



## **BANCO PRODUCTS (INDIA) LTD.**

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File No. A7491  
Cert. No. 2000295752

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DT :15.07.2011

To,  
The National Stock Exchange  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra Kurla Complex,  
Bandra (East),  
Mumbai - 400 051.

Sub: Additional Information on Proposal of Slump Sale

Dear Sir,

With reference to above, and further to our letter dated 14.07.2011 regarding outcome of the Board Meeting, held on 14.07.2011, we enclose herewith Additional Information on Proposal of Slump Sale of Gasket Division.

Kindly take note of the above on your record.

Thanking you,

Yours faithfully,

For Banco Products (India) Limited

  
Director

GOVERNMENT RECOGNISED EXPORT HOUSE

Regd. Office & Factory : Bil, Near Bhaili Railway Station, Padra Road, Dist. Vadodara - 391410. Gujarat, India.

### **Note On Transfer of Gasket Division**

Banco Products (India) Limited has 2 major groups of manufacturing (a) Heat Exchangers (Radiators) and (b) Sealing systems (Gaskets). Currently out of our total revenue, around 82-85% comes from Radiator Division and balance around 18-15% comes from Gasket Division. On profitability (PBT), around same percentage is derived from Radiators and Gaskets.

Over the past years, we developed good expertise in both aluminum and Copper/Brass radiator with help of in-house developed technology and seen the good results in terms of Revenue Growth and Profitability.

In the current scenario, more focus is required on Radiator side wherein we see very good growth potential. Our wholly owned subsidiary NRF, Netherlands is also engaged in the business of Heat Exchange products with annual Turnover of around Euro 62M.

Looking to the future, Gasket group product will benefit from induction of new technology partner in view of growth potential of the Indian automobile industry. Potentially new partner can also bring benefits of existing links with overseas OEMs.

In view of the same, It was decided to transfer entire operation of Gasket to proposed new Subsidiary of Banco Products India Limited (subject to approval of share holders / relevant Authority) to create a plat-form ready for new technology partner to enter.

At Ankhi , near Baroda we have all full fledged manufacturing facility of gaskets inclusive of back ward integration like CFJS, rubber and cork manufacturing, rubber molding etc. along with independent staff and Management Team which is also based at Ankhi.

This note contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis Of any subsequent developments, information or events

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