

## **Jindal Stainless eyes Rs 200 crore revenue in the E-rickshaw market**

*Forecast demand in Uttar Pradesh to be the highest in India*

**Lucknow, June 6, 2019:** As a new business development initiative towards sustainable transportation, after stainless steel bus bodies and railway coaches and wagons, Jindal Stainless is now in talks with manufacturers to facilitate roll out of stainless steel electric rickshaws (E-rickshaws). Jindal Stainless is targeting a 25% share of the total E-rickshaw market in India over the next 2 years fetching estimated revenue of Rs 200 crore. The company expects an annual volume demand of 13,000 metric tonnes from this new business development initiative by 2021. As per industry sources, Uttar Pradesh will be the largest market in the next five years as demand will majorly be driven from Tier-1 and Tier-2 cities. According to transport sector sources, it is estimated that nearly 6 lakh E-rickshaws are sold in India annually and this sale is expected to grow to the tune of ~16 % (CAGR) in the next 5 years. Given the high potential market of Uttar Pradesh, Jindal Stainless is participating in the EvExpo 2019 at Lucknow with an intention to forge partnerships with local E-rickshaw manufacturers.

Anticipating future demand, **Managing Director, Jindal Stainless, Mr Abhyuday Jindal** said, ***“Indian E-vehicle market will be one of the biggest in the world and we are ready to enhance the value and efficiency of these E-vehicles with sustainable stainless steel body constituents. Considering the market potential that Uttar Pradesh has to offer, the state will be one of our key focus areas. We will extend our full support to E-rickshaw manufacturers in designing and developing stainless steel models that are affordable, high on RoI, and user-friendly. Our sales and technical teams across India will associate with E-rickshaw dealers and manufacturers for seamless production of this environment-friendly vehicle. Continued government subsidies will enable faster adoption and will speed up market growth.”***

Jindal Stainless successfully developed the first stainless steel E-rickshaw prototype in India which demonstrated superior body and chassis performance as compared to carbon steel E-rickshaws. This prototype has been well received by the domestic E-rickshaw manufacturers. Haryana based E-rickshaw manufacturers have already received orders for over 100 stainless steel E-rickshaws.

At present, life of a carbon steel E-rickshaw is 2-3 years which needs to be disposed at the end of the life cycle. It is prone to frequent chassis corrosion, which calls for regular maintenance and poses a high risk to the safety of passengers. To fabricate various E-rickshaw components like chassis, boxes, anti-skid chequered floors, and decorative structure, stainless steel pipes and sheets are readily available. These stainless steel components enhance the overall safety of the E-rickshaw due to a high strength-to-weight

ratio, improved crash resistance, and better corrosion prevention. Using stainless steel components therefore doubles the life span of an E-rickshaw. This further leads to a reduction in the overall body weight of the E-rickshaw by 14-15%, resulting in higher battery efficiency. Additionally, a stainless steel E-rickshaw owner has the supplementary advantage of high stainless steel scrap rate yielding value-for-money savings at the end of the E-rickshaw's life cycle. Thus, the total annual cost saving accrued from switching over from a carbon steel to a stainless steel E-rickshaw is to the tune of 32%. Amidst rising environmental pollution, E-rickshaws have emerged as the most economical option for last mile connectivity in both urban and rural areas.

On the global front, the E-mobility trend is on the rise with an expected share of over 2% in the total automobile market in the next 2 years. The Indian E-mobility market has gained a Y-o-Y momentum, mainly in buses, passenger cars, 3-wheelers, and 2-wheelers. Transformation of commercial 3-wheelers into electric vehicles is expected to be faster where RoI (return on investment) is high for the owner. With INR 10,000 crore being pumped into the sector through FAME II (Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles) scheme, the Indian government is making concentrated efforts in setting up a robust E-mobility infrastructure. Doubling the subsidy for electric 3-wheelers to INR 20,000 per kWh is an essential step under the second phase of FAME.

#### **About Jindal Stainless**

Founded by Shri OP Jindal in 1970, Jindal Stainless is the largest stainless steel manufacturing company in India and ranks amongst the top 10 stainless steel conglomerates in the world. Jindal Stainless has an annual melt capacity of 1.6 MTPA with an annual turnover of US \$3.4 billion (as of March'19). The company has two stainless steel manufacturing complexes in India in the state of Haryana and Odisha, with an overseas unit in Indonesia. The Indonesian unit serves in markets of South-East Asia and nearby regions. The integrated operations, from mining to manufacturing of finished products, have given us the edge of cost competitiveness and operational efficiency, making us one of the best stainless steel producers in the world. The company has a country wide network of 14 sales offices in India with over 11 global offices across the world. It's not only the magnitude of its operations that determines the brand credibility and name, but the company remains inspired by a vision for innovation and enriching lives. The company's growth has been backed by excellence of its people, value driven business operations, customer centricity, adoption of one of the best safety practices in the stainless steel industry, and a commitment for social responsibility.