SP RK MINDA
ASHOK MINDA GROUP

Powered by Passion

May 24, 2017

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| The Officer-In-Charge (Listing)<br>Listing Department<br>National Stock Exchange of India Ltd.,<br>Exchange Plaza, Bandra Kurla Complex,<br>Bandra (East),<br>Mumbai - 400 051<br>Scrip Code: MINDACORP | Head - Listing Operations,<br>BSE Limited,<br>P.J. Towers, Dalal Street, Fort,<br>Mumbai – 400 001<br>Scrip Code: 538962 |

Sub: Press Release for the quarter and year ended March 31, 2017

Dear Sir(s),

Please find enclosed herewith the press release for the quarter and year ended on March 31, 2017.

This is for your information and records please.

Thanking you,

Certified True Copy
For Minda Corporation Limited

Minda Corporation Limited Delhi

Ajay Sancheti
Company Secretary
Membership No. 5605

Encl:.

**Reg. Office: A-15, Ashok Vihar, Phase-I, Delhi-110052**

SPARK MINDA
ASHOK MINDA GROUP
Powered by Passion

For Immediate Release

May 24, 2017

# Minda Corporation topline increased by 18.1% in Q4 FY2017

New Delhi, India, May 24, 2017 – Minda Corporation Limited (referred to as "Minda Corp" or the "Company"; NSE: MINDACORP, BSE: 538962), an automotive component company which supplies to major automotive OEMs globally, recorded a topline growth of 18.1% to Rs. 7,614 million in Q4 FY2017

## Consolidated Performance Highlights: Q4 FY2016-17

- Total revenue increased by 18.1% y-o-y to Rs. 7,614 million
- Q4 FY17 EBITDA was Rs. 338 million; EBITDA margins stood at 4.4%
- Net profit stood at Rs. 191 million; margins stood at 2.5%

## Consolidated Performance Highlights: FY2016-17

- Total revenue increased by 21.1% y-o-y to Rs. 29,620 million
- EBITDA at Rs. 1,981 million; EBITDA margin at 6.7%
- Net profit at Rs. 961 million; margins at 3.2%
- Net Debt / Net Worth of 0.89x
- India Ratings and Research (Ind-Ra), a Fitch Group Company, has assigned a Long-Term Issuer Default Rating (IDR) of 'IND A+', with stable outlook
- FY2016-17 EBITDA margins declined due to increase in commodity prices, setting up of new greenfield facilities and losses in one of the subsidiaries
- Dividend recommended of 25%, including interim dividend of 10%

## Commenting on the results, **Mr. Ashok Minda, Chairman and Group CEO** said:

*"The year 2017 was outlined with momentous events both in the Indian economy and internationally including the passage of GST, demonetization, volatile events such as Brexit and the elections in the US. Amidst the uncertain environment, Minda Corp performance has been a mixed bag. Our topline for the full year grew at a healthy rate of 21% although our operating margins decreased by 245 bps.*

*During the year, we continued our journey of expansion and innovation with significant developments at Minda Corp. We inaugurated the new plant at Mexico and commenced the production of Interior Parts. We also entered into a joint venture with SBHAP, China for the supply of plastic products through Minda KTSN. The setting up of the third die casting plant in Pune was initiated this year and is expected to double the capacity over the next three years. Also, I am pleased to announce that Spark Minda Technology Centre, our state of art R&D facility, is now fully operational.*

*The PAT margin for FY2017 was impacted due to Minda Furukawa and now turnaround initiatives are in progress.*

*Continuing our focus on commitment towards shareholder's interests, we have recommended a total dividend of 25% for the year. We embark on the new fiscal year with optimism and to capitalize on the huge growth prospects that lie ahead of us."*

## Operational Highlights

- **Significant orders booked in Q4 FY2017:**
  - Total orders booked worth Rs. 258 crores comprising Domestic: Rs. 184 crores and Exports: Rs. 74 crores
  - Received export orders of immobilizers (peak business order value worth approx. Rs. 48 crore per annum / life time order worth Rs. 250 crores)
  - New business orders for Euro 6 application sensors (EGT, EGRT) from M&M (order worth approx. Rs. 100 crore pa / life time order value of Rs. 500 crores)
  - Received new business order from Hero Moto for key set with evap norm (order worth approx. Rs. 28 crores pa / life time value of Rs. 140 crores)
  - Start of Production of Louvers for Maruti Suzuki's highest selling hatch back and notch back premium cars (lifetime business value of approx. Rs. 100 crores)
  - Order for New Product ' Nozzle Defroster' received from Maruti Suzuki (with technology support of Minda KTSN)
  - New business under finalization with OEMs in India for EGT / EGRT sensors (orders worth approx. Rs. 200 crores pa / life time order value of Rs. 1,000 crores)
  - Start of Production (SOP) of Interior Parts commenced in Q4 FY2017 for Volkswagen from Mexico plant
  - Additional export orders received worth Rs. 55 crores per annum (life time value of approx. Rs. 275 crores) for new Die Casting plant
  - Order received for 1st ever electronic 2W cluster for domestic Indian market (life time order worth 75 crores)
- **Future Growth Projects:**
  - *Spark Minda Technical Centre (SMIT):* New state of art R&D facility in India is now fully operational. This centre will serve as the backbone of R&D with contemporary infrastructure for Automotive Electronics and Mechatronics. Sensing the disruption in the automotive sector, SMIT is to evolve as a full-fledged advance technology provider that enables the existing businesses to Innovate Futuristic Technologies in Automotive Sub-Systems
  - *New greenfield plant at Minda KTSN, Mexico:* Inaugurated the plant at Queretaro, Mexico in April 2017
  - *New greenfield Die Casting Plant at Pune:* Setting up 3rd die casting plant (Land Area: 36,500 sqm) with an initial investment of Rs. 75 crore. The existing production capacity is 4,600 MT p.a. and FY2019-20 target capacity is 9,600 MT p.a. The land development has been completed, civil work started and structural is in progress. It is expected to be competed in FY2017-18. Total order booked for this plant of approx. Rs. 160 crores per annum (i.e. life time value of Rs. 800 crores)

# Consolidated Financial Highlights

| (Rs. Million) | Q4 | | y-o-y Growth (%) | Full Year Ended | | y-o-y Growth (%) |
|---|---|---|---|---|---|---|
| | FY2017 | FY2016 | | FY2017 | FY2016 | |
| Total Revenue from Operations | 7,614 | 6,447 | *18.1%* | 29,620 | 24,455 | *21.1%* |
| Operating EBITDA | 338 | 494 | *(31.7)%* | 1,981 | 2,233 | *(11.3)%* |
| *Margin (%)* | *4.4%* | *7.7%* | | *6.7%* | *9.1%* | |
| Net Profit | 191 | 264 | *(27.7)%* | 961 | 1,073 | *(10.4)%* |
| *Margin (%)* | *2.5%* | *4.1%* | | *3.2%* | *4.4%* | |
| Basic EPS (Rs) | 0.91 | 1.26 | *(27.7)%* | 4.59 | 5.12 | *(10.4)%* |

- The growth of 21.1% in FY2016-17 revenues was on account of steady increase in sales across the product segments and the group companies.
- FY2016-17 EBITDA margins declined due to increase in commodity prices and losses in one of the subsidiaries, which is now on the turnaround path. EBITDA margin are expected to return to normalcy in FY2017-18. EBITDA was also impacted due to initial expenses towards strategic investments in expansion projects such as the Mexico plant and Spark Minda Technical Centre (Pune)
- FY2016-17 Net profit stood at Rs. 961 million, lower by Rs. 112 million compared to the same period last year. Margins stood at 3.2%. Net Profit margins are expected to recover in FY2017-18
- Minda Furukawa: A structured approach is being followed for the turnaround of Minda Furukawa, a JV focused on supplying wiring harness for Japanese passenger vehicles made in India. The steps include re-negotiation of raw material prices with JV partner as well as domestic suppliers, reduction in royalty payments to Furukawa and rationalisation of manufacturing facilities

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## About Minda Corporation

Minda Corporation is a leading automotive component and flagship company of Spark Minda, Ashok Minda Group, which was founded in 1958 by Late Shri S. L. Minda. The Company has a diversified product portfolio that encompasses Safety, Security & Restraint Systems; Driver Information & Telematics Systems and Interior Systems for auto OEMs. These products cater to 2/3 wheelers, passenger vehicles, commercial vehicles and after-market.

Strong customer base including key OEMs: Ashok Leyland, Bajaj, BMW, Daimler, Hero MotoCorp, Honda Motorcycle, Mahindra & Mahindra, Maruti Suzuki, Renault Nissan, Tata Motors, TVS Motors, Yamaha and VW Group.

The Company has 34 state of the art manufacturing facilities - India (27), South-East Asia (3), Europe (3) and North America (1) and a representative office in Japan with a workforce of over 10,000.

The turnover of Minda Corporation was Rs. 29,620 Million in FY2016-17 with international business accounting for 17% of revenues.

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For further information on Minda Corporation visit www.minda.co.in

## Safe Harbour

This release contains statements that contain "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Minda Corporation future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Minda Corporation undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.