



Talbro's Automotive Components Limited

Business Update

Board Approves Divestment of its entire 40% stake in Joint Venture Company Nippon Leakless Talbro's for Rs. 81.8 crores

Haryana, 22nd December 2023

Talbro's Automotive Components Limited (TACL), an Auto Component player with a diversified portfolio of Gaskets, Heat Shields, Forgings, Suspension Systems, Anti-vibration Products & Hoses today announced that its Board of Directors have approved the Divestment of its entire 40% stake in its Joint Venture company Nippon Leakless Talbro's. Post the stake sale by TACL, Nippon Leakless will own 100% of the Company. TACL will realize Rs. 81.8 crores for its entire 40% equity stake sale. (JV Company valued at Rs. 204.5 crores). This transaction is subject to certain conditions precedent and is expected to be completed in Q4FY24.

TACL intends to utilize the proceeds for its future capex and expansions. The JV Company, Nippon Leakless Talbro's was formed in 2005 with TACL owning 40% and Nippon Leakless owning the balance 60%. The JV Company manufactures Gaskets for major 2-wheeler OEMs in India and achieved standalone Sales of Rs. 86.2 crores in FY23 (At 100%).

The entire Board of Directors and Management Team of TACL takes this opportunity to thank the Nippon Leakless team for this successful partnership and wishes them success in their future endeavors.

Commenting on the above Mr. Anuj Talwar, Jt. Managing Director, Talbro's Automotive Components Limited said:

“In a strategic review of the business, the Board of Directors have approved the divestment of its entire 40% equity stake in Nippon Leakless Talbro's.

There are immense opportunities in the Indian Auto component industry including our current product portfolio. We believe the proceeds of this stake sale will help us further enhance the true potential of our product portfolio and capabilities as also to explore new opportunities. The proceeds will also help us invest in Business to capitalize on the strong acceptance of our products and quality by both marquee Domestic and International Automotive OEMs.”



About Talbro's Automotive Components Limited:

Talbro's Automotive Components Limited., the flagship manufacturing company of the Talbro's Group was established in the year 1956 to manufacture Automotive & Industrial Gaskets in collaboration with Coopers Payen of UK. Today Talbro's stands proud and tall as a mother brand of gaskets, chassis, rubber products and forgings in India. Talbro's Group portfolio also includes Mercedes Benz dealership for passenger cars.

TACL together with JV alliances has 10 manufacturing facilities at Haryana, Uttarakhand, and Maharashtra and R&D technology center at Faridabad. The facilities are equipped to design, develop and manufacture products as per customer requirements competitively. The company has technical collaborations with Sanwa Packaging – Japan.

Few of the marquee customers includes Bajaj Auto, Tata Cummins, Volvo Eicher India, Ashok Leyland, Escorts Group, Force Motors, Hero MotoCorp, Honda, Hyundai, John Deere, Mahindra & Mahindra, Maruti Suzuki, Suzuki, TAFE, Daimler India, Tata Motors, Simpsons, Carraro, Dana, Musashi, Spicer, GE and QH Talbro's besides a robust distribution network in the aftermarket. For more information, please visit www.talbro's.com

Safe Harbor

This document may contain forward-looking statements about Talbro's Automotive Components Limited & its subsidiaries, which are based on the beliefs, opinions, and expectations of the company's management as the date of this Investor release and the companies do not assume any obligation to update their forward-looking statements if those beliefs, opinions, expectations, or other circumstances should change. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. Consequently, readers should not place any undue reliance on such forward-looking statements.

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