



MINDA INDUSTRIES LIMITED

Investor Presentation November 16

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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



No. 1 Player
in 2W, 3W, 4W
segments

**Automotive
Switch**

No. 1 Player
in 2W, 3W, 4W
segments

**Automotive
Horns**

First Movers
With Confirmed
Orders for
Passenger Vehicles

**Alloy
Wheels**

**Aspire to
be No.1 in
Every
Product**

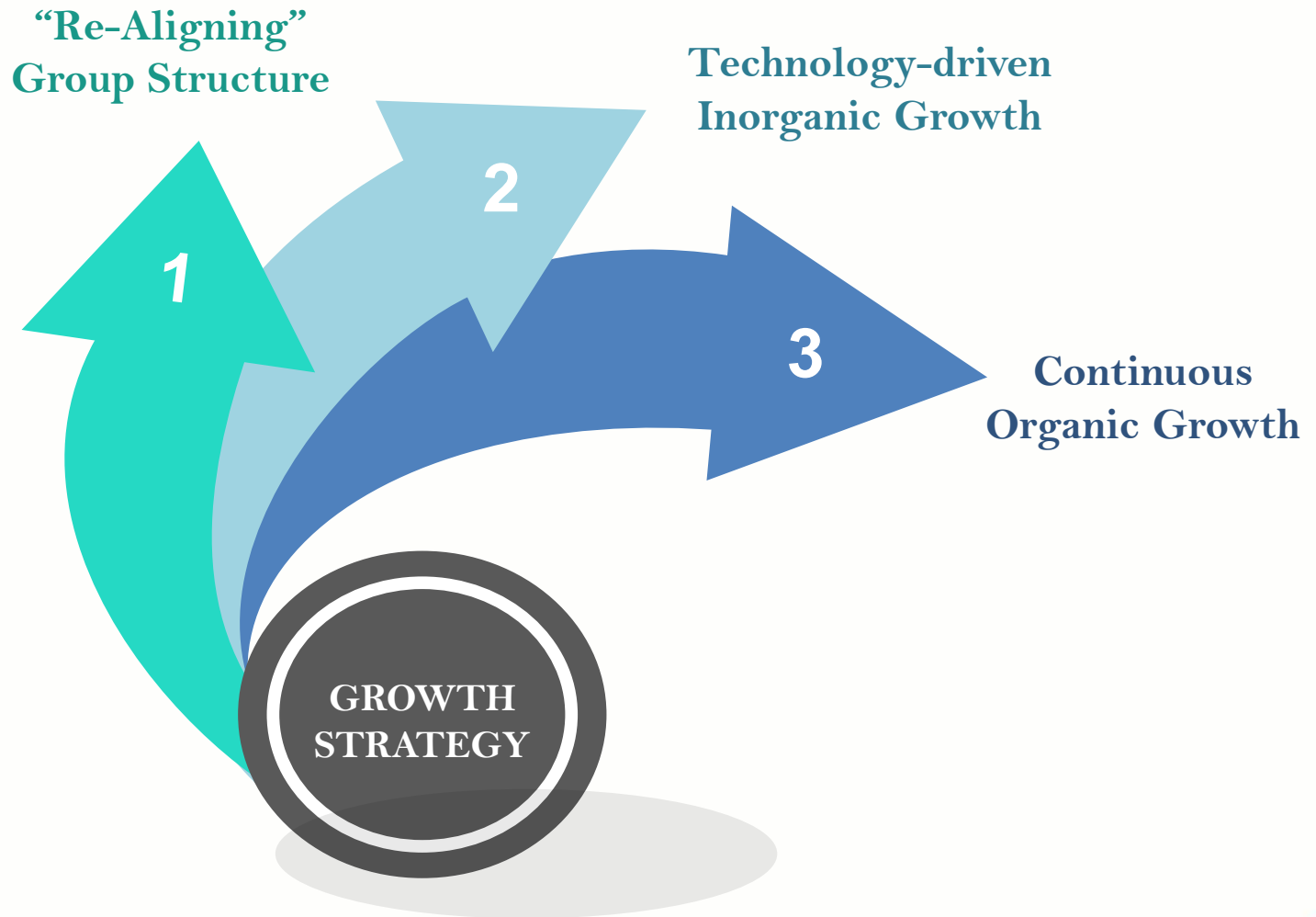
**Among Top 3
Players**
in 2W, 3W, 4W
segments

**Automotive
Lighting**

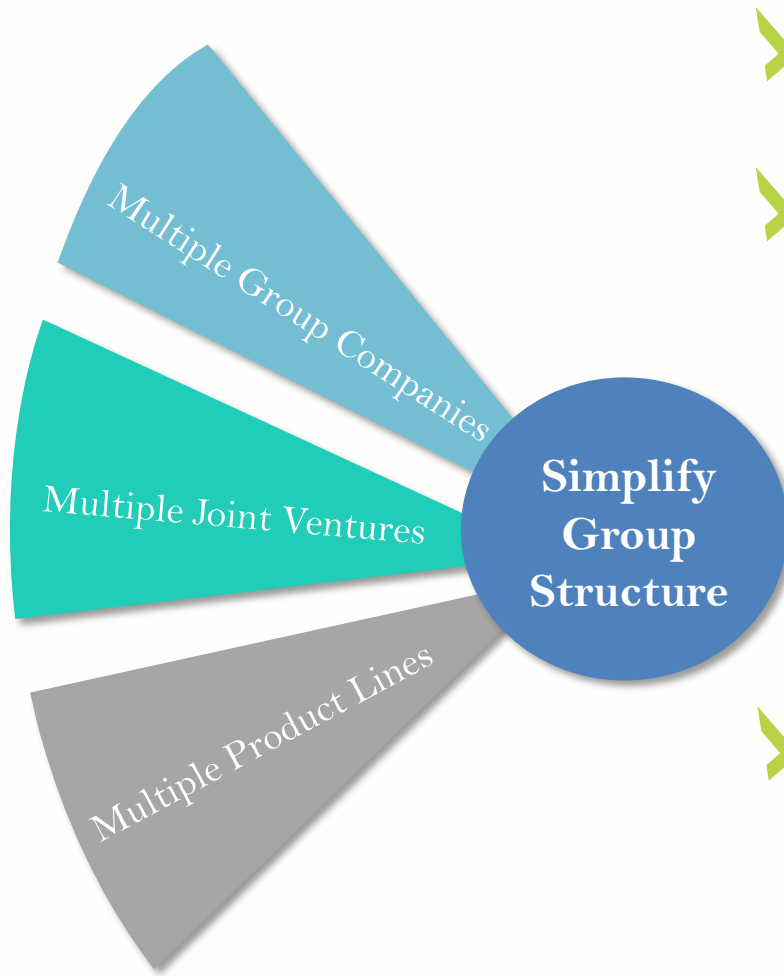
**Aspire to be
leading Player**
in Automotive
batteries

Batteries

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

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 is being 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

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



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



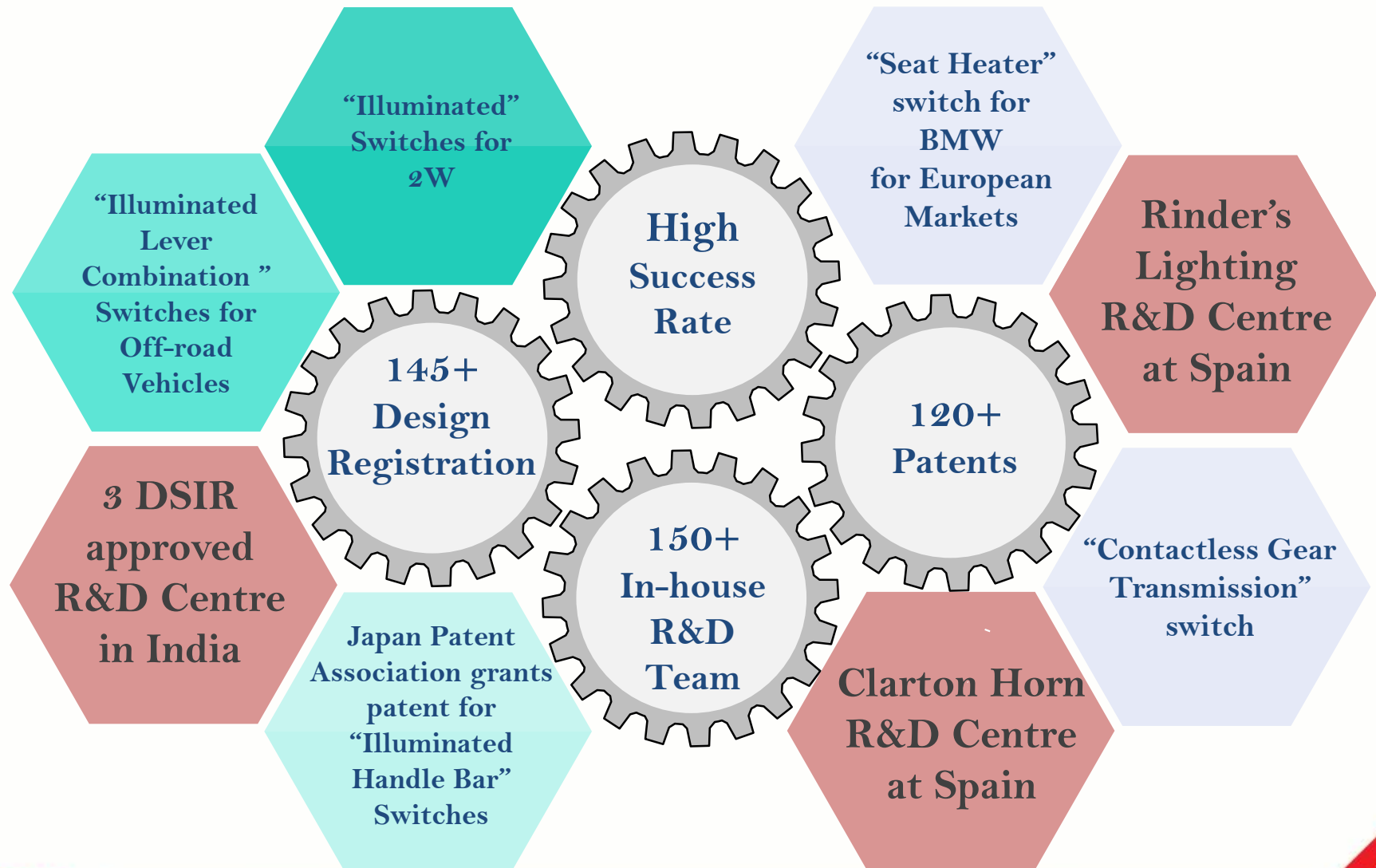
Leverage
existing
OEM
relationships
&
JV
relationship







Others



Leverage
existing
OEM
relationships
&
Distribution
network

...Across Existing Business Domains



Technology partner	Country	Year of JV	Segment	Comments
 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 <small>INTERPHONE COMPANY</small>	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 <small>CHALLENGE FOR THE BETTER</small>	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

Business Overview



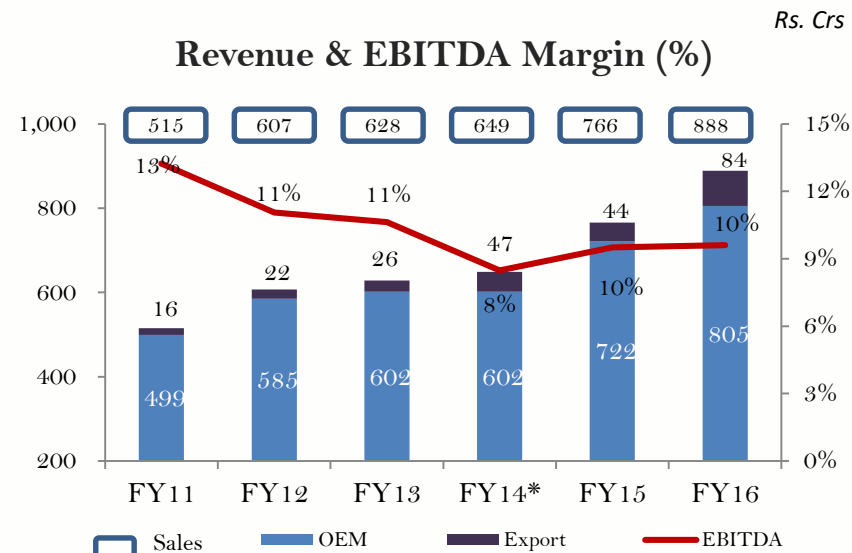
- **India's largest manufacturer** of Automotive switches, with more than 5 decades of experience with market share of ~67%
- **End-User Segment Serviced** : 2/3 Wheeler & Off-road
- Present in 4W switches through associate company
- **Manufacturing Facilities across India:**
 - Manesar
 - Pantnagar
 - 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

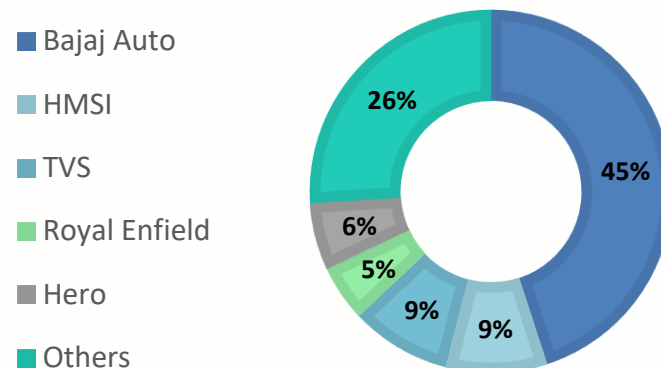
Focus Area:

- 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]



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

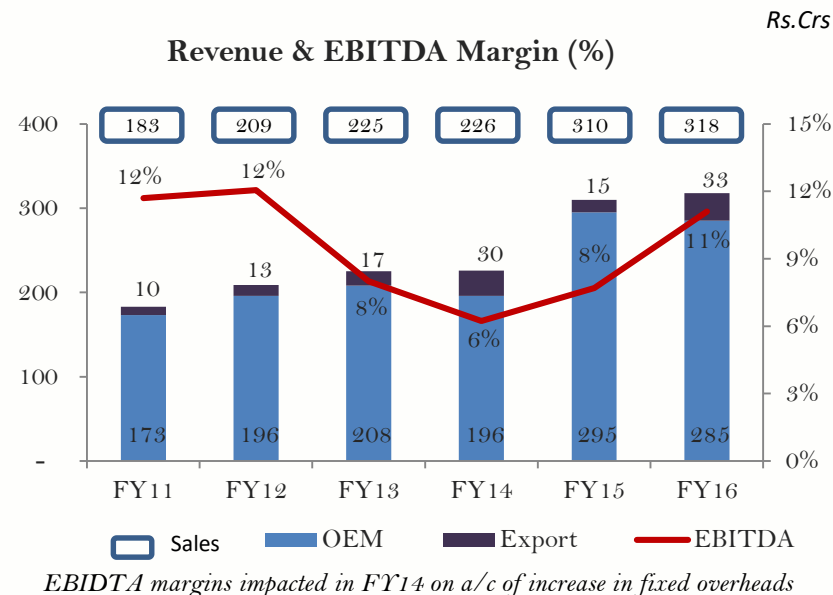
Manesar	Pantnagar
Sonepat	Haridwar
Chennai	
- **Strong R&D** capabilities:
 - Design centre in Taiwan
 - Technical Arrangement with Korean Company
- **Exports** to Italy, Indonesia, France, Japan and others
 - Contributing 8% to Lighting Sales in FY16

Key Events :

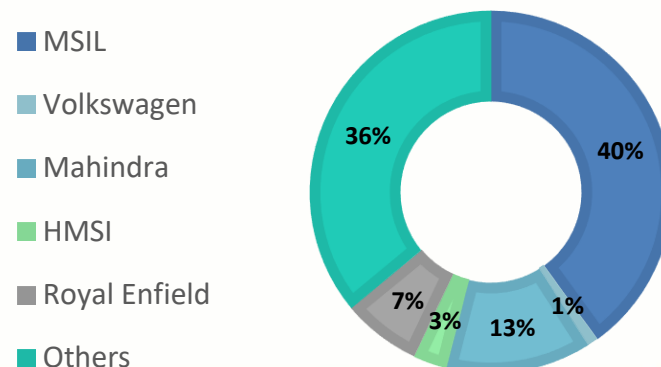
- Supplies commenced for HMSI –K74 Project
- Received new orders from Jaguar / Land Rover in India
- Received orders from Renault, MSIL

Focus Area:

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

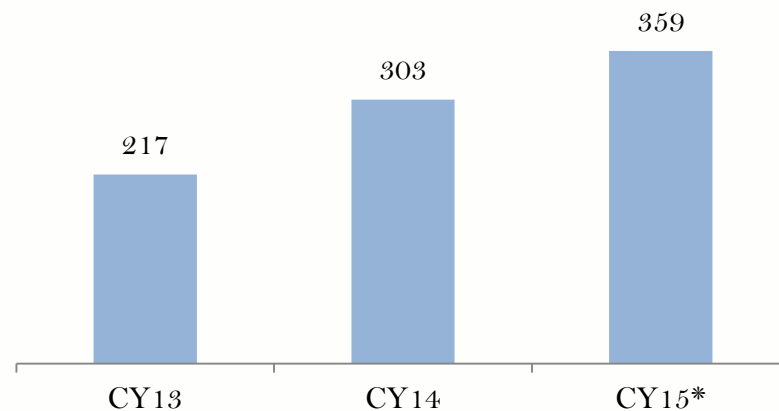


Diversified OEM Mix [FY16]



- **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



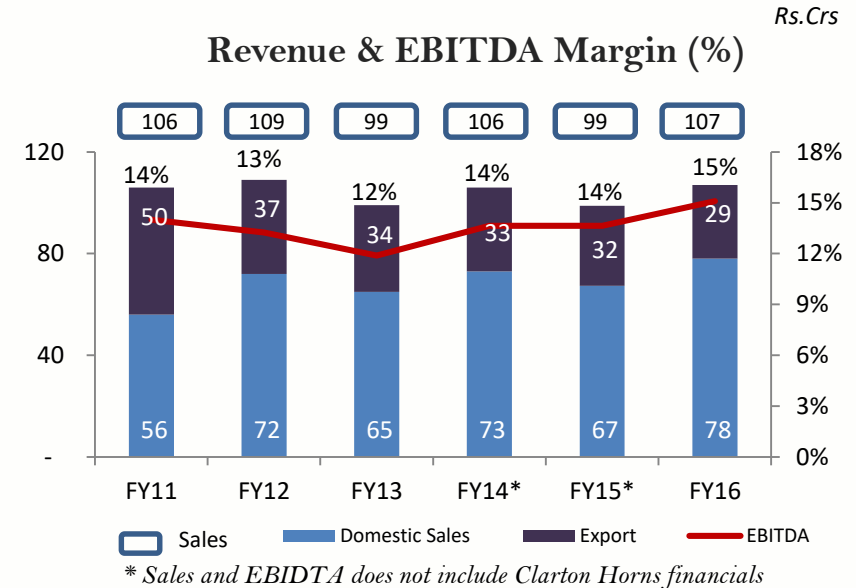
- India's largest manufacturer of horns with 47% market share
- End-User Segment Serviced :** 2/3 Wheeler, 4Wheeler, Off-road and Commercial Vehicles
- Manufacturing Facilities** across India:
 - Manesar
 - Pantnagar
- Strong in-house R&D** capabilities
 - Developed technology with FIAMM, Italy
- Exports** 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 :

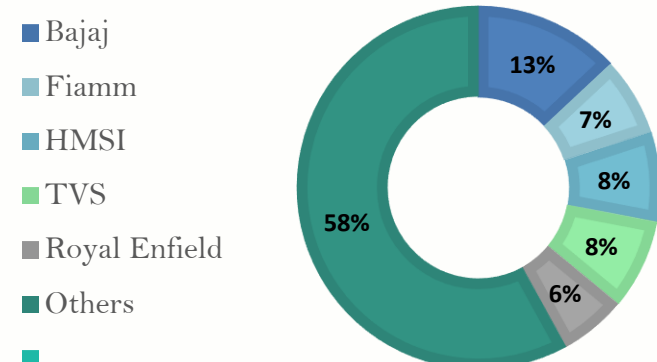
- Received order from MSIL YSD, New Honda Jazz & Brio
- Supplies started for HMSI – K74 Project
- Received export orders from Renault for Brazil

Focus Area:

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



Diversified OEM Mix [FY16]



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

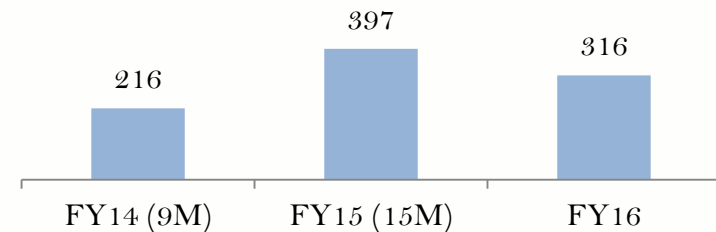
Strategic Advantages & Synergies

- **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)

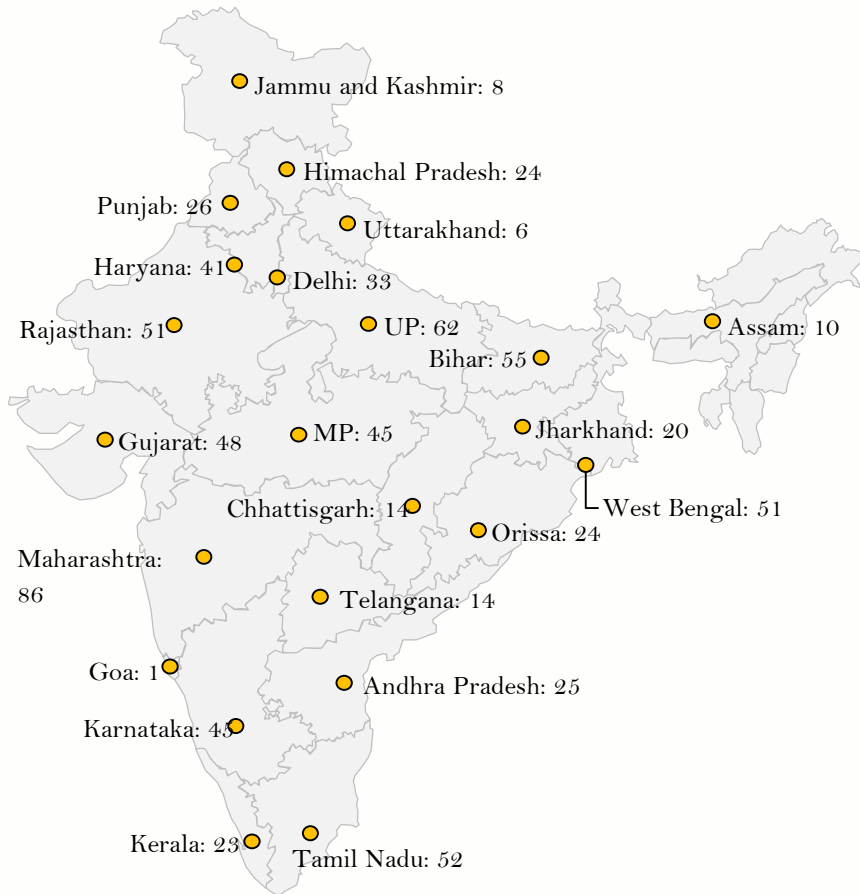


- India's largest manufacturer of Alloy Wheels for 4Wheelers
- Entered into Technical Arrangement with Japan-based Kosei Aluminium Co. Ltd to develop, manufacturer and sell Aluminium Alloy Wheels for Passenger Vehicles
- **Setting-up new plant in Bawal, Haryana with Capacity of 720,000 units p.a**
 - 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**

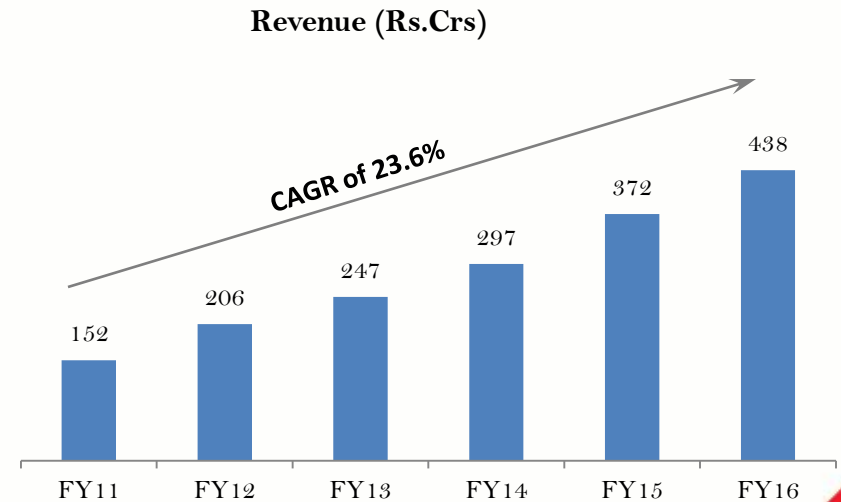


Total number of distributors : 764

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%



- 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 :

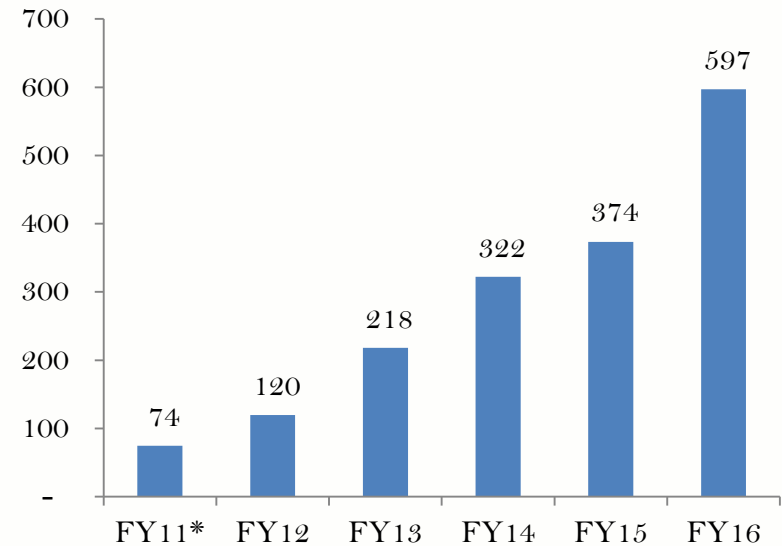
- MKL achieved turnaround
- MJ Casting achieved turnaround
 - Commenced supplies to Wabco

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

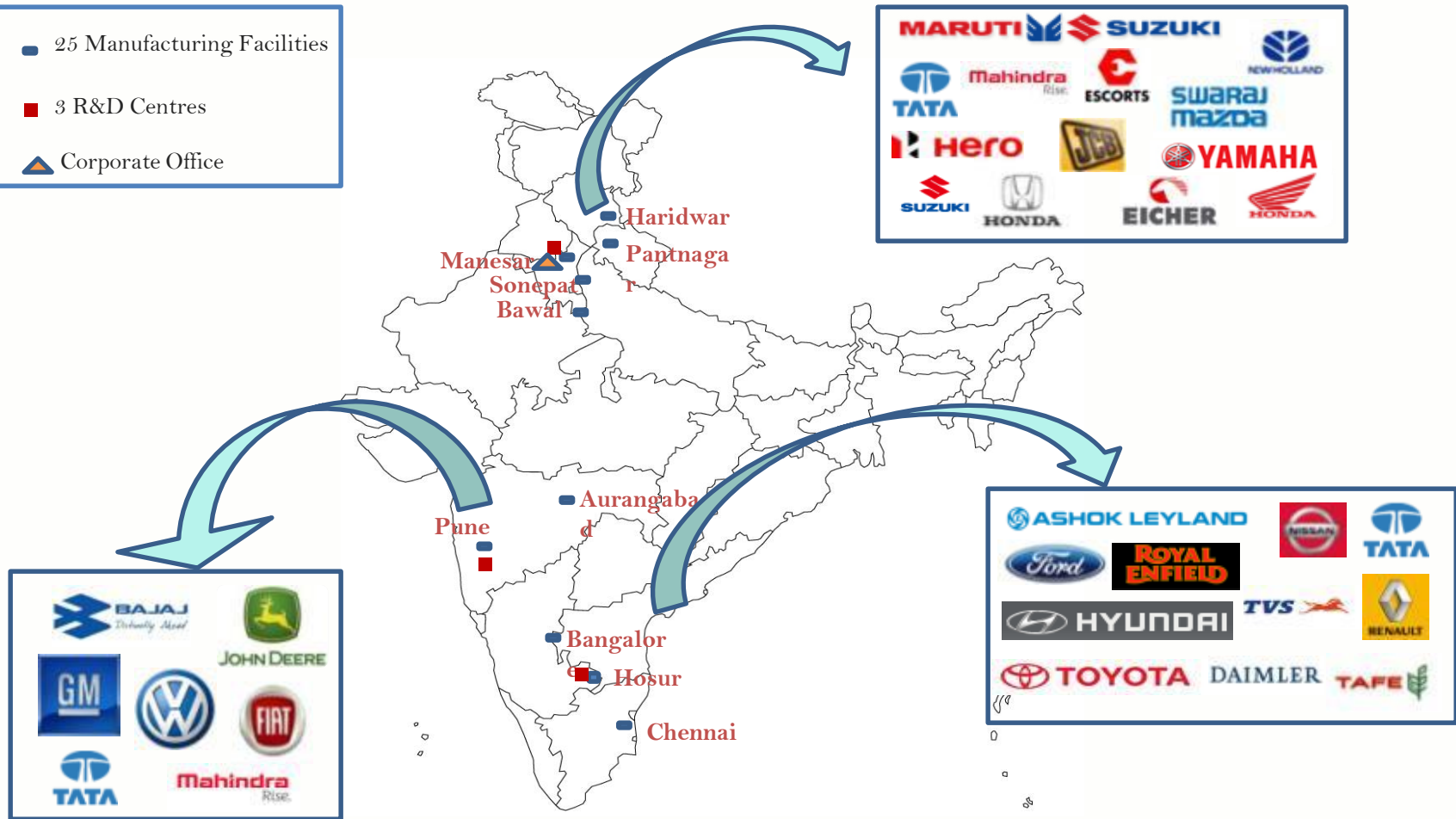






Extensive Manufacturing Presence

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





Advantage MINDA INDUSTRIES

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

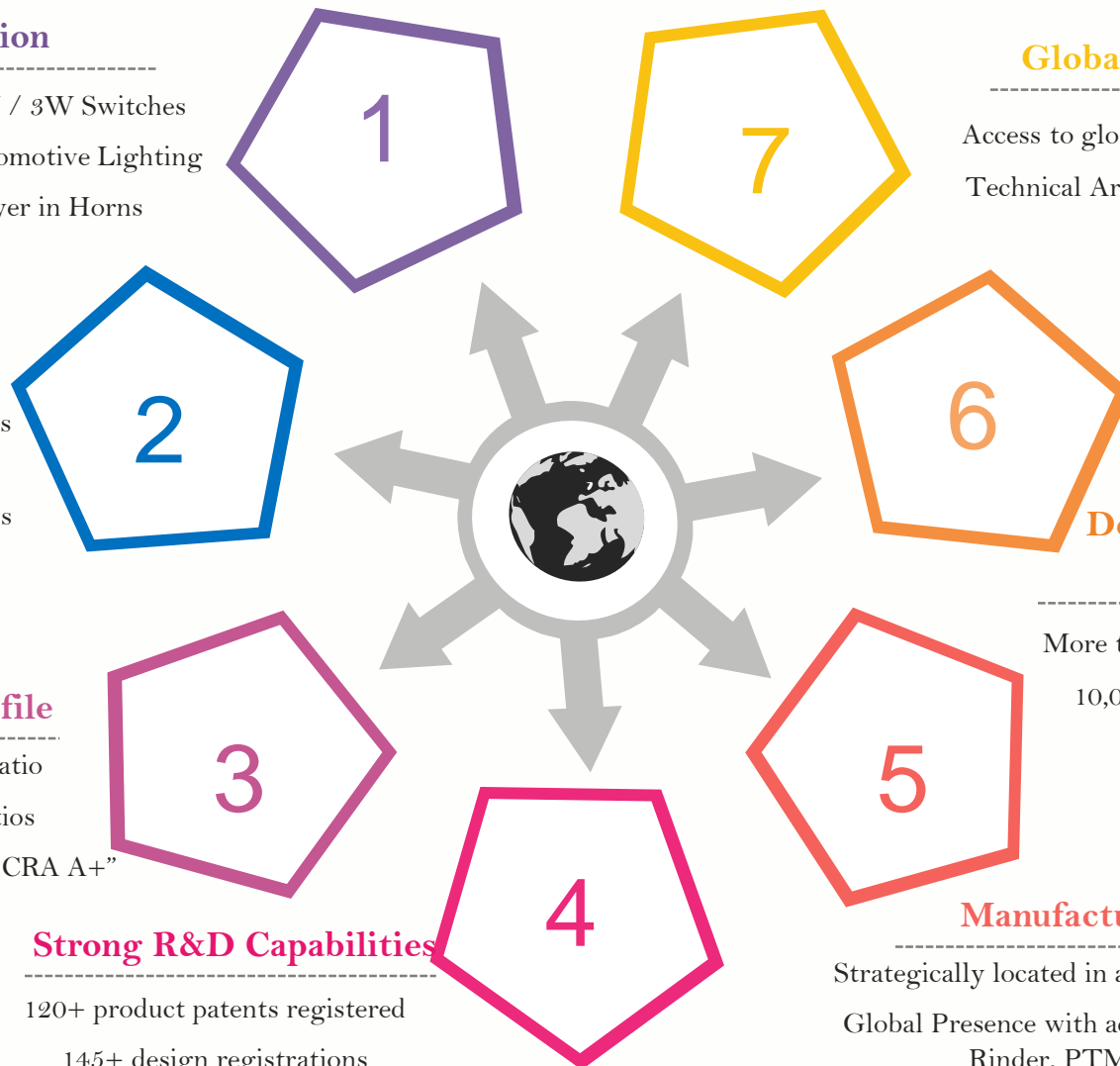
Access to global technology through
Technical Arrangement with world
leaders

Deep Foothold in Aftermarket

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

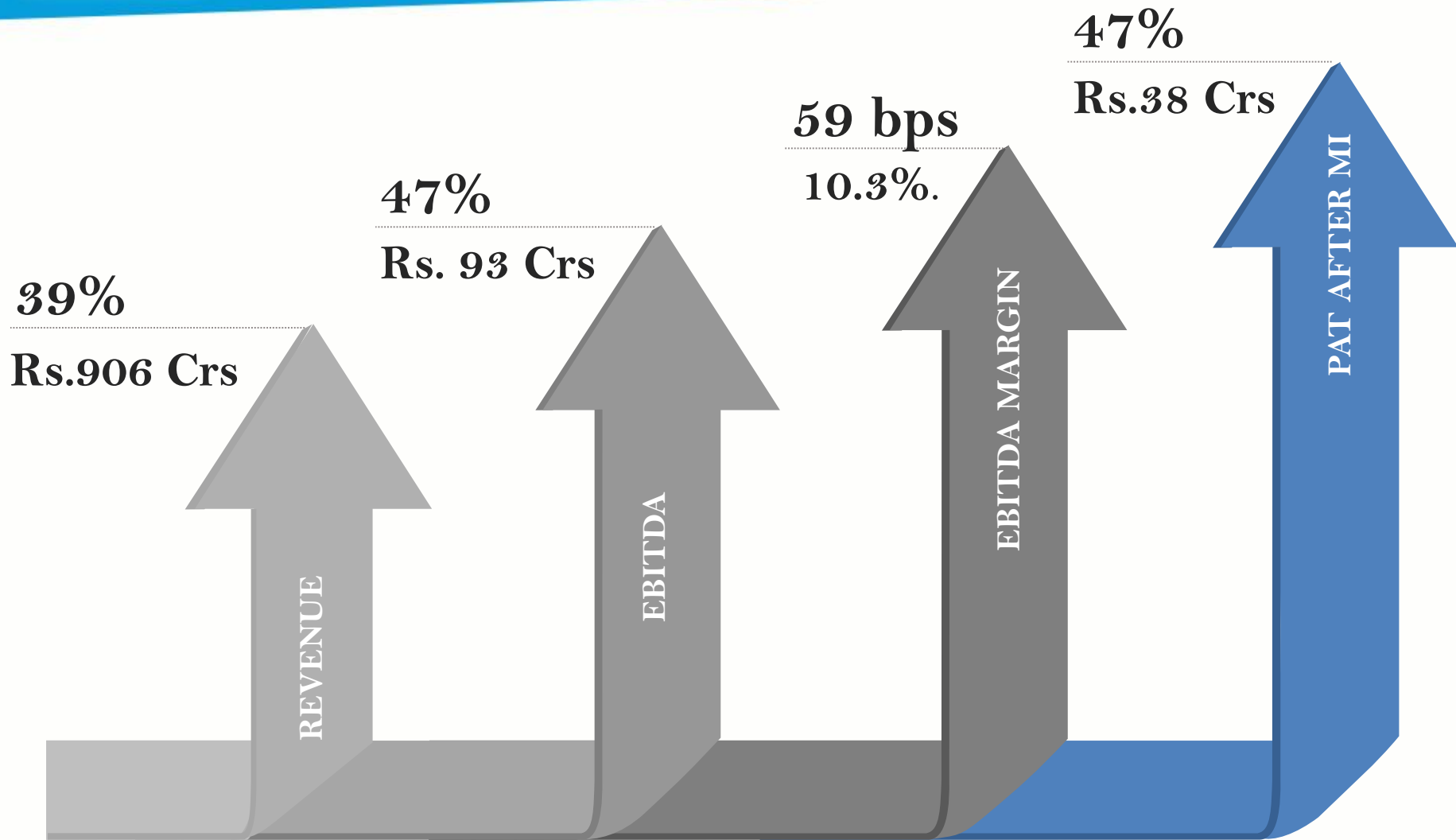
Manufacturing Locations

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



Quarterly Performance





Note:

- Consolidated Results
- All comparison are year on year

Consolidated Revenue grew by 44% YoY

- Primarily driven by Consolidation of Minda TG, Minda Kosei Aluminum Wheel Pvt Ltd, Rinder Group
- Standalone business grew by 17.34% Y-o-Y

Consol. EBITDA Margin expanded by 59 bps to 10.3%:

- Better performance coming through from Rinder, Minda Kosei, Clarton, MJCL

YoY Increase in Interest cost on account of :

- Acquisition loan for Rinder
- Consolidation of Rinder & Minda Kosei & Minda TG
- Sequentially (W.R.T. to preceding quarter) the Interest cost has reduced due to
 - Improvement in credit rating leading banks reducing rate of interest on various loans
 - Repayment of certain Term Loan

▪ **Companies in ASEAN Business to become 100% subsidiary**

- As part of group realignment, MIL board has approved acquisition of balance 49% equity shares in SAM Global, Singapore and 31.37% Share in PTMA Co. Pvt. Ltd.
 - A consideration of Rs 13.50 Cr and Rs. 15.85 Cr respectively
 - Transaction expected to be completed by April 2017
- Subsequent to this transaction MIL will have 100% interest in PTMA, Indonesia and MIVCL, Vietnam (a, WOS of SAM Global)
- PTMA is engaged in business of Switches (2W/3W) and Light (4W) , while MIVCL is engaged in business of switches

▪ **New Entities consolidated in this Quarter:**

- Rinder India, Riduco & LSTC has been consolidated for full quarter
- Minda Kosei Aluminum Wheel P Ltd has been consolidated for full quarter

MKAWL Capacity Expansion

- Capacity Expansion from 90K to 120K Wheels per month
- Capital Outlay 55 Cr

- MRPL has been awarded new businesses from MSIL for their upcoming models in Indonesia and India
- For HVAC and various other 4 wheeler switches

Mindarika Pvt. Ltd.:

Won Orders from
MSIL

MKAWL:

Supplies to M&M begins

- Production ramp-up to 60,000 alloy wheels per month
- 1st supplies started for a prestigious project of M&M

- Received orders from Royal Enfield
- To supply Tail Lamps for its New Models

Lighting Division :

Won Orders
From REML

Consolidated Profit & Loss Statement

Rs. Crs	Q2 FY17	Q2 FY16	YoY	H1 FY17	H1 FY16	YoY	FY16
Sales	901	645	39.7%	1,661	1,174	41.5%	2,506
Other Operating Income	5	7		11	11		21
Total Operating Income	906	652	39.0%	1,672	1,184	41.2%	2,527
Cost of Material consumed	572	420		1,051	773		1,610
Employee Cost	114	81		216	151		326
Other Expenses	126	87		240	164		353
Operating EBITDA	93	63	47.5%	166	97	70.1%	238
Margin	10.3%	9.7%	0.59 bps	9.9%	8.2%	1.68 bps	9.40%
Other Income	4	5		6	9		14
Interest	10	8		23	13		26
Depreciation	34	25		62	43		93
PBT before exceptional item	53	35	50.6%	87	51	70.1%	134
Margin	5.8%	5.4%	0.45 bps	5.2%	4.3%	0.88 bps	5.30%
Exceptional Item	-	-		-	-		5**
PBT	53	35	50.6%	87	51	70.1%	139
Margin	5.8%	5.4%	0.45 bps	5.2%	4.3%	0.88 bps	5.50%
Tax	14	8		22	12		28
PAT After Minority Interest	38	26	47.4%	66	40	65.0%	111
Margin	4.2%	4.0%	0.24 bps	3.9%	3.4%	0.57 bps	4.40%
EPS (In Rs.)*	4.8	3.3		8.3	5.0		70
Cash PAT	73	51	43.9%	128	82	54.7%	204
Margin	8.0%	7.8%	0.28 bps	7.6%	7.0%	0.67 bps	8.10%

* Face Value of Rs.10 per equity share ** Exceptional item pertaining to profit on sale of land in PT Minda Asean

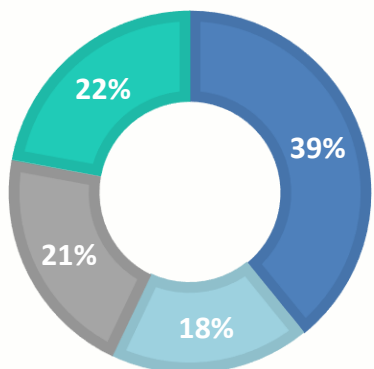
Consolidated Balance Sheet

Rs. Crs.	Sep-16	Mar-16
<i>Shareholder's Fund</i>	647	472
Share capital	19	19
Reserves & Surplus	628	452
<i>Minority Interest</i>	127	110
<i>Non-current liabilities</i>	283	212
Long term borrowings	214	169
Other long-term liabilities	7	9
Long Term Provisions	62	34
<i>Current liabilities</i>	945	694
Short term borrowings	292	184
Trade Payables	481	321
Other current liabilities	153	169
Short-term provisions	18	19
Total Liabilities	2,002	1,487

Rs. Crs.	Mar-16	Mar-15
<i>Non-Current Assets</i>	1,018	787
Fixed assets	910	697
Goodwill	0	6
Non Current Investments	50	44
Long-term loans and advances	40	25
Other Non-Current Assets	17	15
<i>Current assets</i>	984	700
Inventories	234	184
Trade receivables	512	364
Cash and bank balances	139	57
Short-term loans and advances	90	87
Other current assets	9	8
Total Assets	2,002	1,487

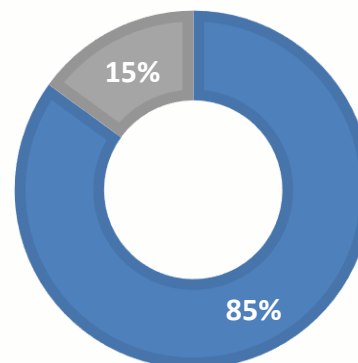
Product-wise Breakup

■ Switch ■ Lighting ■ Horns ■ Others



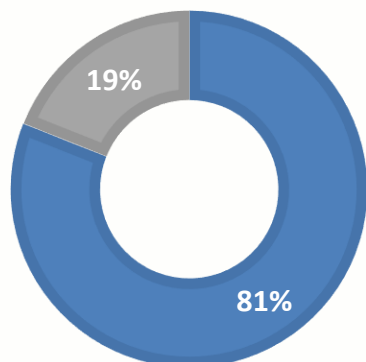
Channel-wise Breakup

■ OEM ■ Replacement



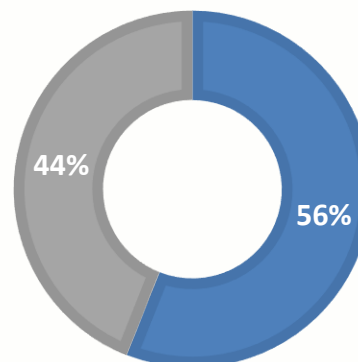
Geography-wise Breakup

■ India ■ International



Segment -wise Breakup

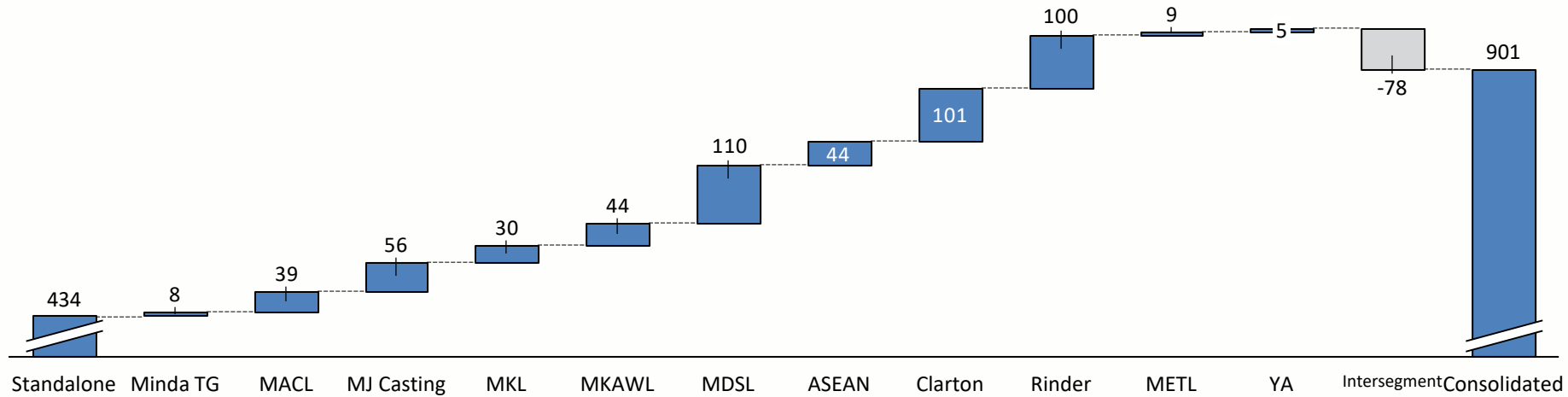
■ 2Wheeler ■ 4Wheeler



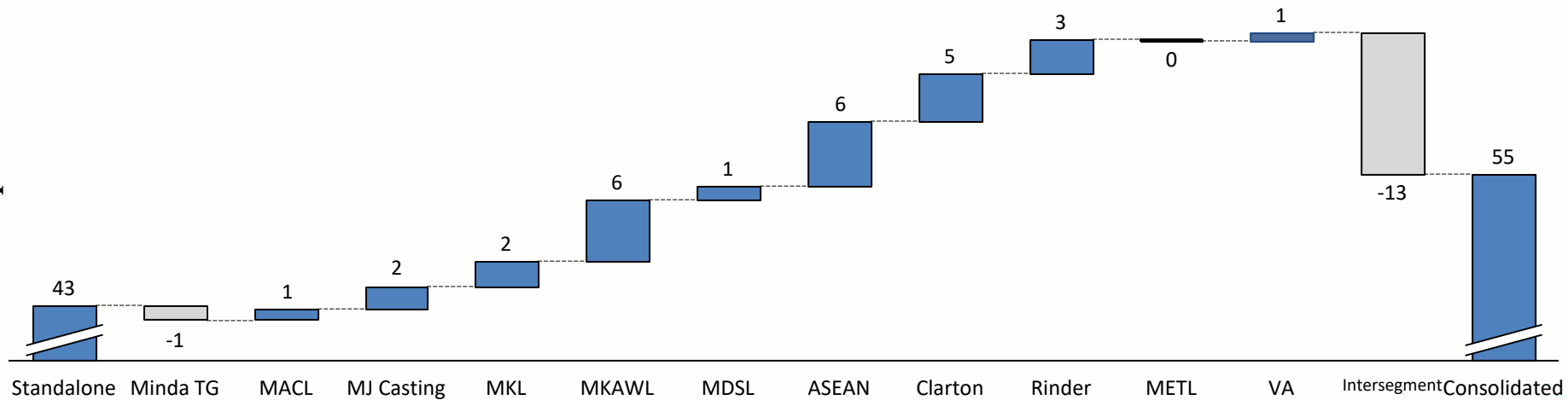
Entity-Wise Break-Up : Q2 FY17

Rs.Crs

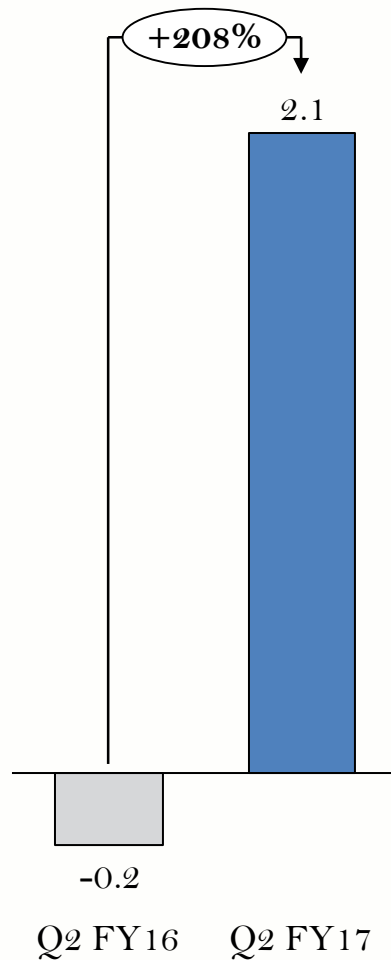
Revenue



PBT Before Exceptional Item

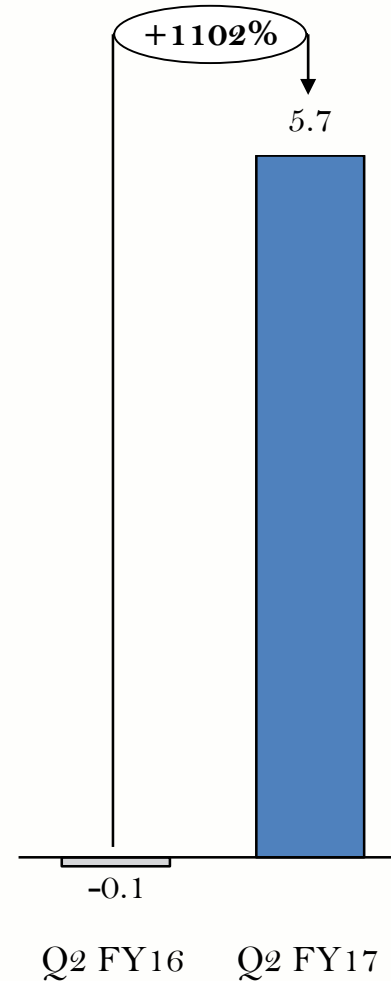


PBT – MJ Casting



PBT – MKAWL

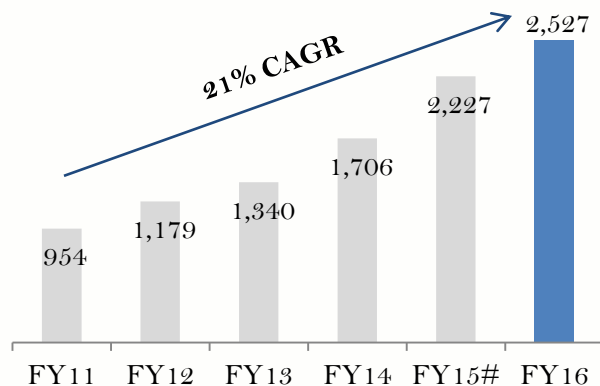
Rs.Crs





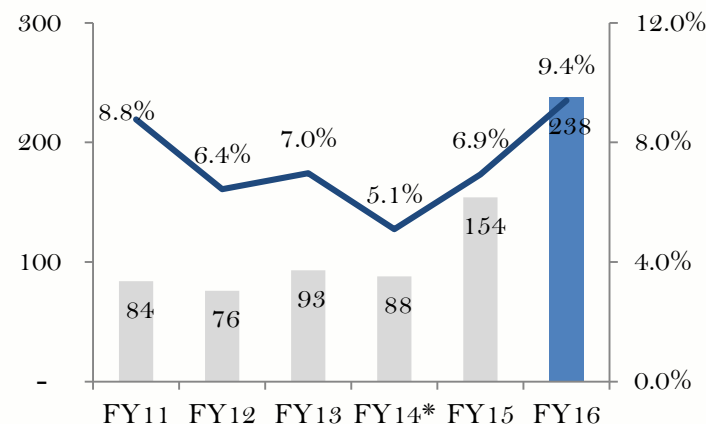
Historical Financials

Revenue

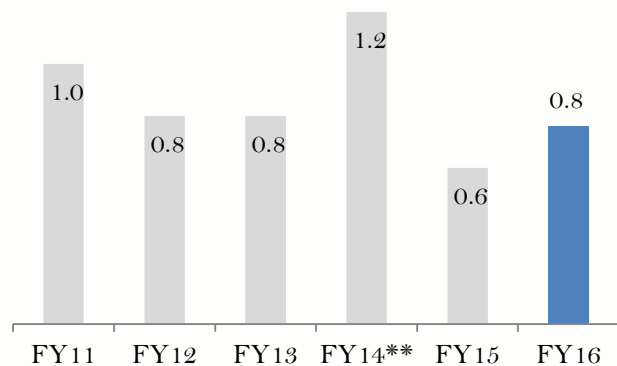


EBITDA & EBITDA Margin

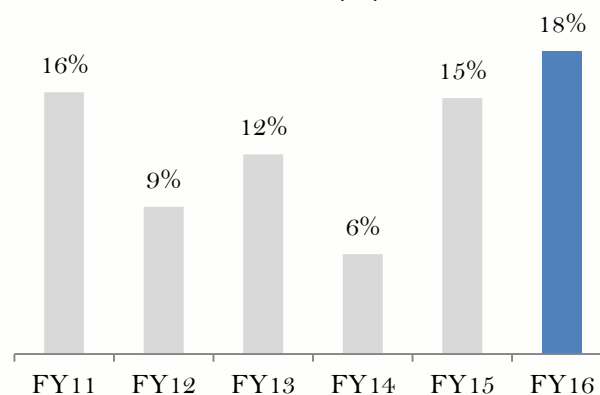
Rs.Crs



Debt : Equity



ROCE (%)



Notes;

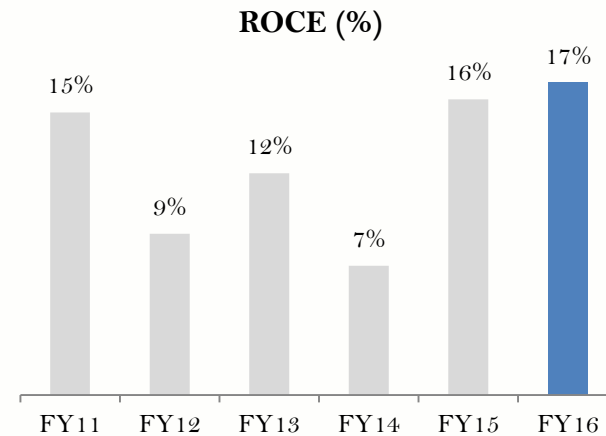
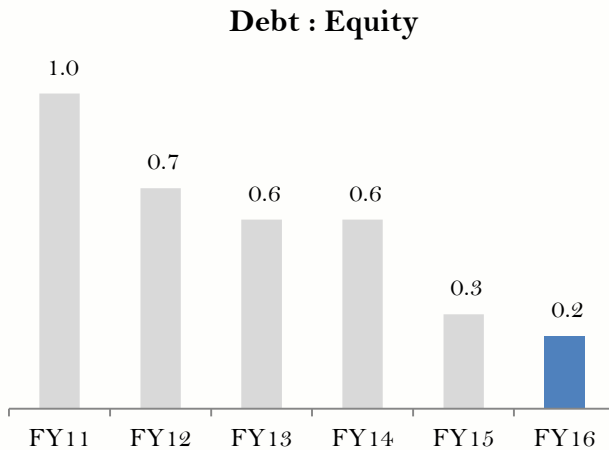
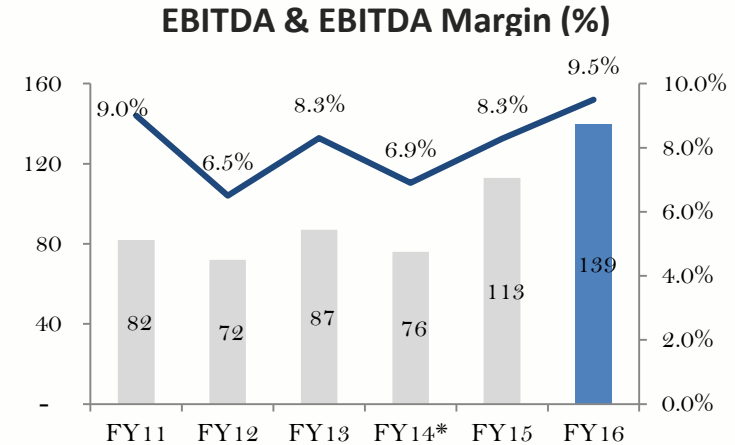
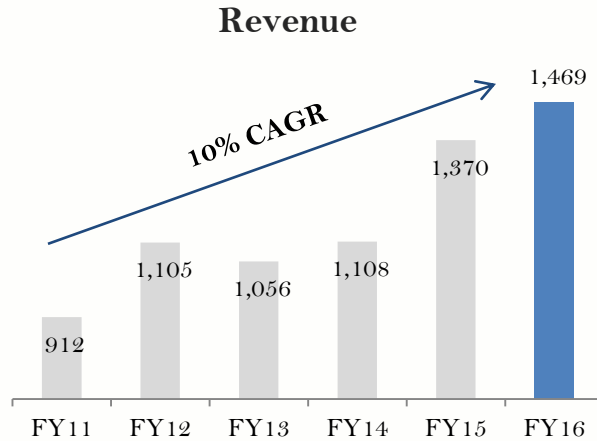
FY15 Sales inclusive of 15M Clarton Sales

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

** FY14 debt increased on account of acquisition related debt

Consolidated

Rs.Crs



Standalone

Notes;

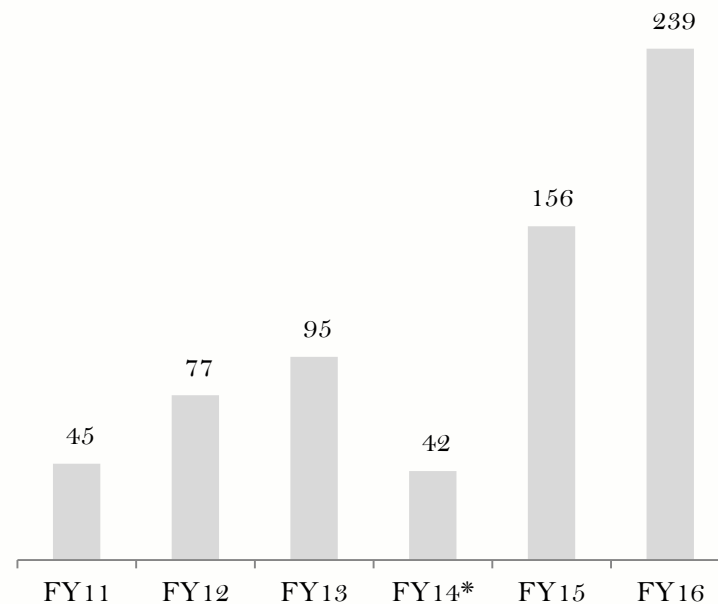
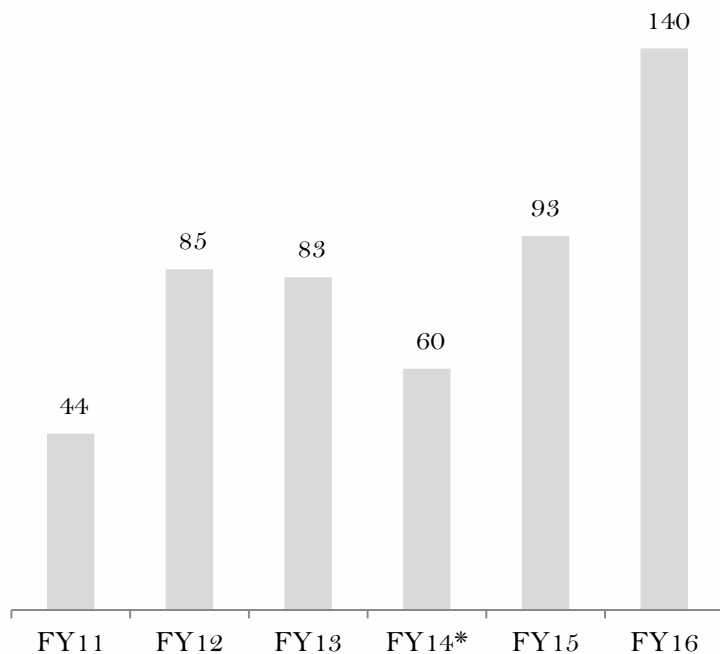
* FY14 EBITDA is Adjusted for acquisition related one-time expenses

Strong Operating Cashflows

Standalone

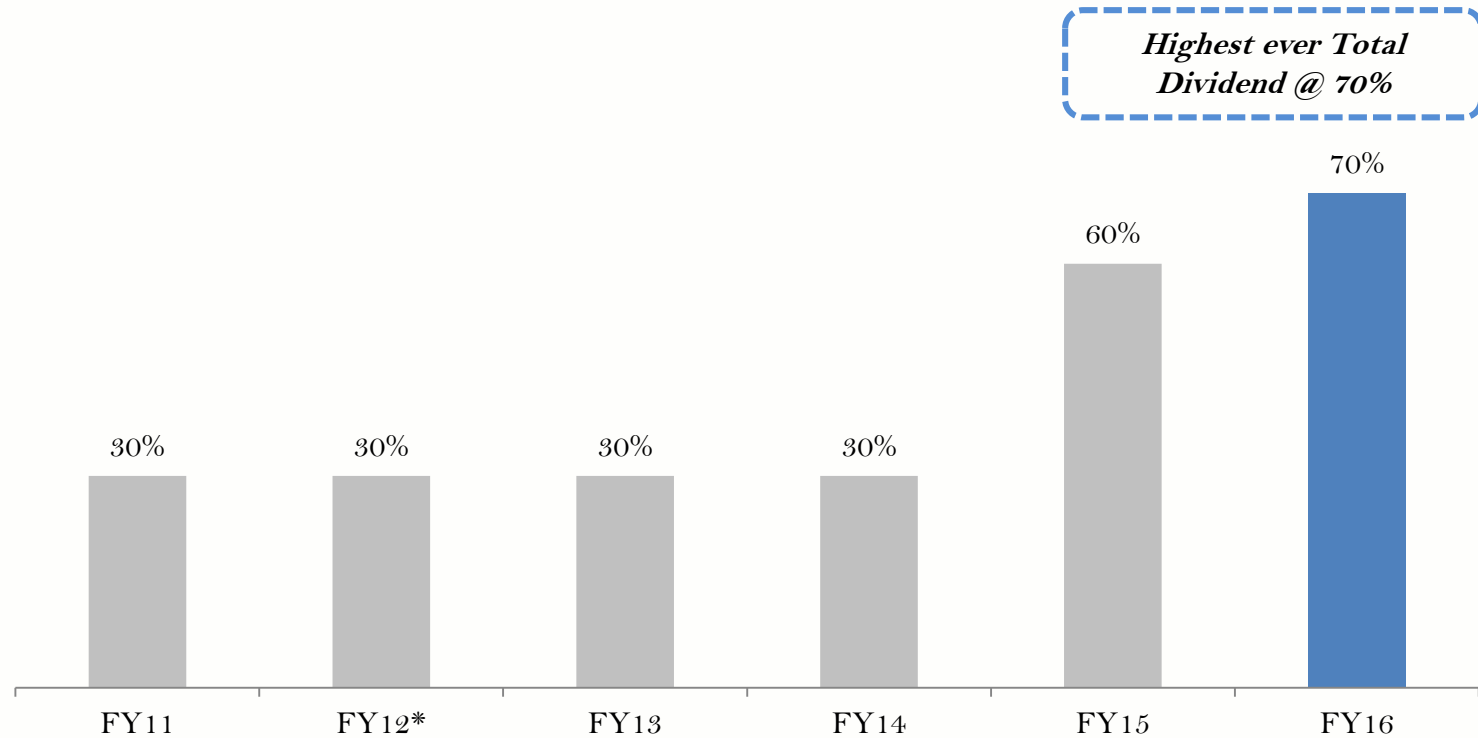
Consolidated

Rs.Crs



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

Dividend as % of Face Value



Total Dividend of Rs.7 per share in FY16

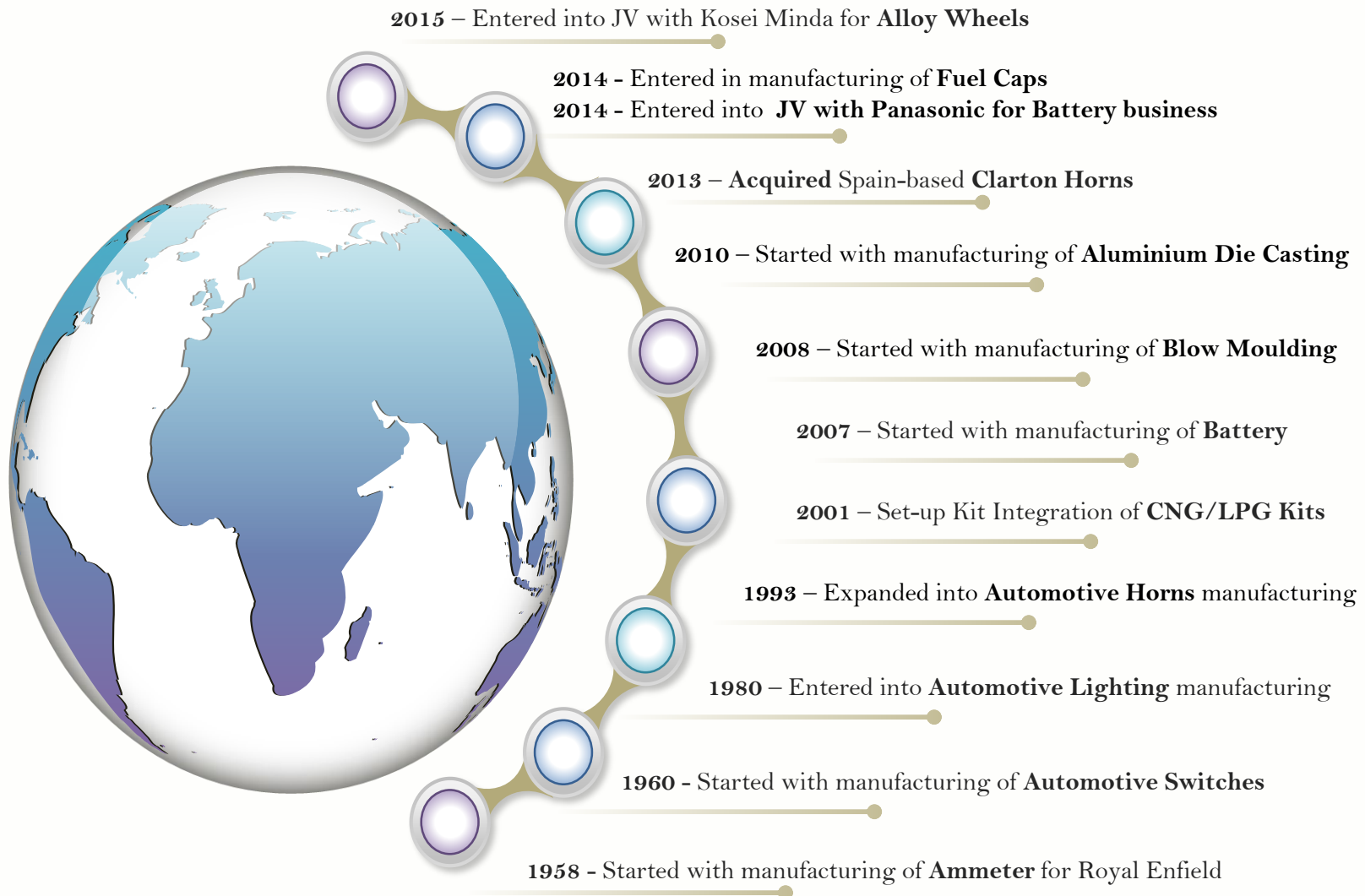
Consolidated Profit & Loss

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

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

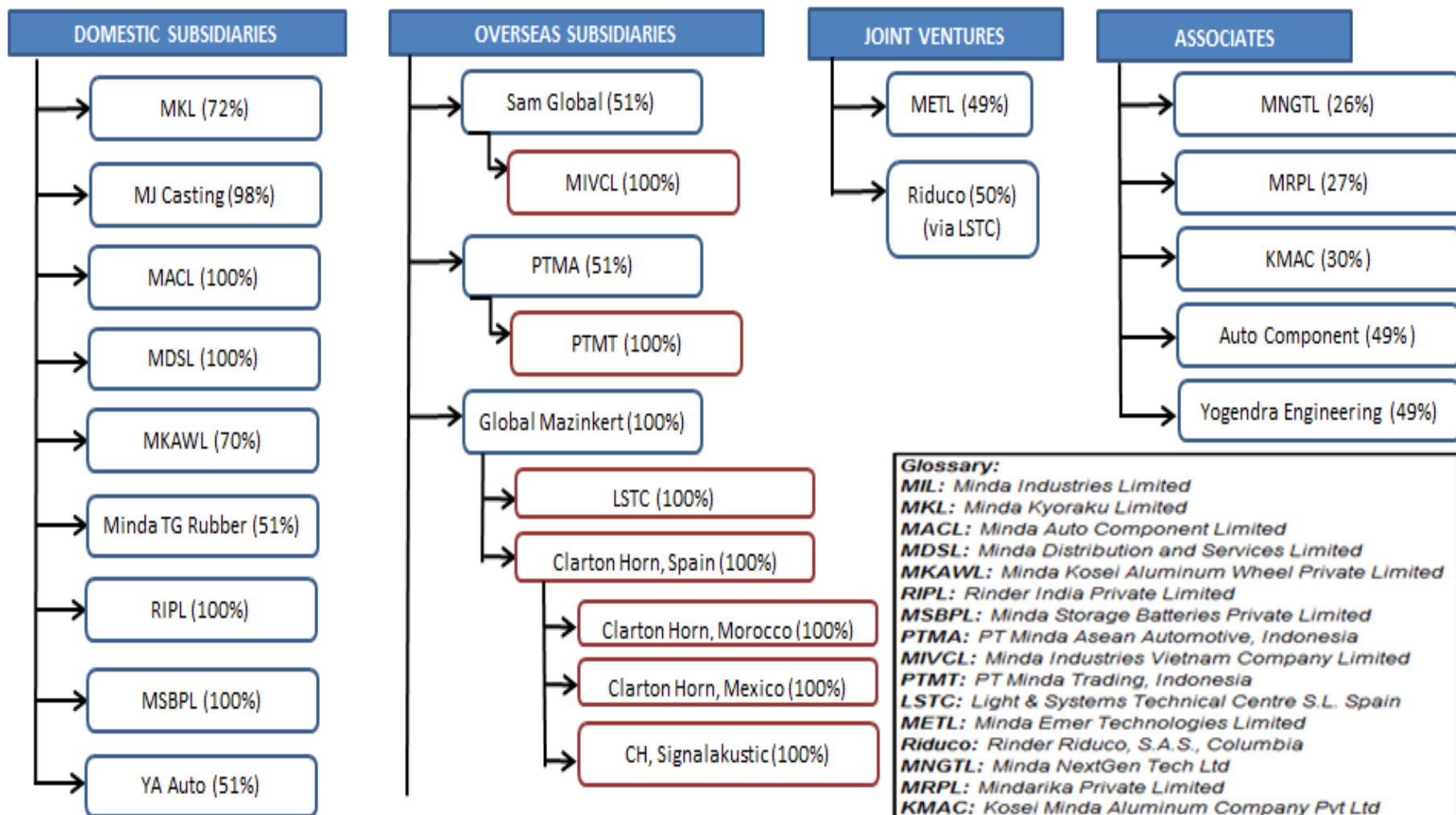
KPMG as Statutory
Auditors

Internal Auditors

Protiviti , a Global
Consulting firm is our
Internal Auditor

Professionally Qualified Management Team

MIL'S SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES



For further information, please contact:

Company :

Minda Industries Ltd.
CIN : L74899DL1992PLC050333
Mr. Tripurari Kumar
DGM Strategy & Finance
tripurarik@mindagroup.com

www.mindagroup.com

Investor Relations Advisors :

Strategic Growth Advisors Pvt. Ltd.
CIN : U74140MH2010PTC204285
Mr. Jigar Kavaia / Mr. Ruchi Rudra
09920602034 / 07738384532
jigar.kavaia@sgapl.net / ruchi.rudra@sgapl.net

www.sgapl.net