



## **TRANSCRIPT OF THE 63<sup>RD</sup> ANNUAL GENERAL MEETING OF WHEELS INDIA LIMITED HELD ON 13<sup>TH</sup> JULY 2022 THROUGH VIDEO CONFERENCING**

### **Chairman:**

I welcome the members to the 63<sup>rd</sup> Annual General Meeting. This meeting is held through video conference in accordance with the circular issued by the Ministry of Corporate Affairs.

The Company has taken efforts under the current circumstances to enable members to participate through video conference and vote at the AGM. In order to avoid disruptions, the audio and video of the attendees have been disabled.

The Company had provided the shareholders with the facility to register themselves as speakers or to raise queries through e-mail during window period as mentioned in the notice to the AGM.

However, the Company has not received any intimation from any shareholders for registering themselves as speakers and have also not received any questions from them.

I thank all the members of the Board and auditors for joining this meeting. I hope all of you are safe and are in good health. The quorum being present, I call this meeting to order.

Since the Notice convening the meeting has been circulated by e-mail and hosted on the website, it may be taken as read.

I now request the Company Secretary to provide the summary of the Auditors' report.

### **Company Secretary:**

Thank you, sir. As the Auditors' Report is an unqualified and unmodified, is not required to be read out at the AGM as per the provisions of Section 145 of the Companies Act, 2013.

### **Chairman:**

The Company's annual report and audited accounts for the year ended 31<sup>st</sup> March, 2022 have been with you for some time now, and with your permission, I shall take them as read.



You would have seen from the annual report that in the financial year 2021-22, a pull back from difficult conditions in the previous financial year 2020-21. The Government's efforts in widespread vaccination contained further spread of the pandemic and the demand from most of all segments improved gradually in the second half of the financial year 2021-22. The agricultural tractor segment did particularly well with strong demand for tractor wheels. However, a revival of global economy activity in the financial year 21-22 created shortages in various components for the auto industry, restricting the output.

In the financial year 21-22, we saw unprecedented increase in steel and aluminium prices in India following a surge in commodities prices worldwide. There was also a big increase in ocean freight rates for our export sales. The revival of the global economy saw a steep increase in fuel prices globally.

The conflict in Ukraine has further put a strain on commodity availability and costs. The higher inflation across the world has resulted in banks increasing interest rates that may dampen demand in the coming year.

With increased industrial activities, we saw some growth in the commercial vehicle industry. However, the CV segment is operating under severe stress with increase in fuel cost and vehicle cost (following BSVI and inflation). However, the demand for small, light, intermediate and heavy commercial vehicles is increasing after two successive years of steep decline. The passenger vehicle segment was restricted by availability of semiconductors despite an uptick in demand. It is expected that the automotive industry should see an improvement in the coming year with moderation of commodity inflation and improving availability of parts.

The last financial year saw a record production of tractors and it is expected that the coming year should see some moderation of demand.

The air suspension business of your Company was worst affected by the pandemic as people movement by bus was limited. There was some improvement in the lift axle suspension business used in heavy duty trucks in the latter part of the year. There is expected to be some improvement in the coming year.

In the last financial year 2021-22, your Company's efforts to establish markets overseas, allowed your Company to cross a milestone of Rs. 1,000 crores. The foundation has been built to grow along with customers in the coming years.



Your company was able to increase its production of forged aluminium wheels for sale in Europe and America. In the last year, we saw the first full year of production of cast aluminium wheels from the new plant at Thervoykandigai. The wheels are sold to the largest aftermarket distributor of cast aluminium wheels in the world. The demand is expected to grow in the coming year.

Your company is a significant supplier of wheels to the construction equipment industry worldwide. Last year saw a strong revival of this segment as demand in most economies saw a recovery post-pandemic. The demand is expected to remain strong in the coming year.

In an effort to fight strong inflation many central banks have increased interest rates and are likely to continue to do so to contain inflation. This is likely to restrict growth in most economies with the IMF forecasting a lower global growth of 3.6%. It is expected that commodity prices are stable in the coming year. It is expected that your Company will continue to grow exports in construction wheels, tractor wheels and aluminium wheels.

The developed world, particularly Europe, is facing an energy crisis following the conflict in Ukraine. This should improve the prospects for the global windmill industry, to whom your Company supplies parts. However, there is some softening of demand in the short term.

Coming to the shareholding in Wheels India, there was a change in promoter in the last financial year when the TVS Family came into an arrangement to align the ownership and management within different family groups. As part of the family arrangement, the Hon'ble National Company Law Tribunal (NCLT) approved the scheme. Consequent to the implementation of this scheme, T V Sundram Iyengar & Sons Pvt Ltd (TVSS) have transferred their shareholding and shareholdings in subsidiaries to Trichur Sundaram Santhanam & Family Private Ltd (TSSFPL), who has now become the promoter.

During the year, the Board of Directors of Wheels India approved the merger of Sundaram Hydraulics Ltd with Wheels India Ltd. This will help in growth of hydraulic products manufactured by Sundaram Hydraulics Ltd for the construction industry, where your Company has a strong strategic relationship with many customers.

On behalf of the Board, I would like to place on record our appreciation for the hard work and dedication of staff and workers, managers, executives of the Company during the difficult year. I would like to place on record my appreciation for the support from the shareholders, bankers, financial institutions and our customers.



**Chairman:**

Before we proceed, I am pleased to bring to your notice that, as required under the Companies Act, 2013, the Company had provided you all the facility to cast your vote electronically, on all resolutions set forth in the Notice. Members who have not cast their vote electronically and who are participating in this meeting will have an opportunity to cast their votes through the e-voting system provided by CDSL upto the conclusion of the meeting.

We will now provide 5 minutes for the shareholders to cast their vote.

Thank you, the results of the e voting would be announced to Stock Exchange and placed on the website of the Company within 2 days from the conclusion of this meeting.

**Vote of thanks by a shareholder:**

**Mr. Viswanathan:**

Good Morning, I am Viswanathan, a shareholder of the Company under IN30108010224848, I thank the Board of Directors and Management on behalf of colleague shareholders, who are always exploring new products, opportunities and geographies irrespective of the volatility in any aspect of the industry that we are in. Thank you all.

**Chairman:**

Thank you all for participating in the meeting. I hereby declare the meeting as closed. Thank you.

**Ms. Sumithra Gomatam:**

Thank you.

**Mr. Aroon Raman:**

Thank you, Chairman.

**Mr. Karthik (CDSL):**

With the permission of the Chairperson we are concluding this meeting. Thank you everyone for joining. Good-day!