Tube Investments of India Ltd.
Dare House, 234, N.S.C. Bose Road, Chennai 600 001, India
Tel: 91.44.4217 7770-5 Fax: 91.44.4211 0404
Website: www.tiindia.com

31st October, 2013

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (E)
Mumbai 400 051

BSE Ltd.
1st Floor
New Trading Ring, Rotunda Building
P J Towers, Dalal Street
Fort
Mumbai 400 001

Dear Sirs,

Unaudited financial results for quarter ended 30th September, 2013 – Press Release

Please find enclosed a copy of the Press Release for your records.

Thanking you,

Yours faithfully,
For TUBE INVESTMENTS OF INDIA LIMITED

S SURESH
COMPANY SECRETARY

Encl:

murugappa

INDIA

murugappa

TUBE INVESTMENTS OF INDIA LTD CONSOLIDATED Q2 NET PROFIT UP BY 12%

The Board of Directors of Tube Investments of India Limited (TII) met today and approved the financial results for the quarter and half year ended 30th September, 2013.

Consolidated Results

The Company's consolidated Net Profit before Minority Interest for the quarter was at `136 Cr., a growth of 25% against the corresponding quarter of the previous year. Net profit after minority interest for the quarter was at `85 Cr. against `76 Cr. for the corresponding quarter in the previous year.

Cholamandalam Investment & Finance Company Ltd, a subsidiary company in the financial service business, registered a good growth of 6% in the disbursements for the quarter. Profit after Tax (PAT) for the quarter was at `90 Cr. against `70 Cr. for the corresponding quarter in the previous year, registering an impressive growth of 29%.

Cholamandalam General Insurance Company Ltd., a general insurance subsidiary of the Company registered a significant growth of 10% in Gross Written Premium during the quarter. Gross Written Premium for the quarter was at `429 Cr. as against `391 Cr. and the PAT for the quarter was at `17 Cr. as against `10 Cr, a growth of 70% compared with corresponding quarter in the previous year.

Shanthi Gears Ltd., a subsidiary company in the Gears Business, registered a revenue growth of 10% for the quarter compared with corresponding quarter of the previous year. Profit after Tax (PAT) for the quarter was at `7 Cr. as against `6 Cr., a growth of 18% compared with corresponding quarter in the previous year.

Standalone Results

TII's Revenue for the quarter was higher by 5% as compared with Q1 of the current financial year. TII's Revenue for the quarter was lower by 7% at `864 Cr. as against `929 Cr. for the corresponding quarter in the previous year. The profit before interest and tax for the quarter was at `72 Cr. as against `75 Cr. for the corresponding quarter in the previous year. The PAT for the quarter was `32 Cr. as compared to `37 Cr. for the corresponding period in the previous year.

Mr. L. Ramkumar, Managing Director said, "TII is beginning to see signs of recovery in its end markets. Demand for bicycles was encouraging compared to the previous quarter. The Company has embarked upon numerous operational excellence and cost reduction initiatives including investments in plant modernization to partially offset the increase in input costs. TII continues to engage deeply with Customers on various technology and value addition initiatives. Progress on the green field project to manufacture Large Diameter Welded Tubes is as per plan and is expected to commence production in Q1 of the next financial year".

Review of Businesses

Bicycles

The Bicycle division registered a growth of 3% in volumes during the quarter compared with Q1 of the current financial year. The division registered a drop in volumes by 15% during the quarter compared with corresponding quarter in the previous year. The revenue for the quarter was `325 Cr. as against `377 Cr.

for the corresponding quarter in the previous year. Profit before Interest and Tax for the quarter was `14 Cr. as against `22 Cr. for the corresponding quarter in the previous year. The margins were under pressure due to increase in input costs and competitive environment.

Engineering

The Engineering division registered a volume growth of 1% in Tubes and 5% in Cold Rolled Steel Strips during the quarter compared with corresponding quarter in the previous year. The Engineering division's revenue for the quarter was `372 Cr. as against `378 Cr. for the corresponding quarter in the previous year. Profit before Interest and Tax for the quarter was `32 Cr. as against `29 Cr. for the corresponding quarter in the previous year. The improvement in profit was achieved through better internal efficiencies and cost reduction.

Metal Formed Products

In this segment, the domestic volumes of the automotive Chains increased by 19% and volume to the replacement market increased by 36% over the corresponding quarter in the previous year. The doorframe segment and railway segment registered a drop over the corresponding quarter in the previous year. The revenue for the quarter was `202 Cr. as against `205 Cr. for the corresponding quarter in the previous year. Profit before Interest and Tax for the quarter was `19 Cr. as against `22 Cr. for the corresponding quarter in the previous year.

About Murugappa Group

Founded in 1900, the `225 Billion Murugappa Group is one of India's leading business conglomerates. The Group has 28 businesses including eleven listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Sabero Organics Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd., and Wendt (India) Ltd.

Market leaders in served segments including Abrasives, Auto Components, Cycles, Sugar, Farm Inputs, Fertilisers, Plantations, Bio-products and Nutraceuticals, the Group has forged strong alliances with leading international companies like Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Crucible and Sociedad Química y Minera de Chile (SQM). The Group has a wide geographical presence spanning 13 states in India and 5 continents.

Renowned brands like BSA, Hercules, Ballmaster, Ajax, Parry's, Chola, Gromor and Paramfos are from the Murugappa stable. The organization fosters an environment of professionalism and has a workforce of over 32,000 employees.

For more details, visit http://www.murugappa.com

For further information, please contact:
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