

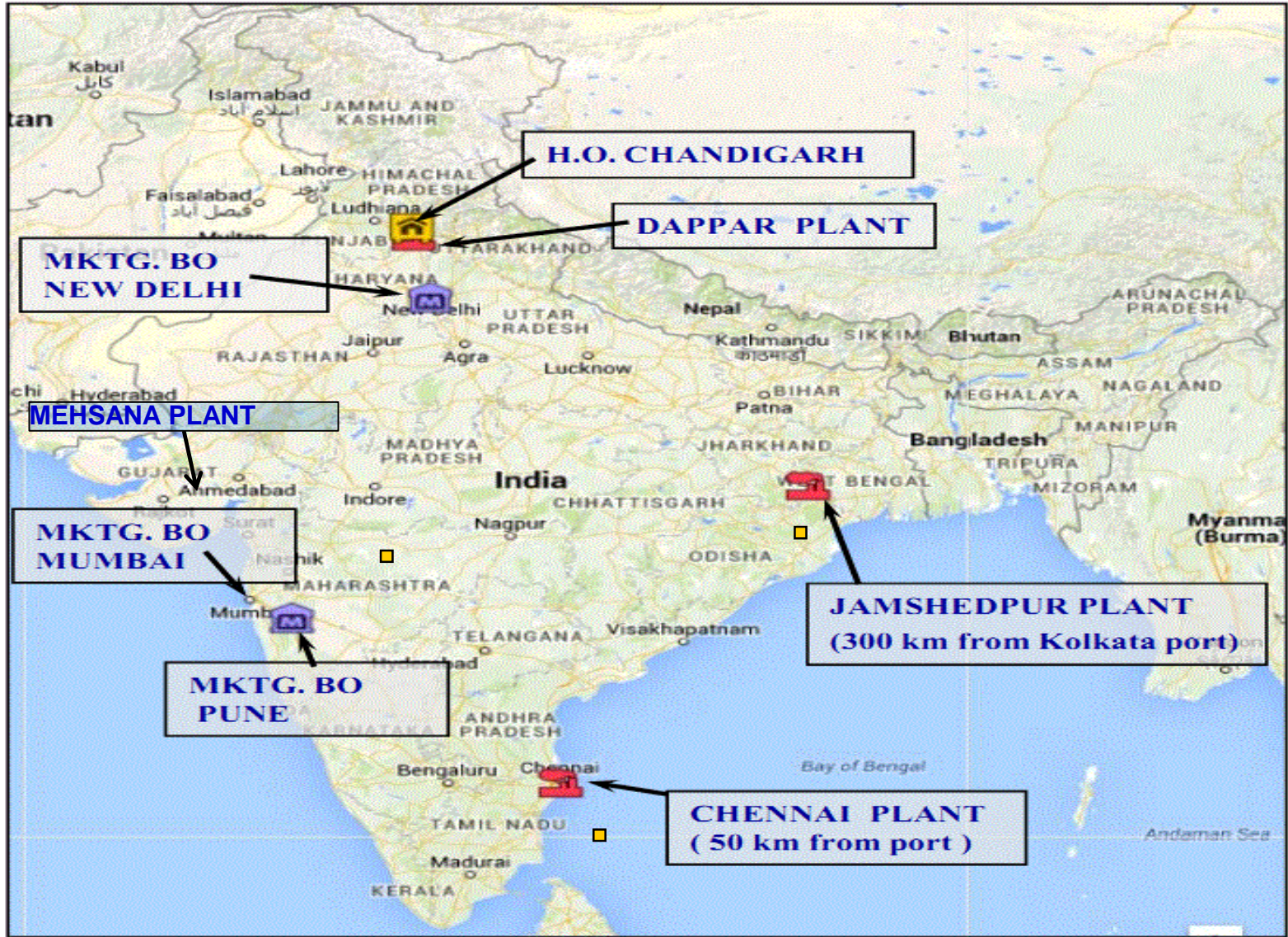
STEEL STRIPS WHEELS LTD.



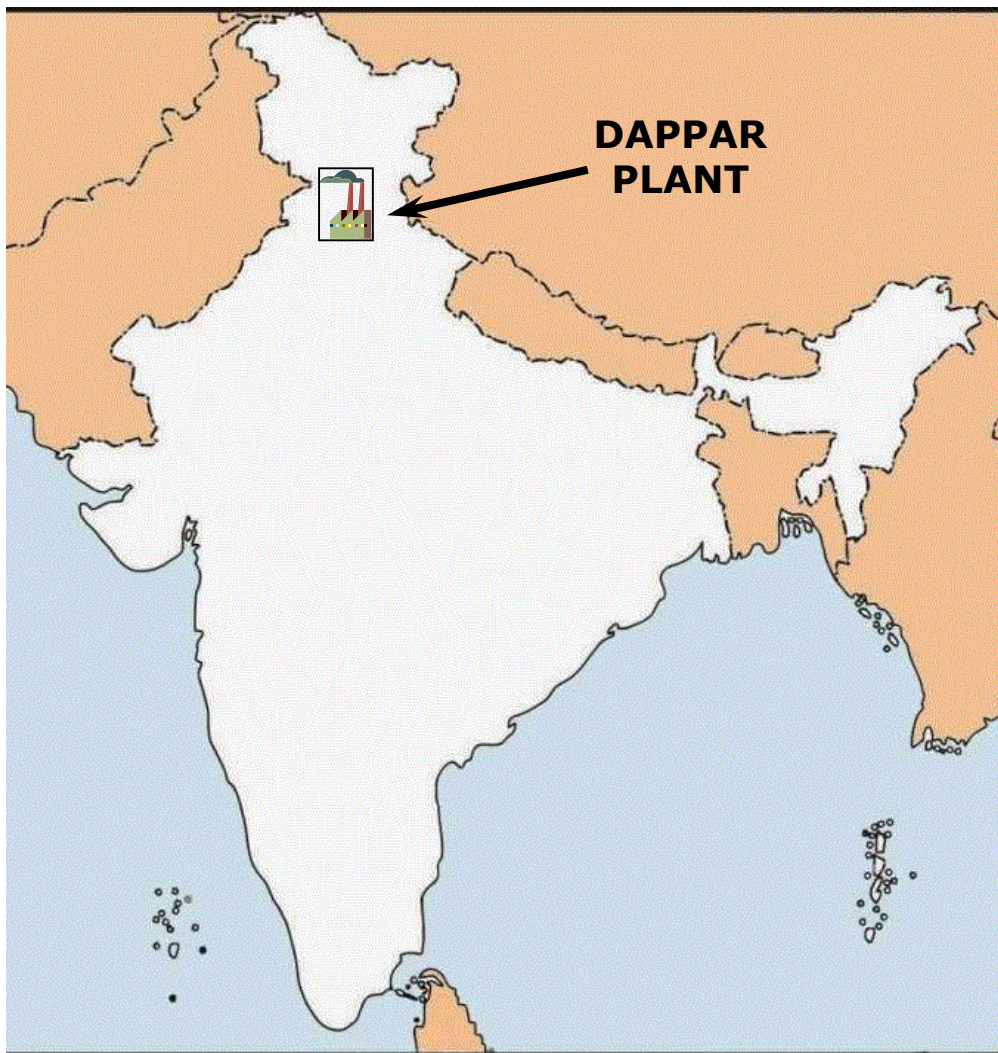
The Company

Group	STEEL STRIPS GROUP
Chairman	R. K. Garg
Managing Director	Dheeraj Garg
Business Category	Design, manufacturing and marketing of Steel Wheel Rims for Passenger cars, Utility vehicles, 2/ 3 wheelers, Tractors, Light/ Heavy commercial vehicles/OTRs and Alloy Wheel Rims for Passenger Cars
Manufacturing locations	<ol style="list-style-type: none"> 1. Dappar (Punjab) - North India 2. Oragadam , Chennai (Tamilnadu) -South India 3. Jamshedpur (Jharkhand) - East India 4. Mehsana, Gujarat – Alloy Wheel
Technical collaborator	Ring Techs Co. Ltd., Japan (A group company of Sumitomo Metal, Japan) Kalink, Korea (Alloy Wheel)
Capacities	<ul style="list-style-type: none"> ➤ Total 19.8 million nos p.a. ➤ Dappar - 9.0 Million ➤ Chennai -6.0 Million (Car/TW) & 1.5 Million (CV) ➤ Jamshedpur -1.8 Million ➤ Mehsana -1.5 Million
Strategic Investors in Steel Strips Wheels Ltd	<ul style="list-style-type: none"> ➤ Tata Steel Ltd, India - 6.97%, ➤ Sumitomo Metal Industries, Japan – 5.45%, ➤ Kalink, South Korea- 1.34% ➤ Listed company in National Stock Exchange and Bombay Stock Exchange , India.

Foot Print



Manufacturing Locations- Capabilities



Dappar, Chandigarh

- ❑ **Location:** Chandigarh Ambala Highway
- ❑ **Capacity:**
 - 7.25 Million for Passenger cars, MUV's, 2& 3 Wheelers.
 - 1.75 Million for Commercial Vehicles, Tractors and OTR's.
- ❑ **Area:** 160,000 sq. meters of land with 55,000 sq. meters of built up area.
- ❑ **Manpower:** App. 1800 people.
- ❑ Equipped with Govt. of India approved Research and Development Centre

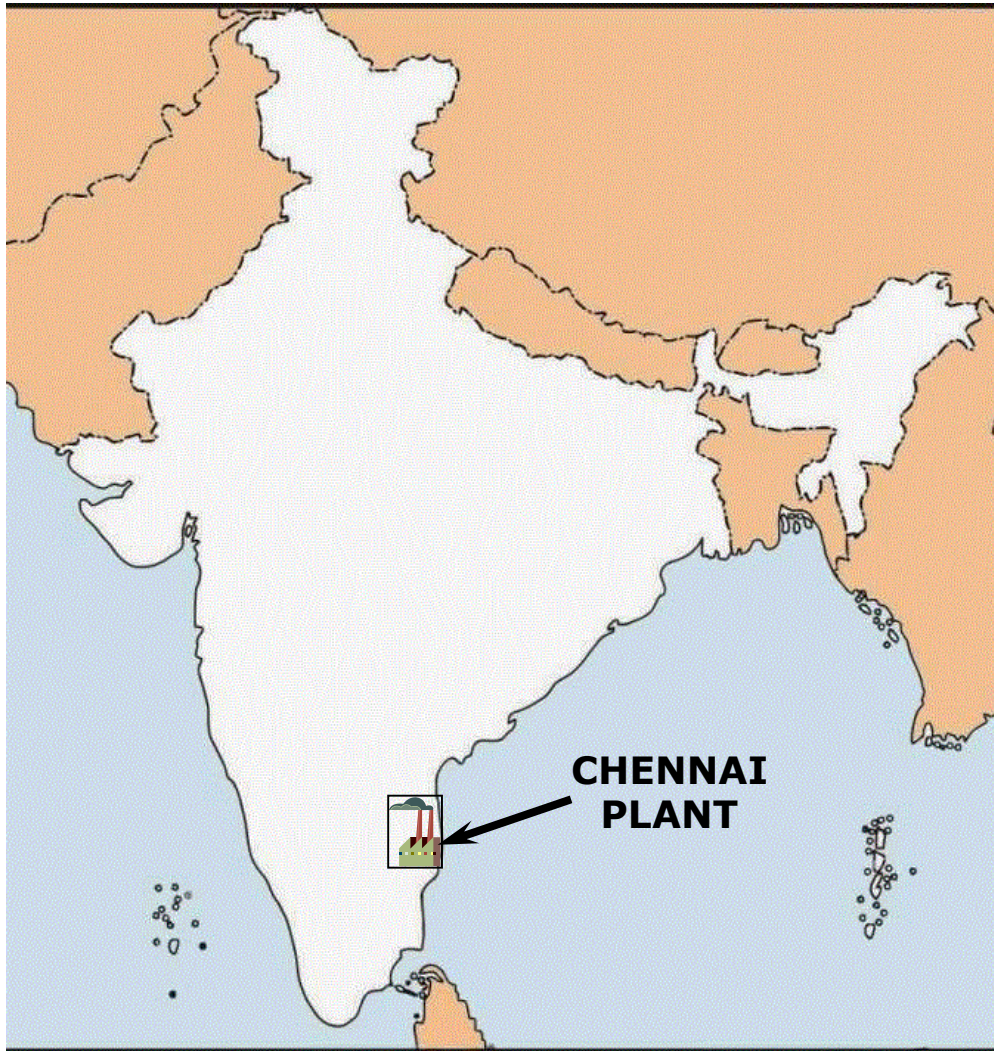
TRACTOR WHEELS

- Diameter - 10"-30"
- Width - 4.5"-15"
- Single Piece: Fixed & Adjustable

2-3 WHEELERS, CAR & MUV'S:

- Diameter - 12" to 20"
- Width - 2.5" to 8"

Manufacturing Locations- Capabilities



Oragadam , Chennai

- ❑ **Location:** App.35 Kms from Chennai
- ❑ **Capacity:**
 - 6.0 Million for Passenger cars & MUV's.
 - 1.5 Million for Commercial Vehicle
- ❑ **Manpower:** App. 800 people.

CAR & MUV'S:

- Diameter - 12" to 20"
- Width - 2.5" to 8"
- Maximum Tensile - 600 MPa

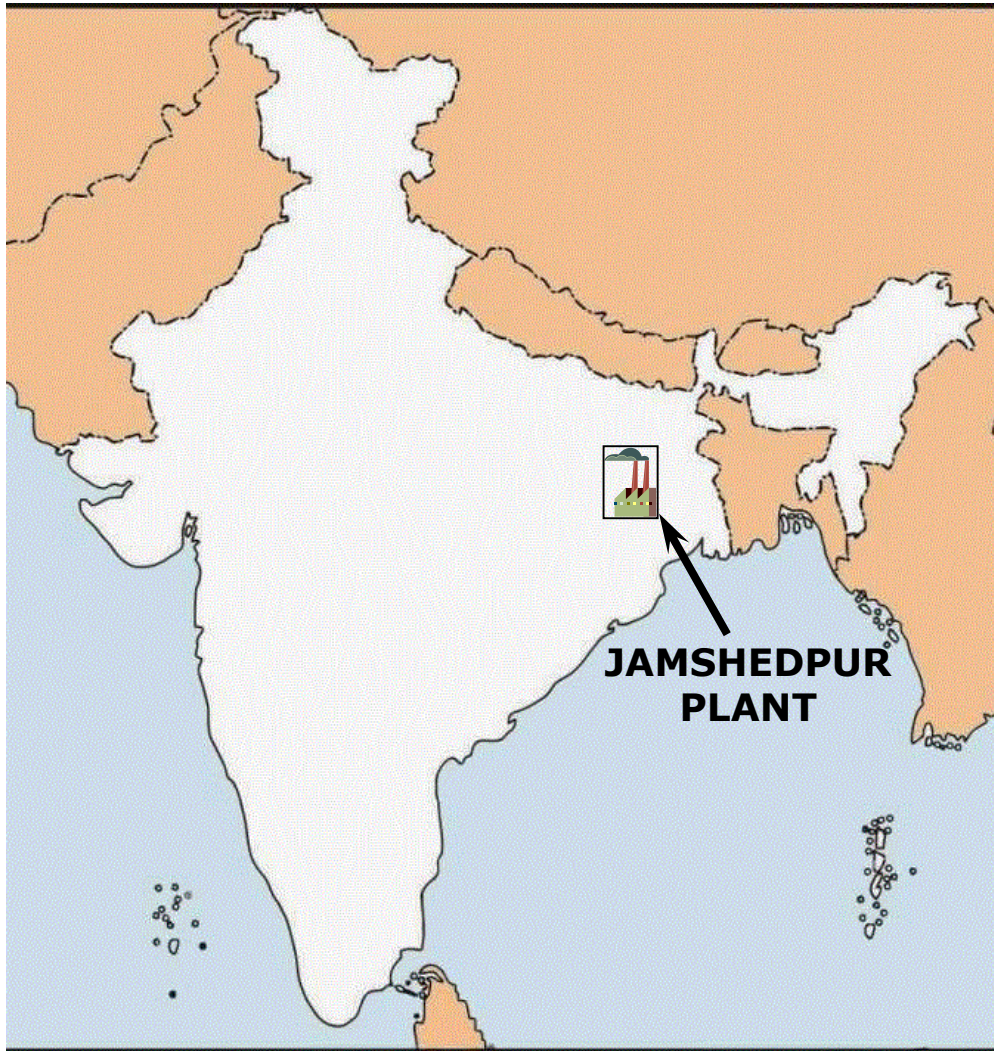
CV

Multi-Piece: 2/3 Pieces

Width : 5.5"-13"

Dia : 15"-24"

Manufacturing Locations- Capabilities



Jamshedpur , Jharkand

- ❑ **Location:** Close proximity to Tata Motors and Tata Steel.
- ❑ **SOP:** July 2010.
- ❑ **Capacity:**
 - 1.8 Million for C.V. Wheels
- ❑ **Manpower :** App. 200 people.

HCV

Multi-Piece: 2/3 Pieces

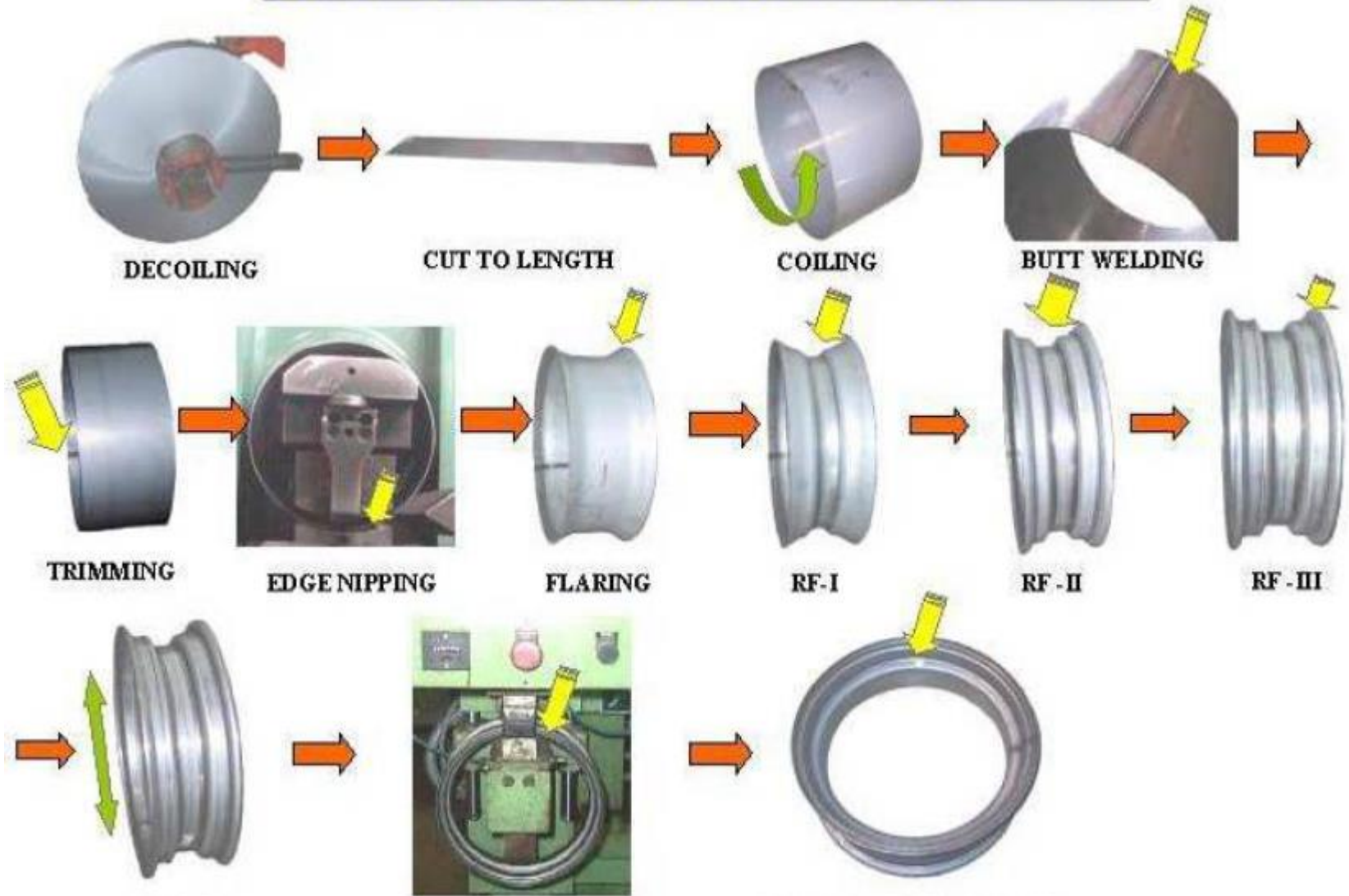
Width : 5.5"-13"
Dia : 15"-24"

Construction, Mining & Industrial Wheels

Multi-Piece: 3/4/5 Pieces

Width : 5.5"-22"
Dia : 15"-24"

RIM MANUFACTURING PROCESS



DISC MANUFACTURING PROCESS



ASSEMBLY OF RIM & DISC



Partners in Success



SSWL Export Customers Locations



New Domestic Business Allocations (Steel Wheels)

Vehicle Name	SSWL SoB	Vehicle Name	SSWL SoB
•Maruti Scross	100%	•Hyundai Xcent	100%
•Maruti Breeza	100%	•Hyundai Grand I10	80%
•Maruti Baleno	100%	•Hyundai Verna	40%
•Maruti Celerio	90%	•M&M KUV 100	100%
•Maruti CIAZ	100%	•M&M TUV 300	100%
•Maruti Expresso	95%	•M&M XUV 300	100%
•Honda Mobilio	100%	•M&M XUV 500	100%
•Honda WRV	100%	•M&M Marazo	100%
•Honda Amaze	50%	•M&M Verito	100%
•Honda Jazz	50%	•M&M VMT	100%
•Honda City	50%	•M&M Scropio	56%
•Tata Altros	100%	•Nissan Datsun Go Plus	80%
•Tata Tiagor Electric	100%	•Nissan Triber	100%
•Tata Zest/Bolt	50%	•Nissan Sunny	75%
•Renault Lodgy	100%	•Nissan Kicks	60%

New Domestic Business Allocations (Alloy Wheels)

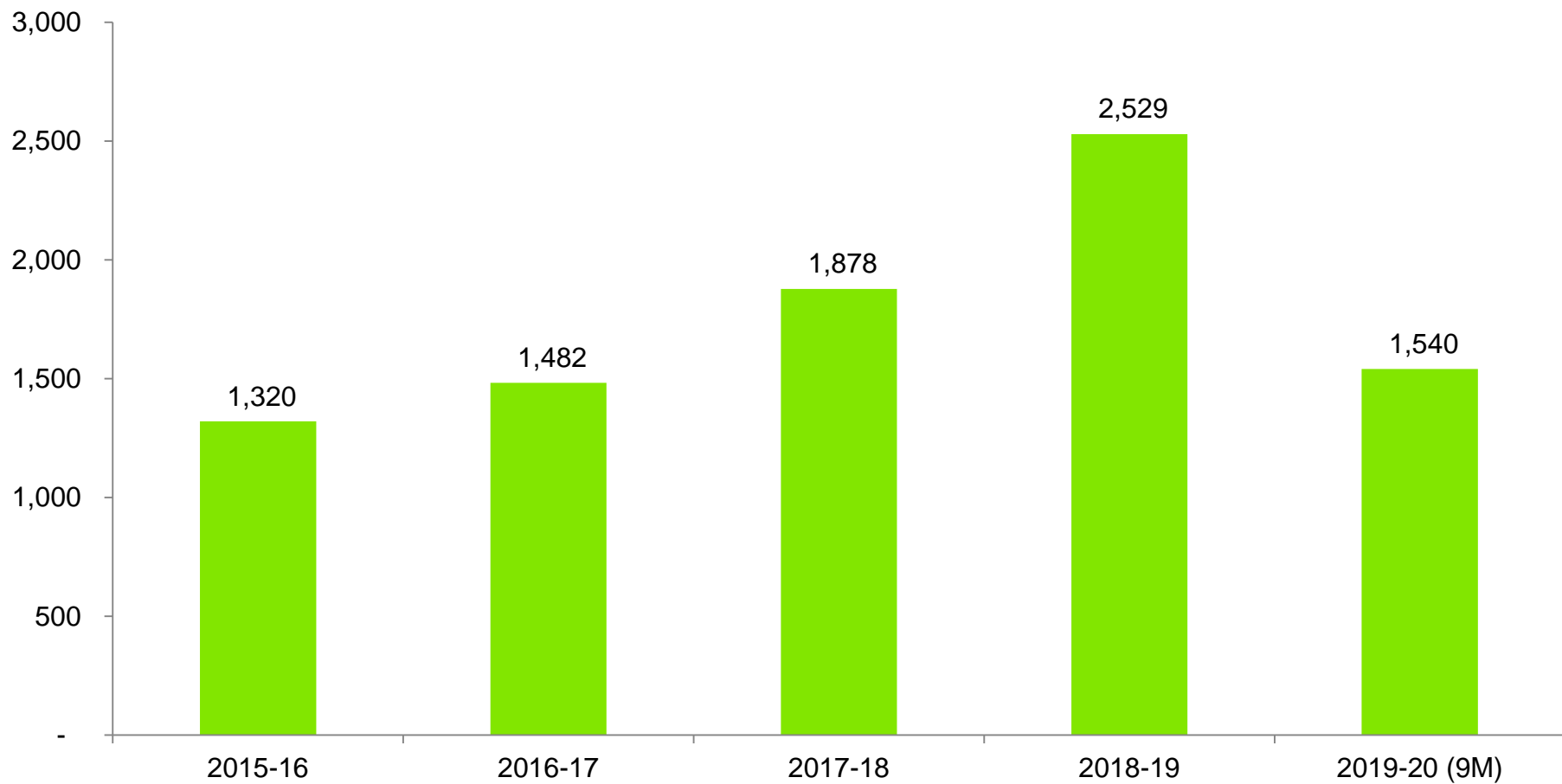
Vehicle Name	SSWL SoB		Vehicle Name	SSWL SoB
•M&M TUV	100%		•Nissan Datsun Go Plus	100%
•M&M Alturas	100%		•Nissan Kicks	100%
•Hyundai Creta	100%		•Tata Harrier	100%
•Hyundai Grand I10	40%		•Tata Tiagor	100%
•Hyundai Venue	40%		•Tata Altroz	50%
•KIA Carnival	100%		•Tata Tiago	50%
•KIA Seltos	50%		•Tata Nexon	50%
•Ford Aspire	100%			

SSWL Market share of Current Business in Steel Wheels

Segment	SoB
Passenger Car	50%
Tractor	44%
Commercial Vehicle (MHCV)	53%
OTR (Back Hoe Loader)	70%

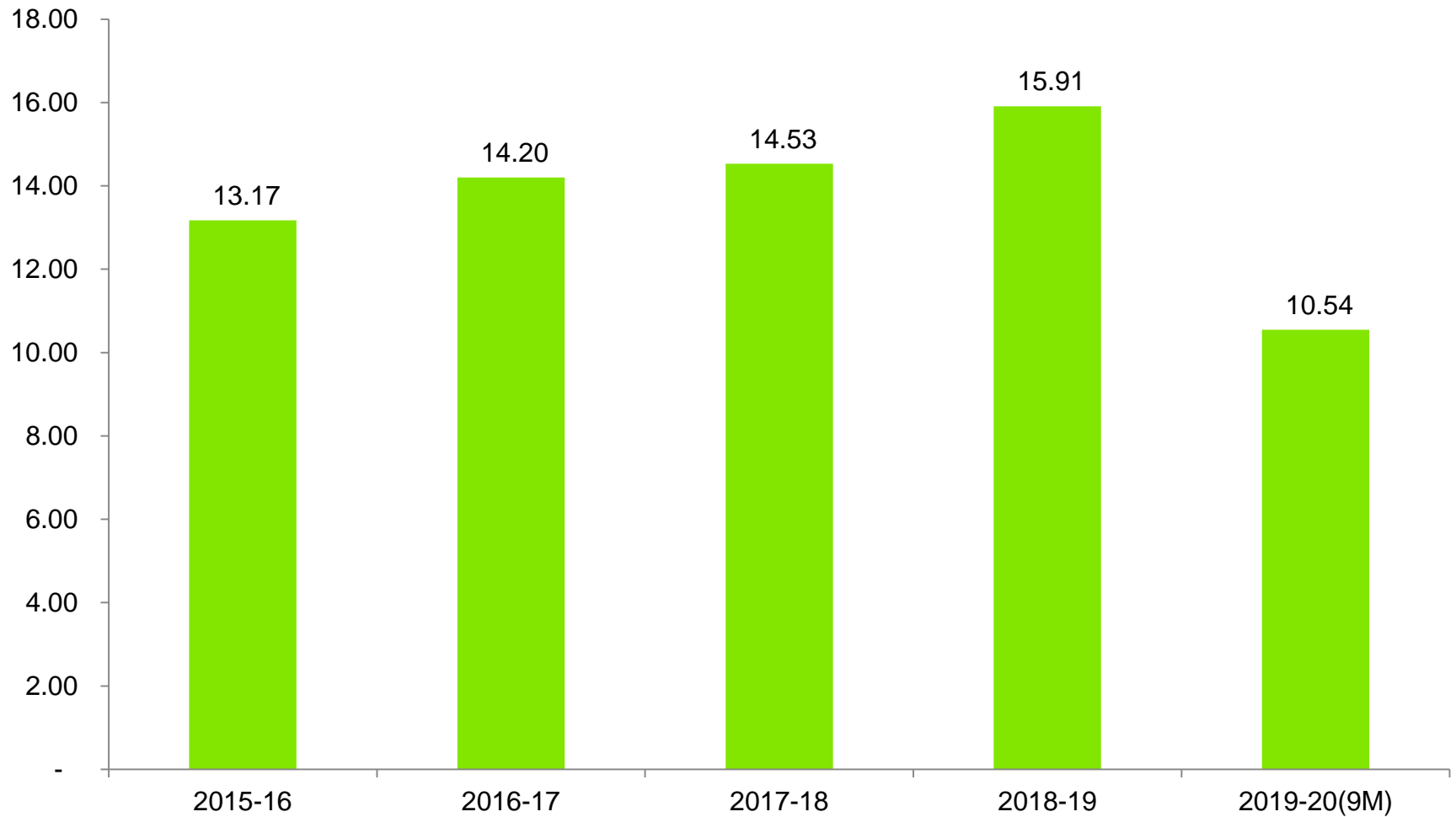
Sales Performance Turnover Value (Gross)

Rs in Cr.

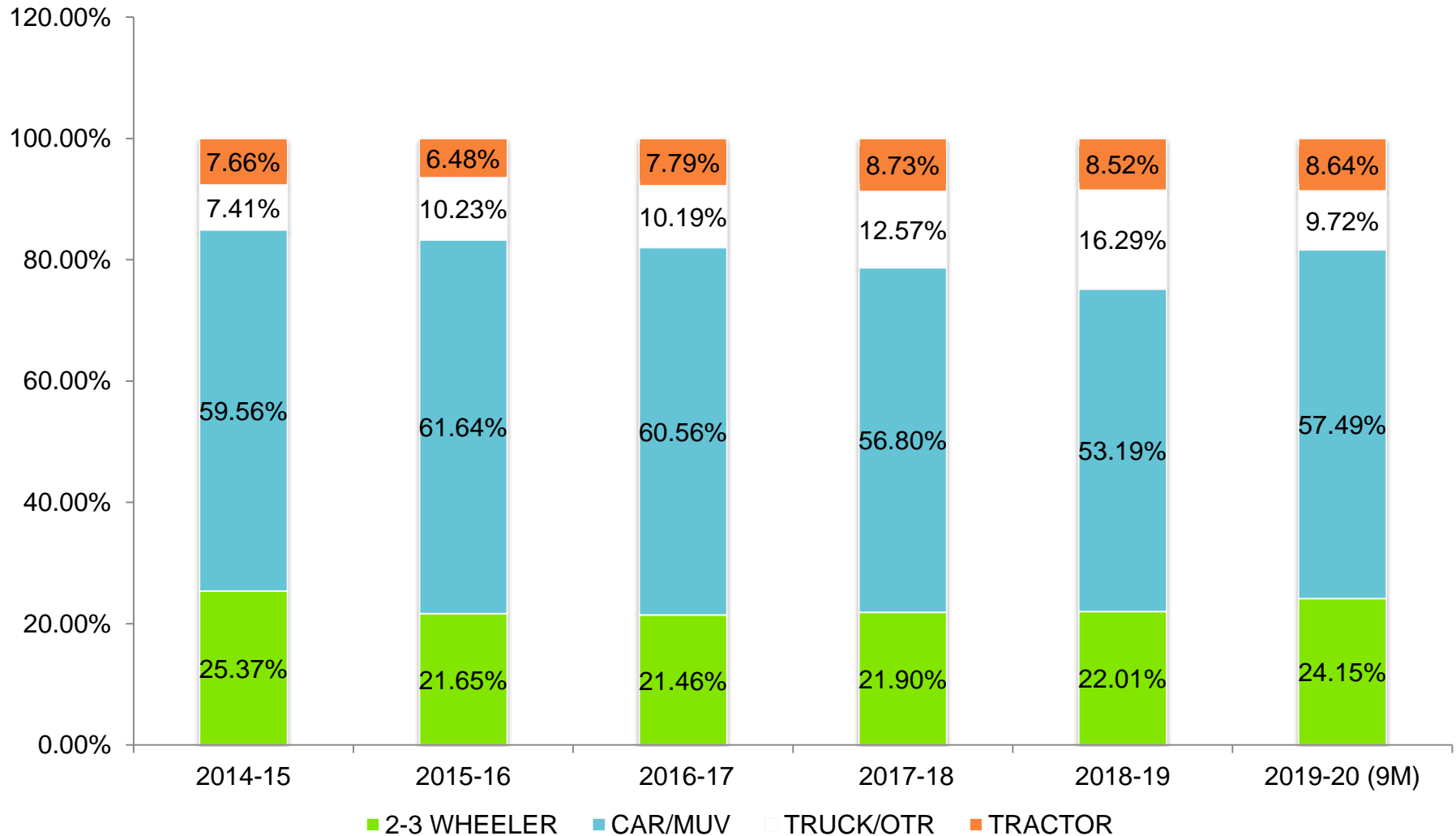


Sales Performance Volumes

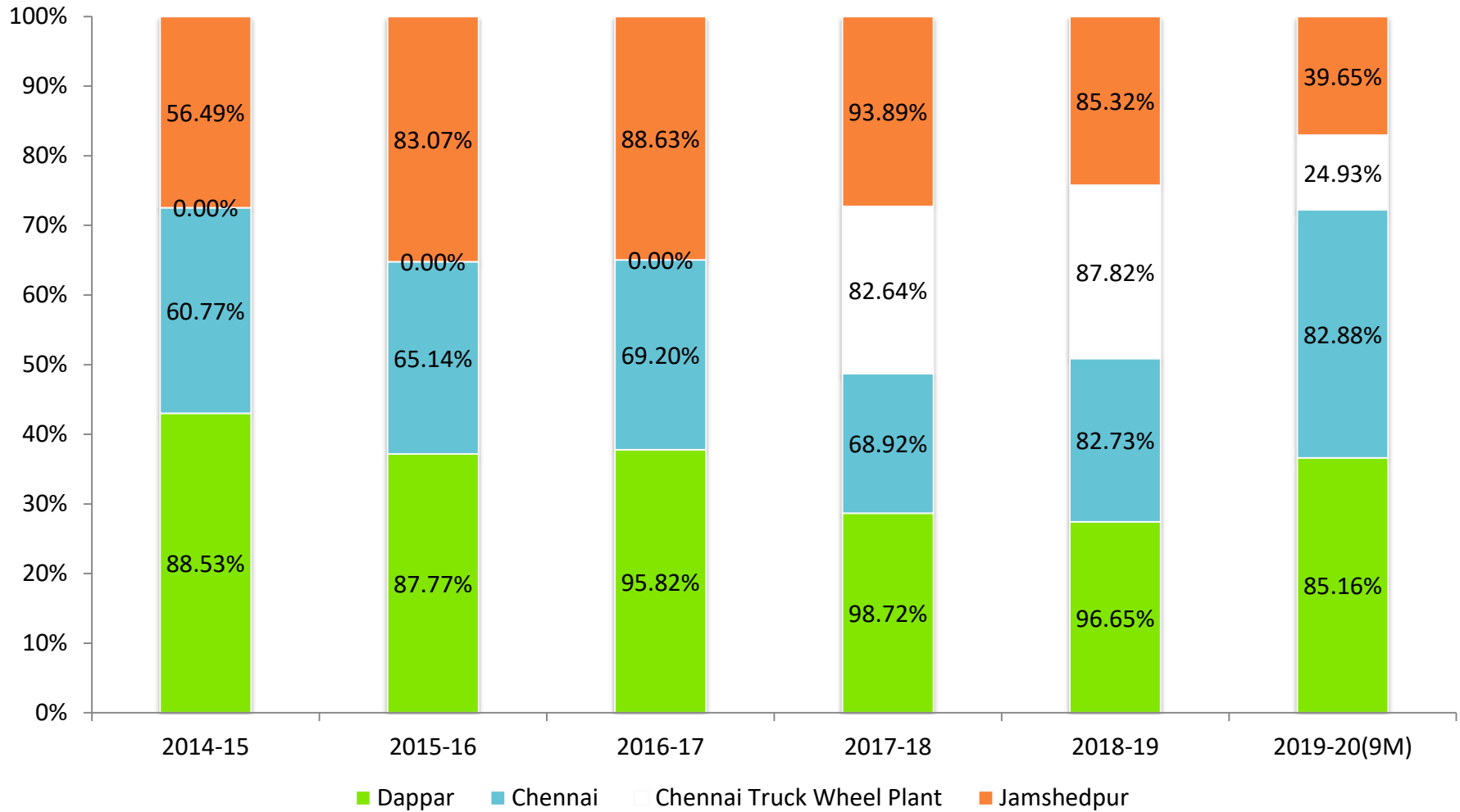
No. of Wheels in Mn



Segment Wise Volume Mix

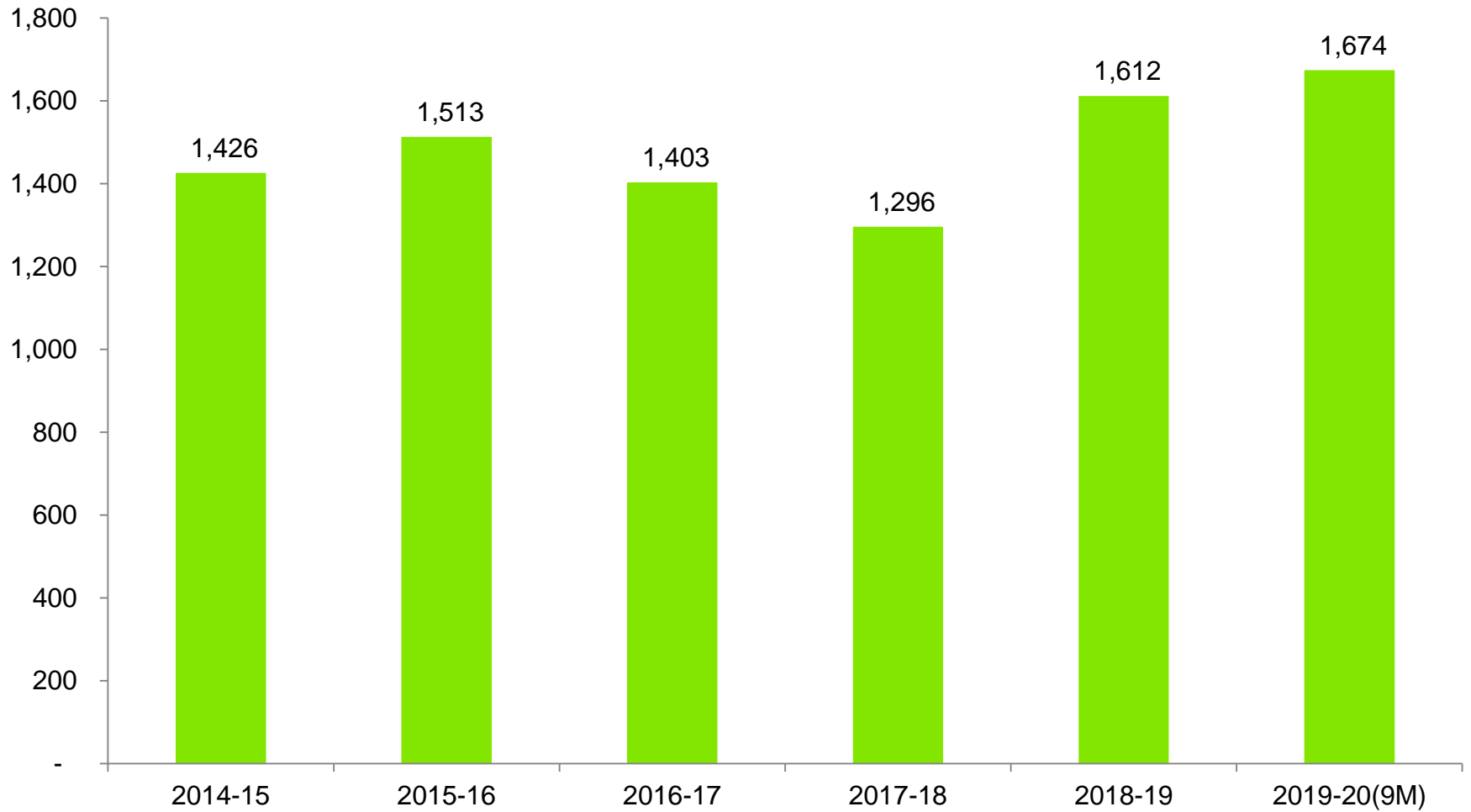


Plant Wise Capacity Utilization



Exports Volumes

No. of Wheels in '000



SSWL Performance

				(Rs in Lacs)
	9 Months	Full Year	Full Year	Growth
	2019-20	2018-19	2017-18	2018-19
Total Income	119,071	205,865	153,164	34.41%
EBITDA	15,421	26,335	21,359	23.30%
PBT	3,398	10,888	9,708	12.16%
PAT	2,928	8,214	7,575	8.43%
Cash Profit	8,305	14,406	12,832	12.26%

Growth Drivers for coming Years

Alloy Wheel Business

- Alloy wheels volume to grow backed by long term contracts with Hyundai, KIA Motors and also supported by Tata motors, Mahindra, Ford & Renault Nissan.
- Hyundai and KIA LTA sign-off done for app. 160k Alloy Wheels per month.
- In FY 21-22, SSWL expects to reach the Alloy Wheel Revenues of Rs 1150crs.

Exports

- Antidumping Duty & CVD on Chinese Wheels in EU & USA has opened up a potential market of 10Mn High Speed Trailer Steel Wheels. Export Business Margins are substantially EBIDTA accretive.
- Supplies to US have started and have reached 100K wheels per month and we expect this order book to reach 250K wheel per month by April 2020 aggregating 3.0Mn wheels annual extra order book for SSWL.

CV Wheels

- Scrappage Policy implementation will likely to increase the demand of CV Wheels due to scrappage of old trucks.
- Expected rollout of Scrappage policy in 20-21

SSWL CV Wheel Plant Chennai, Tamilnadu



CV Wheel Plant: Chennai

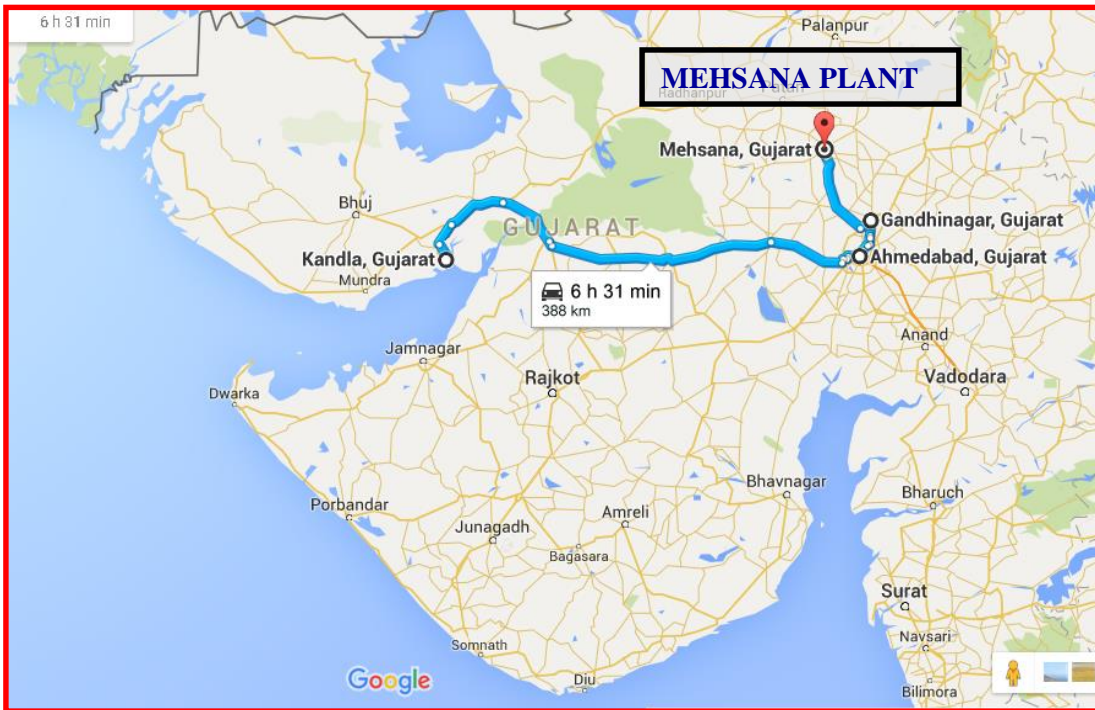
- **Location:** Existing Plant in Chennai
- **Product Size Range:** Multi Piece – 2/3 , Width 5.5” – 13” and dia 15”-24”
- **Capacity:** Production: 1.5 Mln
- **Capability:** Tubeless and Tube Type
- **Investment:** INR 250Cr.
 - a. Proximity to Daimler & Ashok Leyland (CV OEM's)
 - b. Existing setup in Chennai with developed infrastructure.
 - c. Industrial friendly State with abundant availability of Skilled labour
 - d. Sea Port proximity hence easy access for Exports

SSWL ALLOY WHEELS PLANT MEHSANA, GUJARAT



**IN TECHNOLOGICAL COLLABORATION
WITH
KALINK, KOREA**

Geographical Location Mehsana, Gujarat



Location	Distance
Ahmedabad Airport	75 Kms
Kandla Sea port	300 Kms
Gandhinagar (Capital of Gujarat)	64 Kms

Customer	Plant capacity (Mln Cars)	Total No. of wheels required (Mln)	No. of Alloy Wheels @ 30% Mix (Mln)	SOP	Distance from SSWL Alloy wheel plant
Suzuki	0.25	1.25	0.38	May 2017	25 Kms
Ford	0.24	1.2	0.36	Functional	70 Kms
Tata	0.25	1.25	0.38	Functional	70 Kms
TOTAL	0.74	3.7	1.12		

Alloy Wheels Plant: Gujarat

- **Location:** Mehsana, Gujarat
- **Land measuring:** 240,000 Sq Mt.; **Product Size Range:** 14” to 20”
- **Capacity:** Production: 1.5 Mln & Painting: 2.5 Mln; Low Pressure Die Casting with Diamond Cutting
- **Investment:** Rs380cr.

Main Location Advantages

- a. Cheap Power & Gas
- b. Industrial friendly State with abundant availability of Skilled labour
- c. OEM's Suzuki/Ford/Tata/Honda in vicinity of less than 70 Kms
- d. Sea Port proximity hence cheaper imported Raw Material and easy access for Exports

PLANT BIRD VIEW



- Building 1: Melting Section
- Building 2: LPDC Section Includes HT
- Building 3: CNC Machining Section
- Building 4: Painting Section
- Building 5: Finish Goods storage & Dispatch Section







Total Land: 270,000 sq.m

 Future Expansion

Manufacturing Process



WHEELS PRODUCED IN MEHSANA

	14 x 5.5J	15 x 6J	16 x 6.5J	19 x 7J
As-Cast				
Machined				
Finished				



Why Alloy Wheels?

Appearance

Alloy wheels have enhanced aesthetic appeal and look much better than Steel wheels

Weight

Lighter in weight compared to Steel wheels leading to better fuel efficiency of the car and helps in adhering to stricter emission norms

Strength

Aluminum mixed with other metals makes alloy wheels stronger than typical steel wheels, and the unprecedented strength of alloy wheels leads to greater control and precision steering

Heat dissipation

Alloy wheels disperse heat better, and this decreases cracking and bending which also translates to more efficient braking

Indian Market context

Infrastructure

India's infrastructure has improved in the recent past & will continue improving substantially in the coming few years with good wide roads being developed across the country.

Demographics: Young country

India has more than 65% below the age of 35. It is expected that, in 2020, the average age of an Indian will be 29 years

Increase in buying power

Young buyers have higher buying power due to higher salaries and tend to prefer high end variant of car models that use Alloy wheels having enhanced aesthetic appeal.

Why SSWL For Alloy Wheels?

Wheel Manufacturing/Selling Experience

SSWL already into manufacturing/selling steel wheel rims across all leading PV Manufacturers. With Alloy wheel, SSWL will be covering the entire portfolio covering Steel/Alloy Wheel under one umbrella.

Established Customer Base

SSWL is already enjoying strong relationship with most of the PV OEM's in India. Alloy wheels will be an additional offering to existing relationship.

Proven track record and well accepted product

SSWL Steel Wheel rims are well accepted by OEM's across the globe and Company has demonstrated impeccable quality history.

Demand/Supply Gap

Currently demand and supply are moving close to each other with a gap of 2 MM wheels , further Customer is struggling to receive the desired quality Alloy Wheel Rims from existing alloy wheel suppliers in India. SSWL has entered into technical tie up with Kalink Korea, who is leading Alloy Wheel Manufacturer and is among top 7 of the World in Alloy Wheel supplies. Export Quality is what Company is eyeing and will include latest technologies like Diamond Cut Alloy Wheels.

Anti Dumping Duty

Government has imposed anti dumping duty on imported alloy wheel rims for 5 years as below:

China: \$2.15/Kg

Korea: \$1.18/Kg

Thailand: \$1.06/Kg.

This anti dumping duty has made import unviable thereby widening the demand supply gap by additional 1Mn wheel rims.

SWOT analysis SSWL

STRENGTH

1. SSWL leading supplier of Steel Wheel rims in India.
2. Diversified customer base, all major OEM's are covered
3. Globally accepted product and excellent reputation with Customers.
4. In house Government approved R&D facility, equipped with latest technology. Similar R&D facility will be replicated in Alloy Wheel Plant.
5. State of Art technology from Kalink Korea (Among top seven suppliers of Alloy Wheel Globally).
6. Facility is well connected by all means of transport.

WEAKNESS

1. Growth dependent of industry. Though Company is mitigating the same with diversified customer base.
2. Alloy wheel is a new product for SSWL and manufacturing process is completely different from steel wheel rims. Company has mitigated the same by entering into technology agreement with Kalink Korea.

OPPORTUNITY

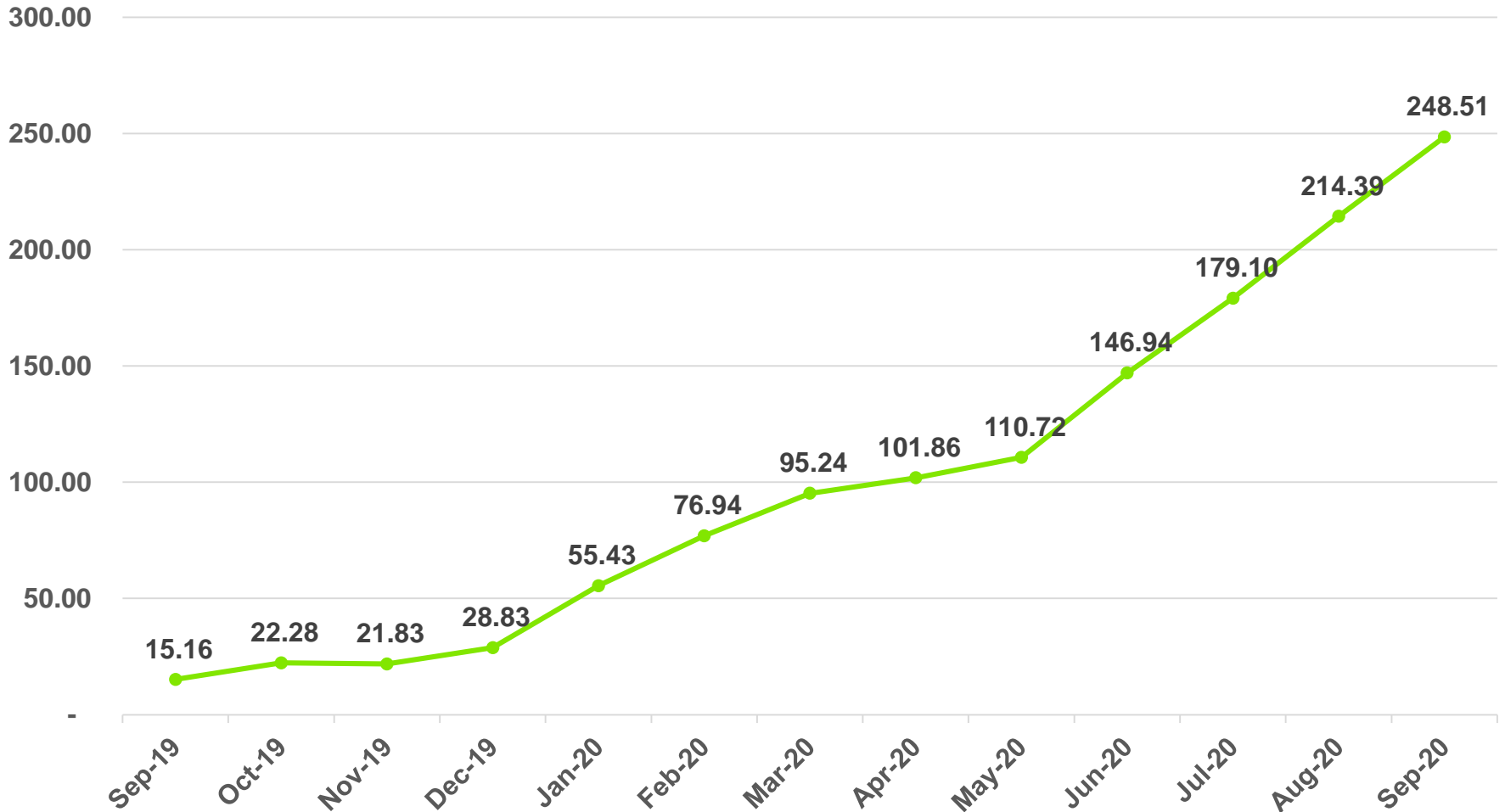
1. Growing demand for Alloy wheels. Shift happening from Steel Wheel Rims to Alloy wheels across all variants of passenger vehicle.
2. Demand Supply Gap which is expected to reach around 2.6mn wheel rims in 2018-19
3. Anti dumping duty on imports of Alloy Wheels (\$2.15/Kg China/ \$1.18/Kg Korea/\$1.06/Kg Thailand)
4. Absence of dependable source of Quality Alloy Wheels maker in India.

THREAT

1. New Entrants will pose a threat, however considering the gap in demand and supply there is sufficient cushion to allow multiple entrant. Further SSWL plant will cater to export quality wheels which will put is miles ahead of competition.
2. Slow down in domestic market. Company is mitigating this threat by eyeing export quality wheels and both domestic/ export market will be captured.

Alloy Wheels Ramp-up

Sales(Qty)('000)



Order Visibility of Mehsana Plant (Alloy Wheel)

Sr. No.	OEM's	Order Size (Wheels Per Month)
1.	Hyundai	145k
2.	KIA Motors	30k
3.	TATA Motors	30k
4.	Ford	25k
5.	Nissan	20k
6.	Mahindra & Mahindra	10k
7.	Exports	15k

Alloy Wheel Business will be EBITDA accretive with expected margins of 20-22% without considering any impact of anti dumping duty.

Technological Partner: Kalink

Kalink, Korea

- Part of HIHO Group, Headquartered in Seoul, Korea with its presence in Aluminum Alloy Billet production, Trading of Aluminum for Mining and Smelting
- Group sales of more than USD 1.3 Billion
- Kalink has 2 plants for Aluminum Alloy wheels: Korea (1.6 Mln wheels) and China (2.8 Mln wheels)
- Strong history of supplying Competitive and Quality wheels to OEM's such as VW, Audi, Nissan, Chrysler, Subaru in Europe, USA and China

Customers	Location	Programs	Remarks
Nissan	Japan	Dualis, Murano, Qashqai, Juke	From 2007
	USA	Altima Coupe, X-Terra	From 2007
	UK	Qashqai, Juke	From 2007
	China	Dualis	From 2010
	Spain	X01B	From 2011
Chrysler	USA	Dodge Caliber, Grand Cherokee	From 2004
VW	Germany	Golf, Passat	From 2013
Audi	-	A3	From 2013
Saru	Japan	Forester	From 2012