., Columbia  
**MNGTL:** Minda NextGen Tech Ltd  
**MRPL:** Mindarika Private Limited  
**KMAC:** Kosei Minda Aluminum Company Pvt Ltd

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