TUBE INVESTMENTS OF INDIA LIMITED

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To All Members

Dear Member,

Abstract of the terms of re-appointment of Mr. L Ramkumar as Managing Director of the Company pursuant to Section 302 of the Companies Act, 1956.

The Board of Directors, at its meeting held on 31st January 2013, re-appointed Mr. L Ramkumar as Managing Director of the Company from 1st February, 2013 to 8th April, 2016 (both days inclusive). Mr. L Ramkumar is a Cost Accountant and has a Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad. He has 33 years of rich and varied experience in Management including 21 years in the Company itself in different capacities.

The terms of remuneration of Mr. L Ramkumar are as follows:

a. **Salary** : Rs.5,00,000/- per month in the scale of Rs.5,00,000/- - Rs.10,00,000/-. The increments within the scale would be decided by the Compensation & Nomination Committee.

b. **Allowances** : Allowances like Leave Travel Allowance, Personal Allowance, Special Allowance, Grade Allowance and/or any other allowance as may be determined by the Compensation & Nomination Committee from time to time.

c. **Incentive** : As may be determined by the Compensation & Nomination Committee from time to time.

d. **Perquisites** : Perquisites such as furnished/unfurnished accommodation to be provided by the Company or house rent allowance in lieu thereof, reimbursement of medical expenses incurred for self and family, club fees, provision of car(s) and any other perquisites, benefits or amenities as per the Company's scheme(s) in force from time to time.

e. **Retirement benefits** :
   (i) Contribution to Provident Fund, Superannuation Fund and Gratuity as per rules of the Fund/Scheme in force from time to time.
   (ii) Encashment of leave as per rules of the Company in force from time to time.

f. **General** :
   (i) In the event of absence or inadequacy of profits in any financial year, Mr. L Ramkumar shall be entitled to such remuneration as may be determined by the Board, which shall not, except with the approval of the Central Government, exceed the limits prescribed under the Companies Act, 1956 and rules made thereunder or any statutory modification or re-enactment thereof.
   (ii) Perquisites shall be valued in terms of income-tax rules or actual expenditure incurred by the Company in providing the benefit or generally accepted practice as is relevant. Provision of telephone (including at residence) shall not be reckoned as perquisite.
   (iii) The aggregate remuneration (including salary, allowances, perquisites, incentive and retirement benefits) for any financial year shall be subject to an overall ceiling of 5% of the net profits of the Company for that financial year computed in the manner prescribed under the Companies Act, 1956.
   (iv) Mr. L Ramkumar will be entitled for grant of stock options under the Employees Stock Options Scheme(s), as decided by the Compensation & Nomination Committee from time to time.
   (v) Mr. L Ramkumar will not be entitled to any sitting fees for attending meetings of the Board or any Committee thereof.
   (vi) Mr. L Ramkumar will be subject to all other service conditions as applicable to any other employee of the Company. He will not be entitled for severance fee or other compensation for any loss of office.

The re-appointment and terms of remuneration of Mr. L Ramkumar are pursuant to the provisions of Sections 198, 269, 309 and Schedule XIII of the Companies Act, 1956 and subject to the limits specified therein.

The aforesaid re-appointment and the terms of remuneration are subject to the approval of the shareholders at the next general meeting.

Memorandum of Interest

Mr. L Ramkumar is interested in the terms of his re-appointment. No other Director is concerned or interested.

By Order of the Board
For **Tube Investments of India Ltd.**

Chennai
31st January, 2013

S SURESH
Company Secretary