

Retail Equity Research

UNO Minda Ltd.



HOLD

Sector: Auto Ancillaries

15th September 2025

Key Changes	Target	Rating	Earnings	Target	Rs. 1,410
Stock Type	Bloomberg Code	Sensex	NSE Code	BSE Code	Time Frame
Mid Cap	UNOMINDA:IN	81,905	UNOMINDA	532539	12 Months
				CMP	Rs. 1,281
				Return	+10%

Data as of: 12-09-2025, 18:00 hrs.

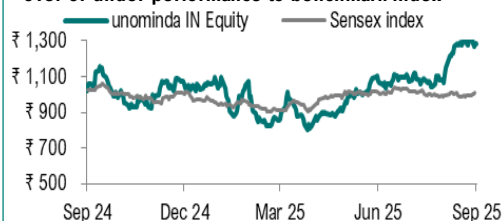
Company Data

Market Cap (Rs.cr)	74,177
52 Week High - Low (Rs.)	1,330 - 768
Enterprise Value (Rs.cr)	76,464
Outstanding Shares (cr)	57.6
Free Float (%)	31
Dividend Yield	0.2%
6m average volume (cr)	0.08
Beta	1.3
Face value (Rs.)	2

Shareholding (%)	Q3FY25	Q4FY25	Q1FY26
Promoters	68.8	68.8	68.7
FII's	9.9	10.1	9.6
MFs/Insti	15.2	15.1	15.9
Public	6.2	6.0	5.9
Total	100.0	100.0	100.0
Promoter pledge	Nil	Nil	Nil

Price Performance	3 Month	6 Month	1 Year
Absolute Return	20.5%	42.1%	25.1%
Absolute Sensex	1.0%	10.9%	-1.3%
Relative Return*	19.6%	31.2%	26.4%

*over or under performance to benchmark index



Consolidated (Rs.cr)	FY25A	FY26E	FY27E
Sales	16,775	19,896	23,186
Growth (%)	19.6	18.6	16.5
EBITDA	1,874	2,248	2,713
EBITDA Margin (%)	11.2	11.3	11.7
Adj. PAT	935	1,154	1,416
Growth (%)	9.5	23.3	22.7
Adj. EPS	16.3	20.2	24.7
Growth (%)	9.5	23.3	22.7
P/E	62.5	50.7	41.3
P/B	4.8	4.0	3.3
EV/EBITDA	15.5	13.0	10.9
ROE (%)	18.0	18.7	19.0
D/E	0.4	0.4	0.3

Favourable product mix to support growth.

UNO Minda Ltd. (UML) is a diversified auto ancillary supplier, manufacturing products such as switches, horns & lights. UML holds a leadership position in the switch business with a market share of 67%.

- Q1FY26 revenue, registered a growth of 16%YoY. This was mainly on account of new customer additions in the 2W/4W segment, & leveraging the client base.
- The growth across the product mix was broad-based, with switches, alloy wheels, and seating showing robust performance. Other categories also saw impressive momentum, recording a 30% YoY increase.
- Despite prevailing cost pressures, normalized EBITDA margin remained steady YoY at 10.7%.
- Management highlights short-term margin pressure from ongoing ramp-ups and expansions, with expectations of margin improvement as new ventures achieve scale.
- We expect revenue CAGR to grow by 17% over FY25-27E, factoring in demand stability, order wins and an increase in content per vehicle.

Outlook & Valuation

Uno Minda continues to demonstrate strong long-term growth prospects within the automotive sector, with robust growth across all verticals, outperforming industry benchmarks across both established and emerging product segments. The company's robust pipeline of new product launches, significant strategic investments in manufacturing capacity, advanced technologies, and localization initiatives especially within the EV power electronics domain, position it well to meet rising industry demand. Additionally, its healthy EV order book and ongoing capacity expansion initiatives is expected to yield tangible benefits from the second half of FY26 onwards, further reinforcing its growth trajectory to deliver better volume growth compared to FY25. Near-term upside remains constrained as price has already been factored in, high capex, limited immediate gains from localisation, and subdued domestic demand. While focus areas also include the European acoustics recovery, margin trajectory in scaling businesses, and execution of major expansion plans. Hence, we value UML at 57x on FY27E EPS & arrive at a target price of Rs.1,410 and downgrade our rating to Hold at CMP.

Quarterly Financials Consolidated.

Rs.cr	Q1FY26	Q1FY25	YoY (%)	Q4FY25	QoQ (%)
Sales	4,421	3,818	15.8	4,528	-2.4
EBITDA	475	408	16.5	527	-9.8
Margin (%)	10.7	10.7	7bps	11.6	-88bps
EBIT	316	266	18.7	211	49.5
PBT	284	241	17.9	329	-13.7
Rep. PAT	223	199	11.9	266	-16.3
Adj PAT	223	199	11.9	266	-16.3
EPS (Rs)	3.9	3.5	11.9	4.7	-16.3

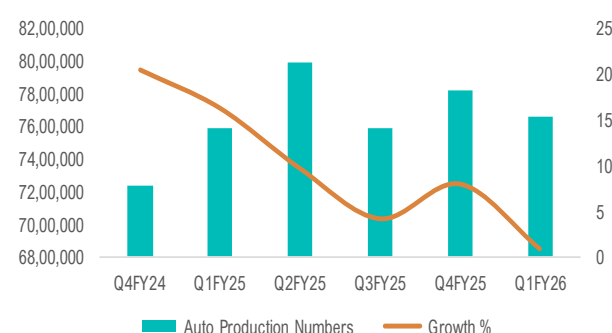


- The automotive industry recorded a 2% YoY increase in production volumes for Q1FY26. The primary driver of growth was increased exports and the PV and 2W segment.
- Uno Minda has completed the acquisition of the remaining 49.9% stake in UMEVSPL (FRIWO JV), securing full in-house electric drivetrain capabilities through the transfer of IPR, R&D, and technical know-how from FRIWO Germany/Vietnam, while the Board has also approved acquiring the remaining stake in the Buehler JV, with plans to transition to a Technology License Agreement model currently under discussion.
- For FY26, the company has provided a capex guidance of ₹1,600–₹1,700 crore, comprising ₹350–₹400 crore for maintenance and ₹1,300–₹1,350 crore earmarked for growth and strategic investments.
- Uno Minda is actively executing 13 strategic projects, with key near-term commissions including the Kharkhoda Phase-1 4W alloy wheel unit, Indonesia lighting facility, and Hosur die casting expansion, alongside recent commissioning of plants in Khed City, Gujarat, Supa, and Bawal.
- Switches: ₹1,111 crores (25% of revenues, 16% growth). Lighting: ₹1,013 crores (23% of revenues, 13% growth). Casting: ₹824 crores (19% of revenues, 10% growth). Seating: ₹320 crores (7% of revenues, 18% growth). Acoustic: ₹187 crores (4% of revenues, -8% growth, impacted by European market volatility and reduced content per vehicle) and others ₹966 crores (22% of revenues, 30% growth)

Revenue



Auto Production Numbers



EBITDA



PAT



Change in Estimates

Year / Rs cr	Old estimates		New estimates		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	20,180	24,759	19,896	23,186	-1.4	-6.4
EBITDA	2,280	2,823	2,248	2,713	-1.4	-3.9
Margins (%)	11.3	11.4	11.3	11.7	0bps	30bps
Adj. PAT	1,253	1,654	1,154	1,416	-7.9	-14.4
EPS	21.9	28.9	20.2	24.7	-7.9	-14.4



Consolidated Financials

PROFIT & LOSS

Y.E March (Rs. cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Revenue	11,236	14,031	16,775	19,896	23,186
% change	35%	25%	20%	19%	17%
EBITDA	1,242	1,585	1,874	2,248	2,713
% change	40%	28%	18%	20%	21%
Depreciation	409	507	596	703	806
EBIT	812	1,060	1,260	1,527	1,888
Interest	70	113	170	204	222
Other Income	49	34	29	50	58
PBT	792	1,007	1,127	1,372	1,724
% change	60%	27%	12%	22%	26%
Tax	191	267	286	349	438
Tax Rate (%)	24%	27%	25%	25%	25%
Reported PAT	654	881	944	1,154	1,416
Adj*	0	26.62	8.54	0	0
Adj PAT	654	854	935	1,154	1,416
% change	83%	31%	9.5%	23%	23%
No. of shares (cr)	57	57	57	57	57
Adj EPS (Rs.)	11.4	14.9	16.3	20.2	24.7
% change	83%	31%	9.5%	23%	23%
DPS (Rs.)	0.2	0.2	0.2	0.2	0.2
CEPS (Rs.)	18.9	24.1	27.1	32.8	39.2

CASH FLOW

Y.E March (Rs. cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Net inc. + Depn.	1,221	1,533	1,741	2,094	2,548
Non-cash adj.	22	7	33	0	0
Changes in W.C	-483	-589	-698	-251	-711
C.F. Operation	760	951	1,076	1,843	1,837
Capital exp.	-871	-1036	-1938	-1175	-1205
Change in inv.	-263	-82	103	-147	-164
Other invest.CF	100	185	180	180	180
C.F – Investment	-1,033	-933	-1,655	-1,141	-1,189
Issue of equity	19	-83	-115	0	0
Issue/repay debt	462	322	721	215	215
Dividends paid	-13	-13	-13	-13	-13
Other finance.CF	-95	-1	-14	-50	-50
C.F – Finance	373	225	579	152	152
Chg. in cash	100	243	0	853	800
Closing cash	208	450	451	1,304	2,103

BALANCE SHEET

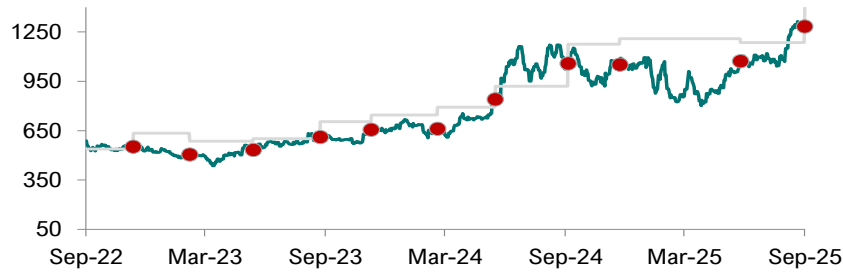
Y.E March (Rs. cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Cash	208	450	451	1,304	2,103
Accounts Receivable	1,723	2,065	2,496	2,998	3,494
Inventories	1,331	1,638	1,717	2,033	2,369
Other Cur. Assets	334	538	687	763	889
Investments	869	951	848	995	1,159
Gross Fixed Assets	5,490	6,605	8,031	9,231	10,431
Net Fixed Assets	2,912	3,520	4,350	4,847	5,240
CWIP	291	214	730	700	700
Intangible Assets	269	248	226	213	200
Def. Tax (Net)	7	-27	-68	-68	-68
Other Assets	0	0	0	0	0
Total Assets	7,944	9,598	11,437	13,785	16,087
Current Liabilities	502	706	681	1,254	1,461
Provisions	171	207	306	436	508
Debt Funds	1,251	1,573	2,294	2,509	2,724
Other Liabilities	1,701	1,992	2,164	2,453	2,859
Equity Capital	114	114	114	114	114
Reserves & Surplus	3,927	4,684	5,491	6,632	8,034
Shareholder's Fund	4,041	4,799	5,606	6,746	8,149
Total Liabilities	7,944	9,598	11,437	13,785	16,087
BVPS (Rs.)	144	174	206	250	304

RATIOS

Y.E March	FY23A	FY24A	FY25A	FY26E	FY27E
Profitab. & Return					
EBITDA margin (%)	11.1	11.3	11.2	11.3	11.7
EBIT margin (%)	7.2	7.6	7.5	7.7	8.1
Net profit mgn.(%)	5.8	6.1	5.6	5.8	6.1
ROE (%)	17.6	19.3	18.0	18.7	19.0
ROCE(%)	11.0	11.8	11.2	11.5	11.8
W.C & Liquidity					
Receivables (days)	50.3	49.3	49.6	50.4	51.1
Inventory (days)	38.6	38.6	36.5	34.4	34.6
Payables (days)	50.5	48.0	45.2	42.3	41.8
Current ratio (x)	5.3	5.1	5.4	4.2	4.5
Quick ratio (x)	3.4	2.9	3.7	2.4	2.4
Turnover & Leverage					
Gross asset T.O (x)	2.2	2.3	2.3	2.3	2.4
Total asset T.O (x)	1.6	1.6	1.6	1.6	1.6
Int. coverage ratio (x)	11.7	9.4	7.4	7.5	8.5
Adj. debt/equity (x)	0.3	0.3	0.4	0.4	0.3
Valuation					
EV/Sales (x)	2.5	2.0	1.7	1.5	1.3
EV/EBITDA (x)	22.5	17.9	15.5	13.0	10.9
P/E (x)	89.4	68.5	62.5	50.7	41.3
P/BV (x)	6.6	5.6	4.8	4.0	3.3



Recommendation Summary (Last 3 years)



Dates	Rating	Target
23.Nov.22	Accumulate	634
17.Feb.23	Buy	586
25.May.23	Buy	601
04.Sep.23	Buy	704
21.Nov.23	Buy	745
01.Mar.24	Buy	792
28.May.24	Accumulate	920
16.Sep.24	Accumulate	1,176
04.Dec.24	Buy	1,209
06.Jun.25	Accumulate	1,185
15.Sep.25	Hold	1,410

Investment Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
Buy	Upside is above 10%	Upside is above 15%	Upside is above 20%
Accumulate	-	Upside is between 10%-15%	Upside is between 10%-20%
Hold	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
Reduce/sell	Downside is more than 0%	Downside is more than 0%	Downside is more than 0%

Not rated/Neutral

Definition:

Buy: Acquire at Current Market Price (CMP), with the target mentioned in the research note; **Accumulate:** Partial buying or to accumulate as CMP dips in the future; **Hold:** Hold the stock with the expected target mentioned in the note.; **Reduce:** Reduce your exposure to the stock due to limited upside.; **Sell:** Exit from the stock; **Not rated/Neutral:** The analyst has no investment opinion on the stock.

Symbols definition:



Upgrade



No Change



Downgrade

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell.

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Not rated/Neutral- The analyst has no investment opinion on the stock under review.

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