Tube Investments of India Ltd.
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30th April, 2012

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

Bombay Stock Exchange Ltd
1st Floor
New Trading Ring, Rotunda Building
P J Towers, Dalal Street
Fort
Mumbai 400 001

Dear Sirs,

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:

INDIA

murugappa

TUBE INVESTMENTS OF INDIA LTD CONSOLIDATED Q4 Net UP BY 93%

The Board of Directors of Tube Investments of India Limited (TII) met today and approved the financial results for the year ended 31st March, 2012. The Board has recommended a final dividend of ₹1 per share (50% of the face value of ₹2 per share). The Board had declared an interim dividend of ₹2 per share (100 % of the face value of ₹2 per share) which was paid to the shareholders in February 2012.

Consolidated Results

The Company's consolidated Net Profit for the quarter was at ₹77 Cr. against ₹40 Cr. in the previous year, a growth of 93%. Net Profit for the financial year was at ₹269 Cr. against ₹196 Cr. in the previous year, clocking an impressive growth of 37%.

Cholamandalam Investment & Finance Company Ltd, a subsidiary company in the financial service business, registered a good growth of 71% in the disbursements for the quarter. Profit After Tax (PAT) for the quarter was at ₹61 Cr. against ₹36 Cr. for the same period last year, registering a growth of 69%. PAT for the year was at ₹169 Cr. against ₹85 Cr. of last year, a growth of 99%.

Cholamandalam General Insurance Company Ltd., a general insurance subsidiary of the Company registered a significant growth of 51% in Gross Written Premium during the quarter. Gross Written Premium for the year was at ₹1506 Cr. as against ₹1047 Cr., a growth of 44%. In January 2012, Insurance Regulatory and Development Authority (IRDA) had issued a directive on ultimate loss ratio with regard to Motor Pool to the General Insurance Industry. IRDA has issued guidance on the amortization of loss and maintenance of capital adequacy. Adopting the guideline issued, Cholamandalam MS General Insurance Company Ltd. has provided ₹33 Cr. during the quarter and ₹66 Cr. for the year covering the losses upto March 2012. The PAT for the quarter was at ₹5 Cr. as against a loss of ₹34 Cr. during corresponding period last year. PAT for the year was at ₹19 Cr. as against a loss of ₹23Cr for last year.

Financiere C 10, the Company's overseas subsidiary manufacturing Industrial chains achieved a turnover of ₹216 Cr. a growth of 23% and a PAT of ₹5 Cr., a growth of 67% for the period January to December 2011.

TII sales for the quarter were up by 11% at ₹871 Cr. as against ₹782 Cr. for the same period last year. The profit before depreciation, interest and tax for the quarter was at ₹95 Cr. as against ₹92 Cr. last year. The PAT for the quarter was ₹58 Cr. as compared to ₹46Cr. for the corresponding period in the previous year, a growth of 26%. For the financial year TII achieved a turnover of ₹3459 Cr., a growth of 17% over the last year and PAT of ₹180 Cr., achieving a growth of 6%. PAT for the previous year includes an exceptional income of ₹21 Cr.

Mr. L. Ramkumar, Managing Director said, "The bicycles division for the quarter has registered a growth of 8% in volume and 16% in revenue over corresponding period last year. The auto industry growth has been steadily declining from Q1. The growth rate came down from 18% in Q1 to 11% in Q4. During Q4 commercial vehicles segment growth came down to 10% and motorcycle segment growth to 8%. These impacted the turnover of engineering and metal formed product segments. The margins were under pressure across all segments due to increased material cost, inflation in fuel costs and rupee depreciation. We have recovered the input costs partially and focusing on efficiencies to neutralize the impact."

Review of Businesses

Bicycles/E scooters

The bicycle division for the year recorded a volume growth of 8% and turnover was up by 15% over the last financial year. The expansion of retail network continued and 830 outlets have been established till date. Profit before Interest and Tax for the year was ₹76 Cr. as against ₹78 Cr. of the previous year. The margins were under pressure due to product mix, exchange rate and inability to pass on the cost increases fully to the market due to competitive environment.

Engineering

The Engineering division recorded a domestic volume growth of 15% in tubes and Cold Rolled Steel Strips by 7% for the year. This division registered revenue of ₹1457 Cr., a growth of 22% over the last year. Auto industry continued to grow at a lower rate of 11% during the quarter as compared to the corresponding quarter of last year. Profit before Interest and Tax for the year was ₹131 Cr. as against ₹113 Cr. of the previous year.

Metal Formed Products

In this segment, the domestic volumes of automotive chains increased by 14% and that of industrial chains by 11% for the year. Export of industrial chains registered a growth of 40% mainly due to higher sale to the European market and better off-take from OEMs in the US. The engineering class chains also registered a strong growth of 27% over last year. The doorframe segment volumes registered a drop of 9% mainly due to lower growth of passenger cars segment. Due to delay in release of orders to the wagon builders from Railways, the products for railway segment has not registered a volume growth which affected the margin of this segment. The revenue of this division was ₹870 Cr., a growth of 12% over the last year. Profit before Interest and Tax for the year was ₹112 Cr. as against ₹102 Cr. of the previous year.

About Murugappa Group

Founded in 1900, the Rs. 17051 Crores (USD 3.8 billion) Murugappa Group is one of India's leading business conglomerates. The Group has 28 businesses including eight listed Companies actively 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., Tube Investments of India Ltd., and Wendt (India) Ltd.

Market leaders in served segments including Abrasives, Auto Components, Cycles, Sugar, Farm Inputs, Fertilizers, Plantations, Construction, Bio-products and Nutraceuticals, the Group has forged strong joint venture alliances with leading international companies like Groupe Chimique Tunisien, Foskor, Cargill, Mitsui Sumitomo and Morgan Crucible. The Group has a wide geographical presence spanning 13 states in India and 5 continents.

Renowned brands like BSA, Hercules, Ballmaster, Ajax, Parry's, 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 www.murugappa.com.

For further information, please contact:

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