

## Wheels India regsiters 151% growth in the Jan-March quarter

Chennai: Steel wheels manufacturer Wheels India has registered a 151% growth in the net profit for the quarter ended March 31 at Rs 16.97 crore, compared to Rs 6.76 crore for the same period during the 2014-15 fiscal. Revenues increased by 7% - from Rs 500 crore to Rs 536 crore.

For the year 2015-16, net profit grew to Rs.39.99 crore as compared to Rs 29.74 crore registered in the previous year. Revenues for the same period went up by 2% to Rs 2018 crore as compared to Rs. 1982 crore registered in the year ended 31st March 2015, despite the deflationary effect of low commodity prices.

Over 50% of the company's revenue came from wheels for commercial and passenger vehicles.

Commenting on the performance, Srivats Ram, MD, Wheels India said, "Our revenue growth was driven by the strong recovery in the commercial vehicles sector, as replacement demand driven by operational efficiencies of higher tonnage vehicles, imminent regulatory changes and some core industry activity drove growth in the market."

On the exports front, construction equipment and mining segments, which contribute to 70% of the company's export business, have been hit globally.

"Despite a cyclical downturn in its main export industry segments, Wheels India has been able to consolidate its presence through the introduction of new products which will benefit the company when the industry segments recover," Ram added.

On the growth areas for the year ahead, the MD added that the CV segment is likely to continue to grow in the coming year albeit at a lower rate than the last year. "There is also expected to be some growth in the energy component business, with the government's focus on renewables," he added.