

Kheria Autocomp Limited - Site Visit Report

Date of visit	19 th and 20 th May 2025
Purpose of visit	IPO and understanding of business/ due diligence process.
Official from SMC Capitals Limited	Suhas Satardekar (Vice President – ECM)
Office Address (Registered and Corporate)	Plot No. B6,B7 & B8, Tata Vendor Park, Revenue Survey No. 1, Village Northkot Pura, Taluka Sanand, Dist. Ahmedabad-382170
Persons Met:	Mr. T.C. Kheria (Chairman), Mr. Vinay Kheria (Managing Director), Ms. Sushma Kheria (Promoter), Mr. Manish Dalwadi (CFO), Mr. Pankaj Goel (Statutory Auditor), Mr. Rutul Shukla (Practising Company Secretary), Mr. Nisarg Shah (Company Secretary & Compliance Office), Mr. Manoj Singh (Plant Head)
Premises (owned/ leased)	Leased for 35 years commencing from February 2010 (Photos enclosed). The Company has entered into leased agreement with between Tata Motors and Tata Autocomp Systems Limited. The Company factory is strategically located as raw materials reaches company within 30 minutes and all the Tier 1 vendors are within 50-60 km range of the company G+3 floor building (Photos Attached)
How many people employed in the premises	The Company's registered office employs more than 20 people. The factory, which is situated on ground floor of the building, employs more than 80 people. The attendance is recorded through biometric machine deployed on ground floor of the building.
Whether premises shared by any other company	No
Discussion held	Business: - Company in incorporated during the year 2009 primarily to focus on manufacturing and supply of TATA Nano vehicles wherein they have manufactured more than 55 parts for Nano car but the project failed in 2011 - In 2012, Company got permission from TATA to work with some other car company - Initially the Company had 14 injection moulding machines from Toshiba and Milacron which gradually increased to 30 injection moulding machines ("machines") as on date out of which 4 machines are from Toshiba and 26 are from Milacron. Additionally, along with 30 machines, they have 16 robots on those machines. - Company makes 4 types of components: (1+2+3+4 = 55 parts) - Interior - Exterior - Under Hood – For example Bonet Parts - HVAC - During the past the Company also manufactured plastic components for white goods (TV, A/C, refrigerator) but currently not focusing on the same. - Currently, the Company is tier-2 supplier for Maruti cars.

Suhas Satardekar



Pankaj Goel



- Company buys raw materials (Plastic granules) from all over India which are Maruti approved ones. Hence, Maruti has indirect control over supply chain
- The rejected plastic components made by the company are re-grinded and re-used by the company. The company has more than 300 auxiliary equipment for re-grinding. Hence, negligible raw material wastage.
- The Company has IATF training certificate which is focused on automotive industry's quality management system
- The Company does not have any working capital facility because their clients such as Tata & Subros make payments within a week's time.
- The Company does not have any power backup in their plant since TATA provides it with electricity
- Water is also provided by TATA. Water is re-used while moulding – this process is called close-loop process
- The Company is in the process of applying for ISO 14000 and ISO 45000
- As per company's team, ESIC, PF, Contract Labour laws are complied with.
- The Company does not do any Research & Development (R&D) since designs are provided to it by the OEM's.
- The Company uses the system of Kaizen, which is a Japanese term, which basically talks about continuous improvement of processes and systems
- The Company's clients are located in Gujarat area only.
- Most of the employees are from Ahmedabad city only
- The Company currently has banking facilities with Axis Bank, SIDBI, Siemens Financial and Tata Capital. The interest rate ranges between 8%-12%.

Expansion Plan:

The Company currently has installed capacity of 5826 MTPA. The Company is looking to increase its capacity by 2387 MTPA and has proposed capex. The capex is contemplated on land located in GIDC, Gujarat. The Company has obtained possession of the land and the civil construction has started. The Company has obtained building plan approval from GIDC and is in the process to obtain the Consent to Establish (CTE) approval from Gujarat Pollution Control Board.

Management:

- Currently, Company has 3 directors – Mr. T.C. Kheria (Chairman), Mr. Vinay Kheria (Managing Director), Ms. Sushma Kheria (Promoter). Two more directors as independent directors to be appointed
- Mr. Tara Chand Kheria has more than 4 decades of experience in moulded plastic manufacturing industry.
- Mr. Vinay Kheria has more than 30 years of experience in plastic moulded products.
- The senior management team has experience of over 7-10 years.
- The plant head is associated with the Company since the year 2015.

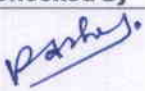
Satish Kheria



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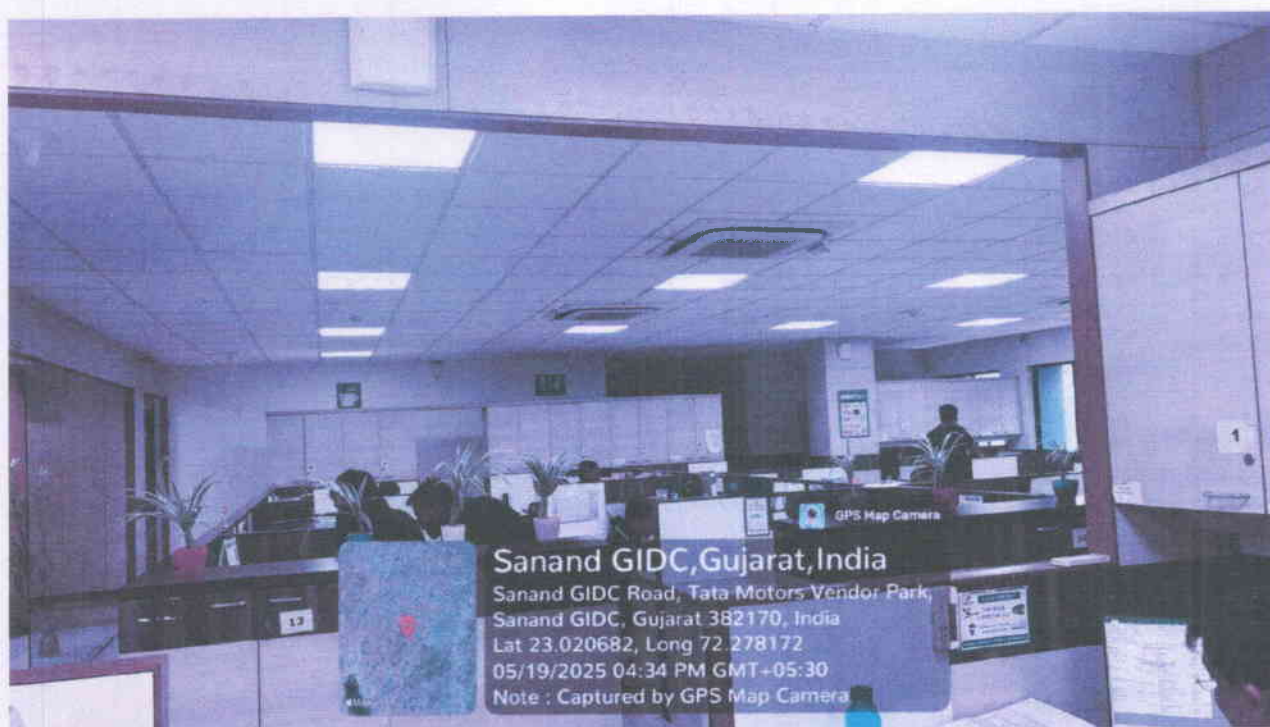


	Cash flow – - For last 3 years (FY23, FY24 & FY25), the company has positive cash flow from operations. - During last 3 years, for FY23, the Company registered negative working capital. - The receivables days for last three years were 41 days, 47 days & 68 days.
Key issues discussed	- Concentration in Gujarat & future business focus - Negative FCFE for FY23 primarily due to repayment of short-term borrowings and Capex. - Past RoC non-compliances - Scope for increase in revenues considering ~80% capacity utilisation.

Prepared By	Checked By
 	 
Suhas Satardekar	Rishi Shah
Vice President	Compliance Officer

May 29, 2025

Office Building visited



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Sanand GIDC, Gujarat, India

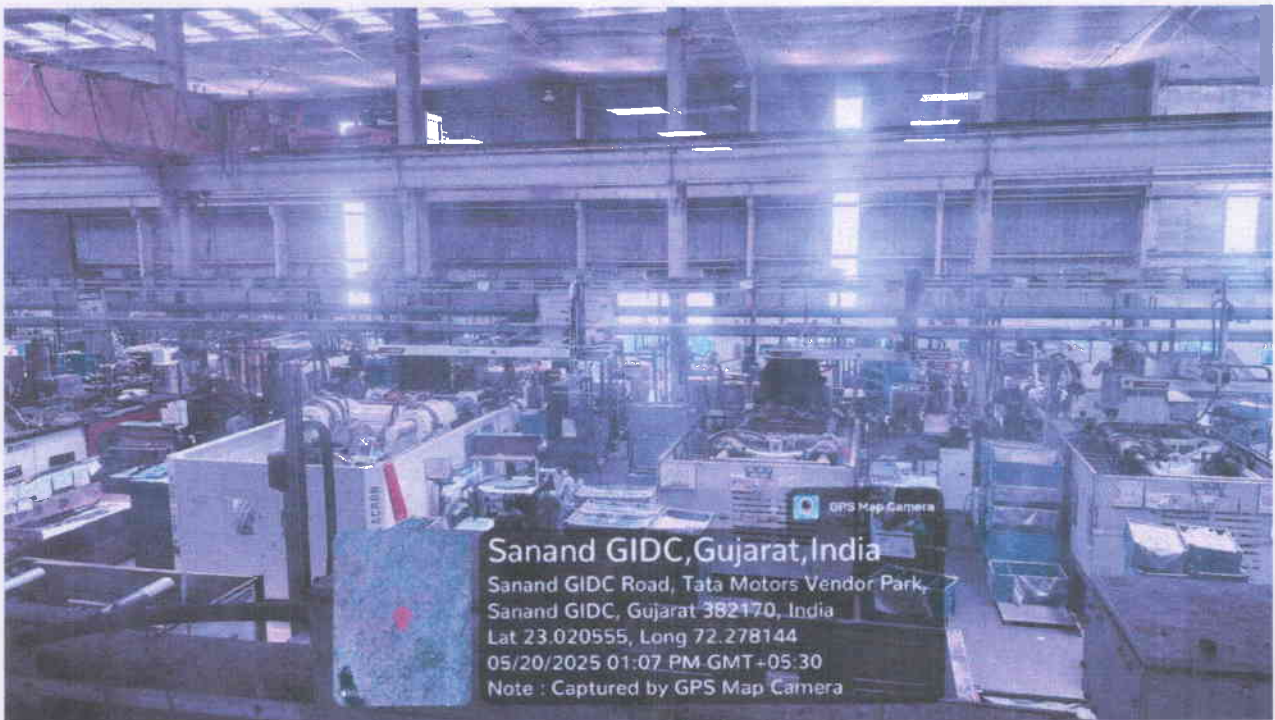
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Sanand GIDC, Gujarat 382170, India

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Sanand GIDC, Gujarat, India

Sanand GIDC Road, Tata Motors Vendor Park,

Sanand GIDC, Gujarat 382170, India

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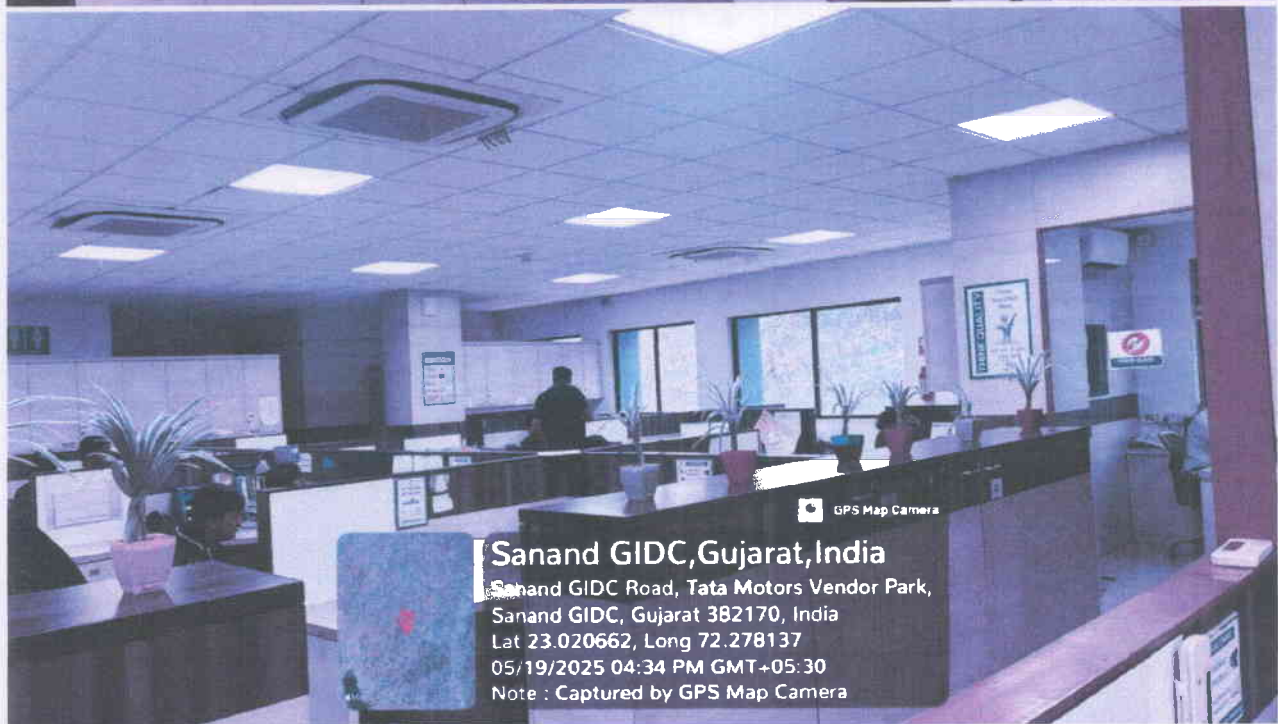
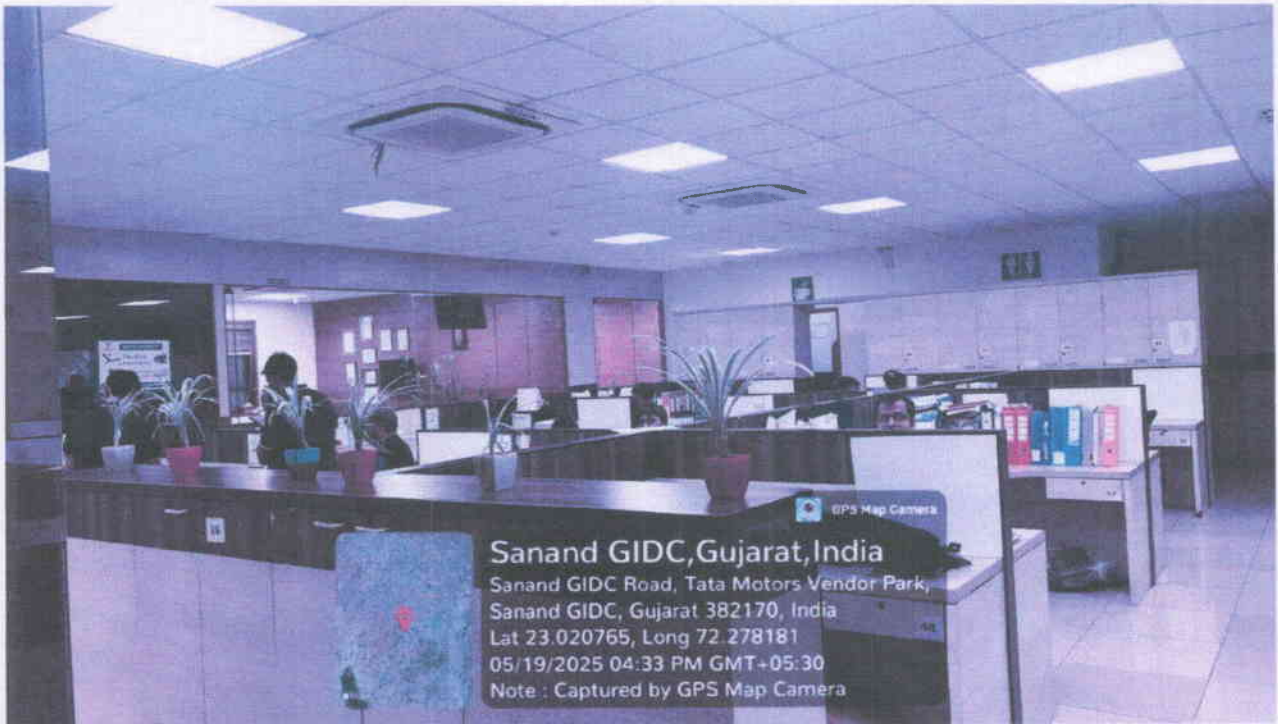
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Prashant





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Prabhu

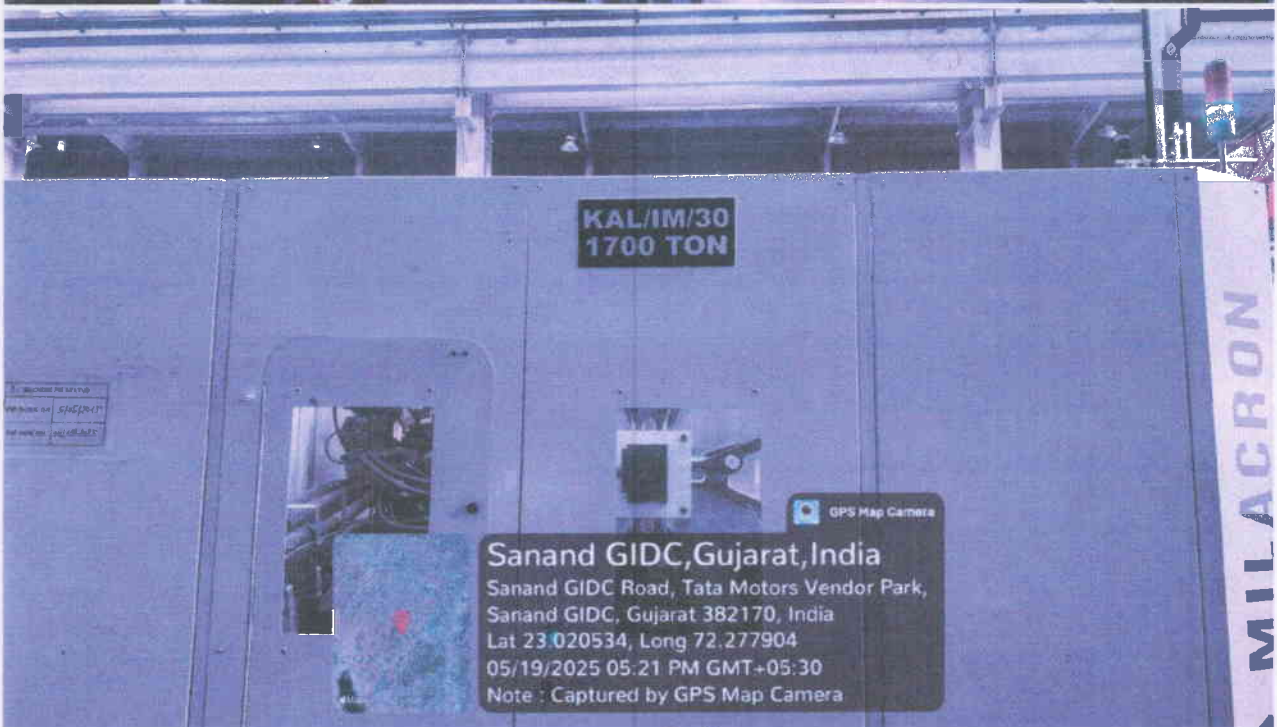
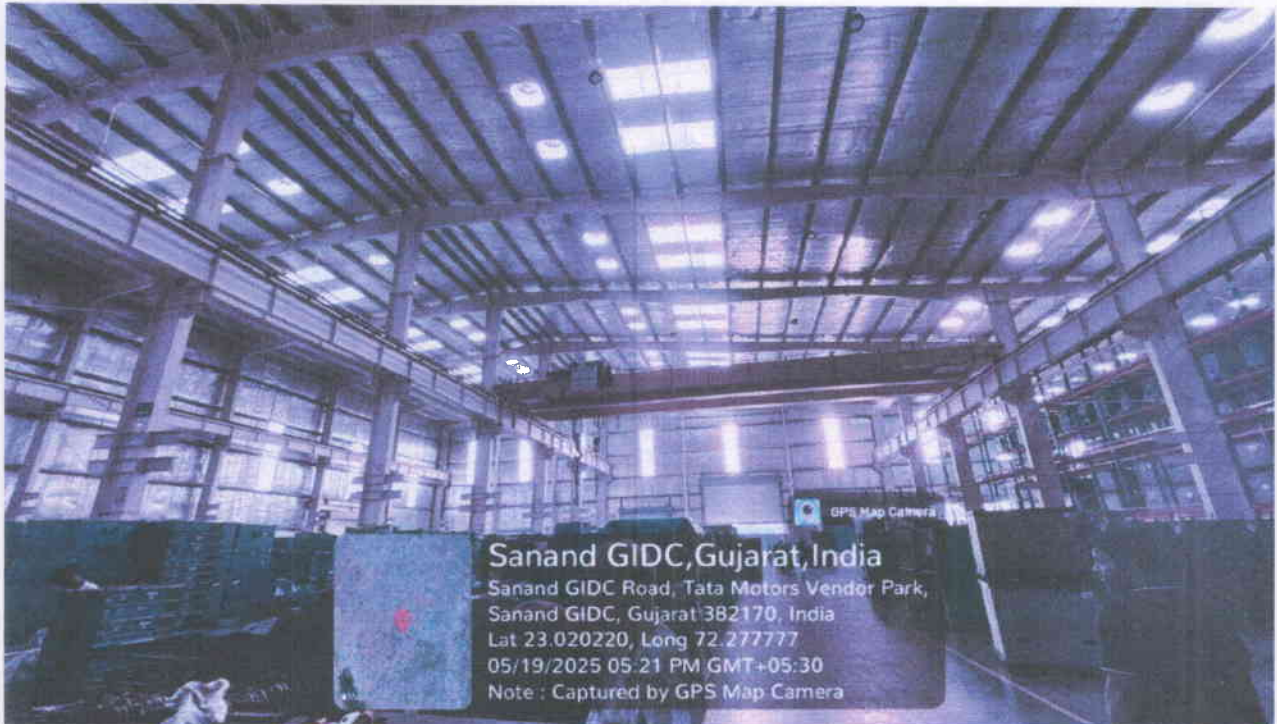




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D. S. Desai





Sanand GIDC, Gujarat, India

Sanand GIDC Road, Tata Motors Vendor Park,

Sanand GIDC, Gujarat 382170, India

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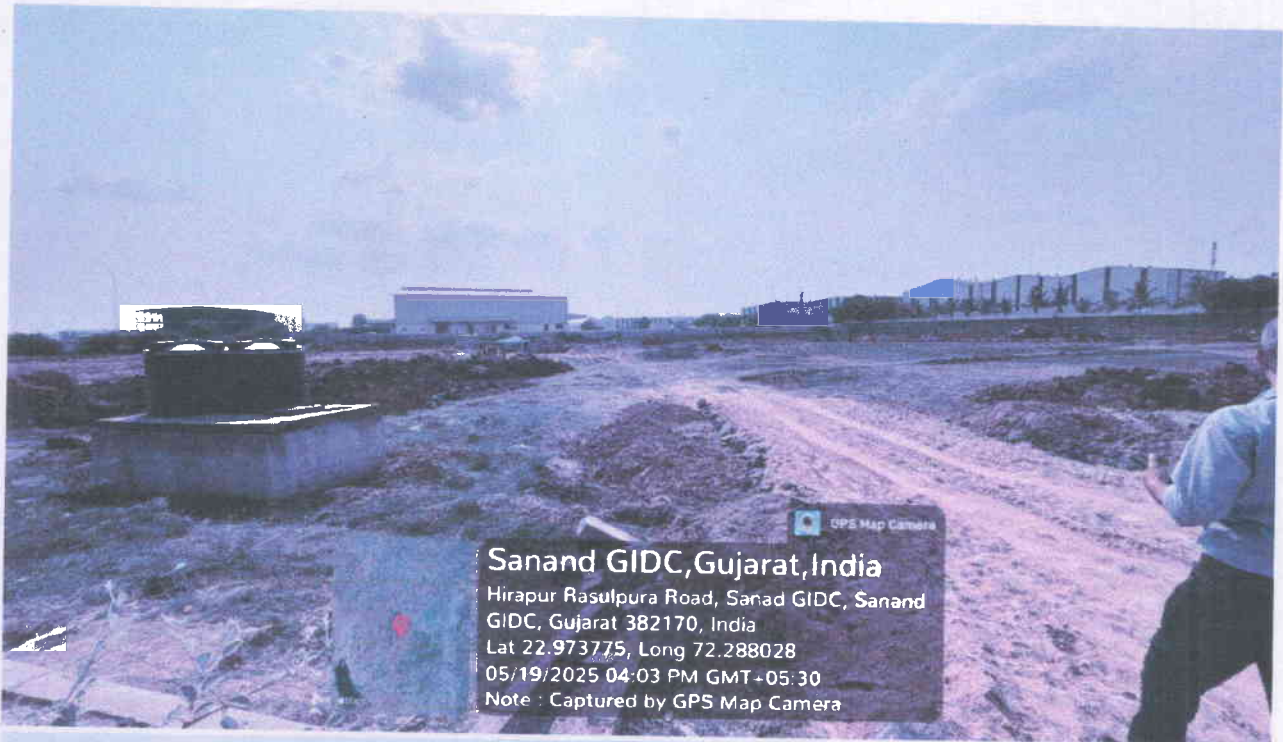
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New project land



Satardekar





Sapankar

Shrey

