STEEL STRIPS GROUP

STEEL STRIPS WHEELS LTD.
CIN: L27107PB1985PLC006159
Head Office : **ISO/TS16949 Certified**
SCO 49-50, Sector-26,
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Bombay Stock Exchange Limited
Department of Corporate Services,
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Dalal Street,
Mumbai – 400 001

The National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E),
Mumbai – 400 051

Sub:- **SSWL AUGUST SALES HIGHLIGHT**

Sir,

SSWL achieved August 2019 total wheel rim sales of 10.72 Lacs Vs 14.14 Lacs in August 2018 representing a de-growth of 24% YoY. The August month saw continued cut in inventory and production from Auto Makers to further rationalize the inventory. The august 2018 base was the highest ever so the base effect also played a role for double digit de-growth.

SSWL has achieved gross turnover of Rs 131.96 Crs in August 2019 Vs 217.77 Crs in August 2018, there by recording a de-growth of 39.40% and achieved Net turnover of Rs.109.76 Crs in August 2019 Vs Rs.166.41 Crs in August 2018, recording a de-growth of 34%. The production cut at all Automakers for reducing the finished good inventory is still underway and this is resulting in overall cut in Inventory. SSWL is also reducing all its Finished goods inventory to make overall lean inventory structure and will have its impact till September 2019.

Segment wise Breakup of growth

Segment	August Growth (YoY)
Passenger Car	-35%
Exports	+40%
Tractor	-20%
Truck	-64%
2 & 3 Wheelers	-13%
Overall	**-24%**

Passenger car segment volumes fell 35% in August 2019 YoY. The PV volumes were down 35% with all around production cuts are made effective to reduce the car finish goods inventory rationalization. All auto makers are targeting 20-25 days of inventory levels before the festive season and making the required production adjustments. We expect the festive season to reduce the inventory further to improve production rate.

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Exports Segment rose by 40%. The segment continued to witness robust growth in August 2019 with SSWL targeting all global locations to penetrate the overseas customers. We expect exports with SSWL to continue to move at high double digit growth.

Tractor volumes fell by 20% in August 2019 YoY. The tractor segment saw a drop in volumes YoY with heavy rains impacting the sales to certain extent in August. We see good revival in September 2019 due to overall good rains in the country.

2 & 3 Wheelers Segment fell 13%. The segment is showing encouraging signs as compared to the auto segments. We expect that the inventory levels in this segments are better that other segment and the rival will come faster in this segment.

Commercial Vehicles segment volumes fell by 64% YoY in August 2019. The CV makers continue to cut production steeply with to balance high level of inventory and the segment will continue to see tough time going ahead with BS-4 to BS-6 changeover and slowdown in infrastructure spending.

Kindly take the same on your record please.

Thanking You.

Yours faithfully,
For steel Strips Wheels Limited

(Shaman Jindal)
CGM-Cum-Company Secretary