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STEEL STRIPS WHEELS LTD.

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The National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	Bombay Stock Exchange Limited Department of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
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Sub: **SSWL Board approves for the incorporation of Wholly Owned Subsidiary Company in Morocco**

Sir,

We are pleased to inform you that the Board of Directors in their meeting held today i.e on 13th February, 2012, have approved for the incorporation of the Wholly Owned Subsidiary Company in Morocco (as per the applicable laws, rules and regulations etc.), for setting up a Wheel Manufacturing Plant at Melloussa Jouamaa Free Zone, in the Kingdom of Morocco.

The Proposed plant shall manufacture Wheel Rims for Passenger Cars/ Multi Utility Vehicles, with a production capacity of 2.5 million Wheel Rims p.a. in its 1st phase to be enhanced to 5.00 million Wheel Rims p.a. in its 2nd phase. The Expected total cost of the first phase of the proposed plant will be Euro 28.64 million (equivalent to Rs. 186 Crores)

The Proposed plant will be located about 13 kilometers away from the Renault-Nissan Car Manufacturing Facility in Meloussa and 25 kilometers away from the Tangier sea port. It will also very close to European market of about 4.2 million cars (France, Spain, Italy etc).

Renault-Nissan have a very strong and continuously growing business relationship with the company and they have invited SSWL to Morocco as a single source supplier for exclusive platform for Steel Wheel Rims for its local manufacturing facility. A significant portion of the total production will be taken over by Renault- Nissan and for the remaining; the company will cater to the European Market. The company is already in active discussion with PSA for business in Spain and has already received RFQ.

Kindly take the same on your record please.

Thanking you.
Yours faithfully
For Steel Strips Wheels Limited

(Shaman Jindal)
Company Secretary