



TUBE INVESTMENTS OF INDIA LIMITED

Registered Office: 'Dare House', 234, N S C Bose Road, Chennai – 600 001
Tel: 91.44.42177770-5 Fax: 91.44.42110404 Website: www.tiindia.com

NOTICE OF POSTAL BALLOT PURSUANT TO SECTION 192A OF THE COMPANIES ACT, 1956

To

The Members of Tube Investments of India Limited

NOTICE is hereby given pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules 2011, that the following Special Resolutions are proposed to be passed by way of Postal Ballot:

- 1) Approval under Section 372A of the Companies Act, 1956, for the investment of a sum not exceeding Rs.3 crores in the equity share capital of M/s. Cauvery Power Generation Chennai Private Limited.**
- 2) Approval under Section 180(1)(c) of the Companies Act, 2013, for the increase in the borrowing powers of the Company.**

As provided under Section 192A of the Companies Act, 1956, the consent of the Members, by means of Special Resolutions, is sought by way of postal ballot for the aforesaid purposes. The Special Resolutions and the Explanatory Statement setting out all the material facts and reasons for the proposals appended hereto are being sent to you herewith along with the Postal Ballot Form for casting your votes. Members may please note that the voting on the resolutions as contained in this Notice may be made through postal ballot. Members may please further note that the Company is offering electronic voting (e-voting) as an alternate facility to enable casting of votes by Members electronically instead of dispatching to the Company the Postal Ballot Form. The Company has appointed National Securities Depository Ltd (NSDL), as the agency for e-voting and such of the shareholders who wish to vote electronically may follow the instructions given for e-voting, as appended to this Notice. Kindly note that e-voting is optional.

The Board of Directors has appointed Mr. R Sridharan of M/s. R Sridharan & Associates, Company Secretaries, as Scrutinizer for conducting the Postal Ballot voting process in a fair and transparent manner.

Please read carefully the instructions printed on the Postal Ballot Form carefully and return the Form duly completed and signed in the attached self-addressed, Business Reply envelope, so as to reach the Scrutinizer **on or before the close of working hours (5.30 P.M.) on Friday, 14th March, 2014**. Please note that any Postal Ballot Form(s) received after the closing hours of the said date will be treated as not having been received. No other form or photocopy thereof is permitted. The Scrutinizer will submit his report to the Chairman or any Director of the Company after completion of the scrutiny of the Postal Ballots. The results of the Postal Ballot will be announced by the Chairman or any Director of the Company on Wednesday, 19th March, 2014 at 10.30 A.M. at the Registered Office of the Company at 'Dare House', 234, N.S.C. Bose Road, Chennai – 600 001. The results of the Postal Ballot will also be displayed at the Registered Office and posted on the Company's website viz., www.tiindia.com besides being communicated to the Stock Exchanges where the Company's shares are listed.

The date of declaration of the results will be treated as the date of passing of the said resolutions. The resolutions being Special Resolutions, will be declared as passed if votes cast in favour of each of the resolution is three times more in number than the votes, if any, cast against it.

In compliance with provisions of Section 192A of the Act read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 and Listing Agreement, Members may cast their votes either through Postal Ballot form or through electronic form (e-voting). Those Members opting for e-voting may follow the procedure, as recommended by NSDL, the e-voting agency appointed by the Company, under "E-voting Instructions" of this Notice.

By Order of the Board
For Tube Investments of India Ltd
S Suresh
Company Secretary

Chennai
4th February, 2014

1. To consider and, if deemed fit, to pass the following Resolution as a Special Resolution:

RESOLVED that pursuant to the provisions of Section 372A of the Companies Act, 1956 and other applicable provisions thereunder, if any (including any statutory modification(s) or re-enactment thereof from time to time) ("the Act"), and subject to such approvals, consents, sanctions and permissions, as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company to invest, by way of purchase, subscription or otherwise, in one or more tranches, in the equity shares of M/s. Cauvery Power Generation Chennai Private Limited, for an aggregate sum not exceeding Rs.3 crores, even if such investment exceeds the limits prescribed under the Act.

RESOLVED FURTHER that the Board of Directors of the Company is hereby severally authorised to take such steps as may be necessary for obtaining approvals, permissions, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and also to delegate all or any of the above powers to a Committee of the Board of Directors and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.

2. To consider and, if deemed fit, to pass the following Resolution as a Special Resolution:

RESOLVED that in supersession of the Ordinary Resolution passed by the Members earlier at the Extraordinary General Meeting held on 21st February, 1994 in this regard and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act / Companies Act, 1956 relating to borrowing, the Board of Directors of the Company is hereby authorised to borrow any sum or sums of moneys as it may deem fit notwithstanding that the aggregate of such borrowings exceeds the paid up capital and free reserves of the Company, provided however that the aggregate of amounts borrowed and outstanding at any time (apart from temporary loans obtained from Company's bankers in the ordinary course of business) shall not exceed in the aggregate the Company's Net Worth (as defined under the Act) by Rs.400 crores (Rupees four hundred crores only).

By Order of the Board
For Tube Investments of India Ltd
S Suresh
Company Secretary

Chennai
4th February, 2014

ANNEXURE TO NOTICE EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM No.1

Presently, all HT power consumers in the State of Tamilnadu face a high level of power cut. Hence, all divisions of the Company perforce have to purchase power from private power producers to bridge the gap in demand and supply.

In terms of the Group Captive Power Policy (GCP Policy) of the Government of India, individual industrial consumers are permitted to come together and hold 26% of the equity in a power plant set up by a developer. This is subject to the condition that these industrial consumers between themselves consume 51% of the power produced in the plant. Further, the obligation to consume power generated in such a group captive power plant shall be in proportion to the ownership rights held by the respective industrial consumers in the power plant.

In the aforesaid context, to manage the present difficult power situation through effective use of the GCP Policy option, the Company proposes to invest in the share capital of M/s. Cauvery Power Generation Chennai Private Limited ("Cauvery Power"), a private power producer, operating a 1x63 MW coal based power plant near Chennai, for sourcing power. In order to meet the power requirement of the various business divisions of the Company, it is proposed to invest in the share capital of Cauvery Power, for an aggregate consideration not exceeding Rs.3 crores and avail power supply under the GCP Policy. The investment and purchase of power from Cauvery Power will benefit the Company both in terms of availability of power and saving in cost of electricity.

Since the investment, together with the investments already made by the Company, will be in excess of the limits prescribed under Section 372A of the Companies Act, 1956, prior approval of the shareholders by way of a Special Resolution is required for the same. The funds required for this investment will be met out of internal accruals or such other sources, as the Board of Directors ("Board") may deem appropriate.

In view of the above, approval of the shareholders is sought for the investment in the share capital of Cauvery Power, up to a sum not exceeding Rs.3 crores.

As the proposed investment will enable the Company in meeting with its requirement for power through the Group Captive Power Policy of the Government of India and result in availability of power and cost saving, the Board recommends the passing of the Special Resolution under the accompanying Notice for approval of the Members.

Memorandum of Interest

None of the Directors of the Company, the key managerial personnel of the Company or the relatives of the Directors/key managerial personnel of the Company is concerned or interested in the Resolution.

ITEM No.2

At the Extraordinary General Meeting held on 21st February, 1994, the Company was authorized, in terms of Section 293(1)(d) of the Companies Act, 1956, to borrow (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) up to an amount of Rs.250 crores over and above its paid up capital and free reserves.

With the existing outstanding borrowing along with borrowing proposed to be made till 31st March, 2014, it is anticipated that there will be only a small headroom under the Company's sanctioned limit for further borrowings to meet the business requirements.

Considering the requirement for increased borrowing to support the Company's planned business activities, including in connection with creation of new greenfield capacities and expansion of existing facilities, it is considered prudent to enhance the overall borrowing limits as not to exceed in the aggregate, at any time (apart from temporary loans obtained from Company's bankers in the ordinary course of business), the Company's Net Worth (as defined under the Companies Act, 2013) by Rs.400 crores. Accordingly, approval of the Members is sought for the Special Resolution under Section 180(1)(c) of the Companies Act, 2013, as furnished in the Notice.

Memorandum of Interest

None of the Directors of the Company, the key managerial personnel of the Company or the relatives of the Directors/key managerial personnel of the Company is concerned or interested in the Resolution.

By Order of the Board
For Tube Investments of India Ltd
S Suresh
Company Secretary

Chennai
4th February, 2014

- Encl: 1) Postal Ballot Form
2) Postage pre-paid self addressed envelope

E-VOTING INSTRUCTIONS

The instructions for those Members who wish to cast their votes by e-voting are as under:

1) In case of Members receiving e-mail from NSDL:

- (a) Open e-mail and open PDF file viz., "Tube Investments e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your User ID and password for e-voting. Please note that the password is an initial password.
- (b) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (c) Click on "Shareholder" – "Login".
- (d) Key in User ID and password as initial password noted in step (a) above. Click "Login".
- (e) Password change menu appears. Change the password with new password of your choice with minimum 8 digits or characters or a combination thereof. Please take note of the new password. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
- (f) Home page of 'e-Voting' opens. Click on "e-Voting: Active Voting Cycles".
- (g) Select 'EVEN' of Tube Investments of India Limited.
- (h) Now, you are ready for "e-Voting" as "Cast Vote" page opens.
- (i) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (j) Institutional shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board resolution authority letter etc., together with attested specimen signature of the duly authorized signatory(ies), who are authorized to vote, to the Scrutinizer at his e-mail id., sridharan.r@aryes.in , with a copy marked to evoting@nsdl.co.in

2) In case of Members receiving Postal Ballot Form by Post:

- (a) Initial password is provided at the bottom of the Postal Ballot Form.
- (b) Please follow all steps from Sl. No. 1(b) to (j) above, to cast your vote.

- 3) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the "downloads" section of www.evoting.nsdl.com
- 4) If you are already registered with NSDL for e-voting then you can use your existing User ID and password for casting your vote and there is no need to register once again.
- 5) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- 6) To Members who have registered their e-mail ids for receipt of documents in electronic mode under the Green Initiative of the Ministry of Corporate Affairs, the Notice of Postal Ballot is being sent by e-mail and to others, the same is sent by post along with the Postal Ballot Form.
- 7) Members have the option either to vote through the e-voting process or through the Postal Ballot Form. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through Postal Ballot Form can download the Postal Ballot Form from www.evoting.nsdl.com or seek duplicate Postal Ballot Form from the Company's Registrar & Transfer Agent viz., **Karvy Computershare Private Limited, Unit: Tube Investments of India Limited, Plot No.17-24 Vittal Rao Nagar, Madhapur, Hyderabad – 500 081** - E-mail: einward.ris@karvy.com, fill in the details and send the same to the Scrutinizer.
- 8) Members are requested to cast their vote on the Postal Ballot only through one mode i.e., either through Postal Ballot Form or through e-voting. In case Members cast their votes through both the modes, votes cast through e-voting only will be considered and votes cast through Postal Ballot Form will be rejected.