



Q4FY25

Minda Corporation Ltd.



Minda Corporation Ltd.

Robust order pipeline and acquisition strategy to drive accelerated growth

CMP* INR 533	Target INR 624	Potential Upside 15.6%	Market Cap (INR Mn) 1,28,624	Recommendation BUY	Sector Auto ancillary
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Result highlights for Q4FY25

- Minda Corp. reported revenue of INR 13,213 Mn., up 8.7% YoY (+5.5% QoQ), in-line with our estimates (+2.6%).
- EBITDA came in at INR 1,529 Mn., up 10.3% YoY (+6.5% QoQ), in-line with our estimates (-2.6%). EBITDA margin expanded by 17bps YoY (+11bps QoQ) to 11.6% led by expansion in gross margins, partially offset by operational expenses. Adjusted net profit stood at INR 520 Mn., down 26.5% YoY (-19.7% QoQ), sharply below our estimates (-32.7%), led by sharp increase in depreciation and interest expense.
- We have revised our FY26E/FY27E EPS estimates by -5.0%/-5.4%, respectively, as we factor in elevated finance costs and higher depreciation. We believe, the underlying business remains fundamentally strong aided by increase in EV penetration, robust order inflows across segments and margin resilience and improvement. We expect Revenue/ EBITDA/ Adjusted net profit to grow at a CAGR of 12.3%/ 19.6%/ 35.1%, respectively over FY25-FY27E. We value Minda Corporation at 32.0x FY27E EPS, implying a target price of INR 624. We reiterate and maintain our “BUY” rating on the stock.

MARKET DATA

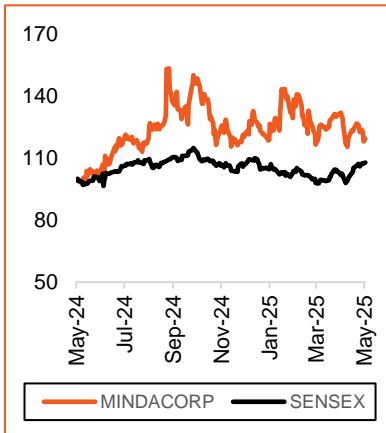
Shares O/S (Mn)	239
Mkt Cap (INR Mn)	1,28,624
52 Wk H/L (INR)	652/400
Volume Avg (3m K)	248
Face Value (INR)	2
Bloomberg Code	MDA IN

KEY FINANCIALS

Particulars (INR Mn)	FY23	FY24	FY25	FY26E	FY27E
Revenue	43,001	46,511	50,562	56,586	63,737
EBITDA	4,615	5,144	5,748	7,043	8,216
PAT from continuing operations	2,845	2,272	2,554	3,862	4,660
Adj. PAT	2,845	2,272	2,554	3,862	4,660
EPS	11.9	9.5	10.7	16.2	19.5
Adj. EPS	11.9	9.5	10.7	16.2	19.5
EBITDA Margin (%)	10.7%	11.1%	11.4%	12.4%	12.9%
Adj. NPM (%)	6.6%	4.9%	5.1%	6.8%	7.3%

Source: Company, DevenChoksey Research

SHARE PRICE PERFORMANCE



MARKET INFO

SENSEX	81,633
NIFTY	24,884

Revenue momentum sustains with highest-ever quarterly turnover

- For Q4FY25, MDA reported a revenue of INR 13,213 Mn, a growth of 8.7% YoY (+5.5% QoQ). This YoY growth was supported by scale-up of new orders, increased localization, and better customer off-take across core verticals.
- The Mechatronics and Aftermarket segment (49.5% revenue share) grew by 10.8% YoY (+7.6% QoQ), driven by strong demand in the domestic two-wheeler segment, particularly from premium OEMs. However, growth was partly offset by subdued demand in European export market and slowdown in ASEAN operations.
- The Information and Connected Systems segment (50.5% revenue share) grew by 6.7% YoY (+3.4% QoQ). The YoY growth driven by strong volume off-take from domestic two-wheeler and passenger vehicle OEMs, with this vertical outperforming industry growth rates. Significant progress in digital cluster penetration, aided by ongoing premiumization trend particularly in 2-W and CV segments.

Operational gains persist; higher finance cost and depreciation hit profit

- In 4QFY25, MDA's EBITDA stood at INR 1,529 Mn (+10.3% YoY, +6.5% QoQ).
- EBITDA margin expanded to 11.6%, up 17bps YoY (+11bps QoQ), showcasing consistent margin resilience despite elevated input costs and FX volatility.
- Adj. PAT was INR 520 Mn, declined by 26.5% YoY (-19.7% QoQ). The decline in PAT was attributed to higher finance costs, primarily linked to the acquisition of a 49.0% stake in Flash Electronics, and increased depreciation arising from capex in greenfield expansions and new SOPs.

SHARE HOLDING PATTERN (%)

Particulars	Mar-25	Dec-24	Sep-24
Promoters	64.8	64.8	64.8
FIIIs	8.3	8.0	7.6
DIIIs	18.5	18.4	18.9
Others	8.3	8.8	8.7
Total	100.0	100.0	100.0

*Based on the previous closing

*Note: All the market data is as of previous closing.

12.3%

Revenue CAGR between
FY25 and FY27E

35.1%

Adj. PAT CAGR between
FY25 and FY27E

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Key Con-call Highlights:

Resilient industry backdrop supports growth momentum

- The Indian automotive industry demonstrated commendable resilience in FY25 despite prevailing global macroeconomic headwinds. While the two-wheeler segment benefitted from premiumization trends, improving urban penetration, and accelerating EV adoption, the passenger vehicle category continued to gain from increased SUV and hatchback demand. However, commercial vehicles faced a 3.3% decline due to delayed infrastructure activity and weak monsoons. Overall, the industry grew 6.0% YoY in Q4FY25, providing a stable backdrop for Minda Corporation's performance.
- Minda Corporation reported its highest-ever quarterly revenue at INR 13,210 Mn, marking a 9.0% YoY growth in Q4FY25. EBITDA stood at an all-time high of INR 1,529 Mn with an industry-leading margin of 11.6%, reflecting strong operational discipline and strategic execution. However, PAT came in at INR 520 Mn (margin: 3.9%), impacted by elevated finance costs associated with the Flash Electronics acquisition and higher depreciation from capex-led expansions. For the full year FY25, the company delivered record revenue of INR 50,562 Mn (up 9% YoY) and EBITDA of INR 5,748 Mn (up 12% YoY), with a margin expansion of 31bps to 11.4%. PAT stood at INR 2,550 Mn, growing 12.5% YoY. The Board recommended a final dividend of INR 0.90 per share, implying a full-year dividend payout of 70%.
- Minda Corporation booked lifetime orders exceeding INR 80,000 Mn in FY25, with approximately 25.0% from EV platforms, reaffirming its growing relevance in the electric mobility ecosystem. The export order book also saw notable improvement, with the wiring harness division alone securing orders worth INR 7,000 Mn. Export contribution to the total order book stands at ~15.0%. Flash Electronics too continues to win new business, especially from global OEMs in powertrain and electronics verticals.

Strategic investment for driving future growth and higher product diversification

- During Q4FY25, the Company did a strategic acquisition of a 49.0% stake in Flash Electronics, to strengthen its presence in powertrain and EV component segments. Flash Electronics FY25 revenue stood at INR 15,370 Mn, while EBITDA and PAT stood at INR 2,230 Mn and INR 860 Mn, respectively. EV products accounted for ~23% of the FY25 revenue, and it grew by 92.0% YoY. The company has begun reaping early synergies through joint sourcing and co-development efforts. Initial cross-selling opportunities have been identified, and management expects three-digit crore revenue contributions from these initiatives by FY27E.
- The company's revenue mix remains well-diversified in FY25. Key product segments such as wiring harness (28.0%), vehicle access systems (24.0%), die-casting (16.0%), instrument clusters (16.0%), and emerging electronics and sensors (16.0%) provided balanced growth. Geography-wise, India remains the core market (88.0% of revenue), while exports (7.0%) and Southeast Asia (5.0%) continue to scale gradually. From an end-market perspective, two and three-wheelers constituted 47.0% of revenue, followed by commercial vehicles (28.0%), passenger vehicles (14.0%), and aftermarket sales (11.0%). Q4FY25 segmental growth was led by the instrument cluster division (Minda Instruments), which grew ~20.0%, while security systems and die-casting posted 11.0 - 14.0% growth. The wiring harness division reported single-digit growth.

Continued focus on EV systems, digital clusters, and localization

- EV segment revenue grew at 8.0% YoY and 7.0% YoY during Q4FY25 and FY25, respectively. The company supplies high-voltage wiring harnesses and connectors to leading 2W/3W EV OEMs and is currently working on passenger vehicle EV programs. Additionally, Minda has partnered with Sanco for high-voltage connectors and aims to localize 20.0 - 25.0% of components over the next 18-24 months, up from 15.0% currently. Digital instrument clusters are gaining traction due to increased premiumization. These contributed 25.0-30.0% of Minda Instruments' INR 8,000+ Mn revenue, with management guiding for a 40.0% contribution over the next two years. Smart key systems also accounted for ~15.0% of the vehicle access portfolio.

Healthy capex pipeline aligned with growth visibility

- Capex stood at INR 3,500 Mn in FY25 and is guided at INR 2,500–3,500 Mn for FY26E. The company is in the process of setting up two greenfield plants – one each for die-casting and connected systems. Flash Electronics will see capex of INR 500–1,000 Mn. Incremental depreciation is expected to normalize in the range of INR 550–600 Mn per quarter going forward, as capacities start ramping up.

Strengthened balance sheet and prudent capital strategy

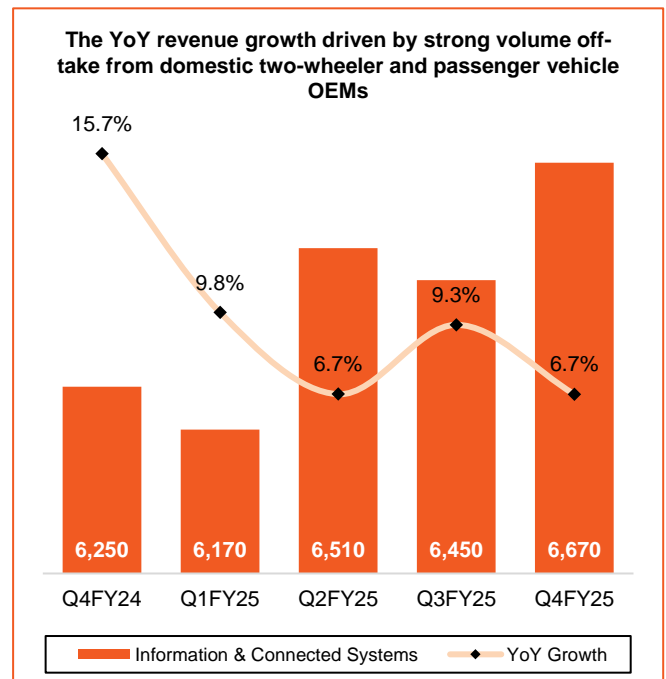
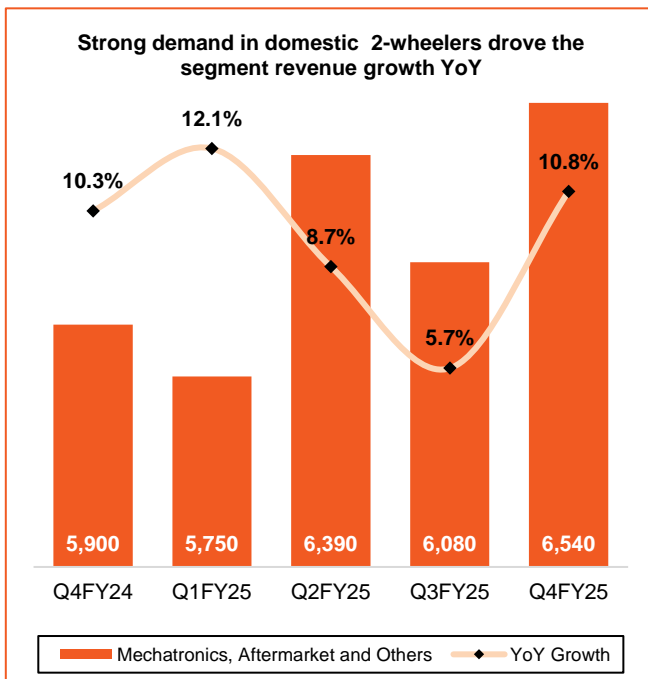
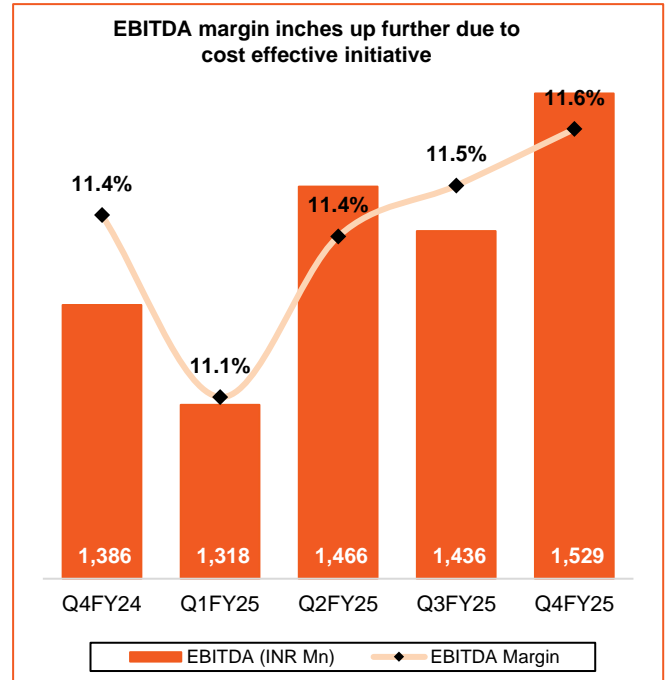
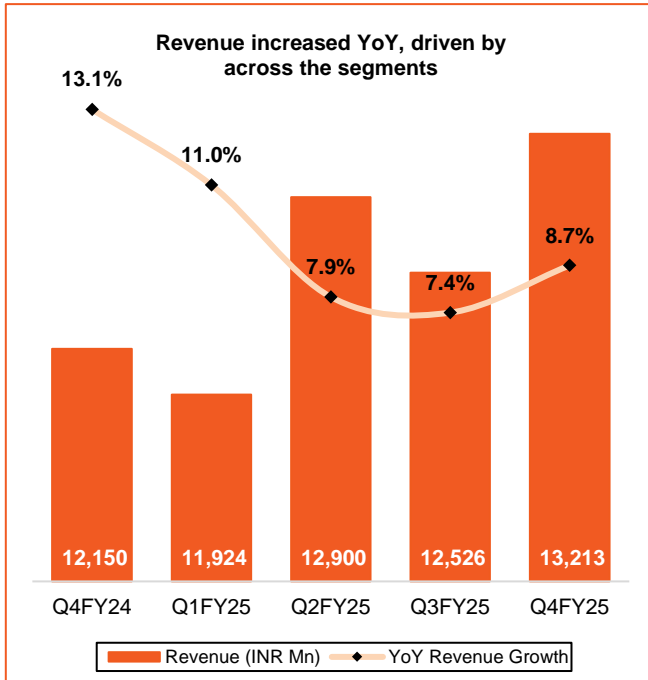
- Minda Corporation's net worth as of March 2025 stood at INR 22,000 Mn. Net debt was at INR 12,500 Mn, implying a net debt/EBITDA of 1.8x (including Flash), and a net debt/equity of 0.6x. Management intends to bring this ratio down to 0.2x over the next 2–3 years, aided by promoter infusion of INR 4,200 Mn via warrants and improved internal accruals. The first tranche of this equity infusion is expected shortly, with the remaining to be received over 18 months.

Outlook: Growth trajectory remains strong with a clear roadmap

- The management reaffirmed its confidence in delivering consistent growth driven by a robust order book, execution of SOPs across new platforms, and traction in high-margin EV and export businesses. Strategic investments in capabilities, technology, and R&D remain key enablers. The company is positioned to benefit from structural industry tailwinds, premiumization trends, and electrification across mobility platforms. Management expects to maintain growth momentum into FY26E and beyond while creating long-term stakeholder value.

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Story In charts



Source: Company, DevenChoksey Research

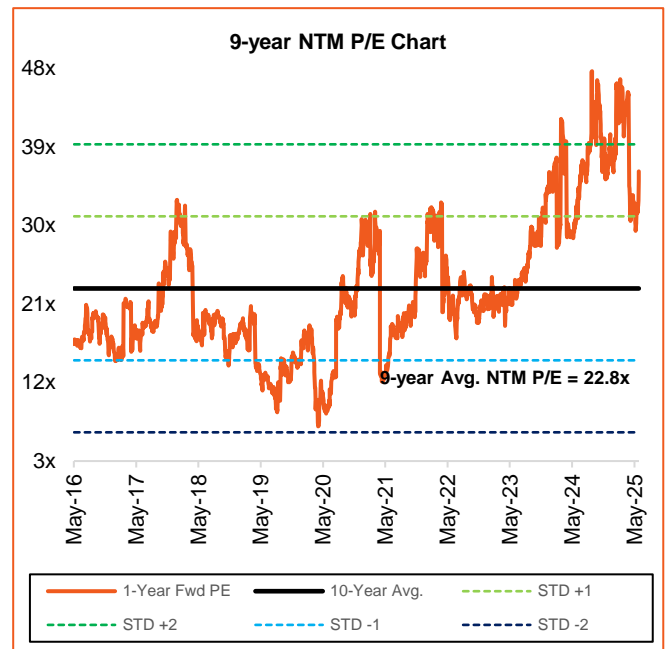
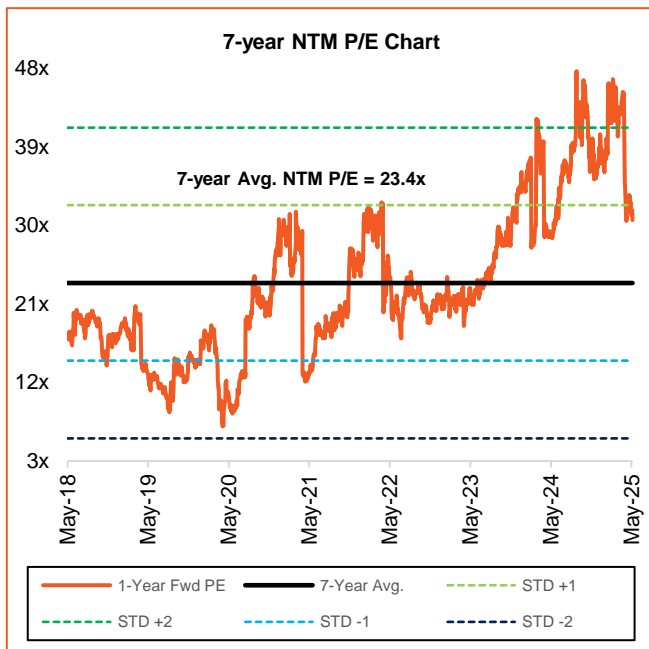
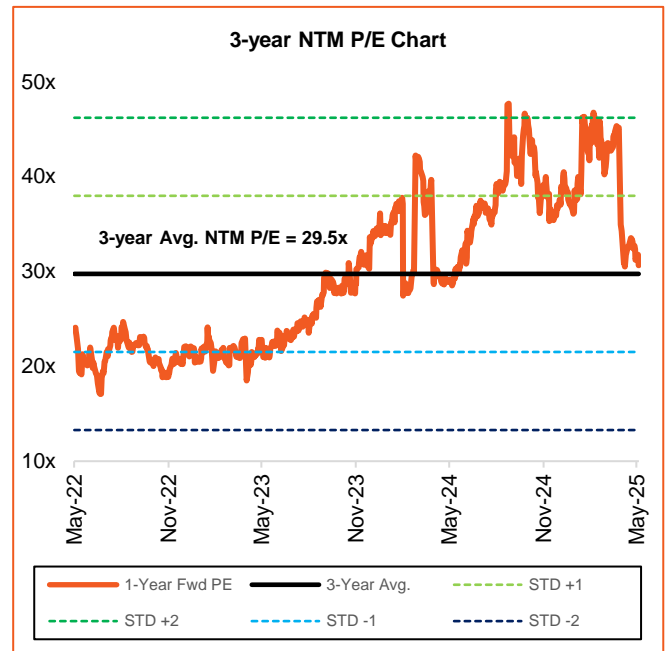
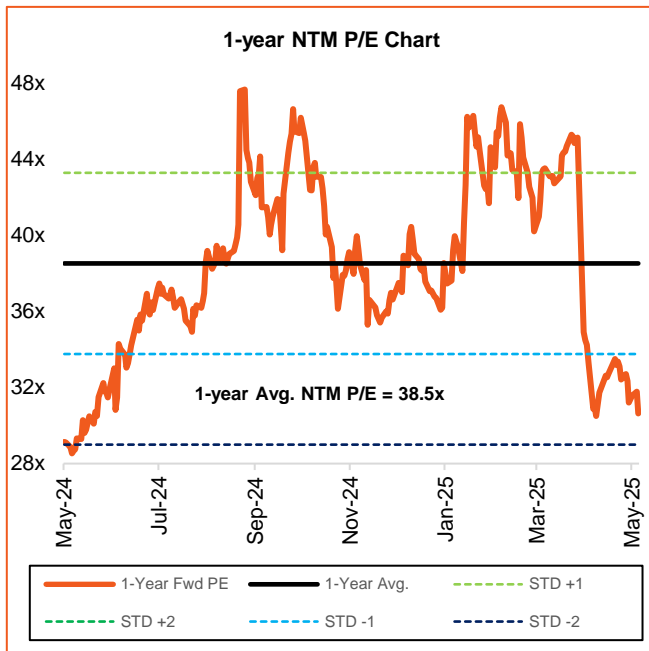
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Valuation and view

Minda Corporation delivered a resilient performance in Q4FY25, marked by strong operational execution and steady revenue growth, supported by premiumization and robust domestic demand. The company benefited from its focus on Innovation, expanding system offerings and higher traction in EV's. Moreover, the business outlook remains encouraging backed by a healthy order pipeline, rising EV contribution and localization initiatives. The Company's emphasis on product development and customer alignment is expected to drive long-term value creation and reinforce the company's competitive edge.

We have revised our FY26E/FY27E EPS estimates by -5.0%/-5.4%, respectively, as we factor in elevated finance costs and higher depreciation, driven by strategic acquisition of Flash Electronics and ongoing capacity expansions. We believe, the underlying business remains fundamentally strong aided by increase in EV penetration, robust order inflows across segments and margin resilience and improvement. We expect Revenue/ EBITDA/ Adjusted net profit to grow at a CAGR of 12.3%/ 19.6%/ 35.1%, respectively over FY25-FY27E.

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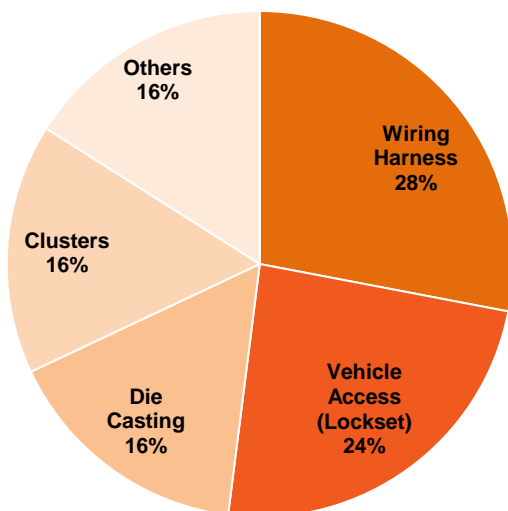
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Result Snapshot

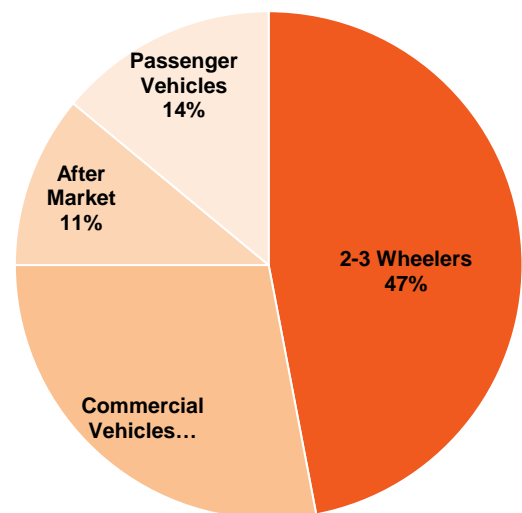
INR (Mn)	Q4FY25	Q3FY25	Q4FY24	Q-o-Q	Y-o-Y	FY25	FY24	Y-o-Y
Net Sales	13,213	12,526	12,150	5.5%	8.7%	50,562	46,511	8.7%
Raw Materials	7,935	7,612	6,872	4.2%	15.5%	30,558	27,857	9.7%
(Increase)/Decr in Stock	30	(117)	605	(125.7%)	(95.0%)	(43)	296	114.6%
Purchase of traded goods	191	219	179	(12.7%)	6.8%	950	1,085	(12.5%)
Gross Profit	5,056	4,812	4,494	5.1%	12.5%	19,098	17,273	10.6%
Gross Margin (%)	38.3%	38.4%	37.0%	(15 bps)	128 bps	37.8%	37.1%	63 bps
Employees cost	2,021	1,999	1,794	1.1%	12.7%	7,825	7,285	7.4%
Other Expenses	1,506	1,377	1,315	9.3%	14.5%	5,525	4,844	14.0%
EBITDA	1,529	1,436	1,386	6.5%	10.3%	5,748	5,144	11.7%
EBITDA Margin (%)	11.6%	11.5%	11.4%	11 bps	17 bps	11.4%	11.1%	31 bps
Depreciation	568	504	436	12.8%	30.2%	2,043	1,658	23.2%
EBIT	961	932	949	3.1%	1.2%	3,705	3,486	6.3%
Other income	33	91	98	(63.4%)	(66.0%)	324	157	105.9%
Interest	345	119	125	189.9%	176.4%	672	559	20.4%
EBT	649	904	923	(28.2%)	(29.6%)	3,357	3,085	8.8%
Tax	232	260	227	(11.0%)	2.3%	965	832	15.9%
Profit/(loss) from JV/assoc.	103	4	12	NA	NA	162	20	NA
Adjusted Net Income	520	648	707	(19.7%)	(26.5%)	2,554	2,272	12.4%
Adjusted Net margin (%)	3.9%	5.2%	5.8%	(124 bps)	(189 bps)	5.1%	4.9%	17 bps
Diluted Adj. EPS (INR)	2.2	2.7	3.0	(19.6%)	(26.4%)	10.7	9.5	12.6%

Source: Company, DevenChoksey Research

Revenue by products FY25



By end market FY25



Source: Company, DevenChoksey Research

Minda Corporation Ltd.

KEY FINANCIALS

Exhibit 1: Profit & Loss Statement

INR Mn	FY24	FY25	FY26E	FY27E
Revenues	46,511	50,562	56,586	63,737
COGS	29,238	31,465	34,893	39,137
Gross profit	17,273	19,098	21,693	24,600
Personnel Cost	7,285	7,825	8,554	9,561
Other Cost	4,844	5,525	6,097	6,823
EBITDA	5,144	5,748	7,043	8,216
EBITDA Margin	11.1%	11.4%	12.4%	12.9%
D&A	1,658	2,043	2,249	2,487
EBIT	3,486	3,705	4,794	5,729
Interest expense	559	672	686	694
Other income	157	324	396	446
PBT	2,927	3,033	4,108	5,035
Tax	832	965	1,124	1,355
Min. Int / others/ JV	20	162	482	535
PAT	2,272	2,554	3,862	4,660
EPS (INR)	9.5	10.7	16.2	19.5

Exhibit 3: Cash Flow Statement

INR Mn	FY24	FY25	FY26E	FY27E
CFFO	2,869	5,443	5,160	6,470
CFFI	1,167	(14,087)	(3,103)	(3,053)
CFFF	(3,585)	7,885	(1,175)	(1,183)
Net Inc/Dec in cash	450	(758)	882	2,234
Opening Cash	1,079	1,521	759	1,640
Closing Cash	1,521	759	1,640	3,874

Exhibit 4: Key Ratios

Key Ratio	FY24	FY25	FY26E	FY27E
EBITDA Margin (%)	11.1%	11.4%	12.4%	12.9%
Tax rate (%)	27.0%	28.7%	24.9%	24.7%
RoE (%)	12.7%	12.2%	16.2%	16.8%
RoCE (%)	14.2%	11.5%	11.9%	13.0%
Adj. PE	56.9x	50.7x	33.5x	27.8x
Adj. EPS (INR)	9.5	10.7	16.2	19.5

Source: Company, DevenChoksey Research

Exhibit 2: Balance Sheet

INR Mn	FY24	FY25	FY26E	FY27E
Equity				
Equity Capital	478	478	478	478
Other Equity	19,328	21,544	25,119	29,493
Total Equity	19,807	22,022	25,597	29,971
Capital Employed				
Total loans	5,353	16,095	15,895	15,695
Long term Provision	451	542	542	542
Other long-term liabilities	191	164	164	164
Capital Employed	25,801	38,822	42,198	46,371
Total non-current assets				
Net block	10,501	13,470	14,721	15,734
Investments	569	14,756	14,756	14,756
Intangible	1,623	1,809	1,809	1,809
Other non-current assets	1,903	1,990	1,990	1,990
Total non-current assets	14,595	32,025	33,276	34,290
Current liabilities				
Current Liabilities	8,496	9,881	10,946	12,277
Provisions	93	101	101	101
Current liabilities	8,590	9,981	11,047	12,378
Net Current assets	11,205	6,797	8,921	12,081
Inventories	5,270	5,808	6,883	7,720
Trade Receivables	8,044	8,275	9,302	10,477
Loans and advances	868	1,058	1,184	1,334
Cash and Bank	1,521	759	1,640	3,874
Other current assets	1,185	879	959	1,054
Total Current Assets	16,887	16,779	19,968	24,459
Capital Deployed	25,801	38,822	42,198	46,371

Minda Corporation Ltd.

Minda Corporation Ltd.			
Date	CMP (INR)	TP(INR)	Recommendation
29-May-25	533	624	BUY
07-Feb-25	577	664	BUY
13-Nov-24	477	554	BUY
16-Aug-24	511	554	ACCUMULATE
27-May-24	428	458	ACCUMULATE
07-Feb-24	414	487	BUY

Rating Legend (Expected over a 12-month period)	
Our Rating	Upside
Buy	More than 15%
Accumulate	5% – 15%
Hold	0 – 5%
Reduce	-5% – 0
Sell	Less than – 5%

ANALYST CERTIFICATION:

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