

Uno Minda Ltd

Result Update Q1 FY25



CMP: 973

Result Update Q1 FY25

Uno Minda Corp delivered a strong Q1 FY25 performance, with growth across its segments. The auto industry saw significant momentum, particularly in the two-wheeler (2W) market, which grew 20% YoY due to improved rural sentiment. The passenger vehicle (PV) segment also rose by 6% YoY, driven by high SUV demand. However, electric two-wheeler (e-2W) registrations declined by 20% YoY and 40% QoQ, affected by the subsidy reduction under the FAME-2 Scheme, which ended in March 2024, and the subsequent extension of the Electric Mobility Promotion Scheme (EMPS) 2024.

Uno Minda has strengthened its product offerings and market presence through strategic moves. The company entered into Technical License Agreements with Aisin Corporation, Japan, to manufacture and sell sunroofs in India, and with Inovance to produce Charging Control Units, EV inverters, motors, and next-gen electric drive systems. Additionally, Uno Minda increased its stake in Minda Onkyo from 50% to 99%, and expanded its casting operations with planned capacity increases at Bawal and a new plant at IMT Kharkhoda, Haryana.

The company reported a 23% YoY increase in group revenues to INR 3,815 Cr for the quarter, from INR 3,092 Cr. Profit After Tax (PAT) for UML share, excluding exceptional income, increased by 15% YoY to INR 199 Cr, while the EBITDA margin stood at 10.7%, with EBITDA rising 24% YoY to INR 408 Cr. Segment performance was strong, particularly in switches, which contributed 25% of total revenue with exports crossing INR 50 Cr, and lighting, which saw several new orders and the establishment of a new greenfield plant at Khed City, Pune. The acoustics and seating segments also introduced new products, with production started at Uno Minda Tachi-S. Uno Minda is expanding its focus on electric vehicle (EV) products, developing and supplying components like acoustic vehicle alert systems, chargers, motor controllers, and telematics for both 2W and 4W markets. The company is also investing in project expansions across 4W alloy wheels, lighting, switches, EV products, airbags, seat belts, and sunroofs. Geographic revenue is largely driven by India (87%), with international markets contributing 13%. The aftermarket business performed well, generating INR 235 crores in revenue for the quarter.

Key Consolidated Financial Data (INR Cr, unless specified)

Particulars	Q1FY24	Q4FY24	Q1FY25	QoQ (%)	YoY (%)	FY23	FY24	YoY (%)
Revenue	3,092.7	3,794.0	3,817.5	0.6	23.4	11,236.5	14,030.9	24.9
EBITDA	330.1	474.0	407.7	(14.0)	23.5	1,242.0	1,585.3	27.6
EBITDA Margin (%)	10.7	12.5	10.7			11.1	11.3	
Net Profit	172.8	289.1	199.0	(31.2)	15.2	653.6	880.3	34.7
Net Margin (%)	5.6	7.6	5.2			5.8	6.3	

Source: Ventura Research & Company update

Industry Auto Components & Equipments

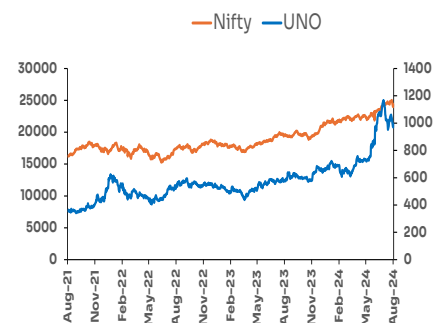
Script Details

Face Value (INR)	2.0
Market Cap (INR Cr)	55,869
Price (INR)	973
No of Sh O/S (Cr)	57
3M Avg Vol (000)	10,730
52W H/L (INR)	1,207 / 549
Div. Yield (%)	0.20

Shareholding (%)

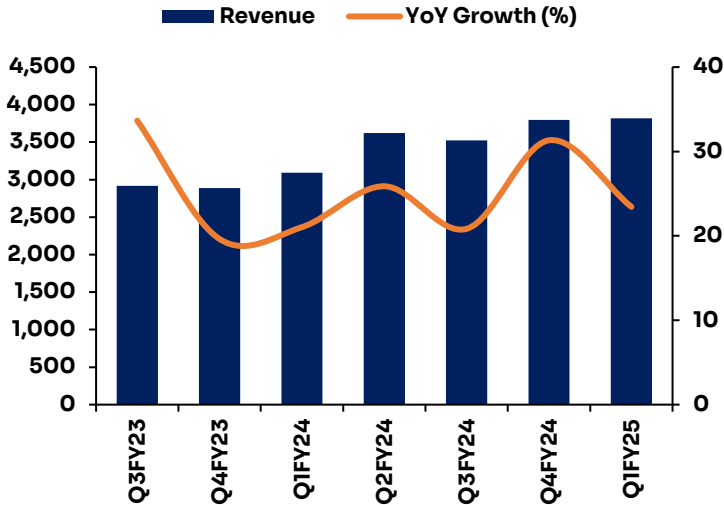
Promoter	68.75
FIIs	8.65
DIIIs	16.39
Public	6.20
TOTAL	100.0

Price chart

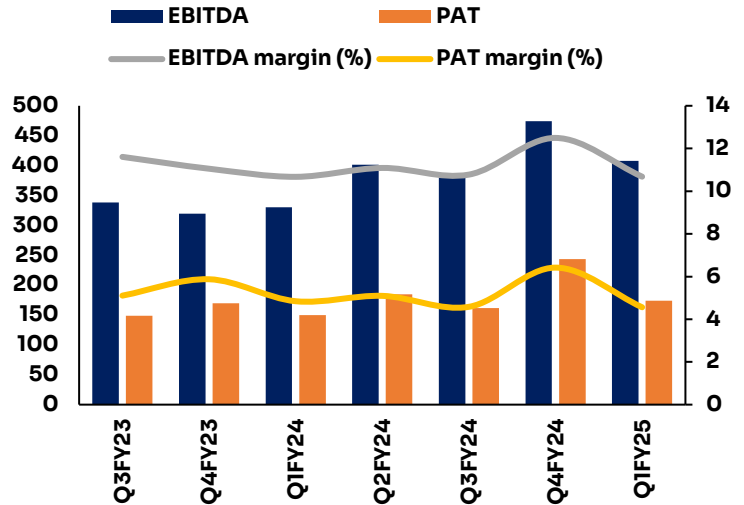


Financial Summary in Charts

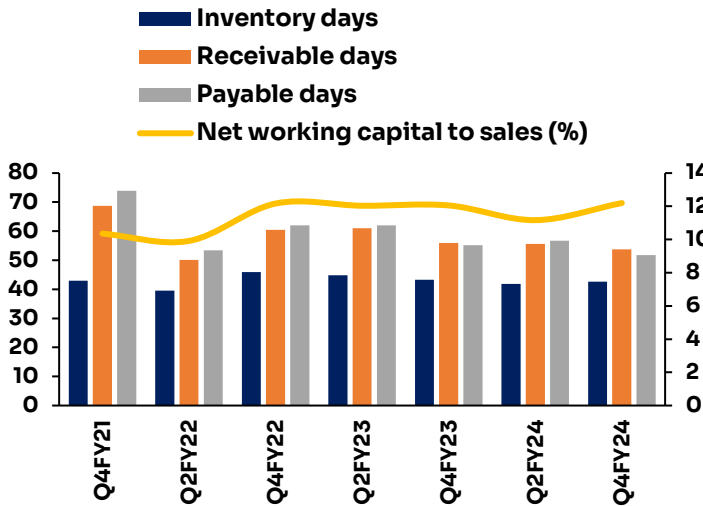
REVENUE



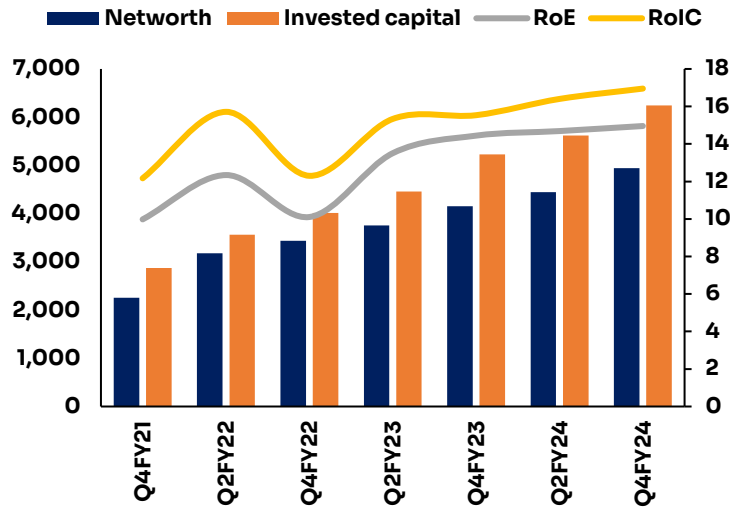
PROFITABILITY MARGINS



WORKING CAPITAL CYCLE



RETURN RATIOS



Source: Ventura Research

Key highlights of Q1 FY25

- **Strong Financial Performance:** Uno Minda Corp reported a 23% YoY increase in group revenues to INR 3,815 Cr for Q1 FY25, with EBITDA rising 24% YoY to INR 408 Cr and a PAT increase of 15% YoY to INR 199 Cr.
- **Segment Growth:** The switches segment contributed 25% of total revenue, with exports exceeding INR 50 Cr, while the lighting segment secured new orders and established a new plant in Pune.
- **Strategic Partnerships:** Uno Minda entered Technical License Agreements with Aisin Corporation and Inovance to produce sunroofs and EV components, further expanding its product offerings in India.
- **EV Product Focus:** The company is increasing its focus on EV products, supplying components such as acoustic vehicle alert systems, chargers, and motor controllers for both 2W and 4W markets.
- **Geographical Revenue:** India remains the dominant market, contributing 87% of geographic revenue, with international markets contributing 13%. The aftermarket segment also performed well, generating INR 235 Cr in revenue.

Quarterly Summary of Uno Minda Ltd.

Fig in INR Cr (unless specified)	FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	FY24	Q1FY25
Revenue from operations	8,313.0	2,555.2	2,876.8	2,915.5	2,889.0	11,236.5	3,092.7	3,621.3	3,522.9	3,794.0	14,030.9	3,817.5
YoY Growth (%)	30.4	59.4	36.1	33.7	19.6	35.2	21.0	25.9	20.8	31.3	24.9	23.4
Raw Material Cost	5,272.0	1,656.2	1,865.9	1,842.9	1,859.5	7,224.5	1,986.8	2,376.6	2,290.7	2,409.7	9,063.8	2,460.3
RM Cost to Sales (%)	63.4	64.8	64.9	63.2	64.4	64.3	64.2	65.6	65.0	63.5	64.6	64.4
Employee Cost	1,206.5	341.0	364.8	371.2	383.5	1,460.5	423.9	448.7	454.4	451.8	1,778.7	516.3
Employee Cost to Sales (%)	14.5	13.3	12.7	12.7	13.3	13.0	13.7	12.4	12.9	11.9	12.7	13.5
Other Expenses	949.1	292.2	327.8	363.0	326.7	1,309.6	351.9	394.5	398.3	458.5	1,603.1	433.2
Other Expenses to Sales (%)	11.4	11.4	11.4	12.4	11.3	11.7	11.4	10.9	11.3	12.1	11.4	11.3
EBITDA	885.4	265.9	318.4	338.4	319.3	1,242.0	330.1	401.6	379.6	474.0	1,585.3	407.7
EBITDA Margin (%)	10.7	10.4	11.1	11.6	11.1	11.1	10.7	11.1	10.8	12.5	11.3	10.7
Net Profit	355.8	138.8	170.1	162.0	182.7	653.6	172.8	225.0	193.5	289.1	880.3	199.0
Net Margin (%)	4.3	5.4	5.9	5.6	6.3	5.8	5.6	6.2	5.5	7.6	6.3	5.2
Adjusted EPS	6.2	2.4	3.0	2.8	3.2	11.4	3.0	3.9	3.4	5.0	15.3	3.5
P/E (X)	160.1					87.1					64.7	
Adjusted BVPS	59.9					72.4					86.1	
P/BV (X)	16.6					13.7					11.5	
Enterprise Value	57,526.8					58,024.2					58,256.9	
EV/EBITDA (X)	65.0					46.7					36.7	
Net Worth	3,438.5					4,155.9					4,942.6	
Return on Equity (%)	10.3					15.7					17.8	
Capital Employed	4,258.7					5,406.9					6,515.7	
Return on Capital Employed (%)	8.1					11.4					11.8	
Invested Capital	4,012.4					5,227.3					6,246.6	
Return on Invested Capital (%)	12.3					15.5					17.0	
Cash Flow from Operations	382.9					802.6					979.3	
Cash Flow from Investing	(698.7)					(1,190.1)					(953.4)	
Cash Flow from Financing	311.0					301.0					90.5	
Net Cash Flow	(4.8)					(86.5)					116.4	
Free Cash Flow	(138.3)					(93.0)					28.7	
FCF to Revenue (%)	(1.7)					(0.8)					0.2	
FCF to EBITDA (%)	(15.6)					(7.5)					1.8	
FCF to Net Profit (%)	(38.9)					(14.2)					3.3	
FCF to Net Worth (%)	(4.0)					(2.2)					0.6	
Total Debt	820.3					1,251.1					1,573.1	
Net Debt	574.0					1,071.4					1,304.1	
Net Debt to Equity (X)	0.2					0.3					0.3	
Net Debt to EBITDA (X)	0.6					0.9					0.8	
Interest Coverage Ratio (X)	7.9					11.7					9.4	

Source: Ventura Research & Company update

Financial Analysis

Fig in INR Cr (unless specified)	FY20	FY21	FY22	FY23	FY24	Fig in INR Cr (unless specified)	FY20	FY21	FY22	FY23	FY24
Income Statement						Per share data & Yields					
Revenue	6,222.0	6,373.7	8,313.0	11,236.5	14,030.9	Adjusted EPS (INR)	2.7	3.6	6.2	11.4	14.9
YoY Growth (%)	5.3	2.4	30.4	35.2	24.9	Adjusted Cash EPS (INR)	8.6	10.1	13.0	18.9	24.0
Raw Material Cost	3,386.8	3,915.6	5,272.0	7,224.5	9,063.8	Adjusted BVPS (INR)	37.3	44.6	65.6	77.2	91.7
RM Cost to Sales (%)	54.4	61.4	63.4	64.3	64.6	Adjusted CFO per share (INR)	18.3	6.0	6.7	14.0	17.1
Employee Cost	943.8	981.7	1,206.5	1,460.5	1,778.7	CFO Yield (%)	1.8	0.6	0.7	1.4	1.7
Employee Cost to Sales (%)	15.2	15.4	14.5	13.0	12.7	Adjusted FCF per share (INR)	9.1	1.8	(2.4)	(1.6)	0.5
Other Expenses	1,219.7	751.5	949.1	1,309.6	1,603.1	FCF Yield (%)	0.9	0.2	(0.2)	(0.2)	0.1
Other Exp to Sales (%)	19.6	11.8	11.4	11.7	11.4	Solvency Ratio (X)					
EBITDA	671.8	725.0	885.4	1,242.0	1,585.3	Total Debt to Equity	0.6	0.4	0.2	0.3	0.3
Margin (%)	10.8	11.4	10.7	11.1	11.3	Net Debt to Equity	0.4	0.3	0.2	0.2	0.2
YoY Growth (%)	(7.4)	7.9	22.1	40.3	27.6	Net Debt to EBITDA	1.2	1.1	0.6	0.9	0.8
Depreciation & Amortization	340.1	375.3	391.8	429.9	526.2	Return Ratios (%)					
EBIT	331.7	349.7	493.6	812.0	1,059.0	Return on Equity	8.3	9.2	10.3	15.7	17.8
Margin (%)	5.3	5.5	5.9	7.2	7.5	Return on Capital Employed	7.8	7.3	8.1	11.4	11.8
YoY Growth (%)	(32.4)	5.4	41.2	64.5	30.4	Return on Invested Capital	12.3	11.4	12.3	15.5	17.0
Other Income	40.5	47.0	62.9	48.9	33.8	Working Capital Ratios					
Bill discounting & other charges	94.2	73.7	62.3	69.5	113.0	Payable Days (Nos)	65.6	73.9	62.0	55.2	51.8
Fin Charges Coverage (X)	3.5	4.7	7.9	11.7	9.4	Inventory Days (Nos)	35.8	43.0	45.9	43.2	42.6
Exceptional Item	(34.5)	1.7	0.0	0.0	0.0	Receivable Days (Nos)	50.6	68.7	60.4	56.0	53.7
PBT	243.6	324.8	494.3	791.4	979.8	Net Working Capital Days (N	20.8	37.8	44.4	44.0	44.5
Margin (%)	3.9	5.1	5.9	7.0	7.0	Net Working Capital to Sales	5.7	10.3	12.2	12.1	12.2
YoY Growth (%)	(46.4)	33.3	52.2	60.1	23.8	Valuation (X)					
Tax Expense	68.6	100.5	146.8	191.1	267.1	P/E	367.0	275.6	160.1	87.1	66.7
Tax Rate (%)	28.2	31.0	29.7	24.1	27.3	P/BV	26.6	22.2	15.1	12.8	10.8
PAT	175.0	224.3	347.5	600.3	712.7	EV/EBITDA	86.0	79.7	65.0	46.7	36.7
Margin (%)	2.8	3.5	4.2	5.3	5.1	EV/Sales	9.3	9.1	6.9	5.2	4.2
YoY Growth (%)	(45.4)	28.2	54.9	72.8	18.7	Cash Flow Statement					
Min Int/Sh of Assoc	(19.8)	(17.6)	8.3	53.3	141.0	PBT	243.6	324.8	494.3	791.4	979.8
Net Profit	155.2	206.6	355.8	653.5	853.7	Adjustments	565.0	424.3	387.2	545.2	623.8
Margin (%)	2.5	3.2	4.3	5.8	6.1	Change in Working Capital	308.6	(305.8)	(351.8)	(342.8)	(357.1)
YoY Growth (%)	(45.7)	33.2	72.2	83.7	30.6	Less: Tax Paid	(68.6)	(100.5)	(146.8)	(191.1)	(267.1)
Balance Sheet						Cash Flow from Operations	####	342.7	382.9	802.6	979.3
Share Capital	52.4	54.4	57.1	114.6	114.6	Net Capital Expenditure	(591.3)	(288.1)	(565.0)	(948.4)	(1,032.9)
Total Reserves	2,091.5	2,508.6	3,707.6	4,319.6	5,150.2	Change in Investments	(243.9)	(72.9)	(133.7)	(241.7)	79.5
Shareholders Fund	2,143.9	2,563.0	3,764.8	4,434.2	5,264.8	Cash Flow from Investing	(835.2)	(361.0)	(698.7)	(1,190.1)	(953.4)
Long Term Borrowings	780.3	539.1	374.7	580.6	696.3	Change in Borrowings	42.2	(198.7)	(279.3)	399.0	308.8
Deferred Tax Assets / Liabilities	41.0	29.9	28.6	7.1	(26.7)	Less: Finance Cost	(94.2)	(73.7)	(62.3)	(69.5)	(113.0)
Other Long Term Liabilities	173.2	180.1	202.5	201.2	141.0	Proceeds from Equity	0.0	250.7	690.0	28.8	0.0
Long Term Trade Payables	0.5	0.0	0.0	0.0	0.0	Buyback of Shares	0.0	0.0	0.0	0.0	0.0
Long Term Provisions	124.8	135.1	85.1	91.8	108.2	Dividend Paid	(44.0)	(18.6)	(37.4)	(57.3)	(105.3)
Total Liabilities	3,263.7	3,447.3	4,455.7	5,314.9	6,183.6	Cash flow from Financing	(95.9)	(40.2)	311.0	301.0	90.5
Net Block	2,674.2	2,796.8	2,804.7	3,304.4	3,550.2	Net Cash Flow	117.4	(58.5)	(4.8)	(86.5)	116.4
Capital Work in Progress	340.0	111.9	335.3	291.1	214.3	Forex Effect	2.8	0.4	1.4	0.8	0.0
Intangible assets under development	20.0	22.4	11.3	1.7	0.0	Opening Balance of Cash	92.8	263.7	205.6	202.3	121.4
Non Current Investments	373.4	528.6	594.6	862.8	936.8	Closing Balance of Cash	213.0	205.6	202.3	116.6	237.8
Long Term Loans & Advances	117.3	92.8	93.8	209.1	0.0						
Other Non Current Assets	10.0	3.6	2.4	18.4	651.1						
Net Current Assets	(271.2)	(108.8)	613.7	627.4	831.2						
Total Assets	3,263.7	3,447.3	4,455.7	5,314.9	6,183.6						

Source: Ventura Research

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