Minda Corporation Ltd – Investor Meet and Plant Visit

Minda Corporation is one of India's leading manufacturers of automotive components, offering a diverse portfolio that includes Electronic & Mechanical Security Systems, Die Casting, Key Solutions, Telematics, ITS & IoT, Wiring Harnesses, SRCs, Components, Instrument Clusters, Sensors, and Interior Plastics. Its products serve leading manufacturers across Passenger Vehicles, Commercial Vehicles, Motorcycles & Scooters, and Off-road Vehicles. The $610 Mn Group employs over 16,000 people and has established multiple JVs with global partners from the USA, Japan, Italy, Uzbekistan, and China.

Management Interactions

- **Ashok Minda (Chairman & GCEO):** Emphasised Minda Corp's transition towards becoming a "system solutions provider" with a strong focus on electrification, premiumisation, and exports. Reiterated the 2030 vision of achieving Rs 17,500 Cr revenue (~3.5x growth), with deleveraging and sustainable mobility at the core.
- **D. Suresh (Group CTO):** Highlighted R&D priorities, including the shift from mechatronics to electronics/software, investments in ADAS, cybersecurity, software-defined vehicles (SDVs), and EV electronics. Stressed the importance of ~4% R&D spend, 310+ patents, and new-age product launches.
- **Ajay Agarwal (President – Finance & Strategy):** Focused on financial discipline, targeting debt reduction to 0.3x by FY30, internal accruals-led capex (~Rs 2,000 Cr over 5 years), and improved working capital management (53 days in FY22 → 31 days in FY25).
- **Aakash Minda (Executive Director):** Shared the vision for globalisation and marketing, with emphasis on premium products (sunroofs, TFT clusters, smart access systems), scaling exports (target Rs 1,500 Cr by FY30), and leveraging JV synergies with Toyodenso (switches) and HCMF (sunroof/PLG).
- **Mr. Sanjeev Vasdev (CEO of Flash Electronics):** Highlighted ongoing development of next-generation Ferrite and Self-Excited Synchronous Motors (SESM), along with Integrated Drive Units (IDU), targeted for the 2025–2030 horizon. These innovations aim to replace rare-earth permanent magnet motors with ferrite-based and SESM solutions, thereby reducing reliance on costly and geopolitically sensitive NdFeB magnets.

Valuation & Recommendation

Minda Corporation is evolving from a conventional auto component manufacturer into a high-value, technology-driven mobility solutions provider. The company is backed by robust financials, sticky OEM relationships, rising profit contribution from Associates (notably Flash Electronics), and well-defined growth levers across both EV and ICE segments, making it a compelling long-term compounding opportunity. Given the strong growth trajectory and healthy balance sheet, the stock is valued at a 36x multiple on FY28E EPS (unchanged), arriving at a target price of Rs 690/share (vs. Rs 600 earlier), implying a 19% upside from CMP. The outlook remains positive, supported by robust new order wins, a strong order book, and management's confidence in outperforming industry growth through both organic and inorganic initiatives. Over FY25–28E, Revenue/EBITDA/PAT is expected to grow at a CAGR of 13%/16%/22%.

Key Financials (Consolidated)

Particulars (Rs Cr)	FY25A	FY26E	FY27E	FY28E
Net Sales	5,056	5,790	6,542	7,392
EBITDA	575	658	778	904
Adj Net Profit	255	290	377	459
Adj EPS (Rs)	10.7	12.1	15.8	19.2
ROE (%)	12.1	12.5	14.7	15.7
ROCE (%)	15.3	14.7	16.5	17.6
P/E Ratio	50.5	47.9	36.7	30.2
P/BV	5.9	5.7	5.1	4.5

Source: Company, Axis Securities

(CMP as of 24th September, 2025)

CMP (Rs)	579
Upside /Downside (%)	19%
High/Low (Rs)	624/445
Market cap (Rs Cr)	13,855
Avg. daily vol. (6m) Shares.	3,94,331
No. of shares (Cr).	23.9

Shareholding (%)

	Dec-24	Mar-25	Jun-25
Promoter	64.8	64.8	64.8
FIIs	7.9	8.3	8.3
MFs / UTI	18.4	18.5	18.2
Banks/FIs	0.0	0.0	0.0
Others	1.6	1.6	1.6

Financial & Valuations

Y/E Mar (Rs Cr)	FY26E	FY27E	FY28E
Net Sales	5,790	6,542	7,392
EBIDTA	658	778	904
APAT	290	377	459
AEPS (Rs)	12.1	15.8	19.2
PER (x)	47.9	36.7	30.2
EV/EBIDTA (x)	22.1	18.6	15.7
P/BV (x)	5.7	5.1	4.5
ROE (%)	12.5	14.7	15.7

Change in Estimates (%)

Y/E Mar	FY26E	FY27E	FY28E
Sales	0.7%	2.5%	4.3%
EBITDA	1.7%	5.9%	10.2%
PAT	2.7%	9.2%	15.5%

Relative Performance

Source: Ace Equity, Axis Securities Research

Shridhar Kallani
Research Analyst
Email: shridhar.kallani@axissecurities.in

Sanchit Karekar
Research Analyst
Email: sanchit.karekar@axissecurities.in

Plant Visit Note: Flash Electronics & Minda Corp R&D Center

- The visit included Flash Electronics (Chakan, Pune facility) and Minda Corporation's R&D Center (Hinjewadi, Pune) to assess technological capabilities and the product pipeline.
- At Flash Electronics, the management team provided an overview of the manufacturing process across key product lines, including integrated motors, rotor assemblies, stator assemblies, and MCU lines. The facility demonstrated a high degree of automation with robotics-enabled assembly, verification, inspection, and marking processes, ensuring efficiency, consistency, and minimal human intervention.
- At Minda Corporation's R&D center (a profit centre), the team reviewed the design studio for dashboard panels and instrument clusters, a business with over three decades of presence, catering to marquee clients such as Bajaj Auto, Tata Motors, and Mahindra & Mahindra, with a strong focus on the 2W and passenger vehicle segments.

The R&D pipeline includes:

- Smart surface switches for 2Ws, starting with premium models and later expanding to the mass segment.
- A comprehensive sensor portfolio (temperature, speed, position, and kick sensors) across 2W, PV, and CV applications.
- Development of next-gen lock sets with Bluetooth-enabled technology, transitioning from traditional steel to plastic-based systems across 2W and 4W.
- The HCMF JV portfolio encompasses PLG ECU, kick sensors, cinching latches, powered struts, and powered footsteps.
- Ongoing work on 4W digital key solutions, enabling vehicle access via smartphone, with NFC support for offline functionality.
- The R&D center is well-equipped with advanced testing infrastructure, including thermal shock chambers, environmental conditioning labs, and chemical/corrosion labs, all certified to meet global OEM standards.
- Overall, the visit reinforced our view of Minda Corp's strong positioning in electronics and mechatronics, underpinned by innovation-led growth and deep OEM.

Key Observations and Management Discussion:

- Facility showcased automation & process discipline, reflecting global-standard quality systems.
- Heavy emphasis on EV product line-up (wiring harness, chargers, controllers, TFT displays).
- Strong focus on cockpit electronics & clusters – aligns with premiumization trend in PVs.
- Workforce mix visible on-site (~18,000 group-wide, inclusive culture with PwDs). Sustainability practices integrated – solar energy usage, lightweighting initiatives, and recycling focus.
- Strategic Highlights (from Investor Deck & Plant Visit)

New Product Launches (SOP FY26–27):

- 2W Digital Key, 4W Electronic Steering Column Lock
- HV EV Wiring Harness & Connection Systems
- PV Large TFT Clusters & Display
- Off-board chargers, wireless chargers, cockpit clusters, sensors
- Positions Minda as an EV electronics & smart mobility player.

Growth Roadmap – Revenue Rs 17,500 Cr by FY30 (vs Rs 5,056cr FY25):

- Growth in existing business – Rs 3,550 Cr
- Premiumization – Rs 1,780 Cr
- Exports – Rs 1,080 Cr
- New product launches – Rs 1,450 Cr
- Other opportunities – Rs 4,600 Cr
- Strong visibility across multiple levers.

Exports

- CAGR 37% (Rs 420 Cr FY25 → Rs 1,500 Cr FY30). Focus markets: EU, ASEAN, Japan, US.

Capex & R&D:

- ~Rs 2,000 Cr capex over 5 years (die casting, instrument clusters, EV systems). 900+ engineers, 2 advanced tech centres, 7 engineering hubs.

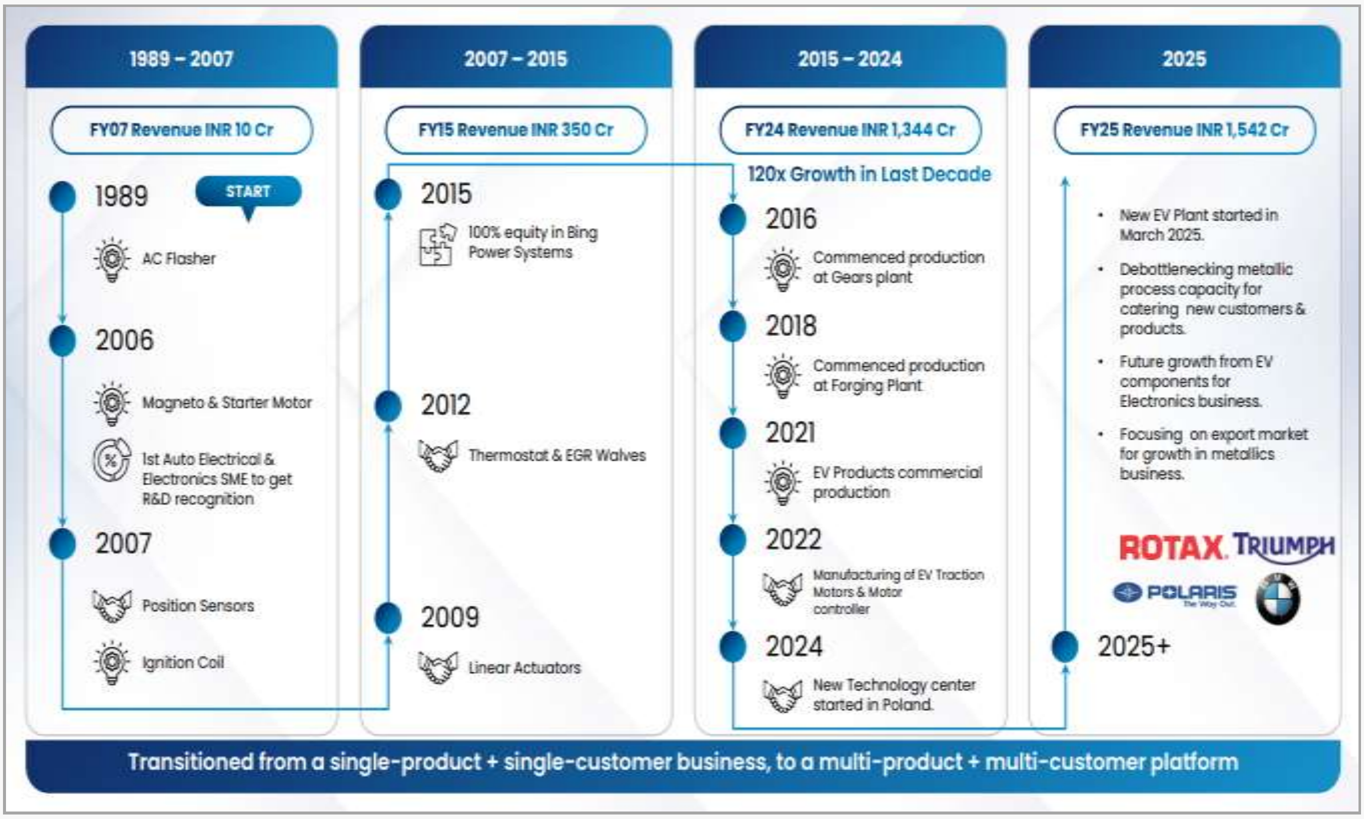
Financial Discipline:

- FY25 consol revenue: Rs 5,056 Cr, EBITDA margin: 11.4%, ROCE: 20%.
- Target by FY30: EBITDA Margin >12.5%, ROCE >25%, near debt-free.

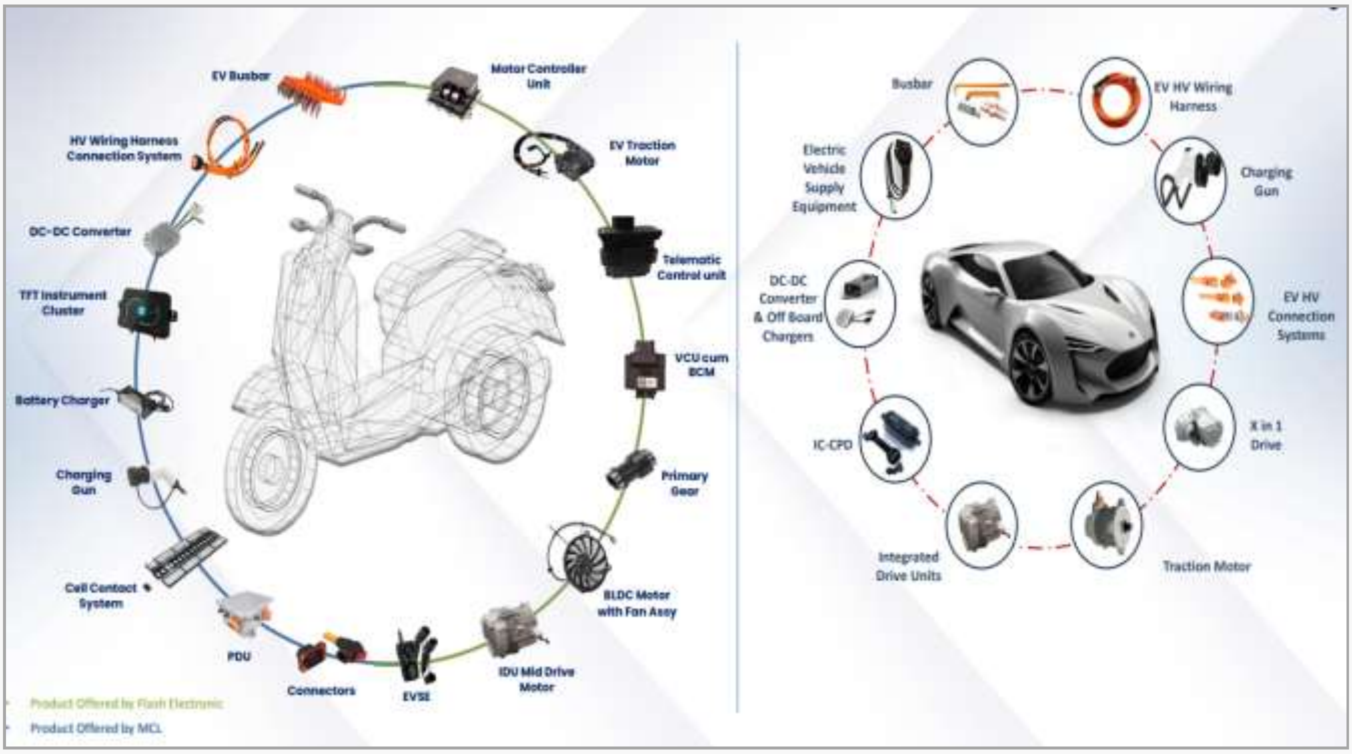
Key Takeaways

- Structural growth drivers: EV adoption, premiumization, rising electronics content per vehicle, global OEM partnerships.
- Execution comfort: Proven track record (FY21–25 revenue CAGR >20%, EBITDA CAGR >28%). Management Credibility was reinforced during the visit.
- Risks: High dependence on 2W segment (40% of FY25 revenue, though diversifying), EV transition pace, global competition in electronics.

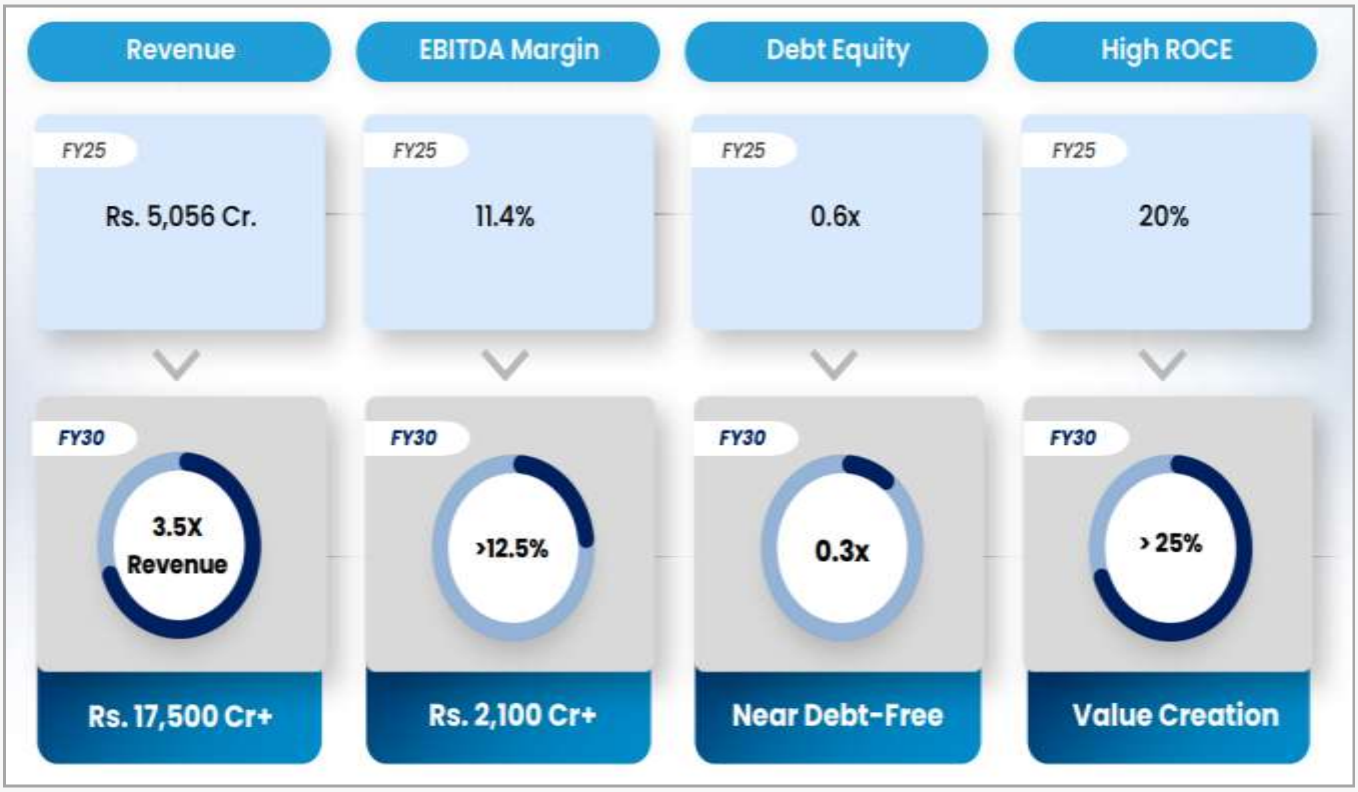
Minda Corp: Journey So Far



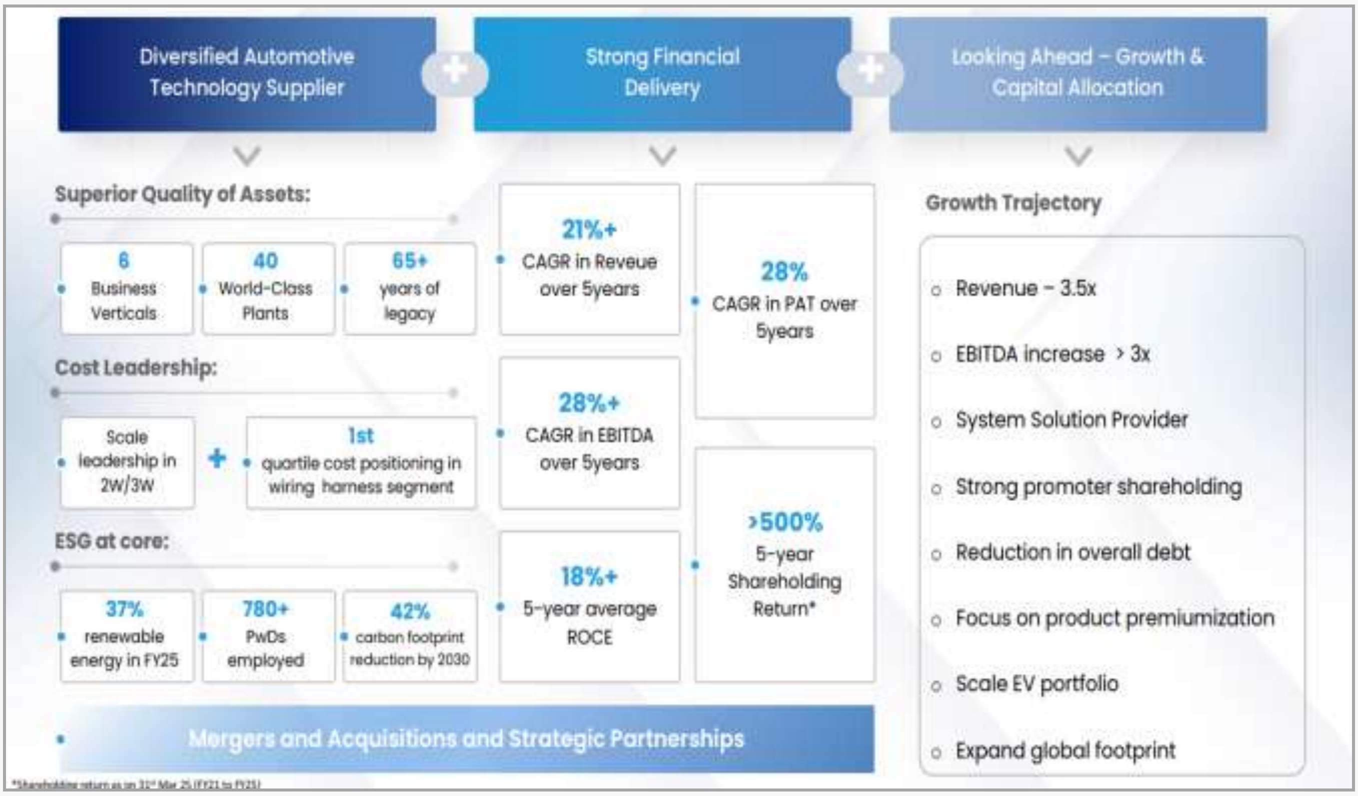
EV Product Portfolio



Vision 2030



Minda: Investment Proposition



Changes in Estimates

	Current estimates			Earlier Estimates			Change in estimates (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	5,790	6,542	7,392	5,751	6,383	7,085	0.7%	2.5%	4.3%
EBITDA	658	778	904	647	735	821	1.7%	5.9%	10.2%
PAT	290	378	459	282	346	397	2.7%	9.2%	15.5%

Source: company, Axis Securities

Financials (Consolidated)

Profit & Loss

(Rs Cr)

Y/E March (Rs Cr)	FY25	FY26E	FY27E	FY28E
Net revenues	5,056	5,790	6,542	7,392
Operating expenses	4,481	5,132	5,764	6,487
EBITDA	**575**	**658**	**778**	**904**
EBITDA margin (%)	11.4%	11.4%	11.9%	12.2%
Other income	32	27	29	29
Interest	67	129	121	121
Depreciation	204	238	263	299
Profit Before Tax	**336**	**317**	**424**	**513**
Tax	96	83	111	135
Associates	16	55	65	80
Reported Net Profit	**255**	**290**	**377**	**459**
Net Margin (%)	5.1%	5.0%	5.8%	6.2%
Adjusted Net Profit	**255**	**290**	**377**	**459**

Source: company, Axis Securities

Balance Sheet

(Rs Cr)

Y/E March (Rs Cr)	FY25	FY26E	FY27E	FY28E
Total assets	**3,882**	**4,007**	**4,196**	**4,443**
Net Block	1,347.0	1,304.2	1,236.1	1,131.7
CWIP	64.8	119.7	174.5	229.4
Goodwill	92.9	92.9	92.9	92.9
Investments	1,475.6	1,475.6	1,475.6	1,475.6
Wkg. cap. (excl cash)	805	1,046	1,167	1,275
Cash / Bank balance	96.6	(31.3)	50.3	237.8
Misc. Assets	0.0	0.0	0.0	0.0
Capital employed	**3,882**	**4,007**	**4,196**	**4,443**
Equity capital	47.8	47.8	47.8	47.8
Reserves	2,154	2,372	2,685	3,055
Pref. Share Capital	0.0	0.0	0.0	0.0
Minority Interests	0.0	0.0	0.0	0.0
Borrowings	1,668	1,568	1,443	1,318
Def tax Liabilities	11.9	18.6	20.1	21.6

Source: company, Axis Securities

Cash Flow (Rs Cr)

Y/E March (Rs Cr)	FY25	FY26E	FY27E	FY28E
Sources	**1,506.5**	**362.4**	**452.7**	**546.2**
Cash profit	511	602	697	799
(-) Dividends	21.5	16.7	0.0	8.4
Retained earnings	489.2	585.0	697.0	790.5
Issue of equity	0.0	0.0	0.0	0.0
Change in Oth. Reserves	3.9	0.0	0.0	0.0
Borrowings	1,074.3	(100.0)	(125.0)	(125.0)
Others	(60.9)	(122.6)	(119.3)	(119.3)
Applications	**1,506.5**	**362.4**	**452.7**	**546.2**
Capital expenditure	531.3	250.0	250.0	250.0
Investments	1,195.1	0.0	0.0	0.0
Net current assets	(124.5)	240.3	121.2	108.7
Change in cash	(95.3)	(127.9)	81.6	187.5

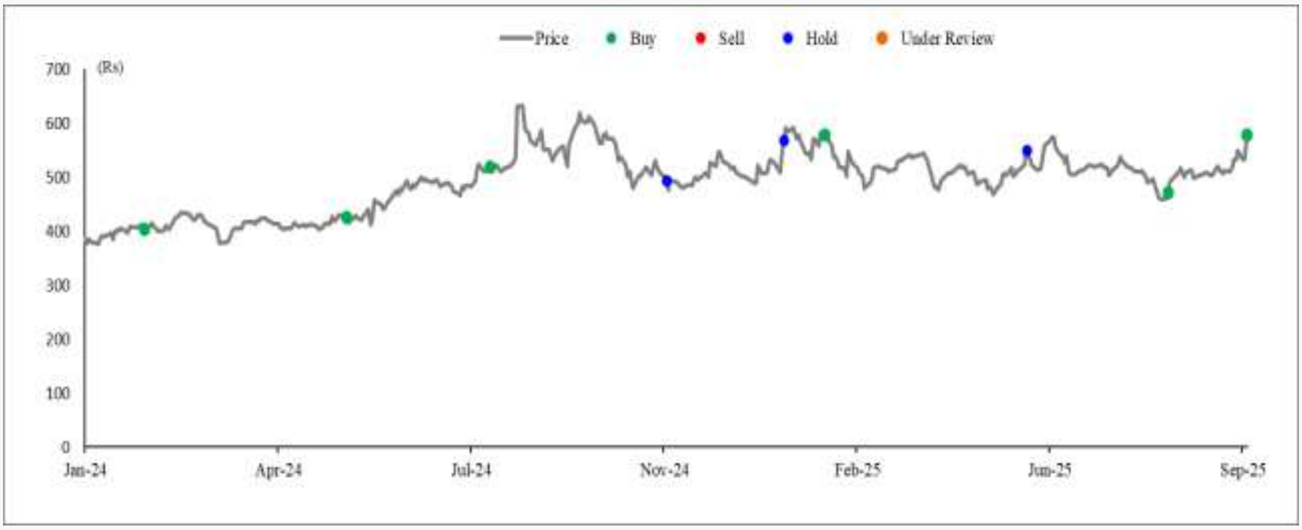
Source: company, Axis Securities

Ratio Analysis (%)

Y/E Mar	FY25	FY26E	FY27E	FY28E
Revenue Growth	8.7	14.5	13.0	13.0
EBITDA Margin	11.4	11.4	11.9	12.2
Net Profit Margin	5.1%	5.0%	5.8%	6.2%
ROCE (%)	15.3	14.7	16.5	17.6
ROE (%)	12.1	12.5	14.7	15.7
EPS (Rs.)	10.68	12.11	15.81	19.18
PER (x)	50.5	47.9	36.7	30.2
P/BV (x)	5.9	5.7	5.1	4.5
EV/ EBITDA (x)	23.4	22.1	18.6	15.7
Debt / Equity (x)	0.7	0.6	0.5	0.4
Interest Coverage ratio (x)	0.7	0.6	0.5	0.4

Source: company, Axis Securities

Minda Corp Ltd Price Chart and Recommendation History



Date	Reco	TP	Research
05-Feb-24	BUY	450	Result Update
23-May-24	BUY	475	Result Update
09-Aug-24	BUY	575	Result Update
13-Nov-24	HOLD	535	Result Update
16-Jan-25	HOLD	600	Company Update
07-Feb-25	BUY	600	Result Update
28-May-25	HOLD	590	Result Update
13-Aug-25	BUY	600	Result Update
25-Sep-25	BUY	690	Company Update

Source: Axis Securities Research

DISCLAIMER:

Axis Securities Limited is a subsidiary company of Axis Bank Ltd. Axis Bank Ltd. is a listed public company and one of India's largest private sector banks and has its various subsidiaries engaged in businesses of Asset management, NBFC, Merchant Banking, Trusteeship, Venture Capital, Stock Broking, the details in respect of which are available on www.axisbank.com.

Axis Securities Limited, is registered as a

- Stock Broker, Depository Participant, Portfolio Manager, Investment Adviser and Research Analyst with Securities and Exchange Board of India
- Corporate Agent with Insurance Regulatory and Development Authority of India
- Point of Presence with Pension Fund Regulatory and Development Authority
- Distributor for Mutual Funds with AMFI

Registration Details:

SEBI Single Reg. No.- NSE, BSE, MSEI, MCX & NCDEX – INZ000161633 | SEBI Depository Participant Reg. No. IN-DP-403-2019 | Portfolio Manager Reg. No.- INP000000654 | Investment Advisor Reg No. INA000000615 | SEBI-Research Analyst Reg. No. INH000000297 | IRDA Corporate Agent (Composite) Reg. No. CA0073| PFRDA – POP Reg. No. POP387122023 | Mutual Fund Distributor ARN- 64610.

Compliance Officer Details: Name – Mr. Rajiv Kejriwal, Tel No. – 022-68555574, Email id – compliance.officer@axisdirect.in.;

Registered Office Address – Axis Securities Limited, Unit No.002, Building- A, Agastya Corporate Park, Piramal Realty, Kamani Junction, Kurla (W), Mumbai – 400070.

Administrative office address: Axis Securities Limited, Aurum Q Parć, Q2 Building, Unit No. 1001, 10th Floor, Level – 6, Plot No. 4/1 TTC, Thane – Belapur Road, Ghansoli, Navi Mumbai, Pin Code – 400710.

In case of any grievances please call us at 022-40508080 or write to us helpdesk@axisdirect.in.

We hereby declare that our activities were neither suspended nor we have defaulted with any stock exchange authority with whom we are registered in last five years. However, SEBI, Exchanges, Clearing Corporations and Depositories etc. have conducted the routine inspection and based on their observations have issued advise/warning/show cause notices/deficiency letters/ or levied penalty or imposed charges for certain deviations observed in inspections or in normal course of business, as a Stock Broker / Depository Participant/Portfolio Manager. We have not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point of time.

Investments in securities market are subject to market risks. Read all the related documents carefully before investing.
By referring to any particular sector, Axis Securities does not provide any promise or assurance of favourable view for a particular industry or sector or business group in any manner.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors. Our research should not be considered as an advertisement or advice, professional or otherwise. This research report and its respective content by Axis Securities made available on this page or otherwise do not constitute an offer to sell or purchase or subs Cribe for any securities or solicitation of any investments or investment services for the residents of Canada and / or USA or any jurisdiction where such an offer or solicitation would be illegal.

Subject company(ies) may have been client during twelve months preceding the date of distribution of the research report. Derivatives are a sophisticated investment device. The investor is requested to take into consideration all the risk factors before actually trading in derivative contracts.

Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by ASL and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments.

The information and opinions in this report have been prepared by Axis Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of Axis Securities. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite, investment objective or the particular circumstances of an individual investor. The investor is requested to take into consideration all the risk factors including their financial condition, suitability to risk return profile and the like and take professional advice before investing.

While we would endeavour to update the information herein on a reasonable basis, Axis Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Axis Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or Axis Securities policies, in circumstances where Axis Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained in good faith from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subs Cribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Axis Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Axis Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Axis Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months. Axis Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction. Axis Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months. Axis Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. Axis Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, NEERAJ CHADAWAR Digitally signed by NEERAJ CHADAWAR Date: 2025.09.25 15:10:59 +05'30'

neither Axis Securities nor Research Analysts and / or their relatives have any material conflict of interest at the time of publication of this report. Please note that Axis Securities has a proprietary trading desk. This desk maintains an arm's length distance with the Research team and all its activities are segregated from Research activities. The proprietary desk operates independently, potentially leading to investment decisions that may deviate from research views.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Research Analyst may have served as an officer, director or employee of subject company(ies). Axis Securities or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report. Since associates of Axis Securities and Axis Securities as an entity are engaged in various financial service businesses, they might have financial interests or actual/beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report. Axis Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. Certain transactions -including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Reports based on technical analysis centres on studying charts of a stock'sprice movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

We and our affiliates/associates, officers, directors, and employees, Research Analyst(including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company/company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of Research Report or at the time of public appearance. Axis Securities may have proprietary long/short position in the above mentioned s Crip(s) and therefore may be considered as interested. This should not be construed as invitation or solicitation to do business with Axis Securities. Axis Securities is also a Portfolio Manager. Portfolio Management Team (PMS) takes its investment decisions independent of the PCG research and accordingly PMS may have positions contrary to the PCG research recommendation.

RATING SCALE: Definitions of ratings

Ratings	**Expected absolute returns over 12 – 18 months**
BUY	More than 10%
HOLD	Between 10% and -10%
SELL	Less than -10%
NOT RATED	We have forward looking estimates for the stock, but we refrain from assigning valuation and recommendation.
UNDER REVIEW	We will revisit our recommendation, valuation and estimates on the stock following recent events
NO STANCE	We do not have any forward-looking estimates, valuation or recommendation for the stock

Note: Returns stated in the rating scale are our internal benchmark.