

Modi Rubber completes sale of tyre division to Continental

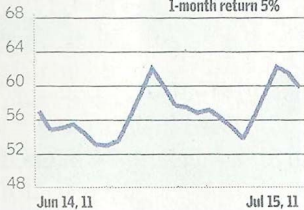
Mumbai, July 15

Modi Rubber has completed the sale of its wholly-owned tyre manufacturing division to Germany's Continental Group on Friday for a total of around Rs 135 crore. In a statement to the bourses, the company said that its entire 5.6 crore shares in Modi Tyres Company has been sold to Continental. The deal was originally announced in April this

Modi Rubber

Rs.60

1-month return 5%



year. "The sale by the company (Modi Rubber) of its entire shareholding in Modi Tyres Company has been closed on July 15, 2011 and completed for a share purchase consideration of (approx) Rs 117.6 crore and a non-compete fee net of withholding tax in the sum of Rs 17.2 crore. The company's subsidiary, Modi Tyres Company stands transferred to, and Modi Tyres Company has become a wholly owned subsidiary of, the Continental Group," the statement said. - **Our Bureau**