



Wheels India H1 net profit up 12% at Rs.17.32cr, Revenues up 9% at 1006cr

Chennai 30 Oct 2014: Wheels India Ltd., a leading steel wheels manufacturer has reported a 12% increase in its H1 FY15 (April-Sept 2014) net profit at Rs.17.32cr as compared to Rs. 15.51cr achieved in the corresponding period last year. Revenues for the first half year ended 30 Sept 2014 went up 9% to Rs.1006cr as compared to Rs 922cr registered in the corresponding period last year.

Q2 – Net Profit up 9%, Revenues up 10%

Wheels India's net profit for Q2 ended 30 Sept 2014 increased 9% to Rs.9.51cr from Rs.8.73cr achieved in the corresponding period last year. Revenues for Q2 ended 30 Sept 2014 increased 10% to Rs. 516cr as compared to Rs.469cr registered in Q2 ended 30 Sept 2013.

Commenting on the scenario in the first half, Srivats Ram, MD, Wheels India Ltd., said, 'The first half saw some improvement in the CV market off a low base and decent growth in export markets. Our cost control initiatives and better efficiency across our plants contributed to the growth in profits.'

On the outlook for the 2nd half of the year, Srivats Ram said, 'While, we continue to see growth in export markets, we are cautious about the prospects of major segments in the domestic market. We hope that the second half of the year will be similar to the first half, with the fourth quarter making up for a sluggish third quarter.'

Exports business

Exports contribute to just over 20% of the revenues. The company will continue to leverage on its strong presence in select overseas markets and will target to increase its contribution from exports.

On the potential in the air suspension segment, Srivats Ram said, 'We are seeing some growth in this area with off-take from state transport undertakings. We believe there is potential for us to expand our presence in this segment both in terms of breadth of product and new geographies, going forward.'

Over 50% of Wheels India's revenue comes from wheels for the CVs and passenger cars with the rest coming from agricultural tractor, construction equipment, mining industry and air suspension systems.

Wheels India is a leading manufacturer of steel wheels for passenger cars, utility vehicles, trucks, buses, agricultural tractors and construction equipment. The company has manufacturing plants at Padi, Pune, Rampur, Bawal, Sriperambudur and Pantnagar with a combined overall annual capacity of 16 million wheels.

Wheels India has a diversified customer base with over 30 customers globally. While about 80% of the company's business comes from the domestic Indian market, the company exports wheels for off-road construction equipments and agricultural applications to Japan, Korea, US, Brazil, Belgium, South Africa, China and Indonesia.

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