

MINDA INDUSTRIES LTD

INSPIRED BY MOBILITY
DRIVEN BY TECHNOLOGY

Investor Presentation – May 2016



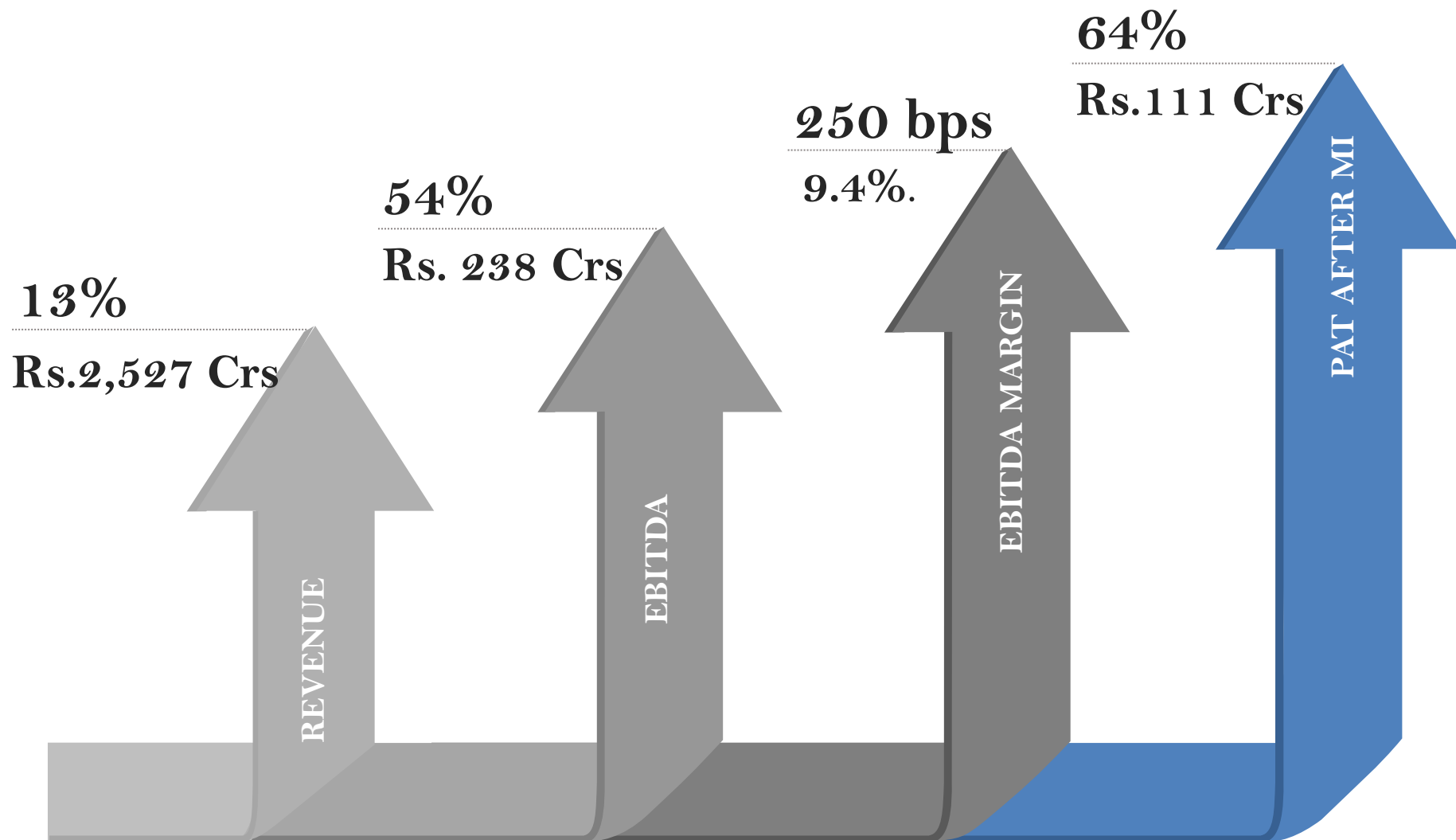


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Growth Momentum Continues...



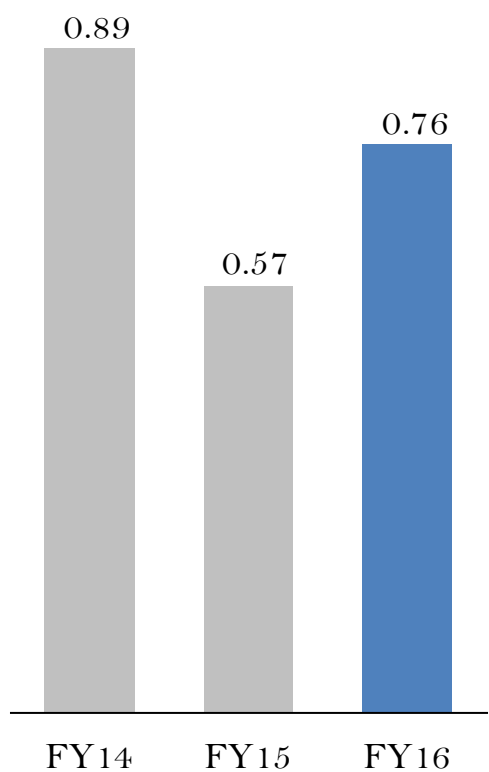
Note:

- Consolidated Results
- All comparison are year on year

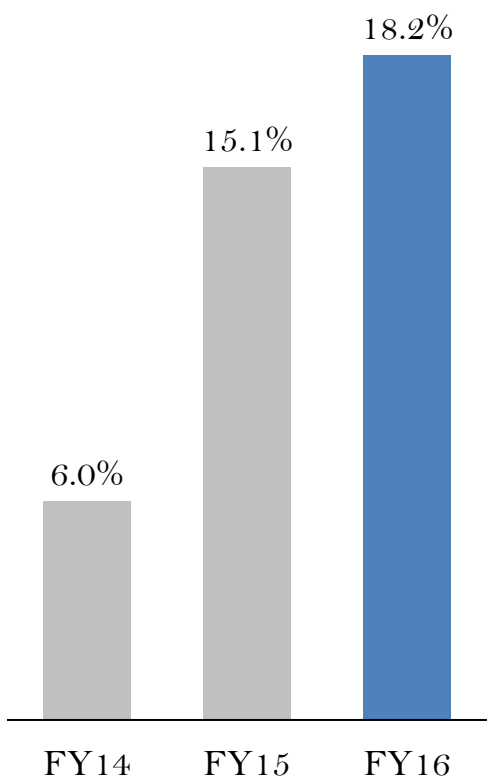
... With A Stronger Balance Sheet & Return Ratios



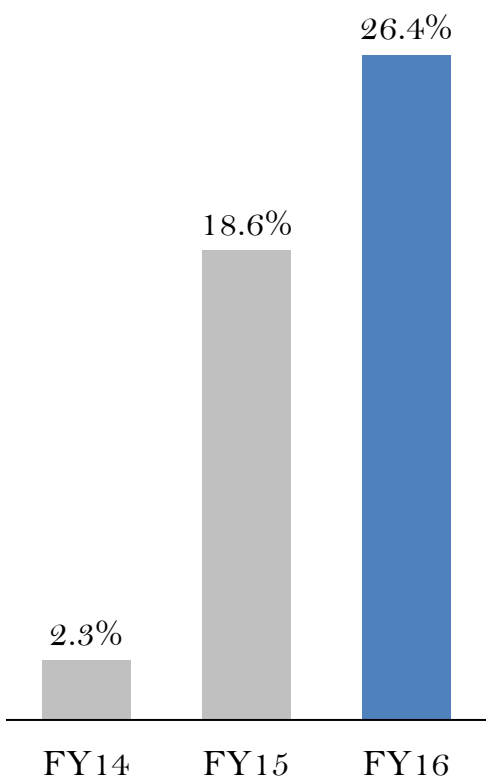
Debt : Equity



ROCE (%)



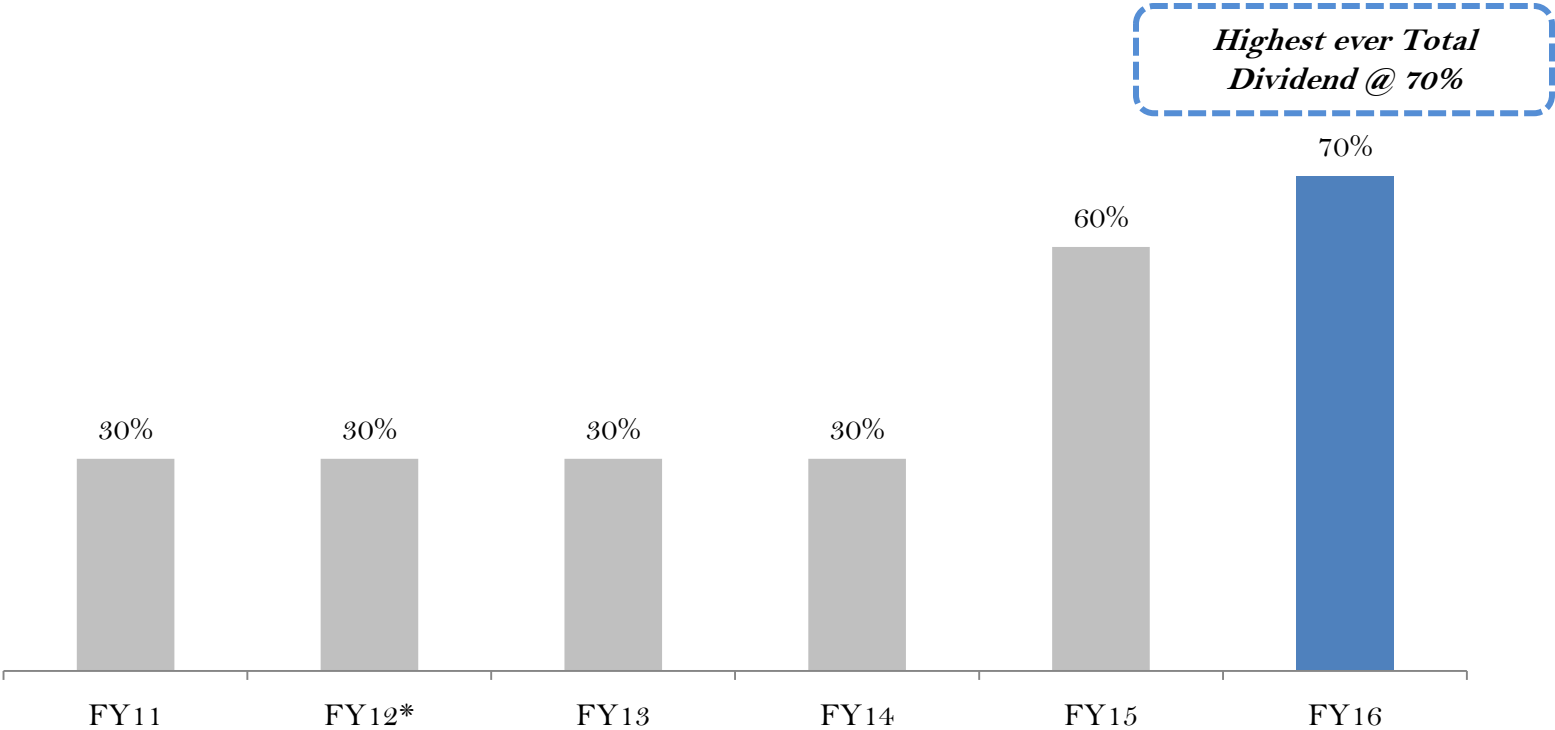
ROE (%)



Improving Dividend Profile

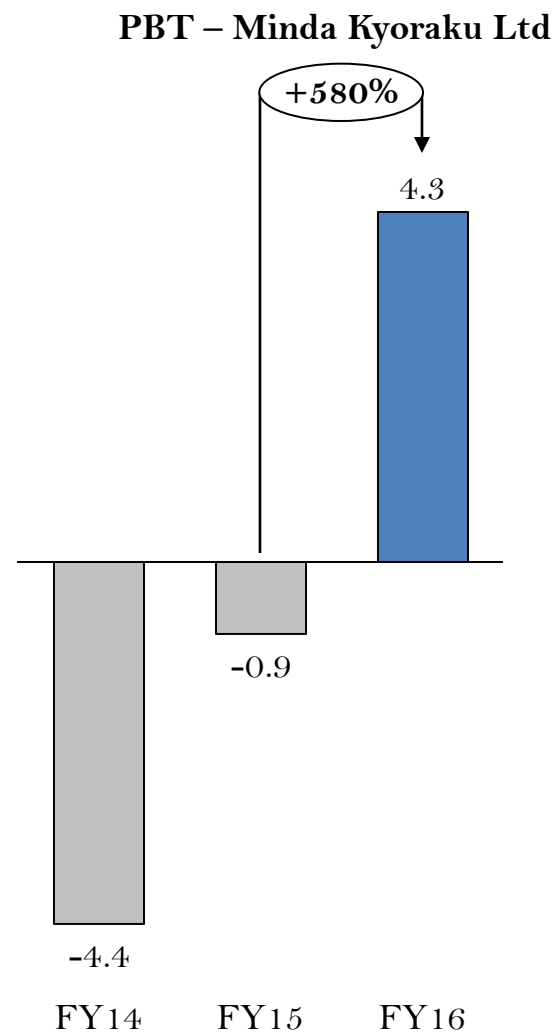
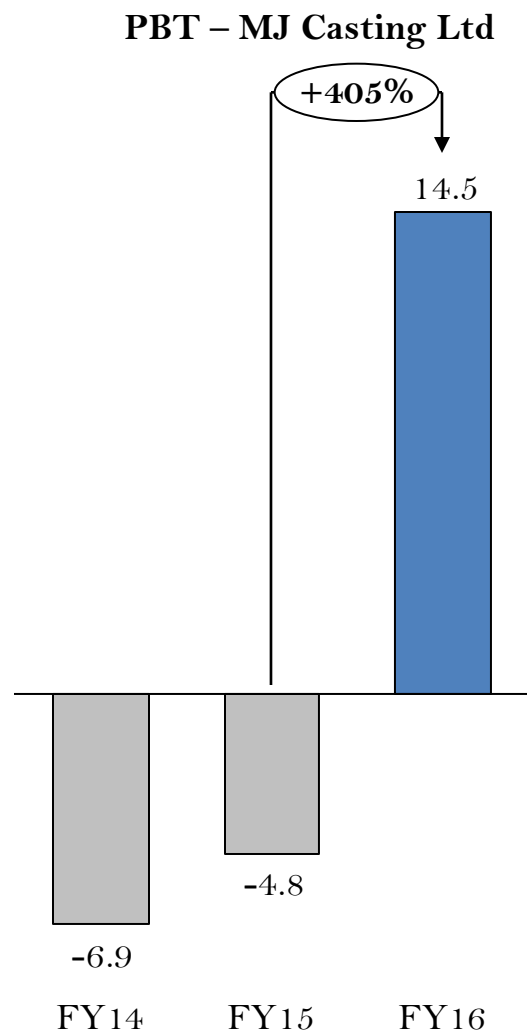


Dividend as % of Face Value



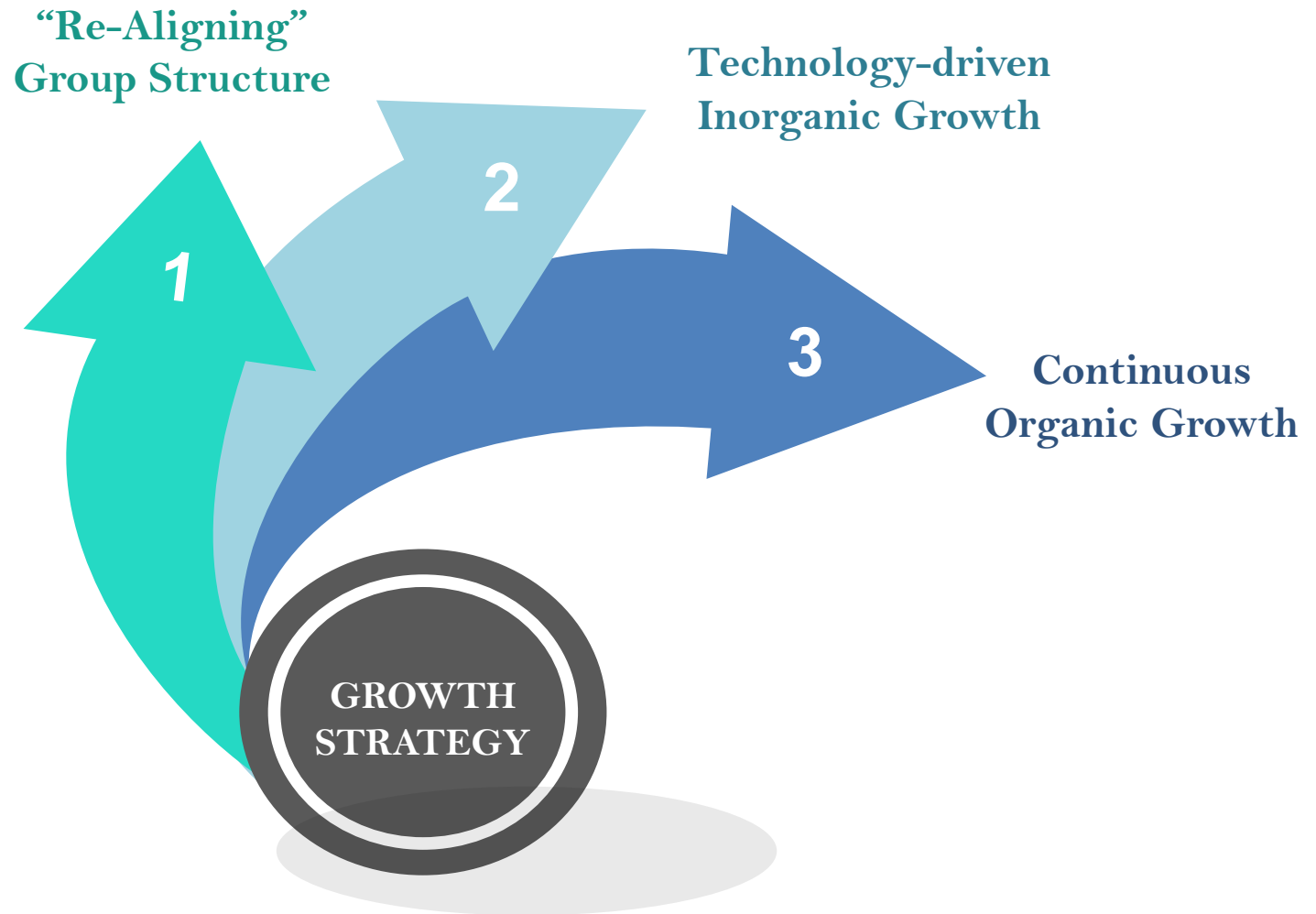
Total Dividend of Rs.7 per share in FY16

Loss-making Subsidiaries Achieved Turnaround



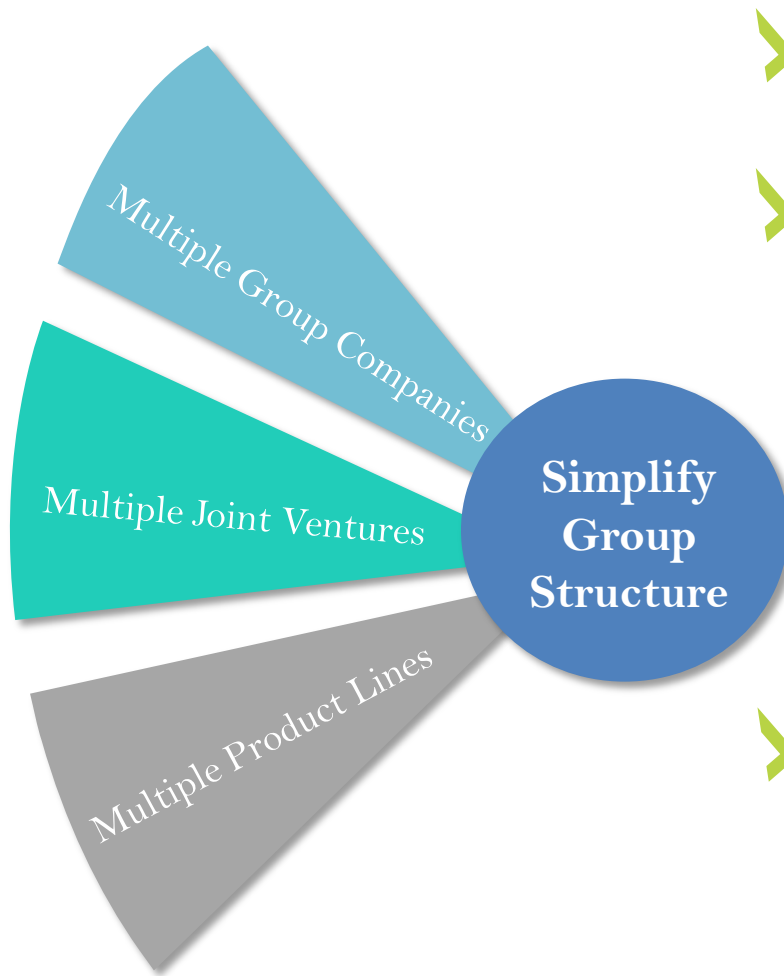
Rs.Lakhs

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 1st phase of Consolidation
 - Implementation of Phase 1 currently underway

“Re-Aligning” Group Structure: Phase 1



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

- Board of Directors, subject to Shareholders and High Court approval, have considered and approved the following:
 - Merger of MJ Casting Ltd (MJCL) with company
 - PTMA, Indonesia will become 100% subsidiary of Minda Industries Limited
 - MIVCL, Vietnam will become 100% subsidiary of Minda Industries Limited
 - Proposed effective date of the scheme is from 1st April 2016

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

2. Technology-driven Inorganic Growth



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

Synergistic Fit

- Product Portfolio and Customer mix - complementary in nature



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

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

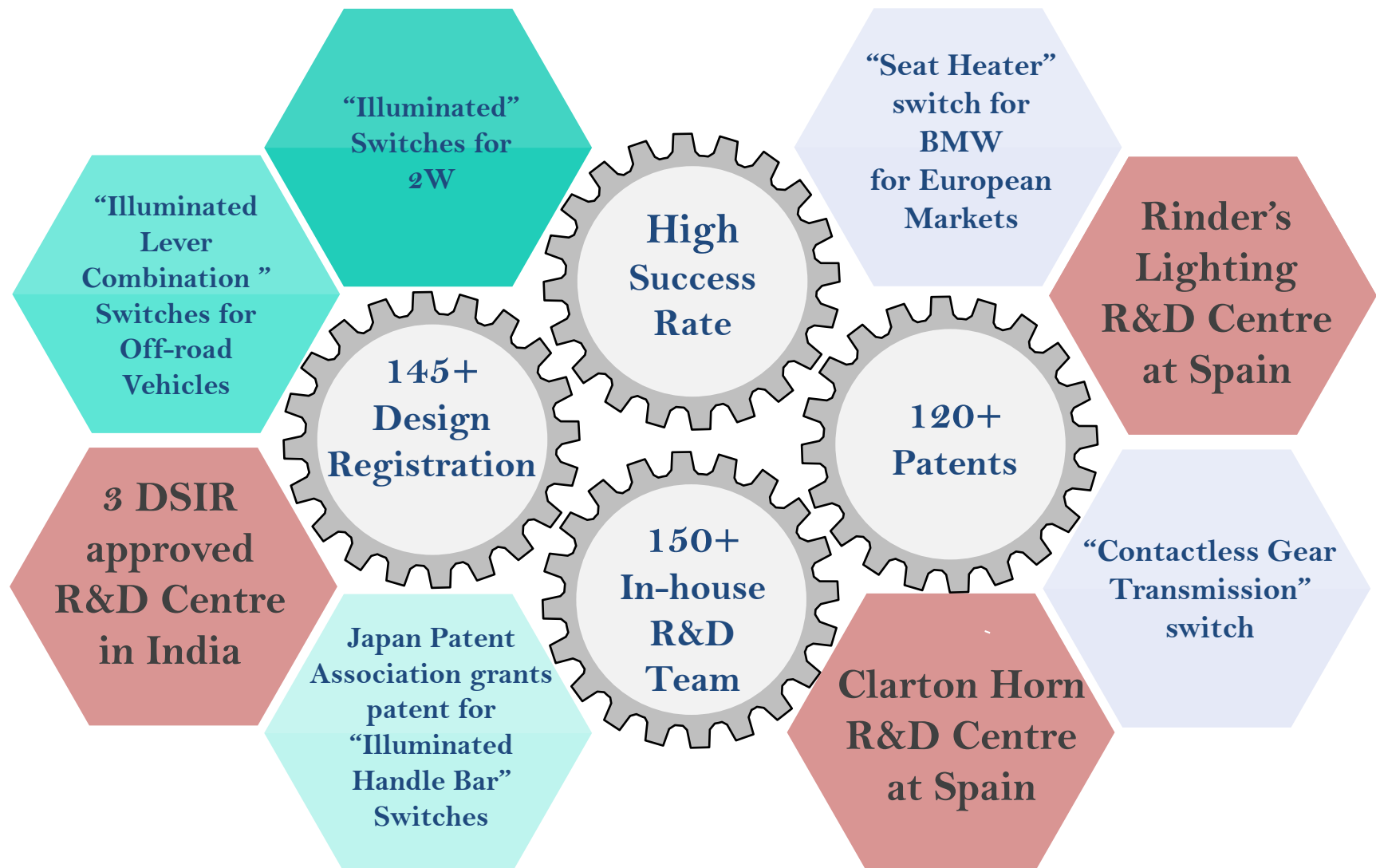
Others



Leverage
existing
OEM
relationships
&
Distribution
network








...Across Existing Business Domains

Growth Strategy supported by Focused R&D...





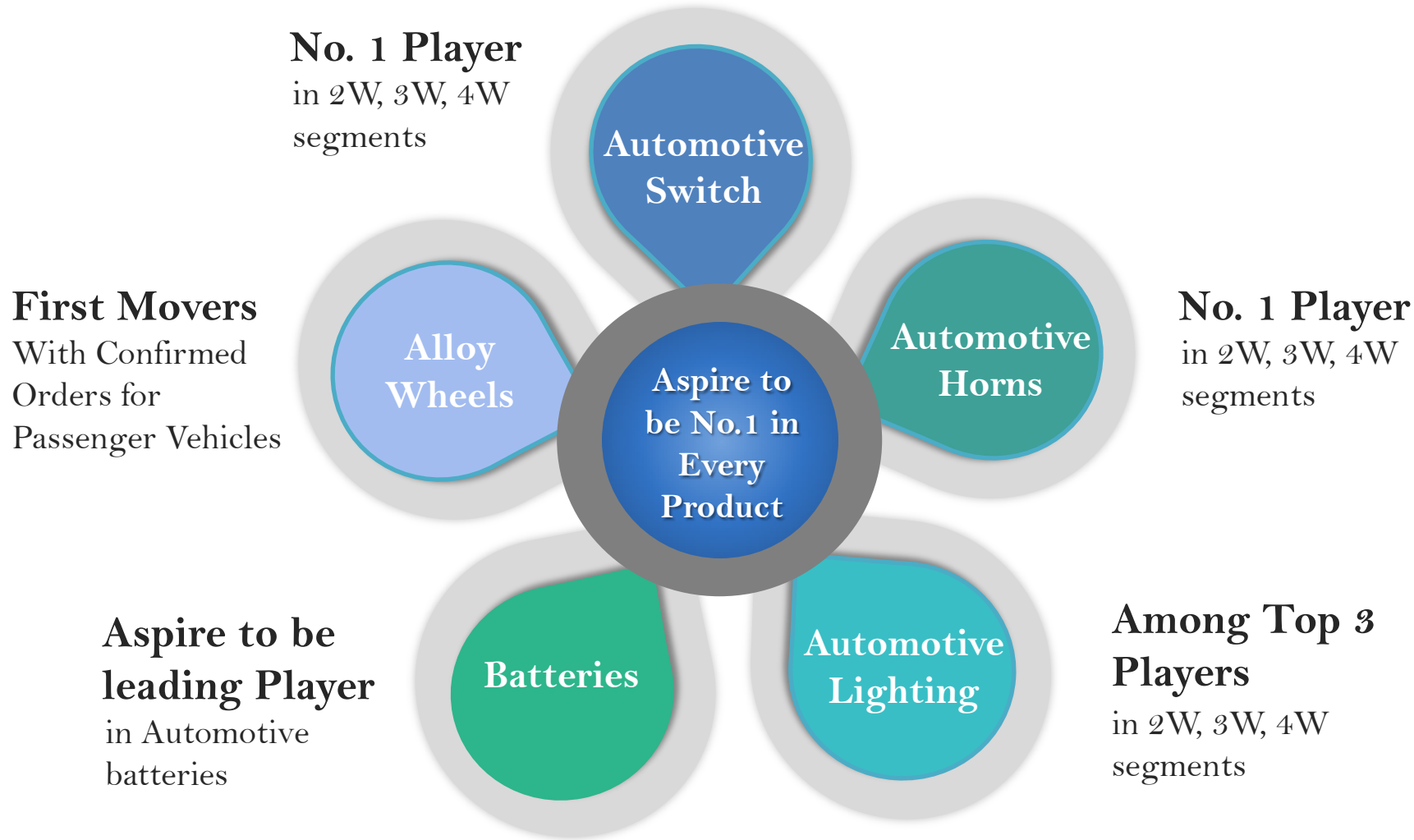
... & Technology Tie-ups with Global Leaders

Technology partner	Country	Year of JV	Segment	Comments
 TOKAI RIKA	Japan	1992	4W switches	<ul style="list-style-type: none"> Tokai Rika is amongst global leaders in 4W switches with widest product portfolio in E&M lockset segment JV is India's largest 4W switches manufacturer with ~ 47% market share in OEM segment
 emer	Italy	2001	CNG	<ul style="list-style-type: none"> Emer, a subsidiary of Westport is a global leader in natural gas vehicle technology JV is the only domestic manufacturer of electronic cylinder valves
 TOYODA GOSEI	Japan	2008	Hoses	<ul style="list-style-type: none"> #1 manufacturer of Hoses in Japan; #2 globally for Brake hoses; #3 globally for Fuel hoses TG is one of the key ancillaries of Toyota with market leading technology in 4W hoses
 KYORAKU CHALLENGE FOR THE BETTER	Japan	2008	Blow Moulding	<ul style="list-style-type: none"> Kyoraku is a leading moulding company with strong OEM relationships
 TORICA	Japan	2011	Procurement	<ul style="list-style-type: none"> Torica is a subsidiary of Tokai Rika JV procures raw materials, primarily plastic related, for Minda Industries and other group companies
 Kosei	Japan	2015	Alloy wheels	<ul style="list-style-type: none"> Kosei Aluminium, Japan is amongst the largest players globally in alloy wheels Kosei is global supplier for Toyota and Honda; in India the JV has started receiving orders from Maruti and M&M
 Panasonic	Japan	2014	Batteries	<ul style="list-style-type: none"> Leading manufacturer of batteries in Japan; largest supplier of batteries to Electric Vehicles globally JV will manufacture and market batteries for 2W, 4W and industrial (Inverter/UPS)



Business Overview

Leading Auto Components Player in India



Company Overview



20+ years of relationship with OEMs

50+ OEMs served in India & Overseas

Strong network of more than **700**
Business partners & **10,000** dealers

5 R&D Centres
Globally

Leading Player in Automotive
Switch, Horns, Lightings

More than **120+** product
patents registered

Partnered with **9** Global
Technology Players

More than **145+** design registration

Rich experience of **57** years
in Automotive Industry

Global Presence across **3**
Continents

More than **20** different Products
manufactured

Operations spread across **28** plants in India



Switching Systems – Extending Leadership position Globally



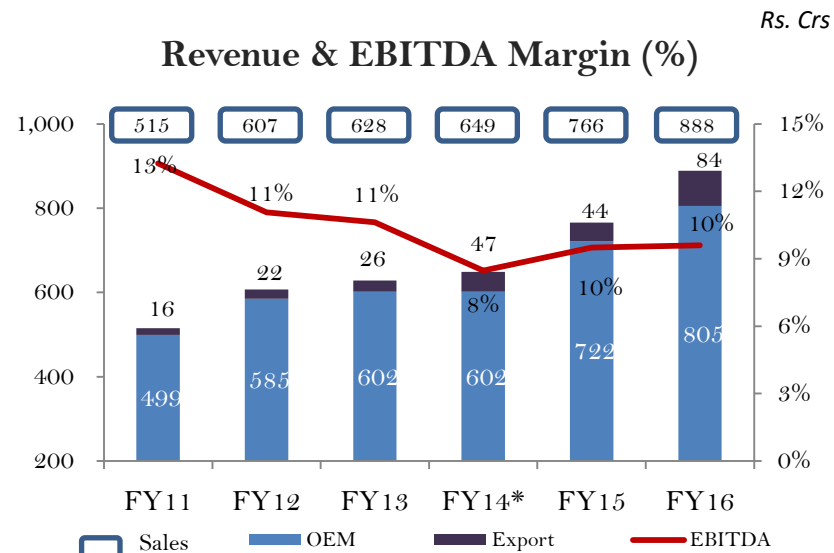
- **India's largest manufacturer** of Automotive switches, with more than 5 decades of experience with market share of ~67%
- **End-User Segment Serviced** : 2/3 Wheeler & Off-road
- Present in 4W switches through associate company
- **Manufacturing Facilities across India:**
 - Manesar
 - Pantnagar
 - Aurangabad
 - Pune
 - Hosur
- Independent in-house **R&D**
- **Exports** to USA, France, Italy, Austria and others
 - Contributing ~8% to Switch sales in FY16

Key Events :

- Supplies commenced for HMSI –K74 Project
- Commenced supplies to KTM, Austria
- Developed Seat Heater Switch for High End Bikes of BMW

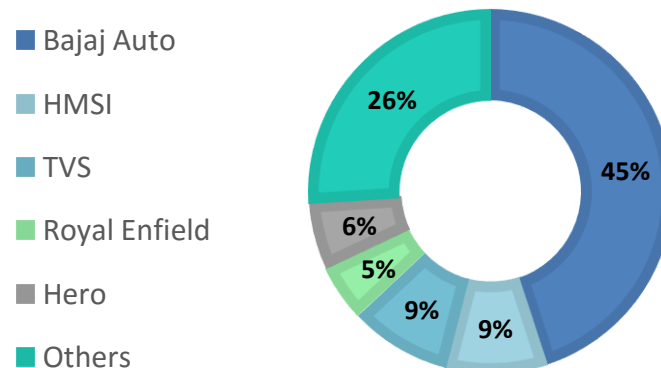
Focus Area:

- Improve product-mix towards more advanced technology switches
- Increase Share of business among OEMs
- Increase Exports and Aftermarket



* One time cost on a/c of new Hosur unit impacted EBITDA margins in FY14

Diversified OEM Mix [FY16]



Lighting Systems – Ramping up Utilization levels &...



- Prominent player in automotive lighting components
- **End-User Segment Serviced** : 2/3 Wheeler, 4Wheeler and Off-road
- **Manufacturing Facilities** across India:

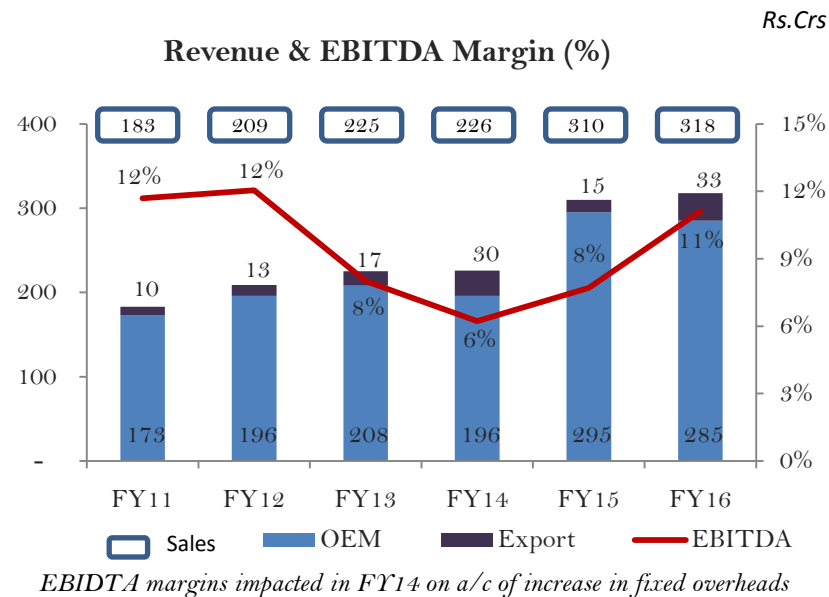
Manesar	Pantnagar
Sonepat	Haridwar
Chennai	
- **Strong R&D** capabilities:
 - Design centre in Taiwan
 - Technical Arrangement with Korean Company
- **Exports** to Italy, Indonesia, France, Japan and others
 - Contributing 8% to Lighting Sales in FY16

Key Events :

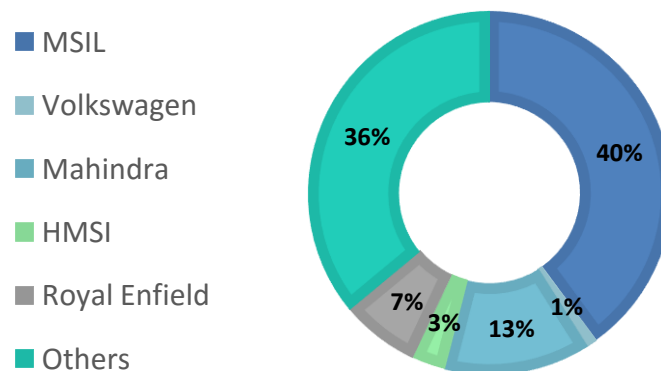
- Supplies commenced for HMSI –K74 Project
- Received new orders from Jaguar / Land Rover in India
- Received orders from Renault, MSIL

Focus Area:

- To be “Primary Supplier” to OEMs
- Increase product mix towards Headlamps
- Improve Utilization levels



Diversified OEM Mix [FY16]

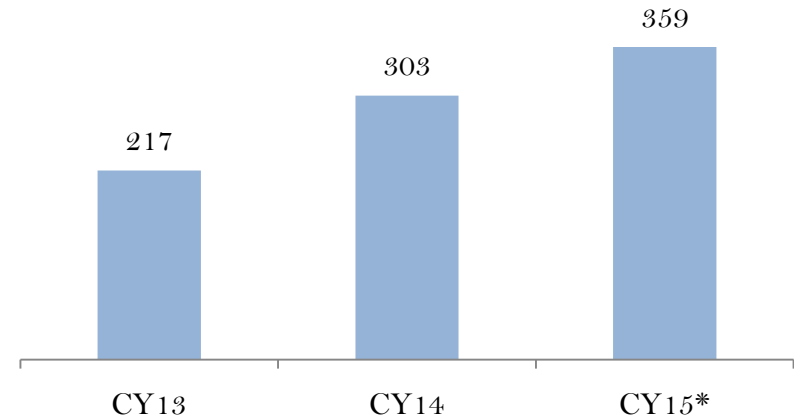




... Attaining Market Leadership through Acquisition of Rinder

- **Signed Definitive Agreement to acquire Rinder Group in Mar'16**
- Spain based Rinder Group is a **pioneer in technology related to LED lighting in Automotive lamps.**
- Rinder Group includes:
 - 100% Subsidiary, **Light Systems & Technical Centre**- Product Design and R&D centre in Spain
 - 50% Equity Stake in Joint Venture- **Rinder Riducu**, in Columbia with Riducu
 - 100% Subsidiary, **Rinder India**- a WOS in India with 2 manufacturing plants in Pune & 1 in Bahadurgarh.
- **End User Segment Serviced:**
 - 2W contributing 80%
 - CV contributing 20%
- Acquired for a total consideration of **€20million(incl. debt)**
- Acquisition is expected to be completed by 15th June 2016

Revenue (Rs.Crs)



* CY15 Provisional

Customer-wise revenue breakup



Acoustic Systems – Strengthening leadership position...



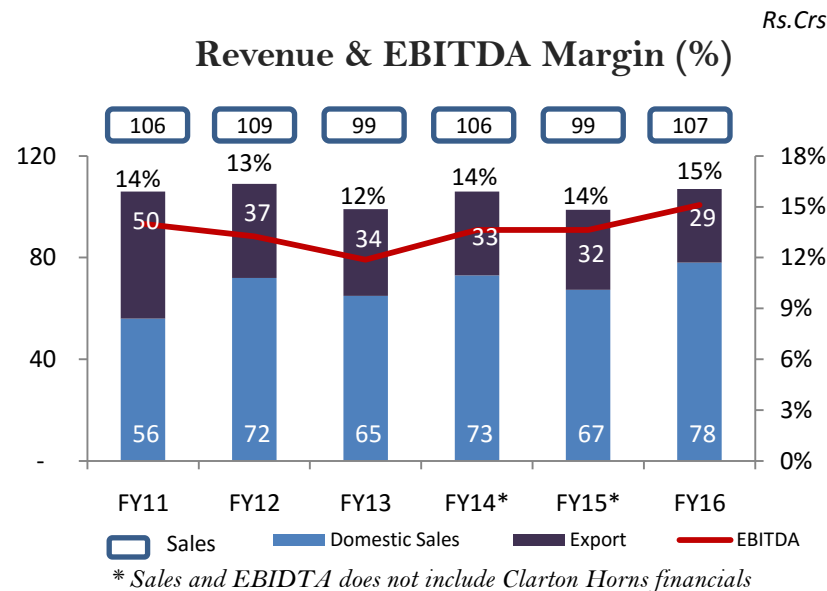
- India's largest manufacturer of horns with 47% market share
- End-User Segment Serviced :** 2/3 Wheeler, 4Wheeler, Off-road and Commercial Vehicles
- Manufacturing Facilities** across India:
Manesar Pantnagar
- Strong in-house R&D** capabilities
 - Developed technology with FIAMM, Italy
- Exports** to Italy, South Africa, China, Thailand and others
 - Contributing 16% of Consolidated Horns Sales in FY16
- Acquired Clarton Horns** in FY14
 - Revenue of Rs. 326 Crs in FY16

Key Events :

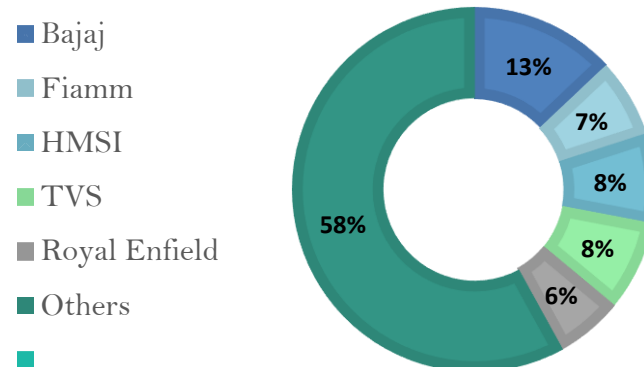
- Received order from MSIL YSD, New Honda Jazz & Brio
- Supplies started for HMSI – K74 Project
- Received export orders from Renault for Brazil

Focus Area:

- Leverage Indian low cost manufacturing base
- Leverage Clarton's European OEM base



Diversified OEM Mix [FY16]



... By becoming World's 2nd Largest player in horns



Acquired Clarton Horns, S.A.U

- Incorporated in 1973, has produced up to ~180 million horns till date
- Product portfolio includes
 - Electromechanic disk horn
 - Electronic horns
- Manufacturing facilities located
 - La Carolina (Spain)
 - Tanger (Morocco)
- Owns 10+ product patents
- Investing Euro 6 Mn over 3 years in New Facility in Mexico
 - Manufacturing and Supplies commenced to Volkswagen, Daimler and BMW

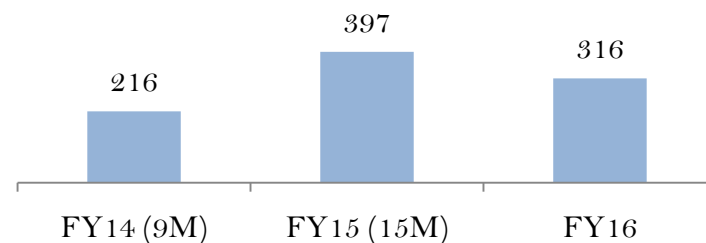
Strategic Advantages & Synergies

- First mover advantage to Minda in India
 - Access to technology for Electronic horns
- Strengthen R&D base
 - Expedite new offerings to Clients
- Access to existing client base of Clarton
 - Leverage OEM relationship
- Leverage low cost production base of India
 - Increase competitiveness in European market

Snapshot of Global Client Base



Revenue (Rs.Crs)



4Wheeler Alloy Wheels – India's Largest Manufacturer



- India's largest manufacturer of Alloy Wheels for 4Wheelers
- Entered into Technical Arrangement with Japan-based Kosei Aluminium Co. Ltd to develop, manufacturer and sell Aluminium Alloy Wheels for Passenger Vehicles
- **Setting-up new plant in Bawal, Haryana with Capacity of 720,000 units p.a**
 - JV with Kosei Aluminium Co holding 30% equity stake
 - Investment of Rs. 200 Crs in 1st phase of production
 - Production & Supplies commenced for MSIL - Vitara Brezza & Baleno
- **Existing Plant in Chennai with capacity of 720,000 units p.a.**
 - Set-up in 2012 as JV with Kosei Aluminium Co holding 70% equity stake and Uno Minda Group holding 30% equity stake
 - Supplying to Toyota, Renault & Honda Cars
 - Under on-going corporate re-alignment, MIL bought Uno Minda stake in JV, making it 30% partner in JV
- **Combined Capacity of 1.44 Million units p.a**

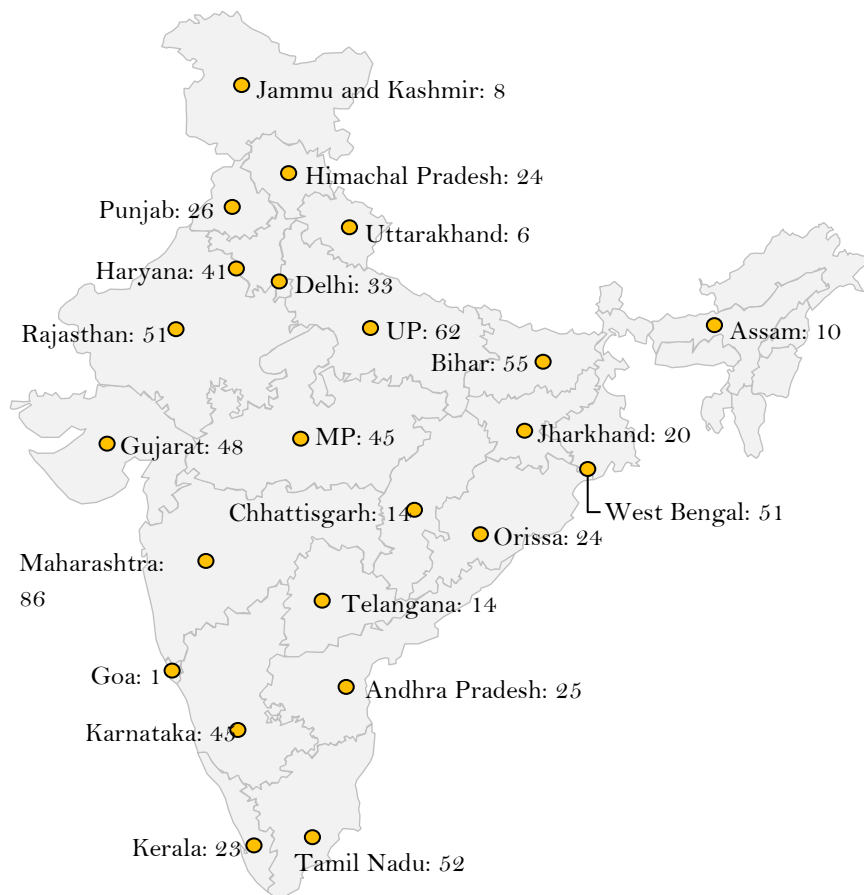


MDSL : Strong Presence in Replacement Market

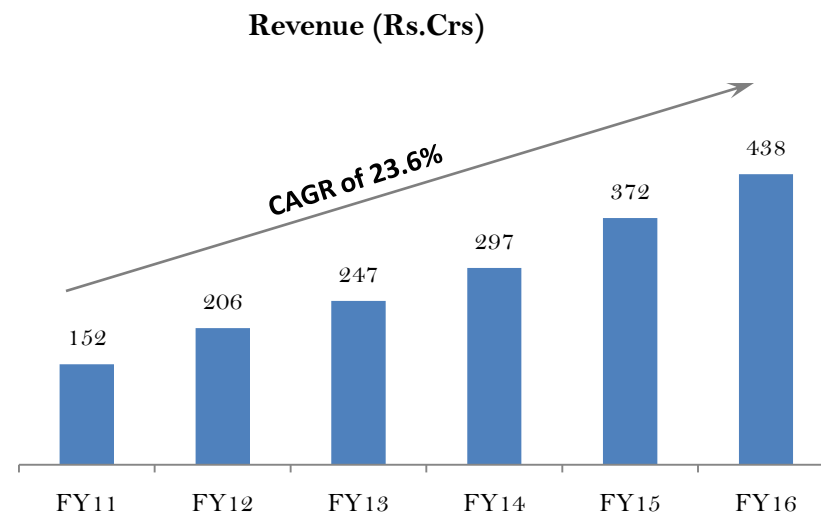


Total number of distributors : 764

Total number of touch points/ retailers : ~10,000



Product (Rs.Crs)	FY16 After Market Sales	% of total After Market Sales
Switches	146	14%
Lighting	121	28%
Horns	77	15%
Others	94	23%



Others – Consolidating Product Range



- Other product lines includes CNG/LPG kits, Die Casting, Blow moulds, Batteries, Fuel cap
- End-User Segment Serviced : 2/3 Wheeler, 4Wheeler, Off-road and Commercial Vehicles
- Manufacturing Facilities across India in Pune, Hosur, Bawal, Bangalore, Pantnagar and Manesar
- 51% JV with **Emer**, Italy for CNG/LPG Kits
- 72% JV with **Kyoraku Co. Ltd** for Blow moulded products

Key Events :

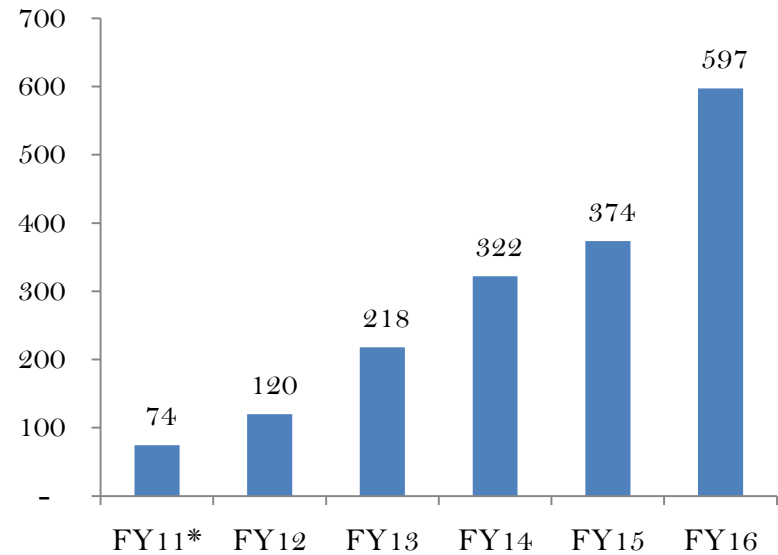
- MKL achieved turnaround
- MJ Casting achieved turnaround
 - Commenced supplies to Wabco

Focus Area:

- Leverage existing OEM relationship and Distribution Network

Revenue

Rs.Crs



FY11 – Horns division was not a part of Minda Industries Ltd

Diversified OEM Mix



Deep Rooted Relationships



Dominant Supplier among Domestic Customers



Established Player across Global Customers



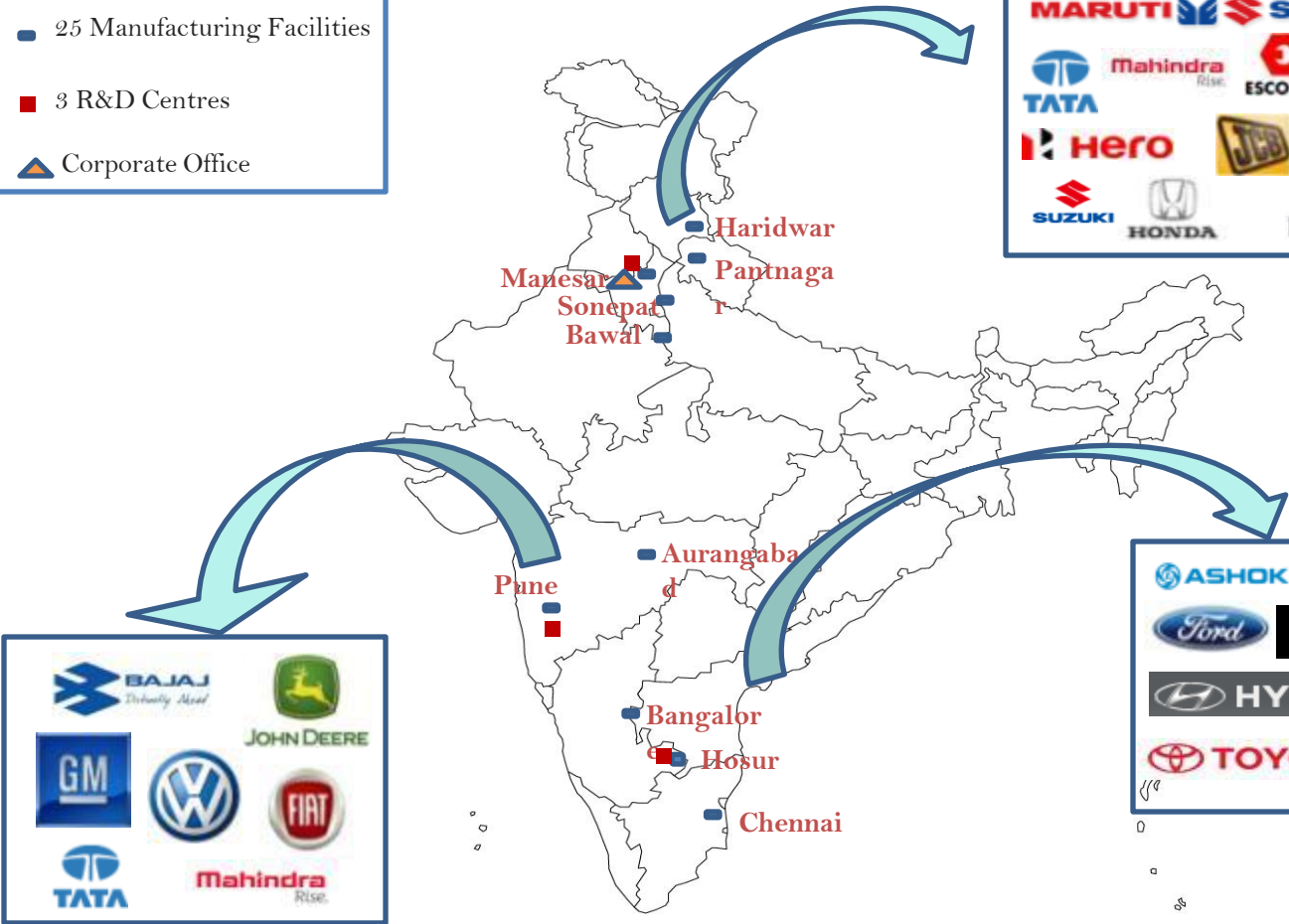


Extensive Manufacturing Presence

Strategically located in Automotive Hubs



- 25 Manufacturing Facilities
- 3 R&D Centres
- ▲ Corporate Office





Advantage MINDA INDUSTRIES

Advantage MINDA INDUSTRIES



Annual Performance

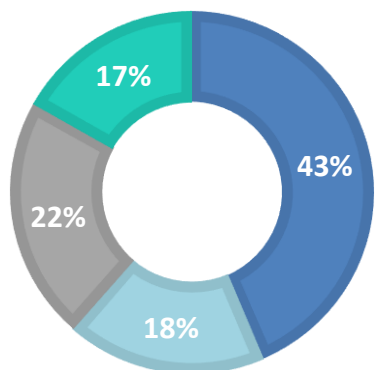


Consolidated Revenue Distribution – FY16



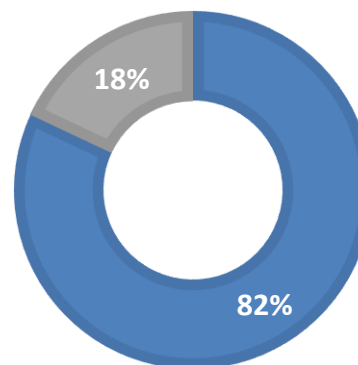
Product-wise Breakup

■ Switch ■ Lighting ■ Horns ■ Others



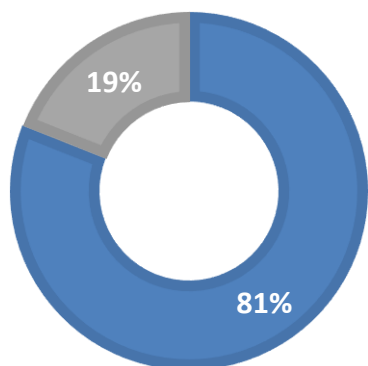
Channel-wise Breakup

■ OEM ■ Replacement



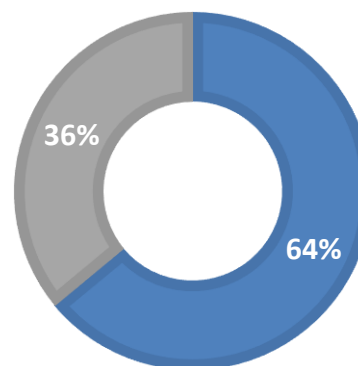
Geography-wise Breakup

■ India ■ International

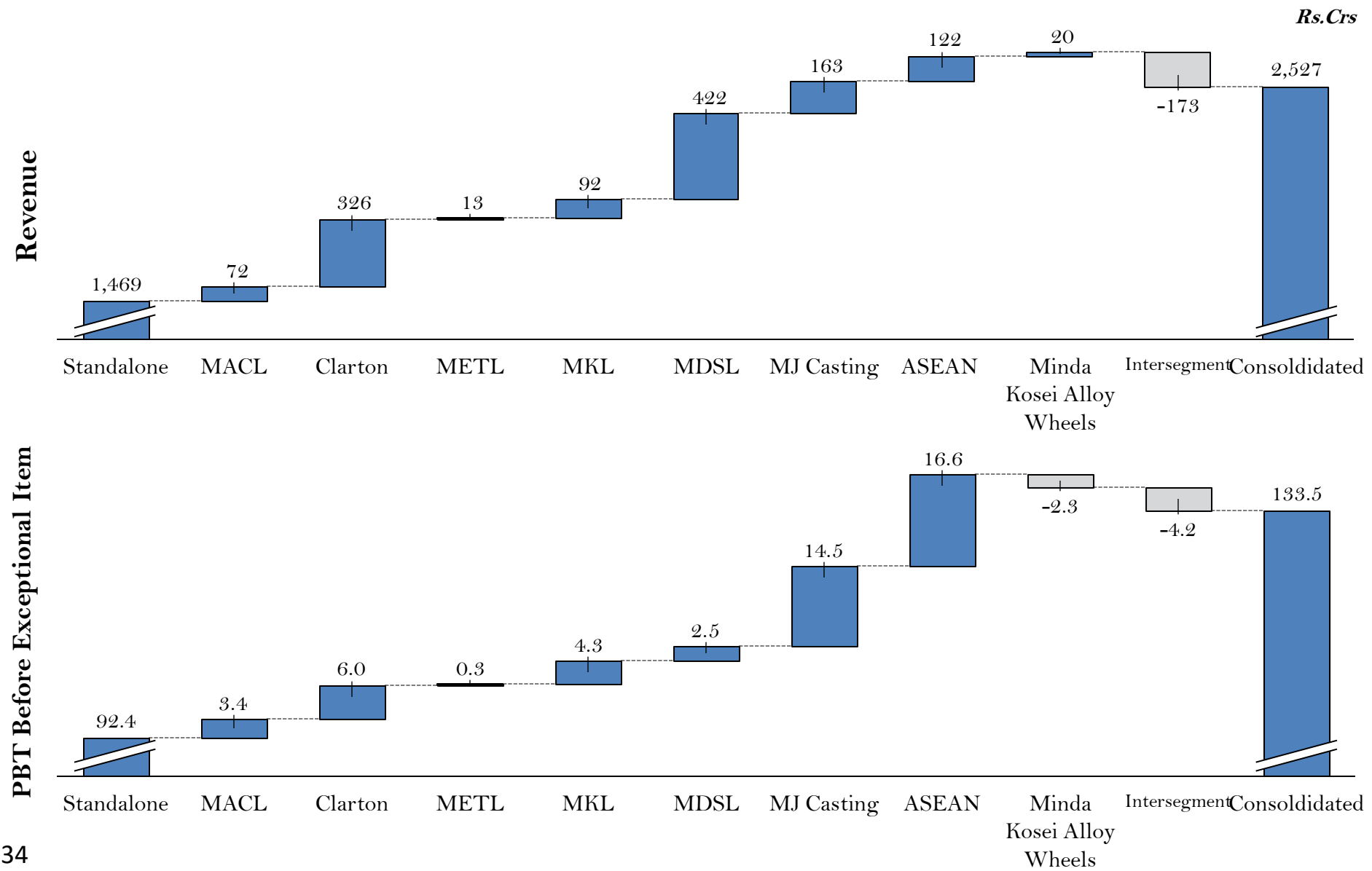


Segment -wise Breakup

■ 2Wheeler ■ 4Wheeler



Entity-Wise Break-Up : FY16



Consolidated Profit & Loss



Rs.Crs	FY16	FY15	YoY%	Q4 FY16	Q4 FY15	YoY%
Sales	2,506	2,206		710	539	
Other Operating Income	21	26		8	10	
Total Operating Income	2,527	2,232	13%	718	549	31%
Cost of Material consumed	1,610	1,483		447	364	
Employee Cost	326	288		87	68	
Other Expenses	353	307		102	78	
Operating EBITDA	238	154	54%	82	38	114%
Margin	9.4%	6.9%	250 bps	11.4%	6.9%	442 bps
Other Income	14	17		2	6	
Interest	26	25		5	6	
Depreciation	93	83		28	22	
PBT before exceptional item	134	63	112%	50	16	206%
Margin	5.3%	2.8%	247 bps	6.9%	3.0%	397 bps
Exceptional Item	5**	16*		3	0	
PBT	139	79		52	16	
Margin	5.5%	3.5%		7.3%	3.0%	
Tax	28	19		7	3	
PAT After Minority Interest	111	68	64%	43	15	182%
Margin	4.4%	3.0%	135 bps	5.9%	2.8%	318 bps
Cash PAT	204	151	35%	71	37	90%
Margin	8.1%	6.8%	128 bps	9.9%	6.8%	308 bps

*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

Consolidated Balance Sheet



Rs. Crs.	Mar-16	Mar-15
<i>Shareholder's Fund</i>	472	365
Share capital	19	19
Reserves & Surplus	452	346
<i>Minority Interest</i>	110	21
<i>Non-current liabilities</i>	213	127
Long term borrowings	170	97
Other long-term liabilities	9	3
Long Term Provisions	34	26
<i>Current liabilities</i>	693	483
Short term borrowings	190	112
Trade Payables	322	267
Other current liabilities	162	89
Short-term provisions	19	16
Total Liabilities	1,478	997

Rs. Crs.	Mar-16	Mar-15
<i>Non-Current Assets</i>	787	478
Fixed assets	697	420
Goodwill	6	0
Non Current Investments	44	26
Long-term loans and advances	25	19
Other Non-Current Assets	15	12
<i>Current assets</i>	751	519
Current Investments	-	2
Inventories	184	141
Trade receivables	364	289
Cash and bank balances	57	28
Short-term loans and advances	72	54
Other current assets	23	5
Total Assets	1,478	997

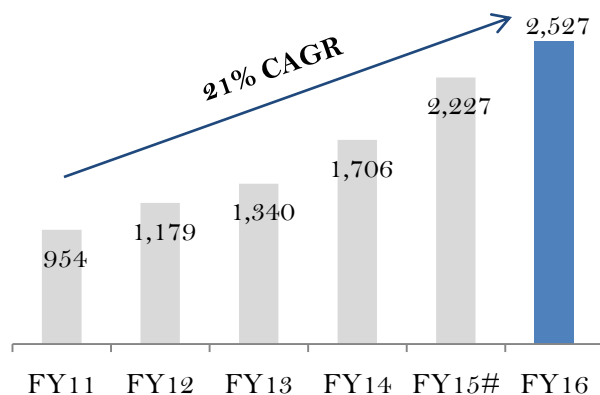


Historical Financials

Improving Profitability with Strong Balance Sheet

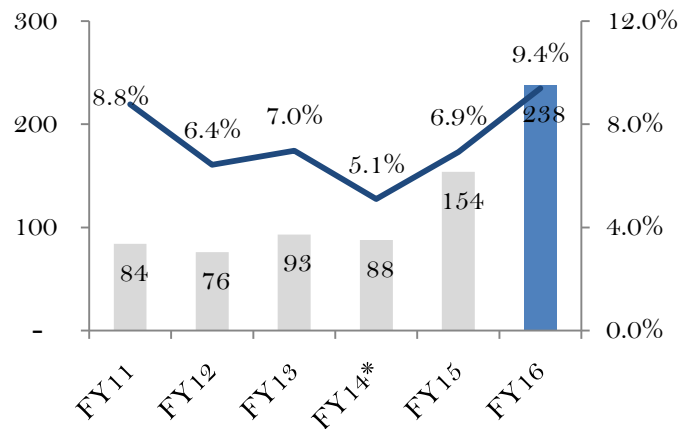


Revenue

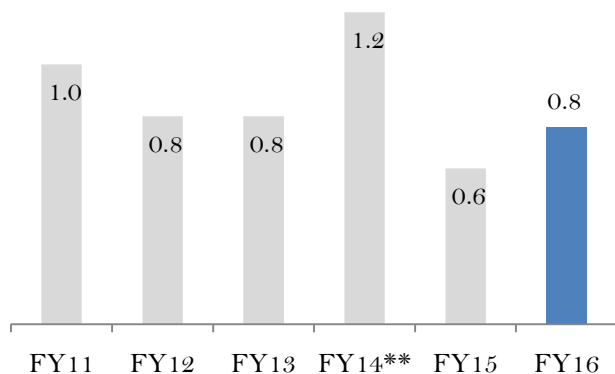


EBITDA & EBITDA Margin

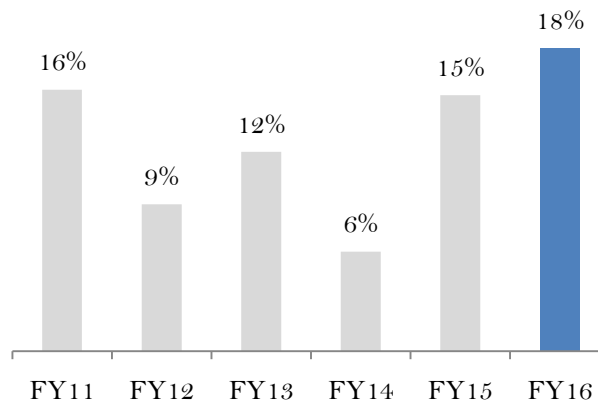
Rs.Crs



Debt : Equity



ROCE (%)



Consolidated

Notes;

FY15 Sales inclusive of 15M Clarton Sales

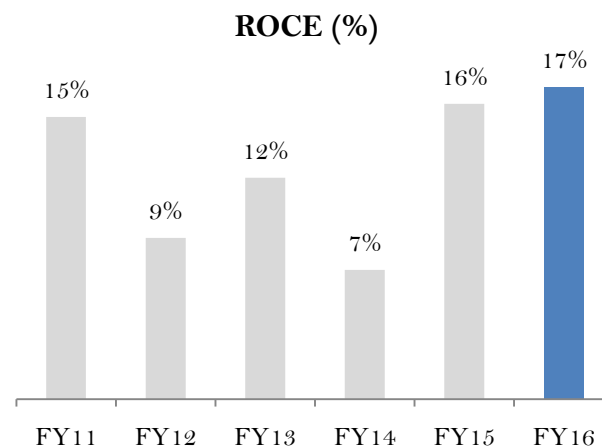
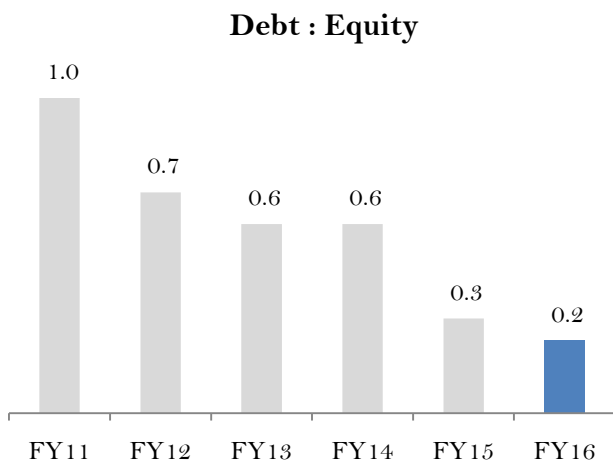
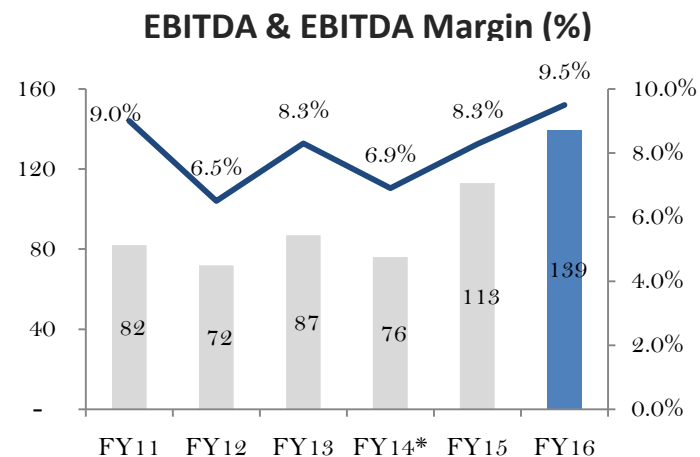
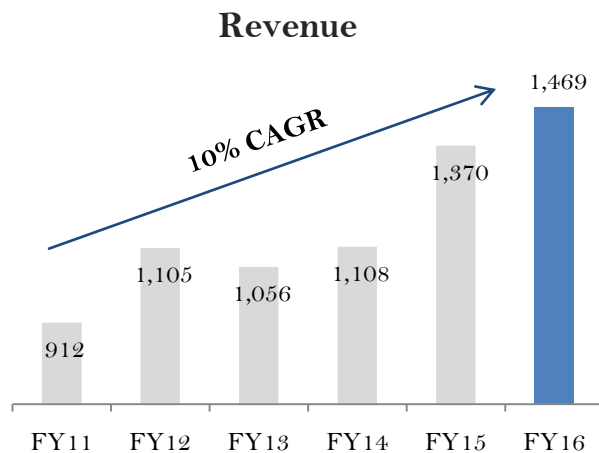
* FY14 EBITDA is Adjusted for acquisition related one-time expenses

** FY14 debt increased on account of acquisition related debt

Improving Profitability with Strong Balance Sheet



Rs.Crs



Standalone

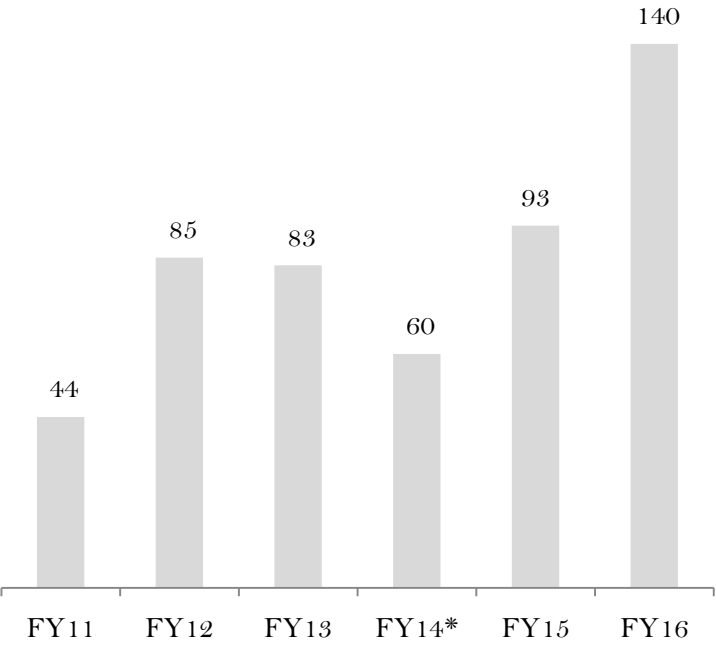
Notes;

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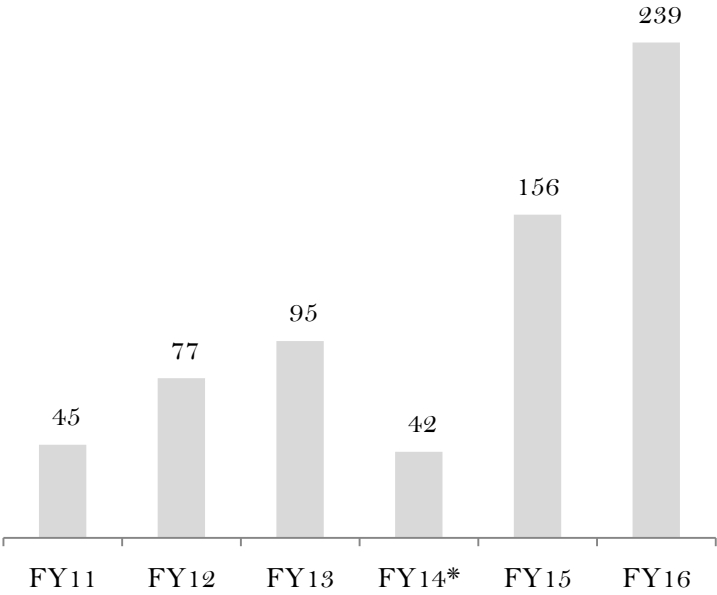
Strong Operating Cashflows



Standalone



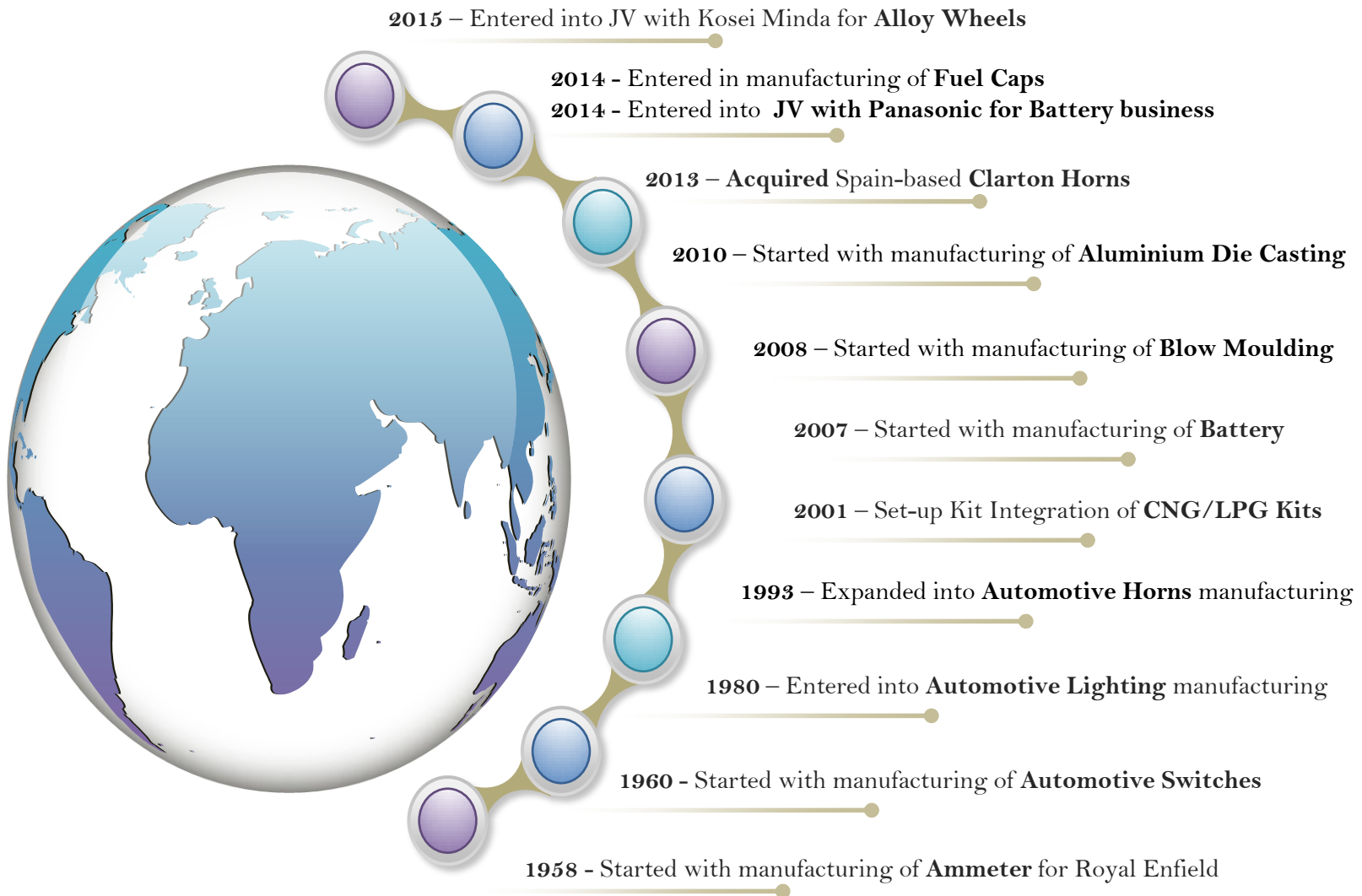
Consolidated



Rs. Crs

**FY14 – Lower Operating CashFlow on account of acquisition of Clarton Horns*

The Journey So Far..



Experienced Leadership



Mr. N.K.Minda,
Chairman & M.D.



Mr Sudhir Jain,
E.D. & Group CFO



Mr. Pradeep Tewari,
CEO

Automotive Horns
Automotive Lighting
Alternate Fuel Systems
CNG/LPG Kits



Mr. Revi Mehra,
CEO

Switches (4W)
Blow Moulding
Fuel Caps



Mr. J.K.Menon,
CEO

Switches (2W)
Sensor, Body
Electronics



Mr. Anand Minda,
Director, CEO

Alloy Wheels
After Market
Distribution



Experienced Independent Board

Mr. Satish Sekhari –
Ex Kalyani Group

Mr. Alok Dutta
– Ex Eicher

Ms Renu Challu
- Ex DMD (SBI)

Statutory Auditors

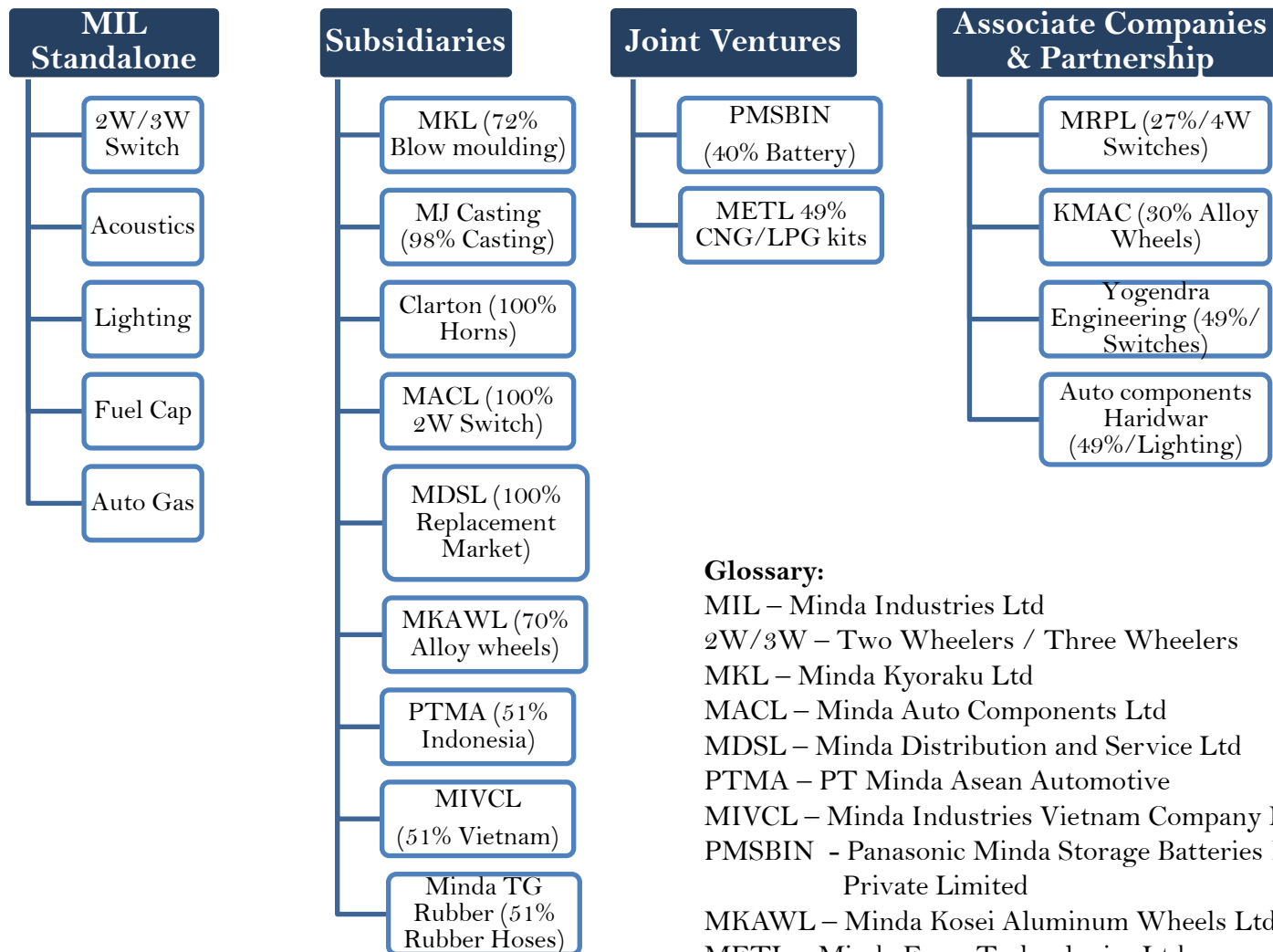
KPMG as Statutory
Auditors

Internal Auditors

Protiviti , a Global
Consulting firm is our
Internal Auditor

Professionally Qualified Management Team

Group Profile: Products & Structure



Glossary:

MIL – Minda Industries Ltd

2W/3W – Two Wheelers / Three Wheelers

MKL – Minda Kyoraku Ltd

MACL – Minda Auto Components Ltd

MDSL – Minda Distribution and Service Ltd

PTMA – PT Minda Asean Automotive

MIVCL – Minda Industries Vietnam Company Ltd

PMSBIN - Panasonic Minda Storage Batteries India Private Limited

MKAWL – Minda Kosei Aluminum Wheels Ltd

METL – Minda Emer Technologies Ltd

MRPL – Minda Rika Pvt Ltd

KMAC – Kosei Minda Aluminum Company

For further information, please contact:

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Investor Relations Advisors :

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CIN : U74140MH2010PTC204285
Ms. Sanjita Ghosh / Mr. Shogun Jain
gsanjita@sgapl.net / jshogun@sgapl.net

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