



Safety, Security and Restraint Systems



Driver Information and Telematics Systems



Interior Systems



ASHOK MINDA GROUP

*Powered by Passion*

## Minda Corporation Limited

(NSE: MINDACORP; BSE: 538962)

### Q2 FY2016 Consolidated Earnings Presentation

November 04, 2015

# Important Notice



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.

## Conference Dial-In Numbers: November 05, 2015 (Thursday) at 03.30 PM IST

Primary Number **+ 91 22 3938 1028**

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# Financial Highlights

**Q2 FY2016**  
vs.  
**Q2 FY2015**  
(Consolidated)

- Total Revenue increased by 27.2% Y-o-Y to Rs. 6,162 million
- EBITDA increased by 30.4% Y-o-Y to Rs. 638 million; Margins grew 26 bps
- Profit after Tax increased by 33.7% to Rs. 291 million, Margins expanded by 23 bps

**H1 FY2016**  
vs.  
**H1 FY2015**  
(Consolidated)

- Total Revenue increased by 21.4% Y-o-Y to Rs. 11,443 million
- EBITDA increased by 22.5% Y-o-Y to Rs. 1,140 million
- Profit after Tax increased by 26.0% to Rs. 493 million, Margins expanded by 16 bps
- Net Debt of Rs. 4,524 million (FY2015: Rs. 4,577 million)
- Net Debt / Equity ratio of 0.87x (FY2015: 0.98x)

**Q2 FY2016**  
vs.  
**Q2 FY2015**  
(Standalone)

- Total Revenue increased by 6.5% Y-o-Y to Rs. 1,828 million
- Profit before Tax increased by 38.1% Y-o-Y to Rs. 213 million; Margins increased by 266 bps
- Profit after Tax increased by 44.8% to Rs. 153 million, Margins expanded by 222 bps

# Management Commentary

## Striving towards business and financial excellence

*“I am pleased to present our Q2 FY2016 results with a sense of pride and optimism. The sense of pride stems from the robust improvement across all financial metrics. During the quarter, we achieved a topline growth of 27.2% y-o-y with the backdrop of only a marginal sales de-growth of (0.4)% registered by the domestic automobile industry. Our continued focus on value added products coupled with the ongoing cost optimization initiatives resulted in an even stronger PAT growth of 33.7%.*

*My sense of optimism comes from the recent business developments which are expected to bear fruit in the future. Our ongoing focus on being ahead on the technology curve helped us launch new products and procure new orders from global OEMs. We also completed the group’s reorganization efforts with the successful acquisition of Minda Stoneridge Instruments which helps create a stronger operating structure with focused business verticals.*

*We are witnessing a gradual recovery in the global automobile markets. However, the growth varies across geographies and different segments. While the domestic passenger car sales maintained its growth momentum, the 2 Wheeler segment showed signs of stagnation with a marginal de-growth of (1.3)%. As European markets show encouraging signs, we look forward to an increased share of business from that region.*

*Our strong financial position and robust business model makes us well positioned to take advantage of an expected uptick in global automobile markets in the near term. This will ensure that we continue to create value for all our stakeholders.’*



**Mr. D.C Sharma**  
Group CFO

# Recent Corporate Developments

## Corporate Social Responsibility: Spark Minda Foundation (SPV for Group CSR activities)

### Business Integrated

- Partnered with Yerwada Jail for on the job training of inmates
- After the 1<sup>st</sup> initiative at Tihar Jail by Minda Furukawa, this is the 2<sup>nd</sup> PPP model program in Indian Automobile Industry
- Stakeholders – Minda SAI, Yerwada Jail, Mahindra & Mahindra
- 30 inmates working presently



### Societal Level

- Aakarshan: Successful opening of new centers
  - Pantnagar, Uttarakhand: Computer training, English and Tailoring
  - Pune, Maharashtra: Beauty culture training for women
  - Tamil Nadu: Cutting & Tailoring and Spoken English
- Aakarshan: Convocation to encourage learners
  - Greater Noida: 93 learners graduated; 300 learners till date
  - Pantnagar: 80 learners graduated; 187 learners till date

## Other Significant Developments

- Launched new advanced product line for 2 wheelers and 4 wheelers. This new line includes high value products such as Oil Dipped ready to install clutch plates, Brake shoe for 2 wheelers and automotive filters
- Production started for door handles of new models of Maruti Suzuki
- Order win for supply of 'Air Vents' for BMW's selected series for their European and American volumes through Company's European facilities
- Order win for manufacturing of ABS wiring harness for commercial vehicles OEM
- Minda SAI (a 100% subsidiary of Minda Corporation) acquired 51% equity of Minda Stoneridge Instruments Ltd. With this, Minda Corporation completes Group's reorganization initiatives

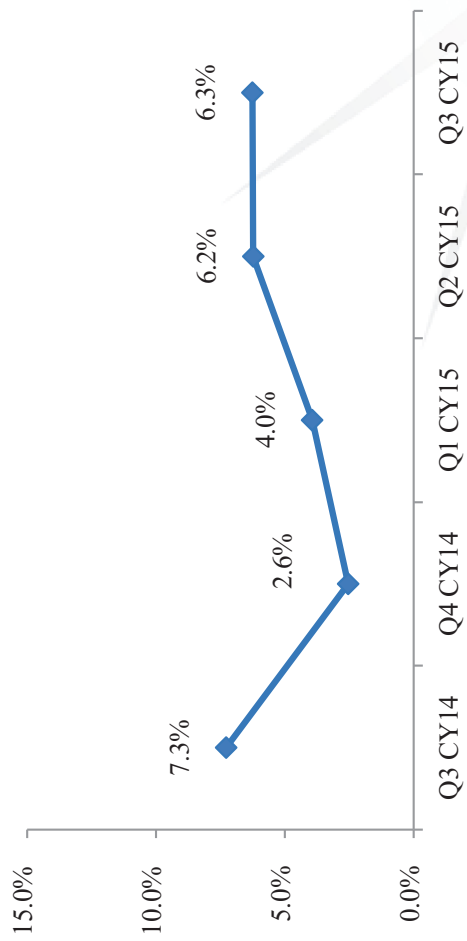
# Industry Overview



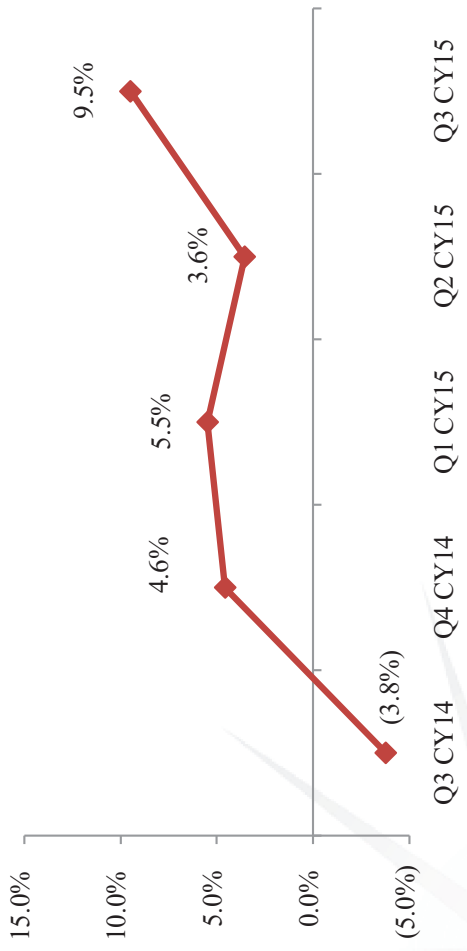
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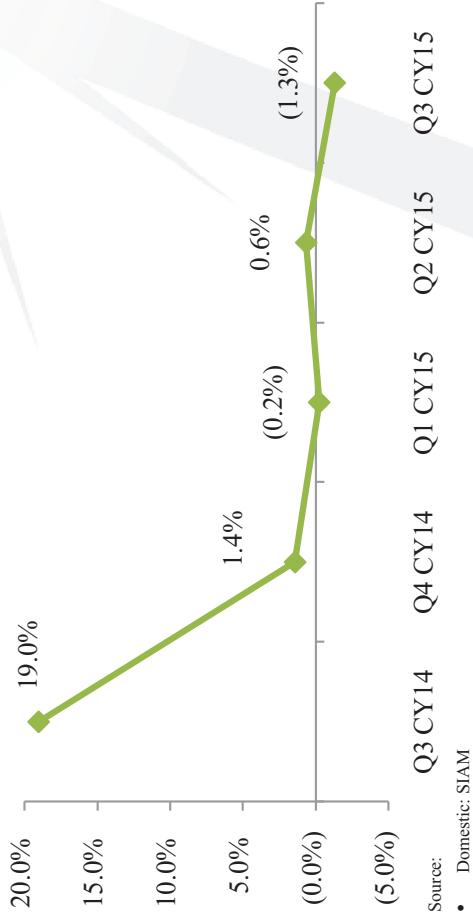
Passenger Vehicles – Domestic Sales



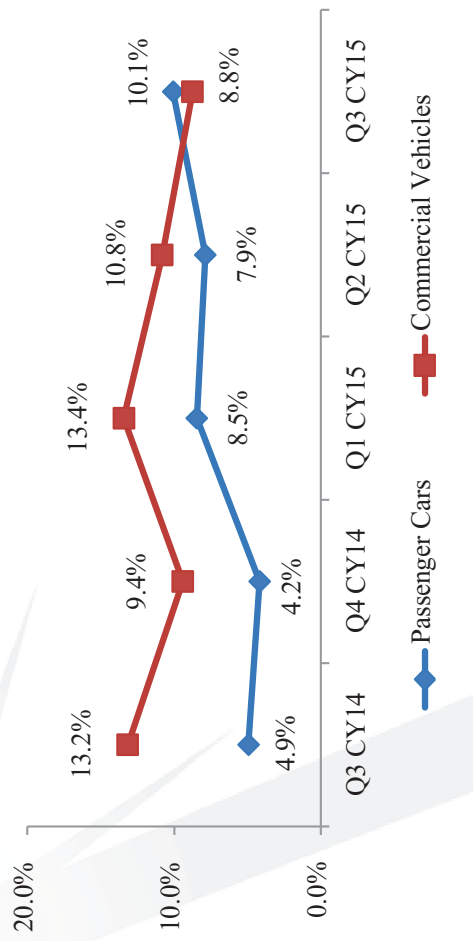
Commercial Vehicles – Domestic Sales



2 Wheelers – Domestic Sales



Passenger & Commercial Veh. – European Sales



Source:  
 • Domestic: SIAM  
 • Europe: ACEA

# Consolidated Financial Performance

## Key Financial Statistics

(Rs. Million)	Q2		y-o-y Growth (%)	Q1		q-o-q Growth (%)		H1		y-o-y Growth (%)
	FY2016	FY2015		FY2016	FY2015	FY2016	FY2015			
Total Revenue	6,162	4,846	27.2%	5,281		16.7%		11,443	9,429	21.4%
EBITDA	638	489	30.4%	502		27.0%		1,140	930	22.5%
<i>Margin (%)</i>	10.3%	10.1%		9.5%				10.0%	9.9%	
Profit Before Tax (PBT)	408	262	55.7%	279		46.2%		687	485	41.6%
<i>Margin (%)</i>	6.6%	5.4%		5.3%				6.0%	5.1%	
Profit After Tax (PAT)	291	217	33.7%	202		43.6%		493	391	26.0%
<i>Margin (%)</i>	4.7%	4.5%		3.8%				4.3%	4.1%	
Basic EPS (Rs.)	1.39	1.04	33.7%	0.97		43.6%		2.36	1.87	26.0%

## Highlights – Q2 FY2016 vs. Q2 FY2015

- Total revenue for the quarter increased by 27.2% y-o-y to Rs. 6,162 million. While the Indian automobile sales decline marginally by (0.4)%, Minda Corporation achieved a higher growth on the back of new business and strong performance by Wiring Harness, After Market & Die Casting operations
- Q2 FY2016 EBITDA increased by 30.4% on a y-o-y basis with margins of 10.3%; Margins expanded by 26 bps
- Interest expense decreased from Rs. 111 million in Q2 FY2015 to Rs. 98 million in Q2 FY2016 on account of better cash management, lower working capital requirements and repayment of term loan
- Q2 FY2016 PAT increased by 33.7%, margins expanded by 23 bps

# Consolidated Financial Performance



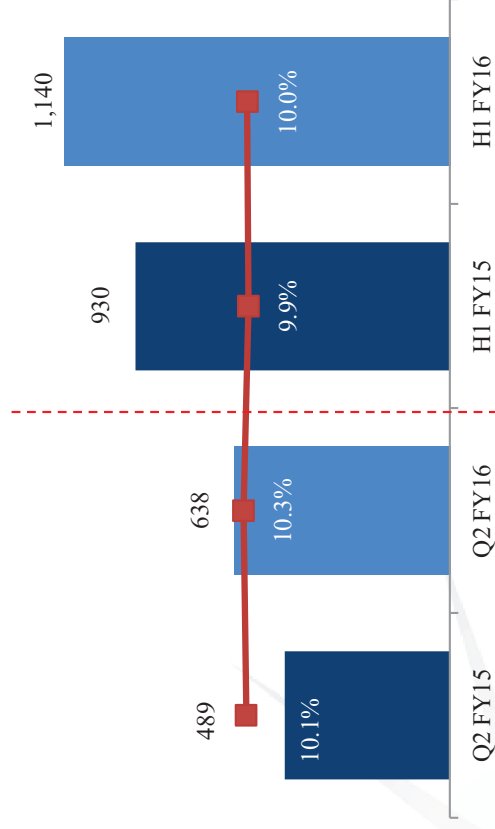
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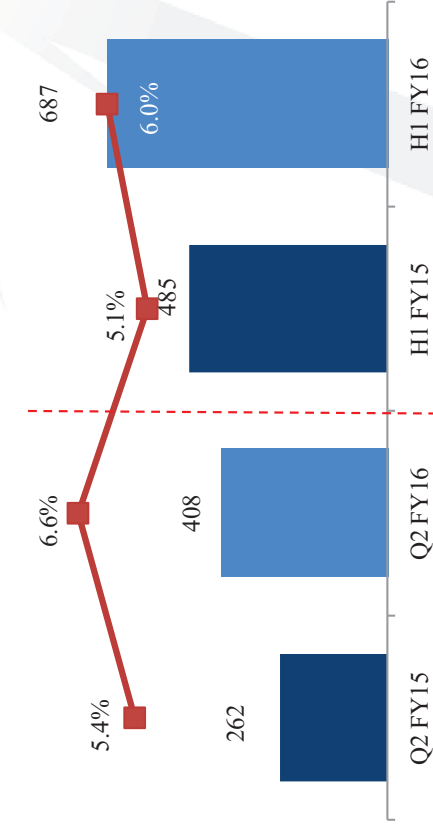
Revenue (Rs. million)



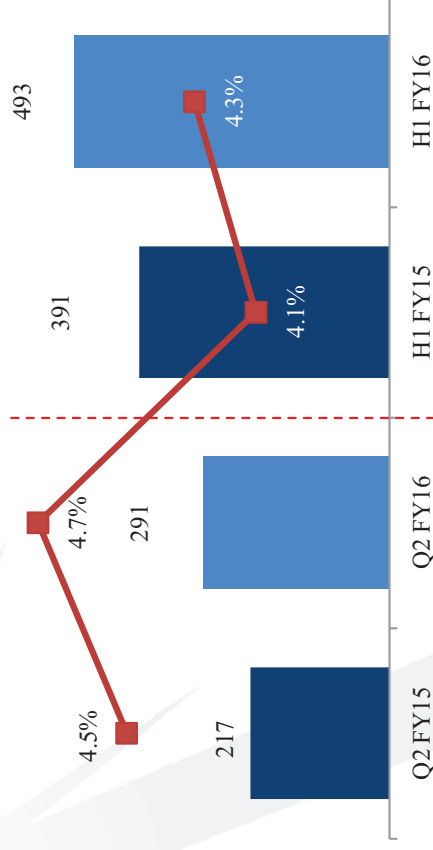
EBITDA (Rs. million) and Margin (%)



PBT (Rs. million) and Margin (%)



PAT (Rs. million) and Margin (%)





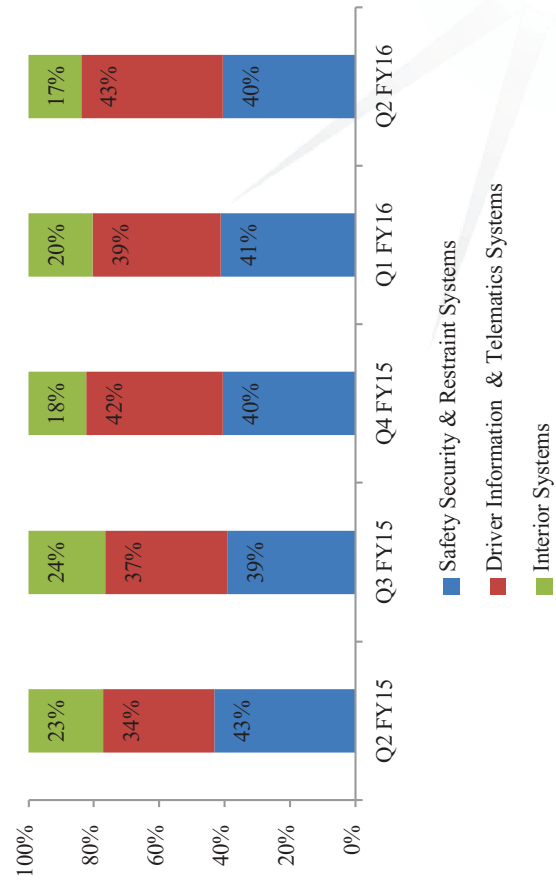
# Consolidated Revenue Metrics



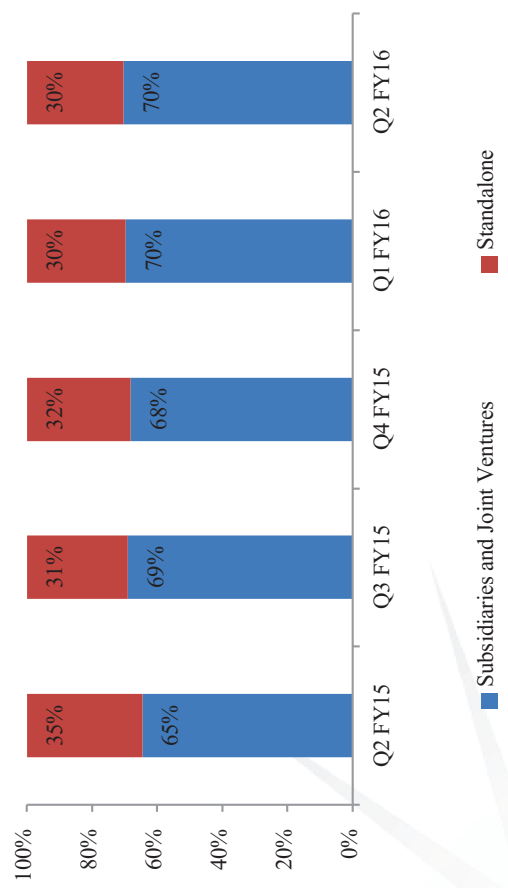
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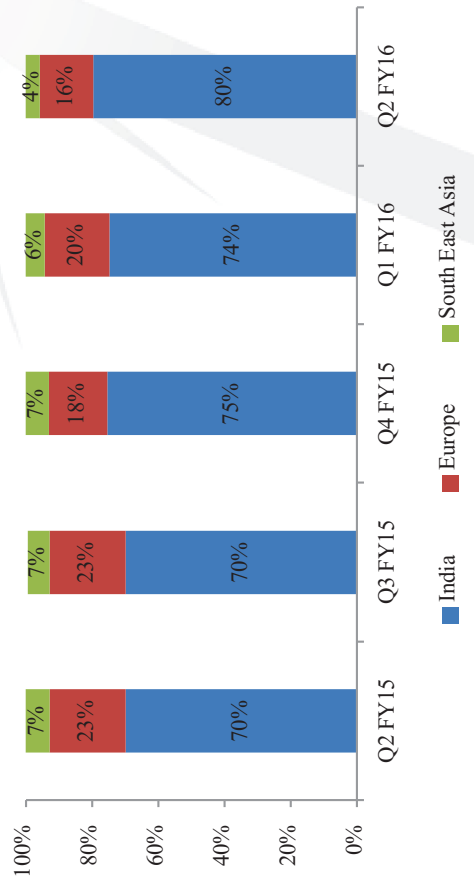
Revenue Breakdown by Product Category



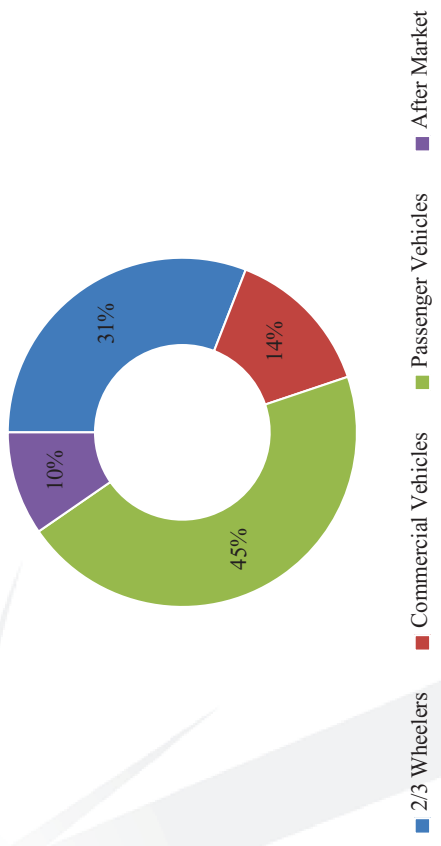
Revenue Breakdown by Businesses



Revenue Breakdown by Geography



Revenue Breakdown by End User Market\*



# Capital Structure

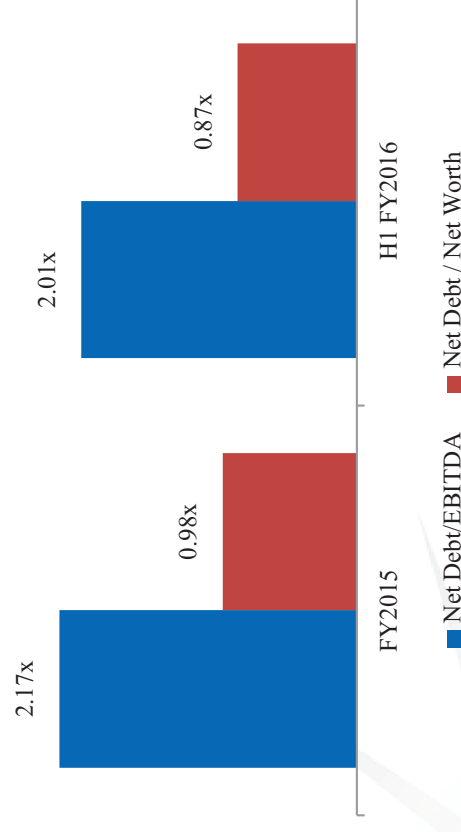


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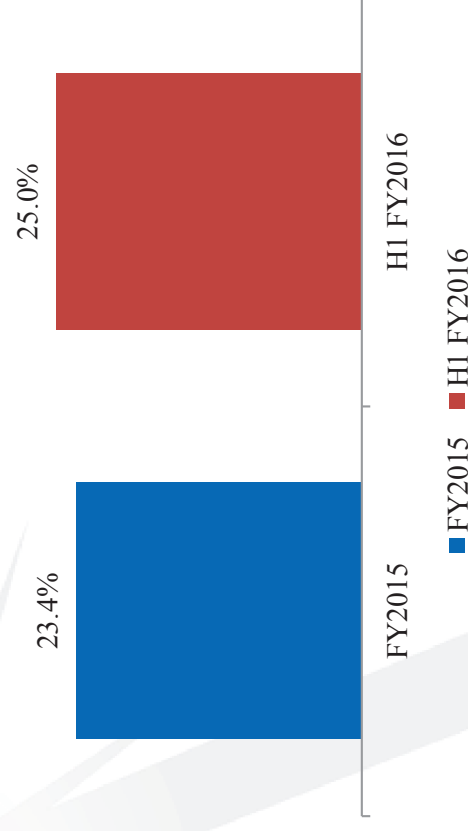
Particulars (Rs. million)	30 Sep 15	31 Mar 15
Short Term Borrowings	3,388	3,212
Long Term Borrowings	1,531	1,807
<b>Total Debt</b>	<b>4,919</b>	<b>5,018</b>
Less: Cash & Cash Equivalents	395	441
<b>Net Debt / (Net Cash)</b>	<b>4,524</b>	<b>4,577</b>
<b>Net Worth</b>	<b>5,172</b>	<b>4,666</b>
<b>Net Debt / Net Worth</b>	<b>0.87x</b>	<b>0.98x</b>

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



Agency	Instrument	Rating
CRISIL	Short-Term Funds	A1
CRISIL	Long-Term Funds	A/ Stable

ROCE (%)



Note:  
 1. Capital Employed: Shareholders fund + Minority Interest+ Long term loan  
 2. ROCE (Return on Capital Employed): EBIT / Capital Employed  
 3. ROCE for HI FY2016 based on annualized EBITDA for the six months

# Business Overview – Company Background



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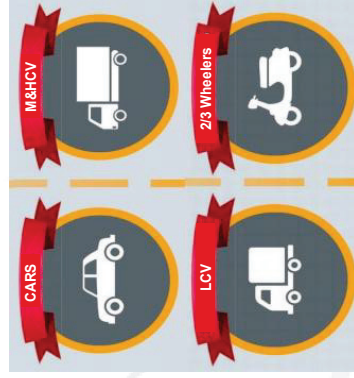
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Minda Corporation is the flagship company of Spark Minda, Ashok Minda Group

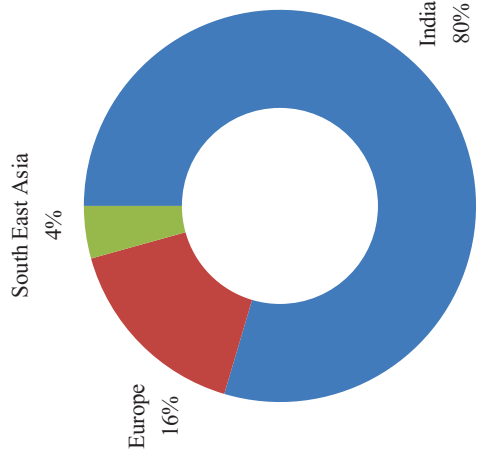
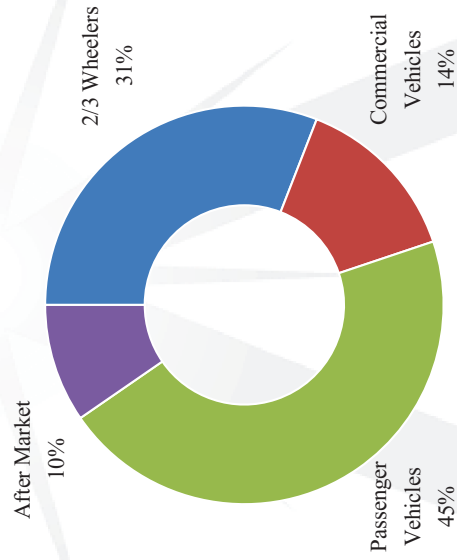
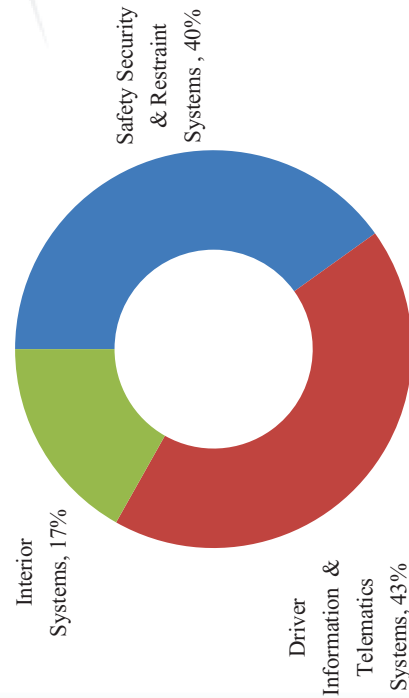
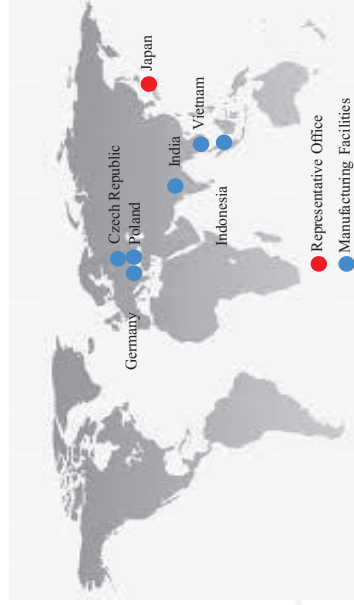
## Diversified Business Segments



## Catering to End Market across Auto Industry



## Strategic Geographic Presence



# Business Overview – Product Categories

## Diversified Product Portfolio

Category	Product Portfolio	Company	Products
<b>Group Corp</b>	Corporate Office	<ul style="list-style-type: none"> <li>Minda Management Services Ltd.</li> </ul>	
<b>Safety Security and Restraint System</b>	Electronic & Mechanical locks, Door handles, Die casting parts, Latches, Door Checker, Key (Mechanical and Electronic), Key duplicating machine etc.	<ul style="list-style-type: none"> <li>Minda Corporation Ltd.</li> <li>Minda VAST Security Systems Pvt. Ltd.</li> <li>PT Minda Automotive Indonesia</li> <li>Minda Vietnam Automotive Company</li> </ul>	
<b>Driver Information and Telematics System</b>	Wiring Harness, Connectors, Terminals, Steering Roll connectors, Relay & Fuse box, Instrument Clusters, , Dashboard Assemblies, Sensors - Speed, Temperature, Position, Pressure etc.	<ul style="list-style-type: none"> <li>Minda Furukawa Electric Pvt. Ltd.</li> <li>Minda Stoneridge Instruments Ltd.</li> <li>Minda SAI Ltd.</li> </ul>	
<b>Interior Systems</b>	Plastic Interior trims & Sub-system, Kinematic Modules, Structural Modules, Soft Touch technology etc.	<ul style="list-style-type: none"> <li>Minda KTSN Plastic Solution GmbH &amp; Co. KG</li> <li>Minda Ktsn Plastic &amp; Tooling Solutions Sp Zo.o, Poland</li> <li>Minda KTSN Plastic Solutions s.r.o., Czech</li> </ul>	
<b>After Market</b>	All products made by Group co. and outsourced products like control cables, filters and relays	<ul style="list-style-type: none"> <li>Minda Automotive Solutions Ltd.</li> <li>PT Minda Trading, Indonesia</li> </ul>	
<b>CSR</b>	Group CSR initiatives	<ul style="list-style-type: none"> <li>Spark Minda Foundation</li> </ul>	

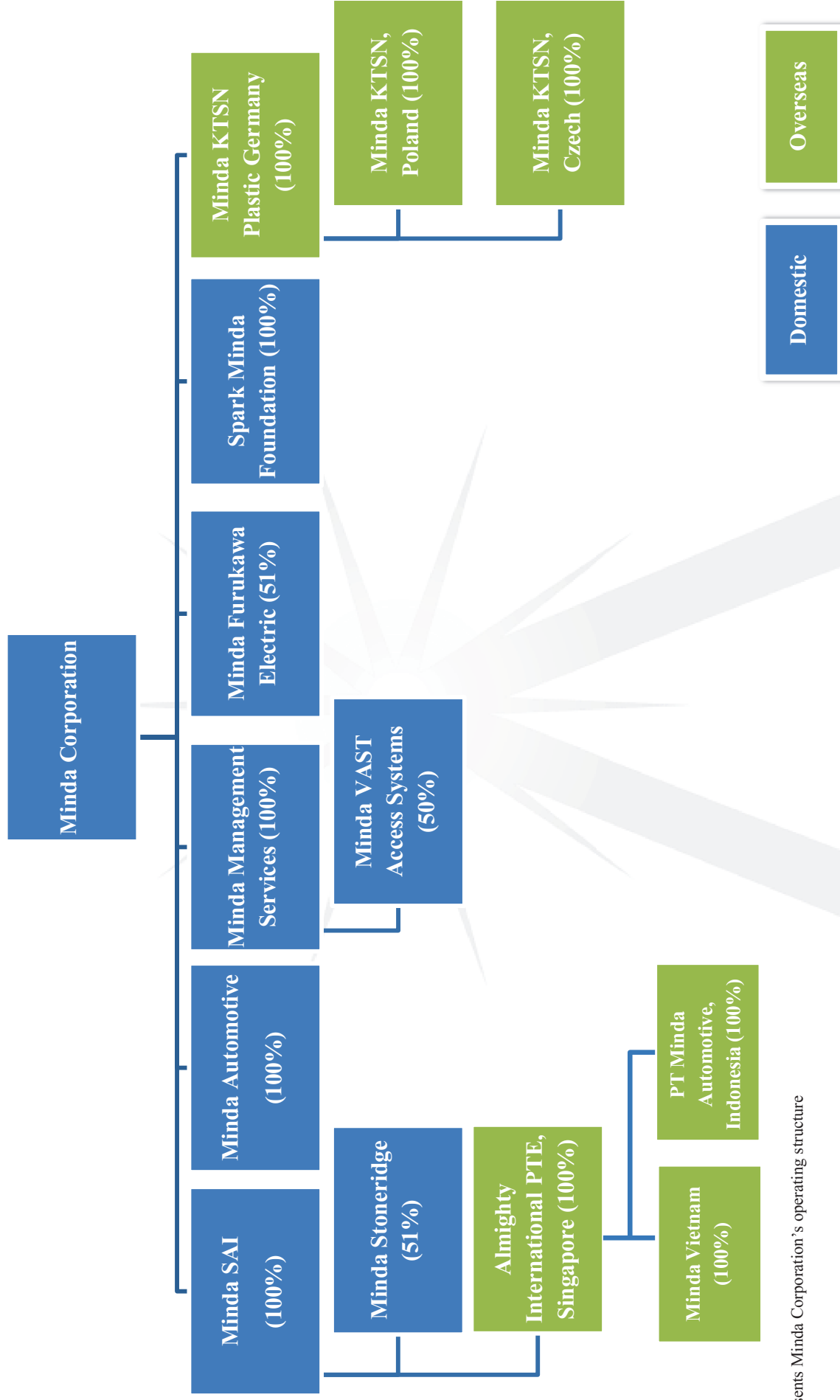
# Business Overview – Corporate Structure



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## Organisation Structure\*



\* Represents Minda Corporation's operating structure



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### Minda Corporation Limited

(CIN: L74899DL1985PLC020401)

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