

Minutes of the Pre-Bid Conference for submission of EOI in respect of the disinvestment of Tyre Corporation of India Limited (TCIL) through outright sale held on July 27, 2012 at 14.30 hours in the Committee Room of the Department of Disinvestment (DoD) (Room No. 515, Block 14, CGO Complex, New Delhi)

The list of participants is as under:

1. Shri Pramod Agrawal, Joint Secretary, Department of Disinvestment (In Chair)
2. Brig. S.K. Mutreja, CMD, Tyre Corporation of India Limited
3. Shri S.K. Singh, Director, Department of Heavy Industry
4. Shri Shakil Alam, Deputy Secretary, Department of Disinvestment
5. Shri Suchismit Ghosh, Vice President, SBI Capital Markets Limited
6. Shri Vivek Khurana, Vice President, SBI Capital Markets Limited
7. Shri Amit Kumar, Deputy Manager, SBI Capital Markets Limited
8. Ms. Aarti Joshi, Principle Associate, Amarchand & Mangaldas
9. Ms. Hoysala Grandhi, Amarchand & Mangaldas
10. Shri Sanjeev Malhotra, General Manager, Ralson (India) Limited
11. Shri B.D. Joshi, Director, Techno India Group
12. Shri Sumit Goyal, Senior Vice President, Patton International Limited
13. Shri Niraj Purohit, BDO Consulting
14. Shri Harvinder Singh Chadha, Managing Director, Vikas Road Carriers Limited
15. Shri Varinder Pal Singh Kandhari, Vikas Road Carriers Limited
16. Shri Amandeep Malhi, Associate, KSB Partners

The intention of the Conference was to respond to any queries that the interested parties had with respect to the transaction. The following matters were discussed.

1. Business model of TCIL.

Response: TCIL is currently engaged in manufacturing tyres for buses, trucks and tractors. TCIL has its own brand with the name of “**Incheck**” and in late 90`s it exported its products to countries like Bangladesh, Malaysia and Singapore. Due to lack of working capital facilities, currently TCIL is engaged into jobbing work for leading Indian Tyre manufacturers like JK Tyres, Ceat, Apollo.

2. State of Plant & Machineries and capital expenditure required for continuing current operation.

Response: The plant at Kankinara has capacity of 35,000 tyres per month, is operational and currently engaged in jobbing work for leading players. Products produced in the plant meet the quality criteria of leading tyre manufacturers in India. As regards specific amount of capex required, it would depend on what exactly interested parties really wanted to do with the plant. However, it was clarified that there was a need to upgrade the pipelines, moulds and boilers for which requisite capex would be required.

3. Details about the land.

Response: TCIL owns two plots of land, one at Kankinara and the other at Kalyani. At Kankinara total land is approx. 30.77 Acres (Freehold) and at Kalyani there is approx. 29 Acres of land which can be used only for industrial purposes. The land at Kalyani is a leasehold land for 999 years. The plant is located at Kankinara while the land at Kalyani is lying virtually vacant with an old shed and a dilapidated building. The rest of the land is covered with heavy vegetation. There is a boundary wall all around the plant and no encroachment whatsoever.

4. Outlook of the current employees towards the sale process.

Response: Due to financial problems of the company, employees at TCIL are not being paid bonuses. They feel that if the plant is not made fully operational soon, it may shut down and they will lose their employment. In the given condition, employees of the TCIL are also in the favour of divesting this company to a buyer who is interested in running the company and making it profitable.

5. Is Government of West Bengal involved in the process?

Response: TCIL is a central public sector enterprise, and hence, the process of sale is being carried out by Government of India.

6. Process of Sale.

Response: The next step for interested parties will be submission of Expression of Interest (EoI). After submission of EoI, qualified interested parties that have entered into Confidentiality Undertaking will have access to the Confidential Information Memorandum (giving details of the Company), Request for Proposal (Detailing sale process, payments and required documents) and Draft Sale Documents (All the terms of Sale). Qualified Interested Parties will also be allowed to visit the plant along with their technical consultants to assess the condition of plant, and all the books of the company will be opened to enable them assess the opportunity in a better way. Since this is a Government disinvestment process all the issues will be disclosed to the qualified interested parties to make the process transparent.

Interested parties were encouraged to submit an EoI, which would enable them to pay a visit to the plant and also examine the books of the company in detail. This in turn would help them to understand the operations better and take an informed decision on the price that they might like to offer for the company.

It was also made clear to the interested parties not to look at the sale from a mere real estate perspective. Instead the interested parties should look at it from the point of view of securing optimum utilization of the facilities for the manufacture, production and distribution of tyres, tubes and other rubber goods, which is the purport of the TCIL (Disinvestment of Ownership) Act 2007.

The conference concluded with a vote of thanks to the interested parties for attending this conference.