

Auto Components	Medium Size
Joint Venture	Haryana, India

Company Overview

- Established in 1995 the company is a leading manufacturer of Fuel Transmission product and of a wide range of fuel and oil hose assemblies, ferrous and non-ferrous precision tube assemblies with end fittings for OEM and Global Customers catering to 2W, 4W, MUV, LCV, HCV, Tractor and Off Road Vehicle Segments.
- The company is part of US\$ 7Mn group which was set up in 1975 to manufacture Banjo and Banjo Bolts and later on diversified into manufacturing of Fuel Pipe and Assemblers.
- All products are globally appreciated for their features of simple setup and removal, low maintenance and good elasticity.
- Fully furnished manufacturing facility located in Haryana which is equipped with latest imported machineries.
- The company regularly undertakes various quality tests on products to ensure that they confirm to international standard.
- Business segments:
 - Hydraulic Segment: 52%
 - Automotive Segment: 20%
 - Engine Segment: 28%
- The Company has formed a Contractual Joint Venture with a US based power transmission belt manufacturer for Technical Know-How on Fittings.
- Major customers include Manitou, VST Tiller, ITL, Ashok Leyland, ICML, Action Cranes, AMW, Escorts, JBM, Voltas.

Products & Services

Leading manufacturers of super quality “Fuel Transmission product” and of a wide range of fuel and oil hose assemblies, ferrous and nonferrous precision tube assemblies with end fittings for Indian Passenger & Commercial vehicle, Tractor industry, Earthmovers & construction equipment, Two wheeler, engine manufacturing and related industries as original equipment (OEM`s)

- Tube assemblies
 - Fuel Injection Tubes
 - Structural Tubes
 - Hydraulic Tubes
 - Strainers
 - Brake Tubes
 - Stainless Steel Bellows
- Hose Assemblies
 - Hydraulic Hose Assemblies
 - Teflon Hose Assemblies

- Power Steering Hose Assemblies
- Nylon Tube Assemblies
- Low Pressure Flexible Hose Assemblies
- Metal Tubes
 - Fabricated Tubes: Air, Hydraulic & Compressor pipes
 - Fuel Pipes
 - CAC tubes + 3 way pipes
 - Exhaust Pipes
 - Hybrid Pipes
- Hose Assemblies
 - Hydraulic Hose
 - Fuel Hose

Quality Control

- All receiving fixtures are being made as per customer requirement.
- Process inspection report implemented along with Lot traceability.
- Initially production was done in batches but the company has now introduced Single piece flow on assembly line to increase the productivity & reduce the process rejections.
- MSA is being used to all receiving fixtures & Millipore testing facility has been installed.
- The company plans to install Complete Automated & computerized Hydraulic Testing Machine to ensure high quality products are provided to clients.

Infrastructure

- Spread into 18,000 sq feet area
- Additional 3 acre land available for New Business
- Total Workforce including Technocrats over 150
- ISO/TS16949 Certification from Vincotte
- Capacity Initiatives:
 - Assembly line area increased from 8000 sq. Feet to 12000 sq. Feet
 - Hydraulic Hose Assembly manufacturing setup in 4000 sq. Feet
 - Dedicated lines for Commercial Vehicle, Tractor and Engine Assembly

Operating Performance

Group Financials:

- Turnover – US\$ 6.84 Mn
- Profit After Tax (PAT) – US\$ 0.19 Mn
- Long Term Borrowings – US\$ 0.50 Mn

Indian Auto Component Industry

- The Indian auto-components industry has experienced healthy growth over the last few years. The auto-components industry expanded 10.6 per cent to reach US\$ 56.52 billion in FY19.
- As per ACMA, automobile components export from India is expected to reach US\$ 80 billion by 2026.
- The Indian auto components industry aims to achieve US\$ 200 billion in revenue by 2026.
- The Foreign Direct Investment (FDI) inflow into Indian automotive industry during the period from 2000 to 2020 stood at US\$ 24.21 billion as per the DPIIT report.
- The Indian auto-components industry is set to become the third largest in the world by 2025.
- With government's Automotive Mission Plan, Indian Automobile industry is expected to achieve a turnover of US\$ 300 billion by 2026 and will grow at a CAGR of 15%.

Transaction

The company is looking for a joint venture partner to expand their current business and also add to existing line of products through a latest technology. The company is also planning to venture into manufacturing of electric vehicle & its components. They would like to increase their export and build a strong network in foreign market through a suitable JV partner.

About Us

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About us: We are an investment banking firm called ILO Consulting, a Delhi based boutique firm with an exclusive tie up 'OneToOne Corporate Finance', a Madrid headquartered investment banking firm with over 200 partners, covering 23 countries across the globe.

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