

## **Notice of Additional Investment in Vardhman Special Steel Limited, India,**

**~Strengthening steel supply chain in Global south to  
contribute to the diverse needs of our customers~**

Aichi Steel Corporation (President: Naohide Goto) has agreed to subscribe to a third-party allotment of shares from Vardhman Special Steel Limited, an Indian special steel manufacturer (headquartered in Ludhiana, Punjab, India, V. Chairman & MD: Sachit Jain, hereinafter referred to as 'Vardhman'), in which Aichi Steel has been invested since 2019, and today held a signing ceremony. After the additional investment, our company's shareholding ratio will increase to approximately 24%, (including with the previous shareholding of approximately 11%), making Vardhman an associated company of Aichi Steel under the equity method.

Since investing in 2019, we have contributed to quality improvement and productivity enhancement of Vardhman through continuous technical assistance supports. The quality of Vardhman's materials is highly regarded by Japanese customers, including those of four-wheeled and two wheeled vehicles, as well as supplies of materials within India and ASEAN countries (Thailand, Indonesia, & the Philippines) are expanding.

In order to contribute to the ever-expanding market, we will take this additional investment as the first step to further strengthen the bond between the two companies and promote efforts with the goal of achieving a 30% increase in production capacity compared to the current level.

As announced in the "[Update of the FY2024-FY2026 Medium-Term Management Plan](#)" we aim to enhance our global competitiveness through further business expansion in India, where demand is expected to grow in the future. With this additional investment, we will further strengthen our cooperation with Vardhman and support our customers in local procurement by delivering high-quality and low-cost steel products in a timely manner, thereby contributing to the development of an affluent and sustainable Indian society.



(From left) Sachit Jain, President of Vardhman Special Steel,  
Naohide Goto, President of our company.

【Profile of Vardhman Special Steels Limited】

Company Name	Vardhman Special Steels Limited
Location	Ludhiana, Punjab, India (approximately 300km North of Delhi)
Establishment	1973
Representative	Mr. Sachit Jain
Employees	1,895 (as of FY2024)
Business Type	Specialty steel bars, etc. (Ratio of production for automobiles and motorcycles: approx. 90%)
Sales Volume	Approx. 220,000 tons/year (FY2024)
Sales Revenue	Approx. 30 billion yen (FY2024) (Rupee = 1.7 yen equivalent)
Main Equipment	ELF, LRF, CCM, Rolling mill, Inspection, Bright bar, et c.
Remarks	Investment ratio : Approx.11% (October FY2019) → 24%(this time) Technical assistant Agreement : <a href="#">1<sup>st</sup> term</a> ...FY2019～、2 <sup>nd</sup> term...FY2022～