

Minda Industries Ltd.

Corporate Office



NK MINDA GROUP

THINK. INSPIRE. FLOURISH

Date : 12 March, 2016

National Stock Exchange of India Ltd.
Listing Deptt., Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051.

BSE Ltd.

Regd. Office: Floor - 25,
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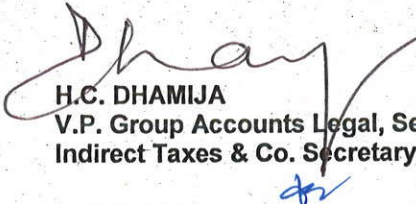
Dear Sirs,

Sub: Investor Update – March, 2016

We are pleased to enclose Investor update - March, 2016. We request you to upload the same on your website.

Thanking you,

Yours faithfully,
For MINDA INDUSTRIES LTD.


H.C. DHAMIYA
V.P. Group Accounts Legal, Secretarial
Indirect Taxes & Co. Secretary

Encl: As above.



Minda Industries Limited

Investor presentation

March 2016

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Agenda



| | |
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| ▶ An introduction to Minda Industries Limited | 3 |
| ▶ Group Consolidation – Update | 17 |
| ▶ Recent acquisition of Rinder | 20 |
| ▶ Annexures | 23 |



An introduction to Minda Industries Limited (“MIL”)

Minda Industries – 3rd largest listed pure-play auto-component company in India¹



#1

Largest switches company in India

#2

Second largest automotive horns company globally

#3

Third largest automobile lighting company in India²

#100

More than 100 product patents

#10,000

Over 10,000 retailers/ touch points

#28

28 manufacturing plants² across India, Europe, Latin America and South East Asia

Minda Industries is the 3rd largest listed pure-play auto-component company in India¹

Source: Company estimates and Capitaline data and based on latest reported Revenues for last full financial year

¹ Excludes Battery companies – Exide and Amara Raja; Casting/ Forging Companies – Bharat Forge, Amtek Auto, Castex Technologies and tyre manufacturers

² Post acquisition of Rinder

Minda Industries – Key competitive advantages



Leadership position in major products with established OEM relationships 1

Diversified product range and end-markets 2

Robust financial profile 7



Strong after market presence 3

Professional management team 6

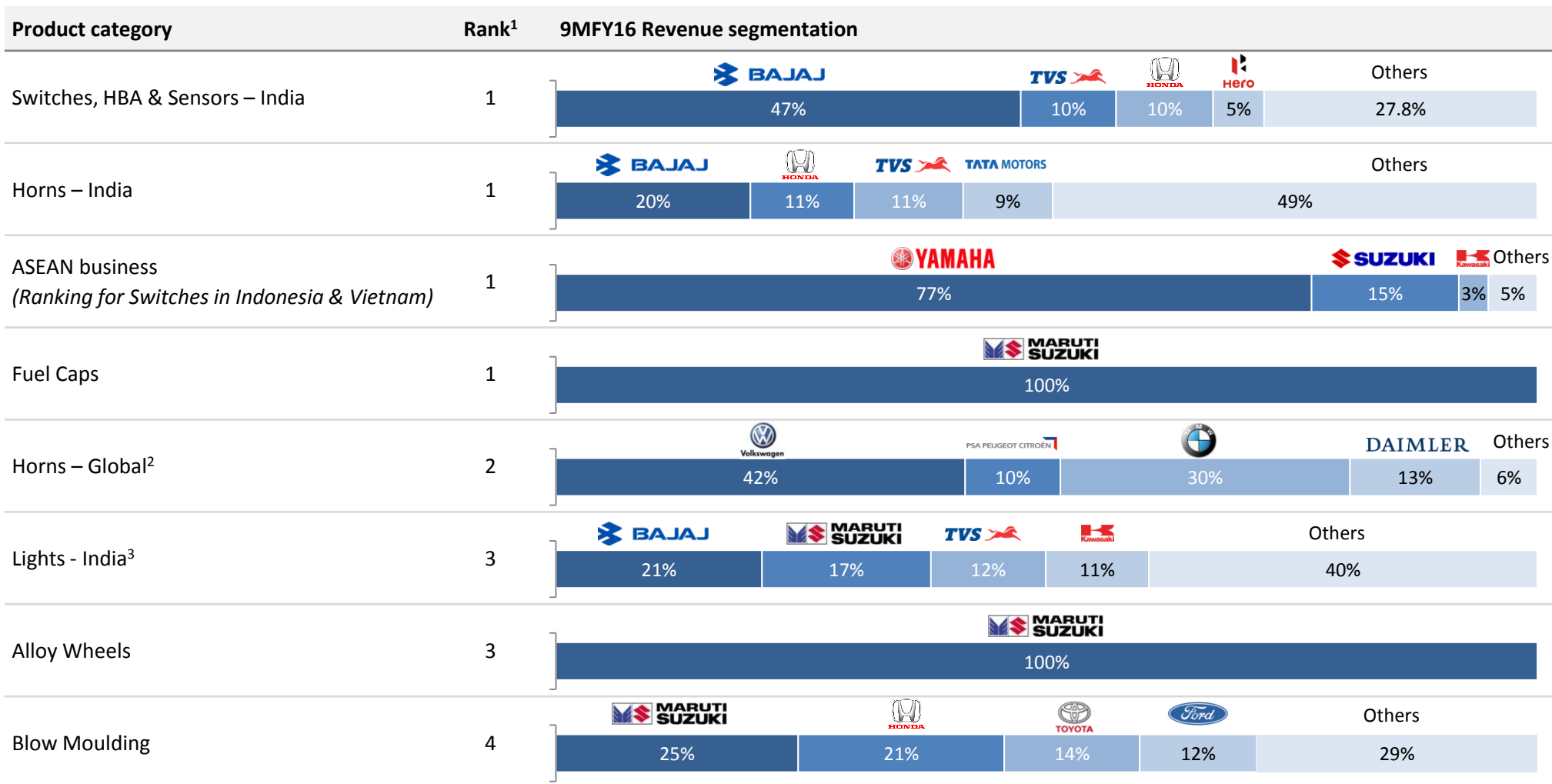
Technology partnerships with global leaders and prowess in R&D 4

5

Strategically located manufacturing units

Leadership position backed by strong relationships with OEMs

Across product categories



High Low

Minda Industries commands leadership position across product lines with focus to improve its market share further

¹ Company estimates

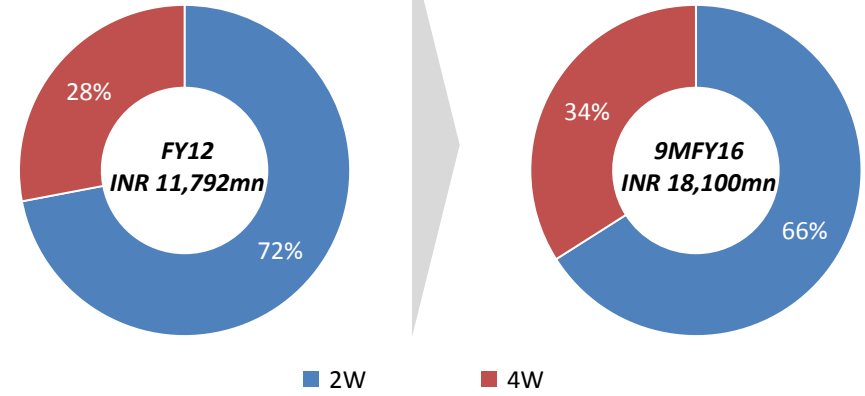
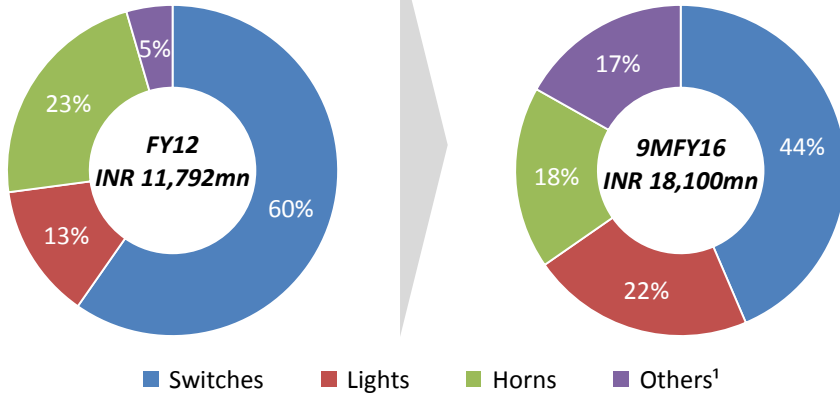
² Through Clariton, a 100% subsidiary of Minda Industries

³ Post acquisition of Rinder – Assuming an INR3,000mn revenue for 9MFY16 split into Bajaj (36%), TVS (20%), Kawasaki (18%), Hero (10%) and Others (16%)

Diversified product range and end-markets

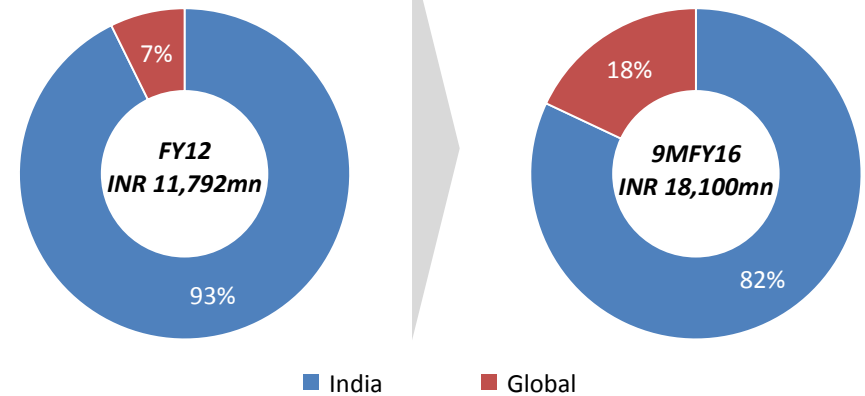
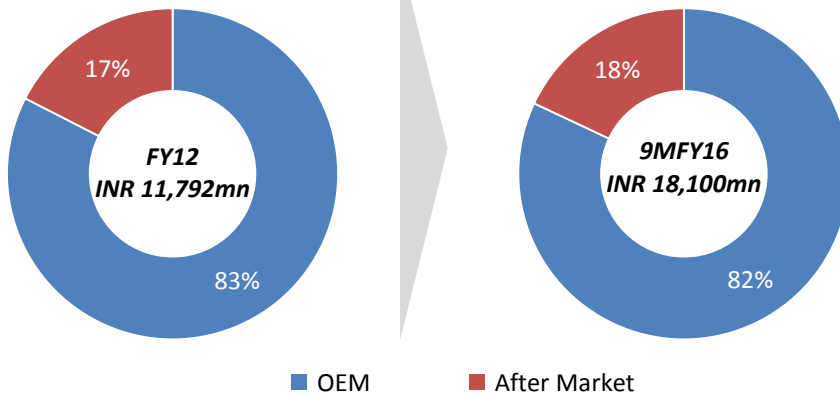
Increasing revenue from newer products...

...through increased focus on the faster growing 4W segment...



...with steadily increasing After Market revenues...

...and international markets



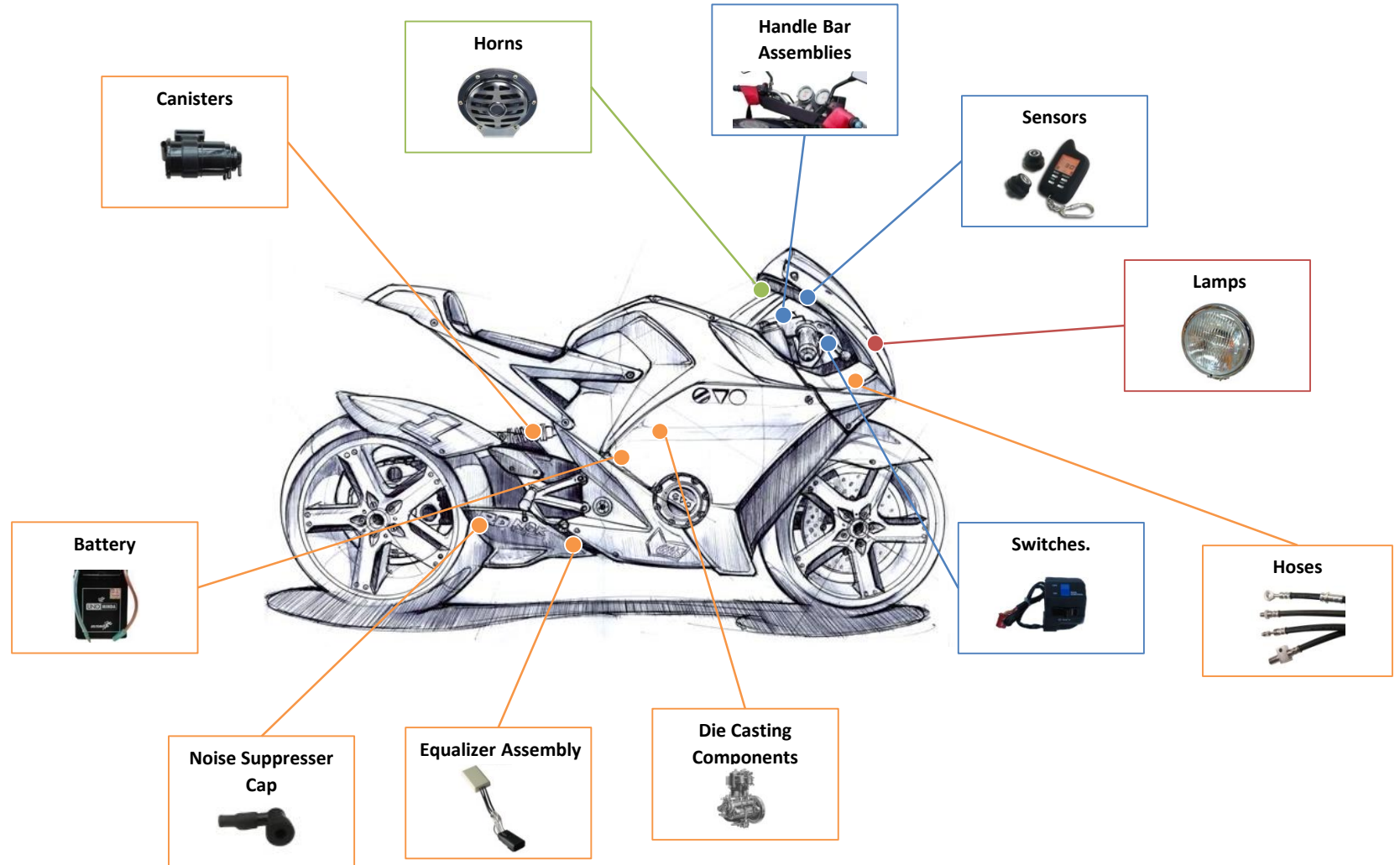
Minda Industries is one of the most diversified listed auto-component companies in India

¹ Others – Fuel caps, Batteries, Alloy wheels, Blow Molding, Die casting, CNG, Hoses

Diversified product range and end-markets (continued)



Range of products offered by Minda Industries for 2W

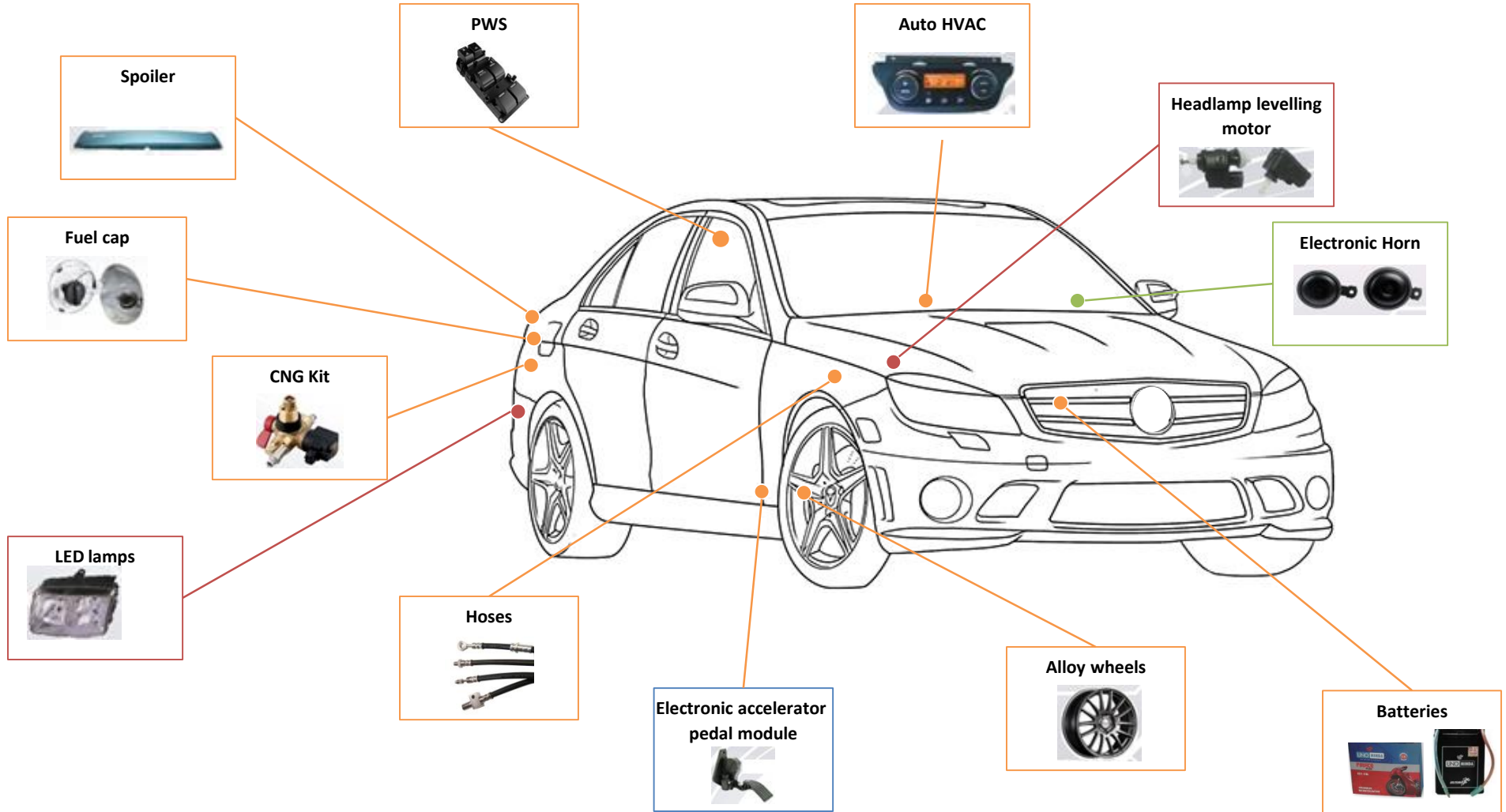


- Switches division
- Horns division
- Lights division
- Others

Diversified product range and end-markets (continued)



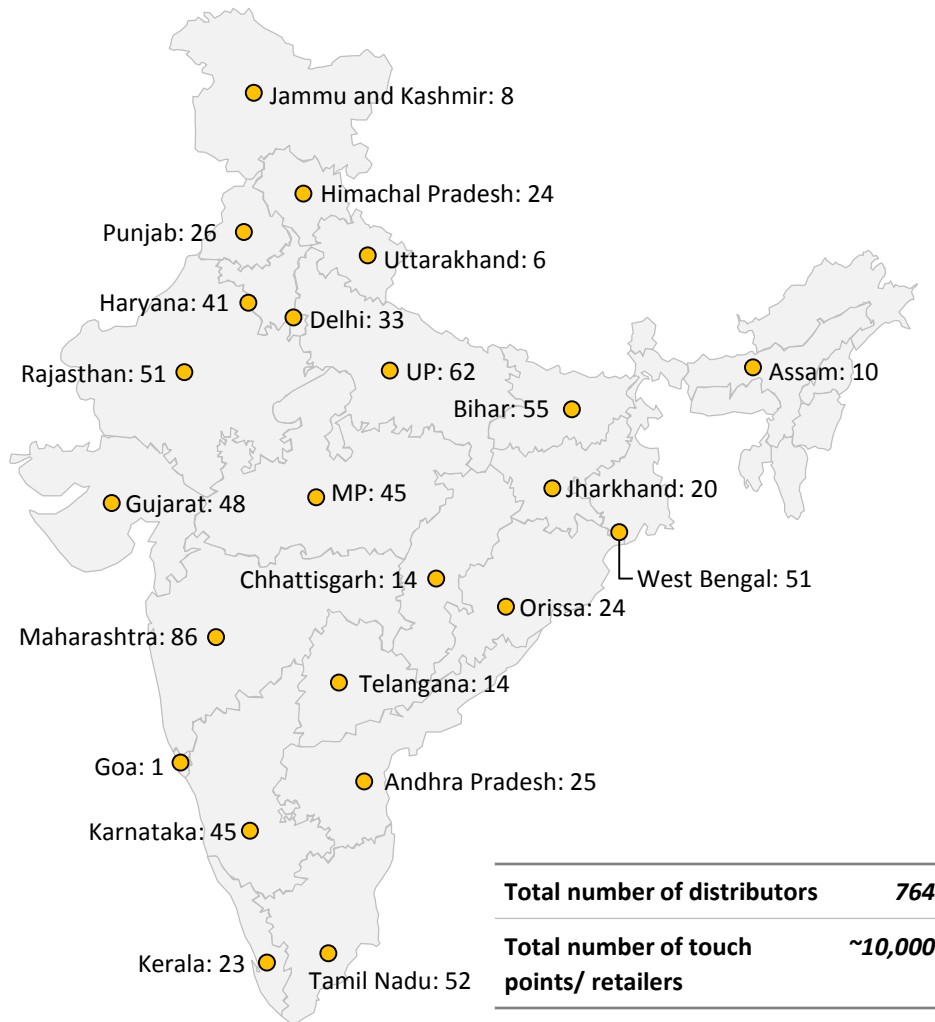
Range of products offered by MIL for 4W



- Switches division
- Horns division
- Lights division
- Others

Strong after market presence

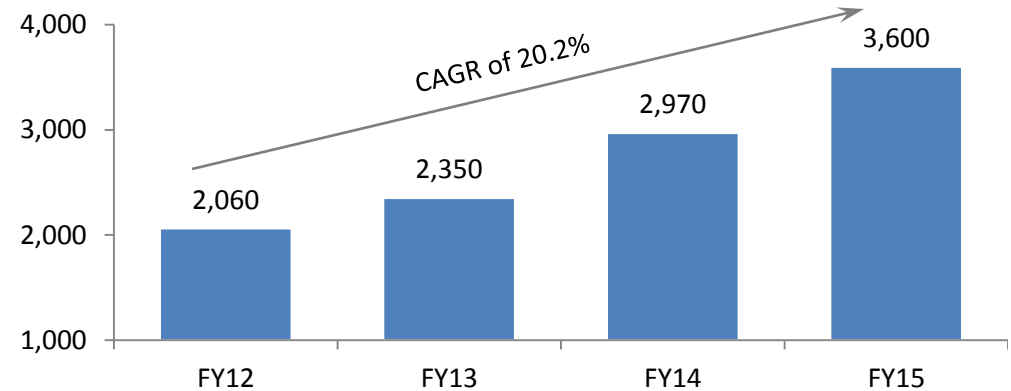
Pan India touch points (# distributors)



After Market Products and Sales

| Product | FY15 After Market Sales (INR mn) | % of total After Market Sales |
|-------------|--|-------------------------------|
| Switches | 1,326 | 36% |
| Horns | 628 | 17% |
| Lights | 922 | 25% |
| Batteries | 389 | 11% |
| Alloy Wheel | <i>Had not commenced commercial operations in FY15</i> | NA |
| Hoses | <i>Had not commenced commercial operations in FY15</i> | NA |

Revenue from After Market sales (INR mn)



Minda Industries has a wide product portfolio with high after market potential supported by a strong distribution network across the country

Pioneer in R&D through focus on in-house technology and acquisitions...



3 DSIR approved R&D centres in India

120+ design registrations



Innovation award from JCB, U.K.

100+ product patents registered

Design centres in Taiwan, Japan and Spain¹

Pioneer in introducing innovative technologies for 2W and 4W lamps¹



HS1



H4



H7



LED



Projector

- Light Systems Technical Centre, the Spain-based subsidiary of Rinder is a global pioneer in developing product design/ technology for automotive lamps
- The entity provides end to end customized solutions including conceptual design & study, prototyping, reflector surface development, simulations and analysis








Minda Industries is amongst the top ten innovators in the auto components industry in India²

¹ Through LightSystems Technical Centre, a Spain-based subsidiary of Rinder

²as per Derwent World Patents Index – a Thomson Reuters database of enhanced patent documents

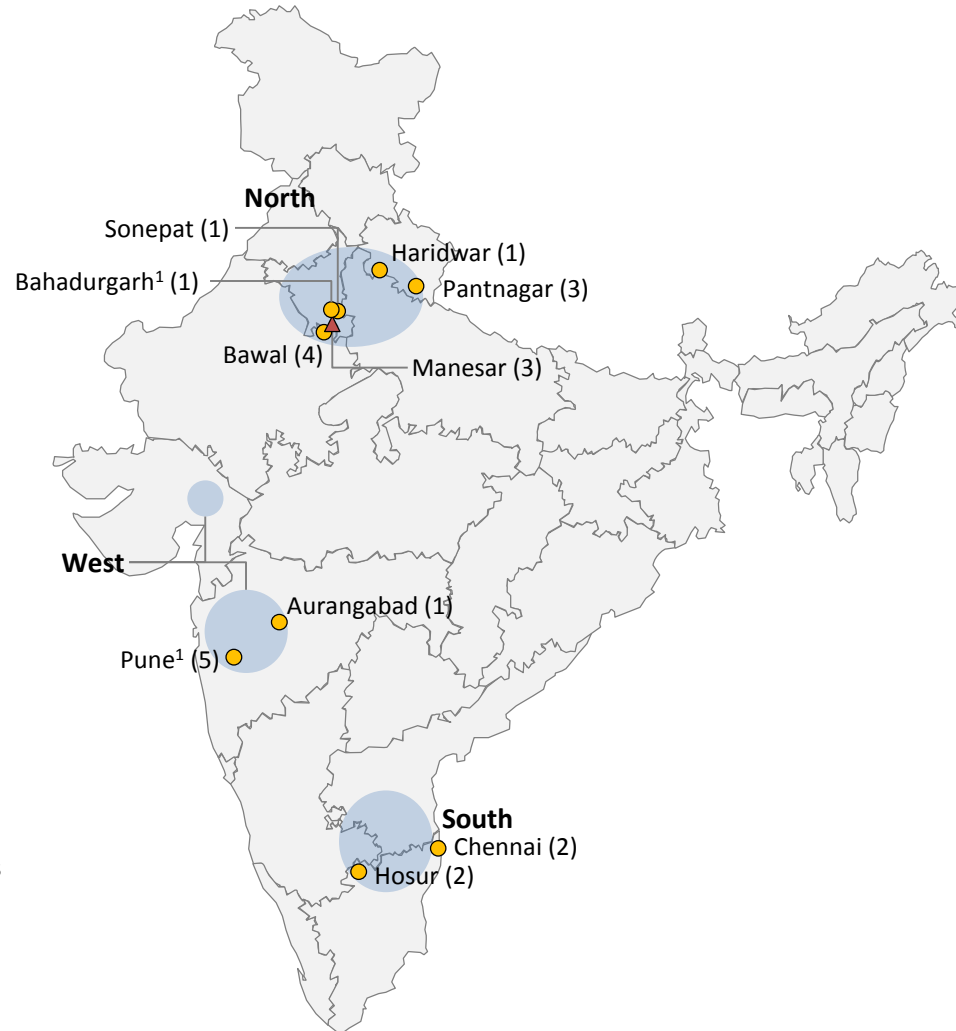
...supported by technology tie-ups with global leaders across product categories



| Technology partner | Country | Year of JV | Segment | Turnover (US\$mn) | Comments |
|---|---------|------------|---------------|--------------------|---|
|  TOKAI RIKA | Japan | 1992 | 4W switches | 4,134 | <ul style="list-style-type: none"> • Tokai Rika is amongst the global leaders in 4W switches with the widest product portfolio in the E&M lockset segment • The JV is India's largest 4W switches manufacturer with ~ 47% market share in OEM segment |
|  emer <small>A WESTPORT COMPANY</small> | Italy | 2001 | CNG | 1,086 ¹ | <ul style="list-style-type: none"> • Emer, a subsidiary of Westport is a global leader in natural gas vehicle technology • The JV is the only domestic manufacturer of electronic cylinder valves |
|  TOYODA GOSEI | Japan | 2008 | Hoses | 6,654 | <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 | 360 | <ul style="list-style-type: none"> • Kyoraku is a leading moulding company with strong OEM relationships |
|  TORICA | Japan | 2011 | Procurement | 255 | <ul style="list-style-type: none"> • Torica is a subsidiary of Tokai Rika • The JV procures raw materials, primarily plastic related, for Minda Industries and other group companies |
|  Kosei | Japan | 2015 | Alloy wheels | NA | <ul style="list-style-type: none"> • Kosei Aluminium, Japan is amongst the largest players globally in alloy wheels • Kosei is the global supplier for Toyota and Honda; in India the JV has started receiving orders from Maruti and M&M |
|  Panasonic | Japan | 2014 | Batteries | 70,532 | <ul style="list-style-type: none"> • Leading manufacturer of batteries in Japan; largest supplier of batteries to Electric Vehicles globally • The JV will manufacture and market batteries for 2W, 4W and industrial (Inverter/ UPS) |

¹ Total segment revenues for 2014 of Westport (without excluding revenue share for partners), the parent company of Emer

Strategically located plants across all major auto hubs...



Over 23 manufacturing units in India, with >6,500 employees and an outstanding track record of labor relations

¹ 2 plants in Pune and 1 plant in Bahadurgarh are part of Rinder

...with an expanding global footprint

2013

- Acquired Clarton Horns in Spain
- Second largest manufacturer of automotive horns globally
- 9MFY16 revenue of INR2,298mn



2016

- Acquired Rinder Group, a leading auto lamps manufacturer
- Annual revenue of ~INR4,000mn primarily from India



2015

- Clarton's Mexican subsidiary to start production of horns primarily catering to the Central and South American markets



2016

- Acquired 50% in Rinder Riduco, a JV with Riduco, a Colombian company
- Manufactures auto lamps for 2W and CV



2005 - PTMA

- Manufacturing plant near Jakarta
- Manufactures switches, lights and horns
- 9MFY16 revenue of ASEAN business (PTMA + MIVCL) is INR800mn



2005 - MIVCL

- Manufacturing plant near Hanoi
- Manufactures switches and lights for the Vietnam and Thai markets

- ★ Corporate Office
- Subsidiary/ Associate
- JV Partners and Technical collaborations

Minda Industries is gradually expanding its global footprint through a combination of organic and inorganic growth avenues

Professional and seasoned management team



N.K. Minda
Chairman & MD, MIL

- Rich experience of over 3 decades in auto components sector and is the Chairman of the ACMA Northern region
- He has been instrumental in growth of the company and leads the strategic initiatives of the Company
- Recipient of the “Haryana Ratna” award



Anand Minda
*Director, MIL
CEO,
After Market*

- Member of the Board of Directors of many companies
- Over 20+ years of experience in the auto sector
- Responsible for the growth of the after market business of MIL



Sudhir Jain
*Exec Director, MIL
Group CFO and Head, Alloy
Wheels*

- A Chartered Accountant and a Company Secretary, he has risen through the ranks in Minda Industries over the past 20+ years
- Responsible for setting up JVs with some of the world’s leading automobile technology companies
- Previously, has worked with JK Group



Pradeep Tewari
*CEO
Horns, Lights and CNG*

- B. Tech from IIT Kanpur with over 25 years experience
- Previously, was with Tata group in various positions
- A Fulbright Scholar, he has been instrumental in driving growth of lighting & acoustics division



Ravi Mehra
*CEO
Switches, Casting
and Body Electronics*

- A Chartered Accountant, he has over 31 years of experience in strategy, finance, mfg, marketing, materials and prod devpt
- Responsible for the growth in MIL’s 2W/3W switches globally



J.K. Menon
*CEO
4W Switches,
Blow Moulding and Fuel Cap*

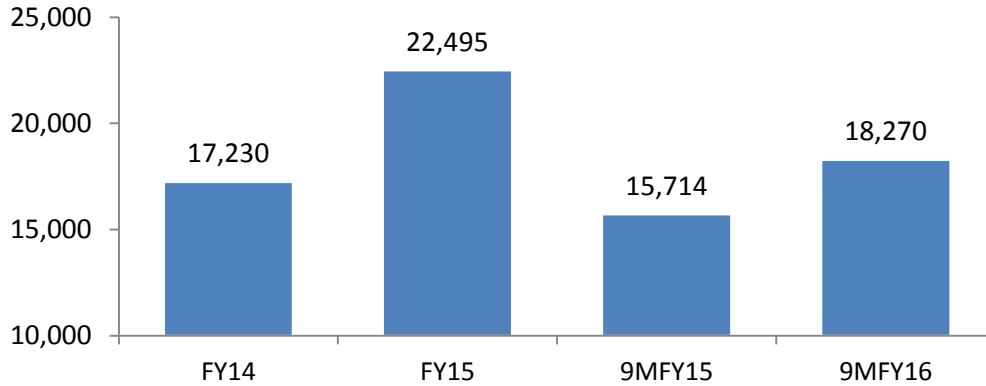
- B. Tech from IIT Madras with over 30 years experience
- Has held senior positions at Eicher, HCL and AKG Acoustics in the past
- Prior to joining MIL, he was MD of DCM Engineering

Robust financial profile (MIL Consolidated)



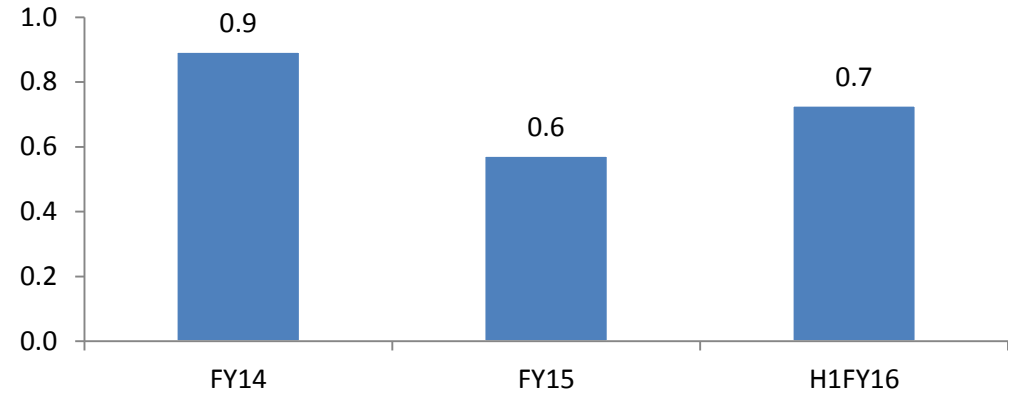
MIL's Income¹ has shown strong growth...

Total Income (INR mn)



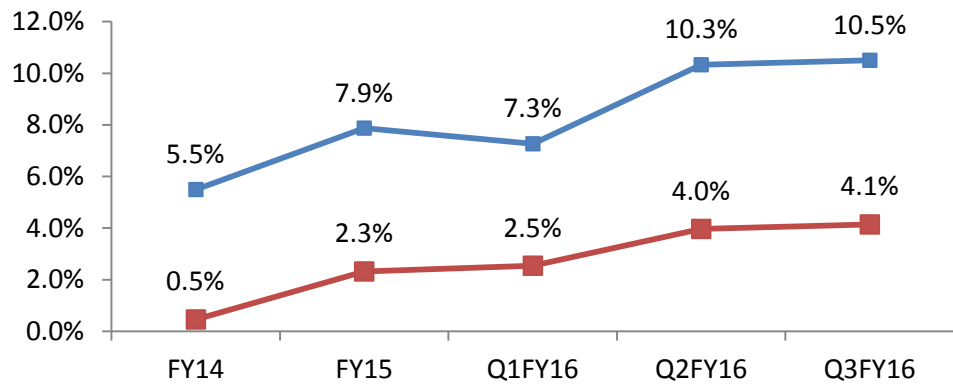
...with conservative leverage...

Debt/Equity ratio



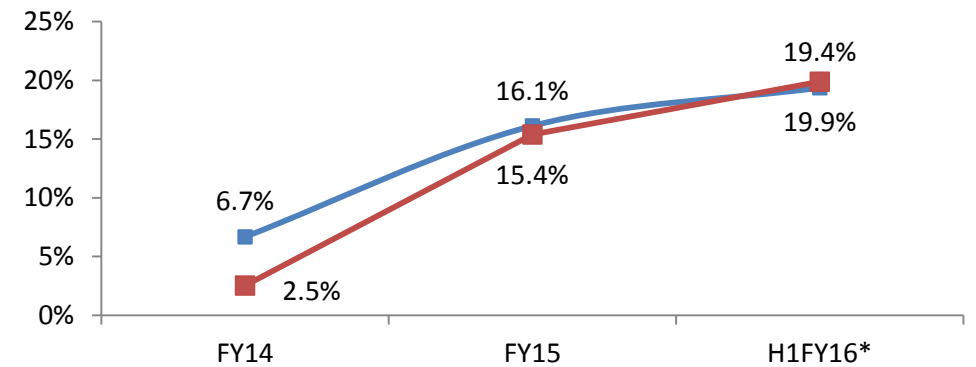
...and improving margins...

EBITDA margin (%) PAT margin%



...and return ratios

RoCE% RoE%



Minda Industries has been able to increase profitability through operating leverage and capacity utilization

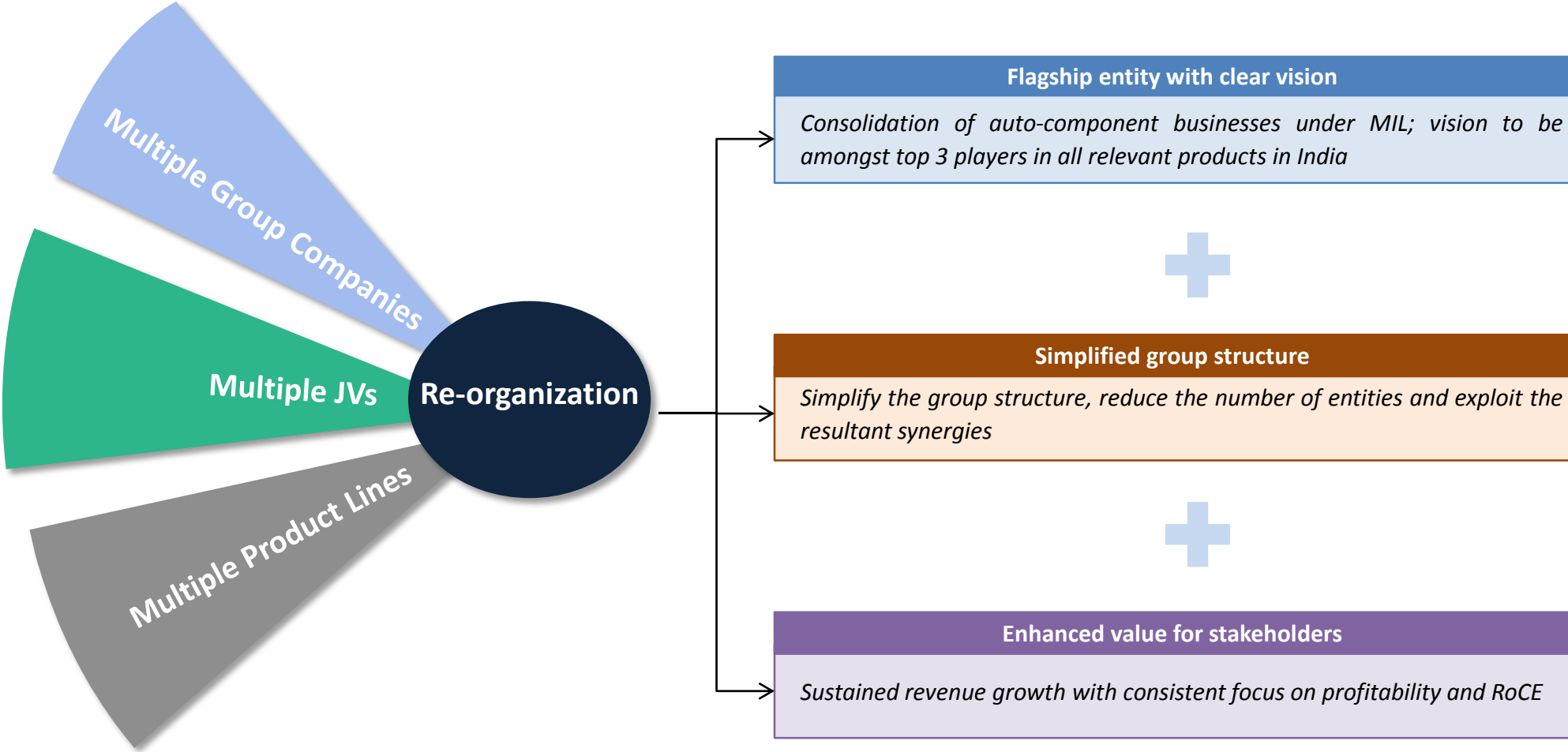
¹ Includes Other Income

* Financials have been annualized as required



Group Consolidation – Update

Re-organization objective – Achieving critical mass to propel MIL into a higher orbit



The re-organization exercise will help MIL realize its full potential

Phase I of Re-organization



Details of Re-organization (Phase I)

- The re-organization is happening in a phased manner
- In the initial phase, the promoter group's holding in ASEAN Business (51%), Minda TG (51%) and Kosei Minda (30%) was consolidated under MIL

Company financials – FY15 (INR mn)

| Company | Product | JV partner | % stake of promoter group | Revenue | EBITDA | PAT | Capital Employed | RoCE% | Net Worth ¹ | Consideration |
|-----------------------|-------------------------|--------------|---------------------------|----------------|--------------|--------------|------------------|-------|------------------------|---------------|
| ASEAN Business | Switches, Lamps & Horns | NA | 51% | 1,111.2 | 279.6 | 164.3 | 750.0 | 30.4% | 333 ² | 348.2 |
| Kosei Minda | Alloy Wheels | Kosei | 30% | 1,260.0 | 110.7 | 2.9 | 1,206.8 | 4.0% | 105 | 123.0 |
| Minda TG ³ | Hoses | Toyoda Gosei | 51% | - | (26.2) | (29.9) | 604.0 | NA | 40 | 179.0 |
| Total | | | | 2,371.2 | 364.1 | 137.3 | 2,560.8 | | 478 | 650.2 |

ASEAN Business

- Subsidiaries in Indonesia and Vietnam to manufacture and supply switches, lamps and horns

Kosei Minda

- Partnership with Kosei Aluminium, global supplier of Toyota and Honda, to manufacture alloy wheels for passenger vehicles and MUVs
- Manufacturing plant at Chennai with a capacity of 720,000 wheels per annum
- Kosei Minda will focus on South and East India; Another JV, Minda Kosei, where MIL holds 70% stake will focus on North and West

Minda TG

- JV with Toyoda Gosei, Japan to manufacture brake and fuel hoses
- Minda TG is India's first company to manufacture both brake and fuel hoses
- Manufacturing plant at Bawal with a capacity of 5 million metres of hoses per annum

Minda Industries has appointed KPMG and Equirus to work on a scheme to further simplify the corporate structure

¹ Net Worth adjusted for stake held by Uno Minda Group

² Net Worth as on Sep 30, 2015

³ Still to commence full operations



Acquisition of Rinder



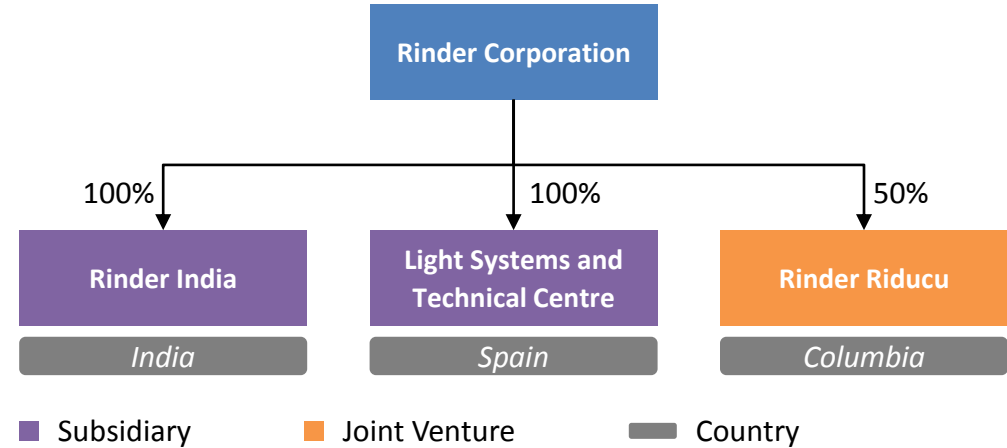
Acquisition of Rinder



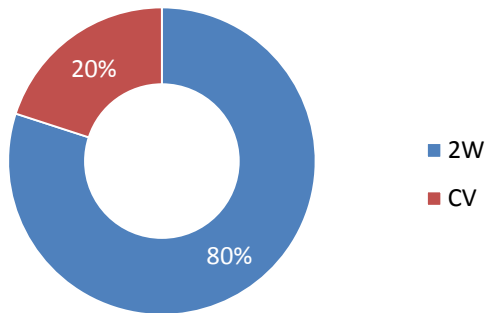
Overview of Rinder Group

- Based in Spain and established in 1952, the Rinder Group is a private company focusing on the manufacturing of automotive lamps
- Rinder India P Ltd., a WOS in India has 3 manufacturing plants (2 in Pune and 1 in Bahadurgarh)
- Light Systems and Technical Centre, a 100% Spain based subsidiary of the group is involved in product design and R&D
- Rinder is a pioneer in technology related to LED lighting in automotive lamps
- 50% equity stake in Rinder Riducu, a Joint Venture in Columbia with Riduco
- Consolidated revenue of ~€50mn, ~10% EBITDA margin
- MIL is acquiring Rinder for a total consideration of €20mn (including debt)

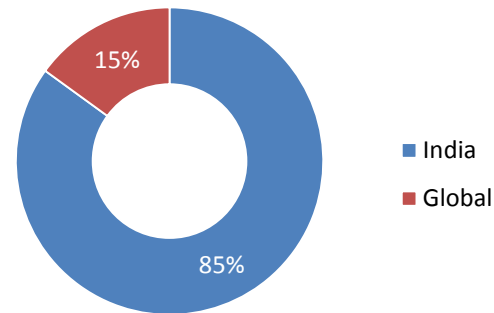
Structure of Rinder Group



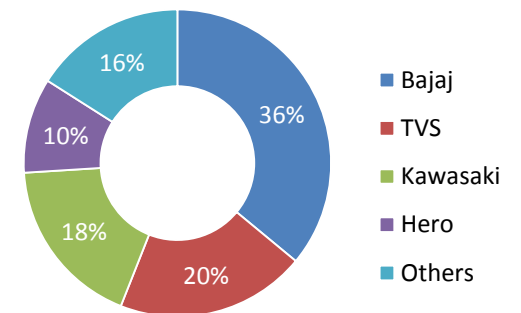
Approximate revenue break up (segment)



Approximate revenue break up (geography)



Approximate revenue break up (customer)

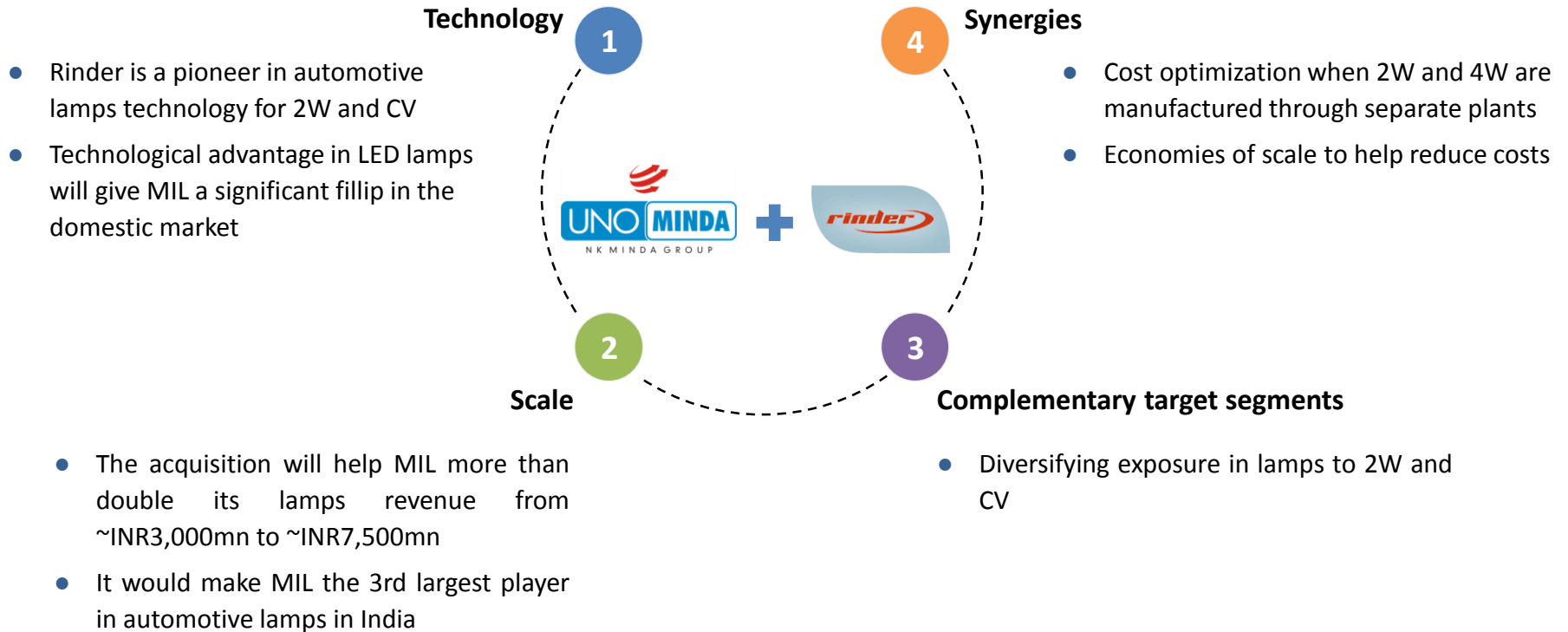


Rinder is a leading automotive lamps manufacturer with a strong focus on product design and R&D

Rationale for the acquisition



Key rationales for the acquisition of Rinder



“This acquisition will establish Minda Industries Limited as technology leader in lighting solutions and will further augment the R&D capabilities of the company.”

N.K.Minda, Chairman & Managing Director

The acquisition of Rinder will provide significant technology and scale benefits for Minda Industries

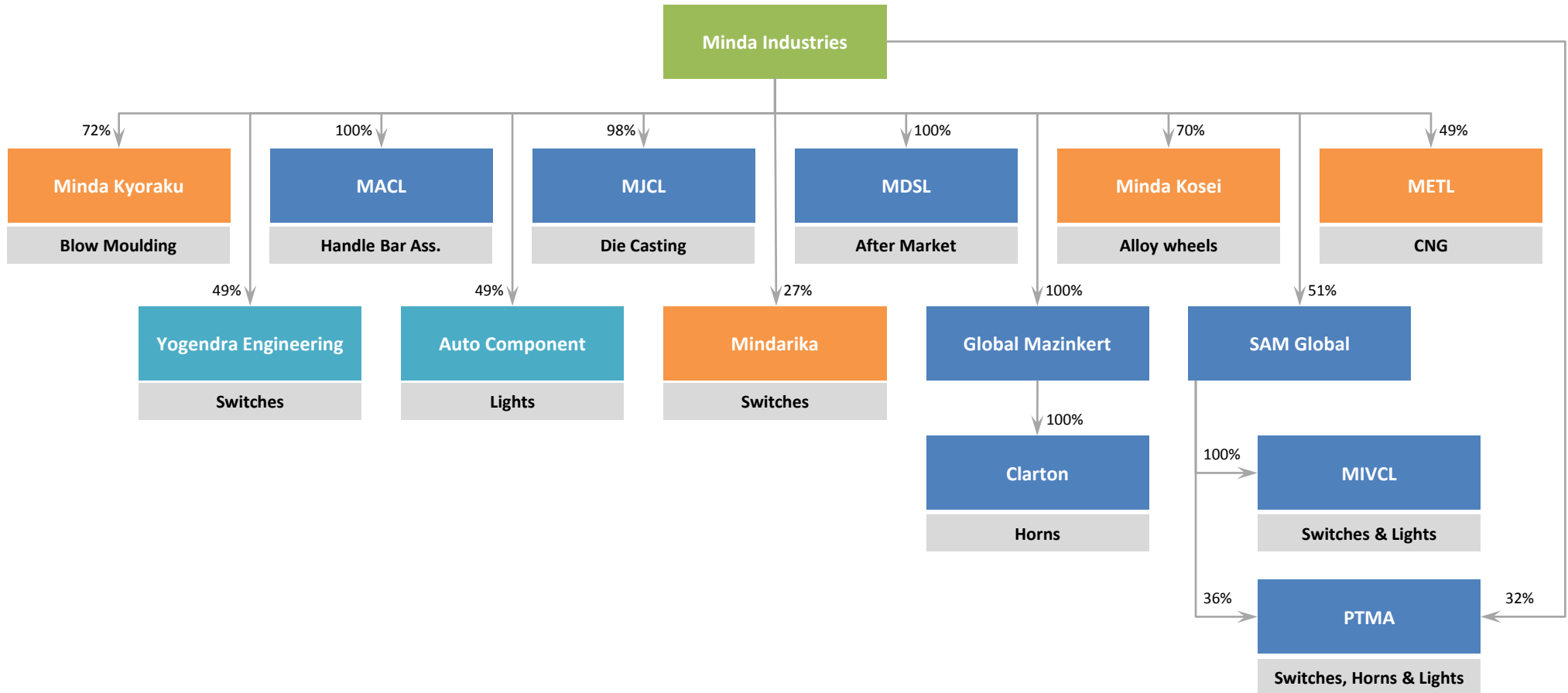


Annexure

Current structure of Minda Industries Limited



Subsidiaries and Associates of Minda Industries Limited



- JV Companies
- Subsidiaries
- Associate companies
- Indicates product manufactured by the company

Historical Consolidated Profit & Loss Statement



| (INRmn) | 9MFY16 | FY15 | FY14 | FY13 | FY12 |
|--|---------------|---------------|---------------|---------------|---------------|
| Net Revenue from Operations | 18,100 | 22,266 | 17,061 | 13,404 | 11,792 |
| <i>Growth in Revenue (%)</i> | 16.1% | 30.5% | 27.3% | 13.7% | 23.6% |
| Other Income | 170 | 229 | 169 | 110 | 163 |
| Total Income | 18,270 | 22,495 | 17,230 | 13,514 | 11,955 |
| EBITDA | 1,733 | 1,773 | 947 | 1,044 | 922 |
| <i>EBITDA Margin (%)</i> | 9.5% | 8.0% | 5.5% | 7.8% | 7.8% |
| Depreciation & Amortization | 644 | 835 | 591 | 463 | 402 |
| EBIT | 1,089 | 938 | 356 | 582 | 520 |
| Finance costs | 202 | 250 | 242 | 191 | 198 |
| Profit before tax and exceptional items | 887 | 688 | 114 | 391 | 322 |
| Tax | 210 | 194 | 76 | 110 | 3 |
| Minority Interest and share of profits from Associates | (17) | 26 | 18 | (1) | 45 |
| Extra-ordinaires/ Exceptional Items ¹ | 26 | 159 | (6) | 2 | (77) |
| Reported PAT | 686 | 680 | 72 | 282 | 287 |
| Recurring PAT | 660 | 521 | 78 | 280 | 364 |
| <i>Recurring PAT Margin (%)</i> | 3.6% | 2.3% | 0.5% | 2.1% | 3.0% |

¹ Primarily reversal of impairment in the batteries division of ~INR158mn

Historical Consolidated Balance Sheet



| (INRmn) | As on Sep 30, | | As on March 31, | | |
|---------------------------------------|---------------|--------------|-----------------|--------------|--------------|
| | 2015 | 2015 | 2014 | 2013 | 2012 |
| Equity Capital | 194 | 194 | 194 | 194 | 194 |
| Reserves | 4,142 | 3,459 | 2,928 | 2,895 | 2,668 |
| Networth | 4,335 | 3,653 | 3,122 | 3,088 | 2,862 |
| Total Debt | 3,151 | 2,371 | 3,048 | 1,980 | 1,826 |
| Deferred Tax Liability | - | - | - | - | 6 |
| Minority Interest | 723 | 213 | 138 | 123 | 115 |
| Account Payables | 3,038 | 2,670 | 2,473 | 2,164 | 1,773 |
| Other Liabilities | 1,549 | 1,059 | 1,033 | 700 | 586 |
| Total Liabilities & Equity | 12,796 | 9,966 | 9,814 | 8,056 | 7,168 |
| Net Fixed Assets | 5,747 | 4,206 | 4,224 | 3,609 | 2,797 |
| Non-Current Investments | 319 | 263 | 244 | 218 | 217 |
| Inventory | 1,633 | 1,406 | 1,247 | 895 | 808 |
| Account Receivables | 3,433 | 2,895 | 2,610 | 2,173 | 1,963 |
| Cash & Equivalents | 400 | 301 | 508 | 385 | 677 |
| Other Assets | 1,584 | 896 | 981 | 776 | 706 |
| Total Assets | 12,796 | 9,966 | 9,814 | 8,056 | 7,168 |

Glossary



Business terms

| | |
|----------------|--|
| <i>OEM</i> | <i>Original Equipment Manufacturer</i> |
| <i>HBA</i> | <i>Handle Bar Assembly</i> |
| <i>R&D</i> | <i>Research & Development</i> |
| <i>JV</i> | <i>Joint Venture</i> |
| <i>2W</i> | <i>2 Wheeler vehicles</i> |
| <i>4W</i> | <i>4 Wheeler vehicles</i> |
| <i>PV</i> | <i>Passenger Vehicles</i> |
| <i>CV</i> | <i>Commercial Vehicles</i> |
| <i>MUV</i> | <i>Multi Utility Vehicles</i> |
| <i>CNG</i> | <i>Compressed Natural Gas</i> |
| <i>PTMA</i> | <i>PT Minda Asean Automotive</i> |
| <i>MIVCL</i> | <i>Minda Vietnam Company Limited</i> |
| <i>M&M</i> | <i>Mahindra & Mahindra</i> |
| <i>VRLA</i> | <i>Valve Regulated Lead Acid</i> |
| <i>UPS</i> | <i>Uninterruptible Power Source</i> |
| <i>E&M</i> | <i>Electrical & Mechanical</i> |
| <i>MACL</i> | <i>Minda Auto Components Limited</i> |
| <i>MJCL</i> | <i>MJ Castings Limited</i> |
| <i>MDSL</i> | <i>Minda Distribution & Services Limited</i> |
| <i>METL</i> | <i>Minda Emer Technologies Limited</i> |

Financial terms

| | |
|---------------|---|
| <i>CFO</i> | <i>Cash Flow from Operations</i> |
| <i>D/E</i> | <i>Debt/Equity</i> |
| <i>EBITDA</i> | <i>Earnings before Depreciation, Interest and Tax</i> |
| <i>EBIT</i> | <i>Earnings before Interest and Tax</i> |
| <i>PAT</i> | <i>Profit after Tax</i> |
| <i>CAGR</i> | <i>Compounded Annual Growth Rate</i> |
| <i>EBITDA</i> | <i>Earnings before Interest Tax Depreciation and Amortization</i> |
| <i>RoCE</i> | <i>Return on Average Capital Employed</i> |
| <i>RoE</i> | <i>Return on Average Equity</i> |
| <i>WOS</i> | <i>Wholly owned subsidiary</i> |



Thank you

For further information, please contact:

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tripurarik@mindagroup.com

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