MINDA INDUSTRIES LTD

INSPIRED BY MOBILITY
DRIVEN BY TECHNOLOGY

Investor Presentation –November 2015

Safe Harbor

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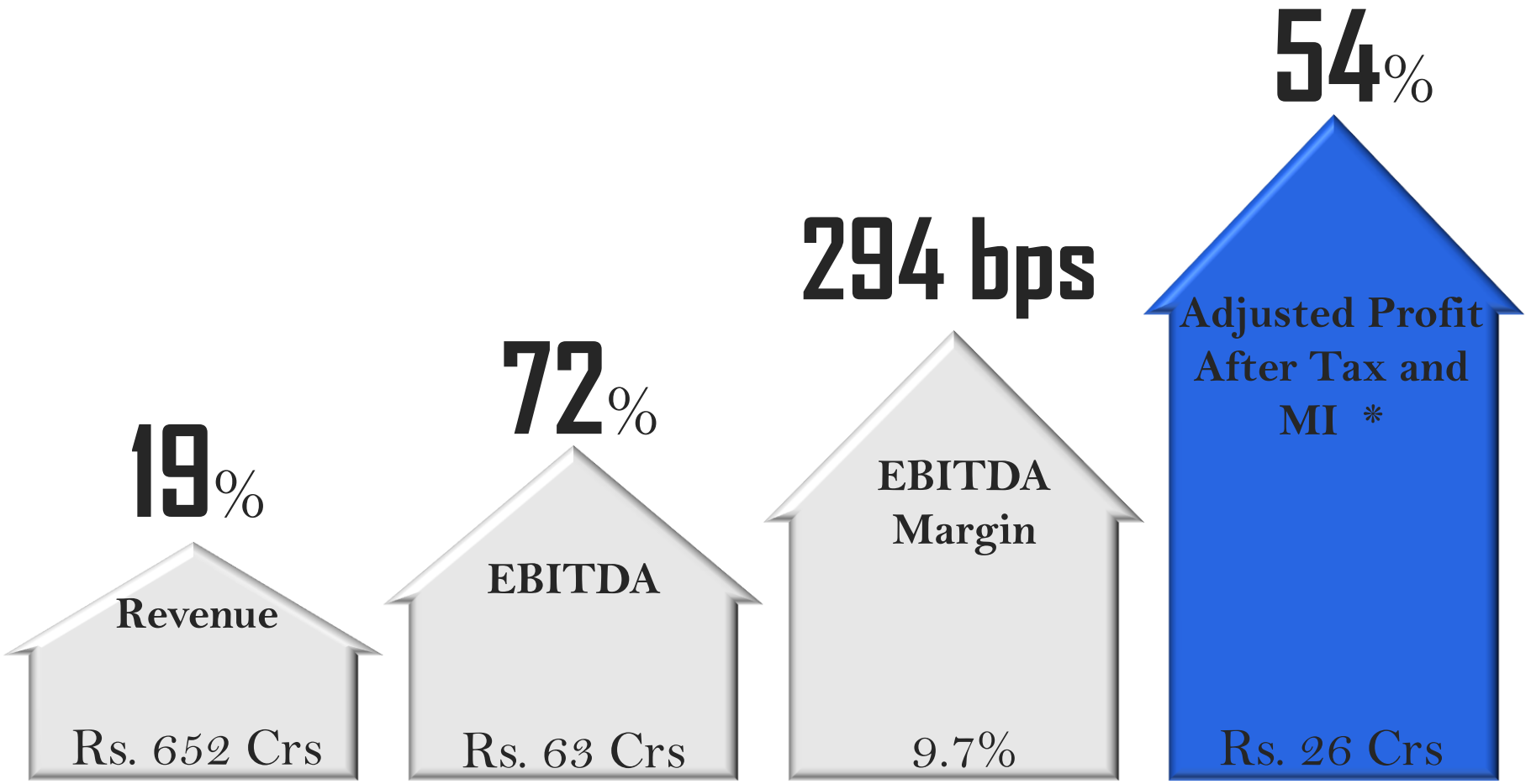
Robust Performance continues in Q2 FY16



All comparison are year on year

** PAT after Minority Interest (MI) adjusted for exceptional item in Q2 FY15*

New Happenings

Clarton Horn:

New Facility in Mexico

- Operations started on CKD basis from September onwards
- Actual production expected to start from April 2016

PTMA:

New Order

- PTMA received new order from Suzuki for Automotive Lighting for 4W
- Expected Peak revenue of ~ Rs.23 Cr

Horns Dvision:

New Orders

- Received Export order from Renault
- for Brazil
- New Orders from MSIL and Tata motors in Domestic Market

Alloy Wheel :

1st Shipment Executed

- Minda Kosei Alloy Wheel Private Limited recorded its 1st Shipment in month of October, 2015

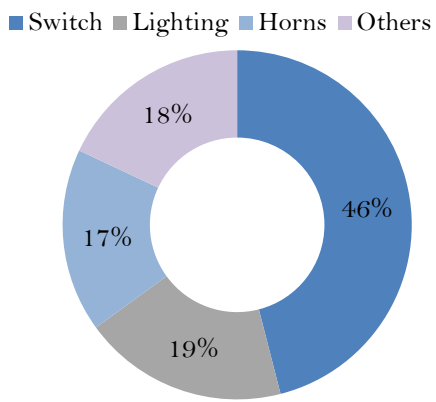
MJ Casting:

New Order

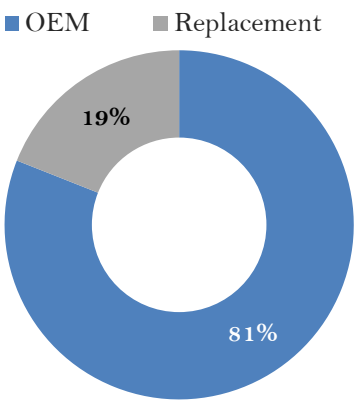
- Received new order from Wabco
- Supply expected to begin by Dec'15
- Expected Peak revenue of ~Rs. 18 Cr

Consolidated Revenue Distribution – H1 FY16

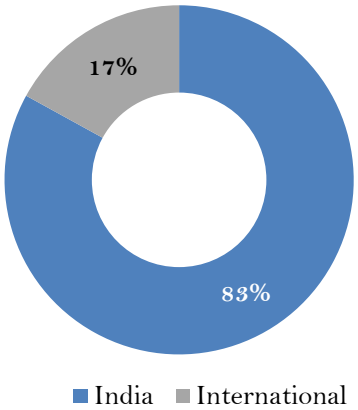
Product-wise Breakup



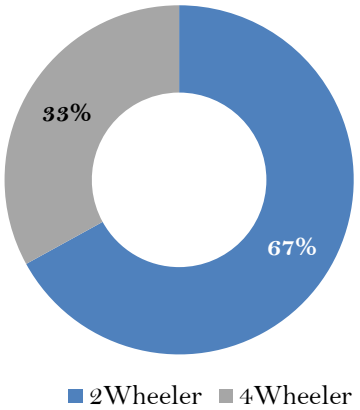
Channel-wise Breakup



Geography-wise Breakup



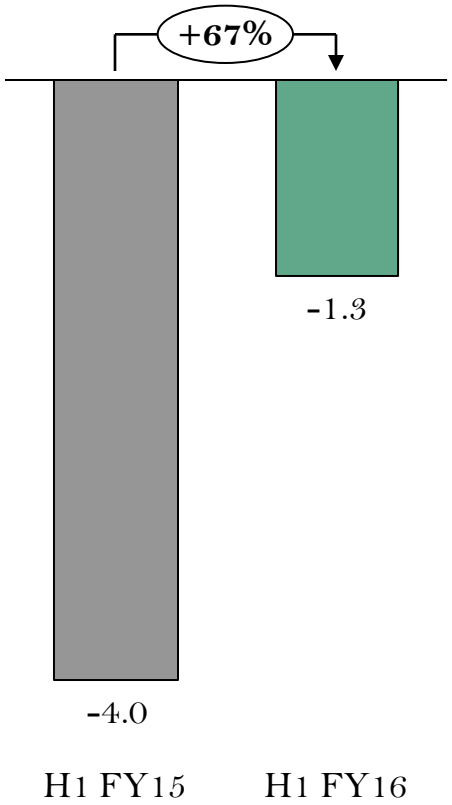
Segment -wise Breakup



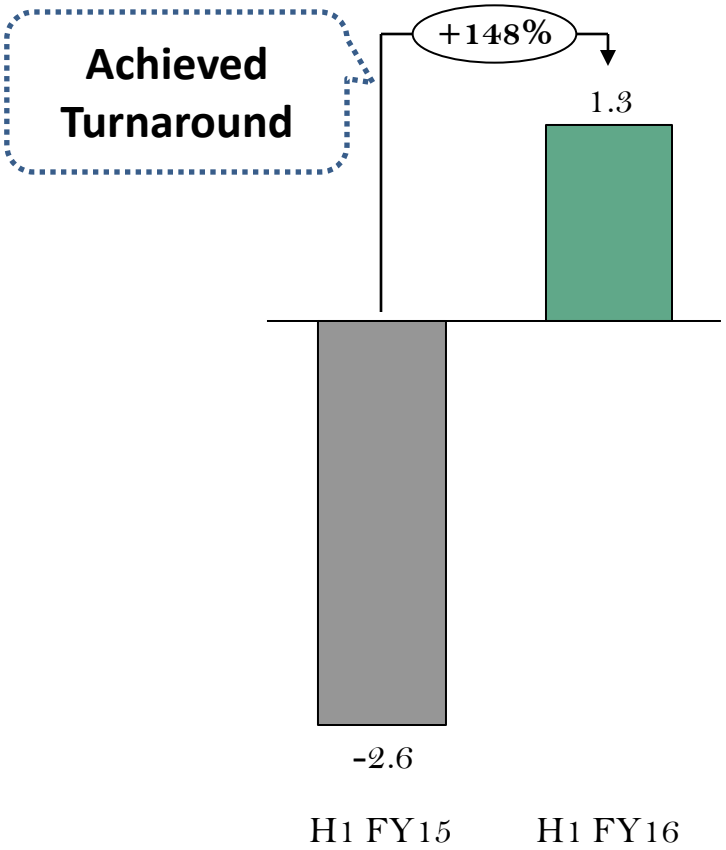
Visible Turnaround in Subsidiaries

Rs.Crs

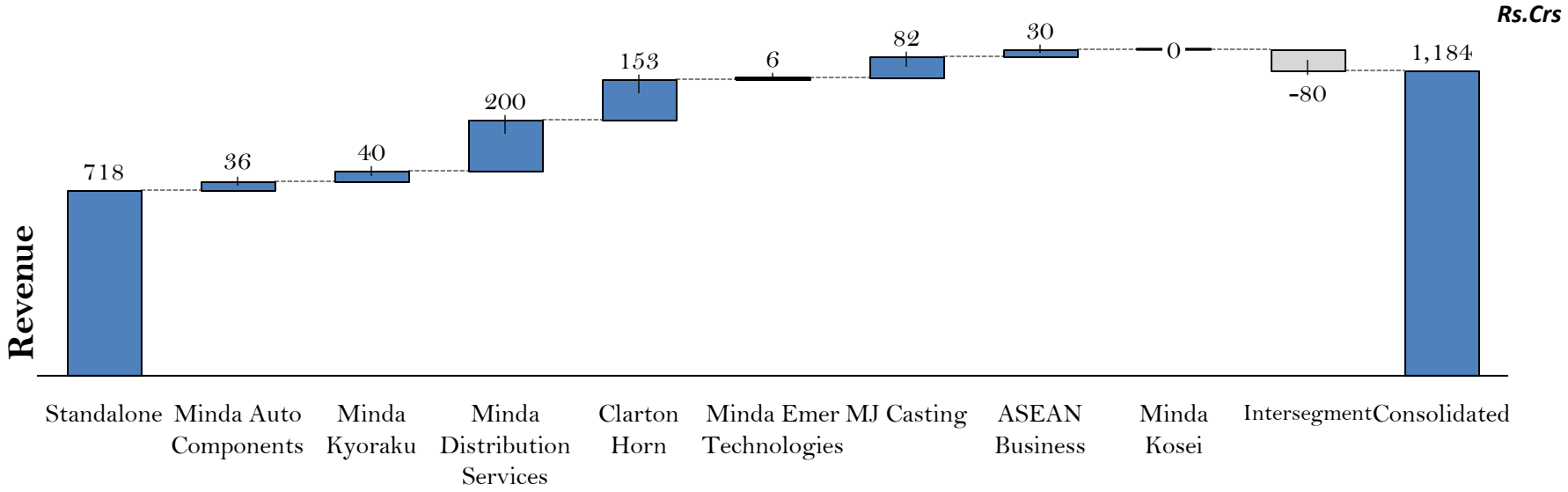
PBT – MJ Casting Ltd

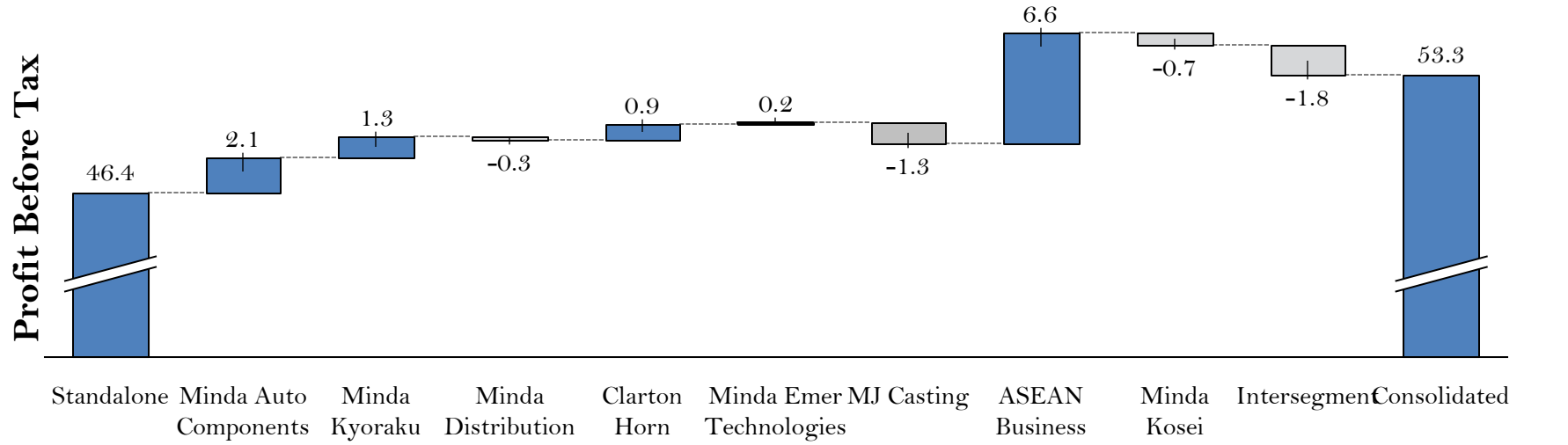


PBT – Minda Kyoraku Ltd



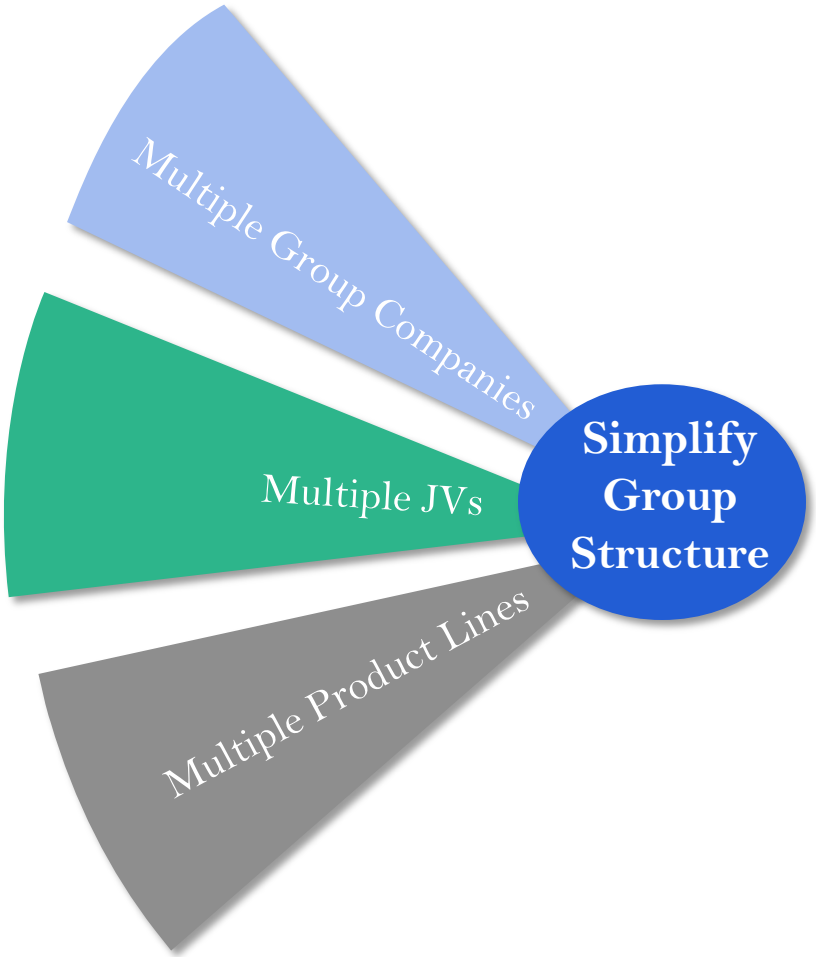
Entity-Wise Break-Up : H1 FY16





Company Overview

"Re-Aligning" Group Structure...



- Consolidate product lines across UNO MINDA Group
- Increasing MIL stake in JV companies & Group Companies
  - MJ Castings to 98%
  - PT Minda Asean Automotive (Indonesia) to 51%
  - SAM Global Pte Ltd, Singapore to 51%
  - Through SAM Global Pte Ltd acquired stake in its 100% subsidiary, Minda Industries Vietnam Company Ltd, based in Vietnam
- Appointed KPMG to work on a scheme to simplify corporate structure in a tax efficient manner

...to drive Stronger Growth

Company Overview

20+ years of relationship with OEMs

50+ OEMs served in India & Overseas

3 R&D Centres across country

Strong network of more than **500** Business partners & **10,000** dealers

More than **100+** product patents registered

Leading Player in Automotive Switch, Horns, Lightings

More than **120+** design registration

Partnered with **9** Global Technology Players

Global Presence across **3** Continents

More than **20** different Products manufactured

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

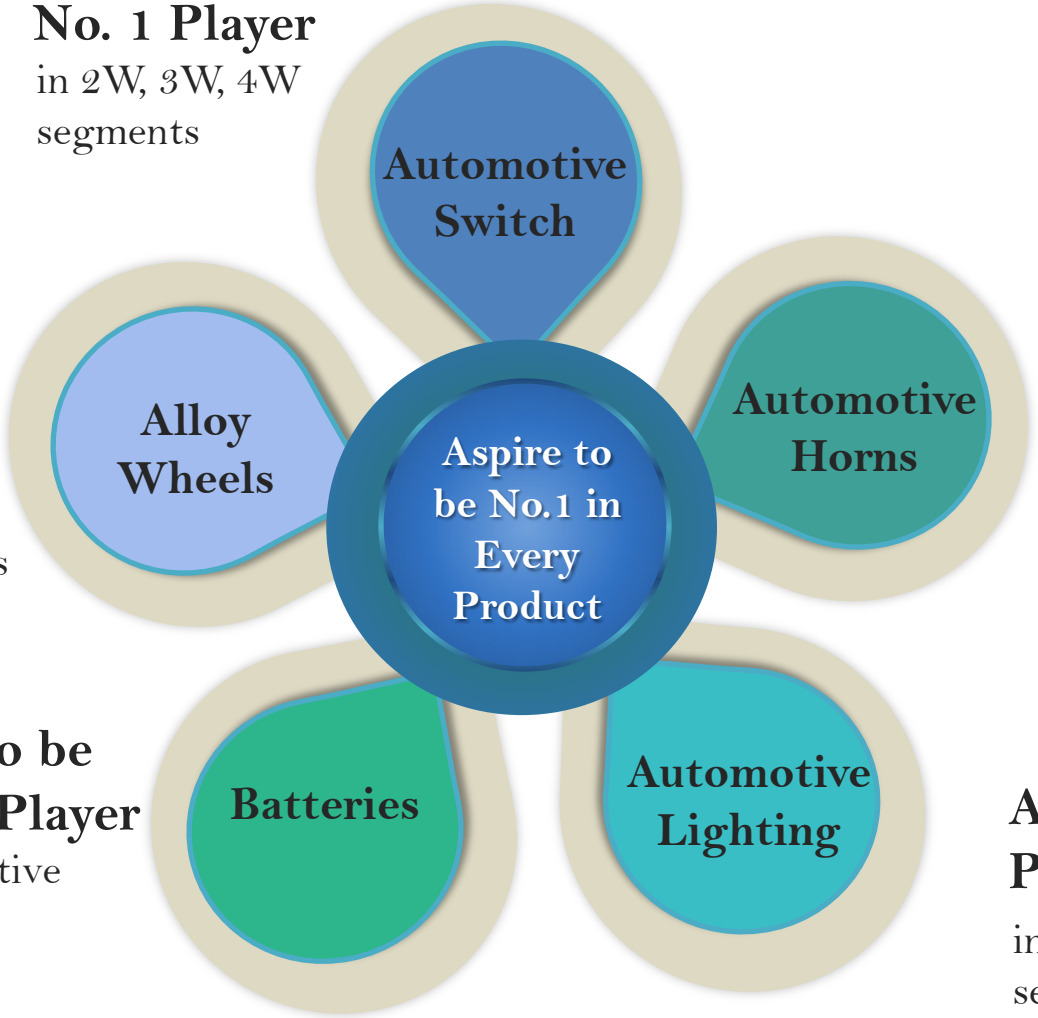
Operations spread across **25** plants in India

Leading Auto Components Player in India

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

First Movers
With Confirmed Orders for Passenger Vehicles

Aspire to be leading Player
in Automotive batteries



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

Among Top 5 Players
in 2W, 3W, 4W segments

Product Innovation & ...

"Illuminated" Switches for 2W

"Illuminated Lever Combination " Switches for Off-road Vehicles

High Success Rate

120+ Design Registration

100+ Patents

150+ In-house R&D Team

"Seat Heater" switch for BMW for European Markets

Japan Patent Association grants patent for "Illuminated Handle Bar" Switches

"Contactless Gear Transmission" switch

… Process Efficiency…

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

Others

Leverage existing OEM relationships & Distribution network

…will enable us "To Achieve Leadership every Product Line"

Business Overview

Switches – Extending Leadership position to global markets

- **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:**

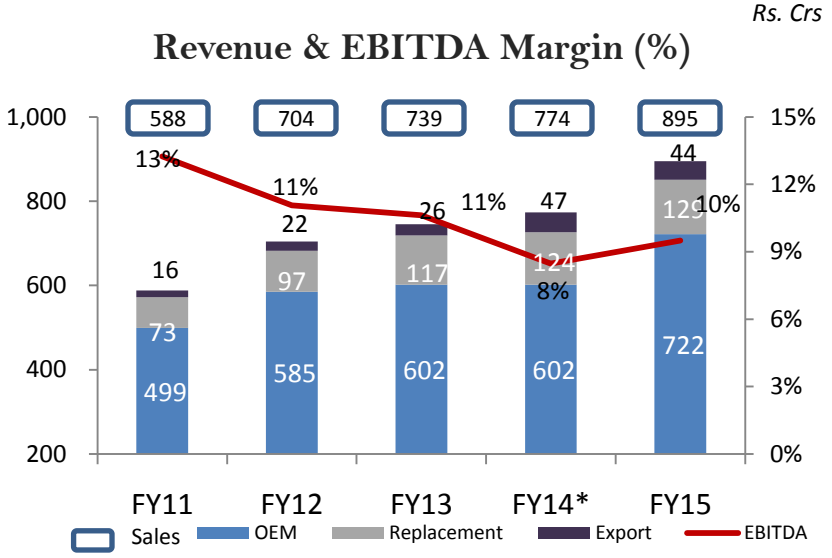
  Manesar, Pantnagar, Aurangabad, Pune, Hosur
- Independent in-house **R&D**
- **Exports** to USA, France, Italy, Austria and others
  - Contributing ~5% to Switch sales in FY15

Key Events :

- Received fresh exports orders from Piaggio, Moto Guzzi
- Developed Seat Heater Switch for High End Bikes of BMW

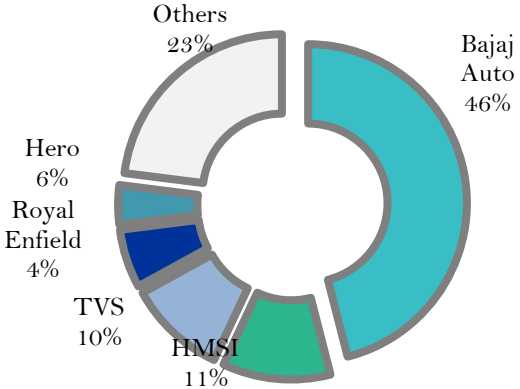
Focus Area:

- 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 EBIDTA margins in FY14*

Diversified OEM Mix [FY15]



Lighting – 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

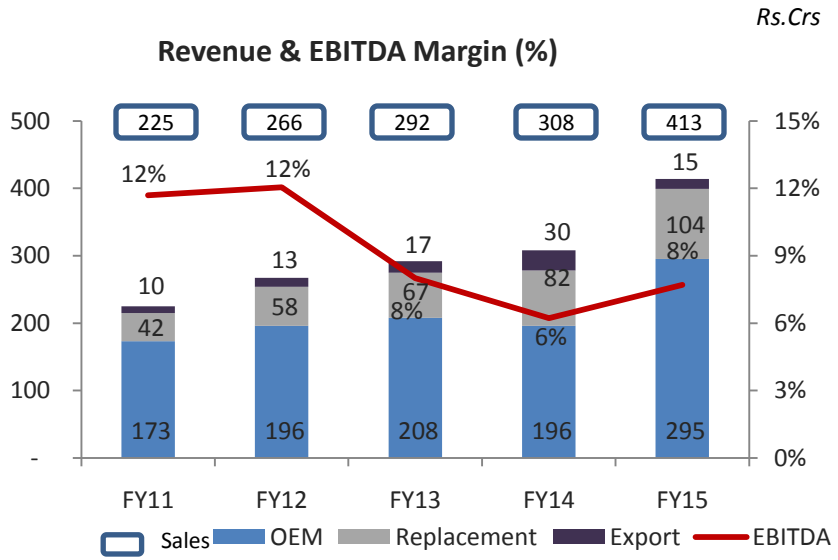
  Chennai
- **Strong R&D** capabilities:
  - Design centre in Taiwan
  - Technical Arrangement with Korean Company
- **Exports** to Italy, Indonesia, France, Japan and others
  - Contributing 4% to Lighting Sales in FY15

Key Events :

- Received orders from Renault, MSIL
- Received orders in PTMA from Suzuki

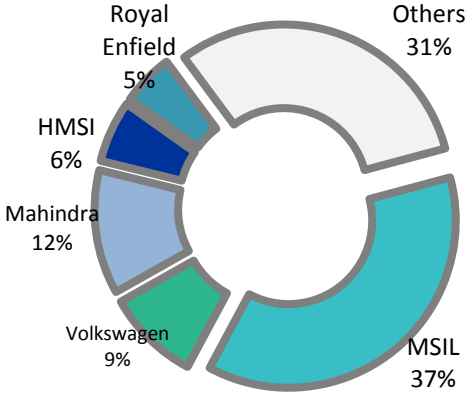
Focus Area:

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



EBIDTA margins impacted in FY14 on a/c of increase in fixed overheads

Diversified OEM Mix [FY15]



Horns – 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:

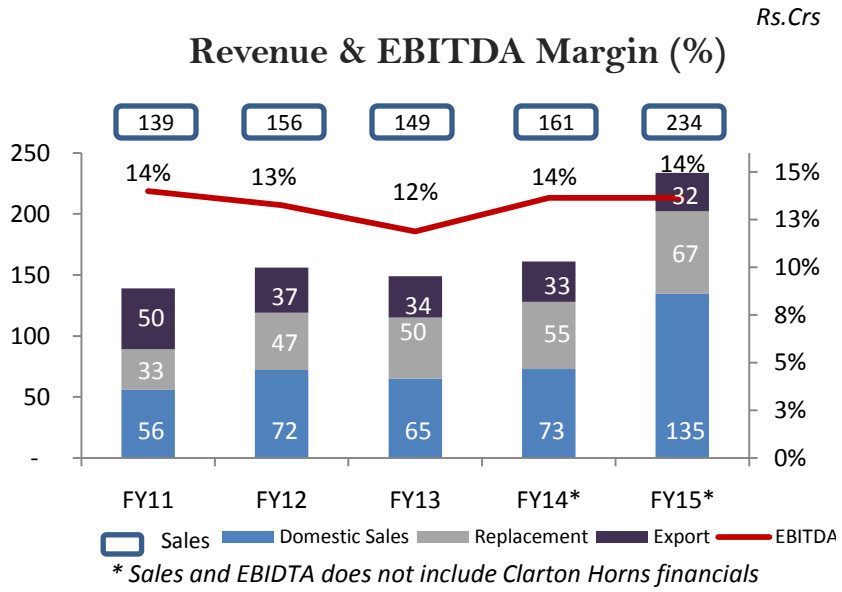
  Manesar Pantnagar
- **Strong in-house R&D** capabilities
  - Developed technology with FIAMM, Italy
- **Exports** to Italy, South Africa, China, Thailand and others
  - Contributing 13% of Consolidated Horns Sales in FY15
- **Acquired Clarton Horns** in FY14
  - Revenue of Rs. 397 Crs in FY15 for 15 months

Key Events :

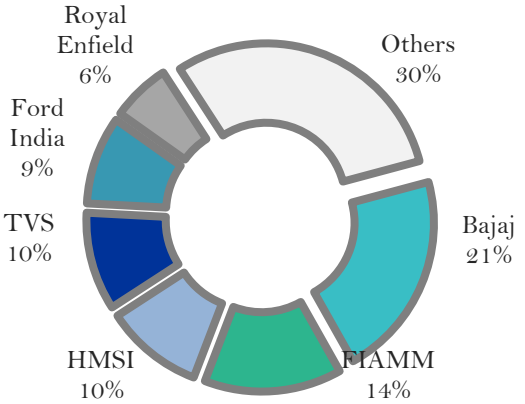
- New Facility at Mexico to be operational by April 2016
- Received export orders from Renault for Brazil
- Received fresh orders from MSIL, Tata Motors for Domestic market

Focus Area:

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



Diversified OEM Mix [FY15]



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

Acquired Clarton Horns, S.A.U

- **Incorporated in 1973, has produced up to 150 million horns till date**
- **Product portfolio includes**
  - Electromechanic disk horn
  - Electronic horns
- **Manufacturing facilities located**
  - La Carolina (Spain)
  - Tanger (Morocco)
- **Owns 9 product patents**
- **Investing Euro 6 Mn over 3 years in New Facility in Mexico**
  - Manufacturing to start from April'16

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

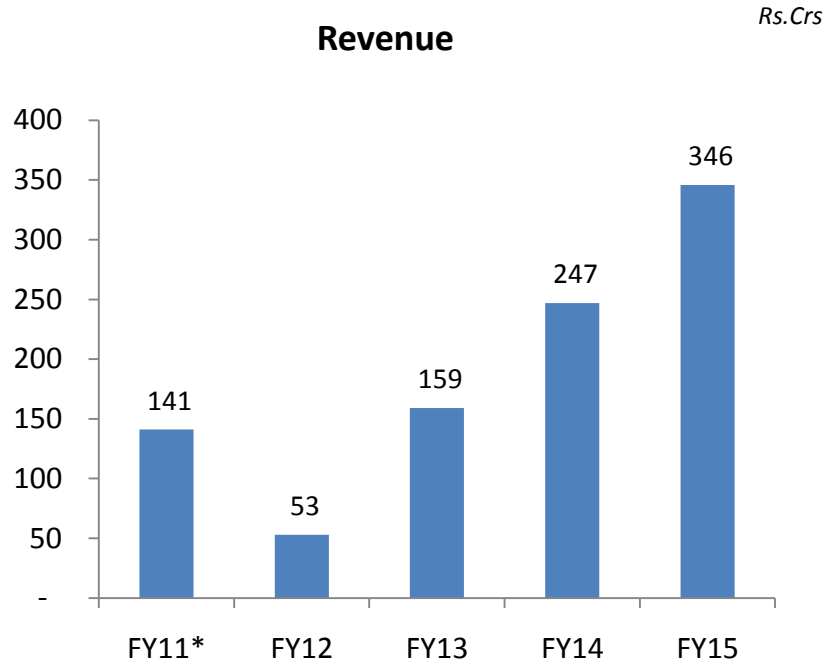
JV with Kosei Group, Japan for Aluminium Alloy Wheels…

- Incorporated "Minda Kosei Aluminium Wheel Pvt Ltd"
  - Uno Minda Group holding 70% stake & 30% stake by Kosei Group
- To develop, manufacturer and sell Aluminium Alloy Wheels for Passenger Vehicles
- Offer better products in terms quality to OE Customers, with technological support from Kosei Group
- JV plans to set-up plant at Bawal, Haryana
  - Investment of Rs. 200 Crs in 1st phase of production
  - Expected to commence production capacity by 2016
  - Production Capacity of 720,000 units p.a
- **First Shipment to MSIL completed in Oct'15**

… to leverage OEM relationships and retail network to tap alloy wheels market

Others – Consolidating Product Range

- **Other product lines like 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
- 50% JV with **Emer**, Italy for CNG/LPG Kits
- 72% JV with **Kyoraku Co. Ltd** for Blow moulded products



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

Key Events :

- Battery Division – **Signed JV Agreement with Panasonic Corp.**
- **Entered into JV with Kosei Group** for Alloy Wheels
- **MJ Casting** received **order from Wabco**

Focus Area:

- Leverage existing OEM relationship and Distribution Network

Diversified OEM Mix

Deep Rooted Relationships

Dominant Supplier among Domestic Customers

MARUTI
TOYOTA
HONDA
ASHOK LEYLAND
NISSAN
Mahindra
TATA
Ford
TE COMMERCIAL VEHICLES
ESCORTS
DAIMLER
GM
RENAULT
FIAT
HYUNDAI

BAJAJ
HONDA
TVS
Hero
YAMAHA
SUZUKI
ROYAL ENFIELD
Mahindra
PIAGGIO

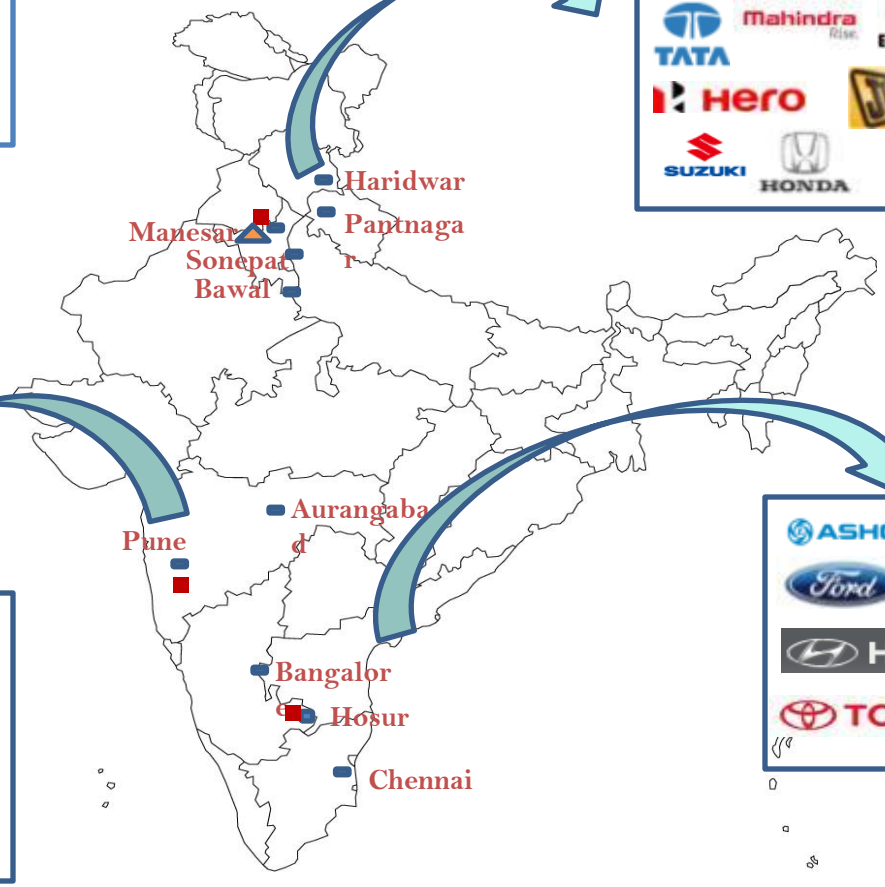
TAFE
NEW HOLLAND
Mahindra
ESCORTS
JCB
SONALIKA INTERNATIONAL
swaraj
JOHN DEERE
ACE
EICHER

Established Player across Global Customers

Extensive Manufacturing Presence

Strategically located in Automotive Hubs

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



MARUTI SUZUKI, NEW HOLLAND, TATA, Mahindra Rise, ESCORTS, Swaraj Mazda, Hero, JCB, YAMAHA, SUZUKI, HONDA, EICHER, HONDA

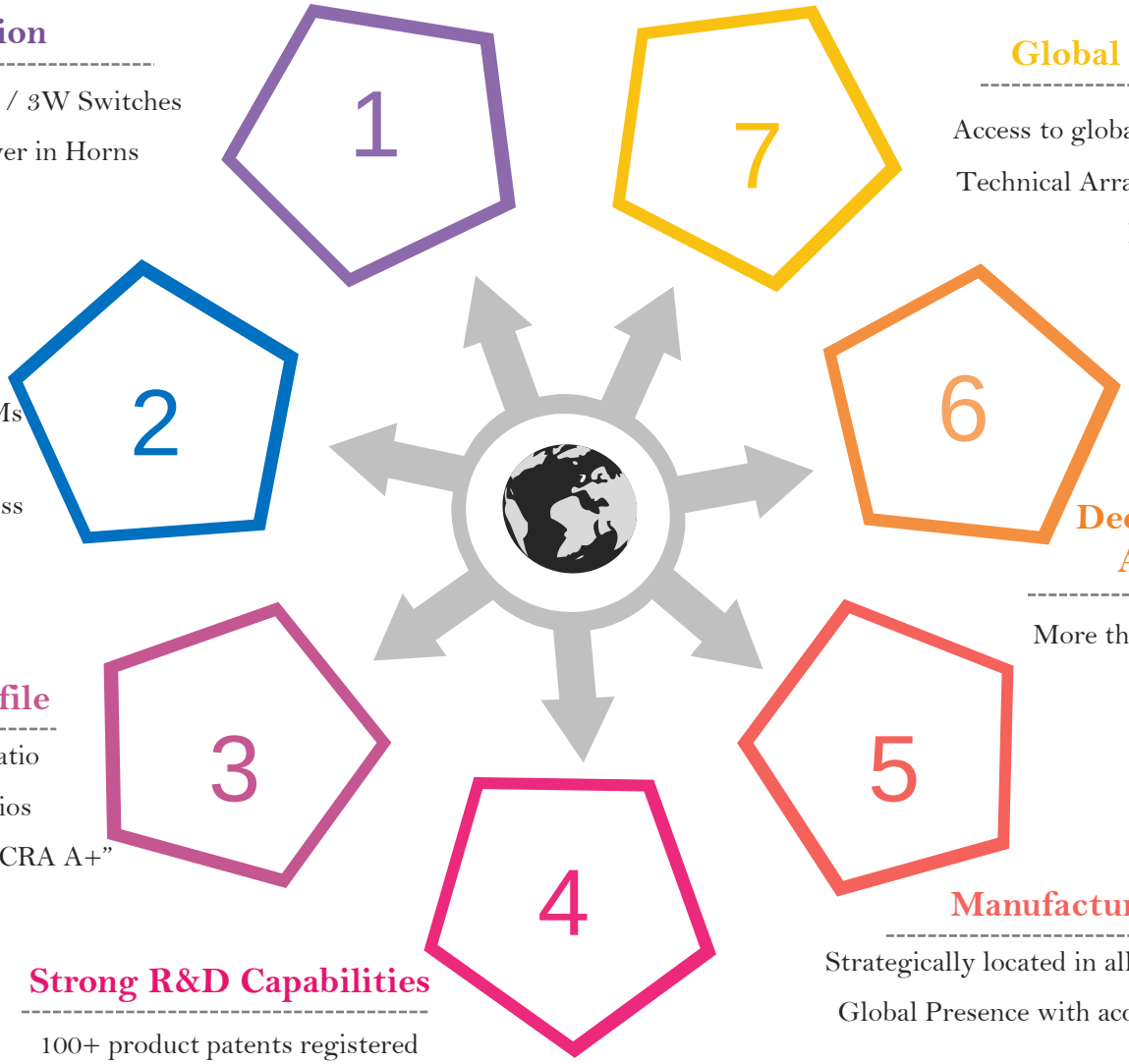
BAJAJ, JOHN DEERE, GM, VW, FIAT, TATA, Mahindra Rise

ASHOK LEYLAND, NISSAN, TATA, Ford, ROYAL ENFIELD, HYUNDAI, TVS, RENAULT, TOYOTA, DAIMLER, TAFE

Advantage

MINDA INDUSTRIES

Advantage MINDA INDUSTRIES



Leadership Position

India's largest player in 2W / 3W Switches

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

100+ product patents registered

120+ design registrations

Manufacturing Locations

Strategically located in all automotive hubs in India

Global Presence with acquisition of Clarton Horn

Deep Foothold in Aftermarket

More than 500 business partners & 10,000 retailers

Global Technology

Access to global technology through Technical Arrangement with world leaders

Consolidated Profit & Loss

Rs.Crs	Q2 FY16	Q2 FY15	YoY%	H1 FY16	H1 FY15	YoY%	FY15
Total Operating Income	**652**	**546**	**19%**	**1,184**	**1,039**	14%	**2,227**
Cost of Material consumed	420	361		773	677		1,478
Employee Cost	81	67		151	131		288
Other Expenses	87	81		164	156		307
EBITDA	**63**	**37**	**72%**	**97**	**75**	**30%**	**154**
Margin	*9.7%*	*6.8%*		*8.2%*	*7.2%*		*6.9%*
Other Income	5	6		9	9		23
Interest	8	9		13	16		25
Depreciation	25	20		43	38		83
PBT before exceptional item	**35**	**15**	**136%**	**51**	**29**	**76%**	**69**
Margin	***5.4%***	***2.7%***		***4.3%***	***2.8%***		***3.1%***
Exceptional Item	(0)	16		(0)	16		16
PBT	35	31		51	45		85
Margin	*5.4%*	*5.6%*		*4.3%*	*4.3%*		*3.8%*
Tax	8	8		12	9		19
PAT After Minority Interest	***26***	***24***		***40***	***39***		***68 .0***
Margin	***4.0%***	*4.5%*		*3.2%*	*3.7%*		*3.1%*
Adjusted PAT after MI*	***26***	***12***	***110%***	***40***	***26***	***54%***	***57***

** PAT after MI excluding exceptional item post tax*

Consolidated Balance Sheet

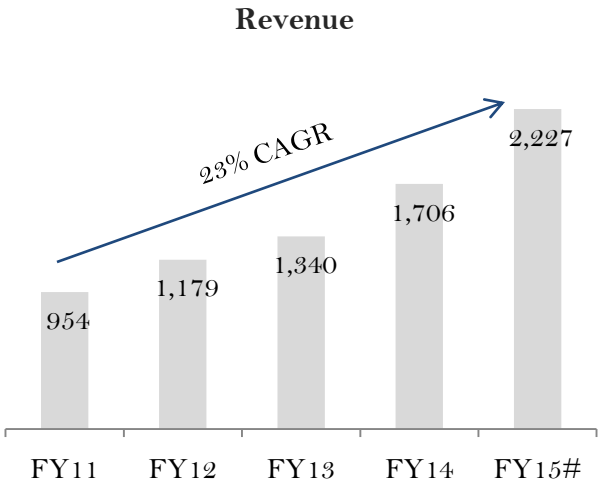
Rs. Crs.	Sep-15	Mar-15
Shareholder's Fund		
Share capital	19	19
Reserves & Surplus	412	346
Minority Interest	***75***	***21***
Non-current liabilities		
Long term borrowings	148	97
Other non-current liabilities	31	29
Current liabilities		
Short term borrowings	167	112
Trade Payables	304	267
Other current liabilities	132	105
Total Liabilities	**1,288**	**997**

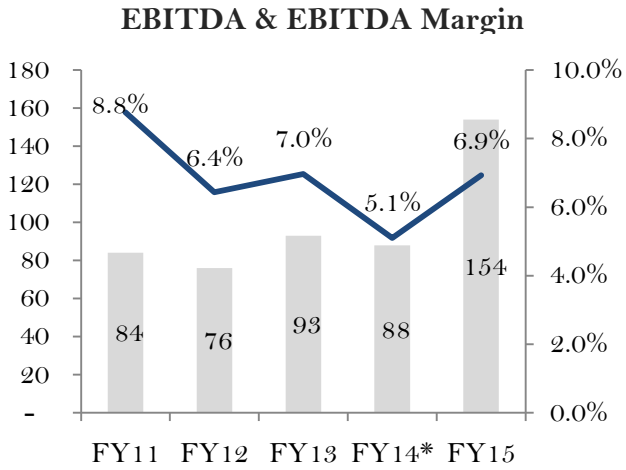
Rs. Crs.	Sep-15	Mar-15
Non-current assets		
Fixed assets	575	421
Non Current Investments	32	26
Long-term loans and advances	43	31
Current assets		
Current Investments	2	2
Inventories	163	141
Trade receivables	343	289
Cash and bank balances	38	28
Short-term loans and advances	71	54
Other current assets	20	5
Total Assets	**1,288**	**997**

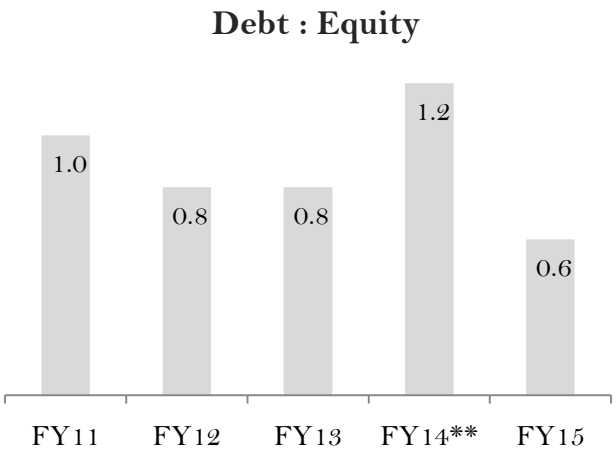
Improving Profitability with Strong Balance Sheet

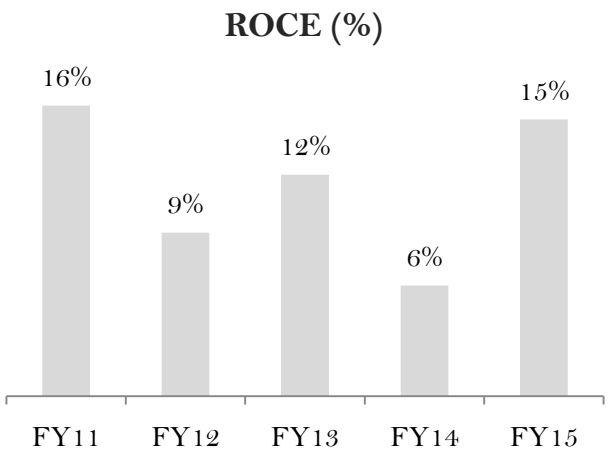
Rs.Crs

Consolidated





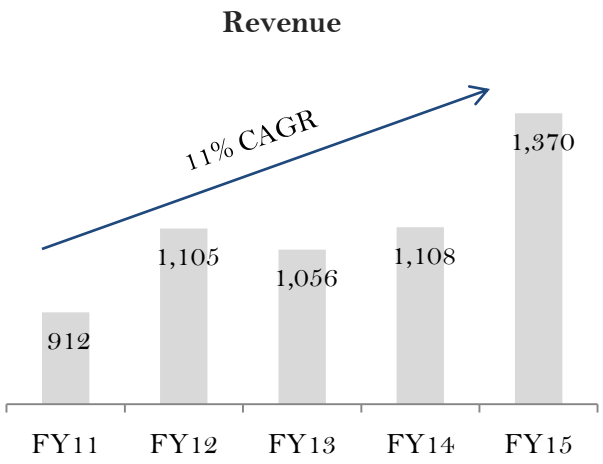


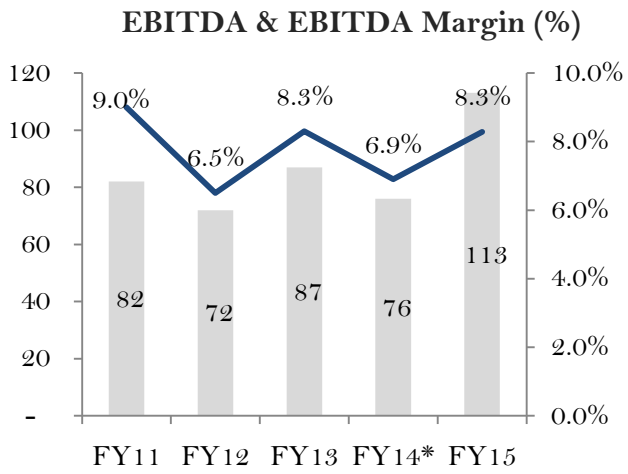


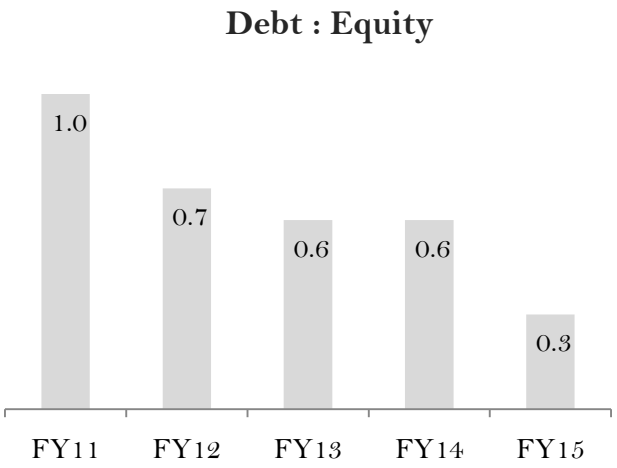
Notes;
FY15 Sales inclusive of 15M Clarton Sales
* FY14 EBITDA is Adjusted for acquisition related one-time expenses
** FY14 debt increased on account of acquisition related debt

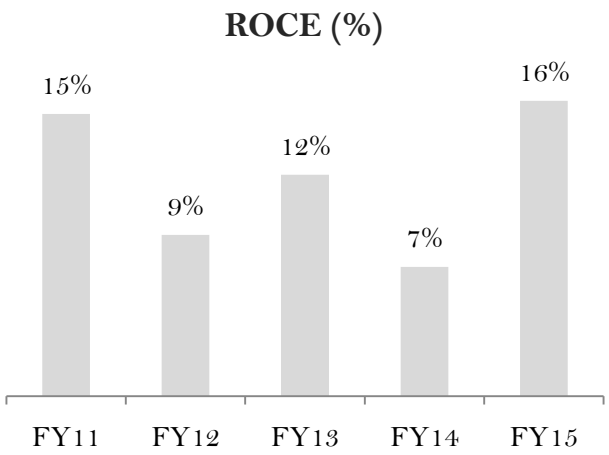
Improving Profitability with Strong Balance Sheet

Rs.Crs









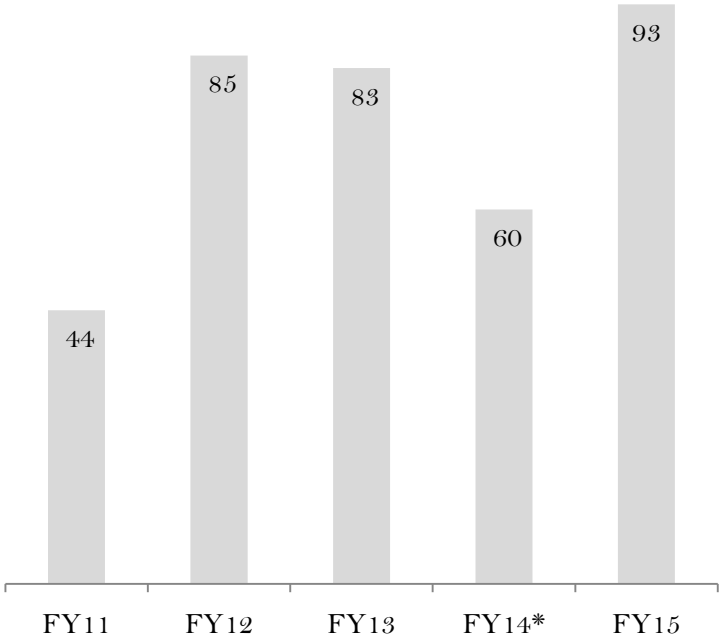
Standalone

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

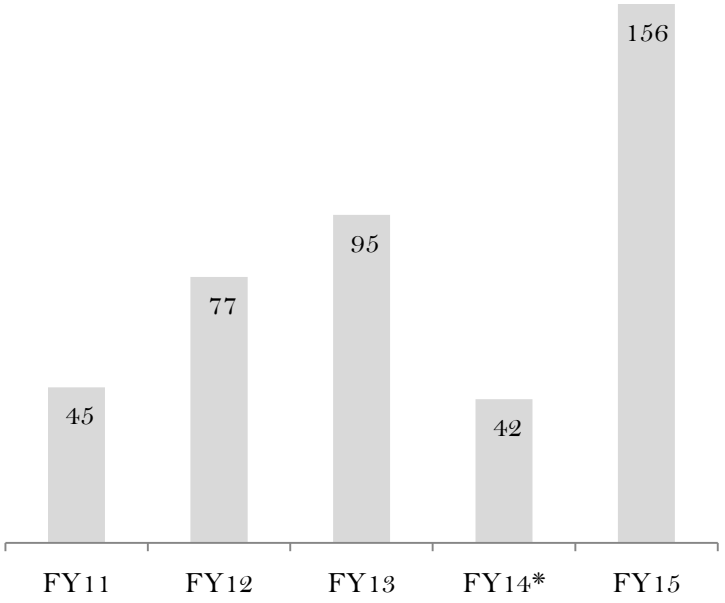
Strong Operating Cashflows

Rs.Crs

Standalone



Consolidated



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

The Journey So Far..

2015 – Entered into JV with Kosei Minda for **Alloy Wheels**

2014 - Entered in manufacturing of **Fuel Caps**

2014 - Entered into **JV with Panasonic for Battery business**

2013 – **Acquired** Spain-based **Clarton Horns**

2010 – Started with manufacturing of **Aluminium Die Casting**

2008 – Started with manufacturing of **Blow Moulding**

2007 – Started with manufacturing of **Battery**

2001 – Set-up Kit Integration of **CNG/LPG Kits**

1993 – Expanded into **Automotive Horns** manufacturing

1980 – Entered into **Automotive Lighting** manufacturing

1960 - Started with manufacturing of **Automotive Switches**

1958 - Started with manufacturing of **Ammeter** for Royal Enfield

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 (2W)
Sensor, Body
Electronics

Mr. J.K.Menon,
CEO

Switches (4W)
Blow Moulding
Fuel Caps

Mr. Anand Minda,
Director, CEO

Alloy Wheels
After Market
Distribution

Led & Guided by Industry Professional

Experienced Independent Board

Mr. Satish Sekhari – Ex Kalyani Group

Mr. Alok Dutta – Ex Eicher

Ms Renu Challu - Ex DMD (SBI)

Statutory Auditors

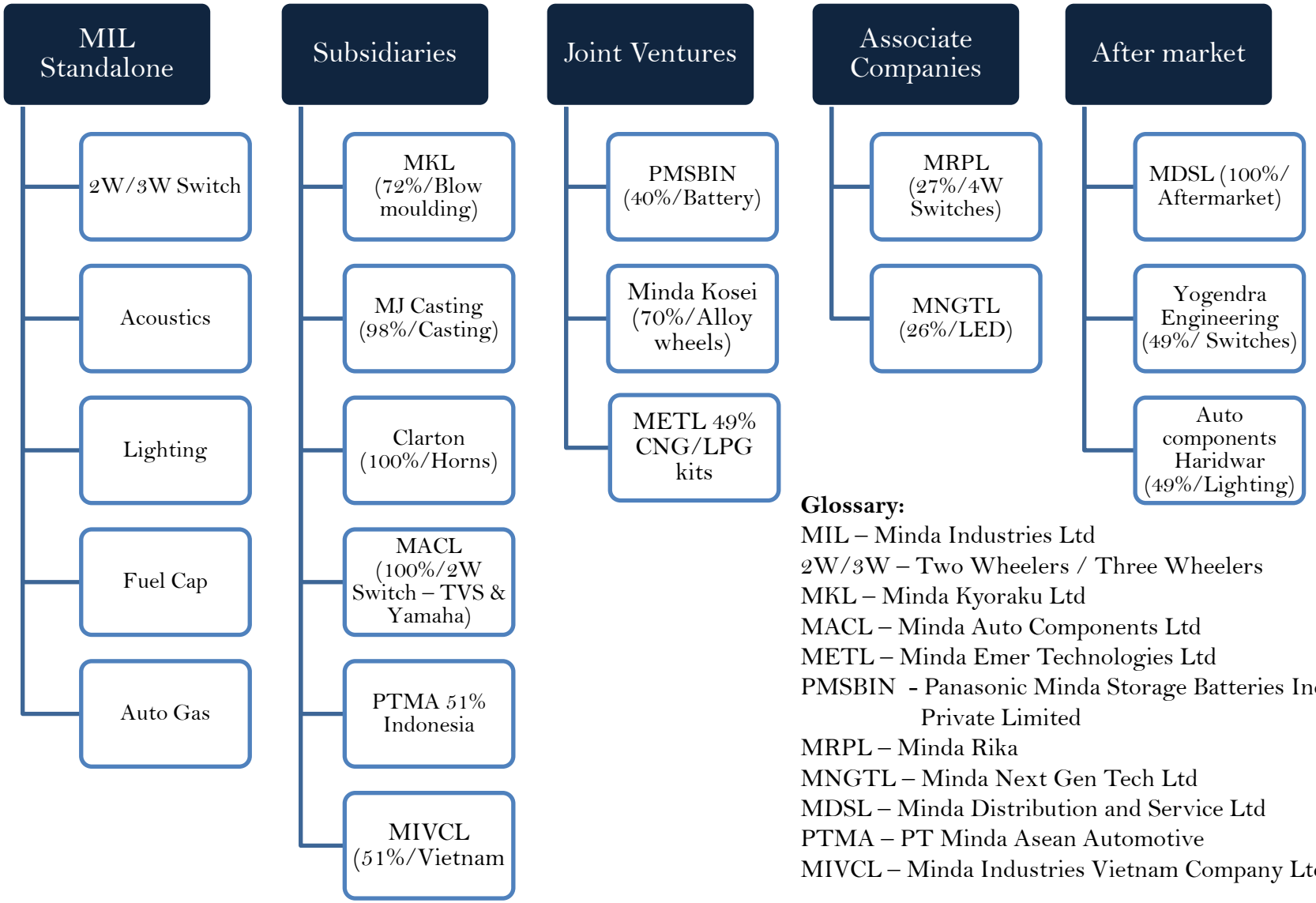
KPMG as Statutory Auditors

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
METL – Minda Emer Technologies Ltd
PMSBIN - Panasonic Minda Storage Batteries India Private Limited
MRPL – Minda Rika
MNGTL – Minda Next Gen Tech Ltd
MDSL – Minda Distribution and Service Ltd
PTMA – PT Minda Asean Automotive
MIVCL – Minda Industries Vietnam Company Ltd

For further information, please contact:

Company :	**Investor Relations Advisors :**
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