

Wheels India

Q2 net rises 9 %

Special Correspondent

CHENNAI: Wheels India on Thursday reported a nine per cent increase in its net profit at Rs.9.51 crore on revenue of Rs.516 crore for the quarter ended September 30, 2014, against Rs.8.73 crore on revenue of Rs.469 crore in the corresponding quarter last year.

Addressing a press conference here, Managing Director Srivats Ram sounded circumspect on the outlook for the rest of the current year. Conceding that the current quarter had been sluggish, he, however, was hopeful of 'some make-up in the fourth quarter'.

Fielding a range of questions, he said sentiments had improved. Nevertheless, he felt it was too early to conclusively declare that the 'economy is thriving'.

Wheels India registered a 20 per cent growth in exports in the first-half. "For the first time, our export contribution to overall business has crossed 20 per cent. This could go up to 25 per cent in the longer term," he said.

Mr. Ram said, "we are seeing signs of growth in aluminium wheels and tubeless truck wheels. We are seeing traction from customers in overseas markets, and are getting interesting projects from overseas markets."

He indicated that the company would step up capacity in the forge aluminium wheels segment from 60,000 to 100,000 wheels over the next one year. Wheels India, he said, would be investing Rs.80 crore this year. About 40 per cent of this would be capacity-related investments, especially for exports business, he added.