

Annexure-I to Board's Report

Management Discussion and Analysis

Economic Review

Global Economy

The global economy witnessed a steady recovery since mid-2016. It grew around 3.9% during 2017-18. On the other hand, advanced economies witnessed an average growth of over 2%. Together, an unexpectedly strong performance, cyclical upswings and fiscal policy changes in the US contributed to this growth. Eurozone experienced an improved external demand supported by favourable monetary policy - sustaining its current momentum.

The emerging markets and developing economies (EMDE) witnessed a marginal growth of 4.9% as compared to the one forecasted. The growth was recorded at 4.9% with India emerging as the world's fastest growing economy (Source: International Monetary Fund (IMF)). The Chinese economy showed moderate de-growth slowdown from 6.9% in 2017 to 6.6% in 2018. This was owing to the rebalancing from investment to consumption. (source: imf.org, WEO). An unexpected growth impetus and better investor sentiments are expected to show enhancements in advance and EMDE economies in 2018 and 2019.

Indian Economy

India emerged as the world's fastest growing major economy with 6.7% GDP growth 2017-18. The economic worth was clocked in at \$2.6 trillion for 2017 (Source: The International Monetary Fund's World Economic Outlook (WEO) for April 2018). The after effects of demonetisation and GST on the nation have finally subdued.

India's Index of Industrial Production rose 7.5% y-o-y in January 2018. The retail inflation reached a four-month low of 4.4% in March 2018. The last quarter of 2017-18 observed

India's growth outpacing its regional peers including China. This improvement was wide-spread reflecting a pick-up in most production/investment demand indicators. Both agricultural and non-agricultural activities, picked pace. Besides base effects, better construction and agriculture sectoral performance indicate employment creation prospects. India's gross domestic product (GDP) is expected to reach USD 6 trillion by 2027. Backed by digitisation, globalisation, favourable demographics and reforms, it is anticipated to achieve upper-middle income status.

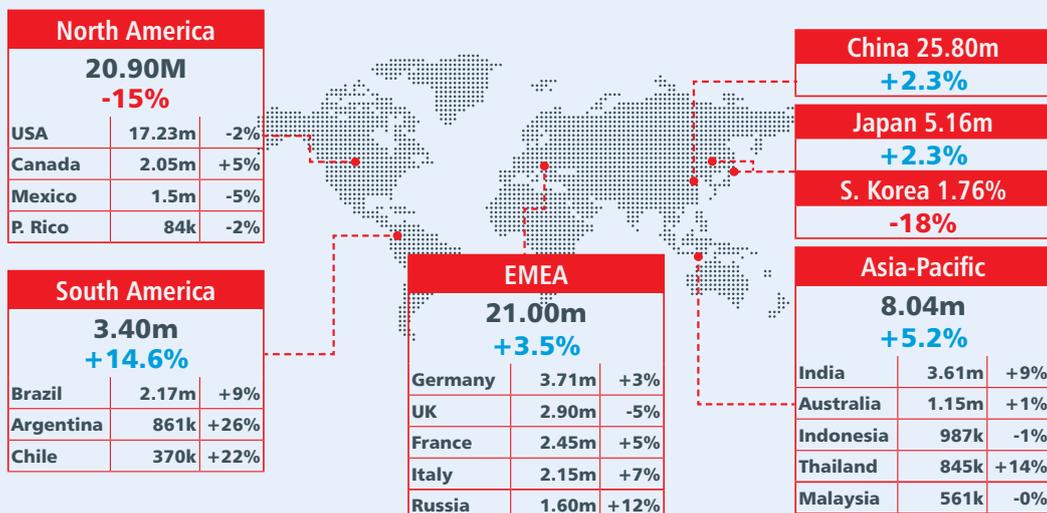
Industry Review

Global Automobile Industry

The global automotive industry is driven by improved economic prospects, new market expansions, surge in M&A activities, site relocations and vertical integration of operations. These aspects directly impact major vehicle manufacturers' sales. Further, shifting consumer preferences and climate-related policies along with technology advancements are driving the environment-friendly, fuel-efficient and smart vehicles' demand. SUVs, crossovers and pickup trucks are witnessing increased demand. These not only command higher transaction prices but also are rolled out with premium features.

With an 86.05 million units (LCVs and passenger cars) sale in 2017, the industry grew around 2.4% (Source: Data released by JATO Dynamics). This is significantly 2.05 million units higher than the 2016 levels. The established economies maintained growth while developing markets like Russia and Brazil returned to growth following last year's declines. Overall, the industry witnessed a pleasing turnaround during the year.

Global Car & LCV Sales by Region CY2017



(Source: JATO Dynamics Report, February 2018)

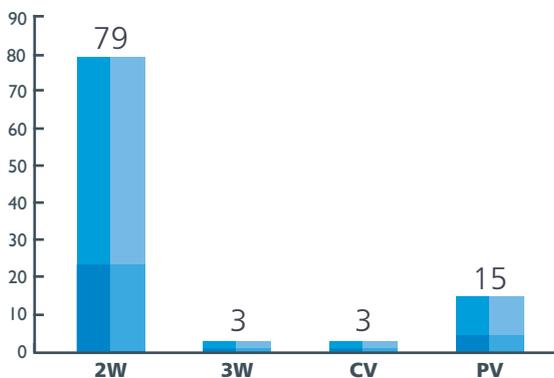
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The convergence of various technologies and industries within the automotive space is creating numerous opportunities in the market. Digitisation and connectivity are generating large volumes of usage data. With the advent of Electronic Vehicles, there will be a larger demand for auto component manufacturers world over.

Indian Automotive Industry

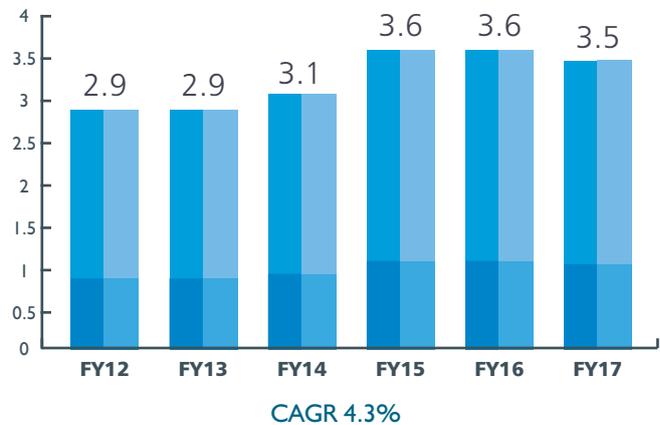
The Indian automobile industry is the 4th largest automobile market overall and 7th largest manufacturer of commercial vehicles. The two wheelers segment dominates the Indian auto industry with around 79% share and primarily dictates its tone. The automotive production (including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycle) increased 14.78% from 25,330,967 units in 2016-17 to 29,075,605 units in 2017-18. The consolidated automotive exports displayed a 16.12 % year-on-year growth between April-March 2017-18 period. The export volumes strengthened, reflecting a CAGR of 4.43% between 2012-17.

% Share of each segment in total production volume in FY17

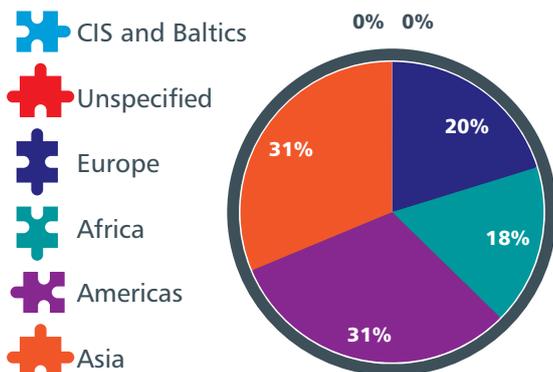


(Source: *ibef.org*)

Number of automobiles exported (₹ in Million)



Auto exports by destination - FY17 (₹ 613 billion)



(Source: *Ministry of Commerce, Ind-RA*)

Segmental trend over years

Year	Total	(Growth in %)			
		PV's	CV's	2W	3W
FY12	12.20	4.70	18.20	14.20	-2.40
FY13	2.60	2.20	-2.00	2.90	4.90
FY14	3.50	-6.10	-20.20	7.30	-10.90
FY15	7.20	3.90	-2.80	8.10	10.80
FY16	3.80	7.20	11.50	3.00	1.00
FY17	6.80	9.20	4.20	6.90	-4.90
FY18	14.78	7.89	19.94	14.80	24.19

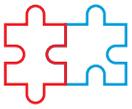
(Source: *SIAM*)

Update on key developments

GST implementation

GST implementation has ushered the automobile industry players at an inflection point. The hub-and-spoke model has gained prominence with more concentrated hubs and longer spokes (distance between hub and consumption). The companies are no longer needed to maintain warehouses and C&F agents at multiple state points, thus augmenting

free flow of goods across the nation. The companies are consolidating state warehouses into larger regional warehouses, resulting in higher average load size. This has resulted in lesser turnaround time on account of reduced loading time and higher movement of the vehicles. This will enhance the scope of high tonnage vehicles across the country.



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Union Budget

The Union Budget rolled out several measures that will benefit the automotive industry. These include:

- 1. Rural and agriculture sector push:** The Government has setup plans to boost rural development by increasing rural income and investing in agricultural growth. This will result in better realisation and improving living standards for farmers. These initiatives will positively impact tractors, 2-wheelers and utility vehicle segments.
- 2. Investment in infrastructure:** The Government initiated for an improved rural connectivity by increasing the infrastructure expense budget. The focus will be on improving road network through the Bharat Mala project. With further acceleration of road projects execution, the automotive industry stands to gain in the long term. The Commercial Vehicle segment, under short to medium term, will witness a significant advantage through this push.
- 3. Support for MSME:** A lower corporate income tax of 25% for companies upto ₹ 250 crore in revenues has been proposed. This will benefit companies in the automotive value chain including automotive component suppliers. Increasing credit and building capability in the MSME through the Mudra bank would be beneficial to the Light Commercial and Utility Vehicle segment.

Emission Norms

The Central Government's mandate to shift to BS-VI norms by April 2020 is expected to reduce NOx emissions. Reduction of 25% and 68% is anticipated in the petrol and diesel engine vehicles, respectively. In addition, particulate matter (PM) emissions (major outdoor air pollution contributor) are also expected to reduce significantly by over 80% in diesel engine vehicles. These transitions will present the Auto Component manufacturers with the opportunity to participate in new/complex/futuristic products, enjoying better margins.

Electric Cars

The Indian Government is inclined posed towards bringing in the electric cars in order to meet the emission reduction targets. As a result, OEMs are investing in developing EV platforms to convert internal combustion engine vehicles to electric vehicles by 2030.

Growth drivers

Rebalancing of Chinese Economy

The Indian Government's various initiatives towards minimising the red tape have fully opened up opportunities for

the overseas players. The rebalancing of Chinese economy will further strengthen India's dominance, enabling it to attract higher foreign investments. This can also be interpreted as moving of capacities from China to India. Initially this would mainly be for less technology-intensive products presenting a positive picture for the industry in the long run.

Better than normal monsoon and rural demand

Rural households continue to rely on monsoons for a good crop and timely harvest. Two consecutive years of sub-normal monsoon and unseasonal rainfall have adversely affected the income. This, in turn, has resulted in low rural demand. With IMD's forecast of normal monsoon in the current fiscal, it is anticipated to reflect in better productivity and higher incomes. This will lead to a strengthened demand, for automobiles in general and two-wheelers and tractors in particular.

Investment in technology advancements

Over the medium term, several OEMs are expected to increase their capacities towards product launches, adoption of stricter safety norms and emission norms in line of BS-VI norms. The Automotive Tier-1 suppliers, along with automotive embedded solution providers, will hugely contribute to this process. With their expertise in the niche sectors, there will be a growing emphasis on the electric vehicles as the OEMs will continue to invest in the R&D.

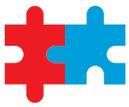
Passenger Vehicles Segment

Low vehicle penetration makes India one of the world's most attractive auto markets. A gradual customer inclination towards compact utility vehicles has been noticed as against sedans. Furthermore, factors like improved affordability, higher disposable income, strong GDP and Seventh Central Pay Commission implementation will reflect a strong volume growth in passenger vehicles.

Robust CV demand

The CV demand is largely characterised by an uptick in the Indian economy reported through an improved industrial production index (IIP) and the Government's emphasis on infrastructure development. This is further expected to drive the CV segment's replacement demand. The higher tonnage category is anticipated to increase demand owing to a number of possibilities. These include: warehouse consolidations post GST, likely implementation of vehicle scrap policy and possible implementation of overloading bans in certain states.

The last mile transportation and the improved online retail performance will be the driving force behind the LCV demand.



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2Wheeler (2W) segment

The 2W segment demand is likely to be positively driven by a number of factors. These include growing middle-class population, higher disposable income, uptrend of dual vehicles per family, improvement in rural road infrastructure and inadequate public transport availability. Moreover, a significant rise in women riders in the 2W segment has also been noticed - gaining a prominent gender-neutral vehicle acceptance.

Outlook

According to India Ratings and Research outlook report, the sector is expected to witness a stable outlook in FY 2018-19 with expectations of moderate sales volume growth in the passenger vehicles segment, low double-digit growth in the commercial vehicle segment and steady growth in two-wheeler segment, largely driven by the factors mentioned in the above section.

Indian Automotive Component Industry

In 2017, overall automotive component industry grew moderately. This was on account of slower uptake in replacement market due to demonetisation. However, the demand from the OEMs remained stable with revival in exports. Therefore, reflecting a steady demand in the segment. Several auto component players are estimated to have incurred a higher capex. This can be accredited to BS VI norms and the possibility of new technology of hybrid and electric vehicles hitting the road soon.

Going ahead, it is estimated that the OEM offtake will reflect a healthy growth pace of 13-15% owing to the growth in:

- The two-wheeler segment due to improved rural sentiment;
- PV (passenger vehicle) due to increasing affordability, easier access to finance and various new model launches and
- CV (commercial vehicle) space due to improvement in freight demand from sectors such as infrastructure (Source: CRISIL).

According to the Automotive Component Manufacturers Association of India (ACMA), the Indian auto-components industry is set to become the third largest in the world by 2025.

Growth drivers

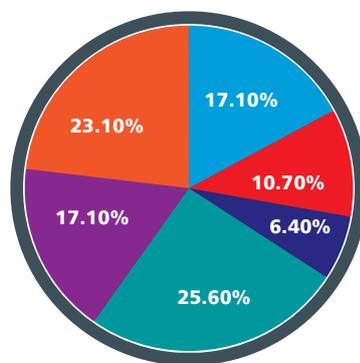
OEM Demand

OEMs constitute a substantial portion of auto component revenues. High-volume-two-wheeler (2Wheeler) and passenger-vehicle (PV) industry together comprise about two-third of overall ancillary industry size. Considering the strong macro-economic environment, a strong demand across all auto industry segments is expected.

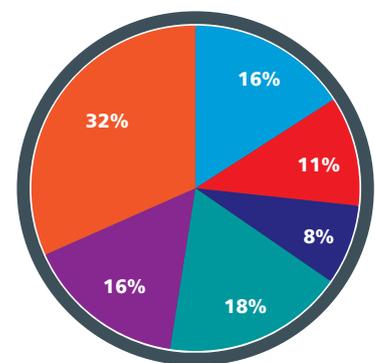
On a global front, several OEMs are feeling a pinch in terms of increasing regulatory requirements with regards to emission norms, safety rules, mileage norms and consumer demand for high-end technology. Implementing this would involve considerable capital commit. Hence OEMs prefer to outsource the component manufacturing to low cost countries like India. Several global auto component players have established joint ventures and technology assistance agreements with Indian players. This would convert into strong demand traction for the auto component industry.

Market potential by Components - 2020E

-  Transmission & Steering Parts
-  Suspension & Braking Parts
-  Interior
-  Engine & Exhaust
-  Electronics & Electricals
-  Body & Structure

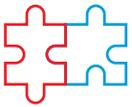


Domestic Market



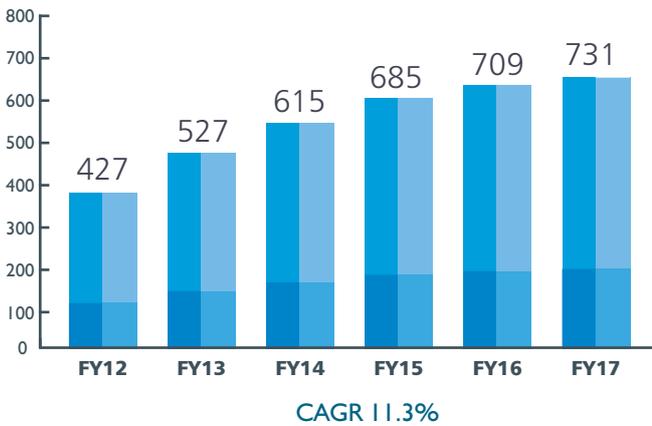
Export Market

(Source: IBEF)



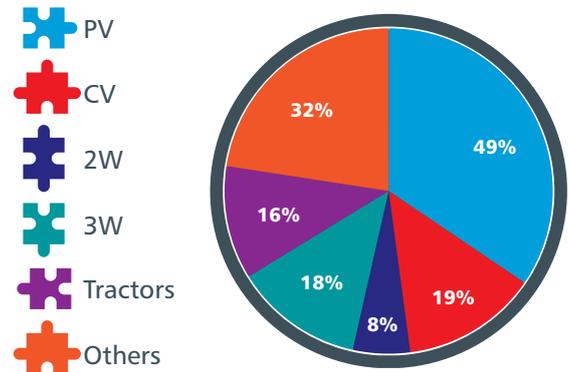
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Growing auto component exports from India



(Source: ACMA, IIFL Research)

Auto Component Usage by OEMs



(Source: Ind-RA, ACMA)

Replacement demand

With the global pick up in consumption and India's support for automotive industry, the automobile demand is expected to grow. Indian roads are estimated to have large volumes of two wheelers, passenger cars and commercial vehicles - creating strong demand for spare parts in the form of replacements. The unorganised market thrived during the previous tax regimes. However, GST rollout has considerably reduced off the grey market operators. This has set a healthy competition for all the organised players. With products becoming technology-centric, there's a growing customer trend of vehicle servicing at the authorised service centres. These prominently use components from organised players - translating into a positive uptake for the auto component industry.

Technological advancements

With the upcoming implementation of BS-VI norms, coupled with increased focus on road safety, the Ministry of Road Transport and Highways has mandated several check points for new cars. These include implementation of seat belts reminders, air bags, reverse parking sensors and a manual override for the central locking system in case of emergencies. This will come in effect from 1 July 2019. It will lead to increased technological tie ups to meet the compliances - creating opportunities for the auto component industry to capitalise on.

Regulatory changes

The Indian Government unveiled a draft National Auto Policy in February 2018. The policy outlines the long-term roadmap to achieve the desired emission standards aligned with global benchmarks by 2028. Besides, the Government also increased the crucial auto components' import duty to 15% (from 7.5% to 10%) promoting the domestic manufacturers.

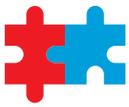
Exports

India's rapidly increasing domestic demand and proximity to key Asian markets make it a strong auto component sourcing hub. The increased indigenisation of global OEMs through mergers and acquisitions also contributes to this. The parallel developments make India a preferred designing and manufacturing base. Exports from the auto components industry are therefore robust and comprise 4% of total Indian exports: the US accounts for the largest share of India's auto component exports, followed by the European markets. Exports are likely to remain flat in 2019 due to a larger focus on the domestic demand. However, over the next 2-5 years, electric vehicle driven exports is also expected to group in nature.

Export trend



(Source: Ind-Ra, ACMA)



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Opportunities and Future prospects

With a vision of self-reliance and technology leadership in mind, UNO MINDA launched its first flagship centre for advance technologies called CREAT (Centre for Research, Engineering and Advance Technologies).

The Centre works on embedded electronics products related to connected vehicles, telematics, ADAS, infotainment, EV technologies, controllers and sensors, advance lighting and similar technologies related to next generation automotive needs.

CREAT works in collaboration with other entities of the UNO MINDA group as well as other technology providers.

Specializing in software, hardware, mechanical and creative design, the team of engineers and designers at CREAT work in the following four product spaces:

- Cockpit Electronics and Advance Technologies
- Body Exterior and Safety Technologies
- Creative Design and Innovation
- Product Assurance Lab

The independent creative design studio (INITIA) provides innovative design solutions for concepts, prototypes and production projects with industrial design for automotive exteriors, interiors and accessories for global automotive customers. INITIA services also include UI, UX and visual design for display-based products like instrument clusters and infotainment systems.

Working in collaboration with multiple engineering teams, spread across the MINDA group, Team CREAT developed two technology demonstration vehicles - showcasing product and technology innovation capabilities to customers and stakeholders. The TD118 Auto and TD118 Moto were built around the theme "Smart + Connected" demonstrating technologies and products related to advance lighting, alloy wheels, connected vehicles, telematics, integrated in-vehicle infotainment (IVI), ADAS and switches.

The CREAT centre also leads innovation processes for the group along with initiatives like MINDA Tech University. It enhances and develops the capabilities of the UNO MINDA family to promote self-reliance and technology leadership.

Business Operation Review

Switch & Handle Bar Systems Division

Minda has emerged as the largest Indian manufacturer of switching systems and handle bar solutions for two/three-wheelers over the years. Known for its trust and years-rich experience, Minda serves almost all major OEMs we also

develop switching solutions for off-road vehicle segments. The division operates through its 5 plants across India and through the manufacturing facilities of its 100% subsidiaries in Indonesia (PTMA) and Vietnam (MIVCL). Besides, the Company's standalone revenue. The division operates through its 5 plants across India and through the manufacturing facilities of its 100% subsidiaries in Indonesia (PTMA) and Vietnam (MIVCL). Besides, we also have a state-of-the-art design office in Japan to design and develop latest switching solutions. The marque clientele include Honda Motorcycles, Hero Motocorp, Royal Enfield, Yamaha Motors and Piaggio among others. With the vision to sustain the global leadership and being the most preferred supplier of switch systems to two-wheelers and off-road vehicles worldwide, the division is focusing on the development of innovative, cost-effective and quality solutions.

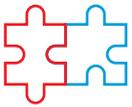
Sensors Actuators and Controllers Division

Since its inception in 2005, the Sensors Actuators and Controllers (SAC) division has evolved into a leading supplier of electronic components to major OEMs in India. The ultramodern state-of-the-art production facility at Pune, India, manufactures products meeting customers' requirements and expectations. Start Stop Sensors, Contact and Non – Contact type Speed Sensors, HID Ballast, TPMS (Tyre Pressure Monitoring System), EAPM (Electronic Accelerator Pedal Module), DC-DC Converter and Head lamp levelling motors, among others. Over the years, the Company has built happy and loyal customers such as General Motors, Mahindra, Volvo Eicher, Royal Enfield, Tata, and Bajaj.

Lighting Division

Positioned at the top, Minda is synonymous to the lighting solutions. It is among India's leading automobile lamps and signalling devices manufacturers. we specialise in designing, R&D, manufacturing and delivering end-to-end solutions to the country's leading OEMs. The division operates across its plants at Pantnagar, Sonapat, Manesar and Pune. It produces premium lights for two-wheelers, three-wheelers and four-wheelers, as well as off-road vehicles. We have a substantial hold in the aftermarket and replacement market as well. Besides, we have also has a technical license with AMS Co. Limited, Korea. In June 2016, we acquired the global lighting business of the Rinder Group based out of Spain (including its facilities in India, Spain and Columbia). This acquisition has led us to further expand our presence in the cutting-edge lighting technology supported by Rinder's extensive R&D centre in Spain. The division's client base includes the world's biggest OEM brands like Maruti, Renault Nissan, M&M, Royal Enfield, Yamaha, Tata, Suzuki, Swaraj Mazda and New Holland.





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Acoustic Division

Minda has emerged as the market leader in automotive horn manufacturing segment catering to two/four-wheeler, off-road and commercial vehicles. The division has its manufacturing units at Manesar and Pantnagar. They are supported by a dedicated R&D team in the design, development and production to deliver highly durable, quality automotive horns with optimum performance. The marque clientele include Maruti Suzuki, Renault, Nissan, Tata Motors, Bajaj Auto Limited, Honda Motorcycles and Scooters, Hyundai and Royal Enfield. In April 2013, we acquired Spain-based Clarton Horns S.A.U., a leading manufacturer of automotive horns, trumpet horns and disc horns. The acquisition has given Minda a global recognition of being one of the top two players in automotive acoustics globally, giving access to leading European and American OEMs.

Alloy Wheels

Minda Kosei is a leading and the largest manufacturer of alloy wheels in India. It has its manufacturing facility at Bawal, Haryana with a current installed capacity of appx.18,000 wheels per month. To benefit from ramp up of production at Bawal plant, Minda has also designated the major supplier to Suzuki's Gujarat plant. The Greenfield project was completed at the Gujarat plant with an installed capacity of 60,000 per month.

Fuel Cap Division

The division manufactures fuel tank cap for 4 wheelers. There has been a gradual shift in preference towards adopting localised products as against imports. This will drive improvement in sales and margins as several OEMs are gradually replacing their imported fuel tank cap with the product of UNO MINDA.

Financial Performance

Net Operational Income: The Company, on a consolidated basis, we mopped up net operational income of ₹ 4471 Cr in FY 2017-18, up by 32% against net operational income of ₹ 3386 Cr posted in the fiscal year FY 2016-17. International business constitutes 18% of overall sales at the consolidated level.

Net Profit: The Consolidated net profit was ₹ 310 Cr in FY 2017-18, as against ₹ 165 Cr in FY 2016-17, which has been achieved by cost rationalisation group consolidation and operating leverage.

Segmental Profitability:

We have one business segment 'Auto Components including auto Electrical Parts and its accessories' as primary segment. Geographical breakup is given as under:

		₹ in Lacs	
Particulars		Current year	Previous year
Revenue	Within India	3,680.89	2,914.39
	Outside India	867.40	750.97
Non-current Assets	Within India	1,495.42	933.28
	Outside India	97.60	83.82

Risk Management

Quality: Quality compromise could lead to loss of customer loyalty.

Mitigation: To reduce quality risk, our skilled workforce is provided job skill enhancement training. We regularly interact with its suppliers and supervises by conducting periodical audit in their plants. This helps ensure that the raw materials as well as the processes meet the quality standards.

Competition: In a competitive market, it may be difficult to maintain the market share. The availability of small enterprises and unorganised market further makes the market competitive.

Mitigation: We at MINDA undertake research and development activities as a part of our business operations. This results in innovative offerings and satisfactory deliveries to the clients, resulting in long-standing relationship with the them,

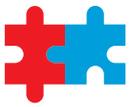
Technology: Technology obsolescence could lead to loss in market share.

Mitigation: We have consistently delivered cutting edge technology products owing to the joint ventures and associations with the global majors, this mitigating the risk and being a front runner in the market.

Internal Control Systems

We have a proper and effective system of internal controls for financial reporting of various transactions, efficiency of operations, safeguarding of assets and compliance with applicable statute and regulations. We have a structured system of audit. This is an on-going process that form basis to review the adequacy of internal control systems. The internal control is well-designed to ensure that financial and other records are reliable for preparing financial information and other data.

We too have also has an exhaustive budgetary monitoring control system in place. Actual performance is evaluated with reference to budgeted performance by the management review committee on an on-going basis. The discrepancies of actual performance with the budgets are analysed regularly. Possible remedial actions are also suggested by the Management Review Committee, in consultation with the Audit Review Committee.



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The internal audit is carried by the internal team as well as by M/s. Protiviti Consulting, Internal Auditors of the Company. Their reports are reviewed in the Audit Committee meeting. Moving on, the counter measures (if any) to strengthen the internal controls are also taken in this regard. Further, the suggestions made by Internal Audit Committee are reviewed and considered by Audit Committees on a quarterly basis for improvement of internal controls and systems within the Group.

The suggestions of the Internal Audit Committee are presented to the Board. The Board reviews and approves the same regularly. The resultant reports are reviewed by the Audit Committee and the Board members.

Human Resources

As a global company, UNO MINDA gives thrust on interactions with not just its employees but all stakeholders with the maximum degree of concern and respect. To maintain discipline, UNO MINDA instituted a code of conduct outlining policies concerning various stakeholders. These policies include items concerning issues such as working hours, wages, human treatment, prohibition of discrimination, protection of privacy, concern for the human rights of the foreign nationals, trainees and operators.

An Innovation Meet (I-Meet) is conducted every year to foster a culture of innovation at workplace. Various engagement activities like Sports Week, Annual Day and other similar events are organised for employee welfare and motivation. As on 31 March 2018, numbers of permanent employed with us were 3417.

"Pathshala" is an evolved concept for the employees under which, regular training programs are organised to keep them updated in their respective spheres of work field, further enhancing their skill levels. This initiative ensures improved performance, disciplined processes with better practices, which culminates into high-quality end products resulting in customer satisfaction. We impart training to all fresh recruits to ensure that they join hands with us and work in sync to achieve our goal and be a part of our journey to take the organisation to new heights. Recruiting, retaining and motivating the best talent in the industry, ensuring their development is one of the foremost challenges in today's business environment.

We at or UNO MINDA focuses on grooming the existing talent base as well as developing the new talent, to enable them to take positions of greater responsibility within the organisation. All the new recruits are trained to become

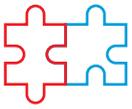
socially, professionally and culturally integrated. We also follow a robust performance management system to ensure that all the employees achieve their targets and fulfil their responsibilities.

Our employees are also an integral part of a corporate social responsibility programme. We at UNO MINDA nurture innovative thought processes and culture and this is the theme of our people engagement initiatives. In line with this, our Group Companies have a strong thrust on quality which is achieved through activities like Kaizen and quality circle. 5S is being done at all level to improve the productivity and efficiency of the employees. All employees are made aware of and have access to the central database of HR policies covering all aspects of welfare, benefits and administration.

As our organisation embarks on its ambitious journey to achieve its Vision and Goals 2024-25, it becomes imperative that we develop our internal leadership resources to lead this journey. To fulfil our Chairman's dream of developing internal leaders, we have initiated two year long Leadership Development initiatives – Transfor-M and M-LEAP.

Transfor-M targets leadership development at mid to senior level employees at business/unit management levels. These employees are the force behind the sustained success of our organization. This leadership development programs aims at helping our employees grow into a dynamic force of world-class leaders while nurturing the culture of high-performance and high-quality in line with the articulated Vision of our organization's success.

The second leadership development journey, M-LEAP, targets our senior leadership colleagues. This program will help us create an eco-system that is nimble, agile and ready to adapt to the changing technology and market scenarios. These initiatives are designed in-house, have a robust mix of UNO MINDA's learning and market wisdom and cover all key business aspects. The pedagogy involves Action-Based Learning, awareness of self and focused development of key leadership skills required in sync with our future organisation vision. Our HR and core Businesses are collaboratively taking these initiatives forward keeping synergy and positivity in mind.



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Outlook

With the world leaning towards electric vehicles, India too is gearing up for the new change. India has been an outperformer among the leading global automobile markets in 2017. India ranks 4th in the global automobile market after the US, China, Canada and Japan. The local 2-wheeler market was estimated to cross the 20-mn-unit mark in 2017. The sales grew 14% which was backed by the increase in rural demand. The good monsoon season is believed to be the major influencer in the strong demand in the rural market. The commercial segment saw a boom in the growth with a sale of 8.8 lakh units thereby witnessing a growth of 23% from its previous peak. The passenger vehicle segment is expected to have expanded 8% with sales of about 3.3mn units. According to data from OICA, a global dealer body, with sales of 32,27,701 units, India emerged as the 4th largest market for passenger vehicle sales globally.

(Source: The Economic Times)

The Indian Auto Component industry is among a few sectors that have a distinct global competitive advantage in terms of cost and quality. UNO MINDA focuses on end-to-end product solutions for the OEMs, from product development to manufacturing with the promise of reliability and technological contemporaneity. We also provide aftermarket services at competitive prices both in India and abroad. UNO MINDA is clearly positioned as a technology leader across product lines, backed by strong R&D and strategic JVs with leading technology partners across segments. Innovation and constant up gradation of products with enhanced features has been a key business strategy.

While on the one hand, the Indian Automotive market is witnessing the increased participation of global players, the shortened product life cycles, on the other, hand are opening up bigger opportunities for Indian OEMs to become global players in the true sense. It is also an opportunity for India to become a global hub for automotive components.

The Indian Auto Component market is likely to see regulatory changes in the near future with an emphasis on mandatory vehicular safety features such as air bags and reverse parking sensor systems. Many products, considered premium features today, will become part of the standard kit in the coming years. At MIL, we continuously evaluated our product portfolio and its technological readiness for the future, in the face of challenges posed by both emerging and disruptive technologies. We also a long standing relationship with all OEMs our built on the years of remarkable responsiveness, to their ever-changing needs.

For and on behalf of
For **Minda Industries Ltd**

Place : Gurugram
Date : 22 May 2018

Nirmal K. Minda
Chairman and Managing Director